



Make in India

For Prelims: Make in India, Foreign Direct Investment, Ease of Doing Business, Production Linked Incentive (PLI), National Single Window System (NSWS), One-District-One-Product (ODOP)

For Mains: Significance of Make in India in Transforming Indian Economy

Why in News?

Recently, **over a dozen “restrictive and discriminatory” conditions** which prevented local suppliers from participating in the bidding process **were flagged by the Union Government to boost ‘[Make in India](#)’** initiative.

- These conditions were **in violation of the Public Procurement (Preference to Make in India) Order, 2017, issued to protect the interests** of local suppliers and to **promote manufacturing and production of goods and services in India** with a view to enhance income & employment.

What is Make in-India Programme?

- **About:**
 - **Launched in 2014**, Make in India aims to **transform the country into a leading global manufacturing and investment destination**.
 - It is being led by the **Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce and Industry**, Government of India.
 - The initiative is an open invitation to potential investors and partners across the globe to participate in the growth story of ‘New India’.
 - Make In India has **substantial accomplishments across 27 sectors under Make in India 2.0** which include strategic sectors of manufacturing and services as well.
- **Objectives:**
 - To **attract foreign investment for [new industrialisation](#)** and develop the already existing industry base in India to surpass that of China.
 - Target of an **increase in manufacturing sector growth to 12-14% per annum** over the medium term
 - To **increase the share of [manufacturing](#) sector in the country’s Gross Domestic Product from 16% to 25% by 2022**
 - To **create 100 million additional jobs by 2022**.
 - To **promote export-led growth**.
- **Four Pillars:**
 - **New Processes:**
 - ‘Make in India’ **recognizes ‘[Ease of Doing Business](#)’** as the single most important factor to promote entrepreneurship for which a **number of initiatives have already been undertaken**.
 - The aim is to **de-license and de-regulate the industry** during the entire life cycle of a business.

- **New Infrastructure:**
 - The government intends to develop **industrial corridors, strengthen existing infrastructure, and design a fast-paced registration system** as part of its commitment to the growth of the industry.
- **New Sectors:**
 - 'Make in India' has identified **27 sectors in manufacturing, infrastructure and service activities** and detailed **information is being shared through interactive web-portal** and professionally developed brochures.
- **New Mindset:**
 - 'Make in India' intends to bring a **paradigm shift in how Government interacts with industry.**
 - The **Government will partner industry** in economic development of the country and the **approach will be that of a facilitator and not regulator.**
- **Outcomes:**
 - **Foreign Direct Investment (FDI) Inflows:** To attract foreign investments, **Government of India has put in place a liberal and transparent policy** wherein **most sectors are open to FDI** under the automatic route.
 - FDI inflows in India stood at USD 45.15 billion in 2014-2015 and have since consecutively reached record FDI inflows for eight years.
 - The year 2021-22 recorded the **highest ever FDI at USD 83.6 billion**
 - On the back of **economic reforms and Ease of Doing Business in recent years, India is on track to attract USD 100 Billion in FDI** in the current Financial Year (2022-23)
 - **Production Linked Incentive (PLI):** The **Production Linked Incentive (PLI)** scheme across 14 key manufacturing sectors, was launched in 2020-21 as a big boost to the Make in India initiative.
- **Related Initiatives:**
 - **[National Single Window System \(NSWS\)](#)**
 - **[PM Gati Shakti Programme](#)**
 - **[One-District-One-Product \(ODOP\)](#)**
 - **Scheme for building Semiconductor Ecosystem:** Recognising the importance of semiconductors in the world economy, the Government has launched a USD 10 billion incentive scheme to build a semiconductor, display, and design ecosystem in India.

UPSC Civil Services Examination Previous Year Questions (PYQs)

Prelims

Q. What is/are the recent policy initiative(s) of Government of India to promote the growth of manufacturing sector? (2012)

1. Setting up of National Investment and Manufacturing Zones
2. Providing the benefit of 'single window clearance'
3. Establishing the Technology Acquisition and Development Fund

Select the correct answer using the codes given below:

- (a) 1 only
- (b) 2 and 3 only
- (c) 1 and 3 only
- (d) 1, 2 and 3

Ans: (d)

Exp:

- National Investment and Manufacturing Zone is a new concept which is an integral part of the National Manufacturing Policy, 2011. The National Manufacturing Policy is a policy tool to be

applied to select zones designated for promoting manufacturing. **Hence, 1 is correct.**

- The 'single window clearance' has been provided, which will cut red tapism and facilitate investment and ease of doing business in the country. **Hence, 2 is correct.**
- The Technology Acquisition and Development Fund (TADF) was launched under the National Manufacturing Policy. TADF is a new scheme to facilitate acquisition of Clean, Green and Energy Efficient Technologies, in the form of Technology/ Customised Products/Specialised Services/Patents/ Industrial Design available in the market in India or globally, by Micro, Small and Medium Enterprises (MSMEs). Hence, 3 is correct.
- The Scheme is conceptualised to catalyse the manufacturing growth in the MSME sector to contribute to the national focus of "Make in India". **Therefore, option (d) is the correct answer.**

Mains

Q. "Success of 'Make in India' program depends on the success of 'Skill India' programme and radical labour reforms." Discuss with logical arguments. **(2019)**

Source: TH

PDF Refernece URL: <https://www.drishtias.com/printpdf/make-in-india-4>

