



## Make in India

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

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

### Why in News?

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

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

### What is Make in-India Programme?

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

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

## UPSC Civil Services Examination Previous Year Questions (PYQs)

### Prelims

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

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

**Select the correct answer using the codes given below:**

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

**Ans: (d)**

**Exp:**

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

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

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

### **Mains**

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

**Source:** [TH](#)

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