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Chapter

The role of the Department of Industrial Policy and Promotion (DIPP) is to promote the industrial sector in India and facilitate balanced development of industries.

Under the seventh schedule of the Constitution, those industries which are declared by Parliament by law in the public interest to be under control of Union, are administered by DIPP. Other than this Constitutionally delineated role, in matters relating to development of industries by the Union, explosives, matters relating to UNIDO, patents, inventions and designs, trademarks and merchandise marks, manufacture, supply and distribution of salt by Union agencies and regulation and control of manufacture, supply and distribution of salt by other agencies, are specifically administered by the Department of Industrial Policy and Promotion on behalf of the Union of India. Further, the Department is also responsible for boiler industries, which is in the Concurrent List.

Objectives, Functions, and Laws

The broad objectives of the Department, in line with its defined role as above are as follows:

i) Accelerating industrial growth by providing financial, infrastructural and other support.

ii) Facilitating foreign investment in industries and coordinating faster implementation of investment approvals.

iii) Facilitating development of industries in North East and other special category states.

iv) Improving intellectual property rights regime consistent with the country's international commitments and increase output and efficiency in Trade Mark and Patent Offices.

v) Maintaining a sound information base of macroeconomic indicators of industrial production and prices.

vi) Initiating measures towards procedural changes to make functioning of the department more transparent and responsive.

Over the years, the role of DIPP has evolved from being a regulator and administrator of the industrial sector to that of a facilitator of new technology, and of Foreign Direct Investment inflows into the country.
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Over the years, the role of DIPP has evolved from being a regulator and administrator of the industrial sector to that of a facilitator of new technology, and of Foreign Direct Investment inflows into the country.
The key functions of DIPP are:

i) Formulation and implementation of industrial policy and administration of Industries (Development & Regulation) Act, 1951.


iii) Promotion of industrial development in North East and special category states of J&K, Himachal Pradesh and Uttarakhand through appropriate incentives.

iv) Formulation of Foreign Direct Investment Policy and promotion and facilitation of direct foreign and non-resident investments.

v) Association as nodal department for investment related issues in Bilateral/Regional Economic Cooperation Agreements.

vi) Formulation of policies relating to Intellectual Property Rights in the field of Patents, Trade Marks, Industrial Design and Geographic Indication of Goods and administration of regulations and rules under IPR.

vii) Compilation of Wholesale Price Index and monthly industrial production statistics for use in construction of the Index of Industrial Production.

The Department of Industrial Policy and Promotion administers the following Central Legislations through its attached/subordinate offices and statutory organizations:


c) The Salt Cess Act, 1953, is administered through the Office of the Salt Commissioner, Jaipur.

d) The Boilers Act, 1923, is administered through the Indian Boiler Regulations, 1950, framed by the Central Boilers Board, which is a statutory body under the said Act. Enforcement of this Act is the responsibility of both the State and Union governments since the subject

The Organization Chart of the Department of Industrial Policy

The Department of Industrial Policy and Promotion is the nodal organisation for various other agencies like the National Intellectual Property Rights Enforcement Committee (NIPEGC), which is an inter-ministerial body with a Central Government chairman. The Department also administers the following statutory bodies:

- The Intellectual Property Appellate Board, which is a statutory body under the Trade Marks Act, 1999.
- The Intellectual Property (Amendment) Act, 2005, which empowers the Department to make amendments to the Trade Marks Act, 1999.

The Department has taken up the National Manufacturing Policy (NMP) with the States and has notified the National Manufacturing Policy (NMP) in 2011. In order to bring about a quantitative and qualitative change and to give necessary impetus to the manufacturing sector, the National Manufacturing Policy was announced in 2011.

The Department is responsible for the overall Industrial policy and administration of industries specifically assigned to it. This includes the formulation and implementation of policies and regulations related to the manufacturing sector. The Department is also responsible for monitoring and stimulating industrial growth in general.

