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Evaluating the level of knowledge and influence of the 'Make in India' campaign on the manufacturing industry in Uttar Pradesh

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Abstract
In 2014, the Make in India campaign was launched to showcase India as a worldwide manufacturing hub and to attract foreign investment. This study aimed to explore the perceptions of respondents from Uttar Pradesh towards the Make in India initiative. The results of the survey indicate that the initiative has positively impacted the Indian economy by boosting job creation and technology advancement. Most respondents believe that the Make in India initiative has created new job opportunities in the manufacturing sector. The major challenges faced by the manufacturing sector in Uttar Pradesh were identified as low labor productivity, high transportation costs, and inefficient inventory management. Respondents believed that the Make in India initiative was very important for the development of Uttar Pradesh and had the potential to make India a global manufacturing hub. Furthermore, most respondents recommended the Make in India initiative to anyone looking to start a business in the manufacturing sector. Suggestions for improving the initiative included increasing its reach in rural areas, providing proper guidance and training programs for units, regular monitoring of startups, and easing the availability of financial resources. Overall, the Make in India initiative has received positive responses from the respondents in Uttar Pradesh, and its potential for India's economic growth and development is significant.

Keywords: Make in India, manufacturing, initiative, job creation, economy, investment climate, Uttar Pradesh, challenges, global hub, rural areas, training, financial resources, startups

Introduction
Over the last two decades, the service industry has emerged as a key driver of economic growth in many countries, including India (Mitra *et al*., 2016) [1]. While industry accounts for only about 15% of the Indian economy, this share is considerably lower than that of many East Asian countries, which have achieved rapid industrialization and export-led growth (Chenoy *et al*., 2019) [2]. In response to this challenge, the Government of India launched the "Make in India" initiative in 2014, which aims to create a favorable environment for investment in manufacturing, boost the sector's contribution to GDP, and generate new jobs (Dang & Sharma, 2019) [3]. The Make in India campaign has three main objectives: to increase the manufacturing sector's annual growth rate to 12-14%, add 100 million new manufacturing jobs to the economy by 2022, and boost the sector's share of GDP (Mehrotra, 2020; Tripathi *et al*., 2018) [4, 5]. The initiative focuses on 25 major industries, including automobiles, chemicals, defense, electronics, and textiles, among others, and aims to attract both domestic and foreign investors (Sahoo *et al*., 2017; Joshi, 2018) [6, 7]. To support the Make in India initiative, the government has set up an Investor Facilitation Cell (IFC) that assists investors in obtaining regulatory approvals and provides pre- and post-investment support (Behera, 2022) [8]. The initiative has received widespread attention and support from businesses, with its mantra being adopted by several companies (Patra *et al*., 2021) [9]. Despite the significant attention and resources devoted to the Make in India campaign, its impact on the manufacturing sector and the broader economy remains a subject of debate (Muthusamy & Sundararajan, 2019; Sureshbabu & Vinitha, 2019; Bose *et al*., 2020) [10, 11, 12]. This study seeks to contribute to this debate by examining the level of awareness regarding the Make in India initiative and its impact on the manufacturing sector, both nationally and globally.

The study also aims to identify the key challenges and opportunities associated with the initiative and to provide policy recommendations for its effective implementation.

Review of literature

The selected literature presents various aspects of India's manufacturing sector and its potential for growth.

Mitra, Sharma, and Véganzonès-Varoudakis (2016) [1] investigate the impact of infrastructure and information and communication technology (ICT) on the Indian manufacturing sector's total factor productivity (TFP) and technical efficiency (TE). They discover that infrastructure and information and communication technology have a considerable impact on manufacturing, particularly in businesses that are more vulnerable to foreign competition. The authors provide policy implications for improving infrastructure and ICT.

Chenoy, Ghosh, and Shukla (2019) [2] emphasize the need to focus on spurring manufacturing growth to take advantage of India's young workforce, which will be the largest in the world by 2020. The authors discuss the Make in India program's vision of creating 100 million jobs by 2021 and various complementary policies such as Skill India and Digital India. They argue that developing the right skills is critical to address the growing skill gap in the manufacturing sector.

