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Special issue on

MAKE IN INDIA – PROSPECTS AND CHALLENGES

Edited by

P. Aruna
K. Radha Pushpavathi
B. Naga Padmavathy

Two Day National Seminar on

MAKE IN INDIA – PROSPECTS AND CHALLENGES

8th & 9th March, 2017

Sponsored by UGC

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March, 2017

C O N T E N T S

Volume 4 **Issue 3(3)** **March, 2017**

Prof. M Mutyalu Naidu, MBA,Ph.D.
Vice Chancellor, Adikavi Nannaya University

MESSAGE

I congratulate the Department of Economics, S.K.S.D.Mahila Kalasala UG & PG (A) Tanuku, for organizing a National Seminar on "**MAKE IN INDIA – PROSPECTS AND CHALLENGES**" on 08th & 09th March, 2017.

My best wishes to the organizers, participants and faculty Members of the institution. I wish the seminar a grand success.

- M Mutyalu Naidu

Prof. R. SUDARSANA RAO
MEMBER
IV STATE FINANCE COMMISSION
GOVERNMENT OF ANDHRA PRADESH

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MESSAGE

I have great pleasure to know that the Department of Economics, SKSD Mahila Kalasala, (UG & PG) (A) Tanuku, West Godavari District is organizing a UGC Sponsored Two-Day National Seminar on Make In India-Prospects and Challenges during 8^{th} - 9^{th} March 2017. I have learnt that economists, experts, policy makers and learned faculty with long and rich experience will discuss and deliberate upon the chosen themes in the two-day Seminar. I hope the discussions and deliberations will lead to meaningful and pragmatic solutions which will be useful for immediate policymaking to attain the cherished objective of making India a manufacturing hub in this part of the world.

I congratulate the Management, Faculty and the Co-Sponsor particularly the Convener of the Seminar for choosing such a topic of contemporary importance for organising a National Seminar.

Yours Sincerely

(R .SUDARSANA RAO)

Hyderabad
27 -2-2017

Prof. K. Nageswar
Dept. of Communication and Journalism, Osmania University, Hyderabad.

MESSAGE

I have great pleasure to know that the Department of Economics, SKSD Mahila Kalasala, (UG & PG) (A) Tanuku, West Godavari District is organizing a UGC Sponsored Two-Day National Seminar on “Make In India-Prospects and Challenges” during 8th - 9th March 2017. The present National Seminar on Make in India is a timely gesture for reviewing the progress and challenges and also to come out with the necessary imperatives for the success of Make in India. I wish the event a pleasant conduct with resourceful deliberations and contributing outcome.

- **K. Nageswar**

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MESSAGE

I am immensely happy to learn that the SKSD Mahila Kalasala, UG&PG, Tanuku, is organizing National Seminar on “Make in India-Prospects and Challenges” from 8th & 9th March, 2017 and a souvenir is being brought to commemorate this occasion.

I congratulate the Principal, Head and Teachers of the Department of Economics and other staff involved in the seminar for taking a very recent and pertinent topic of today’s concern. Make in India is going to be a successful slogan to increase economic growth rates and overall development of the country.

I am sure that the deliberations in the seminar will be fruitful and meaningful and hope that the outcome of the seminar provides stupendous insights which pave the way for framing suitable policies in the wake of Liberalized economy.

I convey my best wishes for the success of the Seminar.

(Dr. B. Suresh Lal)

Sri Chitturi Subba Rao

Founder, Secretary & Correspondent, S.K.S.D. Group of Colleges

MESSAGE

I am immensely pleased to note that the Department of Economics are organizing a two day UGC sponsored National Seminar focusing the theme "MAKE IN INDIA – PROSPECTS AND CHALLENGES" on 08th & 09th March, 2017. The present seminar is a timely gesture and provides an academic forum for meaningful discussions and spread. I congratulate the convener of the seminar, faculty and the principal for their academic Endeavour. I wish the seminar a success with a hope that the deliberations and the seminar will definitely enlighten the stake holders and add to the strength of the policy initiations of the Government.

- Chitturi Subba Rao

Dr.D.Subba Rao, M.Com.,Ph.D
Administrative Officer,
S.K.S.D. Mahila Kalasala UG & PG (A), Tanuku

MESSAGE

I congratulate the Department of Economics, S.K.S.D.Mahila Kalasala UG & PG (A) Tanuku, for organizing a National Seminar on "**MAKE IN INDIA – PROSPECTS AND CHALLENGES**" on 08th & 09th March, 2017.

My best wishes to the organizers, participants and faculty Members of the institution. I wish the seminar a grand success.

-D.Subba Rao

Dr. J. Chandra Prasad
Director, SD College of IT, Tanuku

MESSAGE

Make in India initiative in India marked two and half years. At this juncture a look back and a look into is needed. Though the Make in India policy sent riffles across economy and also the globe, still the billion dollar question is the policy's effectiveness across the 25 declared sectors to turn India global and to make stand India against the 'Make in China' and the Trumps 'Buy American' calls. After Modi's clarion call of Make in India, the Make in India week in Mumbai and the launching of Make in India conference in Sydney made forays across the countries campaigning the readiness of India to realize that the dream of manufacturing edifice based on the fundamentals of rich resource base, building skill India assuring the ease of doing business in the country. No doubt, the initiations made inroads with theme building and action orientation but still much remains to be done. The present National Seminar on Make in India is a timely gesture for reviewing the progress and challenges and also to come out with the necessary imperatives for the success of Make in India. I wish the event a pleasant conduct with resourceful deliberations and contributing outcome.

-J.Chandra Prasad

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Role of Make in India as Driver Growth in Small Scale Industrial Sector

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Abstract: Make in India campaign is an initiative of Prime Minister Narendra Modi on 25th September 2014 by addressing a mass audience including both national and international entrepreneurs in New Delhi. This is an international marketing strategy conceptualized by the Prime Minister of India to attract investments from businesses all over the world and transforming India in to a global manufacturing Hub. Make in India campaign is being promoted by using web portel, logo and brochures for detailing 25 priority sectors of the economy. Focus on job creation, skill development and innovation and align India's manufacturing sector in to global value chain by encouraging Public Private Partnership(PPP), Joint Ventures(JV), Foreign Direct Investment (FDI) inflow, and advancing Ease in Doing Business(EDB) is the main objective behind this initiative. This Scheme focuses on acceleration economic growth to the heights and to pull back the economy from the clutches of the recession. Currently the service sector occupied the major share in GDP of our economy. Our objective in this paper is to study the role of make in India as a driver of growth in small scale industrial sector and its opportunities, challenges.

Key words: Joint Ventures, poverty eradication, employment generation

Introduction

In a developing country like India, the importance of small-scale industries is very significant towards poverty eradication, employment generation, rural development and achieving regional balance in promotion and growth of various development activities. It is estimated that SSI sector has been contributing about 40% of the gross value of output produced in the manufacturing sector and the generation of employment by the small-scale sector is more than five times to that of the large-scale sector.

This clearly shows the importance of small-scale industries in the economic development of the country. The small-scale industry have been playing an important role in the growth process of Indian economy since independence in spite of stiff competition from the large sector and not very encouraging support from the government.

The importance of small scale industries in India.

1.Generation of employment opportunities

The basic problem of the Indian economy is increasing pressure of population on the land and the need to create massive employment opportunities. This problem is solved to larger extent by small-scale industries because small- scale industries are labour intensive in character. They generate huge number of employment opportunities. Employment generation by this sector has shown a phenomenal growth. It is a powerful tool of job creation.

Mobilization of resources and entrepreneurial skill:

Small-scale industries can mobilize a good amount of savings and entrepreneurial skill from rural and semi-urban areas remain untouched from the clutches of large industries and put them into productive use by investing in small-scale units. Small entrepreneurs also improve social welfare of a country by harnessing dormant, previously overlooked talent.

3. Equitable distribution of income:

The small-scale industries ensure equitable distribution of income and wealth in the Indian society which is largely characterized by more concentration of income and wealth in the organised sector keeping unorganized sector undeveloped. This is mainly due to the fact that small industries are wide spread as compared to large industries and are having large employment potential.

4. Regional dispersal of industries:

There has been massive concentration of industries mainly in a few large cities of different states of Indian union. People migrate from rural and semi urban areas to these highly developed centers in search of employment and sometimes to earn a better living which ultimately leads to many evil consequences of over-crowding, pollution, creation of slums, etc. This problem of Indian economy is better solved by small- scale industries which utilize local resources and brings about dispersion of industries in the various parts of the country thus promotes balanced regional development.

5. Provides opportunities for development of technology:

Small-scale industries have tremendous capacity to generate or absorb innovations. They provide ample opportunities for the development of technology and technology in return, creates an environment conducive to the development of small units. The entrepreneurs of small units play a strategic role in commercializing new inventions and products. It also facilitates the transfer of technology from one to the other. As a result, the economy reaps the benefit of improved technology.

6. Indigenisation:

Small-scale industries make better use of indigenous organizational and management capabilities by drawing on a pool of entrepreneurial talent that is limited in the early stages of economic development. They provide productive outlets for the enterprising independent people. They also provide a seed bed for entrepreneurial talent and a testing round for new ventures.

7. Promotes exports:

Small-scale industries have registered a phenomenal growth in export over the years. The value of exports of products of small-scale industries has increased to Rs. 393 crores in 1973-74 to Rs. 2,02,017 crores in 2007-08. This contributes about 31 percent India's total exports.MSME sector,as a whole, contributes about 40 percent of export earnings presently.[1] Thus they help in increasing the country's foreign exchange reserves there by reduces the pressure on country's balance of payments.

8. Supports the growth of large industries:

The small-scale industries play an important role in assisting bigger industries and projects so that the planned activity of development work is timely attended. They support the growth of large industries by providing, components, accessories and semi-finished goods required by them. In fact, small industries can breathe vitality into the life of large industries.

9. Better industrial relations:

Better industrial relations between the employer and employees helps in increasing the efficiency of employees and reducing the frequency of industrial disputes. The loss of production and man-days are comparatively less in small- scale industries. There is hardly any strikes and lockouts in these industries due to good employee-employer relationship.

Objectives of the paper:

1.To study the importance of small scale industries in Indian economy.

2.To study the deferent problems faced by small scale industrial sector

3.To study the role of Make in India as a driver growth of small scale industrial sector

Methodology: This paper is based on secondary data collected from different published and unpublished books, journals , articles, conference volumes, reports etc.

Make in India – Small Scale Industrial Sector plays a key role:

It is expected that the 'Make in India ' scheme of Prime Minister Narendra Modi gives a chance to production sector to grow faster . The Micro, Small and Medium Entreprises Association's chairman said that the MSMEs play key role in achieving the 'Make in India' goal . This can be achieved successfully by solving the problems faced by small scale industrial sector . The confiscation attitude of the banks for a simple reason for not repaying loans before the stipulated date banks conduct open auction for the assets of these units at cheaper rates by declaring them as non- performing assets is danger to the existence of small scale industrial sector .

Small scale industrial sector plays a key role in increasing the balanced economic development world wide . In many countries 90% of total industries are in ssi sector . This sector provides more employment opportunities , more output and more exports . Including India the ssi sector plays a key role in total industrial system. More than 80% of total industries in India are in ssi sector

The main advantage with the ssi sector is high employment generation with low investment .In India

311.5 lakh industries are there in this sector in 2010-11.MSME sector provided employment 732.3 lakh in 2010-11.[2]

The special attention is to be paid towards the development of ssi sector for achieving good results in Prime Minister launched ' Make in India' scheme . We should pay our attention immediately to solve the problems faced by the ssi sector. Some state governments neglected this sector as a result many units were closed and large number of people were unemployed.

Problems of small scale industries :

The small scale industries face a number of problems . As a result many small scale units turn sick. At the end of march 2012, as many as 85,591 of these units were sick and an amount of Rs. 6,790 crore was blocked in them.

1.Finance and credit :

The scarcity of finance and credit is the main obstacle in the development of small –scale units. The capital base of the small industrial units is usually very weak since they generally have partnership or single ownership. Banks were mandated to provide 40 percent of their lending to the priority sectors like small scale industries , agriculture etc. but banks were reluctant to lend to ssi units because of many reasons . Moreover, as noted Sebastian Morris , banks insist on collateral against the spirit of Reserve Bank guidelines. The market value of collateral could be as high as five times the value of the outstanding loans and credit limit.[3]

2. Infrastructural constraints:

In their survey of 1,063 firms, Keshav Das and Sebastian Morris found that as many as 716 firms (or more than 67 per cent) said that a faced significant infrastructural problems. The many productive activities are being constrained by inadequate physical infrastructure. The most severe constraint is power. Transportation and communication infrastructure are also universal constraints. In many ssi units like beverages ,tobacco and related products, basic chemicals , paints and varnishes etc, water supply is fast emerging as an important infrastructure constraint.[4]

3. Inverted tariff structure and raw material availability :

Many of these industries use imported raw material and intermediate goods. According to Sebastian Morris, despite import liberalization during 1990s, The tariffs on materials like steel, copper and many non-ferrous metals, plastics, many chemicals, papers etc. remain high in comparison to tariffs on manufactured goods (other than consumer goods) . This has created the problem of a significant 'inversion' in tariff structure, which specifically hurts small firms since they are more labour using and have high material-to-output ratios.[5] Small scale industries that use local raw material also face a number of problems. For instance, the handloom industry depends for its requirement of cotton on local traders. The traders sell cotton to weavers at high prices and purchase ready cloth at low prices.

4. Machines and other equipment:

Machinery and other equipment in many small industries has grown obsolescent. On account of this reason while their costs of production are high, the quality is inferior as compared to the large scale units.

5. Problem of marketing:

One of the main problems faced by the small scale units is in the field of marketing. These units often do not possess any marketing organization and consequently their products compare unfavourably with quality of the large scale industries.

6. Delayed payments:

Most of the small scale industry associations complain about the hardships the small entrepreneurs go through on account of delayed payments by large firms and government departments. According Sebastian Morris's study, on average the small firms provide 40 days credit to the buyers of their goods and services.[6] But on their principal inputs they get 14 days credit . In fact the small firms have very little bargaining power in the markets they operate.

7. Problem of sickness:

There are two main issues in respect of SSIs (1) existence of large number of sick units which are non-viable ; and (2) rehabilitation of potentially viable units . As far as former is concerned , there were 85,591 sick SSI units as on march 31st , 2012. An amount Rs . 6,790 crore was blocked in these units. As far as later is concerned as march 31st 2003 of the sick 1,67,980 SSI units , only 3,626 units with outstanding bank credit of Rs. 625 crore were found to be potentially viable by the banks . However , rehabilitation of sick units is a costly proposition.[7]

8. Poor database :[8]

Another weak link in the chain is the inadequate database for the small scale sector . There are two major sources of information on the small scale sector, viz., Small Industries Development Organization (SIDO) and Central Statistical Organisation (CSO) . Complete information for small scale sector as a whole is not available from any of these sources .As correctly pointed out in the SIDBI Report , "There is an urgent need for evolving a regular system for the upgradation and collection of data on the SSI sector in view of the rapid growth and substantial contribution of SSI sector. New units come up every year for different lines of production while existing units either diversify or expand or in certain cases close down. Upkeep of the latest information is critical for policy decisions."[9]

9. Other problems:

In addition to the above problem , the small scale industries face a number of other problems like inefficient management , unchanging and unresponsive production pattern , burden of local taxes , competition of large scale industries etc.

10. Adverse effects of economic reforms and globalization :

The economic reforms of 1990 have had an adverse effect on the small scale sector . Cheaper and better quality imported goods are posing a serious threat to small scale units operating in various industries like chemicals, silk, toys , footwear etc. The most serious threat is being posed by cheap Chinese imports as the so – called 'China Price ' (which is a rock – bottom price) is forcing many small scale units to close down .In the case of ceramic tiles industry, the overall share of tile imports from China increased from 39 per cent in 2003-04 to as high as 81 per cent in 2005-06.[10]

Conclusion:

SSI has emerged has a dynamic and vibrant sector of the economy. At the national level , this sector has performed extremely well and enabled our country to attain industrial amplification and diversification . SSI s have made an important contribution to increase employment and protection . If the potential of SSI is properly harnessed it can help in accelerating the pace of socio- economic development and balanced regional growth apart from creation of employment opportunities . It is very essential to develop the SSI in "Make in India" scheme . The success of 'Make in India' scheme depends on the development of SSI sector only.

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Make In India - Andhrapreneurship

Dr. K. Bhanu Prakash, Associate Professor, VESTAL Institutions, Eluru,
Prof. J. Chandra Prasad, Director, SD College of Information Technology, Tanuku,
K. Rajeswara Rao, Research Scholar, DCMS, Andhra University, Visakhapatnam,

Abstract: *Arise, Awake and Stop Not Till Indian Industrial Economy transforms into a Global Economic Power and a Manufacturing Hub, an East Asian Miracle and a Potential Economic Tiger in the domains of Automobiles-To-Agro Products (A-To-A), Electricals-To-Electronics (E-To-E), Satellites-To- Sub-Marines(S-To-S), Televisions-To- Telecom (T-To-T), Paper - To- Power Plants (P-To-P) and Profit - To - Progress. Make-In-India - Industry 4.0is a Transformative Journey of Manufacturing through Industry 4.0designed to foster innovation, facilitate investment, enhance skill development, protecting Intellectual Property Rights (IPR), and built-in-class manufacturing infrastructure by looking East and linking West. Despite the global slowdown, India's economic situation has improved over the years and there are no whispers of protectionism. The progressive metrics inter alia include the Indian Economy ranks 130 out of 190 economies with DTF (Distance To Frontier) Score of 55.27 in 'Ease of Doing Business', pegged in the World's Export-To-GDP Ratio of about 1.3 percentage points with BBB- Credit Rating even at times of economic slowdown and FDI surges after Make- In- India, up by 30 per cent year-on-year to USD 21.6 billion during 2015-16.*

Key words: *Economic Power, Manufacturing Hub, skill development, protecting Intellectual Property Rights*

Make-In-India - Industry

Dream, Dream and Dream.Dreams Transform into Thoughts and Thoughts result into an Action.[1] Make-In-India is a dream that transformed into a thought and an action orientation aimed at enhance manufacturing, facilitate investment, foster innovation, protect intellectual property and build best-in-class manufacturing infrastructure. By 2025, India would emerge as one of the top destinations to attract Foreign Direct Investment (FDI) globally, be a part of Global Supply Chain and produce for both domestic as well as international markets. For achieving self-sustained growth, India, would raise the share of Manufacturing Sector in GDP to 60 per cent from the existing 25 per cent and generate over 100 million domestic employmentwith easier compliances and more effective governance.[2]

The Manufacturing Sector contributes a dominant share in GDP and plays a pivotal role in driving the Growth Engine and harnessing manufacturing potential and is the key to ensure a sustainable long-term growth. A Strong Manufacturing Sector creates a clear path toward economic prosperity influences infrastructure development, job creation, and contribution to Gross Domestic Product (GDP) on both an overall and per capita basis. Make-In-India - Industry 4.0 is a Transformative Journey of Manufacturing through Industry 4.0 designed to foster innovation, facilitate investment, enhance skill development, protecting Intellectual Property Rights (IPR), and built-in-class manufacturing infrastructure by 'Look East - Link West'. It relies on 4-Disruptions viz., (i) Data Mining; (ii) Advanced Analytics; (iii) Human-Machine Interfaces and (iv) Digital-To-Physical Transfers.[3]

Despite the global slowdown, India's economic situation has improved over the years and there are no whispers of protectionism. The progressive metrics *inter alia* include the Indian Economy ranks 130 out of 190 economies with DTF (Distance To Frontier) Score of 55.27 in 'Ease of Doing Business', pegged in the World's Export-To-GDP Ratio of about 1.3 percentage points with BBB- Credit Rating even at times of economic slowdown and FDI surges after Make- In-India, by 30 per cent year-on-year to USD 21.6 billion during 2015-16.

Table - 1: Indian Economy - Ease of Doing Business Index

Economy	Ease Of Doing Business Rank	Starting a Business	Dealing with Construction Permits	Getting Electricity	Registering Property	Getting Credit	Protecting Minority Investors	Paying Taxes	Trading Across Borders	Enforcing Contracts	Resolving Insolvency
India	130	155	185	26	138	44	13	172	143	172	136

Source: The World Bank Group, Doing Business Rankings, 2017.

The Ease of Doing Business (EODB) Index of World Bank Group focuses on 10 areas of Business Regulation *viz.,* (i) Starting a Business; (ii) Dealing with Construction Permits; (iii) Getting Electricity; (iv) Registering Property ; (v) Getting Credit;(vi) Protecting Minority Investors ; (vii) Payment of Taxes; (viii) Trading Across Borders ; (ix) Enforcement of Contracts and (x) Resolving Insolvency. The Higher Rankings (a lower numerical value) indicate better and simpler regulations for business and stronger protections of property rights. Out of 189 Economies, India was ranked 130 in 2016 on the World Bank's Doing Business Index with DTF (Distance To Frontier) Score of 55.27. Buoyed by relatively positive growth rates, India continues to be an attractive investment destination, specifically among emerging markets with a favourable trade and settlement cycle, moderate tax rates and adequate investment limits. One of the world's fastest-growing economies, India is opening up a world of opportunities for investments in a significantly conducive and supportive environment.[4]

Make-In-India is a powerful and galvanizing call to the Citizens of India, Business Leaders and an Invitation to Potential Partners and Investors (FDI, FII & FPIs) around the World about comprehensive and unprecedented overhaul of out-dated processes and policies. The objectives *inter alia* include attracts FDI, adopts Industry-4.0 processes, build a best-in-class manufacturing infrastructure, facilitating policy and Ease Of Doing Business in India, fosters innovationandorientate the culture of entrepreneurship besides infusing entrepreneurial spirit.

The 'Make-In-India' initiative is based on 4-Pillars *viz.,* (i) Policy Initiatives and New Processes; (ii) Robust Infrastructure; (iii) Focus Sectors and (iv) New Mindset / Approach[5]and has its own limitations in what it can and cannot do to build capabilities in the country. Make-In-India needs a course orientation to position it within the larger realm of technology development. Only then can India insulate itself from external pressures and exercise strategic autonomy in decision-making.[6]

Make-In-India -The State of Andhra Pradesh

The State of Andhra Pradesh, a Sun Rise State and the Gateway to the East, 8th Largest and rapidly Urbanising State, is a microcosm of the Modern India embarked on a journey of sustainable inclusive double digit growth and innovation with the Gross Domestic Product (GSDP) estimated of Rs. 6,83,233 Crore during 2016-17.The State is strategically located and has rich natural base and potential human resource to be India's Gateway to the World especially Asia. It is the foremost destination in 'Doing Business' (98.78 per cent implementation rate) and attracts FDI (6.1 Bn US Dollars)during 2016-17.[7]The Vision-2029 Document envisions the Sunrise State Andhra Pradesh will be amongst the Top 3 States in India by 2022, be the Best State with High Happiness Index by 2029 and be the most Preferred Global Destination, Logistics Hub and India's Gateway to South East Asia by 2050.

Andhrapreneurshipis an innovative Investment Strategy that connects Dreamers, Entrepreneurs, Intrapreneurs, Investors, Innovators, Start-Up Companies and Business Partners on a common platform either to share great ideas and perspectives or establish a Start-Up Community and Culture, Learn and Collaborate themselves to make Andhra Pradesh the Start-Up Capital of India.[8]The real *coup de grace*of Andhrapreneurship is to infuse entrepreneurial spirit under the aegis of Make-In-India with the object of transforming Andhra Pradesh into a Happy, Inclusive, Responsible and Globally Competitive Society through Structural Transformation and there by achieving sustainable Double-Digit Economic Growth.

With a view to propel Entrepreneurship Culture and bring Start-Ups together the Government of Andhra Pradesh is gearing up to offer Quality Power, Industrial Infrastructure, Connectivity, Industrial Land Banks and Financial Institutions, Skilled Workforce, Immense Unities across Industry, Infrastructure, Urban Development, Tourism, IT, Education and Health Care through **7-Missions** (Primary, Urban, Industries, Infrastructure, Services, Skill Development and Social Empowerment), **5-Grids** (Water, Gas, Road, Power and Fibre) and **5-Campaigns** (Enrolment of Students, Environmental Sustainability, Victory Over Poverty, Revival of Agriculture and Cleanliness and Health).

Table - 2: Business Reform Action Plan (BRAP) -Ease of Doing Business in India

Rank 2016 (Increase (+) / Decrease (-))	Name of the State	Implementation Rate (in percentage)	Rank 2015
1.(+)	Andhra Pradesh	98.78	2
2.(+)	Telangana	98.78	13
3. (-)	Gujarat	98.21	1
4.	Chhattisgarh	97.32	4
5.	Madhya Pradesh	97.01	5
6.(+)	Haryana	96.95	14
7. (-)	Jharkhand	96.57	3
8. (-)	Rajasthan	96.43	6
9.(+)	Uttarakhand	96.13	23
10. (-)	Maharashtra	92.86	8
11. (-)	Odisha	92.73	7
12.(+)	Punjab	91.07	16
13. (-)	Karnataka	88.39	9
14. (-)	Uttar Pradesh	84.52	10
15. (-)	West Bengal	84.23	11
16.(+)	Bihar	75.82	21
17.	Himachal Pradesh	65.48	17
18. (-)	Tamil Nadu	62.80	12
19. (-)	Delhi	47.62	15
20. (-)	Kerala	26.97	18
21. **(-)**	Goa	18.15	19
22.**(+)**	Tripura	16.67	26
23. **(+)**	Daman & Diu	14.58	-
24. **(-)**	Assam	14.29	22

25. **(+)**	Dadra& Nagar Haveli	1.79	-
26. **(-)**	Puducherry	1.49	20
27.**(+)**	Nagaland	1.49	31
28.**(+)**	Manipur	1.19	-
29. **(-)**	Mizoram	0.89	28
30. **(-)**	Sikkim	0.60	27
31.**(+)**	Arunachal Pradesh	0.30	32
32.**(-)**	Jammu & Kashmir	0.30	29
33.**(-)**	Chandigarh	0.30	24
34.**(-)**	Meghalaya	0.30	30
35.**(-)**	Andaman & Nicobar Islands	0.30	25
36.**(+)**	Lakshadweep	0.30	-

Source: Assessment of State Implementation OfBusiness Reforms (2015-16), DIPP, GOI,
Ministry of Commerce and Industry, New Delhi, p.p.1-2.
Based on implementation of reforms, States have beendivided into 4-Categories *viz.,*

Table - 3: Category of States - Ease of Doing Business in India

Category	**Name of the State**
Leaders (90-100%)	Andhra Pradesh, Telangana, Gujarat, Chhattisgarh, Madhya Pradesh, Haryana, Jharkhand, Rajasthan, Uttarakhand, Maharashtra, Odisha, Punjab
Aspiring Leaders (70-90%)	Karnataka, Uttar Pradesh, West Bengal and Bihar
Acceleration Required Category States (40-70%)	Himachal Pradesh, Tamil Nadu and Delhi
Jump Start Needed (0-40%)	Kerala, Goa, Tripura, Daman & Diu, Assam, Dadra & Nagar Haveli, Puducherry, Nagaland, Manipur, Mizoram, Sikkim, Arunachal Pradesh, Jammu & Kashmir, Chandigarh, Meghalaya, Andaman & Nicobar Islands, and Lakshadweep.

Source: Assessment of State Implementation OfBusiness Reforms (2015-16), DIPP, GOI, Ministry of Commerce and Industry, New Delhi, p.p.1-2.

The results of the assessment demonstrate that States haveincreasingly risen to addressing the challenge of making it'Easier To Do Business'. The National Implementation Average stands at 48.93 per cent, significantly higher than last year's National Average of 32 per cent. This infers that the great progress madeby States during the Assessment Period 01st July, 2015 to 30th June, 2016 due to the implementation of Single Window Systems, Tax Reforms, Environment and Labour Reforms, Inspection Reforms and Judicial Reforms especially Make-In-India initiative.

Andhra Pradesh has been rated as the Top State in India for Ease Of Doing Business (98.78 per cent Implementation Rate) by World Bank and Government of India. This is a reflection of Best-In-Class Sector Policies, Stable Industrial Relations and an Investor Friendly Business Environment. Andhra Pradesh has also implemented an Effective Online Single Window System with provision for Filing, Payment, Status Tracking, Online Scrutiny and Approval of Applications.Single Desk Policy 2015-20 of the Government of Andhra Pradesh has also been formulated to create a facilitative Eco-System to provide all Clearances/ Approvals within 21 Working Days to set up a Start-Up or an Industry.

The Way Forward

Manufacturing sector is the backbone of any economy as it fuels growth, productivity, employment, and strengthens other sectors of the economy. Comprehensive policy covering Commerce, Electronics, Finance and Infrastructure, provision of basic amenities, transportation facility and connectivity, relaxations in tax policies and procedures, encouraging MSMEs, the combination of a strong and stable democratic government and the relatively free play of market forces combine Make-In-India success.The relentless passion and dedication makes India to transform as a Global Manufacturing Hub and also one of the fastest Growing Global Economies in the Digital Era. The signing of 665 Memorandums Of Understanding (MoUs) worth Rs10.54 trillion with the potential to provide employment to 22.34 lakh by the Govt of Andhra Pradesh reflects the spirit of Make-In-India and reveals the State of Andhra Pradesh is taking steady and firm steps towards becoming the 'Breeding State' for Start-Ups in the IT and IT Enabled Services and allied sectors and embarked on a journey of consistent double digit growth.

The success of 'Make in India'will stem from a comprehensive manufacturing strategy that focuses on import substitution and exports, as well as on meeting domestic consumption.Investment in Technology and Innovation with a Business-Friendly Regime, the introduction of GST will make Indian Manufacturing more competitive. Meticulous planning and co-operation between the Central and the State, Investors' Trust, Reforms in Tax and Labour Laws at First Develop India (FDI) along withFDI. 3-Ds' *viz.,* Demographic Dividend, Democracy and Demand, Look East- LinkWest, Waste-To-Wealthare some of the positive vibes will make India a Spring Board to Success.

Andhrapreneurship - An Invitation

Welcome To the Young State and Thriving Economy…

Andhra Pradesh a Global Competitor…

Andhra Pradesh Ready for the World and Ready for the Future…

Andhra Pradesh Leading India By Example…

I Invite You Make Andhra Pradesh Your Most Favourite Business Destination… Make Andhra Pradesh Your Business… Join with Us in this Journey of Excellence…
Let us Partner to achieve Progress and All-Round Inclusive Growth

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Scheme for Transforming India - Make in India

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Abstract: *Make in India is an international marketing strategy , conceptualized by the Prime Minister of India, Narendra Modi on 25 September 2014 attract investment from business around the world and Make India the manufacuring hub.. the aim is a take a share of manufacturing in country's gross domostic product from stagnant 16% currently to 25% by 2022, as stated in national manufacturing policy, and to create 100 million jobs by 2022. The major objective behind the initiative is to focus on 25 sectors of the economy for job creation and skill enhancement. Make in India is the key to revitalization of Indian economy. It is one of the schemes to pull back the economy from clutches of recession. Make in India initiative aims to correct the composition of Indian GDP which is the root cause of recession. Currently India's GDP is heavily tilted in favor of service sector. Secondary research is used for the purpose of the study and this paper discusses about Make in India scheme, its opportunities , challenges, changes needed and some examples of different investors, invested so far. Make in India campaign surely makes India an investment destination and global hub for manufacturing and innovation.*

Key Words: *investment destination, global hub, opportunities, challenges*

Introduction

The Indian manufacturing sector is the classic example of an industry that has great potential. The objective of the scheme is to ensure the manufacturing sector which contributes around 16% of country's GDP is increased to 25% in next 5 years. Make in India scheme Eliminates Unnecessary laws and regulations. Three sectors which contribute to GDP of any country are agriculture, manufacturing and services. According to the current contributions of these sectors to Indian economy manufacturing occupies 16% which is lowest. There are lots of opportunities to be tapped as far as Indian manufacturing sector is concerned. Many business man and entrepreneurs view make in India initiative for betterment of our economy. VNS Global Services group CEO Keshav Murugesh said " digitization campaign such as digital India , Make in India, creating smart cities and other digitization projects initiated by the Indian Government in the past one year has been made for the betterment of India. Major objective of this scheme focuses on 25 sectors. The sectors are Automobiles, textiles and Garments, Biotechnology, Wellness, Defence , Manufacturing, Ports, Food Processing , Mining, Media and Entertainment, IT and BPM, Pharmaceuticals, Renewable Energy, Roads and Highways, Railways, Thermal Power, Oil and Gas, Space, Leather , Construction, Aviation, automobile components, chemicals and Electronic System .

Objectives

- To convert India into Global

Manufacturing Hub
- To Provide Employment
- Boost Economic Growth
- To urge both local and foreign companies to invest in India

Advantages of Investing in Industry Sector

- Make in India scheme will create large scale employment opportunities to low skill workforce since majority of workforce in India are low skilled.

- India is hugely dependent on FDI to keep the economy positive. Make in India scheme will attract more FDI to revitalize Indian economy.

- Any manufacturing hub needs supply of parts which is boon for SME's. Make in India will help to generate indirect employment through SME's.

- Manufacturing sector helps to reduce India's trade deficit through exports.

- India is the largest consumer market. Any company investing in India under Make in India initiative will directly get access to huge market of 125 Cr people.

- Job Creation, Enforcement to Secondary and Tertiary sector, boosting national economy.

- Converting the India to a self-reliant country and to give the Indian economy global recognition.

Investors in Different Sectors for Make in India

Foxcon is set to invest over $2 billion (Rs 12,800 crore) initially to establish manufacturing plants in India over the next five years to pro- duce mobile devices, TVs, electronic products, batteries and key electronic components, among others, which could make it the biggest foreign investor in the government's 'Make in India' programme so far. They are planning to make some 400 million handsets here. Half of these will be manufactured for the Indian market and the rest for exports to Middle East, Africa and Russia.

Automobile makers with manufacturing facilities in India are looking beyond South Asia, Africa and Latin American markets for exports. Swedish commerical vehicle (CV) maker Volvo Bus Corporation on Tuesday said that it will export 'Made in India' buses to developed markets in Europe, a move that will enhance prime minister Narendra Modi's 'Make in India' campaign. The company plans to unveil the first such bus in Europe by the end of the year.

Japan's Sony Corp. will start making its popular Bravia television sets in India as part of the government's Make in India initiative. "India has been an important strategic market for Sony . Sony sees huge potential in television business as more and more Indian customers are expected to switch from CRT (cathode ray tube) to LCD televisions over the next few years. Bravia televisions account for more than 40% of Sony India's overall sales. With products now being manufactured locally, Sony plans to strengthen its distribution channel in India.

After global competitors like Xiaomi and Motorola, smart phone maker Asus is now mulling manufacturing in India and has set up an internal team to study the prospects of domestic manufacturing.

The Taiwanese firm, which currently has a share of about 2% in the Indian smart phone market, aims to raise it to 5% by 2016.India offers a huge opportunity but current smart phone penetration is just 10%.

Home appliances manufacturer Bosch and Siemens is starting first manufacturing plant in the country, to be set up at a cost of Rs. 350 crore. The facility, aimed at making India as an export hub for the South East Asian region. Switzerland-based chocolate maker Barry Callebaut is looking at setting up a manufacturing unit in India as part of its global expansion plans to cash in on the Rs. 3,000 crore do-mestic market. Barry Callebaut currently has only commercial opera-tions in the country. At present, the $5.2 billion Swiss chocolate maker has 50 manufacturing facilities across Europe, Africa, North and South America as well as Asia-Pacific.

Moments of Change

"Make in India" boosts manufacturing trade and economy. Over 10,000 training centers open within 2 years. It Creates job market for over 10 million people . cent by 2022, and creating 100 million new manufacturing jobs over the same period. Make in India raises the share of the manufacturing sector in gross domestic product (GDP) from its current level of around 16 per cent to 25 per Indians should need a wakeup call for consuming Indian made products. More than 30000 crore rupees of foreign exchange is being si phoned out of our country on products such as cosmetics, snacks, tea, beverages, etc. which are grown, produced and consumed here. In 1970 1$ = Rs. 4 Today 1$ = Rs. 68 .Estimated 1$ by end of the year = Rs. 72. Dollar is not getting stronger, rupee is getting weaker and no-body else is responsible for the fall, except us. A Cold Drink produced for 70-80 paisa sold at Rs. 9-10. Stop drinking them, Drink Lemon juice, Lassi, Fruit juice, butter milk etc instead of foreign drinks. Like-wise start to use Indian made products in all needs. If we check most of the products we use, half of the things are foreign made. People use these foreign made products & Government has to pay in dollars for the same, thus value of rupee Decreases. Same features comes at Indian mobile Rs 17k means we waste Rs 24k and these 24k go to south Korea in dollars .None of the Indian products are inferior in quality, they might look a bit less fancy. Youngsters should start using more Indian websites for online purchases.

Challenges

India's small and medium-sized industries can play a big role in making the country take the next big leap in manufacturing. India should be more focused towards novelty and innovation for these sectors. The government has to chart out plans to give special privileges to these sectors. According to World Bank, India ranks 142 out of 189 countries in terms of ease of doing business. India has complex taxa-tion system and poor infrastructure facilities. Rapid skill up gradation is needed because skill intensive sectors are dynamic sectors in India, otherwise these sectors would become uncompetitive. India should motivate research and development which is currently less in India and should give more room for innovation.

Conclusion

Indian has the capacity to push the GDP to 25% in next few years. The government of India has taken number of steps to further encourage investment and further improve business climate. "Make in India" mission is one such long term initiative which will realize the dream of transforming India into manufacturing Hub. Start-ups in the core manufacturing sectors are poised to play a crucial role in the success of 'Make in India' ambitions, said experts at a panel discussion at the 12th India Innovation Summit 2016 . "Start-ups in the fields of telecom, defense manufacturing, automobile, Internet of Things, financial technology modules and mobile internet have immense potential to succeed in the scheme of 'Make in India'," said Siddhartha Das, general partner, Venture East addressing aspiring entrepreneurs at the discussion on "Entrepreneurship. Role of Startups towards Make in India". Make in India scheme also focuses on producing products with zero defects and zero effects on environment.

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Industrialization and Urbanization in Vizag-Chennai Industrial Corridor

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Abstract: Performance indicators or manufacturing industry like growth rate, exports, investments, employment generation, drawing FDI and the labour productivity etc. showed a continuous decline in the last five years. Five industrial corridor projects have been identified, planned and launched by the Government of India in the Union Budget of 2014-2015, to provide an impetus to industrialisation and planned urbanisation. In each of these corridors, manufacturing will be a key economic driver. The Visakhapatnam-Chennai industrial corridor is set to get another major boost with Asian Development Bank and Andhra Pradesh. Four major infrastructure nodes were identified in this industrial corridor these nodes are Vizag, Kakinada, Gangavaram-Kankipadu and Yerpadu-Srikalahastri, where major projects will be taken up. For the urbanisation three smart cities are proposed in this industrial corridor those are Vizag, Kakinada and Chennai. Major projects are included in this corridor which is Food Processing, Textiles and Chemicals &Petrochemicals will continue being major contributor to output. Sectors like Electronics, Automobile and Pharmaceuticals will grow faster than the rest. These industrial corridors will provide employment to a majority of the local population. Besides reviving the real estate sector, the industrial corridors will also provide a boost to the city's economy as well as country economic growth.
Keywords: Industrial Corridor, India, Corridor Development, Industrial Sector, Investment.

Introduction

"Industrial Corridor development initiates strengthening of national economy bringing state-of-the-art infrastructure and opening up global competition."

India's economy has expanded at a healthy pace over the past two decades. It is now time to consolidate the gains and tackle the remaining barriers to growth, generate more jobs, raise productivity, and expand economic opportunities for all. While the services sector has anchored India's recent growth, the manufacturing sector must be the engine of future growth and job creation.

The government's "Make in India" initiative is a growth strategy based upon development of economic corridors whereby policy initiatives to spur manufacturing and overall growth are coordinated with transport corridors linking both developed and backward regions. The vision is to create a globally competitive manufacturing sector supported by world class infrastructure, logistics facilities, and a liberal policy regime.

Industrial development is to be built around a set of industries that either exist in the country and account for a growing proportion of national and global economic activities, or represent frontier industries or niche sub-sectors that are expanding but have not yet established a foothold in India. Their development is to be accelerated through the creation of economic zones and manufacturing clusters served by efficient logistics services. The development of these zones and clusters requires the acquisition of land that is of sufficient scale and well-connected to sources of labor and other local inputs. This requires effective zone management to attract enterprises and support their growth, and a regulatory regime that facilitates the establishment of enterprises; allows uninterrupted operations; and facilitates the development of integrated national supply chains—including embedding micro, small, and medium-sized enterprises (MSMEs) and linking them with global production networks for the delivery of inputs and distribution of outputs in domestic and global markets.

Vizag–Chennai Industrial Corridor

The Vizag–Chennai Industrial Corridor (VCIC) is a key part of the planned East Coast Economic Corridor, India's first coastal corridor. VCIC is aligned with the Golden Quadrilateral and is poised to play a critical role in driving India's new "Act East Policy." India's "Act East Policy," as recently outlined by Prime Minister Narendra Modi, is a proactive initiative focused on increasing the integration of the Indian economy with the economies of the Association of Southeast Asian Nations (ASEAN). The Act East Policy is based upon the establishment of programs and projects, with defined timelines for the achievement of milestones that support this integration.

In the traditional framework, an economic corridor has three complementary components:

(i) A trade and transport corridor, (ii) production clusters producing goods for both consumption in the surrounding region and for global trade, and (iii) urban centers along the corridor. VCIC's long coastline and strategically located ports provide it with an opportunity to create multiple international gateways to connect India with the vibrant global production networks of Southeast and East Asia that form the bedrock of global manufacturing today.