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“Boiler” is listed in the concurrent list of the Constitution of India.

Organization of DIPP

The Organization Chart of the Department of Industrial Policy and Promotion is at Appendix-I while the list of attached and subordinate offices and other organizations under the Department is at Appendix-II.

Industrial Policy

The Department is responsible for formulation and implementation of promotional and developmental measures for growth of the industrial sector, keeping in view the national priorities and socio-economic objectives. While individual administrative ministries look after the production, distribution, development and planning aspects of specific industries allocated to them, this department is responsible for the overall Industrial Policy. The Statement of Industrial Policy 1991, tabled in Parliament as a Resolution, forms the basis of the subsequent steps taken by the Government under the Policy to liberalize and promote industries over the years, including the Foreign Direct Investment (FDI) Policy and the specific National Manufacturing Policy (NMP) announced in 2011.

National Manufacturing Policy

In order to bring about a quantitative and qualitative change and to give necessary impetus to the manufacturing sector, the Department has notified the National Manufacturing Policy (NMP) with the objective of enhancing the share of manufacturing in GDP to 25% and creating 100 million jobs over a decade. The policy is based on the principle of industrial growth in partnership with the states. The Central Government will create the enabling policy frame work, provide incentives for infrastructure development on a Public Private Partnership (PPP) basis through appropriate financing instruments, and State Governments will be encouraged to adopt the instrumentalities provided in the policy. The Department has taken up the implementation of the policy in consultation with relevant Central Government agencies as well as the states.

Foreign Direct Investment (FDI) Policy

The Department of Industrial Policy & Promotion is the nodal Department for formulation of the policy of the Government on Foreign Direct Investment (FDI). It is also responsible for maintenance and management of data on inward FDI into India, based upon the remittances reported by the Reserve Bank of India.

The FDI policy is reviewed on an ongoing basis, with a view to making it more investor-friendly. With a view to attracting higher levels of FDI, Government has put in place a liberal policy on FDI, under which FDI, up to 100%, is permitted, under the automatic route, in most sectors/ activities. Significant changes have been made in the FDI policy regime in recent times, to ensure that
India remains an increasingly attractive investment destination. The Department plays an active role in the liberalization and rationalization of the FDI policy. Towards this end, it has been constructively engaged in extensive stakeholder consultations on various aspects of the FDI policy.

Specific Industries Administered by DIPP

The Department monitors industrial growth and production in general and in select industrial sectors such as leather, cement, paper and pulp, tyre and rubber, light electrical industries, consumer goods, consumer durables, light machine tools, light industrial machinery, light engineering industries etc. as indicated in the allocation of Business Rules, 1961. Appropriate policy interventions are made, as required by the emerging concerns from time to time.

For overall development of leather sector, the Department administers the Indian Leather Development Programme (ILDP). The scheme aims at augmenting raw material base, enhancing capacity, addressing environmental concerns, human resource development, infrastructure development, attracting investment and global marketing of Indian leather industry.

Investment Promotion and International Cooperation

The Department plays an active role in investment promotion, through dissemination of information on the investment climate and opportunities in India and by advising prospective investors about investment policies and procedures and opportunities. International Co-operation for industrial partnerships is solicited through both bilateral and multilateral arrangements. It also coordinates with apex industry associations like Federation of Indian Chambers of Commerce and Industry (FICCI), Confederation of India Industry (CII), the Associated Chambers of Commerce and Industry (ASSOCHAM), etc; in their activities relating to promotion of industrial cooperation, both through bilateral and multilateral initiatives intended to stimulate the inflow of foreign direct investment into India.

At bilateral level, DIPP is the nodal Department for the Indo-Swedish, Indo-Libyan, Indo-Hungarian, Indo-Polish and India-Belarus Joint commissions. In addition, Joint Working Group (JWG) have been set up with Russian Federation, Belarus and Brazil on investment and industrial co-operation. JWG on IT, coal and food processing have been set up with Poland.

