Wuhan Corona Virus is an Opportunity for Atmanirbhar Bharat

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Abstract: ***Atmanirbhar Bharat Abhiyan is the new version of "Make in India" announced by Hon'ble Premier on May 12, 2020 with a new vision. The detailed announcements were made in a five-day aid package by Finance minister Nirmala Suitaraman to mitigate the negative effects of the COVID-19 pandemic. She clarified that it is not intended to assume protectionism against other countries. The sectors requiring foreign direct investment and technology are always welcome. In the critical situation of a pandemic when international movement of goods and services was banned, India demonstrated the independent ability to manufacture personal protective equipment by growing this sector from zero to 1.50,000 pieces per day in early May, indicating the capability of Self-sustainability. The paper focuses on those sectors and areas that have potential for self-reliance in the future. It tries to analyze the constraints and put forward the various suggestions to use the existing capacity to become a global supplier.***

Keywords: Wuhan virus, self-reliance, Organic Farming, Active pharmaceutical Ingredients.

1. Introduction

Due to the COVID-19 pandemic, India experienced declining international trade, prompting the idea to achieve self-reliance in some sectors and become a global supplier. In 1991 the fiscal crisis, the BOP crisis and hyperinflation led to a new policy called LPG, namely liberalization, privatization and globalization. Likewise, since March 2020, regardless of the situation faced by both the world and India as a result of COVID-19, a new concept has developed that is the self-reliant India. With the impact of COVID-19, many countries are pursuing protectionist policies. India is a developing country; therefore it is very difficult to apply protectionism. But in some industries where we have the potential to achieve self-reliance, we can impose trade barriers to protect and develop domestic industries. As stated by the government, 12 industries, including auto parts, textiles, industrial machinery and furniture, food processing, organic farming, iron, aluminum and copper, agrochemicals, electronics, leather and footwear. Masks, disinfectants and fans have been identified to give more focus to become a global supplier. These products have been seen to have comparative advantages in that they can be produced domestically at a low cost. India also has huge potential in agrochemicals, pharmaceuticals and APIs (active pharmaceutical ingredients). “The idea behind self-reliance or Atmanirbhar is not to become an isolated country, but to allow India to emerge as the global nerve center of the complex modern multinational supply chains. The pandemic situation gave India another opportunity to become a showcased and leading country for the world by locating their product and improving supply chains to meet internal demands. Speaking to the Federation of Indian Chambers of Commerce and Industry in New Delhi, Secretary of State said that "India now has the opportunity to diversify global supply chains. In these changing times with an integration of the basic principles of supply and demand. with highly diversified value chains, emerging technologies and artificial intelligence, we provide a significant opportunity for other countries and mitigate supply chain disruptions through the increased use of innovative digital platforms and applications. ”

Opportunities for Indian Manufacturing Post-COVID-19

Speculation about possible economic scenarios has been central since lockdown was imposed in various parts of the world to limit the widespread spread of coronavirus in recent months. On the one hand, there is news of emotional and economic backlash against China due to the alleged blame for the COVID-19 pandemic, on the other, there is news of Chinese companies aggressively moving towards a full takeover of European brands such as Volvo & Hasselblad. China's own major part of the global medical supply chain for products that are critical to all countries today. China is back to work containing the virus through authoritarian oversight of technology. The fact is that the economies that efficiently manage COVID 19 will be ahead of others in the post COVID scenario. All said and done, the economic situation after COVID 2019 is unpredictable and blurry. A glimmer of hope is emerging for India as international companies seek alternative supply chains outside China. One of the main areas of interest to a global customer base is electrical and electronic equipment manufacturing. India exports electronic products worth $ 9 billion every year, while the domestic market is estimated at $ 120 billion. This vast field spans the manufacturing of electronic components in multiple industries, such as cell phones, automobiles, medical devices, consumer devices, and aerospace and defense. Companies such as Teledyne, Amphenol and Johnson & Johnson have expressed interest in India, also in March the Indian government announced a production-linked incentive scheme (PLI) for the electronics sector with spend in excess of 40,000 Cr to boost the industry. While things look positive for India in this area, the situation is much more complex than it may seem at first. The current crisis has exposed the vulnerabilities of the Indian manufacturing sector. China is India's largest importer, accounting for 14% + of total imports (approximately $ 68 billion in 2017-18). There is a need to develop a complete ecosystem for the production of these components. The ecosystem must be able to provide the customer with a complete solution, from design and development support, raw materials, critical special processes and manufacturing. Ecosystem development and investment in the manufacturing sector is a time-consuming activity. It takes several years to develop an alternative supply chain and shift production. Success factors include the ability of Indian suppliers to meet cost expectations and quality standards, ramp up production, government policies and regulations, and a steeper learning curve. While India has better infrastructure and ecosystem in mobile manufacturing and consumer electronics, there is an opportunity to create a strong position in the medical, automotive, aerospace and defense sectors. In addition to electronic manufacturing, there are also some positive signs in the textile and chemical sector. The need of the hour is to look more aggressively at these business opportunities. While the center and state are prioritizing dealing with COVID 2019 situation for now, they should also focus on the economic agenda following the COVID19 scenario and do their best to attract foreign investment while working strategically to achieve a environment of collaboration and collaboration between organizations.