Dang and Sharma (2019) [3] focus on the development of the indigenous medical device industry in India, which is still heavily dependent on imports. The authors identify various challenges such as ambiguous regulations and the need to achieve national healthcare targets. They discuss initiatives such as Medical Devices Rules, 2016, funding for start-ups, inverted duty structure, and special med tech zones to enhance local production and employment.

Mehrotra (2020) [4] highlights India's low share of manufacturing in GDP and stagnant employment in manufacturing, attributed to the lack of a coherent industrial policy since 1991. The author argues for the need for an inclusive manufacturing strategy that addresses the concerns of large corporations, small and medium enterprises, and micro-enterprises to create jobs for an increasing labor force.

Tripathi V., Singh A.P., Roy R. (2018) [5] evaluate India's development programs and initiatives, focusing on minimizing regional disparities in economic development.

Sahoo P., Goswami N., Mazumdar R. (2017) [6] examine India's trade facilitation measures and their effectiveness in improving competitiveness, especially in light of negative growth in exports.

Joshi A. (2018) [7] investigates the Make in India campaign as an ambitious nation-branding strategy aimed at repositioning India as a manufacturing location, with the MII logo serving as a significant graphic signifier.

Behera L.K. (2022) [8] investigates India's current defense export achievements as well as various changes undertaken by the Indian government to promote international arms sales, arguing that India possesses significant local arms manufacturing capacity in order to become a significant player in the global arms market.

Patra T., Rao J.M., Nayak T.K. (2021) [9] examines the recent effects of FDI on India's economic growth in the Make in India initiative, finding that FDI inflows, trade openness, exchange rate, and the MII initiative significantly impact India's economic growth.

Research question

What is the awareness level and impact of the 'Make in India' initiative on the manufacturing sector in Uttar Pradesh?

Research objectives

1. To assess the level of awareness and the impact of the 'Make in India' initiative on the manufacturing sector in Uttar Pradesh,
2. To identify the key factors that have influenced the success or failure of the initiative in the state.

Hypotheses

Hypothesis 1: The Make in India initiative has increased awareness and interest in the manufacturing sector in Uttar Pradesh, resulting in a higher number of new manufacturing businesses and increased investment in existing ones.

Hypothesis 2: The impact of the Make in India initiative on the manufacturing sector in Uttar Pradesh varies depending on the level of infrastructure and ICT development in different regions of the state.

Hypothesis 3: The success of the Make in India initiative in Uttar Pradesh is dependent on the government's ability to address challenges related to regulation, skills development, and regional disparities.

Research methodology

This study used quantitative research to assess the awareness and impact of the 'Make in India' initiative on the manufacturing sector in Uttar Pradesh. The data were collected through a survey questionnaire administered to a sample of manufacturing firms in the state. The sample size was determined using a stratified random sampling technique, and a total of 200 manufacturing firms were selected for the study. Descriptive statistics such as frequencies, percentages, means, and standard deviations were used to summarize the data collected from the survey. The data were analyzed using inferential statistics to test the research hypotheses. The statistical software package SPSS was used to conduct the analysis. The study employed multiple linear regression analysis to examine the relationship between the independent variables (awareness of Make in India initiative, government support, and infrastructure) and the dependent variable (manufacturing performance). The assumptions of normality, linearity, and homoscedasticity were checked before running the regression analysis. The study also conducted a mediation analysis to examine the mediating effect of government support and infrastructure on the relationship between awareness of Make in India initiative and manufacturing performance. Ethical considerations were considered throughout the study. Before taking the survey, the participants were told about the goal of the study and their agreement was sought. The responses of the participants were kept anonymous throughout the investigation.