The ports are critical to unlocking the potential of VCIC and should be seen as a source of value-added to domestic and global supply chains.

At the heart of VCIC is a transport corridor that extends north–south over 800 kilometers along the coast connecting a set of economic nodes where industries will be located. The corridor includes National Highway 16, which is part of the Golden Quadrilateral, the Kolkata–Chennai rail route, and seven non-captive operational ports.

While economic growth in Andhra Pradesh has matched the national growth rate over the last decade, the recent division of the state poses significant challenges to growth because it excludes industrial activity (including information technology activities) around Hyderabad. However, the development of the metallurgical, pharmaceutical and petrochemical industries in the north and the continued expansion of industrial activity in the food processing sector and, the industrial development within Sri

City in the south will contribute to Andhra Pradesh's industrial base, while growth in traffic through the seaports and increasing power generation capacity will facilitate further economic development. Growth will be buttressed by domestic investment in existing industries and foreign direct investment (FDI) in existing and new industrial activities. Regulatory reforms and institutional changes that (i) improve the investment climate under which firms start and operate their businesses, (ii) enable goods and services to move seamlessly within and beyond the corridor, and (iii) allow for more synchronized industrial and urban planning in and around industrial clusters and zones will result in rising levels of domestic investment and FDI. At the same time, the impacts of domestic investment and FDI will be amplified by the development of the VCIC's major ports and industrial clusters.

Sector- and Node-Based Development

The following sectors and sub-sectors were identified as drivers of industrial development:
(i) Food processing, (ii) pharmaceuticals, (iii) auto and auto components, (iv) textiles, (v) metallurgy, (vi) chemicals and petrochemicals, and (vii) electronics. Small and medium sized enterprise (SME) development will also be a key priority within the corridor, with an emphasis on developing supply chains to integrate SMEs. By clustering producers and suppliers in the same location, their regular interactions will be strengthened and domestic suppliers can observe the business models and practices used by global firms and suppliers.

Four geographic nodes will drive the growth of these industries, supported by a network of multi-modal transport to demand centers, urban clusters, and international gateways. These four nodes were selected based on the following criteria: (i) current level of industrial agglomeration, (ii) availability of land for development of new industrial clusters, (iii) proximity to urban centers and seaports, (iv) rail and road connectivity, and (v) availability of power and water. The industries in the sectors and sub-sectors identified above will be located in these four identified nodes and connected through a multimodal transport network to demand centers, urban clusters, and international gateways.

The northern node is centered around Visakhapatnam and is in close proximity to the ports of Visakhapatnam and Gangavaram, and the industrial activities in the immediate hinterland of these ports. The southern node is close to the urban centers of Tirupati and Nellore, the port cluster from north of Chennai to Krishnapatnam, and the industrial zones in their immediate hinterland, most notably Sri City. The two nodes in the central region are primarily green field. One extends from Gannavaram to Kankipadu, with Vijaywada as the major urban cluster. It serves the surrounding industrial clusters and will be served in the future by the port of Machilipatnam. The other node is around the port of Kakinada and the urban centers of Kakinada and Rajahmundry.

The node-based industrialization strategy proposed for VCIC is targeted to achieve regional and global competitiveness. Infrastructure development and urbanization are critical to attain this core objective. While there are pockets of major urban and industrial clusters in the north and south of Andhra Pradesh, the rest of the state, including

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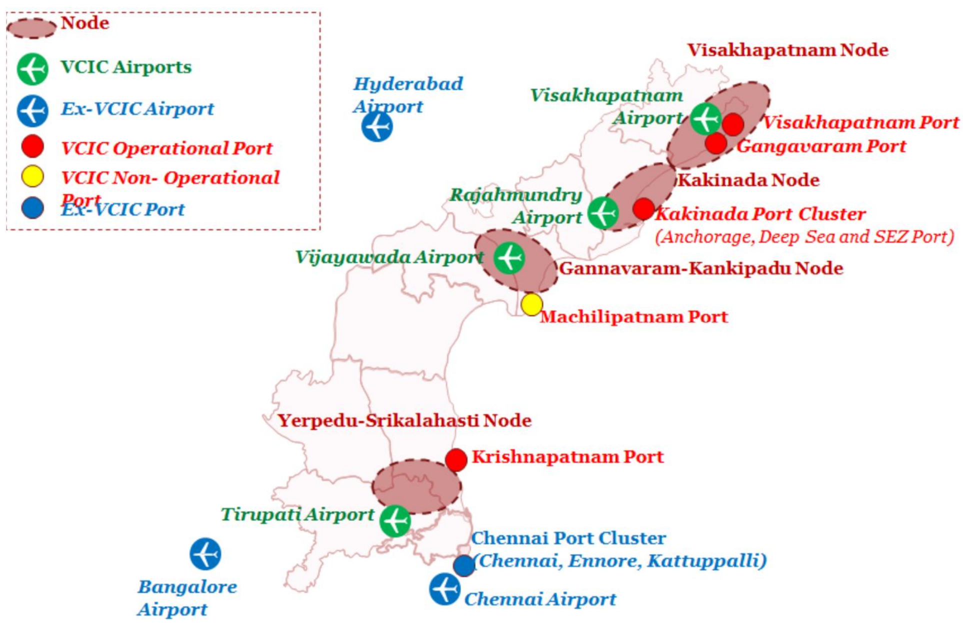
the two nodes in the central region, faces a challenge. This challenge can be overcome by putting in a place a synchronized infrastructure and urbanization strategy. The study recommends a two-fold approach: (i) a plan to upgrade and strengthen the spinal routes (north–south alignment) along the corridor to enable connectivity between industries and ports, and strengthen the grid network from the gateways and the nodes to the hinterland; and (ii) a policy of node-centric infrastructure development. Access to and the cost of power and water are other important elements of any strategy to augment VCIC's capacity to support value-added manufacturing.

Industrial development inevitably promotes urbanization, and a certain level of urbanization is necessary to support industrialization. Therefore, a strategy of proactive urbanization is proposed as well as a more pragmatic approach to land assembly for industrial development and regional infrastructure and urban development.



Locational analysis:
Visakhapatnam node

Visakhapatnam, also known as Vizag, is the 17th largest city in India, the third-largest city on the east coast of India, the largest city in Andhra Pradesh, and it has the highest per capita income in the state. Visakhapatnam has developed into a major economic destination. The city was identified as one of the fastest-growing in the world, economically and demographically. Several factors have contributed to its economic growth, including the natural harbor and rail, road, and air connectivity to national and international destinations

Visakhapatnam encompasses 5 mandals with existing industries. At the same time, the population density in Visakhapatnam is one-tenth of metro cities in India and one- fourth of cities like Hyderabad, Ahmedabad, and Surat. The node is poised to be the anchor for industrial development in the corridor. It is strategically located in the northern end of the corridor with access to the eastern and central hinterlands of India. The node has a substantial presence of industries that can provide support to launch further industrial development.

Mandals in Visakhapatnam Node

- Atchutapuram
- Anakapally
- Kasimkota
- Nakkapally
- Ranastalam

Strengths of the node

Visakhapatnam has an advantage in the presence of industries since 1970s. The presence of public sector undertakings triggered the growth of industries in and around Visakhapatnam within a radius of 40 km. There are successfully operating SEZs and Industrial Parks in the region that also have expansion plans. The per capita income is the highest in the state owing to it being industrially developed. Visakhapatnam has many educational institutions to serve industries with skilled labor. The node region is well connected by road and rail in a linear fashion. It is well-placed to attract traffic from Telangana and central, eastern, and southern India. The node has two operating ports with a container terminal and multiple bulk handling terminals, which are poised to handle the cargo from central and western India and to become a gateway to traffic toward East and Southeast Asia. The node has the largest airport in Andhra Pradesh and there are plans to build a Greenfield international airport to complement the anticipated developments. The planned PCPIR Expressway will help in easing traffic on National Highway 16. The facilities corridor will be useful for cargo movement between clusters in the node. Industrial water is being supplied by VIWSCO, which ensures reliability and a 100 million liters of drinking water per day desalination plant is planned at Pudimadaka.

Major Industries in the Visakhapatnam Node

The major investments in Visakhapatnam district are around urban clusters. The three major industrial clusters in Visakhapatnam are around Atchutapuram, Nakkapalli, and Bheemunipatnam. The major industries and clusters include Visakhapatnam Steel Plant, Hindustan Petroleum Corporation Ltd., NTPC Limited, Jawaharlal Nehru Pharma City (Ramky), Atchutapuram SEZ, Brandix India Apparel City, Hetero Drugs Pvt. Ltd., and Divi's labs. These industries account for over 60% of the total investment in Visakhapatnam district.

Visakhapatnam is considered to be a center for education in Andhra Pradesh and there are a number of primary and high schools, and colleges in the city. The average literacy rate of Visakhapatnam city was 82.3% in 2011. In addition to state-run schools there are private institutions, missionary schools, and colleges. The Indian Maritime University is a central university poised to play a role in the development of human resources for the maritime sector. Visakhapatnam also has the National Institute of Oceanography and other famous universities such as the Andhra University (AU), Integral Institute of Advanced Management (IIAM), Damodaram Sanjivayya National Law University, and GITAM University.

Kakinada node

Strategic role in corridor

Kakinada, its adjoining area and the port is envisaged to be a key driver of economic growth in the region with a special focus on hardware manufacturing. With the focus on increasing indigenous production of IT hardware, the Government of India has recently identified Kakinada for hardware manufacturing in Andhra Pradesh. East Godavari has already entered the software segment with Sarpavaram SEZ, where Cyinet (formerly Infotech Enterprises) is operating. The local IT institutes, polytechnic, and engineering colleges could meet the manpower requirements of the hardware cluster. Strengths of the node Kakinada is a municipal corporation in Andhra Pradesh. It is located 215 km east of Vijayawada and 65 kilometers east of Rajahmundry. It is the headquarters and largest city in the East Godavari district. Kakinada has an SEZ; industrial clusters like Thammavaram IP, Vakalapudi IP, Kakinada IP, and Peddapuram IP; and is part of the proposed PCPIR. Until the early 1980s (before the fertilizer companies began operation), the local economy revolved around the textile industry, auto parts, steel-related ancillary units, agriculture, and fishing. Kakinada's economy is diverse, due to its seaport and port-based industries.

Kakinada is known as the "Fertilizer City of Andhra Pradesh." The city is home to two fertilizer producers: Nagarjuna Fertilizers (the largest urea manufacturer in coastal Andhra Pradesh) and Godavari Fertilizers (owned by Murugappa Group, and producing diammonium hydrogen phosphate). Over 55% of the total investments in Kakinada are in the fertilizer segment. The key industries in Kakinada include Nagarjuna Fertilizers, EID Parry (India) Ltd., Coromandel International Ltd., and RAK Ceramics. The above industries constitute over half of the investment in the district. The other major companies include International Paper, Agarwal industries, Good Health Agro, and Acalmar Oils & Fats Ltd.

Kakinada is an educational hub, meeting the growing educational

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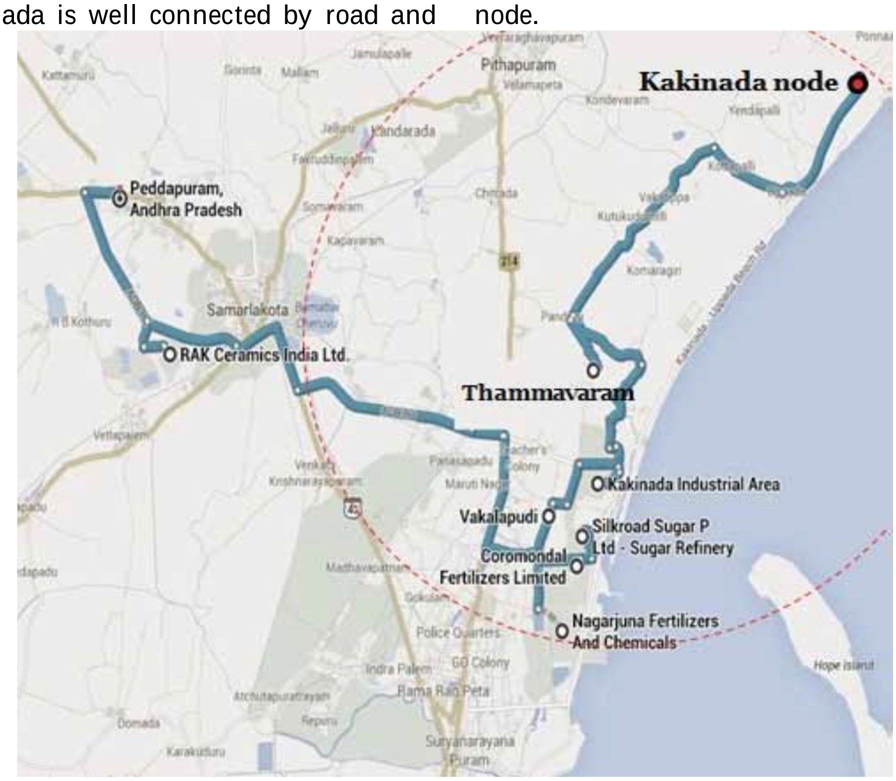
demands of the state. Several professional colleges in Kakinada offer courses in engineering, medicine, information technology and management at the graduate and postgraduate levels. The Jawaharlal Nehru Technological University, Kakinada offers engineering courses and has a business school, while Rangaraya Medical College is a respected medical college. It also has the Andhra University Postgraduate Centre. Kakinada's literacy rate was 81.3% in 2011.

In terms of connectivity, Kakinada is well connected by road and rail. The Kakinada node has dense industrial development around it within a radius of 20 km. It has traditionally been a center for chemical industries and has attracted two of the largest fertilizer companies in the state. The node is well-connected to Rajahmundry, which is 70 km away and one of the local urban centers with a population of more than 400,000. The region is in the catchment area of the Godavari River and its canals. The PCPIR Expressway will help in easing traffic on NH 16. The facilities corridor will be useful to clusters in the node.



Gannavaram–Kankipadu node

Strategic role in corridor

The Gannavaram node is 20 km away from Vijayawada, which is the second-largest city in Andhra Pradesh, and about 55 km from Guntur, which is the third-largest city. The area between Vijayawada and Guntur is proposed to be the state capital. Vijayawada is one of the main education centers in Andhra Pradesh. The node is 40–60 km away from Machilipatnam, which is the administrative headquarters of the district.

The majority of the people in urban areas of Krishna district are engaged in trade and commerce. There are many large scale industries like sugar and cement, and many small scale industries including musical instruments, gold-plated ornaments, and Kondapalli toys. The district has a rich variety of soils, and agriculture is the most important occupation with paddy the main food crop being produced. Though over 80% of investment in Krishna district is in the cement sector, over 55% of the output is from food processing. The major cement industries include Japee Balaji Cement, Ramco Cement, and KCP Cement. These industries constitute over 70% of the district's investment. The key industries in the food processing sector include Coca Cola India Pvt. Ltd, Vijayawada, KCP Sugars, Vuyyuru, Balaji Agro Oils Ltd., and Kankipadu. Cement industries are mostly located close to Jaggayyapeta, whereas food processing industries are in proximity to Gannavaram and Kankipadu.

Meanwhile, Vijayawada is one of the main education centers in Andhra Pradesh. NTR University of Health Sciences is located in Vijayawada. Krishna University is located in Machilipatnam. Rajiv Gandhi University of Knowledge Technologies popularly known as International Institute of Information Technology is situated in Nuzvid. School of Planning and Architecture, South Indian Chapter is present in Vijayawada.

District has numerous engineering colleges including Prasad V. Potluri Siddhartha Institute of Technology, Velagapudi Ramakrishna Siddhartha Engineering College, Lakireddy Balireddy Engineering College, Gudlavalleru Engineering College, DMS SVH College of Engineering, Govt olytechnic Vijayawada (one of the oldest Polytechnic colleges in India), Andhra Loyola College, AANM & VVRSR (Gudlavalleru) Polytechnic College, Mary Stella college, Sidhartha Degree College are few of the many famous arts and science colleges in the district. The average literacy rate in the district was 74.4% in 2011.

Strengths of the node

The node includes Gannavaram, which is seen as an extension of Vijayawada, the most developed city in Krishna district and the state, and a candidate location for the new capital of Andhra Pradesh (Figure 1.46). The presence of existing industries has helped the region to have the second-highest per capita income in the state. Out of the four identified potential nodes, this node has the maximum number of cities with above 1 *lakh* population. The cities in the node have a presence of renowned educational institutions with the potential to provide skilled labor to the existing and planned industrial developments. Vijayawada is the most important railway junction in the South Central Railway, providing it connectivity to all important locations in the state and with neighbouring states. The region is served by the Krishna River. The port being planned at Machilipatnam will have a deep draft to facilitate the movement of large vessels and the handling of large volumes of cargo.

Yerpedu–Srikalahasti Node

The node is strategically located at the southern end of the corridor, which is closer to Chennai and Bengaluru, and is envisaged to anchor development of southern end of corridor. Yerpedu is an extended region of Tirupati, which is the economic center and tourism hub of the state. The node comprises Sri City, which is a thriving industrial area and the other parts of the node can effectively accommodate spillover industrial activity from

Chennai and Sri City. The node would be served by the multiple container terminals in Chennai–Krishnapatnam port cluster. Tirupati is a major educational hub in Andhra Pradesh. There are several universities and colleges, including state-government- and Tirumala Tirupati Devasthanams-sponsored medical, pharmacy, agricultural and engineering colleges in the city. Sri Venkateswara University has been consistently among the top niversities in India in various surveys. Other notable universities include Padmavati Mahila Visvavidyalayam, Rashtriya Sanskrit Vidyapeetham, Sri Venkateswara Veterinary University, Sri Venkateswara Vedic University, and Sri Venkateswara Institute of Medical Sciences. Tirupati also has a number of engineering and degree colleges, including Sri Vidyanikethan Engineering College, SV College of Engineering, Annamacharya Institute of Technology and Sciences, and SV Degree College. The literacy rate was 85.2% in 2011.

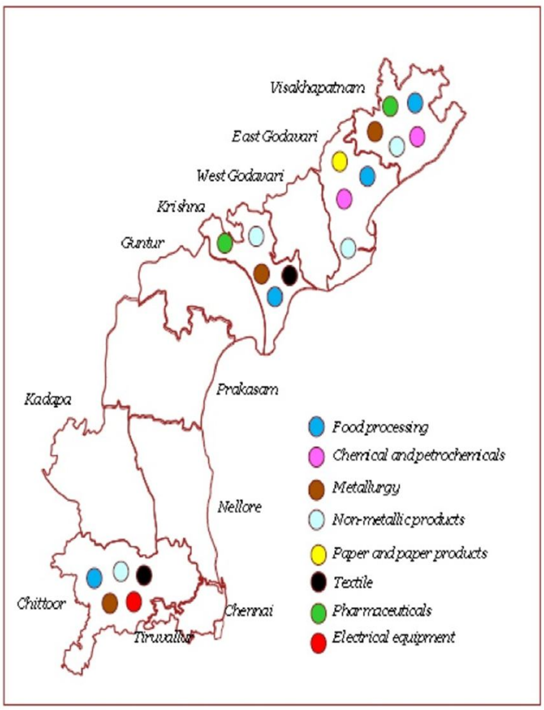
Industries in food processing, textiles, and metallurgy, which constitute around 80% of the total investments in Chittoor are around Yerpedu–Srikalahasti node. Major players include Lanco Industries, Vinsari Fruitech Ltd., Heritage Foods (India) Ltd., Stiles India Ltd., Nutrine Confectionery Co. Pvt. Ltd., Leena Textiles, Prudential Sugar Corporation Ltd., and Amara Raja Batteries. Sri City is the major industrial area in the node region.

Strengths of the node

The node is 20 km from Tirupati, which attracts 50% of tourists who visit the state. The Tirupati Airport is located 15 km from the city center and has flights to Hyderabad, Visakhapatnam, and New Delhi. Additionally, the airport offers flights to Coimbatore, Kolkata, and Mumbai. It is being upgraded to an international airport. The closest international airport is the Chennai International Airport, which is 130 km from Tirupati. The node region is just 130 km and 150 km away from Chennai and Nellore, respectively, which are the urban centers that could provide the node with skilled labor. In the node region, water is available from the Kandaleru reservoir under the Telugu Ganga project. There are few roads being planned by the Government of Andhra Pradesh that will facilitate cargo movements from Karnataka to the Krishnapatnam port, which is a private operational port nearest to the node region.

Conclusion: Industrial corridors and NIMZs planned in India are mega-projects and futuristic vehicles of economic growth. Projects of this mammoth nature need thorough visualization, planning and extraordinary meticulous execution. Comprehensive policy frameworks and its implementation are mandatory for the success. Lessons learnt from similar projects implemented in the past are vital clues and the basis for the future and must be reviewed carefully. Competitive strategies cannot be built on major spending programmes but on addressing structural reforms in areas such as business environment, modernizing public administration, important companies" abilities to innovate or enhancing energy efficiency. VCIC the nodes to be taken up for industrial development; industries for future development, including MSMEs; an infrastructure strategy; and a set of priority projects, particularly last-mile connectivity projects, to unlock the near-term potential of the corridor.

Key industries in the shortlisted nodes:



Key sectors node wise:

- **Vizag Node:** Pharmaceuticals, Metallurgy, Non-metallic minerals, Chemical and Petrochemicals, Food processing
- **Kakinada node:** Food Processing, Chemical and Petrochemical, Paper and Non-metallic minerals
- **Machilipatnam node:** Pharmaceuticals, Metallurgy, Textiles, Food processing, Non-metallic minerals
- **Tirupathi-Srikalahasti node:** Metallurgy, Food processing, Textiles, Non-metallic minerals and Electrical equipment

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Make in India – The Sectors of Focus and the inherent rationale

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Abstract: Make in India campaign was launched by Prime Minister Mr. Narendra Modi on 25th September 2014. It is a national program designed to transform India into global manufacturing hub. The initiative is meant to cut red tape, spur foreign investment and transform India into a vibrant economy. Twenty five sectors have been identified as priority areas including Automobile, construction, Food processing, IT, Defence, Aviation and many more- Introduction of 24/7 e-portal to address the industry concern and get back to them in 48-72 hours. It includes major new initiatives designed to facilitate investment, foster innovation, protect intellectual property and built best in class Manufacturing Infrastructure.

Key words: Make in India, Sectors, Economy, Global etc.,

Introduction:

Make in India campaign was launched by Prime Minister Mr. Narendra Modi on 25th September 2014. It is a national program designed to transform India into global manufacturing hub. The initiative is meant to cut red tape, spur foreign investment and transform India into a vibrant economy. Twenty five sectors have been identified as priority areas including Automobile, construction, Food processing, IT, Defence, Aviation and many more- Introduction of 24/7 e-portal to address the industry concern and get back to them in 48-72 hours. It includes major new initiatives designed to facilitate investment, foster innovation, protect intellectual property and built best in class Manufacturing Infrastructure.

The sectors of Focus:

Make In India International marketing campaigning was Coined By Prime Minister of India, Narendra Modi It was formally launched on September 25, 2014 The objective is Make India a Manufacturing Hub, Generating Employment. Highlights - Eliminating the unnecessary laws and regulations, Time-bound project clearances through a single online portal.

Automobiles, Automobile Components, Aviation, Biotechnology, Chemical, Construction, Defence Manufacturing, Electrical Machinery, Electronic Systems, Food Processing, IT and BPM, Leather, Media and Entertainment, Mining, Oil and Gas, Pharmaceuticals, Ports, Railways, Renewable Energy, Roads and Highways, Space, Textile Garments, Thermal Power, Tourism and Hospitality are Wellness Sectors.

India's space programme stands out as one of the most cost-effective in the world. Reason to Invest India's space program has launched 40 satellites for 19 countries. With ISRO undertaking the development of technologies & interplanetary exploratory mission, there is a scope in contribution to realization of operational mission and new areas. Growth Drivers- The Indian Space Research Organization, Space Commerce FDI Policy, FDI up to 74% is allowed in satellites- establishment and operation, subject to the sectoral guidelines of the Department of Space/ISRO, under the government route Sector Policy, Satellite Communication Policy Space.

Reason to Invest Government is targeting a capacity of 88.5 GW during 2012-17 & 86.4GW during 2017-22. Growth Drivers- Expansion in industrial activity to boost demand for electricity, a growing population is likely to boost demand for energy. Increasing market penetration and per-capita usage will provide further impetus to the energy industry. Large capacity additions (174.9 GW) are targeted up to 2022. FDI Policy- 100% FDI is allowed under the automatic route in the power sector, subject to all the applicable regulations and laws- Sector Policy, Electricity Act 2003, National Tariff Policy 2006, Thermal Power wellness. 2nd largest exporter of Ayurvedic and alternative medicine in the world is the Reason to Invest in Indian system of medicine & homoeopathy are widely recognized for their holistic approach to health & capability for meeting health challenges. The sector is growing at 20% from year to year. Growth Drivers- are Department of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy. Central Sector Scheme for promotion of International Cooperation FDI Policy, 100% FDI is permitted in the AYUSH sector. Sector Policy is that The National Rural Health Mission, National Policy on Indian Systems of Medicine & Homoeopathy – 2002.

Media and Entertainment 3rd largest TV market in the world with 800 TV channels is that reason to Invest. India has a large broadcasting & distribution sector, comprising 800 TV channels, 6000 multi-system operator, and 7 DTH operators. Total market size of Indian entertainment industry growing by 11.8% over 2012. Growth Drivers- are Television and AGV FDI Policy, Broadcasting Carriage Services, Broadcasting Content Services. Sector Policy is The Cable Television Networks (Regulation) Amendment Act.

Automobile with 2.15 million vehicles produced by 2013-2014 is the reason to invest 7% of the country's GDP by volume. By 2015, India is expected to be the fourth largest automotive market by volume in the world. Growth Driver- is Two-wheelers and three-wheelers are projected to expand at a CAGR of 9% in between 2013-20. Sector Policy is that Automatic approval for foreign equity investment up to 100% with no minimum investment criteria.

Automobile Components reason to invest is that it is the 4th largest steel producer in the world and 2nd largest steel producer by 2015. Growth driver is geographically closer to key automotive markets like the ASEAN, Japan, and Korea & Europe. Sector policy- Increased investments in R&D operations and laboratories, conduct activities such as analysis, simulation and engineering animations, automatic approval for 100% foreign equity investment in auto components manufacturing facilities, Establishment of automotive training institutes and auto design Centre's, special auto parks and virtual SEZs for auto components.

OIL & GAS Reason to invest is that 4th largest consumer of crude oil and petroleum products in the world and 2nd largest refiner in Asia. Growth driver- New Exploration Licensing Policy and the Coal Bed Methane Policy have been put in place to encourage investments, Oil imports constitute over 80% of India's total domestic oil consumptions of May, 2014. Sector policy- The government has decided to set up strategic storage of 5.03 MMT of crude oil at 3 locations – Visakhapatnam, Mangalore and Padur, The Policy on Shale Gas & Oil, 2013 allows companies to apply for shale gas and oil rights in their petroleum exploration licenses and petroleum mining leases.

IT &BPM USD 118 Billion –expected 2014 revenues. Reason to invest is The IT-BPM sector constitutes 8.1% of the country's GDP and contributes significantly to public welfare. Growth driver- The sector includes 600 offshore development centers (ODCs) of 78 countries. Sector policy- National Policy on Information Technology 2012 aims to increase revenues of IT and BPM industry to USD 300 Billion by 2020 and expand exports to USD 200 Billion by 2020. Allocation of INR 5 Billion for launching a pan-India programme – Digital India and a national rural internet and technology mission for services in villages and schools, training in IT skills and E-Kranti for government service delivery and governance scheme.

Live Projects- the project is featured in KPMG's '100 Most Innovative Global Projects. ¬Delhi-Mumbai Industrial Corridor (DMIC) and it utilize the 1,483 km-long, high-capacity western Dedicated Railway Freight Corridor (DFC) as the backbone. ¬Twenty four manufacturing cities are envisaged in the perspective plan of the DMIC project.

First Phase- In the first phase, seven cities are being developed. Uttar Pradesh, Haryana, Rajasthan, Madhya Pradesh, Gujarat, Two in Maharashtra. The Phase I is initially is to be completed by 2019. DMIC states (Uttar Pradesh, Haryana, Rajasthan, Madhya Pradesh, Gujarat and Maharashtra) contribute 43% to the country's GDP.

Drivers of the Project Delhi-Mumbai Industrial Corridor Development Corporation DIPP -49% JBIC - 26% HUDCO-19 % IIFCL- 4.1% LIC -1 %

Sectors Focused are General Manufacturing, Electronics, Automobile, Metals and metallurgical products, Pharmaceuticals and Biotech. Sectors Focused are Food Processing, Agro, Heavy Engineering, Information Technology Services sector.

Other Four Corridors- Bengaluru-Mumbai Economic Corridor (BMEC), Amritsar – Kolkata Industrial Development Corridor (AKIC), Chennai-Bengaluru Industrial Corridor (CBIC), Chennai Vizag Industrial Corridor, as the first phase of the project (CVIC), as a East Coast Economic Corridor (ECEC) Corridor's Pentagon.

DMIC Impact in India- the DMIC project seeks to create a strong economic base. New DMIC Cities will help to meet pressures of urbanization. The project aspires to double employment potential, triple industrial output and quadruple exports in the next seven to nine years.

Opportunities across the Value Chain are Public Private Partnership, Contractors/Consultants, Equipment suppliers financing.

Policies- the Indian Government has brought about various changes in its standing policies to encourage the Make in India program. These changes are in form of New Initiatives, increased FDI, improved IPR apparatus and a robust infrastructure for Manufacturing.

New Initiatives- Process of applying for Industrial License & Industrial Entrepreneur Memorandum made online on 24×7 basis through e Biz portal. Validity of Industrial license extended to three years. Major components of Defence products' list excluded from industrial licensing. Dual use items having military as well as civilian applications are deregulated. Services of all Central Govt. Departments & Ministries will be integrated with the e

Biz – a single window IT platform for services by 31 Dec. 2014. Process of obtaining environmental clearances made online. All returns should be filed on-line through a unified form. A check-list of required compliances should be placed on Ministry's/Department's web portal.

Foreign Direct Investment- 100 per cent FDI allowed in the telecom sector, 100 per cent FDI in single-brand retail, FDI in commodity exchanges, stock exchanges & depositories, power exchanges, petroleum refining by PSUs, courier services under the government route has now been brought under the automatic route, Removal of restriction in tea plantation sector. FDI limit raised to 74 per cent in credit information & 100 per cent in asset reconstruction companies. FDI limit of 26 per cent in defence sector raised to 49 per cent under Government approval route. Foreign Portfolio Investment up to 24 percent permitted under automatic route. FDI beyond 49 per cent is also allowed on a case to case basis with the approval of Cabinet Committee on Security. Construction, operation and maintenance of specified activities of Railway sector opened to 100 per cent foreign direct investment under automatic route.

Intellectual Property Facts Simplified Procedure for Filing of National Phase Applications: E-filing facilities: For filing an application for patent or any document in the Patent Office, comprehensive e-filing service is available at the official website with a facility for making e-payment and there is no need to personally visit the office. Incentive for online filing: Indian Patent office offers 10 per cent reduction in fees for online filing of all forms and documents relating to patents, at all stages of processing of an application right from the stage of filing to grant of patent and post-grant processes. Concession for small entities: Applicants belonging to the category of micro, small and medium enterprises (SMEs) are required to pay only 50 per cent of the fee payable by other legal entities namely companies etc. The objective is to encourage the MSMEs to protect their knowledge assets. This facility can be availed equally by foreign applicants.

National Manufacturing Focus Sectors- National Investment & Manufacturing Zones (Nimz), Simplification of Regulatory Environments, the Acquisition of Technology & Development.

Background:

The Prime Minister Narendra Modi, prior to the commencement of his maiden US visit, last month launched 'Make in India', a major national initiative which focuses on making India a global manufacturing hub. Key thrust of the programme would be on cutting down in delays in manufacturing projects clearance, develop adequate infrastructure and make it easier for companies to do business in India. The 25 key sectors identified under the programme include automobiles, auto components, bio-technology, chemicals, defence manufacturing, electronic systems, food processing, leather, mining, oil & gas, ports, railways, ports and textile. The national progamme aims at time-bound project clearances through a single online portal which will be further supported by the eight-member team dedicated to answering investor queries within 48 hours and addressing key issues including labor laws, skill development and infrastructure. The objective of the mega programme is to ensure that manufacturing sector which contributes around 15% of the country's Gross Domestic Products is increased to

25% in next few years. Speaking to more than 500 top global CEOs along with captains of Indian industry at the event in Vigyan Bhawan, New Delhi on September 25th, Prime Minister termed 'Make in India' initiative a lion step to usher in increased manufacturing in the country, which will ultimately generate more employment opportunities for the poor and give greater purchasing power in their hands. The mega even was watched live in several cities in India and abroad through video conferencing, He urged the domestic as well as global investors not to look at India merely as a market, but instead see it as an opportunity. “When we talk of Make in India, we are not just offering a competitive situation and we give you an opportunity to create a huge market for your product. After all, handsome buyer is equally important as cost effective manufacturing.” Modi told a packed audience. Cutting down on procedural delay However, for making India an investment hub, the first and foremost importance step would be to create a efficient administrative machinery which would cut down on delays in project clearances. Economists say that India has been very stringent when it comes to giving procedural and regulatory clearances. Besides a time bound clearance from all regulatory authority would create a conducive environment for business. The Prime Minister acknowledged that India being ranked low on the ‘ease of doing business’ ranking by World Bank and added that he has started to sensitize the Government officials in this regard. On his recent meeting with World Bank President Jim Yong Kim, Modi said “World Bank President was also expressing this worry. Probably we were 135th in the world at that time. If we have to come to 50 from 135 then Government alone can do this. If Government brings transparency in its decisions and rules, pushes works with simplicity we can occupy number 50 from 135 in ease of doing business,”. Delay in getting regulatory clearances lead to rise in cost of production. A leading multinational automobile major said "costs of production in India increase because of various government policies, procedures, regulations and the way some of the laws are implemented,". The quicker the government addresses these challenges its better for the industry to set up facilities in the country. For providing better infrastructure for the industry, there has been a big constraint in term of land acquisition. Often land acquisition for the industrial purpose run into trouble at the local level.

Tax sops & focus on innovation

Economists have noted that with the globalization becoming a reality, Indian manufacturers will have to compete with the best and cheapest the rest of the world has to offer even in the domestic market. They urged for providing tax concessions to any industry which would set up manufacturing facility in the country. Besides a critical aspect is the country’s huge small and medium-sized industries which could play a big role in making the country take the next big leap in manufacturing. “India should be more focused towards novelty and innovation for the sectors indentified and integration with the country’s premier institute for carrying out research and development would be critical to the success of the make in India programme,” a leading industrialist said. Skill development & thrust on education Stressing that his government has given top priority to skill development, Prime Minister had said the government is currently doing mapping for assessing skill manpower demand for specific sectors. He noted that there has to be synchronization between the objectives of the government, academic world, industry and job seekers for ensuring that industry specific skills are imparted. Experts argue that the country needs to focus on quality education not just skill development. "In the emerging economy, people will need to continuously learn new skills to meet the economy's changing requirements," an official with an industry association observed. Prime Minister also promised that specific sectors would be asked to access Industrial Training Institutes (ITIs) located across the country to train manpower locally as per their needs. "You will get a good worker for your industry and our ITI will start running. Our youngsters will get employment, his family will be strengthened and better purchasing power will help the economy. ," Modi told top industrialists. In the last couple of years, National Skill Development Agency (NSDA) initiated work, on creating a labor market information system, which would help industry sourcing their manpower requirement.

After getting information on labor market, the government would provide accredition to manpower agencies so that the industry can access information on the manpower requirement.

Reforms in the labor laws, besides the skill development and labor law flexibility is a key element for the success of this campaign for increasing manufacturing in the country. Economists say that "labor law flexibility does not imply 'hire and fire' policy, it's about providing a sound social safety net to workers." Experts say that the country has some of the most comprehensive labor laws at the same time a large parts of working population do not have access to social security net. Prime Minister had stressed the faster the bulk of Indian middle class increases, the faster people move from poverty to middle class, the faster will be their conversion into a favorable market for the world. He said his government's focus will be on physical infrastructure creation as well as creating a digital network for making India a hub for global manufacturing of goods ranging from cars to software's, satellites to submarines and paper to power. A leading Economist said the big challenge for 'Make in India' campaign would face constant comparison with China's 'Made in China' campaign. The China launched the campaign at the same day as India seeking to retain its manufacturing prowess. "India should constantly keep up its strength so as to outpace China's supremacy in the manufacturing sector," he noted. Categorically stating that there is a need for some fundamental changes in Indian economy so that the country emerges as global manufacturing base, Modi explained "on the one hand, manufacturing growth is to be promoted, at the same time we need to ensure that direct benefit goes to the youngsters of India. He should get employment so that there is improvement in the economic situation of even the poorest family. These poor should move towards middle class and there purchasing power should improve. This will lead to manufacturing growth and growth of the market,"

Demographic dividend

Notwithstanding the challenges faced in making India a manufacturing hub, the country is poised to reap rich dividend for being one of the youngest nations in the world. According to reports by 2020, India is set to become the world's youngest country with 64 per cent of its population in the working age group. With the Western countries, Japan and even China aging, this demographic potential offers India and its growing economy an edge that economists believe could add a significant 2 per cent to the GDP growth rate annually. Prime Minister also had said that India is the only country in the world which offers the unique combination of democracy, demography, and demand from a rising middle class. Besides, the campaign would ensure closer centre and states relations for promoting India as a global manufacturing hub. "If investment comes in the States, it comes in India also. States and Centre should work collectively, shoulder to shoulder as a team. They should find solution together and things move forward," Modi urged. Although a sound beginning has been made for the Make in India campaign, now the ball is in the government's court to ensure its success.

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The role and performance of MSME's in innovative and competitive make in India

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Abstract: Make in India was launched by Prime Minister, Narendra Modi on 25 September 2014, to encourage companies to manufacture their products in India**.** He has launched this ambitious campaign with an aim to turn the country into a global manufacturing hub. In an old era, there were a handful of companies in India, which used to manufacture goods, daily use products, clothes, toys etc., for Indian consumers. However, foreign products entered and created a space in Indian Market with the support of British troop and captured it. As a result, Indian product manufacturing companies lost their grip from the market and got vanished from the market. However, in the 21st century, the governance of Modi Sarkar came up with a motivational campaign called "Make In India' to wake up those Indian manufacturing companies and started encouraging them to manufacture products in India. This new revolutionary step has spread positive waves in the Indian economical sector. It has shown a new hope for Indian entrepreneurs to rise. Along with well-established businesses, this new initiative of 'Make in India' is also proving supportive to enthusiastic SMEs to come up with their unique business ideas and strengthen economic share of our country. Making India is a manufacturing hub for MNCs; thereby it is creating more opportunities for Indian SMEs.

Keywords: *Industrial production, Infrastructure, Make in India. Economic Growth, Employment,, MSMEs.*

I) Introduction

Small and Medium Enterprises (SMEs) play a major role in most economies, particularly in developing countries. Formal SMEs contribute up to 45 percent of total employment and up to 33 percent of national income (GDP) in emerging economies. These numbers are significantly higher when informal SMEs are included. According to estimates, 600 million jobs will be needed in the next 15 years to absorb the growing global workforce, mainly in Asia and Sub-Saharan Africa. In emerging markets, most formal jobs are with SMEs, which also create 4 out of 5 new positions. However, access to finance is a key constraint to SME growth; without it, many SMEs languish and stagnate. The Prime Minister Narendra Modi launched 'Make in India', a major national initiative on 25 September, 2014 focuses on making India a global manufacturing hub. Key thrust of the program would be on cutting down in delays in manufacturing projects clearance, develop adequate infrastructure and make it easier for companies to do business in India. The 25 key sectors identified under the program include automobiles, auto components, bio-technology, chemicals, defense manufacturing, electronic systems, food processing, leather, mining, oil & gas, ports, railways, ports and textile.

Micro, Small and Medium Enterprises (MSME) sector is one of the still untapped high growth segments in India and an essential partner for achieving socio-economic growth. MSMEs, which are spread across both urban and rural areas of the country, mostly form part of the unorganized sector. As per present estimates, the MSME sector including Khadi, Village and Coir industries, consist of 51 million units and provides employment to over 117 million persons. The sector contributes 7% to India's GDP while accounting for 45% of the total manufacturing output and 40% of the exports from India.

The objective of the mega program is to ensure that manufacturing sector which contributes around 15% of the country's Gross Domestic Products is increased to 25% in next few years. According to statement given by Rana Kapoor, President of ASSOCHAM, 'The MSME sector is critical to our nation's economic growth. Employing nearly 8 crore people, MSMEs are the vehicle for inclusive growth and an incubator for entrepreneurs. An enabling business environment with strong focus on leveraging technology can help unleash the true potential of the sector. India needs a focused policy impetus to improve the competitiveness of MSMEs and incentivize exports to broad base and actualize the benefits from "Make in India" initiative.