2. Objectives of the Study

1) To find out the ability of some sectors to achieve self-reliance
2) To find out the troubles on the way to Atmanirbhar Bharat
3) To propose solutions to existing loopholes
4) To utilize available existing resources.

3. Research Methodology

The present study is based on secondary data collected from different journals, magazines, various books and websites which are mentioned in the references.

An Extension of Make in India:
There is no previous literature on this topic as it was recently introduced by the Prime Minister of India to make India a self-reliant country and make it a leading global supplier. There is some previous literature on "Make in India" that shares the same vein. A global perspective by According to Dr. (Smt.) Rajeshwari Shettar, SM Sheshgiri (2017), the 'Make in India' program shows drastic changes in many sectors such as aviation, automotive, biotechnology. increased investment in research and development will contribute to job creation. The 'Make in India' campaign is an imaginative idea of our Prime Minister to turn it into reality and to take part of China in global manufacturing, we need our infrastructure improve the ease of doing business, reform tax and labor. laws. Dr. RichaShrivastava explained in her paper that India has the opportunity to boost production. The government has taken several steps to encourage both domestic and foreign investors by removing the business barriers and increasing the purchasing power of the average person, helping to boost demand and create jobs. Union minister Rajnath Singh on Sunday announced restrictions on imports of 101 weapons and military platforms to promote the domestic defense industry. "The Ministry of Defense is now ready to give a major boost to the Atmanirbhar Bharat Initiative. MoD will impose an import embargo on 101 items outside a specified timeline to boost indigenous defense production." He added that the decision will provide "a great opportunity for the Indian defense industry to manufacture the items on the negative list by using their own design and development capabilities or by using the technologies designed and developed by DRDO. to meet the requirements of the armed forces. According to Singh, the list of 101 items that will be embargoed on their imports was prepared by the Ministry of Defense (MoD) after several rounds of consultations with all stakeholders, including the armed forces, the public and the private sector. Singh estimates that the domestic defense industry will receive contracts worth approximately Rs four lakh crore within the next six to seven years of the decision. ”The embargo on imports is expected to be phased in between 2020 and 2024.

Scope to boycott China
Prime Minister Modi started the campaign 'vocal for local' in his speech to Nation on 12 May 2020. He urged the people of India to buy and promote local goods and brands. The prime minister further stated that the global brands were once local, but when people started supporting them, they became global.

The Prime Minister's vote for the local vision was to make India self-reliant. This has resulted in the country's population boycotting Chinese goods and services, but the question is, is it really possible? Let's find out in the article below. India and China are known to be the two fastest growing economies in the world and India is one of the largest importers of Chinese goods and services in the world.

The trade deficit between India and China is the largest of the major trading partners. It is interesting to note that India imports almost seven times more from China than it exports to it. India imports goods worth more than $ 50 billion from China and exports goods worth $ 2.5 billion to China.

It is a known fact that Chinese products are much cheaper than their Indian counterparts. In addition, the Chinese government also provides subsidies to its exporters. India spends nearly 9% on transportation, energy, etc., but these costs are offset by import duties imposed by India on China. To avoid import duties, many Chinese companies use transhipment routes: shipping goods to Bhutan and then to India.