Findings

Table 1: Descriptive statistics for a survey

Descriptive Statistics									
	N	Minimum	Maximum	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
What is your Age?	112	1	3	1.13	.383	3.224	.228	10.497	.453
What is your Gender?	112	1	2	1.42	.496	.330	.228	-1.926	.453
What is your Educational Qualification?	112	1	4	2.50	.630	.000	.228	-.238	.453
How many years of experience do you have in the manufacturing industry?	112	1	5	1.26	.626	3.339	.228	14.047	.453
What is the type of your Manufacturing unit?	112	1	5	2.12	1.253	1.187	.228	.423	.453
Have you heard of the Make in India initiative?	112	1	2	1.03	.162	5.942	.228	33.909	.453
How did you become aware of the Make in India initiative?	112	1	4	2.06	.980	.517	.228	-.779	.453
How would you rate your level of understanding of the Make in India initiative?	112	1	4	1.73	.644	.519	.228	.345	.453
In your opinion, has the Make in India initiative helped in boosting the manufacturing sector in Uttar Pradesh?	112	1	3	1.22	.625	2.500	.228	4.388	.453
Have you observed any changes in the manufacturing sector since the introduction of the Make in India initiative?	112	1	3	1.29	.680	2.010	.228	2.280	.453
If yes, what changes have you observed?	112	1	4	2.12	.908	.355	.228	-.729	.453
Do you think the Make in India initiative has created new job opportunities in the manufacturing sector?	112	1	3	1.18	.557	2.916	.228	6.809	.453
In your opinion, what are the major challenges faced by the manufacturing sector in Uttar Pradesh.	112	1	6	2.84	1.510	.614	.228	-.682	.453
In your opinion, how important is the Make in India initiative for the development of Uttar Pradesh?	112	1	4	1.24	.541	2.892	.228	10.584	.453
Do you think the Make in India initiative has the potential to make India a global manufacturing hub?	112	1	3	1.23	.615	2.422	.228	4.177	.453
Would you recommend the Make in India initiative to someone who is looking to start a business in the manufacturing sector?	112	1	3	1.29	.663	2.058	.228	2.535	.453
What suggestions do you have for improving the Make in India initiative?	112	1	4	2.13	1.009	.476	.228	-.860	.453
Valid N (list wise)	112								

This is a table of descriptive statistics for a survey conducted on various aspects related to the Make in India initiative in the manufacturing sector in Uttar Pradesh. The survey includes questions about the respondents' age, gender, educational qualification, years of experience in the manufacturing industry, type of manufacturing unit, awareness of the Make in India initiative, understanding of the initiative, its impact on job creation and boosting the manufacturing sector, and suggestions for improvement.
The table includes the following information for each question:

N: The number of respondents who answered the question.
Minimum: The lowest response value.
Maximum: The highest response value.
Mean: The average response value.
Std. Deviation: The standard deviation of the response values.

Skewness
An indicator of the disparity of the response value distribution.

Kurtosis
A measure of the "peakedness" of the distribution of response values.
The table also includes the valid N (listwise), which is the number of respondents who answered all questions in the survey.
Overall, the survey data suggests that the respondents have a moderate level of awareness and understanding of the Make in India initiative, and they believe it has the potential to boost the manufacturing sector and create new job opportunities. However, there are also perceived challenges in the manufacturing sector, and suggestions for improvement of the initiative.

Table 2: Frequency distribution table of categorical variable

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Agra	35	31.3	31.3	31.3
	Varanasi	17	15.2	15.2	46.4
	Allahabad	16	14.3	14.3	60.7
	Lucknow	15	13.4	13.4	74.1
	Kanpur	15	13.4	13.4	87.5
	Meerut	14	12.5	12.5	100.0
	Total	112	100.0	100.0	

The table represents the frequency distribution of a categorical variable, likely related to a survey or study. The variable appears to be the location or city of the respondents, and the table shows the number and percentage of respondents from each location.

There were a total of 112 respondents, and the majority (31.3%) were from Agra, followed by Varanasi (15.2%), Allahabad (14.3%), Lucknow (13.4%), Kanpur (13.4%), and Meerut (12.5%).

The cumulative percent column indicates the percentage of respondents that fall within or below a particular category. For example, 31.3% of respondents were from Agra, and a total of 46.4% were from either Agra or Varanasi. Similarly, 74.1% of respondents were from either Agra, Varanasi, Allahabad, or Lucknow, and all 100% were from one of the six cities listed.