The micro, small and medium enterprises have been defined in the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, in terms of their investment in Plant and Machinery, as under:

Enterprises	**Investment in Plant and Machinery**
Micro Enterprises	Does not exceed Rs. 25 lakh
Small Enterprises	More than Rs. 25 lakh but does not exceed Rs.5 crore
Medium Enterprises	More than Rs. 5 crore but does not exceed Rs.10 crore
Service Sector	
Enterprises	Investment in Equipment
Micro Enterprises	Does not exceed Rs. 10 lakh
Small Enterprises	More than Rs. 10 lakh but does not exceed Rs. 2 crore
Medium Enterprises	More than Rs. 2 crore but does not exceed Rs.5 crore

Source: MSME's Repots

II) Literature Review

The comprehensive literature demonstrates that MSMEs are necessary for sustained economic growth and development of any economy including India. To justify the need of present study, following literature has been reviewed:

Jaswal (2014) identified the leading role played by Micro, Small and medium enterprises (MSMEs) in propelling economic growth, sustaining livelihood and in promoting equitable regional development. He found that the most important contribution of this sector is towards employment generation which is second only to agriculture in India. The experiences of recent year's shows that employment in agriculture sector has been declining as well as large industries are also experiencing jobless growth.

Singh et al. (2012) analyzed the performance of Small scale industry in India and focused on policy changes which have opened new opportunities for this sector. Their study concluded that SSI sector has made good progress in terms of number of SSI units, production & employment levels. The study recommended the emergence of technology development and strengthening of financial infrastructure to boost SSI and to achieve growth target. Dixit and Pandey (2011) applied co integration analysis to examine the causal relationship between SMEs output, exports, employment, number of SMEs and their fixed investment and India's GDP, total exports and employment (public and private) for the period 1973-74 to 2015. Their study revealed the positive causality between SMEs output and India's GDP. Bargal et al. (2009) examined the causal relationship among the three variables GDP, SSI output and SSI exports and also have compared the performance parameters of SSIs in the pre and post liberalization era. The study found that the annual average growth rate of different parameters of SSIs have declined in the period of nineties visà-vis the pre-reform years. There is an absence of any lead-lag causal relationship between exports and production in small-scale sector and GDP of Indian economy.

Subrahmanya (2004) highlighted the impact of globalization and domestic reforms on small-scale industries sector. The study stated that small industry had suffered in terms of growth of units, employment, output and exports. The Researcher highlighted that the policy changes had also thrown open new opportunities and markets for the small-scale industries sector. He suggested that the focus must be turned to technology development and strengthening of financial infrastructure in order to make Indian small industry internationally competitive and contribute to national income and employment. Mali (1998) observed that small and medium enterprises (SMEs) and micro enterprises have to face increasing competition in the present scenario of globalization, they have to specifically improve themselves in the fields of management, marketing, product diversification, infrastructural development, technological up gradation. Moreover, new small and medium enterprises may have to move from slow growth area to the high growth area and they have to form strategic alliance with entrepreneurs of neighboring countries. Data bank on industries to guide the prospective entrepreneurs including investors from abroad is also needed.

III) Objectives Of Study

Present study focuses on the contribution of "Make in India" campaign in turning the country into global manufacturing hub. Author has also focused his attention on the role of MSMEs in "Make in India" initiative and increase in financial contribution towards MSME's under "Make in India" campaign.

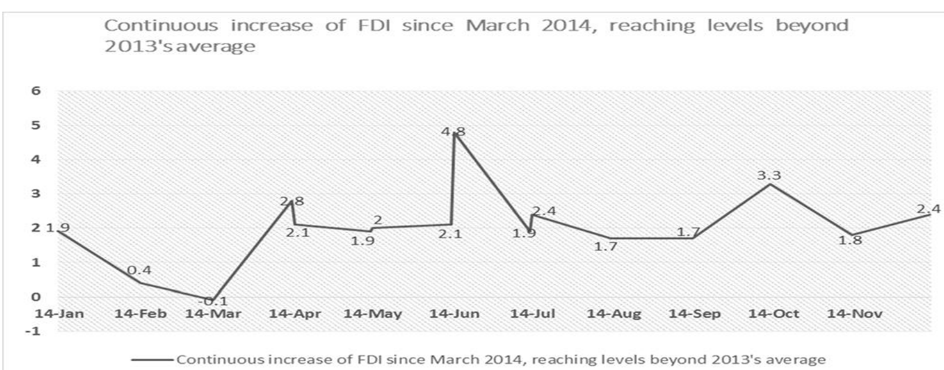
IV) Methodology

This paper examined the role of Make in India in MSMEs growth and making India a global manufacturing hub. Data for the same was collected secondary sources including various government reports like annual report of MSMEs, Database of Department of Industrial Policy and Promotion and Reserve Bank of India Database on Indian Economy. In addition to that data was collected from various journals, magazines and report of CII's 13th manufacturing summit 2014.

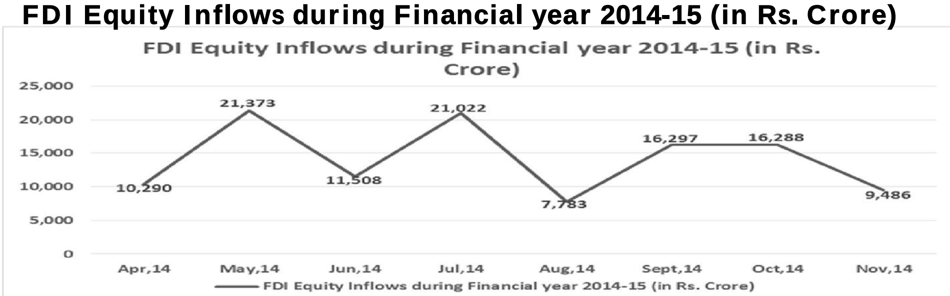
V) Role of "Make In India" In Growth of Manufacturing Sector

Prime Minister Mr Narendra Modi has launched the "Make in India" campaign, targeted to transform India into a manufacturing leader. India's manufacturing sector, with a 15% share of overall GDP, compares poorly with peers like Malaysia, Thailand and Indonesia. India also suffers from some critical drawbacks like a lack of an enabling infrastructure, poor perception of India in terms of ease of doing business, and a lack of proven ability to compete at a global scale. According to the CII-BCG Manufacturing Leadership Survey 2014, while 44 % CEOs feel highly confident in the "Make in India" campaign, they also unanimously agree that such a goal would need bold and sustained measures by the both the public and private sectors. The manufacturing sector in India (including the MSME segment) grew at an annual average growth rate of 9% during the period 2005-06 to 2012-13. In the last two years, the growth rate in the manufacturing sector has fallen steeply. The Economic Survey reports that in 2009-10 and 2010-11, the growth in manufacturing was 11.3% and 9.7% respectively, but it fell sharply to 2.7% in 2011-12 and to 1.9% in 2012-13. Central Statistical Organization (CSOs) recent trends in manufacturing sector in the country, as reflected in the monthly Index of Industrial production (which includes mining and electricity generation also) are indicative of a continuing slowdown in the industry.

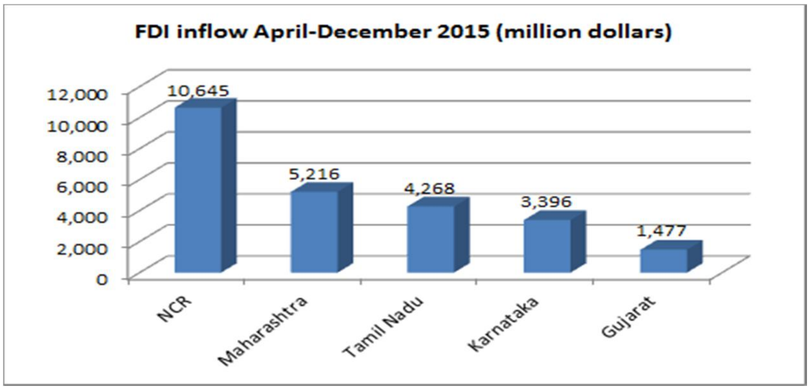
FDI since March 2013



FDI Equity Inflows during Financial year 2014-15 (in Rs. Crore)



The flow of FDI's is in 2015 at very highly because of the Prime Minister Mr Narendra Modi's "Make in India" campaign. NCR takes the first place in the flows of FDI's in India of 10, 645 million dollars and the second place occupied by the Maharashtra with 5, 216 dollars.



The SME sector contributes about 45% to the manufacturing output, 40% of the total exports, and offers employment opportunities both for self-employment and jobs, across diverse geographies. A healthy rate of growth shall be ensured for the overall growth of the manufacturing sector as also the national economy by policy interventions in areas like manufacturing management, including accelerated adoption of Information technology; skill development; access to capital; marketing; procedural simplification and governance reform.

The Handicrafts Sector plays a significant & important role in the country's economy. It provides employment to a vast segment of craftsperson in rural & semi urban areas and generates substantial foreign exchange for the country, while preserving its cultural heritage. Total Working Enterprises and Employment available in these Enterprises are as follows:

VI) Role of MSMEs in 'Make in India' campaign

New policies were framed under "Make in India" campaign to facilitate the expansion of Micro Small and Medium Enterprises (MSME) and increase the focus on innovation. It includes the launch of INR 10,000 crores venture capital fund dedicated to MSMEs. The government has made strategic visits overseas to drive increased investment (including a visit to Japan, where the government has committed to investments in India of USD 35 billion, and to the US where a US-India business body has committed to a USD 42 billion investment in India over the next two to three years). Another key area of progress for India would be the development of its SMEs to achieve and manage scale effectively. Our supply chains are over-dependent on MSMEs. The MSME sector employs over 80 million people in 36 million units, and contributes 45 percent of the manufacturing output. Issues connected with credit availability - adequacy, timely availability, cost and mortgages -remain a continuing concern for MSME associations. This is not surprising because, with little promoter's capital, a small unit is entirely dependent on credit to set up its enterprise.

The Mitra Committee report has summarized the vicious cycle of credit issues in the following diagram, where the cycle starts from lack of access to formal sources of finance- which leads to tapping alternate sources of funds that are costly- higher cost of credit results into poor net cash inflow- which increases the risk profile of the small unit-and reduces her credit worthiness-which in turn further aggravates lack of access to formal sources of finance. Recognizing the crucial role of bank finance for the MSMEs, the PM's Task Force on MSMEs recommended specific and monitor able targets for credit disbursement by Scheduled Commercial Banks in the Micro and Small Enterprises sector. Our SMEs are struggling, credit defaults are the highest for MSMEs amongst all credit classes—standing at around 5 percent of advances for the last three years. Due to a lack of penetration and data-led approach, a sizeable credit gap exists in India for businesses, including for Micro, Small and Medium Enterprises (MSMEs). According to a study conducted by the US-based Entrepreneurial Finance Lab (EFL), a credit gap of 56 percent exists in the MSME finance sector in India; while demand is estimated to be INR 28.03 trillion, the supply finance provided only INR 10.39 trillion, as of July 2014.

Loaning to MSMEs is described as being costly for lenders because the processing of each application requires intensive fieldwork and high levels of scrutiny, explaining market under-penetration. According to an EFL estimate, 92 percent of MSMEs lack access to formal sector finance. This leads to small industries resorting to take credit from individuals and unregistered organizations. In order to bridge the data gap and facilitate broad-based access to credit, several countries (including Australia, New Zealand and Mexico) have set up modern collateral registries re-cording all types of secured transactions and movable assets. Aiming at facilitating access to finance and credit for SMEs, CII is setting up an 'Online Finance Facilitation Centre for SMEs' with the objective to provide advisory and credit facilitation support to SMEs.

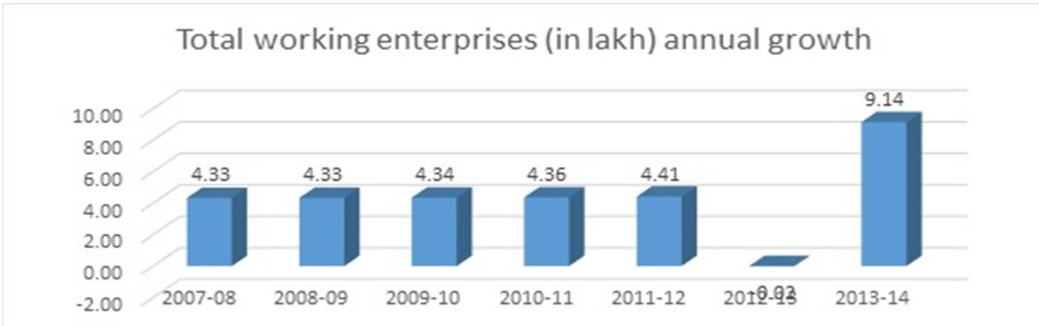
VII) DATA ANALYSIS

1) **Table 1: Performance of MSME, Employment and Investments**

Sl No.	Year	Total working enterprise (in lakh)	Employment (in lakh)	Market value of fixed Asset (Rs. In crore)
1	2006-07	361.71	805.23	868,543.79
2	2007-08	377.36	842.00	920,459.84
3	2008-09	393.7	880.84	977,114.72
4	2009-10	410.8	921.79	1,038,546.08
5	2010-11	428.73	965.15	1,105,934.09
6	2011-12	447.64	1011.69	1,182,757.64
7	2012-13	447.54	1061.4	1,268,763.67
8	2013-14	488.46	1114.29	1,363,700.54

Sources**:** Annual report 2014-15, GOI, Ministry of MSME

Chart 1: chart showing annual growth rate of total working enterprises in MSME



Sources: author's calculation

Chart 2: chart showing annual growth rate of employment in MSME

Sources: author's calculation

Chart 3 chart showing annual growth rate of Market value of fixed assets in MSME

Sources: author's calculation

Analysis: Total working enterprise in MSME grown at CAGR 4.39% from 2006-07 to 2013-14, there is fluctuation in annual growth rate and during 2012-13 negative growth in total working enterprises. Employment growth in CAGR 4.75% from 2006-07 to 2013-14, there is continuous growth in MSME employment and MSME providing more employment opportunities over last 7 years. Market value of fixed asset growth in CAGR stands at 6.65% from 2006-07 to 2013-14, market value increased over a period of time.

Table 2: Contribution of manufacturing output of MSME in GDP

Sl No	Year	Gross Value of MSME Manufacturing Sector (in crore)	Share of MSME sector in total GDP (%)			Share of MSME (%)
			Manufacturing Sector MSME	Services Sector MSME	Total	
1	2006-07	1198818	7.73	27.40	35.13	42.02
2	2007-08	1322777	7.81	27.60	35.41	41.98
3	2008-09	1375589	7.52	28.60	36.12	40.79
4	2009-10	1488352	7.45	28.60	36.05	39.63
5	2010-11	1653622	7.39	29.30	36.69	38.5
6	2011-12	1788584	7.27	30.70	37.97	37.47
7	2012-13	1809976	7.04	30.50	37.54	37.33

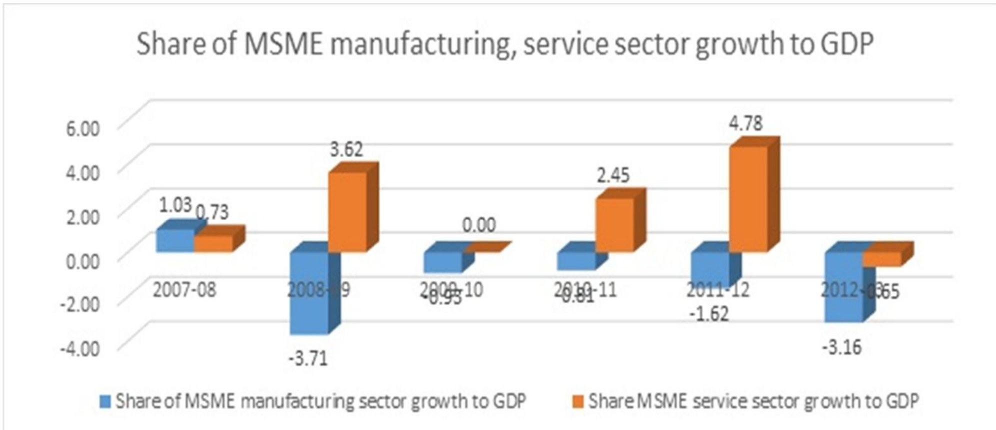
Sources: Annual report 2014-15, GOI, Ministry of MSME

Gross value of output of MSME manufacturing sector (in crore) grown at CAGR of 7.17% during 2006-07 to 2012-13 and the growth rate highly fluctuated. Share of manufacturing sector growth rate to GDP with CAGR of negative -1.53% during 2006-07 to 2012-13 and indicates MSME manufacturing industry contribution to GDP is down over 6 years of period. Share of service sector growth rate to GDP with CAGR of 1.82% during 2006-07 to 2012-13 and indicates MSME service industry contribution to GDP is growing lower over 6 years of period.

Chart 4: chart showing annual growth rate of gross value of output of MSME manufacturing sector

Sources: author's calculation

Chart 5: chart showing share of manufacturing, services and total MSME growth to GDP



Sources: author's calculation

VIII) Conclusion

'Make in India' is a major national initiative which focuses on making India a global manufacturing hub. This paper analyzed the contributions made by the MSME sector in industrial production and promotion of employment through working enterprises across the country. A US-based Entrepreneurial Finance Lab (EFL) found a credit gap that exists in the MSME finance sector in India. Government is taking various initiatives to ensure credit availability to the MSMEs while upgrading the technology to increase the standards of products. It stressed the need to make the sector attractive for capital investment to strengthen existing enterprises. MSME segment will play a key role in domestic manufacturing in the coming days and will lead the 'Make in India' program towards success. Government would be coming up with quality up gradation schemes for the MSME sector so that these products are able to compete and be preferred over those countries like China which are flooding the market. One of the major problems about MSMEs is the gap between requirements and availability of funds, this gap should be reduced. A good credit rating from an external credit rating agency is a tool to reduce the rate of interest to some extent, as the MSMEs with a higher credit rating are in a better position to negotiate softer rates of interest from bankers.

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The Role of Women Entrepreneurs in Make in India

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Abstract: For most people Make in India is a lion. For me it is a lioness. For India's big opportunity as well as empowerment lies with the women who are driving the business. These industries are big and small, from home or an office, virtual or on the shop-floor. Women play a crucial in the growth of the economy. Over the years, Indian women have made a substantial impact and achieved success across sectors within the country. Make in India is an initiative launched by the government of India to encourage multi-national, as well as national companies to manufacture their products in India. In India, the manufacturing sector employs 20% of the total workforce, much lesser than a number of Asian countries. Women are at the heart of the country's manufacturing,digital and service boom. Forme,putting an idea to work is making in India.For "Make in India"to grow even further,women should be considered and promoted as key drivers.

Key words: Make in India, women, manufacture, lion

Introduction

For most people Make in India is a lion. For me it is a lioness. For India's big opportunity as well as empowerment lies with the women who are driving the business. These industries are big and small, from home or an office, virtual or on the shop-floor. Women play a crucial in the growth of the economy. Over the years, Indian women have made a substantial impact and achieved success across sectors within the country. Make in India is an initiative launched by the government of India to encourage multi-national, as well as national companies to manufacture their products in India. Prime Minister Narendra Modi launched "Make in India" on 25^{th}sep 2014 in a function at the Vigyan Bhavan. The logo of this is a Lion made of gearwheels-itself reflects integral role of manufacturing in government's vision and national development. It provides a successful track of employment to the youths of country which will surely help in reducing the poverty level and other social issues in India. The successful implementation of this plan will help in the hundred smart cities project and affordable housing in India.

The main objective of Make in India programme is to insure solid growth and valuable employment creation in the country with the help of top investors. It will benefit parties, the investors and our country. The government of India has created a dedicated help team and an online portal [make in India.com]for the easy and effective communication of investors. A dedicated cell is committed to answer all the queries from business entities any time. It has been identified by the government to work for the investors and become a world leader.

Women enterprenuership and make in india

The start-up revolution is here in India and seems like it's here to stay!A recent report by nasscom named "startup India. Momentous rise of Indian start-up Eco system" states that India ranks third, globally with 4200 start-ups. The Make In India and start-up India campaigns launched by the government this year have also fueled the growth of start-ups in the country and the interesting fact is that many women who have turned entrepreneurs are riding this momentum. Many entrepreneurs, especially women who have started their ventures from home, have benefitted from how the digital has revolutionized business and work. With Make in India, the pride of manufacturing a product at home is tremendous.The process of documentation has also become more smooth after policies were re-done to support entrepreneurs.

Indian women in manufacturing

In India, the manufacturing sector employs 20% of the total workforce, much lesser than a number of Asian countries. Though women are under-represented in this sector, there are a range of companies that have set an example for others to follow.

JCB India, which manufactures construction and agriculture equipment, has witnessed a significant rise in the employment of women.[3] Today, JCB employs over 110 women in India, who are trained at frequent intervals on the latest technologies. Similarly, Maruti Suzuki has increased women workforce in their manufacturing team from 274 employees in 2012 to 366 employees in 2014.[4]

The other companies that are increasingly hiring more women are Kinetic Communications and United Technologies. The latter has started an all-women assembly line at its air-conditioner manufacturing facility in Gurgaon.

Samsung too has opened 18 technical schools in India. The branch at Patna is India's first female-only technical training centre and imparts skills to over 5,000 women each year.

Internet and Women

In India, over 110 million women are active users of internet and growing at a rate of 46% for females, according to a report by Internet and Mobile Association of India and IMRB International.[5]

Urban India isn't just witnessing women's contribution to social change, health care and education. There are a considerable number of initiatives undertaken by rural women at the grass root level too in spreading awareness for gender equality.

Women village-level entrepreneurs run a range of Common Service Centres in India. Vaijanti Devi, who hails from Bihar, runs one such centre and offers online banking services and enrolls villagers for the Aadhar programme.

Success Stories

There are certain sectors where Indian women are leading the way. The quantum of their workforce is gradually moving up the ladder across various industries.

- **Banking:** Women hold the reins of some of the largest Indian banks and financial service companies. The biggest example is that of the Chairperson of State Bank of India (SBI), Arundhati

Bhattacharya, who is the first woman to have held this position. She was also named among the 50 Most Powerful Women (International), according to a list compiled by business magazine Fortune.[6]

The other names that are part of the list are Managing Director (MD) and Chief Executive Officer (CEO) of ICICI, Chanda Kocchar and Shikha Sharma, Managing Director & CEO of Axis Bank, who have played a significant role in the development and progress of the retail banking sector in India.[7]

Another achievement in this industry was the establishment of an all-women's bank, Bharatiya Mahila Bank (BMB) Ltd in August 2013. A pan-India bank, BMB has over 100 branches across the country.[8] The bank focuses on providing monetary assistance to economically neglected, discriminated, rural and urban women.

- **Pharmaceutical and Healthcare:** The pharmaceutical and healthcare sector has seen enterprising women leaders. The first woman to have been at the helm of a pharmaceutical empire, Swati Piramal, is regarded as a pioneer who campaigned for new drug research in India and highlighted the importance of scientific innovation.

Kiran Mazumdar-Shaw is another exemplary woman leader who founded Biocon, the country's leading biotechnology enterprise. She has immensely contributed to research, innovation and affordable healthcare. Mazumdar-Shaw has been conferred upon with the '2014 Othmer Gold Medal' and the coveted '2014 Global Economy Prize' for Business by Germany-based Kiel Institute for the World Economy.[9]

- **IT-BPM sector:** According to NASSCOM'S IT-BPM Sector in India 'Strategic Review 2015', this industry contributes a staggering 9.5% to the national GDP and employs more than 1.2 million women. Some of the biggest multinational technology firms, including IBM India and HP, are headed by women.

The Managing Director of global technology solutions company IBM, Vanitha Narayanan, is consistently working towards the development of women's leadership in India as well as the South Asia region. She is also a member of IBM's Multicultural Women's Network that encourages multicultural business women to expand their career network.

Similarly, Nivruti Rai was appointed as the Intel India General Site Manager in March 2016. She succeeds Kumud Srinivasan, who was the first woman president of the computer chip maker. Having joined Intel in 1987, Srinivasan has spent more than two decades at the company and held several significant business positions.

In an empowering move, Infosys has also set a target to have 25% women in senior leadership roles by 2020. The second largest Information Technology services company in India currently has 35% women employees, though most occupy junior and mid-level positions.[10]

- **Women CXOs**

Apart from the sectors mentioned above, there are multiple spheres where women have achieved success at the CXO level. The biggest accomplishment is that of former MD of Britannia Industries, Vinita Bali, who quadrupled the company's revenue to USD 989 million in Financial Year (FY) 2013-14 from USD 248 million in FY 2005-06 (She took over as MD in 2005).[11]

As the face of Britannia, Bali made efforts to promote nutrition and build the brand. She is the only Indian who is a part of the United Nations committee that was set up to lead the 'Scaling up Nutrition' across the globe.[12]

Another name that is counted among India's most inspiring women is Indra Nooyi, who has ensured steady revenue growth ever since she was appointed Chairperson and CEO, PepsiCo, the second-largest food and beverage business in the world.

Capacity building movement undertaken to build skilled workforce

Of the nearly 4,400 start-ups, fewer than one in 10 were founded by women, according to industry body NASSCOM. In the words of the CEO of NITI Aayog, Amitabh Kant," India can grow at over 10-11% if we include women in the economic process. They can contribute to building new businesses – from traditional industry to startups."

To address this concern, the government has introduced a slew of initiatives to empower women and aid them in leading a sustainable life.

- **Support to Training and Employment Programme for Women (STEP)**

The Ministry of Women and Child Development introduced the 'Support to Training and Employment Programme for Women (STEP)' scheme to provide employment to women. Under this scheme, women above 16 years of age are provided training to help them become self-employed. The sectors covered under this programme include Agriculture, Food Processing, Handlooms, Handicrafts and Computers, among others.[13]

- **Women's Vocational Training Programme:** The Women's Vocational Training Programme was introduced in 1977 by the Ministry of Labour and Employment. The programme attempts to promote the employment of women in industries (mainly the organised sector). As part of this programme, women are trained under the Craftsmen Training Scheme and Craft Instructors Training Scheme.[14]

- **Digital India**

Digital India aims to transform India into a digitally empowered society and knowledge economy. A beginning has already been achieved, with the first Women Village Level Entrepreneur Conference that was held in March 2015.

Other programmes include Arogya Sakhi, which is a mobile application that assists women entrepreneurs to deliver preventive health care at the doorstep.[15] Similarly, Internet Saathi aims to deploy 1,000 specially-designed bicycles with connected devices to give women a chance to experience the Internet for four to six months.[16]

- **Start Up and Stand Up India**

Both the Start Up and Stand Up India initiatives empower women entrepreneurs and provide financial assistance to those who are setting up their businesses. The programmes also aid those who have already established their business but fall under the startup category.[17] Through these schemes, the government aims to turn women from job-seekers to job-creators.

The road ahead

With the power of digital technology and growing opportunities, there is a revolution in the way women are doing business. Some of them are already running successful enterprises, and many more are joining the bandwagon. For 'Make in India' to grow even further, women should be considered and promoted as key drivers.

Conclusion

The officials themselves give us proper instructions and make sure everything is in place so that there is no trouble later on.Further ,there are a number of initatives that are aiding women entrepreneurs to get funding from big investors.Recently,the Empower event was held in Mumbai,where 15women entrepreneurs were trained and skilled to pitch their ideas to investors.Ladies who are driving the business,the opportunities are there to be taken!Harnessing the power of women could change the growth matrix says a KPMG report.Women are at the heart of the country's manufacturing,digital and service boom.Forme,putting an idea to work is making in India.For "Make in India"to grow even further,women should be considered and promoted as key drivers.

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Make In India: Role of Women Entrepreneur

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Abstract: Women play a crucial role in the growth of the economy. Over the years, Indian women have made a substantial impact and achieved success across sectors, both within the country and overseas. Today, India boasts nearly 1.4 million women panchayat leaders – a number that is an indicator of the leadership roles women are increasingly taking up.For more women to be a part of the workforce, it is essential to promote skill development. Skill development facilitates high productivity, increased employment opportunities and higher income. Skill India envisions to train over 400 million people in India by 2022. The present paper deals with the role of women entrepreneurs in the make in India concept. For this the secondary data has been used.

Keywords: women, entrepreneur, growth, make in India, employment.

Introduction

Indian Government defines woman owned business as an entity where a woman or a group of women owns at least "51% of the capital" and give 51% of generated employment to women. Women are 48% of Indian population but their participation is still below par as only 34% of Indian women are engaged in financial and economic activities, many of which are unpaid or underpaid workers. With gender-bias problems in some regions of India, women have also become victims of unemployment.

This bias has proven to be advantageous to certain extent as women have taken up entrepreneurship to fill the void and prove their critics wrong.

Significance of Women in India's Entrepreneurial Sector

Indian women have been at the receiving end of criticism but much to the dismay of their skeptics, they have mostly appeared triumphant as the dust of criticism settled. The industry has much to gain and literally nothing to lose with women in business. The merits are innumerable.

- Indian industry's think-tank gets bigger.
- New opportunities are created.
- More employment opportunities are generated.
- Per-capita income increases.
- Indians enjoy better standard of living.
- Education and awareness becomes common.
- Future becomes brighter for the next generation.
- Women gain a better understanding of managing family and business concurrently.
- Indian women achieve a sense of self-realization and self-fulfillment.
- Women gain better ability to take risks and business decisions.
- Women become more confident.

Opportunities to Indian Women Entrepreneurs

Educated, gifted, and qualified females can enter virtually any business. Successful women have been representing and still continue to represent brands like Times of India, PepsiCo, ICICI, TAFE, HP, HSBC and J.P Morgan along with other names. The list in the lines to come puts forward few sectors where women entrepreneurs of India can excel as senior managers and owners.

- Eco-friendly/ Bio-friendly sectors
- IT sector
- Event Management
- Lifestyle sector
- Beauty and cosmetic
- Healthcare
- Travel and tourism sector
- Food, food processing and beverages
- Telecommunications
- Financing
- Plastic manufacturing
- Local and international trading
- Property and estate

Barriers to Indian Women Entrepreneurs of India

But like mentioned before, countless hurdles have been laid for Indian women over the years. Surpassing all of these hurdles successfully is still a challenge. These are some of the problems women face after starting their business:

- Family problems
- Management of Finance
- Managing manpower
- Professional disrespect

The key reason of women being blocked from business is that they are women. Male prejudice is still prevalent in India. Male is still considered the dominant gender and sole bread provider. The view that Indian women lack self-confidence, willpower, mental composure and entrepreneurial attitude has made devastating effects on India. This view has kept the women from becoming leaders and has also instilled fear in women.

This age-old prejudice has also convinced a portion of women that they are unable to take risks; that they are unable to access technology, deal effectively with workers and that the best job for them is to raise a family.

However, India is full of examples new and old that a woman can be an entrepreneur and a successful one at that. Compared to men, fewer female businesses fail because of poor financial management once their business gets a kick start.

Solutions to Barriers

The problems women face poses a challenge for government and the authorities to tackle, but with the right approach and some time, they can be solved. Every Indian must understand the importance of women entrepreneurship. On top of all, women need motivation and any discouragement must be dealt with. Following are some measures that can be taken to make women empowered so that they can continue their business activities as confidently as Indian men.

- Creating better education opportunities.
- Making provisions for personality development and training.
- Improving communication skills.
- Institutions where women can learn entrepreneurial skills and risk taking abilities.
- Measures to change the attitude of society concerning women and women entrepreneurs in India.

- Attempts from nongovernmental bodies like agencies, trusts, welfare societies and NGOs.
- More women's associations for better financing and capital management.
- Providing nationwide platform for women like forums to discuss prevalent issues and solutions to deal with such shortcomings.

Women's role in the Growth of the Economy

Women play a crucial role in the growth of the economy. Over the years, Indian women have made a substantial impact and achieved success across sectors, both within the country and overseas. Today, India boasts nearly 1.4 million women panchayat leaders – a number that is an indicator of the leadership roles women are increasingly taking up.

For more women to be a part of the workforce, it is essential to promote skill development. Skill development facilitates high productivity, increased employment opportunities and higher income. Skill India envisions to train over 400 million people in India by 2022.

In India, the manufacturing sector employs 20% of the total workforce, much lesser than a number of Asian countries. Though women are under-represented in this sector, there are a range of companies that have set an example for others to follow.

JCB India, which manufactures construction and agriculture equipment, has witnessed a significant rise in the employment of women. Today JCB employs over 110 women in India, who are trained at frequent intervals on the latest technologies. Similarly, Maruti Suzuki has increased women workforce in their manufacturing team from 274 employees in 2012 to 366 employees in 2014. The other companies that are increasingly hiring more women are Kinetic Communications and United Technologies. The latter has started an all-women assembly line at its air-conditioner manufacturing facility in Gurgaon.

Samsung too has opened 18 technical schools in India. The branch at Patna is India's first female-only technical training centre and imparts skills to over 5,000 women each year.

In India, over 110 million women are active users of internet and growing at a rate of 46% for females, according to a report by Internet and Mobile Association of India and IMRB International.

Urban India isn't just witnessing women's contribution to social change, health care and education. There are a considerable number of initiatives undertaken by rural women at the grass root level too in spreading awareness for gender equality.

Women village-level entrepreneurs run a range of Common Service Centres in India. Vaijanti Devi, who hails from Bihar, runs one such centre and offers online banking services and enrolls villagers for the Aadhar programme.

Success Stories

There are certain sectors where Indian women are leading the way. The quantum of their workforce is gradually moving up the ladder across various industries.

1. Banking

Women hold the reins of some of the largest Indian banks and financial service companies. The biggest example is that of the Chairperson of State Bank of India (SBI), Arundhati Bhattacharya, who is the first woman to have held this position. She was also named among the

50 Most Powerful Women (International), according to a list compiled by business magazine Fortune.

The other names that are part of the list are Managing Director (MD) and Chief Executive Officer (CEO) of ICICI, ChandaKocchar and Shikha Sharma, Managing Director & CEO of Axis Bank, who have played a significant role in the development and progress of the retail banking sector in India.

Another achievement in this industry was the establishment of an all-women's bank, BharatiyaMahila Bank (BMB) Ltd in August 2013. A pan-India bank, BMB has over 100 branches across the country. The bank focuses on providing monetary assistance to economically neglected, discriminated, rural and urban women.

2. Pharmaceutical and Healthcare

The pharmaceutical and healthcare sector has seen enterprising women leaders. The first woman to have been at the helm of a pharmaceutical empire, Swati Piramal, is regarded as a pioneer who campaigned for new drug research in India and highlighted the importance of scientific innovation.

KiranMazumdar-Shaw is another exemplary woman leader who founded Biocon, the country's leading biotechnology enterprise. She has immensely contributed to research, innovation and affordable healthcare. Mazumdar-Shaw has been conferred upon with the '2014 Othmer Gold Medal' and the coveted '2014 Global Economy Prize' for Business by Germany-based Kiel Institute for the World Economy.

3. IT-BPM sector

According to NASSCOM'S IT-BPM Sector in India 'Strategic Review 2015', this industry contributes a staggering 9.5% to the national GDP and employs more than 1.2 million women. Some of the biggest multinational technology firms, including IBM India and HP, are headed by women.

The Managing Director of global technology solutions company IBM, Vanitha Narayanan, is consistently working towards the development of women's leadership in India as well as the South Asia region. She is also a member of IBM's Multicultural Women's Network that encourages multicultural business women to expand their career network.

Similarly, NivrutiRai was appointed as the Intel India General Site Manager in March 2016. She succeeds KumudSrinivasan, who was the first woman president of the computer chip maker. Having joined Intel in 1987, Srinivasan has spent more than two decades at the company and held several significant business positions.

In an empowering move, Infosys has also set a target to have 25% women in senior leadership roles by 2020. The second largest Information Technology services company in India currently has 35% women employees, though most occupy junior and mid-level positions.

4. Women CXOs

Apart from the sectors mentioned above, there are multiple spheres where women have achieved success at the CXO level. The biggest accomplishment is that of former MD of Britannia Industries, Vinita Bali, who quadrupled the company's revenue to USD 989 million in Financial Year (FY) 2013-14 from USD 248 million in FY 2005-06 (She took over as MD in 2005).

As the face of Britannia, Bali made efforts to promote nutrition and build the brand. She is the only Indian who is a part of the United Nations committee that was set up to lead the 'Scaling up Nutrition' across the globe.

Another name that is counted among India's most inspiring women is IndraNooyi, who has ensured steady revenue growth ever since she was appointed Chairperson and CEO, PepsiCo, the second-largest food and beverage business in the world.

Capacity building movement undertaken to build skilled workforce

Of the nearly 4,400 start-ups, fewer than one in 10 were founded by women, according to industry body NASSCOM. In the words of the CEO of NITI Aayog, Amitabh Kant," India can grow at over 10-11% if we include women in the economic process. They can contribute to building new businesses – from traditional industry to startups."

To address this concern, the government has introduced a slew of initiatives to empower women and aid them in leading a sustainable life.

- **Support to Training and Employment Programme for Women (STEP)**

The Ministry of Women and Child Development introduced the 'Support to Training and Employment Programme for Women (STEP)' scheme to provide employment to women. Under this scheme, women above 16 years of age are provided training to help them become self-employed. The sectors covered under this programme include Agriculture, Food Processing, Handlooms, Handicrafts and Computers, among others.

- **Women's Vocational Training Programme**

The Women's Vocational Training Programme was introduced in 1977 by the Ministry of Labour and Employment. The programme attempts to promote the employment of women in industries (mainly the organised sector). As part of this programme, women are trained under the Craftsmen Training Scheme and Craft Instructors Training Scheme.

- **Digital India**

Digital India aims to transform India into a digitally empowered society and knowledge economy. A beginning has already been achieved, with the first Women Village Level Entrepreneur Conference that was held in March 2015. Other programmes include ArogyaSakhi, which is a mobile application that assists women entrepreneurs to deliver preventive health care at the doorstep. Similarly, Internet Saathi aims to deploy 1,000 specially-designed bicycles with connected devices to give women a chance to experience the Internet for four to six months.

- **Start Up and Stand Up India**

Both the Start Up and Stand Up India initiatives empower women entrepreneurs and provide financial assistance to those who are setting up their businesses. The programmes also aid those who have already established their business but fall under the startup category. Through these schemes, the government aims to turn women from job-seekers to job-creators.

The road ahead

With the power of digital technology and growing opportunities, there is a revolution in the way women are doing business. Some of them are already running successful enterprises, and many more are joining the bandwagon. For 'Make in India' to grow even further, women should be considered and promoted as key drivers.

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Make in India- Role of Entrepreneurship

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Abstract: The economic activities of entrepreneurs help to improve the individual income levels which leads to improvement in standard of living. The improvement of standard of living, in turn leads to economic development of the country. Hence, the economic development in a country depends primarily on the entrepreneurial activities. So, the Entrepreneur is leading a dynamic role in the development of a country.

Key words: Action oriented, self motivated, risk takers

Introduction

The Make In India programme was launched by Prime Minister, NarendraModi in September 2014 as part of a wider set of nation – building initiatives. Make in India was a timely response to a critical situation : by 2013, the much – hyped emerging markets bubble had burst, and India's growth rate had fallen to its lowest level in a decade.This programme works against the back drop of this crisis , and quickly became a rallying cry for India's innumerable stakeholders and partners. It was a powerful,galvanising call to action to

around the world. "Make in India" is much more than an inspiring slogan. It representsa comprehensive and unprecedented overhaul of out-dated process and policies. Most importantly, it represents a complete change of the Governments mindset- a shift from issuing authority to business partner, in keeping with Prime Minister's tenet of " Minimum Government,Maximum Governance".

Role of entrepreneurship:

Make in India's main aim is to strengthen the country's economy. So, the economic development of every country depends on a availability of human and non-human resources. The human resources include entrepreneurial class also. A part from this Make in India programme Entrepreneur leads an important role in the economic growth and development of backward areas. It is evident that entrepreneurs are action oriented, self motivated, risk takers and goal achievers. The economic activities of entrepreneurs help to improve the individual income levels which leads to improvement in standard of living. The improvement of standard of living, in turn leads to economic development of the country. Hence, the economic development in a country depends primarily on the entrepreneurial activities. So, the Entrepreneur is leading a dynamic role in the development of a country.

Some important features of Entrepreneurship is discussed below:

1. Generates Employment

Unemployment is growing rapidly in the larger countries like India, an Entrepreneur shall play a vital role in getting employment for themselves as well as they create a number of jobs to many unemployed person. As the time passes,these enterprises grow manifold and provide direct and indirect employment to many more. Hence, entrepreneurship is the best solution to solve the social problem of unemployment.

2. increases national income:

National Income comprises of goods and services produced in a country. This production has to meet the requirements of a country as well as to meet the demand of exports and also ever increasing population. To face this problem, we need number of Entrepreneurs. Due to increase of Entrepreneurs the domestic demand and export demand will reach the desired quantity. Therefore, an increase in goods and services helps in increasing national income of a country.

2. Possibility for dispersal of economic power:

Industrial development normally leads to concentration of economic power in few hands which leads to monopoly. If we want to remove the monopoly, the Government has to encourage the large number of small and big entrepreneurs to dispersing the economic power amongst the entire population. When the concentration of economic power in few hands has been removed and wealth is shared by large number of entrepreneurs, the socialism can be promoted and the nation shall become economically healthy.

4. leads to balanced regional development :

The growth of Industrial development helps the development of other sectors such as transportation, health, education etc., A rapid development of entrepreneurship ensures a balanced regional development. Due to the spreading of entrepreneurial activities all over the country, the surrounding areas are developed as much as they can.

5. provides better standard of living :

If the Entrepreneur providing the goods and services in required quantities at a lower price,it improves the purchasing power and standard of living of the people.

6. Availability of qualitative goods :

Entrepreneurial activities contributes much for the development of an economy. The increased entrepreneurial undertakings ensures newer and qualitative products to the consumers. The entrepreneurs in order to face the competition of market and to satisfy the desires of consumers, they concentrate on improved methods of production, quality of product, reasonableness in price , effective distribution,etc. All these efforts of the entrepreneurs leads to availability of desired goods to the people and their way of living also improves. And it also reflects the growth and development of an economy.