In order to deepen economic engagement with major economies across the world, CEOs’ Forums/ Joint Business Councils are being set up with the objective of facilitating mutually beneficial partnership with other countries at the business level as well as inputs into policy making. So far, CEO’s Forums/Business Leaders’ Forums have been set up with USA, Japan,
France, UK, Malaysia, South Africa, Brazil, Canada, Russia, Australia and Sri Lanka. An India-African Business Council (IABC) as also Joint Business Councils (JBCs) have been set up for activating business to business contacts.

The Department is responsible for negotiations on Investment and Intellectual Property Rights under the ambit of Comprehensive Economic Partnership Agreements (CEPA), Comprehensive Economic Cooperation Agreements (CECA), Broad-based Trade and Investment Agreement (BTIA), Free Trade Agreements (FTAs), etc. with various countries/regions. The Department is also represented in the negotiations on Bilateral Investment Treaties (BITs).

In order to provide assistance and hand-holding services to foreign investors, Invest India, a joint venture between the Department of Industrial Policy and Promotion, Federation of India Chambers of Commerce and Industry (FICCI) and State Governments, has been set up as a not-for-profit company in December, 2009.

In order to enable businesses and investors to save time and costs and in order to improve the business environment in the country, an online single window was conceptualized in the form of e-Biz Mission Mode Project under the National e-Governance Plan. The project has been designed on a Public Private Partnership mode for a period of 10 years. The first 3 years of the term would be the pilot phase. The Union Minister for Commerce & Industry launched the eBiz portal at the CII Partnership Summit in Agra on 28.1.2013.

**Intellectual Property Rights**

DIPP is entrusted with the responsibility of formulation of policy in respect of Intellectual Property Rights (IPRs) i.e. Patents, Designs, Trade Marks and Geographical Indications of Goods. The department administers Intellectual Property Rights (IPRs) Legislations, namely, the Patents Act, 1970, the Designs Act, 2000, the Trade Marks Act, 1999, and Geographical indications of Goods (Registration & Protection) Act, 1999, through the Office of Controller General of Patents, Designs & Trade Marks (CGPDTM), a subordinate office of this Department. It also administers establishment matters in respect of the Intellectual Property Appellate Board (IPAB).

DIPP undertakes bilateral and multilateral cooperation activities in respect of Intellectual Property Right matters on behalf of the government. It is the nodal department for all matters relating to the World Intellectual Property Organization (WIPO).

**Productivity and Quality**

DIPP is the nodal department for the promotion of productivity and quality in the industrial sector. National Productivity Council, New Delhi, an autonomous body
under this Department, undertakes programmes of technical cooperation with the Asian Productivity Organization (APO), Tokyo, by sourcing experts to advise on productivity related projects and by deputing officials from the private and public sector to programmes conducted by the APO in industry, agriculture and service related sectors, in addition to its own training and awareness programmes on productivity.

The Quality Council of India, an autonomous body under this Department, promotes the adoption of quality standards relating to Quality Management Systems (ISO 9001 Series), Environment Management Systems (ISO 14001 Series), Food Safety Management Systems (ISO 22000 Series), Product certification and inspection bodies through the accreditation services provided by National Accreditation Board for Certification Bodies (NABC). Besides NABC, there are three other boards viz National Accreditation Board for Education & Training (NABET); National Accreditation Board for Hospitals & Healthcare Providers (NABH); and National Board for Quality Promotion (NBQP) which provide accreditation certification on education, health and quality promotion respectively.

**UNIDO Activities**

Department of Industrial Policy and Promotion, Ministry of Commerce and Industry is the nodal Department for all matters related to UNIDO operations in India. UNIDO is a specialized agency of the United Nations for industrial activities within the United Nations system. India has been an active member of the organization since its inception.

