11 MAKE IN INDIA AND FDI

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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. Globalisation and liberalisation brings lots of new innovative products to the world. Foreign Direct Investment is the one among this. Also, there are number of different forms of FDI available currently. Recently, Government of India allowed FDI in different sectors of Indian economy. But several opposition parties are making it a political issue in parliament on these policy decisions and amendments. In August 2014, the Cabinet of India allowed 49% foreign direct investment (FDI) in the defence sector and 100% in railways infrastructure.

The objective of the present study is to make aware with Make in India Policy, to provide a skeleton on foreign direct investment with the scene of different sectors. It also points out the sector-wise distribution of FDI inflow to know about which is concerned with the chief share. The present study is based on secondary data collected from different sources. This paper also tries to find out the scenario and role and scope of Foreign Direct Investment in India. It has been analyzed that there is high correlation between Industrial Production and FDI inflows. The effect of FDI on economic development ranges from productivity increased to enable greater