7. Contributes for exporting:

The increased entrepreneurial activities not only provides the required goods and services to the people,but it also contributes for exporting the surplus production of the nation to other countries. It means, the country shall become self-sufficient and earns foreign exchange and also playing vital role in the world trade.

8. Generates capital: The increased entrepreneur activities helps in generating the scarce capital. The entrepreneur acts as a middlemen between investors and enterprise and raised capital from various sources. The capital so raised is used for setting up a new business for creating goods and services to satisfy the consumer needs and wants. The high growth rate to capital formation indicates the economic development of a country and it increases the per capita income of the people.

9. Facilitates the creation of markets:

Entrepreneur shall create a new markets and new customers with their production of goods and services and capture a market share in the business. The increased industrial activity, expansion and creation of markets, increased size of customers etc., leads to development of an economy.

10.leads to innovation:

Entrepreneurial activities leads to employing resources on new ideas and innovations. The entrepreneurs locate new ideas and puts them into effect in the process of economic development . With the help of enable of natural resources he can create a new inventions and new markets to develop the nation's economy.

Thus, it is evident that entrepreneurs are needed in underdeveloped countries for rapid economic development . They change the production function and bring in substantial development in an economy. Make in India programme announced for the capable entrepreneur those who shall change the fate of the country and face of the country.

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Make-In-India: Optimum Strategies for Sustainability of an Indian Economy in Congruent with the Amelioration of Efficiency of Manufacturing Sector.

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Abstract: Make in India" to attract investors and India to become a global manufacturing hub .The main objectives of this paper are to examine the statistics, strengths, reasons and investment opportunities of Make-in-India, trace out the role of agencies and foreign investors in promotion of Make-in-India along with the identification of impact of human resources on manufacturing sector along with the appropriate strategies to strengthen the Make-in-India. The data collected from the official website of Make-In-India. The study found that there was an immense strength to enhance the production of manufacturing sector through the Make-In-India. It is suggested that Optimising regulatory procedure, remove the rigidities to issue license, relax the registration process of newly incepted business, implement the unique company ID, remove the problems in supply of electricity, registration of property through an online in a single procedure and simplify the procedure of payment of taxes ,establish a fast track commercial courts and simplify the procedure for payment of taxes and strengthen the bankruptcy law. Finally it can be concluded that possible the impossible through the efficiency for manufacturing sector

Key Words: Make-In-India, Optimising Regulatory Procedure, Unique Company ID, Payment of Taxes and Fast Track Commercial Courts

Introduction

"Doing Business 2015" report in the World Banks, India ranks 142nd out of 182 economies and foreign companies do not feel free with the India's poor infrastructure, land purchase agreements, excessive regulation, frequent power cuts and rigid labour laws and the other reason was the mismatch between demand and supply of jobs and manpower. The third reason was India's manufacturing sector contributes only 15 percent of GDP and it was lesser productive when compared to its competitors. The mission of "Invest India agency" is investment promotion and facilitation is the "back-end" of the initiative of "Make in India" which was established as a joint venture between the Department of Industrial Policy and promotion with the Ministry of Commerce and Industry (DIPP – 35 per cent Stake), 28 State Governments (0.5 per cent Stake each) and the Federation of Indian Chambers of Commerce and Industry (FICCI, 51 per cent Stake). Doing business in India today is much more difficult than elsewhere (Enrico D Ambrogio), but Prime Minister of India (NarendraModi) launched the initiative of "Make in India" to attract investors and India to become a global manufacturing hub in 25th September 2014 and addressed a 500 domestic and international entrepreneurs in New Delhi in 25 priority sectors, with the logo shows a striding lion made of cogs with the campaign name across its body. The India can become a global leader in 25 sectors i.e., Chemicals, IT, Automobiles, Pharma, Textiles, Ports, Aviation, Leather, Tourism and Hospitality, Wellness and Railways etc., Each sector identified with the growth drivers, investment opportunities, Sector specific FDI, policies and agencies. The single point interaction for investors assists to obtain regulatory clearance for foreign investors.

Objectives of the Study: The study carried with the following objectives

1. To identify the statistics, strengths, reasons and investment opportunities of Make-in-India
2. To know the role of agencies and foreign investors in promotion of Make-in-India.
3. To examine the impact of human resources on manufacturing sector.
4. To trace out the appropriate strategies to strengthen the Make-in-India.

Methodology of the Study : The data collected from the official website of Make-In-India

Influence of Human Resources for Amelioration of Efficiency of the Manufacturing Sector: Walt Disney,You can create, design and build the most wonder place in the world but it requires people to make that dream a reality.In this context role of human resources places an important role in manufacturing sector in the form of Make-in-India.It is an immense need of industrial strategies to make in India a manufacturing hub. It is required for financial service providers and advisors, who should take necessary steps in clearance of project, adopt the better management system to supervise, monitor and enhance the skill set of its work force. The mind set of foreign as well as domestic industrialists should be changed to establish a manufacturing hub in India. It is also required to unlock the human talent for the success and sustainability of India as a manufacturing hub depends upon the immense potential of its human resources and financial services.

Strategies for Improvement:

Optimising regulatory procedure, remove the rigidities to issue license,Relax the registration process of newly incepted business, implement the unique company ID, remove the problems in supply of electricity, registration of property through an online in a single procedure and simplify the procedure of payment of taxes ,establish a fast track commercial courts and simplify the procedure for payment of taxes and strengthen the bankruptcy law.

S. No.	Name of the Industry	**Strengths**	Reasons to Invest	Statistics
1	Construction	1,000 billion US $ investments in 12th plan (2012-17), 650 billion investments for urban infrastructure in next 20 years	Modernization of the construction industry, Ease of access to funding for the sector, sustained demand for industrial and real estate sector.	2nd largest employer.2nd highest inflow of FDI.Valued at US $ 126 billion.
2	Defence Manufacturing	3rd largest armed forces in the world, 250 billion ` to be invested in 7-8 years	Bolster exports in the long-term, Introduced in the Capital Purchase agreements .Developing Capabilities for exports in the defence sector. High government allocation.	40 percent of total defence spent on capital acquisitions, 60 percent cent of requirements through imports.
3	Electrical Machinery	US $ 9.4 billion of exports in 2013-14. Export growth rate 14.8 percent for last 8 years	Power for all, 88.5 GW of capacity by 2017 and GW 93 by 2022, capacity addition in power generation. Scope of direct exports.	By 2022 estimated output is US $ 100 billion, 24 billion US $ worth in 2012-13.
4	Electrical System	3rd Largest pool of scientists in the world, 29 US $ billion consumer electronics market by 2020. 94.2 b US $ projected by 2015. Growth rate 9.88 percent by 2011-15.	94.2 billion US $ by 2015.Adequately developed electronic Manufacturing Services (EMS) industry, NKN, NOFN. 3rd largest. Availability of skilled manpower of semiconductor design and embedded software.	68.31 billion $ in 2012, 94.2 billion US $ by 2015, with a CAGR of 9.88 percent
5	IT industry	118 billion US $ by 2014. 600 offshore development centres for 78 countries. 225 billion US $ by 2020.	8 percent of GDP. 7 percent of global market by exports. More utilization of testing services of India. Fostered several IT centres.	Revenue by 2014, 118 billion US $. Largest private sector employer. 3.1 million jobs, 38 percent of India's service exports, 600 offshore development centres (ODC) of 78 countries.
6	Leather Industry	11 billion US $ industry. 66 US $ exports in 2013-14. 10 percent of world's leather production. 24 percent growth for next 5 years. 55 percent of work force below 35.	Huge domestic market, Great Potential for exports. Domestic market is expected to double in the next 5 years. Comparative advantages in cost of production and labour costs.	21 percent of world's cattle and buffalo. 11 percent of goat and sheep population. 2 billion sq. feet of leather.
7	Film Industry	220 billion US $ by 2018. 918 billion ` in 2013. 3rd largest TV market in the world. 40 million ` animation industry. 800 TV channels	1785.8 billion ` by 2018, with projected growth in 16 percent. Third largest TV market after China and USA	161 million television households. 94067 News Papers, 214 million internet users. Digital advertising 27.7 percent by 2018.
8	Mining	302 billion tons of coal. 3108 operational mines. 6th largest bauxite reserves. 5th Largest iron ore reserves.	Longer duration of 20 to 30 years .Demand grow substantially over the next 15 years. Convenient exports.	Produce 88 minerals. 4 Fuel related minerals. 10 metallic minerals. 50 non-metallic minerals. Second largest producer of steal by 2015
9	Oil and Gas Industry	Ranks amongst India's six core industries. Fourth largest consumer. 70 billion US $ across the oil and gas value chain by 2012-17	New Exploration Licensing Policy. Increase three fold in demand of Primary energy by 2035.Domestic companies.	4th largest consumer of crude oil and petroleum products. Investment US $70 billion during 2012.Crude oil pipe line capacity129.4 MMTPA.
10	Pharma Ceuticals	3rd largest by 2020. 20 percent global exports in generics, 45 billion US $ revenue by 2020. 26.16 billion US $ generics by 2016. 200 billion US $ on infrastructure by 2024.	India will become a top three by 2020. 6th largest market (size). Cost of production is less than that of USA. Skilled work force	24 percent by value and 10 percent by volume reached to 45 billion US $ during 2012-20. Health sector is increased by 2020. Generic market expected to grow to 26.1 US $ billion by 2016.
11	Ports	87 new projects. 73 public private partnerships. 60 non-major ports. 800 million metric tones. 12 major ports. 430 billion ` invested between 2010-14.	Increase in cargo handling capacity. 28 PPP terminals. Increase in capacity of 558 MMTPA. 2289 MMT by 2017. Cargo traffic 943 MMT by 2017. Approximation of SEZs to Ports.	7,500 km coastal line. 12 major, 60 operational non-major ports. 90 percent trade by volume. 70 percent by value through maritime transport.

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S. No.	Name of the Industry	**Growth Drivers**	FDI Policy	Financial Support
1	Construction	Shortage of Housing, New Smart cities. Holster infrastructure Quality Urban Services.	100 per cent FDI through the automatic route ,100 per cent FDI is allowed under the automatic route for 'Industrial Park'	Provisions in the Union Budget, 2014-15, 'One Hundred Smart Cities' with INR 70.6 million, ,State incentives, Incentives for developing SEZ/ EMCs/ Other sectoral clusters.
2	Defence Manufacturing	Large number of parts/ components, castings / forgings etc have been excluded from the purview of industrial licensing. Preference to buy (Indian) and Buy and Make (Indian) overby (Global). Promote R&D in the industry with support from the government	Upto 49 percent is allowed under the government route above percentage required permission by the cabinet committee on security. Upto 24 percent allowed under automatic route through foreign portfolio investors / FIIs. 51 percent of equity provision removed, Defence Procurement Procedure (DPP) Policy, offset policy, Establishing joint ventures.	` 1 billion for technology development fund. ` 22.5 billion to strengthen and modernize border infrastructure, exemption from Basic Custom Duty (BCD). Countervailing Duty (CVD) on imported goods.
3	Electrical Machinery	Infrastructure, Power, Mining, Oil and Gas, refinery, Steal, Automobile and Consumer durables, Nuclear Capacity expansion	100 percent is allowed through automatic route. De licensed Customs Duty only 5 percent. Accelerated Power Development Reform Programme, National Electricity Policy, set up of Electrical Equipment Skill Development Council (EESDC). Equipment Industry clusters product testing infrastructure	Tax incentives, Weighted tax deduction of 200 percent. Under Sec. 35 (2AA) and Sec. 35 (2AB) of IT Act. Special incentive packages for mega projects. Export incentives. Area based incentives.
4	Electrical System	Local demand. Possibility to substitute imports by 65 percent. Modified special incentive package scheme (MSIPS). Electronics Manufacturing Cluster Scheme (EMC). Generate local IP	100 percent is allowed under the automatic route. 49 percent is allowed for defense electronic items. Cabinet committee on security approval is required for more than 49 percent FDI. National telecom policy and National Manufacturing Policy.	Customs duty reduced from 10 percent to Zero on LCD, LED panels, Education cess, investment linked tax incentive, electronic manufacturing, clusters, export incentives, area based incentives and state incentives.
5	IT industry	Nonlinear growth due to platforms, products and automation. Demand from US and Europe. Increased ICT adoption. SMAC (Social Mobility Analytics Cloud). Market is expected to grow US $ 225 billion by 2020. National Optical Fiber Network (NOFN). Connect 25,000 Gram Panchayats	100 percent is allowed under the automatic route in data processing. Software development. National Policy on information technology 2012. Aims to increase to US $ 300 billion by 2020. Exports by 200 billion US $ by 2020. Global Hub and Destination for IT and BPM services by 2020. STPI (Software Technology Parks of India). Special Economic Zones Policy (SEZ). National e-Governance plan. National Cyber Security Policy 2013.	5 billion ` for Pan India programme. Digital India. National Rural Internet and technology mission. E-Kranti, Export incentives, area based incentives, State incentives.
6	Leather Industry	Ready availability of leather. Development and Environment Management. Favourable investment climate. Youngest and productive workforce. Monetary reward scheme for skill development. Indian leather development programme (ILDP). FDDI(Footware Design and Development Institute) Established premium training institute.	100 percent is allowed through automatic route. Capacity modernization and technological upgradation. Escise duty reduced from 12 percent to 6 percent. Zero Liquid Discharge (ZLD). Upgradation of common Effluent Treatment Plants (LETPS) .Solid waste management. Single Window Clearance System.	Delicensed, IDLS, Sub Scheme of ILDP, MLC, Mega Leather Clusters, 500 milion for Upgradation Installation of Common Effluent Treatment Plants (CETPs).

			waste management. Single Window Clearance System.	
7	Film Industry	Growth in Television and AGV (Animation gaming and VFX). Penetration of TV reach to 72 percent by 2017. DTH and tariff relaxation.	Broad casting carriage Services – 74 percent. Cable Network upto 49 percent through automatic route. FM radio (News and current affairs are allowed upto 26 percent through government route. TV Channels allowed 100 percent. 100 percent is allowed for publishing. Italy, Brazil and UK and Germany increase the export potential.	1000 million ` for growth of community radio stations. 500 million ` for Pan-India programme named Digital India and a National Rural Internet. 100 million ` to promote good governance and state incentives.
8	Mining	Further generate demand for power and steel in the country. Double digit growth in manganese, lead, copper, alumina, sustained growth, infrastructure projects and strong growth expectations.	100 percent is allowed under automatic route. National Mineral Policy, 2008.	Basic Customs duty reduced from 5 percent to 2.5 percent. Battery waste from 10% to 5%. Coal tar pitch 10% to 5%. Steel grade lime stone and dolomite is 5% to 2.5%. Fiscal incentives, State incentives.
9	Oil and Gas Industry	Half of global energy demand growth through 2040. 800 MMT of proven oil reserves, Natural Gas pipeline network to 15,430 kms. Storage of 5.03 MMT at VSP, Mangalore and Padur. Increase the Country's refining capacity to 307.366 MMTPA. Production sharing mechanism.	100 percent is permitted under automatic route. 40 percent is permitted under automatic route in petroleum refining. Integrated energy policy 2006. Auto Fuel Policy 2003. National Bio-fuel Policy 2009.	Exploration and drilling costs are 100 percent .Tax deductable. State incentives, Focus Market Scheme, Area based incentives, SEZs, NIMZs (National Investment and Manufacturing Zones)
10	Pharma Ceuticals	OTC drug market rise to US $ 6.6 billion by 2016. Make share of hospitals increased from 13.1% in 2009 to 26% in 2020. 200 US $ billion on medical infrastructure. Rise level of education.	100 percent is allowed for Green field projects. National Pharmaceutical Pricing Policy 2012 (NPPP-2012). NLEM-2011, National list of essential medicines-2011. A drug price control order 2013.	Control programmes funded by the Global Fund to Fight (AIDS, TB and Malaria, GFATM), Investment allowance, Export incentives, area based incentives, units in clusters, state incentives and R&D benefits.
11	Ports	Private participation. Increase no. of non-major ports. Development of terminals.	100 percent is allowed, Maritime Agenda 2010-20. Full Mechanization. Ennore Port Companies Act, 2013. Major Ports Act, 1963.	116.35 billion ` for outer Harbour Project, Jal Marg Vikas for 42 billion ` for 6 years. Exemption Section 80IA under the Income Tax Act for infrastructure development.

Conclusion:,it can be concluded that India occupies the significant rank in world economies and it moves from the existing rank to the best rank. This make in India definitely successful in terms of increases in productivity, purchasing power of people, Gross National Product,Gross Domestic Product and specifically useful for development in manufacturing sector and create a numerous employment opportunities. This is a road to ahead the economy to reach to the developed economy from developing economy finally, inferred that possible the impossible through the efficiency for manufacturing sector

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Make in India - First Develop India (FDI)

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Abstract : Make in India is an initiative of the Government of India to encourage multi-national, as well as domestic, companies to manufacture their products in India. It was launched by Prime Minister Narendra Modi. India would emerge, after initiation of the programme in 2015, as the top destination globally for foreign direct investment, surpassing China as well as the United States. The major objective behind the initiative is to focus on job creation and skill enhancement in 25 sectors of the economy. The major objective behind make in India is to increase the share of manufacturing to 25% of GDP. But make in India is easier said than done. It is a daunting task for both domestic and foreign firms. Power outages, government licenses, are roadblocks in the implementation of the program. It's also important to make India, along with make in India. We need to move beyond the rhetoric, to well defined, well-crafted policy, and a close dialogue between the government and the private sector. The opportunity of becoming a manufacturing hub needs to be grabbed by both hands.

Key words: manufacturing hub, make in India, destination

Introduction

'Come, Make in India!' PM Modi's aggressive push to revive an ailing manufacturing sector, has found resonance with India Inc. Single-window clearances, minimal procedures & cutting out of any red-tapism - PM Modi sees Make in India as a vital impetus for employment & growth.

The major objective behind make in India is to increase the share of manufacturing to 25% of GDP. But make in India is easier said than done. It is a daunting task for both domestic and foreign firms. .Power outages, government licenses, are roadblocks in the implementation of the program. It's also important to make India, along with make in India. We need to move beyond the rhetoric, to well defined, well-crafted policy, and a close dialogue between the government and the private sector. The opportunity of becoming a manufacturing hub needs to be grabbed by both hands.

Make in India is an initiative of the Government of India to encourage multi-national, as well as domestic, companies to manufacture their products in India. It was launched by Prime Minister Narendra Modi. India would emerge, after initiation of the programme in 2015, as the top destination globally for foreign direct investment, surpassing China as well as the United States. The major objective behind the initiative is to focus on job creation and skill enhancement in 25 sectors of the economy. The initiative also aims at high quality standards and minimizing the impact on the environment. The initiative hopes to attract capital and technological investment in India. It is a step by the government of India to **boost manufacturing**, a **red carpet for foreign investors** encouraging them to not only consider India as a market but also as an investment hub. Demographics and huge energetic population has made it an imperative. Make in India seeks a transition of India to the big league.

The major objective behind make in India is to increase the share of manufacturing to 25% of GDP. But make in India is easier said than done. It is a daunting task for both domestic and foreign firms. Power outrages, government licenses, are roadblocks in the implementation of the program. It's also important to **make India, along with make in India.** We need to move beyond the rhetoric, to well defined, well crafted policy, and a close dialogue between the government and the private sector. The opportunity of becoming a manufacturing hub needs to be grabbed by both hands.

What can we expect from 'Make in India'?

The major objective behind make in India is to focus on job creation and skill enhancement in 25 sectors of the economy. It also aims to increase the share of manufacturing sector to 25% of the GDP. The government has wooed the investors with a promise of stable, transparent tax regime. Foreign technology plays a very vital role in overall development of a developing country such as India. However, the cost of using the said technology is very high, in view of which, the same is not effectively used in India. Therefore, in order to reduce cost of technology, the rate of withholding tax on royalty payments should be reduced to zero. This would reduce cost to the Indian arm and also eliminate hassles in compliances faced by foreign technology providers.

Make in India has rolled out a red carpet for foreign companies, but the infamous red tapism of Indian bureaucracy continues to pose hurdles to investments. This can be solved only by the single window clearances which are the minimal proceedings. This will finally roll a red carpet to the foreign investors. *Zero Defect Zero Effect* is the government of India's slogan where no products have defects and the products have been made in a sustainable manner. Hence it also gave importance to the sustainable development.

Challenges:

Make in India is easier said than done. It is a daunting task for both domestic and foreign firms. Power outrages, government licenses, are roadblocks in the implementation of the program. The culture of India is risk averse**.** The Indian families always see safety in a secured job. The juggling markets, cash flow, costumer relations, recruitments etc are to be dealt with a risk indulged in them. These risks lead to the closure of many companies. . Hence, Indian manufacturers turned to traders of toys to telecommunications equipment in later years. Cheaper Chinese imports have compelled to import in India rather than make in India. So, it's important to convert traders back to manufacturers. The World Bank ranks nations on the basis of ease of doing business and trade friendliness. In 2015, India has got a very low rank of 142nd among 189 economies. But where as China has got 90th, Nepal has got 108th, Bhutan has got 125th, and Pakistan has got 128th ranks in that.

Therefore India is a way behind all its neighboring nations. Make in India aims to reach the 50th rank by 2017.

There is a wide disconnect between industry and academia. India has the world's largest youth population. It has got youthful workforce but they are lacking with skills required for getting employed. Among them 70% of population are literate and 25% of them are primary level dropouts. The government has ambitious goals of stilling 500 million people by 2022 which is a tough task. Organised sector needs more industry exposure to improve employability of graduates and labour**.**

Measures taken by government:

Make in India is a program has got many challenges to face. It has even got the measures which are double the number of challenges. It can be started with the simplification of application. In India to start a firm, an entrepreneur needs to submit 8 applications to get his license. But by make in India, to develop India, to decrease the red tapism the government has compiled the 8 applications into a single application. This reduced the time delay for a firm to get licensed by a government bureaucrat. The duration of license was extended from 2 years to 3 years. It gave exemptions for the compulsory licensing of the large number of defence equipment. It also amended companies act and removed some stringent provisions. The Government of India has amended FDI policy to increase FDI inflow. In 2014, the government increased foreign investment upper limit from 26% to 49% in insurance sector. It also launched Make in India initiative in September 2014 under which FDI policy for 25 sectors was liberalized further. As of April 2015, FDI inflow in India increased by 48% since the launch of "Make in India" initiative. India was ranking 15th in the world in 2013 in terms of FDI inflow; it rose up to 9th position in 2014 while in 2015 India became top destination for foreign direct investment.

Government is strengthening infrastructure, which is institutional in basic development and accelerating the speed of doing business. The main focus of the government should be roads, power and the last mail connectivity with the villagers. This will increase the employability of rural people and decrease rural migrations. It has introduced MUDRA bank to provide finance to MFIs. It has also started Skill India mission to skill the youth.

What can be done further?

Make in India strategy must also be a amalgamation of policy mix that not only encourages large scale manufacturers but also propels small and medium scale units. When industrial corridors and manufacturing zones are already being planned, there is a need to provide credit extension for MSMEs which is facing many challenges. They provide employment to a major part of the population. There should be a focus on roads, power and last mile connectivity to villages. Job creation in rural areas can be enhanced by creating infrastructure for food processing. The power demand far outstrips generation capacity, so power outrage needs to be checked. It increases the dependence on kerosene or diesel generator which escalates the costs. Power supply should also be managed.

Conclusion: For the past two decades, the software industry in India is taken the centre-stage and cheering the economy. India has missed out all the need for a strong manufacturing sector in the economy. As a result the manufacture has stopped near the 16-18% of the GDP despite the liberalization of economy in 1990s. But the service sector has blewed to 55% of the economy. So the government has given a boost to the manufacturing sector by the Make in India initiative. We need to move beyond the rhetoric, to well defined, well-crafted policy, and a close dialogue between the government and the private sector. The opportunity of becoming a manufacturing hub needs to be grabbed by both hands.

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Manufacturing Hub

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Abstract: Prime Minister Narendra Modi launched the "Make in India" initiative on 25th September, 2014 with the primary goal of Making India a Global Manufacturing hub, by encouraging both multinational as well as domestic companies to manufacture their products with in the country. It is a growth that will be measured and defined by the development of its manufacturing sectors. Under Make in India initiative, the government has identified 25 sectors of various industries that show tremendous potential to grow.The irony today lies in the fact that the hopes of India becoming a global manufacturing hub of the world were snuffed out by those who made the promise, even as they set the country on a course that made it increasingly import-dependent. Even more ironic is the Modi government's Make in India thrust. Even if India did miss the bus to catch the global market after 1991, today's recession-ridden world is hardly the time to make a dash for it. In any case, with policies like these, India is not even in the race.The main objective of this paper is true examining the manufacturing hub in India.

Key words: Make in India, liberalisation, industrial inputs

Introduction:

Prime Minister Narendra Modi launched the "Make in India" initiative on 25th September, 2014 with the primary goal of Making India a Global Manufacturing hub, by encouraging both multinational as well as domestic companies to manufacture their products with in the country. It is a growth that will be measured and defined by the development of its manufacturing sectors. Under Make in India initiative, the government has identified 25 sectors of various industries that show tremendous potential to grow.

One of the key promises made as India steppedinto a brave new world 25 years ago was that it would be transformed from an "inward-looking" economy into a dashing player on the global economic stage. Specifically, the promise was that the orchestrated policy response that was being assembled would enable India to shed its lethargic and reticent image and embark on a path that would establish the country as a manufacturing hub to the world. Twenty-five years on, that dream remains a forlorn hope. Consider this: in 1989-90, manufacturing activity accounted for 16.4 per cent of India's gross domestic product (GDP). In 2015-16, despite several new packages tailored to boost manufacturing, it accounted for just 16.2 per cent of GDP.

The liberalisation wave rested on three key aspects of policy to take India into the brave new world. The first was the commitment to reduce tariffs on a whole range of manufactured products. This, it was argued by advocates of the new approach, would prepare Indian industry to face competition. They would be able to use cheaper intermediate and capital goods that were now available at lower prices because of lower tariffs to reduce costs. Moreover, it was argued, this would enable them to address the needs of global markets. The across-the-board cut in tariffs—even below levels mandated by the World Trade Organisation (WTO), applied not just to industrial inputs or intermediates but even to project imports such as those relating to power-generation equipment—had a significant impact, which was felt not just by individual companies but by large swathes of the ecosystem in which they operated. For example, while publicly owned companies such as Bharat Heavy Electricals Ltd were hit by the cheap inflow of imported equipment, the effect was also felt by a host of smaller units that had established a long-term relationship with the company.

The second aspect of the policy regime that had a bearing on manufacturing concerned foreign direct investment (FDI). It was argued that the FDI inflow into manufacturing would enable Indian companies to attain global standards of efficiency, access technologies and reach markets that had hitherto been inaccessible.

The third key aspect of the policy concerned finance. It was argued that the state-run banks, which had been in development-finance mode for long, were no longer the main option for companies. The international market for external commercial borrowings (ECBs) was now open to them. Large industry houses lapped up this proposition because such borrowings, denominated in foreign currency, had a much lower rate of interest. It was only much later, when the reality of the vicissitudes of exchange rates hit them, did Indian corporates realise the risks in such borrowings, even if the risks were borne more by the overall economy rather than by individual borrowers. However, the link between state-run banks and industry was seriously broken as a result of these policies. Nowhere is this more evident than in the repeated and persistent cries of small-scale manufacturing units that they have been shut out of the banking system.

Role of manufacturing

One of the striking features of the neoliberal paradigm is its treatment of the very notion of an industrial policy of the state. In a framework that assigns primacy to the unfettered demands and needs of the market, it seems to ask: “Why do markets need an industrial policy anyway?” Manufacturing activity has always held the attention of development economists because of its perceived economy-wide benefits. The sector’s value as an “engine of growth” arose from its characteristics, they argued. Its dynamic economies of scale, its potential for enabling a country to absorb “excess” workforce employed in low-productivity agriculture, the chain of production and the forward and backward linkages it establishes in the overall economy and the sector’s ability to foster technology and innovation have long been—since the Industrial Revolution—recognised as a marker for the development of any economy. Moreover, industrial-scale production requires discipline and complex organisation, which demand a broad range of skills acquired through education, all of which result in a modern work ethic that has a transformatory effect on the economy and society. Growth, employment and productivity in manufacturing activity were thus seen as providing an impetus to the economy that went far beyond the confines of the sector. All this also meant at least a degree of planning, which not only took into account the sectoral linkages but also gave prominence to the necessity of a national industrial policy that gave a formal shape to priorities and strategies.

The virtual abandonment of an industrial policy regime, notwithstanding a National Manufacturing Policy statement (2011), which was modified into Prime Minister NarendraModi's Make in India campaign, explains why the share of industrial output in national income has remained stagnant in the last two decades. The fact that agriculture has languished or that the services sector accounts for a significant portion of national output does not address key issues that arise from the questions of livelihood. While incomes in agriculture have been sliding, the services sector is characterised by low pay and productivity. Two other developments have worsened matters. First, the ability of industry to absorb labour has diminished; second, real wages in manufacturing increased by a mere 1.4 per cent per annum between 2005-06 and 2010-11, even though labour productivity increased by more than 6 per cent per annum during this period. In the last few years, manufacturing activity has grown slower than the overall economy, implying that the objective of generating one-fourth of the national output in the manufacturing sector remains a distant dream, with no semblance of a credible plan to attain it being visible.

Under the onslaught of neoliberal policies, especially those pertaining to the dismantling of tariff walls, domestic production in a range of industries was impacted. Among them are a range of capital goods, particularly machinery of various kinds, aircraft, television and communication devices, office automation and computing equipment, railway equipment and ships and boats. The only sectors within industry that managed to just about weather the storm were sectors such as chemicals, iron and steel, and pharmaceuticals. Incidentally, in the case of pharmaceuticals, this was achieved despite, not because of, the neoliberal regime. The pharma companies' competitiveness arose from their commanding presence in the global market for generics, which was made possible by the Patents Act of 1970 and the National Drug Policy of 1978, which was a prime target at the WTO negotiations.

Scandalous routes

The justification of attracting foreign investment has always been a key pillar of the neoliberal enterprise. It was argued that foreign investment needed to fill in the gap caused by the state's "withdrawal", under the pretext that it could not allow its fiscal deficit to rise too high. Of course, FDI was given the more privileged place, ostensibly because, unlike short-term portfolio investments, it would have a vested interest in the productive capacity in the country. However, two crucial factors, unveiled by meticulous researchers such as BiswajitDhar (Jawaharlal Nehru University), reveal a disturbing picture that flies in the face of the logic that has been advanced to justify the manner in which the Indian state has bent over backwards to woo foreign capital.

First, official statistics show that 49 per cent of all cumulative FDI between 2000 and 2015, amounting to $258 billion, came from just two countries: Mauritius (35 per cent) and Singapore (14 per cent). The scandal that characterises the Mauritius route has to do with the simple fact that it provides a conduit for many Indian entities (individuals and companies) to indulge in round-tripping. The practice, which literally means undertaking a journey that results in arriving back at the same place as the starting point, is closely associated with its use as a device to evade tax. Money is sent overseas by generating inflated invoices or, in more outrageous instances, through hawala transactions. While this practice has been going on for long, well before liberalisation began, it acquired a new meaning and purpose after 1991. The fact that the Indian state was providing sops on a platter to foreign capital meant that Indian entities had an incentive to masquerade as "foreign" entities in order to benefit from such sops. This is what round-tripping enabled after 1991. In effect, the FDI brought in by such entities has nothing to do with either productive capacity, technology or long-term commitment to the Indian economy. As Dhar's studies have shown (including one about Walmart's investments in India), it is very difficult to pierce the veil to expose the actual entities behind such investments.

The second aspect of FDI inflows, however inaccurately captured in spirit by official statistics, is that industry, manufacturing in particular, has received a small fraction of the total investment. According to a 2014 study by Dhar and others, manufacturing received about 30 per cent of the overall FDI into India between 2000 and 2012. However, almost 60 per cent of the FDI in manufacturing was channelled into four areas: pharmaceuticals, chemicals, automobile and metallurgy industries. Significantly, the industries that suffered as a result of the lifting of import curbs, especially machinery and engineering goods, did not receive investments in the form of FDI. FDI ignored the sectors where Indian industrial capacity was impaired by liberalisation.

The third, and damaging, aspect of even these limited FDI inflows in manufacturing is that almost one third of the "investments" were for the acquisition of shares in existing Indian units. Far from being used for any expansion of capacity, such investments by foreign entities were aimed either at getting a toehold in the Indian market or to jockey into a position of economic power in the market. The "strategic" move would explain their intention to establish a presence to curtail competition in the market or to acquire pricing power in the market, the ability to set prices.

Make in India campaign objectives:

Ultimate objective to make India a renowned manufacturing hub for key sectors. Companies across the global would be invited to make investment and set up factories and expand their facilities in India and use India's highly talented and skilled man power to create world class zero defect products. Mission is to manufacture in India and sell the products worldwide.

Benefits:

* This will help in creating job market far over 10 million people in India.

* Manufacturing done here would boost India's GDP, trade and economic growth.

Features:

* Launch of Make in India campaign will take place on 25th September, 2014
* The sales pitch would be made available in capital cities in India and countries with time zone similar to India.
* Over 15,000 croreswould be spent to open the training centres.

Conclusion: The irony today lies in the fact that the hopes of India becoming a global manufacturing hub of the world were snuffed out by those who made the promise, even as they set the country on a course that made it increasingly import-dependent. Even more ironic is the Modi government's Make in India thrust. Even if India did miss the bus to catch the global market after 1991, today's recession-ridden world is hardly the time to make a dash for it. In any case, with policies like these, India is not even in the race.

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Foreign Direct Investment in Limited Liability Partnership in India

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Abstract: Allowing FDI in LLP is a welcome move of the Government of India, as it would provide foreign investors an alternate form of business other than company and would entitle them to benefit with inherent flexibility & tax efficient LLP structure. It is to be noted that LLP as opposed to company are not subject to dividend distribution tax @ 16.225%. The aforesaid move will boost the number of joint ventures in the country and specifically in infrastructure sector, where most of projects till date are executed in form of unincorporated joint venture where most.

Key words: joint ventures, LLP structure, dividend distribution

Introduction

Two years post the notification of the LLP Act, the Government of India, by a Press Note issued in April 2011, did take a very precautionary approach by allowing FDI in LLP subject to certain conditions. Although the Press Note was issued in April 2011 seeking to amend the FDI Policy, it was only after three years, in March 2014, that RBI amended the relevant FEM TISPRO Regulations to incorporate provisions relating to foreign participation in LLP. Since March 2014, FDI was permitted under approval route in sectors where 100% FDI was allowed under the automatic route In simple words, while a foreign investor could then invest in an Indian company under automatic route, for a similar investment in an LLP, the foreign investor required FIPB permission. With a view to boost foreign investment and easing, rationalising and simplifying the process of doing business in India, the Government has on November 10, 2015, with its Press Note No. 12, brought significant reforms in the FDI Policy. Amongst one of these many reforms, 100% FDI is now permitted under automatic route in LLPs operating in sectors/ activities where, in turn, 100% FDI is permitted under the automatic route. Furthermore no FDI-linked performance conditions are imposed. Similarly, LLPs receiving FDI are now permitted to make downstream investments in another LLP or company in sectors in which 100% FDI is allowed under the automatic approval route.

The **Limited Liability Partnership (**LLP) concept has existed in many countries like the United Kingdom, the United States of America, Australia, Singapore, various Gulf countries and the same was introduced in India in the year 2008 with the publication of the LLP Act, effective March 31, 2009. The popularity of LLP in India has grown significantly since then. LLP is an alternative corporate business form having all the advantages of a private limited company, such as limited liability along with ustaitiadditivitiak benefits and the flexibility of a partnership thus creating a hybrid between a company and partnership. The LLP Act allows not only Indian nationals and body corporate, but also foreign nationals and companies incorporated outside India as well as foreign LLPs to become partners in LLP. While the LLP Act permitted this foreign participation, the same was not, until recently, supported by the foreign exchange Laws of India.

Advantages of L.L.P.

In a nutshell, the Limited Liability Partnership has the following advantages:

- It provides limited liability to its partners. Though personal Liability arises in case of wrongful acts or omissions, a partner is not personally liable for such acts or omissions of other partner.
- LLP Business Structure also has the advantage of Internal Flexibility. As in traditional partnership, the internal structure of LLP can be organized as per mutual agreement.
- The requirements as to Board Meetings, Resolutions, Annual meetings, etc. are not there in case of LLP. There is less paperwork in case of LLPs, even the formation of a partnership agreement is not mandatory; the Act provides for default provisions in its Schedule I. The filing requirements are also less as compared to a company.
- Since LLP is a separate legal entity, its existence is not offered by the entry or exit of partners.

Limitations of LLP

Understanding the Limited Liability Partnership definition (LLP) limitations & disadvantages would help the entrepreneur get the additional perspective of this structure. The entrepreneur needs to understand these things quite in details as it may create various stumbling blocks, which may delay breakthrough related to Startup growth. Here in this article we woiild explore some of the limitations/disadvantages, that would help us avoid future hassles.

Limitation in the formation of LLP

1. As the basic structure or model of the LLP is similar to that of any partnership firm but it requires minimum two partners to form it. LLP cannot be formed by a single person. NRI/ Foreign national who want to form an LLP in India then at least one partner should be a resident of India. Two foreign partners cannot form LLP without having one resident Indian partner along with them.

2. It takes more days to form, as all the partners' signatures are required for each and every document which is then to be attached to required e-forms. Therefore self-attestation of each partner on documents is more as compared to the formation of any Private Ltd company.

Assets of LLP

3. Partners undertake to contribute some amount towards LLP firm which they contribute in the form of cash or assets, while executing the LLP agreement. Once cash or assets are contributed to LLP, it cannot be returned to the partners of an LLP unless there is any specific provision mentioned in LLP agreement.

Objectives of the study:

The following are the objectives of the study. They are:

1. To know the concept of the Limited Liability Partnership.
2. To find out the role of LLP in Indian business scenario.
3. To explore the context of FDI in India through LLP.

Methodology of the Study:

The study has been a bird view of the LLP and FDI and it comprises the 'data from secondary sources.

Hypothesis of the study:

It is assumed that the Limited Liability Partnership form of business is expected to elevate to a higher extent with the Foreign Direct Investment allowance by India. By overcoming certain weaknesses /limitations normally prevail in the Partnership form of business organisations it will grow to a larger front in the coming days in the Indian Business Scenario.

Liberalization of the FDI Policy

In addition to a positive permit allowing FDI in LLPs there has also been a lift ofthe earlier restrictions on LLPs having foreign participation such as restriction of availing ECBs, accepting investment by FPI or FVCI, making investment in agriculture/plantationactivity, print media or real estate business, having designated partners being appointed bycompanies registered in India. Please check the policy details below:

a. LLPs with FDI will be allowed, through the Government approval route, in those sectors/activities where 100% FDI is allowed, through the automatic rout and there are no FDI-linked performance related conditions.

b. By FDI-linked performance related conditions, it is meant that in sectors, where conditions like minimum capitalization etc are prescribed like development ofTownships, NBFC, even though 100% FDI is allowed under automatic route, LLP'swill not be allowed to bring MI with the approval of Government of India.

c. LL-Ps with FDI will not be allowed to operate in agricultural/plantation activity, print media or real estate business.

LLPs with FDI will not be eligible' to make any downstream investments, which mean LLP having FDI, cannot make further investment in LLP or companies by a engaged in any business, even though 100% FDI is allowed under those sectors. The Government of India has also prescribed the following conditions relating to funding, 2011 ownership and management of LLP's:

Investment by Cash Consideration:

Foreign Capital participation in the capital structure of the LLPs will be allowed only by way of cash considerations, received by inward remittance, through normal banking channels, or by debit to -NRE/FCNR account of the person concerned, maintained with an authorized dealer/authorized bank. For making non cash/intangible contribution towards the capital of the LLP, permission of Government of India will be required.

FDI in limited liability partnerships (LLP'S)

Government of India recently allowed FDI in LLP's however LLPs with FDI will not be allowed to operate in agricultural/plantation activity, print media or real estate business. FDI in LLP is allowed with the previous approval of the Government. Further it is allowed with the Government's approval only in those sectors in which 100% FDI is allowed under automatic route under the FDI policy. Thus those sectors which are not available under automatic route is not available for FIX in LLP. The followings are some conditions with respect to FDI in LLP's. LLPs with FDI will not be eligible to make any downstream investments. Foreign Capital participation in LLPs will be allowed only by way of cash consideration. Investment in LLPs by Foreign Institutional Investors (FIIs) and Foreign Venture Capital Investors (FVCIs) will not be permitted. LLP's are not allowed to raise ECB (external commercial borrowings)

FDI IN EOUS/ SEZS industrial park/ EHTP/ STP

Special Economic Zones (SEZs)
100% FDI is permitted under automatic route for setting up of special Economic Zone. Units in SEZ qualify for approval through automatic route subject to sectoral norms. Details about the type of activities permitted are available in the Foreign Trade Policy issued by Department of Commerce. Proposals not covered under the automatic route require approval by FIPB.

100% Export Oriented Units (EOUs):
100% FDI is permitted under automatic route for setting up 100% EOU, subject to sectoral norms. roposals not covered under the automatic route would be considered and approved by FIPB.

Capitalization of Import Payables

MI inflows, are required to be under the following modes;,By inward remittances through normal banking channels or By debit to the specified account of person concerned maintained in an authorizecdealer/authorized bank. Issue of equity to non-residents against other modes of FDI inflows or in kind i5 not permissible under automatic route. Issue of shares for consideration other than cast requires prior Government Approval. However, Issue of equity shares against lump sum fee, royalty payable and externacommercial borrowings (ECBs) in convertible foreign currency are permitted subject tcmeeting all applicable tax liabilities and sector specific guidelines.

