

**DEPARTMENT OF INDUSTRIAL POLICY & PROMOTIONS**

**MAJOR ACHIEVEMENTS**

**(April 2016-July 2016)**

## **MAJOR EVENTS, MEETINGS, SEMINARS etc.**

**(1) START UP INDIA-** The Department of Industrial Policy and Promotion (DIPP) organised a day-long **Startup India States'** Conference on **23<sup>rd</sup> July, 2016** in New Delhi which was inaugurated and presided over by the Hon'ble Minister of State (I/c) for Commerce and Industries, Ms. Nirmala Sitharaman. The aim was to provide a platform for States to discuss the progress made on the action points of Startup India initiative and to interact with other stakeholders of the ecosystem. Five States namely Gujarat, Karnataka, Kerala, Telangana and Rajasthan shared their experiences in policy making, implementing reforms, providing incentives and setting up institutions to help startups thrive.

In the Panel discussion with Startup founders in the light of their experiences, it was emphasised that though startups are driven by an idea they need to develop the flexibility to make course corrections. In the session with Incubators the need to include a course on entrepreneurship to inculcate the spirit among youth of country and the key role that incubators in educational institution play was highlighted; the missing links and hurdles in selection of right mentors was also discussed. Discussions with Investors brought out the need for startups to understand the importance of accountability, break-even and sustainability was emphasised. It was ascertained that the Department is keen in working together with the ecosystem partners and to ensure that startups get the required support and handholding to grow and prosper.

**(2) MAKE IN INDIA-** A seminar on 'Make in India' was organized by Embassy of India, Cairo, Egypt with support of Invest India on 27<sup>th</sup> April, 2016 at Cairo with an objective to increase awareness of the 'Make in India' initiatives, provide updates on Government policies to promote India as business and investment destination among the potential Egyptian investors. Among the 25 identified high priority sectors, focus was given in the presentation on Automobile, Infrastructure, Pharmaceuticals, Chemicals, IT & BPM, Food Processing, Tourism, Renewal Energy, Textile and Garments. Representatives from prominent, Federation of Egyptian industries, Egyptian Business Association, senior officials from General Authority for Investment and Free Zones (GAFI), officials from Chambers of Commerce attended the event.

Secretary DIPP reviewed the progress on achievement of milestones, both short term and long term, of 'Make in India' Action Plan of 24 Sectors. Officials of the concerned Departments and Industry representatives participated in these review meetings. Industry representatives provided detailed feedback on Industry's perspective on achievements of 'Make in India' milestones and gave suggestions for further action. The Ministries/Departments have been requested to expedite action on milestone for their timely completion.

### **(3) NATIONAL MANUFACTURING POLICY-**

- 4<sup>th</sup> meeting of Green Manufacturing Advisory Committee (GMAC) constituted under National Manufacturing Policy (NMP) was held on 22<sup>nd</sup> April, 2016 for considering the proposal under Technology Acquisition and Development Fund (TADF) Scheme. A total number of 7 proposals (for Cycle-II), under the categories of acquisition technology, clean technology in manufacturing and solid waste management, were considered and approved by the GMAC under the Scheme. These efforts will foster innovation in Green Technology.

- 4<sup>th</sup> meeting of High Level Committee (HLC) constituted under the National Manufacturing Policy held on 13<sup>rd</sup> May, 2016 for considering the **final approval** of National Investment & Manufacturing Zones (NIMZs) at Kalinganagar, Jajpur district in Odisha. The NIMZ at Kalinganagar, Jajpur district in Odisha was approved by the Government.
- 3<sup>rd</sup> meeting of Panel of Experts (PoE) for evaluation of 44(Fourth Four) proposals, submitted by the applicants for Cycle-3, under Technology Acquisition and Development Fund (**TADF**) Scheme held in July, 2016. Out of these 44 proposals, PoE has recommended for 30 proposals under the categories of direct/indirect technology acquisition; manufacturing equipments/technology; and water management. These proposals will now be considered by the GMAC for final approval under the TADF Scheme.