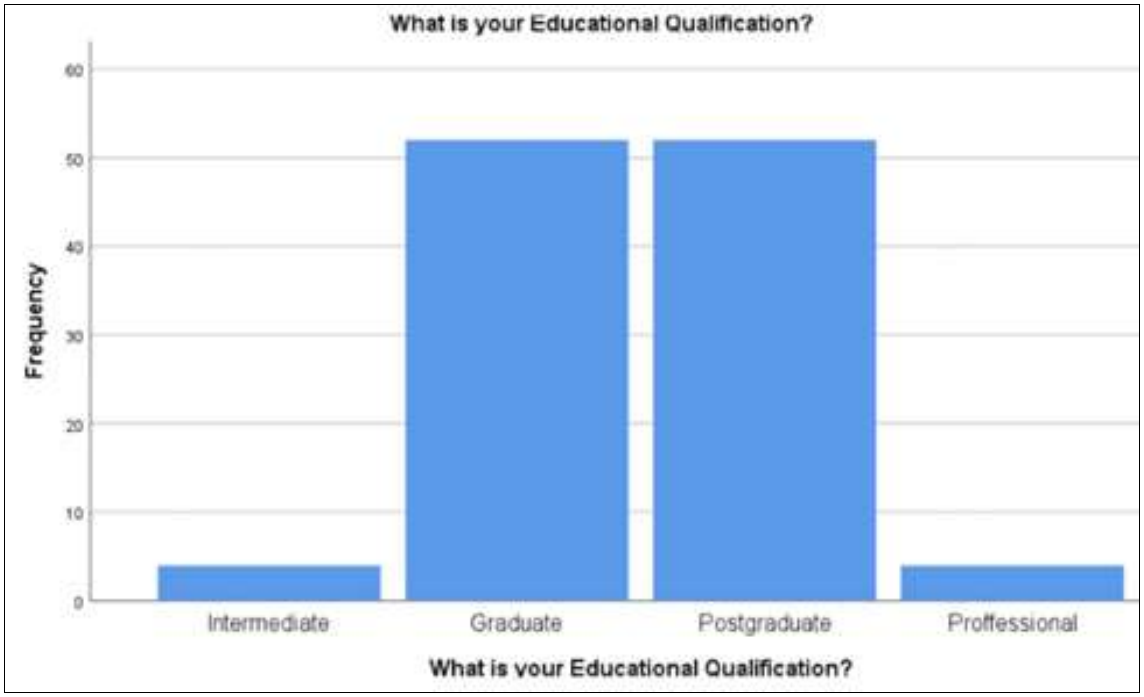

Fig 1: Educational qualification of Respondents

There was a total of 112 respondents, and the majority (46.4%) held a graduate degree, followed by an equal number of respondents (46.4%) holding a postgraduate degree. Only a small percentage of respondents held either an intermediate degree (3.6%) or a professional degree (3.6%).

The cumulative percent column indicates the percentage of respondents that fall within or below a particular category. For example, 50.0% of respondents held either an intermediate or a graduate degree, and a total of 96.4% held either an intermediate, graduate, or postgraduate degree. All 100% of respondents held one of the four educational qualifications presented in the table.

Table 3: Cumulative frequency data for experience in manufacturing sector

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 1	90	80.4	80.4	80.4
	1-5	18	16.1	16.1	96.4
	6-10	2	1.8	1.8	98.2
	10-15	1	.9	.9	99.1
	More than 15	1	.9	.9	100.0
	Total	112	100.0	100.0	

There was a total of 112 respondents, and the majority (80.4%) reported having less than 1 year of experience in the manufacturing industry. 16.1% of respondents reported having 1-5 years of experience, while only a small percentage reported having 6-10 years (1.8%), 10-15 years (.9%), or more than 15 years (.9%) of experience in the manufacturing industry.

The cumulative percent column indicates the percentage of respondents that fall within or below a particular category. For example, 96.4% of respondents reported having less than 5 years of experience in the manufacturing industry, and a total of 100% reported having some level of experience in the industry.