Can India really boycott Chinese products?
India imports many raw materials and finished products such as steel, minerals, etc. from China. When it comes to boycotting imports from China, it can only be done in the case of finished products, but imports of raw materials from China cannot be stopped. India also imports consumer durables such as electrical appliances, cell phones, cars, etc .; medicines such as leprosy medicines, antibiotics, etc. from China. Also, the Chinese smartphone market accounts for $ 8 billion of the Indian smartphone market (Lenovo, Oppo, Vivo, etc.). If India plans to boycott Chinese products, India's GDP will shrink drastically. Following Prime Minister Modi's launch of the 'Make in India' campaign,

many Chinese companies have installed their units in India, which has employed hundreds of thousands of workers in India. If India boycotts Chinese products, these companies could come under pressure from Chinese officials to stop their production in India, leaving hundreds of workers unemployed. It is interesting to note that almost every product we use has some China in it. Some parts of the smartphones, laptops, air conditioners, etc. that we use in our daily life are manufactured in China.We must understand that the current process of manufacturing is interconnected. For instance, a phone is manufactured with the help of Chinese labours and land, has investment from a different country say the US, has an innovation from Japan and could end up having Made in India apps. Each product has the same process when it comes to labour, investment, innovation, etc. Thus, it can be concluded that each nation can't be segregated and neither its good can be boycotted. Many countries in the world started boycotting products from different countries but failed due to the complex manufacturing process. A few of them are listed below:

1) In 1930, China tried boycotting all the Japenese products to protest against Japenese colonization but failed.
2) In 2003, the US attempted to boycott French goods to protest against France's refusal over sending troops to Iraq post 9/11 but failed again.

So is there any alternative?

Recently, Sonam Wangchuk answered many questions about boycotting Chinese products. He stated that the customer is king. This means that consumers must stop using Chinese products. He gave a mantra to systematically boycott China-made software in a week, hardware in a year, finished and non-essential products in a year, and essential products, raw materials, etc. in a systematic manner in the coming years. We can also implement an import substitution method in India to boycott Chinese products. This means that the products we import from China can be made in India, but that is not possible in the short term. The government of India, like China, must lower the rates at which loans are made to Indian companies. In addition, the government must provide infrastructure, services, etc. To prepare Indian companies for competition with China. India can boycott Made in China products, but in a systematic and planned manner, as indicated by Sonam Wangchuck. Trade between India and China is down nearly 12.4% year-on-year and to $ 12 billion in the first two months. The decline in trade was largely due to the slowdown in the two countries' economies. Due to lockdown, the Indian pharmaceutical industry is concerned as India is a major importer of the main raw material APIs (Active Pharmaceutical Ingredients) from China. Chinese investments in Indian start-ups - Zomato, Swiggy, Ola, Big basket, Udaan, Policy Bazaar etc. In 2018, Alibaba invested $ 216 million in online grocer BigBasket, $ 21 million in food delivery app Zomato. Tencent has invested $ 400 million in Ola and a huge amount in Paytm and Byzu's, an education start-up. Two-thirds of Indian start-ups are estimated to be worth $ 1 billion, according to data from think tank Gateway House. It is not much harmful to the country if the percentage of Chinese investment is lower. But if the percentage goes up to 40%, like in the case of paytm, then we shouldn't use it. It is also dangerous if the percentage of the Chinese share exceeds 50%, as it gives the Chinese companies decision-making power. NitiAayog member ShriV.K. Saraswat had said that UP companies in Kanpur should avoid importing raw materials for the production of bulletproof jackets due to the constant supply of low-quality raw materials and switch to American and European countries for raw material imports. India's leading multinational engineering, construction, technology and financial services conglomerate L&T (Larsen & Toubro) is committed to reducing dependence on Chinese products. L&T CEO ShriSN Subrahmanyam said they are firmly behind the 'Make in India' policy to develop local manufacturing and build an ecosystem for producing efficient and cost-effective substitutes for the company. producing important technical and technological products and building nearly all nuclear reactors for power generation over eight decades. India should negotiate trade-related aspects with Australia and the European Union to encourage trade with others instead of China.

Sectors with the potential to achieve self-reliance in the future

Today, companies in the production space are staring at a demand that has completely disappeared over the past 100 years from an unprecedented challenge! Lack of demand and lack of revenue streams impact cash flows for all organizations. The impact on cash flow makes it even more challenging for micro, small and medium enterprises (MSME) in particular, until demand picks up again. The global expectation of recovery is varied and can range from a V-shaped or W-shaped to an L-shaped recovery. Regardless of the form of recovery, the silver lining is that the human need has not gone away, but is simply set to hibernate for a while. Until the recovery begins, it will be difficult for MSMEs to compete in the market if they don't have the money. The solid measures announced by the government will ease liquidity for SMEs and help them prepare for a post-Covid recovery phase. At the same time, it will be important that SMEs use this influx wisely for current and future business needs, to help them meet demand when it arises and to create food and sustainability. For a self-reliant India, a robust local manufacturing sector can be a strong lever for economic growth. This requires greater localization of supply chains and the building of industrial clusters in the country. A strong impetus for the growth and recovery of MSME in the FM Rs 20-lakh-crore economic stimulus package, will give a tremendous boost to the creation of an ecosystem that promotes survival and the creation of local production. With the new definition of MSMEs announced by the government, they can now look forward to continued growth. Larger MSMEs can play a very strong role in creating the manufacturing ecosystem, provided they can maintain a long-term vision.