## **MAJOR ACHIEVEMENTS/SIGNIFICANT DEVELOPMENTS**

**(1) LAUNCH OF IPR POLICY**-The Union Cabinet on 12<sup>th</sup> May, 2016, approved the National Intellectual Property Rights (IPR) Policy that will lay the future roadmap for intellectual property in India. The Policy recognises the abundance of creative and innovative energies that flow in India, and the need to tap into and channelise these energies towards a better and brighter future for all. For details visit [http://dipp.gov.in/English/Schemes/Intellectual\\_Property\\_Rights/National\\_IPR\\_Policy\\_08.08.2016.pdf](http://dipp.gov.in/English/Schemes/Intellectual_Property_Rights/National_IPR_Policy_08.08.2016.pdf).

**(2) FOREIGN DIRECT INVESTMENT (FDI) - Consolidated FDI Policy Circular of 2016'** the ninth edition of the series was released on 7<sup>th</sup> June, 2016. This edition incorporates all FDI policy amendments carried out since the release of last FDI Circular i.e. since May 12, 2015. FDI Policy Circular, 2016 has been made simpler and investor friendly; and will serve as a ready reference for foreign investors on various provisions of the FDI policy. For details visit [http://dipp.nic.in/English/Policies/FDI\\_Circular\\_2016.pdf](http://dipp.nic.in/English/Policies/FDI_Circular_2016.pdf)

DIPP issued Press Note 5 (2016 Series), on 24<sup>th</sup> June, 2016, giving effect to FDI policy reforms announced on 20<sup>th</sup> June, 2016. The policy amendments became effective from the date of release of the press note. The major highlights of the newly announced policy are as follows:-

- 100% FDI permitted under government approval route for trading, including through e-commerce, in respect of food products manufactured and/or produced in India
- In Defence, FDI beyond 49% permitted through government approval route, in cases resulting in access to modern technology in the country or for other reasons to be recorded
- FDI limit for defence made applicable to Manufacturing of Small Arms and Ammunitions covered under Arms Act 1959
- 100% FDI under automatic route allowed in Broadcasting Carriage Services
- 74% FDI under automatic route permitted in brownfield pharmaceuticals
- FDI beyond 74% under government approval in brownfield pharmaceuticals
- 100% FDI under automatic route permitted in Brownfield Airport projects
- FDI limit for Scheduled Air Transport Service/ Domestic Scheduled Passenger Airline and Regional Air Transport Service raised to 100%
- FDI up to 49% under automatic route and FDI beyond 49% through Government approval in Air Transport Service/ Domestic Scheduled Passenger Airline and Regional Air Transport Service

- Foreign airlines would continue to be allowed to invest in capital of Indian companies operating scheduled and non-scheduled air-transport services up to the limit of 49% of their paid up capital
- FDI limit for Private Security Agencies raised to 74%
- FDI up to 49% allowed under automatic route and, beyond 49% and up to 74% with government approval in Private Security Agencies
- RBI permission not required for establishment of branch office, liaison office or project office or any other place of business in India if the principal business of the applicant is Defence, Telecom, Private Security or Information and Broadcasting
- Local sourcing norms relaxed up to three years for entities undertaking Single Brand Retail Trading of products having 'state-of-art' and 'cutting edge' technology
- FDI linked conditions removed for foreign investment in Animal Husbandry (including breeding of dogs), Pisciculture, Aquaculture and Apiculture.
- For details visit [http://dipp.nic.in/English/acts\\_rules/Press\\_Notes/pn5\\_2016.pdf](http://dipp.nic.in/English/acts_rules/Press_Notes/pn5_2016.pdf).