UNIDO has established its presence in India by means of following centres/offices with separate mandates viz. (i) UNIDO Regional Office (URO) which is headed by UNIDO Representative (UR) to India and Asian region. (ii) UNIDO Centre for South-South Industrial Cooperation (UCSSIC), New Delhi and (iii) International Centre for Advancement of Manufacturing Technology (ICAMT), Bangalore.

The UNIDO Regional Office for South Asia, set up in New Delhi on 1st January, 2000, covers seven countries - India, Bangladesh, Sri Lanka, Nepal, Bhutan, Maldives and Afghanistan - and acts as a focal point to mobilize knowledge, information and technology for the region. The Country Program of Cooperation between India and UNIDO (CP 2013-17) signed in Vienna in September, 2013, by Secretary, DIPP and DG, UNIDO is presently guiding the activities of UNIDO in India.

In continuation of the First Phase, the UNIDO Centre for South - South Industrial Cooperation (Phase-II) has come into existence from 1st May, 2013, in New Delhi and the project document for this has been formally signed in September, 2013, by Secretary, DIPP and DG, UNIDO. The overall development goal of the Centre’s operations is to contribute to social, economic and environmental development in least developed countries, mainly in Africa.

The International Centre for Advancement of Manufacturing Technology (ICAMT) has been established by UNIDO with cooperation of DIPP as one of the ten International Technology Centres (ITCs) of UNIDO. This centre is engaged in diffusing technological knowledge and innovations into industrial processes and building up technology partnerships among the developing countries. The ICAMT project is in its extended period up to 14th May, 2014.

Programmes for Industrial Infrastructure Development-Modified Industrial Infrastructure Upgradation Scheme (MIIUS)

Industrial Infrastructure Upgradation Scheme (IIUS) which was launched in 2003 with the objective to enhance competitiveness of industry by providing quality infrastructure through public private partnership in selected functional clusters/locations has been further evaluated in December 2011. The study has pointed out the contribution made under IIUS for technological upgradation of the clusters and creation of common facilities and eco-friendly initiatives, especially for the Micro & Small Enterprises units and recommends continuation of the scheme during the 12th Plan. Accordingly, a modified version of IIUS viz. ‘Modified Industrial Infrastructure Upgradation Scheme (MIIUS)’ has been notified in July, 2013. Under MIIUS, projects would be sanctioned to upgrade infrastructure in existing Industrial Parks/Estates/Areas. Greenfield projects could be supported in backward areas including North Eastern Region (NER). Projects are to be implemented by the State Implementing Agency (SIA) of the State Government. The central grant upto 50% of the project cost with a ceiling of ₹ 50 crore would be available under MIIUS with minimum State Agency’s contribution of 25% and in case of North Eastern States, the central grant and the minimum contribution of the SIA can be 80% and 10% respectively.

Delhi Mumbai Industrial Corridor Project:

The DMIC is proposed to be developed on either side along the alignment of the 1483 km long Western Dedicated Rail Freight Corridor between Dadri (UP) and Jawaharlal Nehru Port Trust (JNPT), Navi Mumbai. The project seeks to create a strong economic base with a globally competitive environment and state-of-the-art infrastructure to activate local commerce, enhance investments and attain sustainable development. The DMIC project covers the six states of Uttar Pradesh, Haryana, Madhya Pradesh,
Rajasthan, Gujarat and Maharashtra. DMIC Development Corporation, incorporated in January, 2008, as the project implementation agency has been restructured as a deemed Government company with 26% equity of the Govt of Japan. The Japanese Government has also announced their financial support for DMIC project to an extent of US $ 4.5 billion in the first phase for the projects with Japanese participation involving cutting edge technology. Five projects including three transportation projects have been recommended to the Deptt of Economic Affairs for including them in the JICA Rolling Plan for DMIC project. Initially, eight nodes/cities in the six DMIC States have been taken up for development. To facilitate the funding for the development of a world class infrastructure at the industrial cities, DMIC Project Implementation Trust has been set up on 27th September, 2012. The DMIC Trust has taken investment decisions on nine projects.