India has the potential, the resourcefulness and the ecosystem to efficiently and equitably make its vision of one of the most attractive investment destinations possible. As the government sets in motion the Prime Minister's vision of a self-reliant India or Atmanirbhar Bharat, it is a must to embrace "technology" at an increasing pace in all sectors of industry, society and nation-building. Technology and manufacturing go hand in hand with one creating a revival for the other and in fact creating a positive spiral.

Technology has changed our world; it has changed the way businesses behave today. A thriving local industry powered by India's proprietary technology will also provide a suitable platform for its skilled and ambitious manufacturing workforce. Despite these turbulent times, India's recovery and possible rise as a superpower would require the development of all elements of national power to safeguard the country's interests and enable us to play a more effective role in the regional and global arena. By establishing large infrastructure programs, appropriate reforms aimed at improving the ease of doing business, building more partnerships for co-creation opportunities, creating a pool of highly skilled talent, intelligently applying technology and moving up the value chain of real growth potential with success. It must be a value arbitrage that India must create in the future and not just a cost arbitration. We envision a new India with greater strategic autonomy and technological foresight to anticipate and respond to the challenges of the future.

Kapda Udyog of India

The Indian textile industry is the second largest industry after agriculture in terms of economic contribution and job generation. The textile and clothing sector contributes 14% to industrial production, 4% to India's GDP and represents 15% of the country's export earnings. India imports accessories and raw materials from China for the textile industry. Global suppliers are looking for alternatives to textiles. China is the largest exporter and main importer of all finished products and raw materials. The Indian textile industry is the second largest producer of raw cotton, cotton yarn, cellulose fiber yarn, in silk production. It is also the largest producer of jute and the fourth largest producer of synthetic fibers. India exports 25 million kg of cotton yarn to China every month. We have to analyze both positive and negative sides, i.e. threats and opportunities. The production costs of textiles increase by 3 to 5%. The closure of branches in China has led to a decrease in the demand for textiles. India will be the market of choice for clothing sourcing. The clothing industry also imported synthetic fibers from China. Therefore, clothing importers have to switch to other countries. This is the opportunity for the domestic manufacturer to supply the fabric to the garment exporter. China's share of the export market is approximately 40%. Not only India, but also other countries, such as Vietnam, imports Bangladesh from China. In the event that they are not from China, these opportunities can be diverted to India. According to a recent report by the India Brand Equity Foundation, India's total textile exports in fiscal year 2017-18 were $ 39.2 billion and are expected to increase to $ 82.00 billion by 2021 (to January 19). Many textile industries have started manufacturing PPE kits and masks. India has become the second largest manufacturer of PPE kits worth Rs 7000cr. 600 companies producing PPE kits across the country. Polyester sportswear companies manufacture 7 to 8,000 PPE sets per day. The fabric for PPE kits comes from Nasik, Zindal, Himachal, Gujarat, South India etc. goods we will lose the odds in the next two to three months until we don't improve.

Organic Farming in India

The 2018 World Organic Agriculture report reveals that India is the third of the world's organic food producers. Indian organic food market is approx. $ 1.5 billion from the $ 250 billion global organic food market. Northeastern states of India have developed into a center of organic farming with their efforts. Organic farming could become a huge movement in the Northeast and dominate the world market. Sikkim has taken the lead in converting their whole products to organic cultivation. Indian organic agriculture is estimated to grow at a rate of 25% per year. Enabavi, Telangana's first leading organic or chemical-free village, is the best example of organic farming and shows tremendous potential in Indian agriculture allowing farmers to produce more than subsistence minimum. A farmer from this village said that the effort of one farmer can do nothing; every farmer must do something to improve the health of Mother Earth, which is spoiled by overuse of fertilizers. Therefore, everyone in Enabavi village practices natural farming. Previously, there were a large number of farmers who committed suicide due to uncertain weather, but after adopting natural farming their life has changed, now they have become debt free and every farmer has a bike and tractor and their life has become easy.