### (3) INDUSTRIAL INFRASTRUCTURE (DELHI MUMBAI INDUSTRIAL CORRIDOR) -

- **Information and Communication Technology (ICT) consultants for Dholera Special Investment Region (activation area admeasuring 22.5 sq kms) have been appointed in the month of May, 2016** who will design the systems/sub-systems, write specifications, define service level agreements, key performance indicators etc. for engaging one Systems Integrator or multiple System Integrators downstream. The system integrator(s) will in turn implement the complete ICT network on ground to connect all city services to IT network.
- **Mass Rapid Transit System (MRTS) project between Ahmedabad to Dholera is being implemented so as to provide last mile connectivity to the Dholera Special Investment Region. The Detailed Project Report (DPR) has been finalized and approved by the State Govt. of Gujarat in the month of May, 2016.**
- The **Global City Project** is being implemented as part of phase-1 development of Manesar Bawal Investment Region in Haryana on a land parcel admeasuring 1100 acres. It is being planned with Financial/ Business Center as an integral part and growth driver. The city would thrive on world class infrastructure backbone built on smart city concept by integrating water, power, and connectivity to integration of IT services in managing various public utilities of the area. The project consultants have been appointed for finalizing the feasibility and preparation of master plan. **The Joint Venture Agreement (JVA) has been executed between DMIC Trust and HSIIDC in June, 2016. Steps have been initiated for formation of the project SPV.**
- **Mass Rapid Transit System (MRTS) is planned between Gurgaon and Bawal (Haryana) to provide direct connectivity to MBIR. The objective of the Mass Rapid Transit System (MRTS) connectivity is to provide for reliable, fast and adequate rail-based commuter connectivity, giving an impetus to the existing and proposed MBIR. In Phase – I, it is envisaged that the project will be implemented for Gurgaon to Panchgaon Section. The State Govt. has accorded its approval on the final Detailed Project Report (DPR) and the same has been forwarded to DEA with a request for inclusion in the JICA Special Rolling Plan for DMIC Project. The Joint Venture Agreement (JVA) has also been executed between DMIC Trust and HSIIDC in June, 2016. Steps have been initiated for formation of the project SPV.**

- The Integrated Multi Modal Logistics Hub (IMLH) Project in Haryana is envisaged to function as a dry port supplementing not just the storage, aggregation and export/import of the industrial freight in the region but also value addition services that shall allow for finishing of goods, packing, repacking, etc. within the facility alongside commercial space to host the freight companies within the campus. The techno-economic feasibility study along with the preparation of Master Plan is being undertaken for the newly identified site at Nangal Chaudhary, Narnaul Village. Land admeasuring 1000 acres has been identified at villages Talot, Ghatasher and Bashirpur, Tehsil Narnaul, District Mahendergarh for the project. **The Joint Venture Agreement (JVA) has been executed between DMIC Trust and HSIIDC in June, 2016. Steps have been initiated for formation of the project SPV.**
- A Logistics Data Services Project is implemented by DMICDC that will integrate information with various agencies across supply chain to provide detailed real time information in a single window. The concept of the Logistics Data Bank (LDB) has been developed to address the issue of tracking and viewing the movement of freight containers across the ports to the ICDs and end users. The LDB would be an overarching solution that will integrate the information available with various agencies across the supply chain to provide detailed real time information within a single window. The LDB would also provide value added services including comparative matrix based analysis. This would enable the Government of India, State Governments, importers, exporters and other stakeholders to assess comparative performance; identify inefficiencies and bottlenecks to develop strategies to ensure the development of the sector. **The project has been launched on 1<sup>st</sup> July, 2016 at JNPT Port, Mumbai.**
- The model Solar Power Project is conceived as the first Smart Micro-Grid project in India, demonstrating the integration of solar power with industrial diesel generator sets (as the backup facility). The Model Solar Power Project consists of the development of 6 MWp Solar PV and 1.6 MW Diesel Generator Set integrated with a Smart Micro Grid feeding power to industrial consumers in Neemrana Industrial Park. 5MW Project has been commissioned and running successfully with power being sold to NTPC NVN. **The Power Purchase Agreement (PPA) has also been executed between M/s MIKUNI India Private Limited and DMICDC Neemrana Solar Power Company Limited on 17<sup>th</sup> May, 2016 for implementation of 1MW Project.**