**Chennai Bengaluru Industrial Corridor**

During the visit of the Prime Minister of Japan to India on 28th December, 2011, the two Prime Ministers decided to strengthen efforts to improve infrastructure in Chennai-Bangalore area and directed to operationalise the modalities for preparation of the Comprehensive Integrated Master Plan for development of Chennai-Bangalore Industrial Corridor (CBIC). Japan International Cooperation Agency (JICA) Study team has conducted a preliminary study and the final report for Comprehensive Integrated Master Plan for CBIC was submitted in the meeting held in December, 2012. The progress of the prioritized projects identified is being reviewed periodically. The Terms of Reference (ToRs) for Phase II Study for the CBIC were discussed in the meeting of PMO held in April, 2013. As per the Terms of Reference, JICA is required to prepare the Comprehensive Regional Perspective Plan for CBIC region within 6-8 months of mobilisation of the consultant and the Concept Master Plan and Development Plan for two Industrial Nodes within the next 10-12 months. JICA consultants have started work on preparation of the comprehensive plan (phase-2 study). The interim report on Regional Perspective Plan should be ready tentatively by mid 2014, and the final report containing the Concept Master Plan and Development Plan for Industrial Nodes around mid 2015. The progress of the study is being reviewed on a monthly basis.

**Bengaluru-Mumbai Economic Corridor (BMEC)**

During the Summit meeting held between India and United Kingdom in February, 2013, the Prime Ministers of both the countries welcomed the development in cooperation on infrastructure since the last summit. They noted UK’s interest in cooperating with India for the development of a new Bengaluru-Mumbai Economic Corridor (BMEC). The leaders agreed to examine and evolve the modalities and content of a feasibility study of this project concept through
mutual discussions and to work out a roadmap for a possible partnership in this area. The ToRs for the feasibility study have been finalised in consultation with DMICDC, Department of Economic Affairs and the UK Trade and Investment (UKTI), the nodal agency on the UK side. It has been agreed that the feasibility study will be funded and procured by the Government of India. A Joint Steering Group/Committee will be set up for the project. DMICDC, who are the nodal agency for the project on the Indian side, has initiated the tendering process for selection of a consultant for undertaking the study.

Amritsar-Kolkata Industrial Corridor (AKIC)

The Amritsar-Kolkata Industrial Corridor is an ambitious project aimed at developing an Industrial Zone spanning across seven states in India. AKIC, spread across the states of Punjab, Haryana, U.P., Bihar, Jharkhand, West Bengal and Uttarakhand will include and have an impact on more than 20 important cities in the region. The corridor covers one of the most densely populated regions of the country which houses nearly 40% of India’s population. The region as a whole lags behind in industrial activity and has been seeing an exodus of manpower to the other industrial hubs for decades. The Project will see major expansion of infrastructure and industry including industrial clusters and rail, road port, air connectivity in the states along the route of the corridor and will provide a boost to employment in primary core sectors and subsequent support areas. AKIC would be developed using the upcoming Railway’s Eastern Dedicated Freight Corridor (EDFC) as the backbone. The development of AKIC will be taken up in a band of 150-200 kms on either side of the EDFC, in a phased manner. This infrastructure development project will also give much needed boost to the manufacturing sector and help in raising its gross domestic product contribution from the current level of 16 percent to 25 percent by 2025.

Vizag-Chennai Industrial Corridor (VCIC)

The proposed Visakhapatnam –Chennai industrial corridor is expected to give a fillip to the economic prospects of the Seemandhra region. This prestigious project is expected to create more than 50,000 jobs, both directly and indirectly, in the first phase alone. This Project would potentially transform the industrial landscape of the region in less than a decade of its commissioning. Being set up on the lines of Delhi-Mumbai Industrial Corridor project, VCIC will create a strong economic base with globally competitive environment and state-of-the-art infrastructure to activate local commerce, enhance foreign investments and attain sustainable development. This project will provide new investment opportunities and will redefine the economic landscape of the region.