Industrial Licensing Policy.

Industrial Licenses are regulated under the Industries (Development & Regulation) Act, 1951. The requirements of Industrial licence has been progressively reduced. At present industrial licence for manufacturing is required only for the following:

Indus4ies retained under compulsory licensing, Items reserved for small scale sector; and when the proposed location attracts locational restriction industries requiring Compulsory Licensing; the following industries require compulsory industrial license:

a) Distillation and brewing of alcoholic drinks;)P' Cigars and cigarettes of tobacco and manufactured tobacco substitutes; Electronic Aerospace and defence equipment: all types; Industrial explosives including detonating fuses, safety fuses, gun powder, nitrocellulose and matches; Hazardous chemicals; Hydrocyanic acid and its deriVatives Phosgene and its derivatives

b) Isocyanates and di-isocyanates of hydrocarbon, not elsewhere specified example: Methyl Isocyanate); and Drugs and Pharmaceuticals (according to modified Drug Policy issued in September, 1994 and subsequently amended from time to time) Prior Government approval required in all cases where Industrial Licence is required to start the business.i.e.all sectors requiring industrial license comes under approval route and requires Government approval.

Industries under small-scale sector

An industrial undertaking is defined as a small-scale unit if the capital investment in plant and machinery does not exceed Rs 10 million. Small-scale units can get registered with the Directorate of Industries/District Industries Centre of the State Government. Such units can manufacture any item, and are also free from locational restrictions. Manufacture of items reserved for small-scale sector. Non-small scale units can manufacture items reserved for the small scale sector only after obtaining an industrial license. In such cases, the non-small scale unit is required to undertake an obligatior to export 50 per cent of the production of SSI reserved items.

FDI in SSI Units : A small scale unit cannot have more than 24 per cent equity in its paid up capital from any industrial undertaking, either foreign or domestic. If the equity from another company (including foreign equity) exceeds 24 per cent, even if the investment in plant and machinery in the unit does not exceed Rs 10 million, the unit loses its small-scale status.

Locational Restrictions

Industrial undertakings are free to select the location of a project. Industrial Licence is required if the proposed location is within 25 KM of the Standard Urban Area limits of 23 city having population of 1 million as per 1991 census. Locational restriction does not apply:

i) If the unit were to be located in an area designated as an "industrial area" before the25th July, 1991.

ii) Electronics, Computer software and Printing and any other industry, which may be notified in fame as "nonpolluting industry", are exempt from such locational restriction.

iii) The location of industrial units is subject to applicable local zoning and land use regulations and environmental regulations.

FOREIGN TECHNOLOGY AGREEMENTS

General Policy: For promoting technological capability in Indian industry, acquisition of foreign technology is encouraged through foreign technology collaboration agreements. Inductions of know-how through such agreements are permitted either through automatic route or with prior approval from the Government.

Technical Collaboration

The terms of payment under foreign technology collaboration, which are eligible for approval through the automatic route and by the Government approval route are technical knowhow fees, payment for design and drawing, payment for engineering service and royalty. Payments for hiring of foreign technicians, deputation of Indian technicians abroad, and testing of indigenous raw material, products, indigenouslydeveloped technology in foreign countries are governed by separate RBI procedures and rules and are not covered by the foreign technology collaboration approval. Similarly, payments for imports of plant and machinery and raw material are also not covered by the foreign technology collaboration approval.

Automatic Route: Government has delegated powers to Reserve Bank of India to allow payments for foreign technology collaboration by Indian companies under automatic route subject to the following limits:

(i). the lump sum payments not exceeding US $ 2 Million;

(ii). royalty payable being limited to 5 per cent for domestic sales and 8 per cent for exports. The aforesaid royalty limits are net of taxes and are calculated according to standard conditions.

Terms of payment qualifying for automatic route is irrespective of the extent of foreign equity in the Indian company.

Use of trademarks and brand name

Payment of royalty up to 2% for exports and 1% for domestic sales is allowed, under automatic route for use of trademarks and brand name of the foreign collaborator without technology transfer. Royalty .on brand name/trade mark shall be paid as a percentage of net sales, viz., gross sales less agents'/dealers' commission, transport cost, including ocean freight, insurance, duties, taxes and other charges, and cost of raw materials, parts and components imported from the foreign licensor or its subsidiary/affiliated company. In case of technology transfer, payment of royalty subsumes the payment of royalty for use of trademark and brand name of the foreign collaborator.

Entry Options for Foreign Investors in India

A foreign company planning to set up business operations in India has the following options:

Incorporated Entity by incorporating a company under the Companies Act,1956 through

- Joint Ventures; or

Incorporation of Company: *For* ***re_gistration*** *and _incorporation,* an application has to be filed with Registrar of *czvvlanies*MDC) *Once 2 company* has been duly registered and incorporated as an Indian company, it is subject to Indian laws and regulations as applicable to other domestic Indian companies.

Liaison Office/Representative Office

The role of the liaison office is limited to collecting information about possible market opportunities and providing information about the company and its products to prospective Indian customers. It can promote export/import fromito India and also facilitate technical/financial collaboration between parent company and companies in India. Liaison office can not undertake any commercial activity directly or indirectly and can not, therefore, earn any income in India. Approval for establishing a liaison office in India is granted by Reserve Bank of India (RBI),

Project Office: Foreign Companies planning to execute specific projects in India can set up temporary project/site offices in India. RBI has now granted general permission to foreign entities to establish Project Offices subject to specified conditions. Such offices can not undertake or carry on any activity other than the activity relating and incidental to execution of the project. Project Offices may remit outside India the surplus of the project on its completion, general permission for which has been granted by the RBI.

Branch Office: Foreign companies engaged in manufacturing and trading activities abroad are allowed to set up Branch Offices in India for the following, purposes:

(i). Export/Import of goods
(ii). Rendering professional or consultancy services
(iii). Carrying out research work, in which the parent company is engaged.
(iv). Promoting technical or financial collaborations between Indian companies and parent or overseas group company.
(v). Representing the parent company in India and acting as buYing/selling agents in India.
(vi). Rendering services in Information Technology and development of software in India.
(vii). Rendering technical support to the products supplied by the parent/ group companies
(viii). Foreign airline/shipping company.

A branch office is not allowed to carry out manufacturing activities on its own but is permitted to subcontract these to an Indian manufacturer. Branch Offices established with the approval of RBI, may remit outside India profit of the branch, net of applicable Indian taxes and subject to RBI guidelines Permission for setting up branch offices is granted by the Reserve Bank of India (RBI).

Branch Office on "Stand Alone Basis" in SEZ

Such Branch Offices would be isolated and restricted to the Special Economic zone (SEZ) alone and no business activity/transaction will be allowed outside the SEZs in India, which include branches/subsidiaries of its parent office in India. No approval shall be necessary from RBI for a company to establish a branch/unit in SEZs to undertake manufacturing and service activities provided that :

Observations:

Allowing FDI in LLP is a welcome move of the Government of India, as it would provide foreign investors an alternate form of business other than company and would entitle them to benefit with inherent flexibility & tax efficient LLP structure. It is to be noted that LLP as opposed to company are not subject to dividend distribution tax @ 16.225%. The aforesaid move will boost the number of joint ventures in the country and specifically in infrastructure sector, where most of projects till date are executed in form of unincorporated joint venture where most.

Extension of the Definitions of the Key Terms

The November 2015 Press Note, also extends the already prevailing concept of `control' and 'ownership' in case of companies to LLPs. This is a prudent step to dispel any doubts that may arise later. While the term 'control' with respect to a company is defined as the right to appoint majority of its directors or to control the management or policy decisions of the company; the term 'control' for the purpose of LLP has been defined as the right to appoint majority of the designated partners of the LLP who in turn -have control over all the policies of the LLP.

Similarly, while a company is considered as 'owned' by resident Indian citizen if more than 50% of the capital is beneficially owned by resident Indian citizen(s) and/or -Indian companies; an LLP is to be considered as 'owned' by Indian citizen if more than 50% of the investment in such LLP is contributed by resident Indian citizens-and they have majority of the profit share in such LLP

Though we are of the view that the amendment to the FDI Policy could have been -done earlier, liberalization of the FDI Policy with respect to the LLP is a welcome move as 7-it will provide foreign investors an alternate form of doing business in India. The LLP will entitle foreign investors to benefit with inherent flexibility and tax efficient structures. The aforesaid reform with other advantages *i.e. simple tax structure, flexible statutory* reporting, lesser compliance requirements will boost the opportunities for investors, joint ventures and wholly-owned subsidiaries to form LLPs, specifically in the infrastructure sector, where most of projects till date are executed in form of unincorporated joint ventures.

Going forward, an LLP where the liability of the partner is limited to his agreed contribution may be preferred over traditional partnership firms where every partner is liable, jointly with all the other partners and also severally for all acts of the firm done while he is a partner. Further, no partner of an LLP is liable on account of the independent or urn-authorized acts of other partners, thus allowing individual partners to be shielded from joint liability created by another partner's wrongful acts or misconduct. As for taxation, while LLP may be subject to taxation as a partnership firm, including, AMT (quite similar to MAT applicable to companies under certain circumstances), income distributed by the LLP will not be subject to dividend distribution tax, which is applicable to companies.

Thus we can conclude that an LLP can be a great alternative for start-ups since the November 2015 Press Note has now bought the structure of LLP at par with the companies, i.e. the benefits (and restrictions) as are available to companies are now available to LLP and it will be an ideal platform for start-ups as well as foreign companies proposing to set up a wholly owned subsidiary more so where there may not be manufacturing activities in India. Corresponding amendments to the ECB regulations and other inbound regulations issued under Foreign Exchange Management Act, 1999 are now awaited to give a holistic effect to the relaxations and changes made applicable to LLPs.

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Make in India- Vision or Illusion

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Abstract: A major national initiativedesigned to facilitate investment,Foster innovation enhance skill development, protect intellectual property, and build best-in-class manufacturing infrastructure. there has never been a better time to make in india.The phrase 'Make in India' has become buzzword in India. The expression was introduced by our present Prime Minister of India Sri. NarendraModi. Taking into consideration the various aspects that play a vital role in developing the country, especially the manufacturing sectors of India's global economy, Sri Modi favored to use the phrase. The initiative hopes to attract capital and technological investment in India. India is capable of manufacturing its own products since the required skills and potentialities of manufacturing, trade and commerce is very sufficient. Hence this paper attempts to highlight on the strengths of India's manufacturing sector.
Key words: skills, potentialities,red -tapism,

Introduction

The mission and vision of NarendraModi about making India an economic superpower was evident from the day he assumed the post of Indian PM. As the Prime Minister of one of the fastest growing economies of the world, Modi now aims to expand his vision to the national context, to replicate the success of the Gujarat model throughout the country, through his innovative 'Make in India' campaign which ""represents an attitudinal shift in how India relates to investors: not as a permit-issuing authority, but as a true business partner".

In order to make India a global manufacturing hub, Prime Minister Modi has embarked upon an ambitious campaign, termed popularly as "Make in India", launched yesterday at Delhi. The sales pitch for the ambitious plan will likely be made to the world's top 3,000 companies and comes just ahead of PM Modi's visit to the US, where he will be meeting CEOs of several Fortune 500 companies. The Centre's objective is to get manufacturing sector to grow over 10% on a sustainable basis in the long run. It has planned global outreach through a unique digital campaign as well.

PM Modi has painstakingly identified 25 key sectors in which India can excel in world trade and manufacturing. These include Automobiles, Chemicals, IT, Pharmaceuticals, Textiles, Ports, Aviation, Railways, Leather, Hospitality & Tourism. The idea of PM Modi is quite simple and transparent, yet revolutionary. He assumes and believes that India is one of the best global markets and as such, India needs to create more and more job opportunities to bring about a sea change in the ways and means of Development. There is no doubt that this is a campaign not driven by any overwhelming political agenda as his policies will not only give instant boost to the Indian Economy but will also help in generating employment for the underprivileged & poor people in India, increasing their purchasing power and enabling them to improve their living standards.

The "Make in India" campaign is is aimed at eliminating red -tapism, development of the country's infrastructure and creating an environment conducive to that of setting up of business ventures in India. In this dimension, it implies major bureaucratic reforms, deregulations, public-private partnerships models of growth etc. The initiative has its origin in PM Modi's Independence Day speech where he gave a clarion call to "Make in India" and "Zero Defect; Zero Effect" policy. In his speech, Mr. Modi exhorted the global firms to set up manufacturing bases in the country. He had then remarked: ""Come, make in India. Be it plastics or cars or satellites or agricultural products, come make in India...We should dream of 'Made in India' products across the world. We need to encourage the manufacturing sector. We need to channelize the strength of the youth through manufacturing". At the launch of the campaign on 25 September 2014, Mr. Modi urged to increase the scale of manufacturing in India as a boost to manufacturing will create jobs, increase purchasing power and create a larger market for manufacturers. His words and body language echoed simplicity, soundness and a deep sense of conviction to deliver.

The unprecedented 'Make in India' campaign aims to transform the economy from the services-driven growth model to labor-intensive manufacturing-driven growth. This will help in creating jobs for over 10 million people, who join the workforce every year. An official from the Department of Industrial Policy and Promotion (DIPP) stated that the campaign would "pitch to manufacture pharmaceuticals, auto components and biotech products, among others, in India. Food processing, IT, defense, electronics and textiles figure among the 25 sectors identified" In order to make this campaign a success, The DIPP and industry FICCI have jointly set up an eight-member expert panel to address queries and concerns of investors within 48 hours and clarify Indian policies to the investors, simultaneously suggesting reforms to the Centre and states. In order to involve the States, the campaign was simultaneously launched in different state capitals including Mumbai, Chennai and Bangalore.

The campaign aims to attract foreign companies for setting up factories in India and invest in the country's infrastructure. Towards this end, the government has liberalized defense manufacturing and insurance sectors to attract FDI. In the Union budget, Finance Minister ArunJaitley announced a rectification of inverted duty structure, a Rs. 10,000 crore micro, small & medium enterprises venture capital fund for start-ups, ecommerce platform to retail domestically produced goods.

All the stakeholders in the campaign need to ensure its effective implementation, as a robust manufacturing sector is vital to the productivity-linked growth in the Indian economy. This is important much more no, as over the past 10 years, foreign investors were shying away from investing in India and local investors were turning their backs towards any sort of investment. This campaign has the potential of being a game changer and will show some serious upward trend in luring foreign investors as well as winning the confidence of the Indian business community. Reversing the thinking of Investors to invest will bring a paradigm shift in India Economy. In fact, the attendance of World Global Leaders in Modi's campaign launch ceremony is itself showing some serious bullish signs. The event was also webcasted by more than 100 Indian diplomatic outposts, and was well attended especially at those held in China, Singapore, Malaysia, Indonesia and Thailand. It is a wakeup call to the international community!

Leading Industrialists have also welcomed the Make in India Initiative with open hearts. Chairman, TATA group, Mr. Cyrus Mistry; Managing Director, Maruti Suzuki India, Mr. Kenichi Ayukawa; Mahindra Group CMD, Mr. Adi Godrej of Godrej Group, Mr. MukeshAmbani of Reliance Industries, Mr. GautamAdani of Adani Group, Mr. Anand Mahindra, were among the prominent industrialist and businessmen present at the high profile launch of the campaign

The "Make in India" campaign is a laudable initiative that caters to the prevailing economic reality of our times. It goes beyond doubt that manufacturing is necessary for employment and for trade expansion. Moreover, making India the manufacturing hub will also mean higher exports from the country and lower imports, reducing the trade gap. All the stakeholders in the campaign need to ensure its effective implementation, as a robust manufacturing sector is vital to the productivity-linked growth in the Indian economy. Most importantly, it is yet another admirable step with its distinct Modi-style stamp all over, announcing to the whole world about the new Indian government's visionary and path-breaking commitment to harness and show case India's truly global economic potential.

The Make in India Vision: Manufacturing currently contributes just over 15% to the national GDP. The aim of this campaign is to grow this to a 25% contribution as seen with other developing nations of Asia. In the process, the government expects to generate jobs, attract much foreign direct investment, and transform India into a manufacturing hub preferred around the globe. The logo for the Make In India campaign is a an elegant lion, inspired by the Ashoka Chakra and designed to represent India's success in all spheres.The campaign was dedicated by the Prime Minister to the eminent patriot, philosopher and political personality, PanditDeenDayalUpadhyaya who had been born on the same date in 1916.

Why PM wants to Make in India

The Prime Minister called for all those associated with the campaign, especially the entrepreneurs and the corporates, to step and discharge their duties as Indian nationals by First Developing India and for investors to endow the country with foreign direct investments. The Prime Minister also promised that his administration would aid the investors by making India a pleasant experience and that his government considered overall development of the nation an article of faith rather than a political agenda. He also laid a robust foundation for his vision of a technology-savvy Digital India as complementary to Make In India. He stressed on the employment generation and poverty alleviation that would inevitably accompany the success of this campaign.

Sectors in focus

For the Make in India campaign, the government of India has identified 25 priority sectors that shall be promoted adequately. These are the sectors where likelihood of FDI (foreign direct investment) is the highest and investment shall be promoted by the government of India.On the campaign launch, the Prime Minister Mr. Modi said that the development of these sectors would ensure that the world shall readily come to Asia, particularly to India where the availability of both democratic conditions and manufacturing superiority made it the best destinations, especially when combined with the effective governance intended by his administration.

Automobiles	Food Processing	Renewable Energy
Automobile Components	IT and BPM	Roads and highways
Aviation	Leather	Space
Biotechnology	Media and Entertainment	Textiles and garments
Chemicals	Mining	Thermal Power
Construction	Oil and Gas	Tourism and Hospitality
Defence manufacturing	Pharmaceuticals	Wellness
Electrical Machinery	Ports	
Electronic Systems	Railways	

Benefits and disadvantages of Make in India

India is a country rich in natural resources. Labour is aplenty and skilled labour is easily available given the high rates of unemployment among the educated class of the country. With Asia developing as the outsourcing hub of the world, India is soon becoming the preferred manufacturing destination of most investors across the globe. Mae in India is the Indian government's effort to harness this demand and boost the Indian economy.

India ranks low on the "ease of doing business index". Labour laws in the country are still not conducive to the Make in India campaign. This is one of the universally noted disadvantages of manufacturing and investing in India.

Why Companies were not manufacturing in India

Make in India campaign is at loggerheads with the Make in China ideal that has gained momentum over the past decade. China is a major rival to India when it comes to the outsourcing, manufacturing, and services business. India's ailing infrastructure scenario and defunct logistics facilities make it difficult for the country to achieve an elite status as a manufacturing hub. The bureaucratic approach of former governments, lack of robust transport networks, and widespread corruption makes it difficult for manufacturers to achieve timely and adequate production. The Modi government has vowed to remove these hurdles and make the nation an ideal destination for investors to set up industries.

Progress

In a short space of time, the obsolete and obstructive frameworks of the past have been dismantled and replaced with a transparent and user-friendly system that is helping drive investment, foster innovation, develop skills, protect Intellectual Property (IP) and build best-in-class manufacturing infrastructure. The most striking indicator of progress is the unprecedented opening up of key sectors – including Railways, Defence, Insurance and Medical Devices – to dramatically higher levels of Foreign Direct Investment.A workshop titled "Make in India – Sectorial perspective & initiatives" was conducted on 29th December, 2014 under which an action plan for 1 year and 3 years has been prepared to boost investments in 25 sectors.The ministry has engaged with the World Bank group to identify areas of improvement in line with World Bank's 'doing business' methodology. A 2 day workshop and several follow up meetings were held to formulate framework which could boost India's ranking which is currently 130 in terms of Ease of doing business.An Investor Facilitation Cell (IFC) dedicated for the Make in India campaign was formed in September 2014 with an objective to assist investors in seeking regulatory approvals, hand-holding services through the pre-investment phase, execution and after-care support.The Indian embassies and consulates have also been communicated to disseminate information on the potential for investment in the identified sectors. DIPP has set up a special management team to facilitate and fast track investment proposals from Japan, the team known as 'Japan Plus' has been operationalized w.e.f October 2014.

In **conclusion** we can say that, India's credibility is stronger than ever. There is visible momentum, energy and optimism. Make in India is opening investment doors. Multiple enterprises are adopting its mantra. The world's largest democracy is well on its way to becoming the world's most powerful economy.

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Make In India Policy with Special Reference to Union Budget 2017 – 18

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Abstract: 'Make in India' aims at increasing the GDP and tax revenues in the country, by producing products that meet high quality standards, and minimizing the impact on the environment.Fostering innovation, protecting intellectual property, and enhancing skill development are the other aims of the program Make in India is the BJP-led NDA government's flagship campaign intended to boost the domestic manufacturing industry and attract foreign investors to invest into the Indian economy. The Indian Prime Minister, Mr. NarendraModi first mentioned the key phrase in his maiden Independence Day address from the ramparts of the Red Fort and over a month later launched the campaign in September 2014 with an intention of reviving manufacturing businesses and emphasizing key sectors in India amidst growing concerns that most entrepreneurs are moving out of the country due to its low rank in ease of doing business ratings. The campaign has been concentrated to fulfill the purpose of Job Creation, Enforcement to Secondary and Tertiary sector, Boosting national economy, converting the India to a self-reliant country and to give the Indian economy global recognition.

Key Words: Production, Domestic Manufacture, Entrepreneur, self-reliant

Introduction

Make in India initiative launched by Prime Minister NarendraModi on 25th September of 2014 was an initiative aimed at making India a global manufacturing hub.It was also rolled out with the aim of creating millions of jobs in the country.

What is 'Make in India' program?

The 'Make in India' program is an initiative launched to encourage companies to increase manufacturing in India. This not only includes attracting overseas companies to set up shop in India, but also encouraging domestic companies to increase production within the country.

1) Make in India was launched to encourage multinational as well as domestic companies to manufacture their products in India.

2) Vision: The initiative hopes to attract both capital and technological investment in India and that the country will become the top destination globally for foreign direct investment (FDI), surpassing even China and the United States.

3) Its logo inspired by the Ashoka Chakra – is a striding lion made of cogs, symbolizing manufacturing, strength and national pride.

4) Objective: To focus on job creation and skill enhancement in 25 key sectors of the economy, including automobiles, aviation, biotechnology, defense manufacturing, electrical machinery, food processing, oil & gas, and pharmaceuticals, among others.

5) The initiative also aims at imposing high quality standards and minimizing the impact on the environment.

6) The campaign was designed by Wieden, Kennedy, an independent American advertising agency.

7) As part of the campaign, the Centre allowed 49% foreign direct investment (FDI) in the defence sector and 100% in railway infrastructure

8) Between September 2014 and November 2015, the government received Rs 1.20 lakh crore in proposals from companies interested in manufacturing electronics in India.

9) Key policies -- ease of doing business, getting away with archaic laws, 100 Smart Cities, disinvestment of public sector undertakings, skills and jobs for the youth, making India a manufacturer

10) Criticism has also surrounded the campaign – allegations of siphoning of funds, higher pricing, more profits for MNCs setting up plants in India, land-grabbing, and re-entry of black money.

11) Major challenges include creating a healthy business environment, removal of unfavorable factors, more focus on Indian's micro, small and medium enterprises (MSME), lack of world class research and development (R&D), and comparisons with China's 'Made in China' campaign.

Objectives of the Study

The following are the main objectives of the proposed study.

1. Review the growth rate of the country in various sectors

2. Review on the challenges of various service sectors

3. Analyze the growth performance of Indian economy by the union budget 2017

4. Based on the above mentioned objectives, draw conclusions and make suitable suggestions.

Methodology of the Study

The present study is essentially based on published secondary data collected from official sources. Secondary data is analyzed with help of appropriate statistical tools of analysis. Secondary data is collected from the annual reports of major companies as well as Government publications. The secondary data is collected by studied the following intellectuals columns like:-

1 GURUMURTHY, Chartered Accountant and eminent Commentator on political and economic affairs.
2 SANTWANA BHATTACHARYA, Political Editor, The New Indian Express
3 VENKATESH ATHREYA, Economist and retired Professor
4 Post demonetization period's English and Telugu daily news papers.

Results of the Study

IT'LL CLEAN UP INDIAN POLITY

The policy directions in the speech of the finance minister introducing the Union Budget 2017-18, presented in the backdrop of demonetization but more as a follow-up to it, constitute a paradigm shift to clean up the Indian polity. The pivot of the new paradigm is the endeavor for transparent economy and politics.

First, the most far-reaching reform is in the funding model of political parties. Recently published data shows that whether it is ruling party or the opposition with any ideology, they had received most of their funds through opaque cash donations up to 20000/-.

Second, the direct tax policies in the Budget take the demonetization philosophy of war against black money forward by creating an ecosystem against tax evaders and rewarding the honest taxpayers. This is the first budget speech ever where the minister cited irrefutable data to admit mass and massive tax evasion and confessed how disproportionately the huge cash economy has facilitated evasion. The demonetization decision hit the cash economy and forced the so far unbanked cash into the banks and forced it to pass through the tax net.

Third, the Budget undeniably endeavors to build the ecosystem for reorienting the Indian economy which had lost track its job-producing potential since 2004. Jaitley has spoken of large allocations for rural, agricultural and infrastructure sectors and has doubled the bank funding for the micro businesses through the MUDRA scheme, all of which have the potential for employment generation.

Fourth, a significant aspect missed in the budget discourse is that the entire indirect tax budgeted has been just an assumption, pending the GST rollout which stands deferred to July. Only when GST is rolled out will reliable numbers of indirect tax revenue emerge. Till then, the budget estimates will remain incomplete. Finally, while some commentators have hailed the Budget as ‘change making’ and ‘game changing’, an in-depth comment on the Budget will have to await scrutiny of the huge volume of budget papers and the numbers hidden in them. Yet, thanks to the hard game of demonetization which has made it possible, the Budget aims for a financially clean polity and economy.

GOVT TAKES MORAL HIGH GROUND ON CORRUPTION

The government had packaged Budget 2017-18 as a pro-poor exercise, heavy on social sector spending with almost half of the 21lakh crore-plus total outlay reserved for rural India.

This much was perhaps to be expected, with the presentation of the Budget being advanced by a month widely seen as a move meant to enable the government to play its policy cards in tandem with its political needs. But political critics were unimpressed and saw a big miss-match between declared intent and capacity.

If demonetization had put the economy on a depressive curve, the Budget did not quite address that need either.

CPM general secretary SitaramYechury took off on the gap between what the Economic Survey had suggested – a huge push to domestic demand- and the promises contained in the Budget document, which he thought would be illusory.

It all boils down to the numbers. As a percentage of GDP, revenue expenditure stood at 13.36 percent last year, and that's come down to a projected 12.74 in 2017-18.

But crucially, this year's budget includes the revenue of Railways, which was not there in 2016-17, so on a comparative scale the figure seems to have declined substantially. The same holds true for capital expenditure.

Conclusion

LONG ON RHETORIC, BUT SHORT ON SUBSTANCE

The finance minister's attempt to underplay the damage caused by demonetization contrasts with the more sober assessment of the Economic Survey, prepared by his ministry.

The allocations for various sectors reflect the gap between rhetoric and reality in the Budget. For instance, while the budget speech waxes eloquent on the thrust towards agriculture and rural development, the allocation for these two sectors taken together rises from 1,67,768 crore in 2016-17(revised estimate) to 1,87,223 crores in 2017-18(budget estimate), an increase of 11.5 percent in nominal terms , a modest increase in real terms. The allocation for Education and Health was 1, 14,806 crore in 2016-17(revised estimate). It is 1,30,215 crore in 2017-18(budget estimate), again a rather modest increase given our overall low spending on these key sectors.

A major negative impact of demonetization has been on employment in the informal sector. There was a general expectation that the budget would address this issue by substantially increasing allocation for the rural employment guarantee scheme and possibly initiating a similar urban employment guarantee scheme.

As data from the Labour Bureau surveys remind us, job creation has nosedived over the past year, and this was a key issue for the Budget to factor in. However, the Budget has made no serious effort in that direction.

It also puts exclusive emphasis on so called fiscal prudence which is interpreted to minimizing fiscal deficits essentially through expenditure reduction. The self-serving argument that a lowering of tax rates will lead to an improvement in compliance is not sustained by evidence from across the world.

The reason is simple enough: If the marginal costs of tax evasion are perceived to be lower than the benefits from such evasion, compliance need not improve at all.

The prime motive of this policy is to encourage the development of the business sector, create employment opportunities, and bring more and more investment in the manufacturing sector. Other motives are-

1. 12-14% increase in the growth of manufacturing sector.
2. By 2022, the share of manufacturing sector in the Gross Domestic Product to be increased from 16% to 25%.
3. To create 100 million jobs in the manufacturing sector by 2022.
4. Establishing National Investment and Manufacturing Zones (NIMZ) that will be equipped with superior

infrastructure, self-regulated, and will be in partnership with the private sectors.

5. To create the perfect opportunities for poor and urban migrant to learn the skills used in the manufacturing sector.
6. Increasing domestic value addition and technology in this sector.
7. Enhancing the competitive power of Indian manufacturing sector in the global market.
8. Ensuring proper growth in the sector.
9. Organization of industrial training and skill development programs.
10. More focus on the sectors that generate employment, strategic development, capital goods, and competitive sector.

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Role played by make in India concept in growth relating to manufacturing sector in India

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Abstrct: Make in India Campaign is an initiative of Prime Minister NarendraModi on 25 September 2014 by addressing a mass audience including both national and international entrepreneurs in New Delhi. This is an international marketing strategy conceptualized by the PM of India to attract investments from businesses all over the world and transforming India into a global manufacturing Hub. For promoting this campaign the web portal, logo and brochures are used for detailing 25 priority sectors of the economy. The objective behind this initiative is to focus on job creation, skill development and innovation and to align India's manufacturing sector into the Global Value Chain by encouraging Public Private Partnership (PPP), Joint Ventures (JV), Foreign Direct Investment (FDI) inflow, and advancing Ease in Doing Business (EDB). Higher education will also play a significant role in improving the quality of Research and Development (R&D). This scheme focuses on acceleration of economic growth to the new heights and to pull back the economy from clutches of recession. Currently India's GDP is heavily tilted in favour of service sector. In this paper my objective is to study the role of Make in India as a driver of growth in different sectors and its opportunities, challenges, changes needed and used the Secondary data for the purpose of the study. The secondary data collected from journals, magazines articles, brochures, annual report etc.

Key words: manufacturing sector, Public Private Partnership, Make in India

Introductıon

The Make in India campaign was launched and started by Prime Minister NarendraModi in India on September 25, 2014 in a function at the VigyanBhavan. Basically it is an initiative of the Government of India to encourage multinational, domestic as well as, companies to manufacture their products in India. Indeed, it hopes to make India a major manufacturing hub. India has emerged, after first quarter of 2015, as the top destination globally for investment, beating our next to door neighbour as well as the States. During the end of 2014 on 29th December the Department of Industry Policy and Promotion conducted a workshop, which was attended by Modi, his cabinet ministers and chief representatives of states as well as various industry tycoons. The major expectation from this campaign is that it will create around 100 million job opportunities for youths in India over time. The aim is to take a share of manufacturing in country's gross domestic product from 16% to 25% by 2022, as stated in national manufacturing policy. Major objective of this scheme focuses on 25 sectors. The sectors are Automobiles, textiles and

Garments, Biotechnology, Wellness, Defence, Manufacturing, Ports, Food Processing Mining, Media and Entertainment, IT and BPM, Pharmaceuticals, Renewable Energy, Roads and Highways, Railways, Thermal Power, Oil and Gas, Space, Leather, Construction, Aviation, automobile components, chemicals and Electronic System.

Why make ın ı ndıa campaıgn ıs ımportant

India before 1991 was a much less developed and underutilized economy in terms of globalization. FDI (foreign Direct Investment) before 1991 globalization reform was 97 (U.S. million $) with a GDP growth less than 3%, but then came the globalization phase for India, which opened Indian market for the rest of the world thus increasing the FDI to 129 (U.S. million $) in 1991-1992 financial year, with GDP as 4.2%, this was the time when Indian economy witnessed a high growth rate as compared to previous year (before globalization). And the trend went on of increasing FDI and increasing growth of GDP. Sectors like retail, FMCG, automobile, software, health sector etc saw a healthy FDI. In 2008 after the market crisis in India growth rate went down to 6.7% than 7.1 percent of previous years. Till 2013 FDI in India was 31,731 (U.S. million $). In 2014 after winning the general election Mr. Modi, announced a dynamic campaign called MAKE IN INDIA, which brought about 41,223(U.S. million $) up-till mid of 2015 with GDP growth of 8.1 % brought smiles in Indian economy, world renowned manufacturers like SUZUKI MOTORS, POSCO STEEL, TETRA PACK etc, came to India with smiling faces for investment. Thus Modi's MAKE IN INDIA campaign became famous all over the world such that India was ranked 7th among the top ten FDI most promising source of economy in 2015. "MAKE IN INDIA's" main objective is to attract the potential manufactures from all over the world to invest in Indian economy which will result in huge employment generation, better productivity, new technology generation, safeguarding local market and farmers, development of MSME etc. So from the above info it can be concluded that this campaign's main motive is to attract various developed countries to invest in India in such a way that a Product produced or manufactured in India is being used by the whole world.

For the purpose of reinforcing the traditional practices and creating the new vision for converting the India into a global manufacturing hub, the NDA government last year initiated a program that is run nationwide by the slogan of "Make in India" with the motive to facilitate investments, faster innovation and build world class manufacturing infrastructure. Now the question arises? why it's important to focus upon manufacturing sector, as we all know that it does makes a great sense as far as India is concerned it's always in mind that International Journal of Applied Research 2016; 2(1): 591-594 ~ 592 ~ International Journal of Applied Research India is primarily and fore mostly a agriculture oriented economy but the industry which has the most prominent contribution in the economy has also held its place quite firmly, but it was the manufacturing sector which was having the less taken care of although it is the most driving force or the one which needed gear up! We have always been blessed by nature for the necessary raw materials, India is still a country who is having ample resources, the human resource is most dynamic, extraordinary and the service sector is touching the another level of heights. The one and the only thing amiss was the manufacturing sector – a sector which could integrate the raw materials of the produce and the end service.

Addıtıonal reasons for the new ınıtıatıve

1. Various persisting issues prompted the launch of this campaign. First and foremost, India needs to reboot its economy. The GNP (Gross National Product) during the FY 2013 and 2014 was estimated around 5.5% which has been declined in comparison to the time period of 2002 to 2011 which was averaging around 7.7% and it was on a higher side.

2. Secondly the demanding factor for India is to create job opportunities for the young generation. In recent time on an average, 5 million new jobs have been created annually; on contrary near about 12 million people join the workforce every year. This is the another aspect of demographic dividend: By 2022 it is expected that the labour workforce will grow up to 600 million. Hence employment will resolve the problem of poverty to certain extent and will shift people's mind set from agriculture, which has a low capacity to sustain their livelihood.

3. Third, economic development model of India is quite complex, rather than giving preference to Indian people they are offering privileges to skilled labour which were employed by foreign companies. On the other hand the success mantra of some developed economies is to incentivize the manufacturing industries for generating the job opportunities for own people first. Today, this is ~ 593 ~ International Journal of Applied Research the reason why manufacturing sector in China makes up 34% of gross domestic product.

4. The Chinese have positioned themselves as the 'workshop' of the world, accounting for 22.4% of global manufacturing, while India accounts for only 2%. India's manufacturing sector is less productive compared to its competitors and accounts for only 15% of its GDP. The government has set a target of 25% of GDP by 2022.

Challenges

The following major challenges that hamper India to become global manufacturing hub and accordingly make in improving the ease of doing business in India. There are certain other challenges also in the way of making India a global hub for manufacturing. However keeping in mind these issues and taking adequate measures to deal with the same will go a long way towards turning the "Make in India" vision from dream to a reality.

(i) Giving more opportunities for the improvement general and engineering graduates.

(ii) Building up infrastructure of various buildings and highways.

(iii) Improving the power capacity of the electricity plants for better supply to industrial sector.

Prospects ın ınvestıng ın ındustry sector

* FDI is one of the important sector through which Indian economy is able to make itself stable, so this scheme will boost up FDI in the country.
*All big manufacturing units need various small parts, which are created by various small scale industries, so as result of new large industry opening various small industries will also be created thus creating more employment opportunities.
*Exports done by manufacturing unit helps in lowering the trade deficit.
*As India's population is about 125 crore so it is a huge market for any industry around the world.
*Converting the India to a self-dependent nation and giving Indian economy a global recognition.
*Manufacturing projected to generate 100 million new domestic jobs and contribute 25% of national GDP by 2025, from existing ~15% 6
* Reduction in manufacturing imports from USD 127 billion in FY14 to USD 40-50 billion possible in next 5 years 4
*Productivity improvement to boost skill intensive manufacturing in India by 2025
*One of the top 2 low cost exporters in auto components, power equipment, pharma
*Among the top 5 low cost exporters in machinery, electronics, automobiles, textiles 7
*28 million new jobs in hi-tech and electronic hardware sector to cater to USD 400 billion domestic market by 2020.

Recent polıcy mesures and proects to open up ındia's manufacturıng sector:

100 % FDI for telecom sector;• 100 % FDI for single-brand retail;• Expiry dates of licenses increased to 3 years ;• For all non-risk, non-hazardous businesses, a system of• self-certification to be introduced; Online obtaining of environmental clearance through a• process. Development of the Delhi-Mumbai Industrial Corridor• (DMIC) is under process to make it a global manufacturing and an investment destination utilising the 1,483 km-long, high-capacity western Dedicated Railway Freight Corridor (DFC) as the backbone.

Conclusıon

India has that capability to push the GDP to 25% in next coming years. The government of India has taken tremendous steps to encourage investment and to improve further business climate. "Make in India" mission is one such long run initiative which will accomplish the dream of transforming India into manufacturing Hub. Start-ups in the core manufacturing sectors are poised to play a crucial role in the success of 'Make in India' ambitions, said experts at a panel discussion at the 11th India Innovation Summit 2015 in the fields like telecom, defense manufacturing, automobile, Internet of Things, financial technology modules and mobile internet have immense potential to succeed in the scheme of 'Make in India'," said Siddhartha Das, general partner, Venture East addressing aspiring entrepreneurs at the discussion on "Entrepreneurship - Role of Start-ups towards Make in India".

Make in India scheme also focuses on producing products with zero defects and zero effects on environment. The various measures undertaken by the NDA Government to address issues related to economic growth, delay in Government decisions and reforms in the Labour law, Land law and taxation have kick started the manufacturing sector and upliftment in the growth of GDP by 5.7 in last quarter. If governance will remain continue in this current manner, we can definitely hope to see a significant and sustainable growth in the manufacturing sector and progress towards India becoming a global manufacturing hub.

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The challenges and opportunities Indian business facing today

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Abstract: The Indian economy is facing challenging times. Investor sentiment is muted, growth numbers have fallen and the political environment has not been encouraging. An indication of how India is perceived globally can be found in the recent report by the World Bank, titled 'Ease of Doing Business', where of the 185 economies that have been ranked, India stands at 132 on the criteria of 'Ease of Doing Business' and 182 on 'Dealing with Construction Permits'. While India is relatively better poised on 'Getting Credit' with a rank of 23, and 'Protecting Investors' with a rank of 49, the results of the report clearly indicate the immediate need to cleanse the system, strengthen the regulatory environment and offer a more conducive atmosphere for businesses to operate in and flourish. This discussion was aimed at identifying the challenges India faces today and the ways in which they can be overcome. What actions need to be taken at the level of government and policy, as well as at the corporate and individual level? As one digs deeper, it becomes clear that the lack of good governance — and how it can be improved — continues to be a major concern.

Keywords: India's growth story –time for introspection, changing global perceptions

Introduction:

After charting an impressive growth path in the last decade, the Indian economy seems to have hit a rough patch since 2011/2. While there could be different views on and interpretations of what is happening, the general outlook is that things are not alright — in the economic, political and the business environments. A certain amount of discontent and disillusionment has crept into an otherwise positive outlook.

According to N Vaghul, Chairman, Spencer Stuart India Advisory Board, the Indian economy needs to find its bearings in an ever-changing global scenario. It is a thought supported by Deepak Parekh, Chairman, HDFC Limited. "In the recent past we have witnessed a series of contrasting events resulting in confusing views on where the Indian economy is headed," he said. Until recently, analysts were predicting that India would be among the first of the BRIC (Brazil, Russia, India and China) countries to fall off the cliff. Obituaries on the Indian economy were drawn up in the international press. Then the government suddenly announced a slew of measures — a reduction in the diesel subsidy, opening upof Foreign Direct Investment (FDI), and disinvestment of the public sector. The resulting positive outlook led to a strengthening of the Rupee and increased investments by Foreign Institutional Investors (FII). However, the euphoria was short-lived. Today the country seems to be back where it started: growth in the manufacturing and mining sectors is dismal, new capital investments are negative and even though the consumption story is strong, it cannot be the sole driver of growth.

Fortunately, the news is not all negative. According to Roopa Kudva, Managing Director and CEO, CRISIL, "the prediction of seven to eight per cent growth is on the premise that the most likely medium-term scenario will be a combination of unfavourable global factors and favourable local factors." On the positive side, social infrastructure spending in India has grown faster than GDP growth in the last eight years and physical infrastructure has kept pace with GDP growth rate. These trends, coupled with the government's resolution of curbing subsidies, can have a positive impact. The other two drivers are the demographic dividend and the increase in the savings and investment rate, which has touched 36 per cent of GDP. Given these statistics, 7.5 per cent growth should be a reality. But the key question is: what needs to be done to take this up to 9 to 10 per cent? However, we should also consider the fact that sentiment is a significant driver for investments. When the Indian government announced the opening of FDI in retail, international retail giants like Idea and Walmart were quick to act, indicating that India is on their radar even though it is a longer-term bet today. Roopa Kudva supported the sentiment issue, marking it as a natural progression in the process of maturing as a democracy. The country may not have the answers to dealing with the flux today, but it is possible to alter the prevailing sentiment if the right steps are taken. Any international skepticism that may exist can be reversed through timely and appropriate measures.