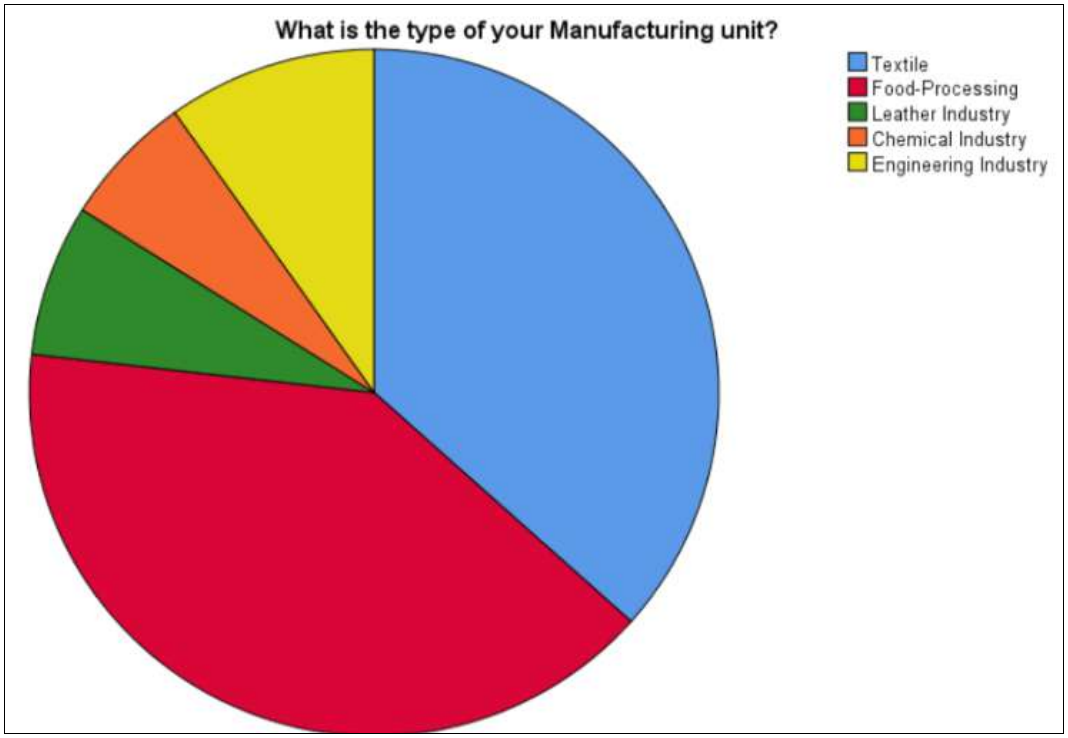

Fig 2: Types of Manufacturing Units

The table represents the frequency distribution of a categorical variable, likely related to a survey or study. The variable appears to be the type of manufacturing unit of the respondents, and the table shows the number and percentage of respondents falling within each category.

There were a total of 112 respondents, and the most common type of manufacturing unit reported was food-processing, with 45 respondents (40.2%). Textile manufacturing units were the second most common, with 41 respondents (36.6%). Other types of manufacturing units reported include engineering (9.8%), leather (7.1%), and chemical (6.3%).

The majority of respondents (97.3%) reported having heard of the Make in India initiative, while only 2.7% reported not having heard of it.

Table 4: Sources of information

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Through Advertisement	39	34.8	34.8	34.8
	Through News media	38	33.9	33.9	68.8
	Through government sources	24	21.4	21.4	90.2
	Other sources	11	9.8	9.8	100.0
	Total	112	100.0	100.0	

There were a total of 112 respondents. According to the table, the largest proportion of respondents (34.8%) reported becoming aware of the initiative through advertisements, while a similar proportion (33.9%) reported becoming aware through news media. A smaller proportion of respondents (21.4%) reported becoming aware of the initiative through government sources, and an even smaller proportion (9.8%) reported becoming aware through other sources.

The cumulative percent column indicates the percentage of respondents that fall within or below a particular category. For example, 68.8% of respondents reported becoming aware of the Make in India initiative through either advertisements or news media, while 100% of respondents reported becoming aware of the initiative through one of the listed categories.