#### **(4) KOREA PLUS-**

- Smt. Nirmala Sitharaman, the Hon'ble Minister of Commerce & Industry, Government of India and Mr. Joo Hyunghwan, the Hon'ble Minister of Trade, Industry & Energy, Government of the Republic of Korea, launched Korea Plus, a special initiative to promote and facilitate Korean Investments in India on 18<sup>th</sup> June 2016 in New Delhi.
- An MOU for establishing Korea Plus was earlier signed between the Ministry of Trade, Industry and Energy, Govt. of the Republic of Korea and Invest India, the National Investment Promotion & Facilitation Agency of India in January 2016. This MOU came as an outcome of the visit of the Hon'ble Indian Prime Minister to South Korea in May 2015.
- The launch took place in the presence of Mr. Cho Hyun, the Honourable Ambassador of the Republic of Korea to India, officials of the Department of Industrial Policy and Promotion, Korea Trade Investment Promotion Agency (KOTRA), Invest India team and several Korean Business delegates.

- Korea Plus, comprises of a representative from the Ministry of Industry, Trade and Energy, Government of the Republic of Korea and representative from Korea Trade Investment and Promotion Agency (KOTRA) and three representatives from Invest India.
- India and the Republic of Korea relations have made great strides in recent years and Korea Plus will act as a catalyst in making these relations even more robust.

**(5) PUBLIC FINANCIAL MANAGEMENT SYSTEM (PFMS) -**

- Hon'ble Prime Minister has emphasized the need for improved financial management in implementation of Central Plans Schemes so as to facilitate Just-in-Time Releases and monitor the usage of funds including information on its ultimate utilization.
- Action plan for roll out of PFMS and NTRP has been drawn and action thereon initiated with the objective of Just-in-time release to the Ultimate Beneficiary of schemes for implementation of DBT. All the releases, both Plan and Non-Plan are being made electronically through PFMS. A full day training on 02.06.2016 on "PFMS: Issues & Challenges" was organized for DDOs. DBT Cell was created and Standard Operating Procedures were finalized for proposed DBT portal.
- The Life Certificate is an annual feature of pension disbursement. AADHAR Number may be used in future for electronic submission of Life Certificate by the pensioners. So, the work of AADHAR seeding of Pension Payment Order has been launched.
- The Public Sector Bank authorized to collect the receipts had remitted it in Government Account after permissible period and accordingly penal interest was imposed on them. An amount of **Rs.9,18,75,882** has been recovered as Penal Interest in June, 2016.
- The Office of CCA (Industry) is repository of valuable information in respect of receipt, expenditure, budget, Utilization Certificates etc. This information is a valuable tool in the hands of management for decision making. This information is being uploaded and updated on ccaind.nic.in for use by all levels of management.

**(6) OTHER IMPORTANT ISSUES:-**

- The Ministry of Commerce & Industry has given approval to establishment of Mega Leather Cluster at Kota Mandal, Nellore district, Andhra Pradesh with a central government assistance of Rs 125 Crores. The project sanctioned under Indian Leather Development program would create state of the art infrastructure for labour intensive units and is expected to generate employment for 20,000 people and leverage an investment of at least Rs 500 Crores in the first phase itself.
- Commerce & Industry Minister Smt. Nirmala Sitharaman has given approval to begin academic session for National Institute of Design (NID), Kurukshetra from 2016-17. NID, Vijayawada also began its academic session last year. Earlier, the Commerce Minister had approved setting up of 4 new NIDs in Hyderabad, Goa, Varanasi & Jaipur. The aim is to establish India as a hub for world class designing & NIDs shall play a crucial role by providing the skills to empower our human capital towards world class designing.

\*\*\*\*\*