Anupam Puri, former Managing Director India, McKinsey & Company, felt that India is too big to be ignored and therefore will not be off the radar. "The tragedy is that this could have been the moment of glory for India, becoming the most attractive country in the world to invest in, but that has been driven away. However, things can be turned around rapidly with a few attitudinal changes." So, where do these changes need to take place?

The government mindset :

What plagues growth in India is its government's lack of direction. On the one hand, the government creates positive sentiment by announcing a range of measures designed to drive growth. On the other hand, its capacity to see the reforms through is questionable. As Mr Vaghul explained, "the government is not in a position to come to terms on the subsidy policy. We do not have a solution to this very critical issue and, furthermore, the policy has the potential to make the problem worse, since more money spent on the rural sector could have a negative impact on the fiscal deficit, which would create an unsettling effect on the economy."

Ravi Kant, Vice-Chairman, Tata Motors, commented "There are two points of consideration in the current economic environment: the first is the willingness and the courage to implement reforms and the second is the uncertain environment that we operate in, which is creating a paralyzing effect." In such an environment it becomes increasingly important to have a clear agenda. The single point of focus for the U.S. economy, by way of an example, has been to target joblessness, which has resulted in a positive outcome. The Indian government today needs an overarching vision for the economy supported by a precise agenda that is clear about who should own responsibility for implementation, whether the government or industry. Gone are the days of Public Private Partnerships (PPP) which none of the stakeholders took the initiative to drive. "In India, what stands in the way of progress is the lack of willingness to act, perhaps due to the need to satisfy conflicting demands politically and economically" summarised Ravi Kant. While industry can play a role, the crux of the issue is that India needs to be perceived globally as a more investor-friendly destination, and for this the Indian government needs to be coaxed into becoming bolder and taking quicker decisions. The formation of a National Investment Board (NIB), which would operate from the Prime Minister's Office and be responsible for monitoring and advising ministries on expediting projects entailing investments in excess of Rs 1,000 crore, would be a good move.

Tackling corruption :

While corruption acts as a significant roadblock to the progress of the economy, the fact remains that it is a universal phenomenon and not unique to India. There are other countries that face greater corruption challenges than India, and are still large recipients of FII investments. This is an indicator of the fact that growth and the existence of corruption are not mutually exclusive. "The point to be considered," said Anupam Puri, "is that the governance model is broken because the business model for dealing with corruption is broken. There was a time when the 'rules of the game' were established and everybody played by those rules. Today those are ambiguous."

The debate also explored the need to define corruption as involving two parties, the "corruptor" and the "corruptee". Indian industry has also contributed to the development of the system as it exists today. Perhaps one place to start is the Bribery Act that the Prime Minister has touched upon, where both the giver and the receiver have to face punitive action.

The challenging investment environment

Perhaps the single largest problem that hinders growth in India today is the lack of confidence in making investments in India. The primary fallout from this sentiment is the depreciating value of investments across a variety of sectors. Prashant Ruia, Group Chief Executive, Essar Group, explained "If you look at core sectors ie. Steel, Power, Telecoms, Oil & Gas, Real Estate, the quantum of investments made in these sectors has seen a decline due to the prevailing regulatory environment in the country. As such, one has seen distinct hesitation amongst companies to make any new investments in these sectors. With new capacity creation in infrastructure on hold one sees a risk for supply side led inflation in the next few years if this trend is not quickly corrected".

The question arose as to whether this lack of confidence was a result of inaction on the part of the policy makers, or whether the existing rules and regulations themselves were no longer good enough. The problem, some argued, lies in the inability of the government to take decisions. There is an urgent need to define policies, which would foster clarity and establish consistent rules, creating a renewed awareness of the consequences of failing to abide by the rules. Deepak Parekh added that multinational companies are looking for a policy roadmap inIndia as the basis on which investment commitments can be made. It is policy consistency and stability that will encourage investments. The first step for the government could be for individual ministries to come up with medium-term or long-term policy papers for business investment. Despite a lack of rapid decision making, a broken governance model and an increase in corruption, the general belief is that their negative impact on India's growth is not deep rooted and can be reversed.

Ravi Narain described the success of the Financial Sector Legislative Reforms Commission (FSLRC). Established by the government, it is responsible for reviewing all relevant laws and regulations in the financial markets, and applies sunset clauses on each law with the purpose of making the process more efficient. He added "The government needs to relook at each piece of the economy, applying the sunset clause, and re establishing rules and laws on the basis of relevance. That would be a long-term solution, which will not only solve today's problems, but also those in the future." Concerns abound on the financial side of the India growth story as well. "The capacity of Indian banks to continue investing in infrastructure projects will be limited. They already have significant exposure to ongoing projects where completion is getting delayed. Besides, under new Basel III capital guidelines, capital that banks need to maintain on long tenor project financing will be significantly higher than today. Project bonds, which are being positioned as an alternative will be a slow starter as there is a lack of a deep domestic market for corporate bonds. As the Government competes for public savings it crowds out others resulting in a weak investor base for corporate and hence project finance bonds. Without a domestic investor base for such instruments, attracting foreign investors will be very difficult" said Shirish Apte. This negative investment ecosystem affects both FDI and domestic investment. Governance deficit, corruption, and general inefficiency in execution not only belongs to the bureaucracy, but is deep-rooted in corporates and among other members of society, such as school teachers, university professors and other professions. This is an equally important issue that needs urgent attention.

Values and the social system :

Another problem plaguing India today is that rules are not being observed. According to Ravi Narain, "there is a sense that great amounts of wealth can be made in complete safety without worrying about the consequences." The balance between the pursuit of gain and the threat of punitive action has changed for the worse. The fear is that if this persists there will be a serious change to the ethics and morality of Indian society which will take a very long time to recover from. The solution does not lie solely with fixing a particular sector or establishing policy papers, but correcting far more serious problems of a fundamental nature. From this arises the concept of investment in "conscience capital", which would have a longer-term impact on the country's value system since it takes into consideration service to society and the environment that its citizens live in. India is in a rapid growth phase today and will transition from becoming a developing economy to a mature one. It is important to institutionalise the right values at this stage in the country's development.

"What we are out to achieve may not be possible only by focusing on economic issues and numbers," said O.P. Bhatt. "The constant focus on numbers and rates of growth detract from the more important question of the nature and quality of the growth." If economic growth skims the surface, concentrating on the top one, five or 10 per cent of the economy and does not percolate below, then it is not deep-rooted and not sustainable. The other point of contention is the focus on short-term growth. Uncertainty, volatility, and ambiguity are short-term in nature. The longer-term challenges are more underlying and fundamental and centre on the country's value system. With the number of scams occurring today, it appears that the value system has warped and needs to be fixed. Ideally, both the long- and short-term issues would be treated in conjunction with each other. The social sector is also faced with challenges that need to be tackled urgently. Despite increasing expenditure, the health and education sectors are not making a meaningful impact in rural areas. In that environment, growth is not a question of money, but more a question of economic opportunities and creating more jobs. Pumping in more money through various schemes is not the answer; this will add to the fiscal deficit and will worsen the situation.

Mr Vaghul related these issues to the "cannibalisation of the nation". At the time of independence, there was a general belief that democracy would bring about greater egalitarianism in the society; but on the contrary, in the last 65 years, democracy has been used by political forces to divide the society into different castes and religions, and we have become responsible for the fragmentation of society.

A question of law :

The strengthening of the judiciary has also been a much debated topic. According to Dr Ganguly, many nations, for example the United States, France, Germany and Japan have gone through a period of "robber barons" and it seems that India is witnessing something similar. Only by having a solid judicial system are countries rescued from robber barons. "We have a judicial system; let us not underestimate it. When social unrest reaches a point when society can no longer accept it, the judiciary intervenes," he added.

On the positive side, the idea of building a framework of accountability for bureaucrats is being considered. "Focus on accountability for both bureaucrats and the judiciary will help streamline the clean-up operation," said Deepak Parekh.

Conclusion:

India makes its best reforms in times of crisis. In the current crisis, it is crucial to make systemic changes that will improve the confidence of business, investors and regulators and knit the various elements tightly together for the long term. To drive these changes the right leadership is needed in both the corporate world and in the government. Finally, there needs to be awareness. This is not the responsibility of the government alone; it is the job of all citizens collectively. "The first step is to convince ourselves that we are in a very genuine and critical situation, and we have to find solutions within ourselves to this problem," said Mr. Vaghul. "Today's crisis can be converted into an opportunity. The question is whether it can be done in a sustainable way. The euphoria of the early 90s gave way to disappointment by the end of the decade — a story repeated in 2004–2009. We need to make sure that the next major growth that India experiences should not result in disillusionment."

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The Role of Entrepreneur in Education and Economic Development

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Abstract: it is clear that entrepreneurship serves as a catalyst of economic development. On the whole, the role of entrepreneurship in economic development of a country can best be put as an economy is the effect for which entrepreneurship is the cause. The establishment of entrepreneurship development institutes and alike by the Indian Government during the last decades is a good testimony to her strong realization about the premium mobile role of entrepreneurship plays in economic development of the country

Key words: entrepreneurship, Government, economic development

Introduction

The one of the major issue we shall address here is: What is the significance of Entrepreneurship for economic development ? Does it add an important independent influence to that of other factors widely agreed to promote economic development of a country like India ? Adam Smith, the foremost classical economist, assigned no significance to entrepreneurial role in economic development in his monumental work. An enquiry into the Nature and Causes of the Wealth of Nations published in 1776. Smith extolled the rate of capital formation as an important determinant of economic development.

The problem of economic development was ergo largely the ability of the people to save more and invest more in any country. According to him, ability to save is governed by improvement in productivity to the increase in the dexterity of every worker due to division of labor. Smith regarded every person as the best judge of his own interest who should be left to pursue his own advantages. According to him, each individual is led by an Invisible Hand in pursuing his/her interest. He always advocated the policy of laissez-fair in economic affairs.

In his theory of economic development, David Ricardo identified only three factors of production namely:

I. Machinery
II. Capital
III. Labor

Among whom the enter produce is distributed as rent, profit and wages respectively. Ricardo appreciated the virtues of profit in capital accumulation. According to him, profit leads to saving of wealth which ultimately goes to capital formation. The role of entrepreneurship in economic development varies from economy to economy depending upon its material resources, industrial climate and the responsiveness of the political system to the entrepreneurial function. The entrepreneurs contribute more in favorable opportunity conditions than in the economics with relatively less favorable opportunity conditions.

Viewed from the opportunity conditions point of view, the under developed regions, due to the paucity of funds, lack of skilled labor and non-existence of minimum social and economic overheads, are less conductive to the emergence particularly of innovative entrepreneurs.

In such regions, entrepreneurship does not emerge out of industrial background with well developed institutions to support and encourage it. Therefore, entrepreneurs in such regions may not be an Innovators but an Imitators who would copy the innovations introduced by the innovative entrepreneurs of the development region (Brozen 1954-55).

Further, India which itself is an undeveloped country aims at decentralized industrial structure to militate the regional imbalances in levels of economic development, small-scale entrepreneurship in such industrial structure plays an important role to achieve balanced regional development.

It is unequivocally believed that small-scale employment , ensure a more equitable distribution of natural income and also facilitate an effective resource mobilization of capital and skill which might otherwise remain unutilized.

Lastly, the establishment of entrepreneurship development institutes and alike by the Indian Government during the last decades is a good testimony to her strong realization about the premium mobile role of entrepreneurship plays in economic development of the country.

The important role that entrepreneurship plays in the economic development of an economy can now be put in more systematic and orderly manner as follows:

- Entrepreneurship promotes capital formation by mobilizing the idle saving of the public.
- It provides immediate large-scale employment. Thus, it helps reduce the unemployment problem in the country i.e, the root of all socio-economic problems.
- It promotes balanced regional development.
- It helps reduce the concentration of economic power.
- It stimulates the equitable redistribution of wealth, income and even political power in the interest of the country.
- It encourages effective resources mobilization of capital and skill which might otherwise remain unutilized and ideal.
- It also induces backward and forward linkages which stimulates the process of economic development in the country.
- Last but no means the least, it also promotes country's export trade. i.e, an important ingredient to economic development.

Thus, it is clear that entrepreneurship serves as a catalyst of economic development. On the whole, the role of entrepreneurship in economic development of a country can best be put as an economy is the effect for which entrepreneurship is the cause.

Role of Entrepreneur İn Educational Development

The entrepreneurs play an important role in the establishment of private educational institutions right from private universities down convents (Elementary Education) he performs the following functions while establishing the private educational institutions.

Planning
Organising
Staffing
Directing
Co-ordinating
Reporting
Budgeting

PLANNING : The entrepreneur plans where to start, how to start, when to start which institutions is to be stated. The planning is very important for the success of the venture. The success or failure dependents upon the planning.

Organising The Educational Plant: The entrepreneur organises the educational plant by constructing the building purchasing furniture etc.

STAFFİNG: entrepreneur the appoints the teaching the non-teaching and technical staff for the educational plant. He appoints them on the basis of merit.

DİRECTİON: The entrepreneur issues require directions for the smooth running of the educational plant.

CO-ORDİNATİON: Theentrepreneur co-ordinates the work of teaching staff and non teaching staff .

REPORTİNG: He reports the progress of students to the parents and working to concerned authorities.

BUDGETİNG: The educational plant requires investment at every stage like construction, electricity bills, telephone bills, salaries etc. So he prepares a budget with income and expenditure.

Conclusion: The entrepreneur is like a captain of a ship. He is the chief engineer for any plant economic or educational. Without entrepreneur there will be no economic development in a any country. The more the entrepreneurs the more the economic development. He is a like a heart for the body and he is like a sun among plants In India TATAS , BIRLAS, AMBANIES, BAJAJ etc.. are some important entrepreneurs who stand like a back bone for Indian economy .

Without entrepreneur the industrial development and educational development will be a practical zero.
The government should take steps to train the youth as future entrepreneurs. India is a developmenting country. It is an agricultural based country .to make it an industrial country more entrepreneurs should come.

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Impact of FDI on Indian Foreign Trade

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Abstract: Foreign companies directly invest in various businesses in India just to expand their market size and to operate even manufacturing activities at cheaper levels. This is foreign direct investment. According to 'Financial Times' in the first half of 2015 India could attract 31 billion $ FDI into India by crossing China and US in this regard. Economic Liberalization process was initiated in 1991 during the tenures of P.V.Narasimharao and DrManmohan Singh according to which FDI was allowed to enter into India with a view to accelerate the economic progress in India. FDI in India generated 1crore jobs also. In the beginning the FDI flows were restricted to 26% only. Later on in 2014, Govt. of India increased the upper limit of FDI inflow from 26% to 49% in insurance sector. FDI Inflows have been being in flow in various sectors in India. This paper is an attempt to study the impact of FDI on Indian Foreign Trade. For this study an attempt was made to analyze the impact of FDI on imports and exports of India with the help growth percentages and index values.The study was completely based on secondary data collected from handbook of statisticsof RBI.

Key words: FDI, Foreign trade, Trade balance, Chi-square

Introduction

Foreign direct Investment means, Investments by foreign companies in other countries directly with a view to acquire the benefits of cheaper wages, expansion of markets in changing business environment. In India FDI is the major source for economic development. According to 'Financial Times' in the first half of 2015 India could attract 31 billion $ FDI into India by crossing China and US in this regard. Economic Liberalization process was initiated in 1991 during the tenures of P.V.Narasimharao and DrManmohan Singh according to which FDI was allowed to enter into India with a view to accelerate the economic progress in India. FDI in India generated 1crore jobs also. In the beginning the FDI flows were restricted to 26% only. Later on in 2014, Govt. of India increased the upper limit of FDI inflow from 26% to 49% in insurance sector. FDI Inflows have been being in flow in various sectors in India.

In the year 2015, India has become center of the attracting Foreign Direct investments. Due to make in India initiative, in April 2015 due to 'Make in India' initiative, FDI inflow was increased by 48%. Government of India took many initiatives for the FDI inflows. In the year 2014-15, 25 sectors were relaxed with very liberal norms so that they could get FDI inflows tremendously and mostly from the countries like Japan, US, Netherlands, Singapore and so on. Automotive, Pharmaceuticals, Railways, Textiles, Air Lines, infrastructure, Service are some of the sectors in which FDI inflows had flown effectively and by this impact considerable development took place in the above stated sectors.Created many jobs to the job seekers in various fields.

During the period in between April and September in 2016, FDI inflows rose by 30% year on year to US $ 21.6 billion; Service sector attracted the highest FDI equity inflow, 5.29 billion $, Tele Communication 2.79 billion $, trading 1.48 billion $. Total FDI equity inflows for the month of September,2016 touched US$ 5.15 billion (source; IBEF).

With the effect of FDI inflows Indian Foreign Trade has also been being affected considerably.

Evolutionary development

1991- FDI was introduced under FEMA(Foreign Exchange Mgt Act) and later on supported by Prime Minister DrManmohan Singh.

India disallowed overseas Corporate bodies to invest in India and there by restricted to a cap imposed by the government

Starting from 1billion $ in the initial stage when the government allowed FDI

2012-UNCTAD survey- India became the second most important FDI destination

From April 2000- Jan,2011- Nine companies from 10 largest Companies investing in India were based in Mauritius

2015- India has stood as top FDI destination by crossing China and Us. India received 63 billion $

2016- India also allowed 100% FDI in some sectors

Review of Literature

AbishekVijaykumarVyas (2015): 'An analytical Study of FDI in India'- International Journal of Scientific Publications,Vol-5,Issue-10,Oct-2015-ISSN 2250-3153. Researchers analyzed that sustained growth and development has become possible in some sectors with the help of FDI inflows and from the year2000 to 2015 In service sector, construction sectors sustainable growth and development could take place with the support of FDI through creation of Jobs in India.

Dr M. ShahulHameedu(2014): ' FDI, The Indian Scenario'- International Journal of Scientific Publications,Vol-4,Issue-2,Feb-2014-ISSN 2250-3153. Researcher in his study opined that FDI in India has a significant role in economic growth and development of India. This has become possible by creation of many jobs particularly in service sectors like construction, computer software and hardware this happened particularly in between the period April,2000 and 2**013**

Objectives of the Study

- To study the concept of Foreign direct Investment in India
- To evaluate the impact of FDI on Indian exports and Imports
- To analyze the impact of FDI on Indian Trade balance
- To make some suggestions to government with regard to FDI policy

Methodology: The present study is completely based on secondary data collected from the Handbook of Statistics of Reserve Bank of Indiaand the collected information is analyzed with the help of growth percentages, tabulated, and depicted in diagrams and ended with some conclusions.

Limitations of the study: The total study is based on secondary data collected from Handbook of Statistics of Reserve Bank of India. The informationis considered only from 2001to 2016. During the period prior to 2001, there was development in Indian Foreign Trade

Period of the study: The period of the study is from 2001 to 2016.

Statement of Problem: FDI inflows started coming into India since 1991 with the affect of economic reforms initiated by PV.Narasimharao Government. Various sectors could attain sustained growth development by creation of many jobs in many sectors service sectors in particular. At the same time it is an important aspect to verify for any unfavorable atmosphere to the home Industries. In this context, the researcher has felt it necessary to study and analyze the impact of FDI on Indian Foreign Trade.

Data Sources: The information used in this study is **secondary data** collected from handbook of statistics of Reserve Bank of India.

Data Analysis: The total study depends upon secondary data which is collected from RBI, handbook of statistics. The collected information is tabulated, serially numbered, calculations are made by using percentages, indexed values to make conclusions and shown in a chart. Growth percentages are calculated by taking an increase/decrease in the following year value as a percentage over previous year figure. Index values are also calculated based on the first year value 100 as base.

Table 1. Foreign Direct Investment to India in Rs.Billion

Year	FDI to India in Billion Rs	**Growth %**	**Index value**
2000-01	184.04	----	100.00
2001-02	292.45	58.91	158.91
2002-03	243.97	-16.58	132.56
2003-04	198.30	-18.72	107.75
2004-05	269.47	35.89	146.42
2005-06	394.57	46.42	214.39
2006-07	1026.52	160.16	557.77
2007-08	1394.21	35.82	757.56
2008-09	1906.45	36.74	1035.89
2009-10	1578.19	-17.22	857.53
2010-11	1323.58	-16.13	719.18
2011-12	1549.61	17.08	842.00
2012-13	1469.54	-5.17	798.49
2013-14	1868.30	27.14	1015.16
2014-15	2158.93	15.56	1173.08
2015-16	2942.58	36.30	1598.88

Source: RBI Handbook of statistics

Analysis & Interpretation: Table (1) shows that how FDI inflows since 2000-01 have been being in increasing trend. Growth percentage 160.16 is the highest in the year 2006-07 and -18.72 is the lowest in the year 2003-04.In the years 2002-03;03-04;09-10;10-11;12-13 growth rates are negative, In the years 2011-12;13-14;14-15 are lower ranging between 15.56 and 27.14 and in the remaining years they are ranging between 35.82 and 58.91.On the whole it is appearing to be in increasing trend. Index values are also in increasing trend. Since 2000-01 to 2015-16 they are showing a constant increasing growth rate. In the year 2015-16 it has appeared to be almost 16 times increased when compared to the first year figure of the study period. It can be concluded that during the study period FDI inflows have been increasing in an increasing rate.

Table2. Exports from India Rs.Billion

Year	Exports Billion Rs	**Growth %**	**Index value**
2000-01	2035.71	---	100.00
2001-02	2090.18	2.68	102.68
2002-03	2551.37	22.06	125.33
2003-04	2933.67	14.98	144.11
2004-05	3753.4	27.94	184.38
2005-06	4564.18	21.60	224.21
2006-07	5717.79	25.28	280.88
2007-08	6558.64	14.71	322.18
2008-09	8407.55	28.19	413.01
2009-10	8455.34	0.57	415.35
2010-11	11429.22	35.17	561.44
2011-12	14659.59	28.26	720.13
2012-13	16343.18	11.48	802.83
2013-14	19050.11	16.56	935.80
2014-15	18964.45	-0.45	931.59
2015-16	17144.24	-9.60	842.18

Source: RBI Handbook of statistics

Analysis & Interpretation: Table (2) shows that how exports Rs.in billion since 2000-01 have been being in increasing trend. Growth percentage 35.17 is the highest in the year 2010-11 and -9.60 is the lowest in the year 2015-16.In the years 2001-02;03-04;07-08;09-10;12-13 growth rates are ranging between 0.57 to 14.98, In the years 2002-03;04-05to06-07 and in 08-09 and 10-11;13-14 they are ranging in between 16.56 to 35.17.On the whole it is appearing to be in increasing trend. Index values are also in increasing trend. Since 2000-01 to 2015-16 they are showing a constant increasing growth rate. In the year 2015-16 it has appeared to be almost eight and half times increased when compared to the first year figure of the study period. It can be concluded that during the study period exports in billions of Rs. have been increasing in an increasing rate.

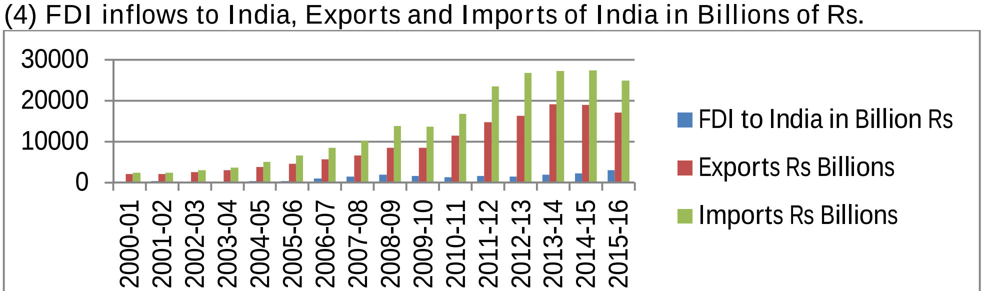
Table: 3. Imports of India in Billions of Rs.

Year	Imports Billion Rs	**Growth %**	**Index value**
2000-01	2308.73	---	100.00
2001-02	2452.00	6.21	106.21
2002-03	2972.06	21.21	128.73
2003-04	3591.08	20.83	155.54
2004-05	5010.65	39.53	217.03
2005-06	6604.09	31.80	286.05
2006-07	8405.06	27.27	364.06
2007-08	10123.10	20.44	438.47
2008-09	13744.40	35.77	595.32
2009-10	13637.40	-0.78	590.69
2010-11	16834.70	23.45	729.17
2011-12	23454.60	39.32	1015.91
2012-13	26691.60	13.80	1156.12
2013-14	27154.30	1.73	1176.16
2014-15	27370.90	0.80	1185.54
2015-16	24859.30	-9.18	1076.75

Source: RBI Handbook of statistics

Analysis & Interpretation: Table (3) shows that how imports Rs.in billion since 2000-01 have been being in increasing trend. Growth percentage 39.53 is the highest in the year 2004-05 and -9.18 is the lowest in the year 2015-16.In the years 2001-02;12-13;13-14and 14-15 growth rates are ranging between 0.80 to 13.80, In the years 2002-03;03-0406-07 and in 07-08 and 10-11, they are ranging in between 20.44 to 27.27 and in the remaining years they are above 30% not exceeding 40%. In some years they are decreasing and in some years increasing. On the whole it is appearing to be in increasing trend. Index values are also in increasing trend. Since 2000-01 to 2015-16 they are showing a constant increasing growth rate. In the year 2015-16 it has appeared to be almost eleven times increased when compared to the first year figure of the study period. It can be concluded that during the study period imports in billions of Rs. have been increasing in an increasing rate.

(4) FDI inflows to India, Exports and Imports of India in Billions of Rs.



Source: RBI Handbook of statistics

Analysis & Interpretation: As per the information depicted in Chart (4)FDI inflows to India have been continuously increasing since 2000-01.Exports are also increasing trend except in the last two years 2013-14 and 2014-15 , during this two years period, with a very less variation the exports are almost at the same level, in the year 2015-16 a short decline is registered. On the whole it is in increasing trend. The same situation can be observed in case of imports also.

(5) Trade balance in Rs Billions

Year	Trade Balance Billion Rs	**Growth %**	**Index value**
2000-01	-273.02	----	100.00
2001-02	-361.82	32.53	132.53
2002-03	-420.69	16.27	154.09
2003-04	-657.41	56.27	240.79
2004-05	-1257.25	91.24	460.50
2005-06	-2039.91	62.25	747.17
2006-07	-2687.27	31.73	984.28
2007-08	-3564.48	32.64	1305.57
2008-09	-5336.80	49.72	1954.73
2009-10	-5182.02	-2.90	1898.04
2010-11	5405.45	-204.31	-1979.87
2011-12	-8795.04	-262.71	3221.39
2012-13	-10348.44	17.66	3790.36
2013-14	-8104.23	-21.69	2968.36
2014-15	-8406.41	3.73	3079.05
2015-16	-7715.03	-8.22	2825.81

Source: RBI Handbook of statistics

Findings:

- During the study period of 16 years, Foreign Direct Investment inflows in billions of Rs are increasing
- Exports in billions of Rs though declined in the year 2015-16, on the whole they are in increasing trend in an increasing rate.
- Imports in billions of Rs though declined in the year 2015-16, on the whole they are in increasing trend in an increasing rate.
- Trade balance also except in the year 2010-11(-1979.87,index) is appearing to be in increasing trend at an increased rate
- Impact of FDI inflows to India have been strengthening India with the increasing exports

Suggestions:

- Imports to India should be controlled by depending more on home industries
- Exports are to be improved than the present way of increasing tendency
- Government is to take necessary steps to control imports improve exports to get a favorable trade balance.
- Government of India is to impose some more control over FDI inflows into India to make India more self reliant

Conclusion

According to the above analysis based on some worked out results, it can be concluded that Foreign Direct Investment inflows into India for the past few years during the study period of 16 years have been showing a positive impact On Indian Foreign Trade. The increasing trend of exports at an increasing rate is an evident for the above. But increasing imports and increasing negative trade balance are negative signs in this context. Dominating role in FDI investment in Indian equity gains corresponding profits also which are out flows of funds from the country. This happens when dividend is paid in cash form. India should become self reliant in almost all aspects including investing from inside sources also. To attain this it is necessary to government of India to control FDI inflows to some extent in some sectors.

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Make In India Challenges of Teacher Education

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Abstract: Education is a key factor determining a nation's progress and teachers play a crucial role in shaping and directing it in the right direction. Teaching profession is a building block for all other professions. The quality of teaching shapes the future of students and prepares them to be responsible citizens. Teachers play a central role in ensuring quality and effectiveness in learning and establishing foundations of a learned and educated society. A former United States President, Bill Clinton in September 1996 stated that "every child needs - and deserves - dedicated, outstanding teachers, who know their subject matter, are effectively trained in how to teach to high standards and to make learning come alive for students" The wealth of a nation depends on how effectively its young minds are trained and educated to take up the challenges of the future. With such a great responsibility, it is very important to strengthen the teaching profession. There is a need for greater emphasis on continuing education for teachers to meet the growing demands of teaching profession

Key words: young minds, mother and father

Introduction

Teaching as a Profession :

The world's oldest universities existed in the forests of India. Indian tradition had accorded a very high place of honor to the teacher; pupils were exhorted to treat the teacher as their god; along with mother and father one's respect and reverence were due to his teacher.

Teaching is considered as the noblest of all professions. A profession is an occupation or job that needs special knowledge, e.g., medicine, law, teaching, engineering etc. It implies specialized knowledge and high ethical standards by the practioners.

The main actor on the educational stage is the teacher. Success or failure of any educational scheme depends upon the quality, commitment and enthusiasm of the teaching profession. Successful teaching involves keeping pace with the latest trends and modern practices in education. The teacher should always be a learner. Only a burning candle could light another candle.

Teachers influence students' achievements the most. They help them to identity and grow their intellectual capacities and develop interest in diverse areas of learning. A good teacher can make even a dull and boring topic interesting. Teachers play a vital role in shaping destiny of a great nation. A teacher is a person who provides academic insights to students and enhances the process of learning.

Issues and Challenges :

The National Policy on Education 1986 called for an overhaul of the teacher education system in the country. It emphasized the need for continuing education for teachers to meet the trust envisaged in the policy. A new centrally-sponsored scheme of restructuring and reorganization of teacher education was launched in 1987-1988 which primarily envisages establishment of DIETs to provide pre-service and in-service, training to elementary school teachers. In addition, upgradation of Secondary Teacher Education Institutes of Advanced Studies in Education (IASE), strengthening of SCERTs and university departments of education through University Grants Commission were components of this restructuring which had the basic objective of providing training and resource support to Elementary and Secondary Education at the grassroots level.

The increase in demand for education has opened up many job opportunities in education. According to a well-known American philosopher, Herbert Marcus, the universities spend more effort on administration, organization and quantity of teaching rather than on quality of teaching. Competition for jobs has become an important aim of education. The issue of values are subsumed by the issues of technical rationality. Goals rather than means have become important for people. Such thinking has largely affected the form and content of teaching. The continuous decline in the quality of profession, ineffectiveness in teaching, growing discontent among professionals and greater pressure of administrative machinery, lack of enthusiasm in learning and talented people in the field are all a cause as well as a consequence of changing ideologies.

One way to draw excellent minds and committed individuals to the teaching profession is to have promising polices and practices that can attract creative talent which meets high quality standards and has the potential to meet future challenges. The modem policy and programs for teacher's education must reflect diversity and take social changes in its ambit. Social change has brought new perspectives in the filed of education. The socio-cultural, economic, political environment is changing rapidly whereas the system is slow to respond. These changes pose greater challenges to the community and one of the best ways of managing these pressures is to have a set of "trained trainers". Teacher's education must be able to equip teachers with contemporary and relevant set of skills to make classroom learning as effective as possible. Such steps would become more interesting. A trained set of educators would assure a secured and educated future for a nation. Thus, with such responsibilities in the hands of teachers, it is time that we give teachers the education and necessary support that they need to teach children the necessary strands that the twenty first century demands.

Conclusion :

Teachers' education is a continuous process and the concept is undergoing profound change as the transformations in the world pose a greater challenge to the community of teachers and learners. These challenges and demands require new capacities and knowledge on the part of teachers. The current situation is dynamic as well as varied. The breadth of challenges and demands and the pace of change make the current situation different from the earlier years. Teachers must be able to accommodate continuing changes to achieve goals of contemporary world and teacher's education is a means to accomplish it.

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Make In India – Advantages and Disadvantages

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Abstract : Make in India Project is an initiative by Government of India to promote the manufacturing of goods in the country it was initiated by Indian Prime Minister ShriNarendraModi on 24th September 2014. Thus would encourage foreign investors to invest in our country and help India to grow Economically. The concept of Make in India is to encourage Multi National, as well as national companies to Manufacture their products in India. The major objective behind the initiative is to focus on Job creation and skill enhancement in 25 sectors of the economy (1). The initiative also aim to high quality standards and minimizing the impact on the environment (2). The initiative hopes to attract capital technological investment in India.

Keywords: Advantages, Disadvantage, Natural Resources, Pollution, Agriculture, Entrepreneurs, Manufacturing.

Introduction

Make in India has come with lots of benefits and advantages for the Indian Economy: Due to this fact companies from across the globe have invested in the make in India campaign, and have thrived successfully, making India a hub for the manufacturing companies, overshadowing countries like the USA in the collection of FDI up to $63 billion during the previous year.

Advantages of Make In India

Lets have a look on the some biggest advantages of make in India.

❖ **Develop Job Opportunity :**

One of the main purposes of make in India crusade, is to provide job opportunities for asmany citizens of India as possible. It has targeted the youngenervation of the country as itsprime beneficiary. The investments in the targeted sectors, i.e.telecommunications.pharmaceuticals, tourism etc. will encourage the young entrepreneurs to come forth withtheir innovative ideas without worrying about the source of speculation.

❖ **Expand GDP :**

Due to the manufacturing of products in India, economic growth is inevitable, which will notonly boost the trade sector but also will increase the GDP of Indian economy as with thesetting up of new factories and various investments being speculated in the Indiancommercial sectors the flow of income will be humongous. Various sectors such asexportation, architecture, textiles, telecommunications etc. are likely to flourish inevitably,strengthening the Indian economy which is already the seventh largest in the world.

❖ **Fortify the Rupee :**

The emergence of the manufacturing industries would automatically convert India into a hubfor the fabrication of various commercial products; as a result, there would be a grandcollection of the FDI, which, in turn, would strengthen the rupee against the domination ofthe American dollar.

❖ **Ease of Business :**

India is a nation which ranked 130th on the ease of doing business scale. But with the openinvitation given to the entire world to manufacture their products in India, the variousrestrictions opposed over the entrepreneurs will be lifted and aspiring businessmen from allover the globe could invest in India with no stress at all.

❖ **Availability of Young Minds**

Most of the young generation of India plans to move out of the country in the hope of a betterfuture. Due to the lack of young labor, India has always been deprived of innovative and new-
ideas. With the make in India campaign, the young population would not only be providedwith employment but also their young and fresh minds would take the industrial sector tonew heights. Making it a win win situation for the India as well as the concerned countries.

❖ **Development of Rural Areas**

It is a well-known fact, that a factory set up not only improves a particular area, but alsoprovides for the locals with employment, thus the quality of life of people wouldautomatically enhance. Amenities like schools, hospitals and other public conveniences willbe developed for the betterment of the public.

❖ **Flow of Capital**

Since the beginning of capitalization, the Indian currency is being spent on the foreigncountries, with the introduction of make in India, the capital will not only remain in India,but also the foreign currency will be provided to the nation as well. In a nutshell, India willnotspend on foreign countries, but the foreign countries will spend on India in the form ofinvestments and wages.

Disadvantages of make in india

❖ **Negligence of Agriculture**

The most negative impact of the make in India campaign will be on the agriculture sector ofIndia. It is a well – known fact that Indian Territory has 61% cultivable land. With theintroduction of industrial sectors, the agriculture in India will be neglected somewhat.

❖ **Depletion of Natural Resources**

Since Make in India is primarily based on manufacturing industries, it demands the set-up ofvarious factories. Usually such projects consume the natural resources such as water, landetc. on a large scale. With the rapid devouring of such precious resources, India might be leftwith zero opportunity to replenish them, threatening the survival of such a large populationin the near future.

❖ **Loss for Small Entrepreneurs**

The make in India campaign, welcomes foreign countries to manufacture in India with openarms, this automatically eases up the various restrictions over trade with foreign countries,inviting attention of the international commercial companies. However, these companies willnot only seduce the Indian population but also would dominate the small local entrepreneursand force them out of business.

❖ Disruption of Land

As stated above, India is very rich in the agriculture sector. About 60% of the Indian soil isarable. With the emphasis being given to the make in India campaign, thousands ofcompanies would come forth to set up their factories on the land which could be used forcultivation. Eventually this set up of manufacturing factories would lead to the permanentdisruption of the agrarian land in the near future.

❖ **Manufacturing based Economy**

Indian economy is one of the largest economies in the world. It constitutes of three sectorsi.e. agriculture, industry and **services.** Now the Indian economy majors up from the servicesector which contributed up to 57% of the GDP. But with the introduction of the make inIndia campaign the economy is likely to rely completely on the manufacturing and exportingwhile the import **industry** will remain static. This eventually will be a huge loss for the othereconomic sectors and would automatically reduce the advancement of make in India.

❖ **Pollution**

One of the biggest problems which is prevailing in India is pollution. According to statistics,India has a pollution index of 76.50. With the make in India movement, this pollution level islikely to arise in a couple of years. Eventually, making the condition in India worse. Hence,Make in India might be economically but it will have an inverse effect ecologically.

Conclusion :

India is a country rich in natural resources. Labour is a plenty and skilled labour is easily available given the high rates of unemployment among the educated class of the Country. With Asia developing as the out sourcing hub of the World. India is soon becoming the preferred manufacturing destination of most investors across the globe.

India ranks low on the "Ease of doing business index" Labour laws in the Country arestill not conductive to the make in India Campaign. This is one of the Universallynoted disadvantages of manufacturing and investing in India.

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Role of banks and some issues on make in India programme

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Abstract: Today, the banking sector is one of the biggest service sectors in India. Availability of quality services is vital for the well-being of the economy. The focus of banks has shifted from customer acquisition to customer retention. With the stepping in of information technology in the banking sector, the working strategy of the banking sector has been revolutionary changes. The modern economies of the world have developed primarily by making best use of the credit availability in their systems. India is on the march; far reaching socio-economic changes are taking place and Indian banks should come forward to play this role in the process. The role of banks has been important, but it is going to be even more important in the future.

Key words: modern economies, Banking system, independent democracy

İntroduction

Banking system plays a very significant role in the economy of a country. It is central to a nation's economy as it caters to the needs of credit for all the sections of the society. Money-lending in one form or the other has evolved along with the history of mankind. Even in the ancient times, there are references to the money-lenders, in the form of sahukars and zamindars who lend money by mortgaging the land property of the borrowers.

Towards the beginning of the 20 century, with the onset of modern industry in our country, the need for government-regulated banking system was felt. The British government began to pay attention towards the need for an organized banking sector in the country and the Reserve Bank of India was set up to regulate the formal banking sector in the country. Ever since they were nationalized in 1969, banks have been playing a major role in the socio-economic life of the country. The have to act not only as purveyors of credit, but also as harbingers of social and economic development through a variety of enterprises, many of which may tiny and yet capable of generating productive energies.

India is not only the world's largest independent democracy, but also an emerging economic giant. Without a sound and effective banking system, no country can have a health economy. For the past three decades, India's banking system has several outstanding achievements to its credit. It is no longer confined to only the metropolitans, but have reached even to the remote corners of the country. This is one of the reasons of India's growth process.

Today, the banking sector is one of the biggest service sectors in India. Availability of quality services is vital for the well-being of the economy. The focus of banks has shifted from customer acquisition to customer retention. With the stepping in of information technology in the banking sector, the working strategy of the banking sector has been revolutionary changes.

The modern economies of the world have developed primarily by making best use of the credit availability in their systems. India is on the march; far reaching socio-economic changes are taking place and Indian banks should come forward to play this role in the process. The role of banks has been important, but it is going to be even more important in the future.

Make ın ındıa campaıgn:

Maharashtra Industrial Development Corporation (MIDC) organized the forthcoming Make In India campaign. The programme concluded that local industrialists from various industrial towns in the district seem to be banking on the Make In India campaign for their own growth and expansion.

The Union government has undertaken a special policy under the brand-name 'Make In India' to attract foreign investment. To invite local industrialists, the MIDC has been organizing awareness campaigns in various industrial pockets across the state.

Massıve cleanup:

There was a deep macroeconomic instability brought about by the high fiscal and current account deficits, raging inflation, tapering of GDP growth rates and the unraveling of the infrastructure sector. The state electricity discoms were in financial turmoil and power companies were not able to access the abundant coal reserves due to insufficient coal linkages. The banking sector was also battling a systemic problem of highly stressed assets.

The legacy ıssues: The legacy issues are festering and the need to be removed surgically for the economy to be on a stronger footing. The non-performing assets (NPA) crisis is only getting worse for banks as time is progressing. According to the Financial Stability Report issued by RBI in December, the stressed assets of Public Sector Banks (PSBs) stood at 14.1% for September 2015. This number is extremely worrying and needs to be looked into immediately. The government estimates that around Rs. 1,80,000 crore is required over the course of the next three years to clean up the public banking system. Out of this, the government has set aside Rs. 70,000 crore as recapitalization amount through its Indradhanush program and expects the PSBs to mop up the remaining amount from domestic and foreign investors by tapping the equity markets.