Table 5: Changes observed in manufacturing sector

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Job creation	32	28.6	28.6	28.6
	Boost to the Economy	43	38.4	38.4	67.0
	Improved Technology	29	25.9	25.9	92.9
	Improved Investment climate	8	7.1	7.1	100.0
	Total	112	100.0	100.0	

According to the survey results, among those who observed changes in the manufacturing sector since the introduction of Make in India initiative, the majority (38.4%) reported a boost to the economy. This was followed by job creation (28.6%) and improved technology (25.9%). A smaller proportion of respondents (7.1%) reported an improved investment climate.

According to the survey results, 90.2% of the respondents

believe that the Make in India initiative has created new job opportunities in the manufacturing sector, while 1.8% think that it has not. Additionally, 8% of the respondents were not sure.

Table 6: Challenges faced by the manufacturing sector

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Reluctance of Banks for loan	21	18.8	18.8	18.8
	Low labour productivity	40	35.7	35.7	54.5
	Inefficient inventory management	13	11.6	11.6	66.1
	High Transportation cost	20	17.9	17.9	83.9
	Insufficient Power supply	10	8.9	8.9	92.9
	Weak channel of distribution	8	7.1	7.1	100.0
	Total	112	100.0	100.0	

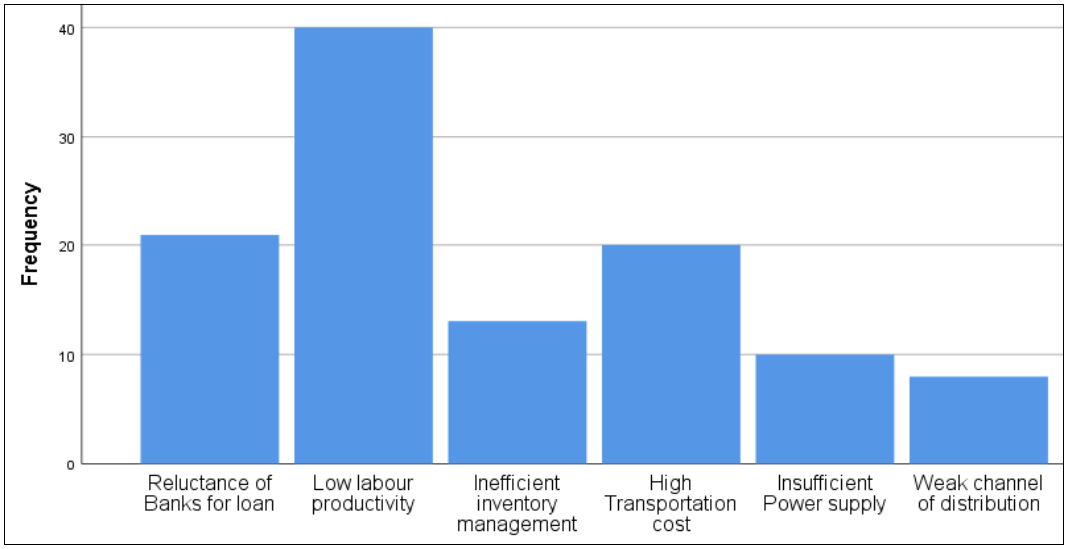

Fig 3: Challenges faced by the manufacturing sector

Based on the survey results, the major challenges faced by the manufacturing sector in Uttar Pradesh are:

Low labour productivity: This was identified as the most significant challenge, with 35.7% of respondents selecting it as a major issue. Reluctance of Banks for loan - 18.8% of respondents reported that banks' unwillingness to provide loans is a significant challenge. High Transportation cost - 17.9% of respondents identified high transportation costs as a significant challenge. Inefficient inventory management - 11.6% of respondents reported that inefficient inventory management is a major challenge. Insufficient Power supply - 8.9% of respondents identified a lack of adequate power supply as a significant challenge. Weak channel of distribution - 7.1% of respondents reported a weak channel of distribution as a significant challenge.