Automobile Industry of India

According to the Secretary of State, the Indian auto industry, especially inexpensive cars, including two- and three-wheelers, will have a larger market in developing countries. India is already the fourth largest car market in the world. It contributes 7% of the GDP, 40% of the Indian production and directly or indirectly involves 45 million Indians. The Make in India Initiative has played an important role in building the country's position. In the past three to four years, India has improved on nine out of ten parameters of ease of doing business. The automotive industry in India has transitioned from traditional roles to a digital environment to increase connectivity with its customers. India is known for its frugal engineering and low-cost management talent. Many international companies called it "Jugaad" to develop products at a low cost, but that have enough value to attract demand. In order to make our country self-reliant in the automotive industry, our manufacturers should not wait for outsiders, as we are not only car manufacturers, but also component manufacturers, technology and service providers. Employees are an asset to any industry, so it is better to create an Auto Industry workers Benefit fund and make more investment to train them so they can get a job. There is a need for significant investment in research and development which, while acknowledged by "Jugaad", will establish a clear protocol promoting innovation and solutions. It is required to build a PAN - India supply chain network for displaced workers and work with low interest loans.

Pharmaceutical Industry of India

In 1969 the Indian pharmaceutical industry had a 5% share of the world market. In 2020 it will be the other way around, now the Indian pharma has a share of almost 85% of the world market. Over the past more than 50 years, India has managed to conquer the domestic market and has the potential to play the role of 'pharmacy of the world'. According to Pharmexil, India exported pharmaceuticals worth $ 200.02 million in fiscal 2018, with a recorded growth of 37.52%. China's over-reliance on APIs needs to be reduced as the continued increase in imports of raw materials from China shows an alarming situation for India. Pharmaceutical industry. In 2015, Dr. V.K.Subburaj, Pharmaceutical Division Secretary, Achieving Self-Sufficiency in APIs. In 2018, the Ministry of Chemistry and Fertilizer worked with other ministries to increase production of APIs domestically to reduce dependence on China. To harness the real potential of the industry and accelerate the available opportunities, the Indian pharmaceutical industry produces according to market demand and devotes more to R&D. Existing policies should be kinder so that local industries can produce the core of the industry. Many of the best pharmaceutical companies have already set up their factories in Vishakhapatnam for the production of APIs to access the sea routes and airports and to create the more focused Center of Excellence for the pharmaceutical sector. Pharmaceutical Industry: In 1969, the Indian pharmaceutical industry had a 5% share of the world market. By 2020 it will be the other way around, now Indian pharma has a share of almost 85% of the world market. Over the past more than 50 years, India has managed to meet the domestic market and has the potential to play the role of 'pharmacy of the world'. According to Pharmexil, India exported pharmaceuticals worth $ 200.02 million in fiscal 2018, with a recorded growth of 37.52%. China's over-reliance on APIs needs to be reduced as the continued increase in imports of raw materials from China shows an alarming situation for Indian. Pharmaceutical industry. In 2015, Dr. V.K.Subburaj, Secretary of the Pharmaceuticals Division, emphasized achieving self-sufficiency in APIs. In 2018, the Ministry of Chemistry and Fertilizer teamed up with other ministries to increase production of APIs domestically to reduce dependence on China. In order to grasp the real potential of the industry and accelerate the opportunities available, the Indian pharmaceutical industry produces according to market demand and spends more on R&D. Existing policies should be kinder, so that local industries can manufacture the core of the industry. Many of the best pharmaceutical companies have already set up their factories in Vishakhapatnam for the production of APIs to access the sea routes and airports and to create the more focused Center of Excellence for the pharmaceutical sector.

4. Conclusion

Self-reliance Bharat compaign is a long-term concept. It is very difficult to achieve in the short term because since 1991 all economies have been integrated under the LPG policy. From the above study, it is concluded that the Indian economy has enormous potential to achieve self-reliance, but it requires proper implementation of laws set by the government and proper allocation of government-allocated resources. Not only in the city, but also in the countryside has a great development capacity if good policy is made and implemented. The government must offer all facilities to develop those sectors that have the potential to take innovative steps. This is not only the responsibility of the government but also of the consumer to consume domestically produced goods, as demand is the main determining factor in developing a sector. India is not only capable of producing basic products but also has the capacity to produce highly technical products.

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