The Recapıtalısatıon Of Banks:

The recapitalization of banks is a welcome step but the amount that has been aside is not enough to root out the problem completely. Expecting investors to perform the heavy lifting required to bail out the banks is leaving too much to chance. The government will have to step up its efforts and allocate more resources to recapitalization as it is extremely crucial for reinvigorating the economy. This allocation has to be frontloaded as soon as possible to avoid further festering of the NPA crisis. For instance, an extra Rs. 40,000 crore over and above the Indradhanush allocation can be provided in the upcoming budget for FY 17 itself. In this case, outside investors will be more than happy to pitch in with the rest of amount as this move would significantly improve the viability of

PSBs. As long as the banks are in distress, it would be difficult for investors to lend support to banks other than marquee ones like State Bank of India and Bank of Baroda.

It can be argued that increasing allocation towards recapitalization will create further pressure on fiscal deficit targets. But unless the banking sector is unshackled from the burden of its bad loans, it will not be able to contribute as much to growth in GDP. The mid-year economic review states that private investments and exports are lagging behind in driving the economic growth engine. Not much can be done about exports as it is a function of global demand but private investments can be kickstarted if banks have an increased capacity to lend to the corporate sector. An increase in private investments will be able to more than offset the pressures created on the fiscal side as it will provide a boost to GDP growth.

Fragments approach:

A slow and steady approach towards cleaning up the banking mess will prove to be counter-productive in the long run even on the fiscal front. If private investments are stalled, the lion's share of the responsibility of infrastructure building will fall on the shoulders of the government. This will entail further borrowing, which will not help the cause of fiscal consolidation. On the other hand, if growth in credit off-take restarts, then private investments will share the burden of investing in infrastructure sectors like power, roads, ports and non-renewable energy sources. Right now, since the hands of the domestic corporate sector are tied, the government is relying heavily on FDI to fill the gaps in infrastructure funding. But a more holistic and sustainable approach would be to involve private investments to also contribute towards financially viable infrastructure projects.

The high NPAs are a grave cause for concern and there is good reason to believe that even the current level of high NPAs may be understated. The kitchen sink cleaning efforts by Bank of Baroda in the previous quarter is a case in point. In such a scenario, banks will be in no mood to lend extensively due to the scarcity of capital. Only a comprehensive bailout package will enable the banks to rekindle the lending spirit.

Limited access to capital will definitely stifle these initiatives. Structural reforms should also be reinforced in the banking sector to ensure that such bailout efforts do not take place in the future. But for now, it is imperative that there be a comprehensive cleanup of stressed banking assets at the earliest.

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India's attractiveness as an investment destination

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Abstract: Consumer spending in India grew from US$ 549 billion to US$ 1.06 trillion between 2006 and 2011, putting India on the path to becoming one of the world's largest consumer markets by 2025. India's consumption is expected to rise 7.3 per cent annually over the next 20 years. By 2040, nine out of every ten Indians will belong to 'the global middle class group' with daily expenditures ranging between US$ 10 and US$ 100 per person in today's purchasing power parity terms. Seventy per cent of this expenditure will be on discretionary items like entertainment, healthcare, communication, education, personal products, services and so on.

Key words: entertainment, healthcare, communication, education

Introduction

India is one of the fastest growing economies in the world and has emerged as a key destination for foreign investors in recent years. Economic reforms initiated in 1991 have grown in scope and scale and yielded increasingly salutary dividends. One of them is the steady improvement in India's relative position in the global economy, reflected in New Delhi's growing influence in international institutions (G-8, G-20) and negotiating free trade areas (with ASEAN, EU). Another is the improved efficiency in the economy and adoption of international "best practices" in the production of a range of goods and services. A third outcome is India ranking amongst the top ten investment destinations since 2007-08, attracting US$ 195 bn in FDI and US$ 97 bn in FII over the past 5 years.India not only supports one of the largest populations in the world, but also one of the youngest. Fifty per cent of its population is below the age of 25 and two-thirds below the age of 35.Moreover, India's labour force has a strong knowledge base with a significant English-speaking population, making it a top destination for multinational corporations that are looking to expand their overseas operations for market and talent.

Consumer spending in India grew from US$ 549 billion to US$ 1.06 trillion between 2006 and 2011, putting India on the path to becoming one of the world's largest consumer markets by 2025. India's consumption is expected to rise 7.3 per cent annually over the next 20 years. By 2040, nine out of every ten Indians will belong to 'the global middle class group' with daily expenditures ranging between US$ 10 and US$ 100 per person in today's purchasing power parity terms. Seventy per cent of this expenditure will be on discretionary items like entertainment, healthcare, communication, education, personal products, services and so on.

This rise of India's "new middle class" is globally significant as it will usher fundamental changes in India an around the world by triggering waves c innovation in the production, distributio and delivery of goods and services including government services Innovations - like the Nano car by Tat Motors, the inexpensive hand-hel electrocardiogram (ECG) machine fror GE Healthcare, a low-cost water purifie called 'Tata Swach' by Tata Chemicals, are some examples of frugal engineerin that are primarily aimed at the India market, but will likely find buyers i many other parts of the world as well.

Why India as Destination?

Major initiatives, policy changes and slew of reforms have put India on th global industrial map as one of the fastest growing economies as well as one of the most attractive investment destinations in the world. Some othe reasons are as follows

Fastest Growing Economy

- One of the fastest growing economies i the world, India has sustained recen global downturn and also emerged as on of the leading nations in terms of GDI growth rate and FDI inflows
- India is likely to grow at consistentl higher rates (>7%) and retain its positio as one of the fastest growing economie till 2020
- In recent years, India has emerged as on of the most attractive destinations nc only for investments but also for doin business, evident by its significant jum by 12 places in Ease of Doing Busines rankings between 2014 and 2015
- India accounted for 1.7% of globa merchandise exports in 2014, compare to 0.8% in early 2000. Exports have increased at a Compound Annual Growth Rate of 11.6% in FY 2010 to USD 310 billion in FY 2015
- Foreign exchange reserves have been at a comfortable level over recent years. Currently, India's reserves stand at USD 371.279 billion
- India ranks amongst the top 10 FDI destinations globally - surpassing USD 50 billion in FY 2015-16. India has shown a growth of 46% in FDI equity inflow and 37% in overall FDI inflow since the launch of Make in India initiative
- India's fiscal deficit stood at 3.9 % of GDP (USD 81.85 billion) in FY 2015-16 and envisaged to come down to 3.5% of GDP by the end of FY 2016-17

Favourable Policies

- Major FDI policy reforms have been made in a number of sectors, such as defense, construction development, pensions, broadcasting, pharmaceutical and civil aviation
- Foreign investors can invest in India either on their own or as a joint venture, as may be required in a few sectors
- Barring a few reserved sectors, 100% FDI is allowed through the automatic route in several sectors, without the need of government approval, namely Automobile, Food Processing, Construction etc.
- In the Union budget 2016-17, the government has emphasized the need to increase manufacturing as a percentage of GDP
- The Central and State governments have sector specific policies, incentives and subsidies to promote manufacturing

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- Increased allocation in the budget t improve infrastructure, which is critica in facilitating future growth

Demographic Advantage

- With 356 million 10-24 year-olds, Indi has the world's largest youth population
- The proportion of working age population in India is likely to reach more than 64% by 2021, with a large number of youn persons in the 20-35 age group
- The average age of 125 billion person will be 29 years by 2020
- If India continues its recent growt trend, average household incomes wi triple over the next two decades and i will become the world's fifth larges consumer economy by the year 2025
- India is expected to be the larges supplier of university graduates in th world by 2020
- India has 712 university leve institutions, 36,671 colleges along wit 11,445 standalone institutions

Developing Infrastructure

SMART Cities Mission: *Developin 100 smart cities as satellite towns c larger cities and by modernizing existin cities. Capital outlay of USD 15 billion*

Strategic location*: India's 7500 kr coastline has 12 major ports, over 20 minor parts and is strategically locate on world trade routes.*

- Some of the emerging and established markets such as Middle-East and South East Asian countries are closely located
- India is surrounded by the Bay of Bengal, the Arabian Sea and the Indian Ocean, an arrangement that facilitates most its overseas trade in all main directions

Supporting Government Structure

- World's largest democracy - India is a Sovereign Socialist Secular Democratic Republic with a Parliamentary form of government, which is federal in structure with unitary features
- India's robust legal and political systems ensure long-term political stability
- The Indian political system is supported by Executive, Legislative and Judicial branches. Every major branch is independent of one another
- Independent financial institutions for business:

1. **The Reserve Bank of India (RBI)** has played a critical role in maintaining the economic stability in India despite the global economic scenario. The focus on containing inflation and ensuring that interest rate cuts are passed on by banks, is a revolutionary step and structural reform in itself. RBI has been increasing access to foreign exchange reserves, and moderating periods of extreme volatility in the currency through exchange intervention.
2. **Securities Exchange Board of India (SEBI)**has been the regulator of Indian markets since it was granted legal status in 1992. Among other functions, one of SEBI's prime objectives is ensuring the rights and safety of investors. India achieved a rank of 8 in World Bank's Ease of Doing Business Ranking –

protecting minority investors, highlighting the efficiency of the organization.

3. **The Competition Commission of India (CCI)**is responsible for enforcing The Competition Act across India. Their objective is to play an overarching role as a market regulator across all sectors with focus on anti-competitive behaviour of enterprises that may distort competition.

Conclusion

The Ease of Doing Business (EODB) index is a ranking system established by the World Bank Group. In the EODB index, 'higher rankings' (a lower numerical value) indicate better, usually simpler, regulations for businesses and stronger protections of property rights.Among the chosen 189 countries for this index, India was ranked 134 in 2015 on the World Bank's Doing Business index. Since then there has been a remarkable improvement. Since 2014, the Government of India launched an ambitious program of regulatory reform aimed at making it easier to do business in India. The program represents a great deal of effort to create a more business-friendly environment. The efforts have yielded substantial results with India jumping 4places on the World Banks' Doing Business rankings. Positive changes have led to this impressive improvement in India's ranking on the EODB index: Starting a Business: India's ranking on this parameter has improved from 164 in 2015 to 155 in 2016. This improvement has been mainly on account of decrease in number of procedures and time taken to start a business in India. Getting Electricity: India's ranking on this parameter has improved from 99 in 2015 to 70 in 2016. The number of days taken to get a permanent electricity connection for a business is just 53 days, which is less than the average time taken in South East Asian and OECD member countries. Apart from the above-mentioned parameters, India fairs particularly well in terms of 'Protecting interests of Minority Investors', where it ranks 8 among the 189 countries which are part of this index.All the above made India attractive as an investment destination.

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Make In India – A Viable Vision or Illusion

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Abstract: Manufacturing sector is the backbone of any economy as it fuels growth, productivity, employment, and strengthens other sectors of the economy. "Make in India" is better recognized as an international manufacturing campaign slogan coined by Prime Minister Mr.NarenderModi to nurture India as one of the favourite and competitive destination for foreign manufacturers. Make in India is the government's flagship campaign intended to boost the domestic manufacturing industry and attract foreign investors to invest into the Indian economy. By 2025, India's manufacturing sector is expected to generate over 100 million new domestic jobs and contribute 25% of national GDP compared to ~15% currently. However, for India to grow at 9–10% over the next 3 decades, India should be a part of the global supply chain and produce for both domestic as well as international markets. 'Make in India' and domestic manufacturing are also the central plank of India's 2015-16 Union Budget with focus on job creation through revival of growth and investment. Concept of liberalization of foreign investments will enable companies to raise long term capital at competitive prices and immensely boost the dual agenda of 'Invest in India' and 'Make in India' – thereby making India a global manufacturing hub of excellence.

Keywords: Make in India, Skill Development, Issues and Challenges, Ease of Doing Business,

Introduction

Make in India is the BJP-led NDA government's flagship campaign intended to boost the domestic manufacturing industry and attract foreign investors to invest into the Indian economy. The Indian Prime Minister, Mr. NarendraModi first mentioned the keyphrase in his maiden Independence Day address from the ramparts of the Red Fort and over a month later launched the campaign in September 2014 with an intention of reviving manufacturing businesses and emphasizing key sectors in India amidst growing concerns that most entrepreneurs are moving out of the country due to its low rank in ease of doing business ratings.

The Make in India Vision:

Manufacturing currently contributes just over 15% to the national GDP. The aim of this campaign is to grow this to a 25% contribution as seen with other developing nations of Asia. In the process, the government expects to generate jobs, attract much foreign direct investment, and transform India into a manufacturing hub preferred around the globe.

The logo for the Make In India campaign is a an elegant lion, inspired by the Ashoka Chakra and designed to represent India's success in all spheres.The campaign was dedicated by the Prime Minister to the eminent patriot, philosopher and political personality, PanditDeenDayalUpadhyaya who had been born on the same date in 1916.

Why PM wants to Make in India

The Prime Minister called for all those associated with the campaign, especially the entrepreneurs and the corporates, to step and discharge their duties as Indian nationals by First Developing India and for investors to endow the country with foreign direct investments. The Prime Minister also promised that his administration would aid the investors by making India a pleasant experience and that his government considered overall development of the nation an article of faith rather than a political agenda. He also laid a robust foundation for his vision of a technology-savvy Digital India as complementary to Make In India. He stressed on the employment generation and poverty alleviation that would inevitably accompany the success of this campaign.

Launch Ceremony

Prime Minister Mr. NarendraModi launched the Make In India campaign on September 25, 2014. The date of the launch was chosen to be of maximum advantage. Coming right after the successful insertion of Mangalyaan - a wholly indigenously built low-cost probe into the Martian orbit - the event highlighted India's success in manufacturing, science and technology, and all this at inexpensive costs. It also came just a day ahead of the Prime Minister's maiden US visit. Calculated to enhance India's attractiveness as an investment destination, the launch ceremony was held at the VigyanBhavan in New Delhi. Thehall thronged with attendees, a number of whom did not even find seats. Leading entrepreneurs and the CEOs of about 3000 companies from across 30 countries were invited to attend the launch.

Law Minister Mr. Ravishankar Prasad and Commerce Minister Ms. NirmalaSitharaman were part of the occasion. Apart from them, a number of corporate head honchos with deep roots in the country also spoke at the occasion. These include - Mr. Cyrus Mistry (Chairman, Tata Sons), Mr. Kenichi Ayukawa (MD and CEO, Maruti Suzuki India), Mr. MukeshAmbani (Chairman & Managing Director, Reliance Industries), Mr. AzimPremji (Chairman, Wipro Limited), Mr. KM Birla Chairman, Aditya Birla Group), Ms. ChandaKochchar (MD & CEO, ICICI Bank), Mr. Phil Shaw (CEO, Lockheed Martin), and Mr. YC Deveshwar (Chairman, ITC).

Sectors in focus

For the Make in India campaign, the government of India has identified 25 priority sectors that shall be promoted adequately. These are the sectors where likelihood of FDI (foreign direct investment) is the highest and investment shall be promoted by the government of India.On the campaign launch, the Prime Minister Mr. Modi said that the development of these sectors would ensure that the world shall readily come to Asia, particularly to India where the availability of both democratic conditions and manufacturing superiority made it the best destinations, especially when combined with the effective governance intended by his administration.

India is a country rich in natural resources. Labour is aplenty and skilled labour is easily available given the high rates of unemployment among the educated class of the country. With Asia developing as the outsourcing hub of the world, India is soon becoming the preferred manufacturing destination of most investors across the globe. Make in India is the Indian government's effort to

Harness this demand and boost the Indian economy. India ranks low on the"ease of doing business index". Labour laws in the country are still not conducive to the Make in India campaign.

Make in India is an initiative of the Government of India, to encourage companies to manufacture their products in India. The government's flagshipcampaign intended to boost the domestic manufacturing industry and attract foreign investors to invest into the Indian economy with an intention of reviving manufacturing businesses and emphasizing key sectors in India amidst growing concerns that most entrepreneurs are moving out of the country due to its low rank in ease of doing business ratings.

Key sectors allowed making in india

Automobiles	Automobile Components	Aviation
Biotechnology	Chemicals	Construction
Pharmaceuticals Wellness	Electrical	Railways
Food Processing	IT and BPM	Leather
Media and Entertainment	Mining	Oil and Gas
Defence manufacturing	Machinery	Electronic Systems
Renewable Energy	Roads and highways	Space
Textiles and garments	Thermal Power	Tourism and Hospitality
Pharmaceuticals Wellness	Ports	

Employment prosprects through make in india campaign: The manufacturing GDP has increased at the rate of 7.3 percent over the last ten years. The employment in Indian manufacturing has increased by less than three percent over the same period. Assuming a consistent productivity increase of five percent year on year, a consistent ten percent growth in manufacturing would yield an additional 60 million jobs in the sector alone by 2030.Assuming a slower productivity increase at three percent , a large number of jobs -105 to 130 million could be created by 2030 with the initiative of make in india programme.

Economic development and make in india: Manufacturing sector growth rate of 12-14% targeted in the medium term

❖ India ranked 4th in Global Manufacturing Competitiveness Index (2013)

❖ Capitalize on strong domestic demand and expand geographical base of manufacturing exports to reduce reliance on the US (12%) and UAE (10%)

❖ Scope for 4-5 times increase in labour productivity, and 50% increase in capital productivity

❖ Exports to rise by USD 64 billion annually if India captures 20% share of low-end exports, where China is losing advantage.

❖ Manufacturing projected to generate 100 million new domestic jobs and contribute 25% of national GDP by 2025, from existing ~15%.

❖ Reduction in manufacturing imports from USD 127 billion in FY14 to USD 40-50 billion possible in next 5 years.

❖ Productivity improvement to boost skill intensive manufacturing in India by 2025.

❖ One of the top 2 low cost exporters in auto components, power equipment, pharmaceuticals.

❖ Among the top 5 low cost exporters in machinery, electronics, automobiles, textiles

❖ 28 million new jobs in hi-tech and electronic hardware sector to cater to USD 400 billion domestic market by 2020.

VISION FOR INDIAN MANUFACTURING SECTOR

As per the report of Boston Consultancy group, at projected 11% growth, manufacturing sector's share in GDP can touch 25% by 2030 with a 5% productivity increase and a GDP growth rate of 7.5%.

METRIC	VISION FOR 2030
Manufacturing growth rate	10-11%
Share of manufacturing in GDP	21.6-25%
Job creation	60-78 million
Share of India in global merchandise trade	5.2-6.1%

Recent Investment Trends: Make In India

❖ In January 2015, the Spice Group said it would start a mobile phone manufacturing unit in Uttar Pradesh with an investment of 500 crore. A memorandum of understanding was signed between the Spice Group and the Government of Uttar Pradesh.

❖ In January 2015, Hyun Chil Hong, the President and CEO of Samsung South West Asia, met with Kalraj Mishra, Union Minister for Micro, Small and Medium Enterprises (MSME), to discuss a joint initiative under which 10"MSME-Samsung Technical Schools" will be established in India. In February, Samsung said that will manufacture the Samsung Z1 in its plant in Noida.

❖ In February 2015, Hitachi said it was committed to the initiative. It said that it would increase its employees in

India from 10,000 to 13,000 and it would try to increase its revenues from India from ¥100 billion in 2013 to ¥210 billion. It said that an auto component plant will be set up in Chennai in 2016.

❖ In February 2015, Huawei opened a new research and development (R&D) campus in Bengaluru. It had invested US$170 million to establish the research and developmentcenter In April 2015, Airbus said that it will manufacture its products in India and invest $ 2 Billion US dollars.

❖ Also in February, Marine Products Export Development Authority said that it was interested in supplying shrimp eggs to shrimp farmers in India under the initiative.

❖ In May, 2015 Tata JLR (Jaguar Land-Rover) announced that it will move its production of the Land Rover Defender to its Pune facility in India in 2016.

❖ Shiv Kumar Rungta, president, FTAPCCI, stressed on key sectors like services (mainly in IT), mechanization of Agriculture sector for achieving increased productivity, among others, for the success of 'Make in India".

Challenges In Successful Implementation of Make In India Campaign

1. Creating healthy business environment will be possible only when the administrative machinery is efficient. India has been very stringent when it comes to procedural and regulatory clearances. A business-friendly environment will only be created if India can signal easier approval of projects and set up hassle-free clearance mechanism.

2. India should also be ready to tackle elements that adversely affect competitiveness of manufacturing. To make the country a manufacturing hub the unfavourable factors must be removed. India should also be ready to give tax concessions to companies who come and set up unit in the country.

3. India's small and medium-sized industries can play a big role in making the country take the next big leap in manufacturing. India should be more focused towards novelty and innovation for these sectors. The government has to chart out plans to give special sops and privileges to these sectors.

4.India's make in India campaign will be constantly compared with China's 'Made in China' campaign. The dragon launched the campaign at the same day as India seeking to retain its manufacturing prowess. India should constantly keep up its strength so as to outpace China's supremacy in the manufacturing sector.

5. India must also encourage high-tech imports, research and development (R&D) to upgrade 'Make in India' give edge-to-edge competition to the Chinese counterpart's campaign. To do so,

India has to be better prepared and motivated to do world class R&D. The government must ensure that it provides platform for such research and development.

Conclusion

Indian economy has the capacity to push the GDP to 25% in next few years. The government of India has taken number of steps to further encourage investment and further improve business climate. "Make in India" mission is one such long term initiative which will realize the dream of transforming India into manufacturing Hub. There is need of reforms in industrial strategies to make India a manufacturing hub. Favorable industrial framework need to be established that should attract more and more domestic as well as foreign industrialists towards Indian Territory. Favorable investment climate, assistance of financial services, relax and industry favorable government policies are the essential ingredients of "MAKE IN INDIA"

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Need for financial inclusion of women for economic development and growth

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Abstract: *In the present paper the author explain the need for financial inclusion of women for economic development and growth. Development of women is essential for overall development of any country. In India we are having various legislations and provisions in our Constitution of India for having equal rights to women, but our laws are concentrating on social upliftment of women and we can say that we are successful in achieving the social equality for women in our society, but we need to remember that unless we are developing a person financially there is no scope for all round development of that person. So here we need to develop women not only socially but also financially. We can say that there is a need to inclusion of women financially. This paper explains the meaning offinancial inclusion of women in India and the present situation of women in India and the legal framework available for protecting the rights of women and the ideal legal framework which we need to have for achieving financial inclusion of women for economic development and growth.*

Key words: *Constitution of India,* financial inclusion, society

Introduction

Development of women helps in development of family at micro level and development of country at macro level. For development of any person financial growth is very essential, but unfortunately in case of women in India, they are not included in the development of India and the financial assistance that is provided to women is very negligible in India. Women in India are having equal rights with men according to Constitution of India and even according to various legislations in India. We can say that the government of India has taken various measures to uplift the position of women in India. We can even say that our country is successful in socially uplifting the women in our society. At present we can say that women are equal with men and they are having various mechanisms to protect their rights in our society. We are successful in social upliftment of women but we failed in financial upliftmentof women in our society. This is nothing financial inclusion of women for economic development and growth. Unless a person is financially developed, it is not possible for him to achieve overall development in society. In this paper the author explains what is the meaning of financial inclusion of women in development and the legal framework available for us for protecting the rights of women, measures taken by the government for upliftment of women in our country and finally explains about the ideal legal framework ought to be for financial inclusion of women for economic development and growth.

Objectives

- To study about financial inclusion in India

- To study the legal framework available for inclusive financial growth of women in India.
- To suggest the ideal legal framework for inclusion of women in financial sector.

Methodology: The researcher adopted descriptive and doctrinal methodology in the present study.

Sources of data: The data is collected from various secondary sources like government websites, articles published etc.

Financial Inclusion in India

Financial inclusion was first introduced in India by Y. Venugopalreddy former RBI governor. Financial inclusion means provision of financial service at affordable cost to lower income sections people, if financial services are not available at affordable cost to lower income.section it is called as financial exclusion. As per world bank report almost 2 billion people are using banking and financial service, even 50% of the poorest families is not having banking facilfities.

World bank president called for Universal financial Access (UFA) even after 60 years of independence 50% of Indian population are not included into financial services i.e existing financial service are not at affordable cost in India. Financial inclusion is required to improve habit of thrift, due to be short of habit of thrift people use to spend their entire earnings as result they are falling into vicious circle of poverty. If underprivileged section people deprived from organized financial services then this situation forces them to depend on other non institutional financial sources. As we know that 70% of the agriculture finance is provided by non institutional financial source money lenders.

As per indifference curve analysis in Economics transferring money directly into the accounts of lower income group is less burden than giving subsidies directly, for example if subsidy is given on rice people will purchase entire quantity which is provided on subsidy if money is directly transferred into the accounts people they will try to save money and they use it judicially.

Financial inclusion is important tool for rapid economic development but it requires a strong political will and close observation of **RBI.** Recent central government program PradhanMantryJandhanYoujana is best example of financial inclusion of under privileged section people because this program 51% percent of the bank accounts in the public sector banks accounts were opened by this low income group people to get the benefit of PradhanMantryJandhanYoujana

After introduction of PradhanMantryJandhanYoujana 47% of women in India are having the basic bank account. As we know that 49% of Indian population is female population financial inclusion of women is driving force of Indian economic development. Along with that India adopted Inclusive growth strategy in its. planning and economic development process. Now the aim of India is achieving Inclusive growth along with financial inclusion of women and under privileged section of people According to Indian constitution women and under privileged section of society are having right to have financial inclusion. Now we will discuss about the legal provisions available for protection of women rights in India.

Legal Provisions

The Constitution of India grants equality to women. The state can take measures for eliminating discrimination against women. The Constitution states everyone is equal before the law and everyone can have equal protection of law and it prohibits the discrimination against any citizen on the grounds of religion, race, caste, sex or place of birth and guarantee equality of opportunity to all citizens in matters relating to employment.[6]. Some of the privileges available to every women under the Constitution of India as follows.

Constitutional Privileges

- Equality before law for women (Article 14)
- The State not to discriminate against any citizen on grounds only of religion, race, caste, sex, place of birth or any of them (Article 15 (i))
- The State to make any special provision in favour of women and children (Article 15 (3))
- Equality of opportunity for all citizens in matters relating to employment or appointment to any office under the State (Article 16)
- The State to direct its policy towards securing for men and women equally the right to an adequate means of livelihood (Article 39(a)); and equal pay for equal work for both men and women (Article 39(d))
- The State to promote with special care the educational and economic interests of the weaker sections of the people and to protect them from social injustice and all forms of exploitation (Article 46)
- Not less than one-third (including the number of seats reserved for women belonging to the Scheduled Castes and the Scheduled Tribes) of the total number of seats to be filled by direct election in every Panchayat to be reserved for women and such seats to be allotted by rotation to different constituencies in a Panchayat (Article 243 D(3))
- Not less than one- third of the total number of offices of Chairpersons in the Panchayats at each level to be reserved for women (Article 243 D (4))
- Not less than one-third (including the number of seats reserved for women belonging to the Scheduled Castes and the Scheduled Tribes) of the total number of seats to be filled by direct election in every Municipality to be reserved for women and such seats to be allotted by rotation to different constituencies in a Municipality (Article 243 T (3))

Based on the above provisions in the Constitution of India, the government has taken various measures for upliftment of women in the society.

National Commission for Women: In January 1992, the Government set-up this statutory body with a specific mandate to study and monitor all matters relating to the constitutional and legal safeguards provided for women, review the existing legislation to suggest amendments wherever necessary, etc.

National Policy for the Empowerment of Women, 2001: The Department of Women &Child Development in the Ministry of

Human Resource Development has prepared a **"National Policy for the Empowerment of Women"** in the year 2001. The goal of this policy is to bring about the advancement, development and empowerment of women.

The Ministry Of Micro, Small and Medium Enterprises announced a scheme for encouraging the entrepreneurship in women i.e, Scheme on Trade Related Entrepreneurship Assistance and Development (TREAD) for Women. Under this scheme Government Grant up to 30% of the total project cost as appraised by lending institutions which would finance the remaining 70% as loan assistance to applicant women, who have no easy access to credit from banks due to cumbersome procedures and the inability of poor & usually illiterate/semi-literate

women to provide adequate security demanded by banks in the form of collaterals.[7]

Though we are having various provisions in the law and various schemes are developed based these laws for encouraging women entrepreneur in our country but we don't have proper mechanism for implementing the law and policies and schemes for encouraging women as an entrepreneur in our society. So we need to have a legal framework for achievingfinancial inclusion of women for economic development and growth.

Suggestions

A Separate law has to be passed especially concentrating financial inclusion of women. A separate authority has to be established to implement the law for financial inclusion. The authority has to encourage the advocacy financial inclusion of women in India and the advocacy of the authority has to be a part of the legislation, like in the case of Competition Act, 2002.

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Make in India: A Boost to the Manufacturing Sector

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Abstract: Make in India Campaign is an initiative of Prime Minister Mr Narendra Modi on 25 September 2014 by addressing a mass audience including both national and international entrepreneurs in New Delhi. This is an international marketing strategy conceptualized by Prime Minister of India to attract investments from businesses all over the world and transferring India into a global manufacturing Hub. For promoting this campaign the web portal, logo and brochures are used for detailing 25 priority sectors of the economy. The objective behind this initiative is to focus on job creation, skill development and innovation and to align India's manufacturing sector into the Global Value Chain by encouraging Public Private Partnership (PPP), Joint Ventures (JV), Foreign Direct Investment (FDI) inflow and Advancing Ease in Doing Business (EDB). Higher Education will play a significant role in improving the quality of Research and Development (R&D). This scheme focuses on acceleration of economic growth to the new heights and to pull back the economy from clutches of recession. Currently India's GDP is heavily tilted in favor of service sector Government in India has always been seen as a regulator and not a facilitator. This initiative intends to change this by bringing a paradigm shift in the way government interacts with various industries. Indian manufacturing sector is yet to be strengthened.

Key words: manufacturing sector, Research and Development, job creation, skill development

Introduction

Prime Minister Narendra Modi launched the Make in India initiative with the primary goal of encouraging multinational and domestic companies to manufacture their products in India. He launched Make in India initiative on September 25, 2014 with the primary goal of making India a global manufacturing hub, by encouraging both multinational as well as domestic companies to manufacture their products within the country. Make in India has introduced multiple new initiatives, promoting Foreign Direct Investment (FDI), implementing intellectual property rights and developing the manufacturing sector. It also seeks to facilitate job creation, foster innovation, enhance skill development and protect intellectual property. The logo of Make in India – a lion made of gear wheels- itself reflects the integral role of manufacturing in Governments vision and national development. The initiative is built on four pillars which are as follows:

New Processes: The Government is introducing several reforms to create possibilities for getting FDI and foster business partnership. Some initiative have already been undertaken to alleviate the business environment from outdated policies and regulations. This reform is also aligned with the parameters of World

Bank's Ease of Doing Business index to improve India's ranking on it.

New Infrastructure: Infrastructure is integral to the growth of any industry. The Government intends to develop industrial corridors and build smart cities with state of the art technology and high-speed communication. Innovation and research activities are supported by a fast – paced registration system and improved infrastructure for Intellectual Property Rights (IPR) registrations. Along with the development of infrastructure, the training for the skilled workforce for the sector is also being addressed.

New Sectors: Make in India has identified 25 sectors to promote with the detailed information being shared through an interactive web portal. The Government has allowed 100% FDI in Railway and removed restrictions in construction. It has also recently increased the FDI to 100% in Defense and Pharmaceutical.

New Mindset: Government in India has always been seen as a regulator and not a facilitator. This initiative intends to change this by bringing a paradigm shift in the way Government interacts with various industries. It will focus on acting as a partner in the economic development of the country alongside the corporate sector.

Since, the launch of make in India in September 2014 FDI inflows of USD 77 billion including the equity inflows of USD 56 billion has been received for the period October 2014 to March 2016. This represents about a 44% increase in FDI equity inflows over the same corresponding period.' Zero Defect Zero Effect' is a key phrase which has come to be associated with the Make in India Campaign. In the words of Prime Minister Narendra Modi "Let's think about making our product which has 'Zero defect' and 'Zero effect' so that the manufacturing does not have an adverse effect on our environment". The sustainable development in the country is being made possible by imposing high quality manufacturing standards while minimizing environmental and ecological impact.

Within the short span of time, there are many instances of the initiatives success. In December 2015 Micromax announced that it would put up three new manufacturing units in Rajasthan, Telangana and Andhra Pradesh. Japan announced it would set up a USD 12 billion fund for Make in India related projects, called the Japan- India Make in India special Finance facility after the Japanese Prime Minister Shinzo Abe's visit to the country. Huawei opened a new Research and Development (R&D) campus in Bengaluru and is in the process of setting up a telecom hardware manufacturing plant in Chennai. France – based LH aviation signed a Memorandum of Understanding (MoU) with OIS Advanced Technologies to set up a manufacturing facility in India for producing drones. "Come make in India. Sell anywhere (but) Make in India".

Changing Paradigm in Manufacturing Sector after the initiation of Make in India Campaign:

India before 1991 was a much less developed and underutilized economy in terms of globalization. FDI before1991globalisation reforms was 97(US million$) with a GDP growth less than 35 but then came the globalization phase for India, which opened Indian market for the rest of the world thus increasing the GDP as 4.2% this was the time when Indian economy witnessed a high growth rate as compared to previous year. Thus, Modi's "Make in India" campaign became famous all over the world such that India was ranked 7th among the top ten FDI most promising source of economy in 2015. "Make in India's main objective is to attract the potential manufacturers from all over the world to invest in Indian economy which will result in huge employment generation, better productivity, new technology generation, safeguarding local market and farmers, development of MSME etc. The main motive of this campaign is to attract various developed countries to invest in India is being used by the whole world.

Moments of Change:

The expansion in productivity and increment in the manufacturing trade and economy is the result of Make in India initiative. Within 2 years, many training centre's were opened, creating job opportunities for around million people. Indians should understand that there is a need to consume the products which are manufactured in India.

Building New Skills and Focus on Vocational Education:

Skill development as their top priority, Prime Minister Modi had said the government is currently doing mapping for assessing skilled manpower demand for specific sectors. He found synchronization between the government's objective, academic world, industry and job seekers to make sure that industries' specific skills are imparted correctly. Quality education along with skill development is point to be focused according to the experts. "In the emerging economy, people will need to continuously acquire new set of skills to meet out the economy's evolving dynamic needs", observed by official with an industry association. Further Prime Minister has also promised that manpower located locally will be given training by the Industrial Training Institute (ITI) with the help of different sectors. National skill development agency has commenced work on creating an information system for labor market, which would be beneficial to industry in providing manpower requirements. After this the Govt. would provide accreditation to agencies concerned with manpower in such a way that manpower requirement information can be assessed.

Emphasizing on Innovative Ideas and Advanced Technology:

With global market getting globalised, Indian manufacturers will have to face serious competition to the high in quality and less in rate products from around the world even in home market in India. Tax concessions to Industry which will set up its work in India are suggested by them. Huge, small and medium –sized industries are very much important to take country to achieve its manufacturing hub goal.

Challenges:

For making India a global manufacturing hub, Government needs to clear certain bottlenecks.

- Improving the ease of doing business in India.
- Giving more opportunities for the improvement of general and engineering graduates.

- Building up infrastructure of various buildings and highways.
- Improving the power capacity of the electricity plants for better supply to industrial sector.

There are other challenges also in the way of making India a global hub for manufacturing. However, keeping in mind these issues and taking adequate measures to deal with the same will go a long way towards turning the "Make in India" vision from dream to a reality.

Conclusion:.

The Government of India has taken tremendous steps to encourage investment and to improve further business climate. "Make in India" mission is one such long run initiative which will accomplish the dream of transforming India into manufacturing Hub. Start- ups in the core manufacturing sectors are poised to play a crucial role in the success of "Make in India" ambitions.

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Make In India the Future Destination of Manufacturing Sector

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Abstract: India is expected to become a major automobile manufacturing hub and the third largest market for automobiles by 2020.The engineering sector, being closely associated with the manufacturing and infrastructure sectors of the economy, is of strategic importance to India's economy. Growth in the sector is driven by various sub-sectors such as infrastructure, power, steel, automotives, oil & gas, consumer durables etc.India's car market has the potential to grow to 6+ Millions units annually by 2020.
Key Words: Defence, dividend, Engineering, infrastructure Manufacturing.

Introduction

India is on the threshold of major reforms and is poised to become the third-largest economy of the world by 2030. In the words of our Hon'ble Prime Minister, India offers the 3 'Ds' for business to thrive— democracy, demography and demand. Add to that a tech-savvy and educated population, skilled labour, robust legal and IPR regime, and a strong commitment to calibrated liberalization. India's manufacturing sector has evolved through several phases - from the initial industrialisation and the license raj to liberalisation and the current phase of global competitiveness. Today, Indian manufacturing companies in several sectors are targeting global markets and are becoming formidable global competitors. Many are already amongst the most competitive in their sectors.

The country is expected to rank amongst the world's top three growth economies and amongst the top three manufacturing destinations by 2020.Favourable demographic dividends for the next 2-3 decades. Sustained availability of quality workforce.Strong consumerism in the domestic market.Strong technical and engineering capabilities backed by top-notch scientific and technical institutes.The cost of manpower is relatively low as compared to other countries.

Every state in India has developed industrial parks for setting up of industries.National Investment & Manufacturing Zones is a combination of production units, public utilities, logistics, residential areas and administrative services. It would have a processing area, where manufacturing facilities, along with associated logistics and other services and required infrastructure will be located, and a non-processing area, to include residential, commercial and other social and institutional infrastructure. India has also developed SEZs that are specifically delineated enclaves treated as foreign territory for the purpose of industrial, service and trade operations, with relaxation in customs duties and a more liberal regime in respect of other levies, foreign investment. like electronic manufacturing clusters, mega food parks etc: The government of India has been promoting the development of sector specific parks. The country also have few dedicated zones for industrial units from countries for example Neemrana Japanese Zone etc. The Government of India is developing the Delhi-Mumbai Industrial Corridor (DMIC) as a global manufacturing and investment destination utilizing the 1,483 km-long, high-capacity western Dedicated Railway Freight Corridor (DFC) as the backbone. The objective is to increase the share of manufacturing in the GDP of the country and to create smart sustainable cities where manufacturing will be the key economic driver. planned include Bengaluru Mumbai Economic Corridor (BMEC); Amritsar - Kolkata Industrial Development Corridor (AKIC); Chennai Bengaluru Industrial Corridor (CBIC), East Coast Economic Corridor (ECEC) with Chennai Vizag Industrial Corridor as the first phase of the project (CVIC).

Incentives offered for manufacturing:

- Sector specific initiatives: The government of India provides sector specific subsidies for promoting manufacturing for example in order to boost manufacturing of electronics, the Govt. of India provides capital subsidy of up to 25% for 10 years.
- Area based incentives: Incentives are provided for units in SEZ/NIMZ as specified in respective acts or setting up project in special areas like North East Region, Jammu & Kashmir, and Himachal Pradesh & Uttarakhand.
- Incentives under income tax act:
- Investment Allowance: The Government of India in its Union Budget 2014-15, has provided investment allowance at the rate of 15 per cent to a manufacturing company that invests more than US$ 4.17 million in any year in new plant and machinery.
- Deductions: Several additional deductions are provided for instance deduction equal to 30% of additional wages paid to new regular workmen employed by the assesse over and above 50 workmen.
- R&D Incentives: Higher weighted deductions of 200% provided for expenditure related to R&D subject to fulfilment of conditions.
- Export Incentives: Under the foreign trade policy exports have been provided with several incentives like duty drawback, duty remission schemes etc.
- State Incentives: Apart from above each state in India offers additional incentives for industrial projects. Some of the states also have separate policies for textile sector. Incentives are in areas like rebated land cost; relaxation in stamp duty exemption on sale/lease of land; power tariff incentives; concessional rate of interest on loans; investment subsidies / tax incentives; backward areas subsidies; special incentive packages for mega projects.

Promotion of manufacturing sector : Ease of doing business:

- The corporate tax rate for companies registered in India to go down from 30% to 25% of net profits in a phased manner over the next four years starting from FY 16-17.
- An expert committee to examine the possibility and prepare a draft legislation where the need for multiple prior permission can be replaced by a pre-existing regulatory mechanism.
- Goods and Services Tax proposed to be implemented from April 01, 2016.
- The process of applying for Industrial License (IL) and Industrial Entrepreneur Memorandum (IEM) has been made online.
- Initial validity period of Industrial License has been increased to three years from two years, also, two extensions of two years each in the initial

validity of three years of the Industrial License shall now be allowed up to seven years. This will give enough time to licensees to procure land and obtain the necessary clearances/approvals from authorities.

- Operationalizing the e-BIZ portal: Through eBiz portal, a business user can fill the eForms online/offline, upload the attachments, make payment online and submit the forms for processing of the department.
- A dedicated Shram Suvidha Portal: The portal would allot Labour Identification Number (LIN) to nearly 6 lakhs units and allow them to file online compliance for 16 out of 44 labour laws
- An all-new Random Inspection Scheme: Utilizing technology to eliminate human discretion in selection of units for Inspection, and uploading of Inspection Reports within 72 hours of inspection mandatory
- Universal Account Number: Enables 4.17 crore employees to have their Provident Fund account portable, hassle-free and universally accessible
- Apprentice Protsahan Yojana: Will support manufacturing units mainly and other establishments by reimbursing 50% of the stipend paid to apprentices during first two years of their training
- Department of Industrial Policy and Promotion has identified various areas and action points on ease of doing business index/indicators have been prepared for assessing the overall business performance of the country as well as States/Union Territories.