Table 7: Suggestions for Improvement in Initiative

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	To increase the reach of initiative in rural areas	36	32.1	32.1	32.1
	Proper guidance and training programme for units	39	34.8	34.8	67.0
	Regular monitoring of startups	23	20.5	20.5	87.5
	Ease in availability of financial resources	14	12.5	12.5	100.0
	Total	112	100.0	100.0	

It seems that the respondents have suggested the following ways to improve the Make in India initiative:

Increase the reach of the initiative in rural areas: 32.1% of the respondents suggested that the initiative should be extended to rural areas to encourage and support manufacturing activities there. Provide proper guidance and training programs for units: 34.8% of the respondents suggested that the government should offer guidance and training programs to manufacturers to help them improve their skills and knowledge. Regular monitoring of startups: 20.5% of the respondents suggested that the government should regularly monitor the progress of startups and provide necessary support to ensure their success. Ease in availability of financial resources: 12.5% of the respondents suggested that the government should provide easier access to financial resources to help manufacturers overcome the financial challenges they face.

Discussion

The survey results suggest that the Make in India initiative has been successful in creating job opportunities in the manufacturing sector. The majority of respondents (90.2%) believed that the initiative has created new job opportunities. Respondents also indicated that the initiative has had a positive impact on the economy, with 38.4% indicating that it has boosted the economy. However, respondents identified several challenges faced by the manufacturing sector in Uttar Pradesh, with low labour productivity being the most common issue identified by

35.7% of respondents.

The Make in India initiative was seen as very important for the development of Uttar Pradesh by the majority of respondents (79.5%), and 86.6% believed that the initiative has the potential to make India a global manufacturing hub. Furthermore, 83% of respondents would recommend the initiative to someone looking to start a business in the manufacturing sector.

When asked about suggestions for improving the Make in India initiative, respondents identified several areas for improvement, including increasing the initiative's reach in rural areas (32.1%), providing proper guidance and training programmes for manufacturing units (34.8%), and regular monitoring of startups (20.5%). Finally, respondents suggested that there should be an ease in the availability of financial resources for startups (12.5%). Overall, the survey results indicate that the Make in India initiative has been successful in creating new job opportunities in the manufacturing sector and has the potential to make India a global manufacturing hub. However, there are challenges that need to be addressed to further improve the initiative's impact.

Based on the results of the survey, it can be inferred that the Make in India initiative has made a positive impact on the manufacturing sector in Uttar Pradesh. The majority of the respondents believed that the initiative has boosted the economy, created job opportunities, and improved technology. Additionally, a large percentage of respondents believe that the initiative is very important for the development of Uttar Pradesh and has the potential to make India a global manufacturing hub.

However, the survey also highlights some of the major challenges faced by the manufacturing sector in Uttar Pradesh, including low labor productivity, inefficient inventory management, and high transportation costs. Respondents suggested that the initiative could be improved by increasing its reach in rural areas, providing proper guidance and training programs for units, regularly monitoring startups, and easing the availability of financial resources.

Overall, the survey shows that the Make in India initiative has been well-received by the manufacturing sector in Uttar Pradesh, but there is still room for improvement. The government and other stakeholders could take the feedback and suggestions of respondents into consideration while implementing and refining the initiative to further drive growth and development in the manufacturing sector.

Conclusion

In conclusion, the Make in India initiative has been perceived as a significant boost to the economy and job creation by the majority of respondents in this survey. The initiative has also been perceived as essential for the development of Uttar Pradesh and has the potential to make India a global manufacturing hub. However, there are several challenges faced by the manufacturing sector in Uttar Pradesh, such as low labour productivity, inefficient inventory management, and high transportation costs, among others. The survey participants suggested several improvements to the Make in India initiative, such as increasing its reach in rural areas, providing proper guidance and training programs for manufacturing units, regular monitoring of startups, and easing the availability of financial resources. Overall, the Make in India initiative has received positive feedback from respondents in this survey, and the suggestions provided could be used to enhance the initiative's effectiveness in promoting the manufacturing sector in India.

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