Government has undertaken a number of steps to improve Ease of Doing Business in India. A large number of components of Defence Products' list have been excluded from the purview of Industrial Licencing. The application process for Industrial Licence and Industrial Entrepreneur's Memorandum has been made easy by simplification of form and making the process online 24X7. The validity period of the Industrial Licence and security clearance from Ministry of Home Affairs has been increased. The process of registration with Employees' Provident Fund Organization and Employees' State Insurance Corporation has been made on line and real-time. Process of obtaining environment and forest clearances has been made online. The Department of Industrial Policy and Promotion has advised Ministries and State Governments to simplify and rationalize the regulatory environment through business process reengineering and use of information technology. 14 Government of India services have been integrated with the online single window eBiz portal

SKILL INDIA:

'SKILL INDIA' - a multi-skill development programme has been initiated with a mission for job creation and entrepreneurship for all socio-economic classes. It endeavours to establish an international equivalent of the Indian framework on skill development, creating workforce mobility and enhancing youth employability.

Conclusion:

India is expected to spend US$ 40 billion on defence purchases over the next 4-5 years. The opening of the strategic defence sector for private sector participation will help foreign original equipment manufacturers to enter into strategic partnerships with Indian companies and leverage the domestic markets and also aim at global business. The emergence of large automotive clusters in the country: Delhi-Gurgaon-

Faridabad in the north, Mumbai-Pune-Nashik- Aurangabad in the west, Chennai-Bengaluru-Hosur in the south and Jamshedpur-Kolkata in the east.The engineering sector in India attracts immense interest from foreign players as it enjoys a comparative advantage in terms of manufacturing costs, technology and innovation.Capacity creation in sectors such as infrastructure, power, mining, oil & gas, refinery, steel, automotive, and consumer durables driving demand in the engineering sector.Governmental infrastructure projects such as Golden Quadrilateral and the North-South and East-West corridors fuelled growth in the engineering sectorIndia has Comparative advantage vis-à-vis peers in terms of manufacturing costs, market knowledge, technology and creativity.

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Make In India Policy with Special Reference to Demonetization Effects

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Abstract: India is expected to be one of Asia's standout performers this year, as the growth outlook for the broader region looks challenging due to subdued trade, tighter financial conditions and weak capital expenditure, according to a new report from HSBC. In a comprehensive report on Asia's outlook for the year, HSBC noted India could grow at an annual rate of 7.1 percent for fiscal 2018 and 7.6 percent for fiscal 2019, shrugging off any lasting effects from its program to remove 500 and 1,000 rupee bank notes from the financial system in November, labelled demonetization. The prediction is higher than Asia's average 2017 growth forecast at 4.9 percent; China and the Philippines are expected to grow at 6.5 percent throughout the year, while Indonesia at 5.1 percent. For the current fiscal year that ends March 2017, growth is expected at 6.3 percent due to the short-term impacts of India's cash crunch, revised down from HSBC's previous prediction of 7.5 percent. To be sure, India's fiscal 2018 will run from April 2017 to March 2018, while many of its peers use the calendar year to report annual data. The positive outlook on South Asia's largest economy comes despite India's decision to wipe out 86 percent of the total value of currency in its cash-intensive economy late last year. Key reforms and follow-up actions to them, from the government are also on the cards for India in the calendar year 2017, which could lead to further long-term gains. Following the demonetization program, which was aimed at going after so-called black money or undeclared income, economists expect Narendra Modi's government to go after other avenues of black money including real estate, gold and foreign currencies. The country is also set to implement reforms to replace its byzantine tax structure as early as April, though some market watchers reckon its eventual roll out could be delayed further.

Key words: Growth, Expenditure, Economy

Introduction

Make in India campaign was launched in new Delhi by the Prime Minister Narendra Modi on 25th of September in 2014. It is an initiative to make a call to the top business investors all across the world (national or international) to invest in India. It is a big opportunity to all the investors to set up their business (manufacturing, textiles, automobiles, production, retail, chemicals, IT, ports, pharmaceuticals, hospitality, tourism, wellness, railways, leather, etc) in any field in the country. This attractive plan has resourceful proposals for the foreign companies to set up manufacturing powerhouses in India.

The successful implementation of this plan will help in the 100 smart cities project and affordable housing in India. The main objective is to ensure solid growth and valuable employment creation in the country with the help of top investors. It will benefit both parties, the investors and our country. The government of India has created a dedicated help team and an online portal (makeinindia.com) for the easy and effective communication of investors. A dedicated cell is committed to answer all the queries from business entities anytime.

Objectives of the Study

A. To analyze the impact of Demonetization on GDP.

B. To analyze the impact of Demonetization on different sectors of economy.

C. To analyze the future impact of Demonetization on Indian Economy.

Methodology of the Study

The present study is quantitative in nature and secondary data will be used for the purpose of analysis. The present study is based on secondary data. The sources of data include the facts released by Reserve Bank of India (RBI), Exchange, Central statistics office India and Different banks websites

Results of the Study

Make in India campaign launched by the Indian government focuses on building the effective physical infrastructure as well as improving the market of digital network in the country to make it a global hub for business (ranging from satellites to submarines, cars to software, pharmaceuticals to ports, paper to power, etc). The symbol (derived from national emblem of India) of this initiative is a giant lion having many wheels (indicates peaceful progress and way to the vibrant future). A giant walking lion with many wheels indicates the courage, strength, tenacity and wisdom. This national program is designed to transform the country into a global business hub as it contains attractive proposals for top local and foreign companies. This campaign focuses on creating number of valuable and honored jobs as well as skill enhancement in almost 25 sectors for improving the status of youths of the country. The sectors involved are automobiles, chemicals, IT & BPM, aviation, pharmaceuticals, construction, electrical machinery, food processing, defense manufacturing, space, textiles, garments, ports, leather, media and entertainment, wellness, mining, tourism and hospitality, railways, automobile components, renewable energy, mining, bio-technology, roads and highways, electronics systems and thermal power.

The second is the goods and services tax (GST), whose objective is to replace all taxes levied by the federal government and the states with one central tax. The GST is scheduled to come into effect by April or — at the latest — by September. Although both houses of Parliament have approved the bill and the President has signed off on it, a GST Council is now squabbling over the details, which could delay implementation.

"The timing is not right for implementation," says West Bengal finance minister Amit Mitra, who is also chairman of the empowered committee of state finance ministers. He lays the blame squarely on the center's move to demonetize Rs500 ($7.4) and Rs1,000 notes. "We all supported the GST under the premise that this would be the only destabilization factor," Mitra told a TV channel. "We did not know that there would be a much bigger destabilization in the form of demonetization that would be let loose on the country."

Conclusion

India has a shadow economy. Many poor people work in enterprises outside the official, tax-paying economy. Many of these enterprises are doing legal activities without paying taxes. So, in that sense, although they are breaking tax laws, they are not criminal enterprises as such. Consider a small brick manufacturing unit that is totally outside the tax purview. The business is cash-intensive. It is doing something illegal – not paying taxes. However, it is a productive enterprise employing people. It is in the shadow economy, and must be brought into the official economy. This means that it must be made to pay taxes and penalties, but it need not be shut down. The note ban may have pushed this cash-intensive enterprise into failure. The outcome is that the production and employment are lost, and nothing accrues to the taxpayer. This is not beneficial in any way, and may be particularly harmful to poor people working in such enterprises. We in India have a relevant experience from an episode that began in mid-1990s – the dematerialization of shares. If the government had forced households to immediately turn all their share certificates to demat shares, many may have turned their backs on the share market. They enjoyed the comfort of holding those certificates, and were not sure about the new system. Since they were given a choice, over a period of time, most of them opted for demat shares. They saw the advantages, and made their choice. This happened in a context where the numbers were quite small (the number of shareholders), but it still took about ten years. In that example, luckily, the new system worked out fine. But it could have failed to deliver. There were many risks of things going wrong. In such a situation, coercing households to switch to demat would have been unfair. The same holds true of the idea to go cashless, and at much larger scale.

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Make In India - Responses

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Abstract: The Make in India initiative was launched by Prime Minister, Narendra Modi in September 2014 the key thrust of the programme would be on cutting down in delays in manufacturing projects clearance, develop adequate infrastructure and make it easier for companies to do business in India. The 25 key sectors identifies under the programme Make in India should be start to achieve the long term goals of Made in India. In this paper an attempt has been made to present the response from the foreign manufacturing companies and how far Make in India a boost to manufacturing sector.

Key Words: Business index, foreign investments, Key sectors, Responses.

İntroduction

The Make in India initiative was launched by Prime Minister in September 2014 as part of a wider set of nation-building initiatives. Devised to transform India into a global design and manufacturing hub, Make in India was a timely response to a critical situation: by 2013, the much-hyped emerging markets bubble had burst, and India's growth rate had fallen to its lowest level in a decade. The promise of the BRICS Nations (Brazil, Russia, India, China and South Africa) had faded, and India was tagged as one of the so-called 'Fragile Five'. Global investors debated whether the world's largest democracy was a risk or an opportunity. India's 1.2 billion citizens questioned whether India was too big to succeed or too big to fail. India was on the brink of severe economic failure.

Make in India was launched by Prime Minister against the backdrop of this crisis, and quickly became a rallying cry for India's innumerable stakeholders and partners. It was a powerful, galvanising call to action to India's citizens and business leaders, and an invitation to potential partners and investors around the world. But, Make in India is much more than an inspiring slogan. It represents a comprehensive and unprecedented overhaul of out-dated processes and policies. Most importantly, it represents a complete change of the Government's mindset – a shift from issuing authority to business partner, in keeping with Prime Minister's tenet of 'Minimum Government, Maximum Governance'.

India is basically a service industry which is trying to move its focus away from the tertiary sector of the economy to the manufacturing sector. Keeping this goal in mind, 'make in India' campaign was launched to attract more foreign investment by removing obstacles like the remaining traces of the license raj, fast sanction of projects from the bureaucratic web, etc. It will also help to solve the problem of employment needs of our growing population. On the economic front, it will boost trade and provide linkage with the global supply chain and will reduce the current account deficit. It can expand the investment in infrastructure development.

Make in India- Made in India

'Make in India' provides the attractive destination for investors. India is mainly a service industry, which is trying to move its emphasis away from the tertiary sector of the country to the industrialized sector. Keeping this aim in mind, 'make in India' movement was started to attract more attention foreign investment by removing hurdles, e.g. the remaining traces of the authorization raj, quick approval of projects from the bureaucratic web and so on. It will also facilitate to solve the difficulty of employment requirements of our rising population. On the fiscal front, it will provide linkage and enhance trade with the worldwide supply chain and will diminish the current account shortfall. It can enlarge the investment in road and rail network development.

Made in India paying attention to technology. However, it has numerous disadvantages too. 'Make in India' will immediately import the technology so that India will give for, the expertise in terms of licensing price, up-gradation charge, etc. Also, India does not have any control on the source of a company's raw material provision. The international company limits India by contract and does not split its secrets. Another disadvantage will be, if some rivalry comes, say from South America ,Africa ,where the circumstances become appropriate for manufacturing, then these companies can transfer their base from India causing a considerable number failure of employment. Made in India emergence of geographical identity brands. Made in India can be a response to these questions. It can support companies to start up their trade and be a part of the global proficiency as India lags behind in 'homegrown brands' e.g. (chocolates of Swiss, cars on German, and scotch of British). Which are serious from the political opinion. India can encourage from technological loans by the industrial expansion. Made in India applies to any item that is completely produced in India. It applies to results of residential or outside based enterprises the length of the item was made entirely in India.

Highlighted Key Factors: Major 25 Sectors involved in Make in India Programme

1. Automobiles:
India's car market potential: 6+ Millions units annually by 2020
2. Auto-components:
Over 35 IPOs of Global OEMs & Tier 1 procuring from India
3. Aviation:
9th largest civil aviation market in the world
4. Biotechnology:
Amongst top 12 biotech destinations in the world; 3rd in the Asia-Pacific region.
5. Chemicals:
3rd largest in Asia & 6th largest by output in the world.
6. Construction:
Approx. USD 650 billion required for urban infrastructure over the next 20 years
7. Defence:
Up to 49% FDI is now allowed under the government route and beyond 49% with the approval of cabinet committee
8. Electrical Machinery:
The industry has grown close to USD 25 billion. It contributes 1.4% to the nation's GDP and 10% to the manufacturing growth.
9. Electronic Systems :
Expected demand to reach USD 400 Billion by 2020, aided by government schemes

10. Food Processing:
National Food Processing Policy aims to increase the level of food processing from 10% in 2010 to 25% in 2025.
11. IT & BPM:
The IT-BPM sector constitutes 8.1% of the country's GDP and contributes significantly to public welfare
12. Leather:
Total production value of US$11 bn with great potential for exports and a huge domestic market
13. Media and Entertainment:
The industry is expected to register a CAGR of 14.2%, reaching INR 1785.8 Billion in 2018

14. Mining:
India has vast minerals potential with mining leases granted for longer durations of 20 to 30 years
15. Oil and Gas:
Threefold increase in energy demand expected in India by 2035 to 1,516 mn tonnes of Oil Equivalent from 563 mn Tonnes of Oil Equivalent in 2012.
16. Pharmaceuticals:
Expected to rank among top 3 pharmaceutical markets in terms of incremental growth by 2020.
17. Ports:
Special Economic Zones are being developed in close proximity to several ports – comprising coal-based power plants, steel plants and oil refineries

18. Railways:
100% FDI under the auto route in the railway infrastructure segment
19. Roads and Highways:
Extensive road network of 4.86 mn kms: 2nd largest in the world
20. Renewable Energy:
India stands fifth in the world in the overall renewable energy capacity installation with an installed capacity of 33,792MW
21. Space:
India is a world leader in low cost space exploration and Indian space program stands out as the most cost effective in the world
22. Textiles:
India has the second-largest manufacturing capacity globally.
23. Thermal Power:
4 ultra mega power projects awarded and five more ultra mega power projects), under the plug and play model will be set up with total investments of 1 trillion
24. Tourism:
Foreign tourist arrivals to India has risen 7.1% to 7.5 million in 2014.
25. Wellness:

The sector is growing at 20% from year to year and is projected to amount to INR 162 Billion in 2014

Ease of doing business

India ranks 130th out of 190 countries in the World Bank's 2016 ease of doing business index, covering the period from June 2014 and June 2015. India was ranked 134th in the 2015 index.

In February 2017, the government appointed the United Nations Development Programme (UNDP) and the National Productivity Council to "to sensitise actual users and get their feedback on various reform measures". The World Bank does not consider reforms initiated by a government in its ease of doing business index, but instead considers feedback from actual beneficiaries of those reforms. The move is intended to take advantage of this fact to improve India's ranking on the index, and marks a shift from India's previous policy of questioning the World Bank's ranking methodology. In particular, the government criticised the World Bank's decision to survey only two cities - Delhi and Mumbai - and use it to rank the whole of India.

A survey of 17 Indian cities in the World Bank's Doing Business in India 2009 report ranked Ludhiana, Hyderabad, Bhubaneshwar, Gurgaon, and Ahmedabad as the top five easiest cities to do business in India

Table: Ease of Doing Business index rankings of India

Year	2017	2016	2015	2014	2013	2012	2011	2010	2009
Rank of India	130	130	142	134	132	132	134	133	122

Make in India - Responses:

➢ In January 2015, the Spice Group said it would start a mobile phone manufacturing unit in Uttar Pradesh with an investment of ₹5 billion (US$74 million). A memorandum of understanding was signed between the Spice Group and the Government of Uttar Pradesh.

➢ In January 2015, Hyun Chil Hong, the President & CEO of Samsung South Asia, met with Kalraj Mishra, Union Minister for Micro, Small and Medium Enterprises (MSME), to discuss a joint initiative under which 10 "MSME-Samsung Technical Schools" will be established in India. In February, Samsung said that will manufacture the Samsung Z1 in its plant in Noida.

➢ In February 2015, Hitachi said it was committed to the initiative. It said that it would increase its employees in India from 10,000 to 13,000 and it would try to increase its revenues from India from ¥100 billion in 2013 to ¥210 billion. It said that an auto-component plant will be set up in Chennai in 2016.

➢ In February 2015, Huawei opened a new research and development (R&D) campus in Bengaluru. It had invested US$170 million to establish the research and development centre. It is also in the process of setting up a Telecom hardware manufacturing plant in Chennai, the approvals of which have been granted by the central government. Also in February, Marine Products Export Development Authority said that it was interested in supplying shrimp eggs to shrimp farmers in India under the initiative.

➢ In February 2015, Xiaomi began initial talks with the Andhra Pradesh government to begin manufacturing smartphones at a Foxconn-run facility in Sri City. On 11 August 2015, the company announced that the first manufacturing unit was operational and introduced the Xiaomi Redmi 2 Prime, a smartphone that was assembled at the facility. Xiaomi India chief executive Manu Jain stated, "We announced our Make in India plans in the beginning of this year 2015. We thought it would take us two years to set up this manufacturing plant. But surprisingly we were able to set up everything and our production started within seven months."

➢ In June 2015, France-based LH Aviation signed an MoU with OIS

Advanced Technologies to set up a manufacturing plant in India to manufacture drones.

- On 8 August 2015, Foxconn announced that it would invest US$5 billion over five years to set up a research and development and hi-tech semiconductor manufacturing facility in Maharashtra. Less than a week earlier, General Motors had announced that it would invest US$1 billion to begin manufacturing automobiles in the state.

- On 18 August 2015, Lenovo announced that it had begun manufacturing Motorola smartphones at a plan in Sriperumbudur near Chennai, run by Singapore-based contract manufacturer Flextronics International Ltd. The plant has separate manufacturing lines for Lenovo and Motorola, as well as quality assurance, and product testing. The first smartphone manufactured at the facility was the 4G variant of the Motorola Moto E (2nd generation).

- On 16 October 2015, Boeing chairman James McNerney said that the company could assemble fighter planes and either the Apache or Chinook defence helicopter in India. The company is also willing to manufacture the F/A-18 Super Hornet in India if the Indian Air Force (IAF) were to purchase it.

- In November 2015, Taiwan's Wistron Corp, which makes devices for companies such as Blackberry, HTC and Motorola, announced that it would begin manufacturing the devices at a new factory in Noida, Uttar Pradesh. A company spokesperson stated, "The government's 'Make in India' campaign, coupled with the country's growing consumption, makes an excellent case for the Indian manufacturing sector to emerge as a global manufacturing hub across sectors."

- On 30 November 2015, the Ministry of Railways signed formal agreements with Alstom and GE Transport worth ₹400 billion (US$5.9 billion) to set-up locomotive manufacturing factories in Madhepura and Marhaura in Bihar.

- In December 2015, Qualcomm announced that it was starting a "Design in India" programme to help mentor up to ten Indian hardware companies with the potential to come up with innovative solutions and help them reach scale. Qualcomm chairman had promised Prime Minister Modi that they would do so during the latter's visit to Silicon Valley in September 2015. As part of the programme, the company will set up an Innovation Lab in Bengaluru to provide technical and engineering support to the selected companies. In the same month, Micromax announced that it would three new manufacturing units in Rajasthan, Telangana and Andhra Pradesh at a cost of ₹3 billion (US$45 million). The plants will begin functioning in 2016, and will each employ 3,000-3,500 people.

- Following Japanese Prime Minister Shinzo Abe's visit to India in December 2015, it was announced that Japan would set up a US$12 billion fund for Make in India related projects called the "Japan-India Make-in-India Special Finance Facility". In late December, phone manufacturer Vivo Mobile India began manufacturing smartphones at a plant in Greater Noida. The plant employs 2,200 people.

- A defence deal was signed during Prime Minister Narendra Modi's visit to Russia in December 2015 which will see the Kamov Ka-226 multi-role helicopter being built in India. This is widely seen as the first defence deal to be actually signed under the Make in India campaign.

Conclusion:

For making India an investment hub, the first and foremost important step would be to create an efficient administrative machinery whch would cut down delays in project clearances. India should be more focused towards novelty and innovation for the sectors identified and integration with the country's premise institute for carrying out research and development would be critical to the success of the Make in India programme. Various sectors have been opened up for investment like Defense, Railways, Space etc. also the regulatory policies been relaxed to facilitate investments and ease of doing business. Today India's credibility is stronger than ever. Make in India is opening investment doors. Multiple enterprises are adopting its 'mantra'. Make in India is well on its way to becoming the India the World's most powerful economy.

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Impact of foreign direct investment on insurance sector in India

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Abstract: The study concluded that increase in foreign direct investment (F.D.I.) is optimistic move for the future of Indian Life Insurance Sector, since this sector need huge amount of capital investment which can be done effectively only through increase in FDI and it enhance overall performance of insurance sector. Innovative insurance product and services, better use of technology, increase in employment and competition etc. are by-product of increase in F.D.I in insurance Sector. Government of India through Insurance Regulatory and Development Authority of India (I.R.D.A.I.) and Reserve Bank of India (R.B.I.) need to keep regular check on the outflow of India currency. India is growing economy and many consider it an attractive country for investment in mainly to its fast growing and changing insurance market. Indian insurance industry is still less penetrated and has huge growth potential. Foreign direct investment (F.D.I.) plays significant role in the economic development of the country. This study is based on secondary data collected from I.R.D.A and research papers from various journals.

***Keywords*:** India; Foreign Investment; FDI; Life Insurance; Insurance Industry

1. Introduction

In the post liberalization period life insurance sector has started gaining new shapes with newer innovations. Big brands like Reliance, Birla, ICICI, TaTa Nature of Insurance Sharing and transfering of risks Vysya etc. have tied up with foreign insurance partners. Before privatization life insurance was only provided by the LIC of India. They have monopoly in life insurance sector. Even though the growth has been remarkable over years, yet the insurance penetration is pretty low. The life insurance average index shows that the number of policies sold is very low viz., 13.2 per 100 persons in India compared to the Asian counterparts' countries like Malaysia and Japan where it is 37.0 and 201.4 respectively. Even the life insurance premium as a percentage of Gross Domestic Product is very low too and which is expected in increase in coming years indicating a vast potential for all the life insurance players.

2. Meaning of insurance

There are countless risks in every field of life, it is something commonly accepted phenomenon. The chances of occurrences of the events causing losses are quite uncertain because these may or may not take place. Therefore, with this view in mind, people facing common risks come together and make their small contributions in the common fund. While it may not be possible to tell in advance, which person will suffer the losses, it is possible to work out how many persons on an average out of the group, may suffer losses. When risks occur, the loss is made good out of the common fund. In this way each and every one shares the risks. In fact, they share the loss by payment of premium, which is calculated on the likelihood of loss. Nature of Insurance

3. Nature of Insurance

1. **Sharing and transfer of risk**

Insurance is a financial instrument adopted to share the financial losses that might occur to an individual or his family on the happening of a specified event. The event may be death in case of life insurance, theft in case of *theft* and burglary *insurance and motor accident in case of motor insurance etc.* The losses occurring from these events if insured, are shared by all the insured in the form of premium. Hence, risk is carried out from one individual to group.

2. Highly co-operative instrument

One of the key features of any insurance plan is that highly co-operative instrument under which a group of persons who agree to share the financial loss agreed together. To compensate all the losses from his own capital is not possible any insurer. Insurer is able to pay the amount of loss by insuring a large number of persons. Since insurance plans are co-operative instruments, there is no compulsion here on any person to purchase the insurance policy.

3. Risk valuation

Evaluation of the risk is done before insuring to charge the amount of share of an insured, called as premium. Evaluation of risks can be done through several methods. Higher insurance premium may be charged, if there is expectation of higher risk. In this way the probability of loss is calculated at the time of insurance.

4. Payment at certain contingency

The amount of insurance is paid for the certain contingency. Payment is made whenever contingency occurred. The insurance contract can be life and non-life insurance contract. The life insurance contract is considered to be a contract, of certainty, as the contingency and the death or the expiry of insurance policies term, will definitely happen and the payment is certain. There are some types of life insurance policies in which payment is not certain due to uncertainty of a specific contingency within a specific period. For example in term insurance policies, the payment is made only when death of the insured person happened within the particular term or duration, may be one or two years. Likewise in pure endowment payment is made only at the survival of the insured at the maturity of the insured period. In other types of insurance contracts, the contingency can be the fire or the marine risks etc., which may or may not happen. Therefore, if the contingency happens, payment is made; otherwise no amount is given to the policy-holder.

5. Amount of payment

In case of non-life insurance the purpose is to make good the financial loss suffered. So amount of payment depends upon the value of loss suffered due to the specific insured risk only if insurance is there up to that amount. Whereas in life insurance, the purpose is not to make good the financial loss suffered. The insurer promises to pay a fixed sum on the happening of certain contingency. If the contingency takes place, the payment falls due if the policy is valid and in force at the time of the contingency.

Meaning of F.D.I

A foreign direct investment (F.D.I) is an investment made by a company in one country, into a company in another country. It refers to an investment made to acquire lasting or long-term interest in company or entity based operating outside of the economy of the investor.

The investment is direct because the investor, which could be a foreign person, company or group of entities, is seeking to control, manage, or have significant influence over the foreign enterprise. FDI is a major source of external finance which means that countries with limited amounts of capital can receive finance beyond national borders from wealthier countries. (Source: available from http://www.usforeignpolicy.about.com/od/ introtoforeignpolicy/a/ what-is-FDI.htm) Foreign Direct Investment can further be divided into :

;Green field Foreign Direct Investment

;Brown field Foreign Investment.

Guidelines for F.D.I in Indian insurance market:

The Insurance Laws (Amendment) Act 2015 introduced some much awaited reforms, including, increasing the foreign investment cap in the insurance sector to 49 percent, permitting overseas reinsurers to open branch offices to carry out reinsurance business in India, etc. The Insurance Laws (Amendment) Act, 2015 also provides for "Indian Owned and controlled" requirement for an Indian Insurance Company. The Insurance Laws (Amendment) Act, 2015 defines Indian insurance company under Section 2(7A) as under:

"Indian insurance company" means any insurer, being a company which is limited by shares, and, (a) Which is formed and registered under the companies Act, 2013 as a public company or is converted into such a company within one year of the commencement of Insurance Laws (Amendment) Act, 2015; (b) In which the aggregate holdings of equity shares by foreign investors, including portfolio investors, do not exceed forty nine per cent of the paid up equity capital of such Indian insurance company, which is Indian owned and controlled, in such manner as may be prescribed. Explanation – For the purpose of this sub clause, the expression "control" shall include the right to appoint a majority of the directors or to control the management or policy decisions including by virtue of their shareholding or management rights or shareholders agreement or voting agreements; (c) Whose sole purpose is to carry on life insurance business or general insurance business or reinsurance business or health insurance business. In exercise of the powers conferred by clause (aaa) of subsection (2) of section 114 of the Insurance Act, 1938 read with clause (b) of subsection (7A) of section 2 of the Insurance Act, 1938 and section 24 of the Insurance Regulatory and Development *World Scient i f ic News 47(2) (2016) 190-201*-196- Authority Act, 1999 (41 of 1999), the Central Government has notified the Indian Insurance Companies (Foreign Investment) Rules, 2015. These Rules mainly govern Indian control of Indian Insurance Company, Indian ownership and issues relating to foreign investment. The definition of "Indian ownership" has since been amended by Indian Insurance Companies (Foreign Investment) Amendment Rules, 2015.

As per the above definition, control can be exercised by the virtue of

(a) Shareholding; (or)

(b) Management rights; (or)

(c) Shareholders agreements; (or)

(d) Voting agreements; or

(e) Any other manner as per applicable laws.

In order to bring more clarity on the issue of compliance with the manner of "Indian owned and controlled", the Authority, in exercise of powers conferred under Section 14 (1) of the IRDA Act

1999, lays down the following guidelines on compliance of "Indian owned and controlled".

Applicability: These guidelines are applicable to Indian Insurance Companies which a) May come into existence after notification of the Act; b) May propose to hike their foreign investment from the existing level; and
c) Do not intend to increase their current foreign stake from the existing level.

Total foreign investment: Both direct and indirect holding in an Indian insurance company shall not exceed 49 percent. Total foreign investment shall be computed in accordance with Rule 2 (P) read with Regulation 11 of the IRDAI (Registration of Indian Insurance Companies) Regulations, 2000.

Control: Control can be exercised by any one or more of the following criteria:
(a) Virtue of shareholding; (or)
(b) Management rights; (or)
(c) Shareholders agreements; (or)
(d) Voting agreements; (or)
(e) Any other manner as per the applicable laws.

Indian Control: The Indian insurance company shall ensure the following:
i. Majority of the directors excluding independent directors should be nominated by the Indian promoter (s) / Indian investor (s);
ii. Appointment of key management person including Chief Executive Officer / Managing Director /Principal officer should be through the Board of Directors or by the Indian promoter (s) and / or Indian investor (s); However, Key Management Person (s) excluding CEO may be nominated by the foreign investor provided that the appointment of such Key Management person is approved by the Board of Directors, *World Scient i f ic News 47(2) (2016) 190-201*
-197- herein majority of the directors excluding independent directors are the nominees of Indian promoter (s) / Indian investor (s).
iii. The control over significant policies of the insurance company should be exercised by the Board, provided that the constitution of the Board is compliant with para (i) above.
iv. Where the Chairman of the Board is having a casting vote, such Chairman should be nominated by the Indian promoter (s) and / or Indian investor (s);
v. Quorum: Quorum shall mean and include presence of majority of the Indian directors irrespective of whether a foreign investor's nominee is present or not. The right of a Foreign Investor's nominee to constitute valid quorum for meetings is only a protective right and to that extent would not amount to control within the meaning of Explanation to Clause (7A) (b) as long as the presence of nominees of Indian Promoter (s) / Investor (s) are also mandatorily taken into account for the purposes of quorum. (Provided that provisions of Companies Act, 2013 shall come into force in case of an adjournment.)

Manner of ensuring compliance of "Indian Owned and Controlled"

i. An undertaking to this effect shall be filed by all Indian Insurance Companies duly signed by the Chief Executive Officer and Chief Compliance Officer confirming the compliance of "Indian owned and controlled".
ii. Every undertaking shall be accompanied by :
a) A certified copy of resolution passed by the Board of Directors confirming the

compliance of "Indian owned and controlled";
b) Where applicable, certified copy of the agreement / Joint venture agreement where amendments have been carried out to these agreements / joint ventures agreement to give effect the provisions of "Indian owned and controlled".

Insurance Intermediaries: These guidelines are also applicable to Insurance Intermediaries as defined in the IRDA Act, 1999 such as Brokers, Third Party Administrators, Surveyors and Loss Assessors etc. However, in case of an insurance intermediary having more than 50 percent of its revenue from the noninsurance activities, these guidelines shall not be applicable to such insurance intermediaries.

Time Limit for Compliance : i. Compliance by Existing Indian insurance companies: Existing Indian insurance companies stated at para 1 (b) and (c) above are required to comply with "Indian Owned and controlled" guidelines within a period of three months from the date of issue of these guidelines. However, the Authority may, on an application made to it by an existing insurer, for valid reasons, grant a further period of three months to comply, provided that the total time taken by an existing insurer to comply with "Indian owned and controlled" stipulations does not extend beyond six months.

Guidelines of R.B.I for foreign direct investment: An Indian company may receive Foreign Direct Investment under the two routes as given under:

i. Automatic Route : FDI is allowed under the automatic route without prior approval either of the Government or the Reserve Bank of India in all activities/sectors as specified in the consolidated FDI Policy, issued by the Government of India from time to time.

ii. Government Route

FDI in activities not covered under the automatic route requires prior approval of the Government which are considered by the Foreign Investment Promotion Board (FIPB), Department of Economic Affairs, Ministry of Finance. Application can be made in Form FC-IL, which can be downloaded from http://www.dipp.gov.in. Plain paper applications carrying all relevant details are also accepted. No fee is payable.

An Indian company issuing shares /convertible debentures under FDI Scheme to a person resident outside India shall receive the amount of consideration required to be paid for such shares /convertible debentures by:

(i) Inward remittance through normal banking channels.

(ii) Debit to NRE / FCNR account of a person concerned maintained with an AD category I bank.

(iii) Conversion of royalty / lump sum / technical know how fee due for payment or conversion of ECB, shall be treated as consideration for issue of shares.

(iv) Conversion of import payables / pre incorporation expenses / share swap can be treated as consideration for issue of shares with the approval of FIPB.

(v) Debit to non-interest bearing Escrow account in Indian Rupees in India which is opened with the approval from AD Category – I bank and is maintained with the AD Category I bank on behalf of residents and non-residents towards payment of share purchase consideration.

If the shares or convertible debentures are not issued within 180 days from the date of receipt of the inward remittance or date of debit to NRE / FCNR (B) / Escrow account, the amount shall be refunded. Further, Reserve Bank may on an application made to it and for sufficient reasons permit an Indian Company to refund / allot shares for the amount of consideration received towards issue of security if such amount is outstanding beyond the period of 180 days from the date of receipt.

Benefits of increase in foreign direct investment in insurance sector of India: increase in wide and innovative insurance products and services in India. Better competitive market. Better exposure of technology and other services from foreign partner.
Increase in insurance penetration and density. Increase in employment opportunities.

Conclusion: Increase in foreign direct investment (F.D.I.) is optimistic move for the future of Indian Life Insurance Sector, since this sector need huge amount of capital investment which can be done effectively only through increase in F.D.I. and it enhance overall performance of insurance sector. As of now, Insurance companies are in hesitation about to take positive steps towards F.D.I. There are good chances that increase in F.D.I. will improve the Insurance penetration and density. Along with that innovative insurance product and services, better use of technology, increase in employment and competition etc. are by-product of increase in F.D.I. in insurance Sector. Government of India through Insurance Regulatory and Development Authority of India (I.R.D.A.I) and Reserve Bank of India (R.B.I.) need to keep regular check on the outflow of India currency.

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Polices under 'Make in India'

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Abstract: Under the 'Make in India' initiative, the government has, in the last one year, announced several steps to improve the business environment by easing processes to do business in the country, and attract foreign investments. It is an initiative launched to encourage companies to increase manufacturing in India. This not only includes attracting overseas companies to set up shop in India, but also encouraging domestic companies to increase production within the country

Key words: business environment, Make in India', Industrial Policy and Promotion

Introduction

Make in India initiative launched by Prime Minister Narendra Modi on 25th September, with the primary goal of making India a global manufacturing hub, by encouraging both multinational as well as domestic companies to manufacture their products within the country.[1] Led by the Department of Industrial Policy and Promotion, the initiative aims to raise the contribution of the manufacturing sector to 25% of the Gross Domestic Product (GDP) by the year 2025.[2] It targets 25 sectors of the economy which range from automobile to Information Technology (IT) & Business Process Management (BPM). The main aims of 'Make in India' are to facilitate job creation, foster innovation, enhance skill development and protect intellectual property. The logo of 'Make in India' – a lion made of gear wheels – itself reflects the integral role of manufacturing in government's vision and national development.[3]

Under the 'Make in India' initiative, the government has, in the last one year, announced several steps to improve the business environment by easing processes to do business in the country, and attract foreign investments. It is an initiative launched to encourage companies to increase manufacturing in India. This not only includes attracting overseas companies to set up shop in India, but also encouraging domestic companies to increase production within the country.[4] Make in India has introduced multiple new initiatives, promoting foreign direct investment, implementing intellectual property rights and developing the manufacturing sector and it also aims at increasing the GDP 'Gross Domestic Product' and tax revenues in the country, by producing products that meet high quality standards, it also extends to Fostering innovation, protecting intellectual property, and enhancing skill development and minimising the impact on the environment.

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Polices under 'Make in India' initiatives:

The initiative of 'Make in India' is built on four major policies which are as follows:

1. **New Initiatives:**

This initiative is to improve the ease of doing business in India, by improving business processes and procedures open up new avenues of opportunities and create confidence among entrepreneurs, which includes increasing the speed with which protocols are met with, and increasing transparency.

the steps taken by the government towards new initiatives are as follows:[5]

- Environment clearances can be sought online.
- All income tax returns can be filed online.
- Validity of industrial license is extended to three years.
- Paper registers are replaced by electronic registers by businessmen.
- Approval of the head of the department is necessary to undertake an inspection.
- Drive economic growth and improve the quality of life of citizens by enabling industrial and urban infrastructure development.[6]
- Aviation industry with target of becoming 3rd largest by 2030 and to cater international and domestic traffic.[7]

2. **Foreign Direct Investment (FDI):**

India has already noticeable its presence as one of the fastest rising economies of the world. It has been ranked among the top 10 attractive destinations for inbound investments. Since 1991, the regulatory environment in terms of foreign investment has been consistently eased to make it investor-friendly. The measures taken by the Government are directed to open new sectors for foreign direct investment, increase the sectoral limit of existing sectors and simplifying other conditions of the FDI policy. FDI policy reforms are meant to provide ease of doing business and accelerate the pace of foreign investment in the country.[8] The government has allowed 100% FDI in all the sectors except Space(74%), Defence (49%) and News Media (26%). FDI restrictions in tea plantation has been removed, while the FDI limit in defence sector has been raised from the earlier 26% to 49% currently.The government has allowed 100% FDI in all the sectors except Space(74%), Defence (49%) and News Media (26%). Mainly it concentrated on three type of investors namely

- ➢ Individual [FVCI (Foreign Venture Capital Investors),Pension/Provident Fund and Financial Institutions]
- ➢ Company [Foreign Trust, Sovereign Wealth Funds,NRIs (Non Resident Indians)/ PIOs (Persons of Indian Origin)]
- ➢ Foreign Institutional Investors (Private Equity Funds, Partnership / Proprietorship Firm)

Envisaged for NRI investments in Construction development, Ground Handling & Air transport services, NRI

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[5] Supra 4

[6] http://www.makeinindia.com/home

[7] Ibid.

[8] Ibid.

investing on non repatriable basis, FDI from NEPAL & BHUTAN is allowed in Indian rupees.

3. Intellectual Property Facts

The government has decided to improve and protect the intellectual property rights of innovators and creators by upgrading infrastructure, and using state-of-the-art technology.

The main aim of intellectual property rights (IPR) is to establish a vibrant intellectual property regime in the country.

These are the various types of IPR:[9]

- Patent: A patent is granted to a new product in the industry.
- Design: It refers to the shape, configuration, pattern, colour of the article.
- Trade mark: A design, label, heading, sign, word, letter, number, emblem, picture, which is a representation of the goods or service.
- Geographical Indications: According to the website, it is the indication that identifies the region or the country where the goods are manufactured.
- Copyright: A right given to creators of literary, dramatic, musical and artistic works.
- Plant variety Protection: Protection granted for plant varieties, the rights of farmers and plant breeders and to encourage the development of new varieties of plants.
- Semiconductor Integrated Circuits Layout-Design: The aim of the Semiconductor Integrated Circuits Layout-Design Act 2000 is to provide protection of Intellectual Property Right (IPR) in the area of Semiconductor.

4. National Manufacturing

The need to raise the global competitiveness of the Indian manufacturing sector is imperative for the country's long term-growth. The National Manufacturing Policy is by far the most comprehensive and significant policy initiative taken by the Government. The policy is the first of its kind for the manufacturing sector as it addresses areas of regulation, infrastructure, skill development, technology, availability of finance, exit mechanism and other pertinent factors related to the growth of the sector.[10]

Response to the 'Make in India' initiative:

India is on the doorsill of major reforms and is on the brink to become the third-largest economy of the world by 2030.[11] India is a country rich in natural resources. Labour is aplenty and skilled labour is easily available given the high rates of unemployment among the educated class of the *country. With Asia developing as the outsourcing hub of the world, India is soon becoming the* preferred manufacturing destination of most investors across the globe.[12] To start a movement and to make a success, need a strategy that motivates, empowers and enables in equal measure. importantly, credible. It had to[13]

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[9] Supra 4

[10] Ibid

[11]Supra 1

[12] www.mapsgovernment-of-india/make-in-india.htmlofindia.com/

[13] Infra 1

(a) Inspire confidence in India's capabilities amongst potential partners abroad, the Indian business community and citizens at large; Make in India needed a different kind of campaign: instead of the typical statistics-laden newspaper advertisements, this exercise required messaging that was informative, well-packaged and most
(b) Provide a framework for a vast amount of technical information on 25 industry sectors; and
(c) Reach out to a vast local and global audience via social media and constantly keep them updated about opportunities, reforms, etc.
Within the short span of time, there are many instances of the initiative's success.

- FDI is surging -- Foreign direct investment between October and May was up 40% to $23.7 billion from the same period a year earlier.
- Industrial production is warming -- The pick-up in investments is starting to show in the country's industrial production numbers. Official data show India's industrial production rose an average 2.7% year-over-year in the seven month period from October to May. Nothing spectacular one may say.
- Foxconn bet billions -- Contract-manufacturing giant Foxconn last weekend announced plans to spend $5 billion on factories and research and development in the western Indian state of Maharashtra.
- GM doubled down -- General Motors Co. recently announced it will invest another $1 billion.
- Uber is ramping up its roll out -- While it is a services company and not a manufacturer, ride-hailing app Uber Technologies is ramping up its commitment to India. India is already its second-largest market in terms of cities served. To meet growing demand, Uber recently announced will invest $1 billion over nine months to build its network in India.

Today, everyone is well aware of the Make in India initiative and the motives that this initiative holds. On the other hand, the impact of this campa
is no secret, either. This is going to make India, one of the leading nations in the entire world if followed dutifully. Today, India's credibility is stronger than ever. There is visible momentum, energy and optimism. Make in India is opening investment doors. Multiple enterprises are adopting its mantra. The world's largest democracy is well on its way to becoming the world's most powerful economy.[15]

[14] The world street journal, *five things that show Mr. Modi's campaign is working, http://blogs.wsj.com/briefly/2015/08/12/five-things-that-show-modis-make-in-india-campaign-is-working/*

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