Package for Special Category States

For promoting industrialization in the remote, hilly and inaccessible areas,
Central Government has formulated and notified North East Industrial and Investment Promotion Policy (NEIIPP), 2007, for the eight states of North East Region and Transport Subsidy Scheme, 1971, which in addition to the eight states of North East region also covers Himachal Pradesh, Uttarakhand, Jammu & Kashmir, Darjeeling district of West Bengal, Andaman & Nicobar Administration and Lakshadweep Administration.

Benefits/incentives available under different schemes of North East Industrial and Investment Promotion Policy (NEIIPP), 2007, include Capital Investment Subsidy, Interest Subsidy, Reimbursement of Insurance, 100% Income Tax Exemption and Excise Duty Exemption based on value addition norms specified by the Department of Revenue, Ministry of Finance.

Transport subsidy, ranging from 50% to 90% is provided on the transport cost for transportation of raw material and finished goods to and from the location of the unit and the designated rail-head or port as the case may be. Transport subsidy also covers movement of raw materials/finished goods from one state to another within the North Eastern Region. The Transport Subsidy Scheme, 1971, has been modified and replaced by Freight Subsidy Scheme, 2013, which has been notified on 23rd January, 2013.

New Industrial policy and other concessions for the State of J&K, which were introduced by DIPP on 14th June, 2002, for a period of ten years, has been decided to be continued for 12th Five Year Plan.

New Industrial policy and other concessions for the States of Himachal Pradesh and Uttarakhand were introduced by the Department of Industrial Policy & Promotion on 7th January, 2003, with an aim to provide the required incentives as well as an enabling environment for industrial development, improve availability of capital and increase market access to provide a fillip to the private investment in the state. The scheme ended on 6th January, 2013.

Based on the outcomes of the evaluation study and in consultation with the stakeholders, the special Package scheme for Himachal Pradesh and Uttarakhand has been extended during the 12th five year plan w.e.f. 7/1/2013 to 31/3/2017.

Monitoring of Industrial Activity, Production and Prices

DIPP monitors the performance in the industrial sector through collating information on Industrial Entrepreneurs’ Memorandum (IEM), Industrial License, Letter of Intent (LOI), Foreign Investment data and industrial production returns. The Department also compiles and prepares index of production of 8 core-infrastructure industries on a monthly basis. Besides, the Department publishes the monthly Wholesale Price Index which forms the basis for official information on inflation.
Chapter 2

Evolution and Development of Industrial Policy

**General Industrial policy**

The quest for industrial development started soon after independence in 1947. The Industrial Policy Resolution of 1948, defined the broad contours of the policy, delineating the role of the State in industrial development both as an entrepreneur and authority. This was followed by comprehensive enactment of Industries (Development & Regulation) Act, 1951, that provides for the necessary framework for implementing the Industrial Policy and enables the Union Government to direct investment into desired channels of industrial activity inter alia through the mechanism of licensing keeping with national development objectives and goals.

Main objectives of the Industrial Policy are (i) to maintain a sustained growth in productivity; (ii) to enhance gainful employment; (iii) to achieve optimal utilisation of human resources; (iv) to attain international competitiveness; and (v) to transform India into a major partner and player in the global arena. To achieve these objectives, the Policy focus is on deregulating Indian industry; allowing freedom and flexibility to the industry in responding to market forces; and providing a policy regime that facilitates and fosters growth. The following measures have been taken up by Government in that direction:

**i) Liberalisation of Industrial Licensing Policy**

The list of items covered under compulsory licensing under the Industries (Development & Regulation) Act, 1951, is reviewed in an ongoing basis. There are only five industries related to security, strategic and environmental concerns where an industrial license is currently required:

- Distillation & brewing of alcoholic drinks;
- Cigars and cigarettes of tobacco and manufactured tobacco substitutes;
- Electronic aerospace and defence equipment;
- Industrial explosives including detonating fuses, safety fuses, gunpowder, nitrocellulose and matches;
- Specified hazardous chemicals i.e. (i) Hydrocyanic Acid and its derivatives, (ii) Phosgene and its derivatives and (iii) Isocyanates and disiocyanates of hydrocarbon, not elsewhere specified (example methyl Isocyanate).
There are only two industries i.e. (i) Atomic Energy (Production, separation or enrichment of special fissionable materials and substances and operation of the facilities) and (ii) Railway transport, reserved for the public sector.

In order to further simplify the licensing procedures, the Licensing Committee, constituted under the I(D&R) Act, 1951, and Registration & Licensing of Industrial Undertakings Rules, 1952, has been reconstituted and it now includes representative of Ministry of Home Affairs.

Department of Defence Production has prepared a ‘list of Defence product’ which has been uploaded on the Department's website for bringing greater transparency and clarity to the applicants on the items that are held to be licensable.

(ii) Industrial Management

It has been a continuous endeavor of the Department of Industrial Policy & Promotion to make its functioning industrial friendly.

(a) Filing of Industrial Entrepreneur Memorandum (IEM)

As per the liberalized policy in place since 1991, all non-MSME Industrial undertakings (with an investment above ₹10 crore in plant and machinery for manufacturing sector and more than ₹ 5 crore for service sector) which are exempt from obtaining an industrial licence are required to file an Industrial Entrepreneur Memorandum (IEM) with the Secretariat for Industrial Assistance. Filing of online IEMs under e-Biz has been initiated since January, 2014. An acknowledgement is issued immediately on receipt of Part ‘A’ of the IEM form and no further approval is required, under the Industries (D&R) Act, 1951. Relevant information is uploaded on website of the Department and is available in public domain. Immediately after commencement of commercial production, Part ‘B’ of the IEM is required to be filed.

Filing an IEM is primarily for the purpose of collecting data about the delicensed sector on proposed investment, and type of industrial activity. It is also useful for the purpose of conducting a limited scrutiny mainly to preclude manufacturing of a compulsory licensable/SSI reserved item by IEM route.

A total of 84,388 IEMs with proposed investment of ₹ 94,82,437 crore are on record. Statewise and sectorwise lists of IEMs filed during the last five years on a year-wise basis are at Appendices III and IV.

Since the inception of the IEM scheme in August, 1991, till March, 2014, a total of 10,764 units have formally intimated commencement of commercial production. The investment reported in respect of these IEMs is ₹ 507,803 crore. The statewise report of implementation of IEMs for the last five years is at Appendix V.
(b) Filing of Industrial Investment Intentions

The Industrial Investment information maintained by the Department of Industrial Policy and Promotion covers the non-MSME category Industrial Entrepreneur Memoranda for the delicensed sector and Letters of Intent (LOI) and Direct Industrial Licences (DIL) for licensable sector. Statewise and sector-wise analysis of Industrial Investment Intentions during last two Plan periods is given at Appendices ‘VI’ & ‘VII’ respectively.

The information on Industrial Investment, status of applications for Industrial Licences, information on IEMs filed on daily basis etc are being disseminated through this Department’s website for the information of the investors.

(iii) Policy for Foreign Direct Investment (FDI)

Government has put in place a liberal FDI policy, under which, up to 100% FDI is permitted in most sectors/activities, under the automatic route. There is a small list of sectors, which are either prohibited for FDI, or are subject to restrictions in the nature of equity caps, entry route or conditionalities.

Further, the FDI policy is reviewed on an ongoing basis, with a view to making it more investor-friendly. Significant changes have been made in the FDI policy regime in recent times, to ensure that India remains an increasingly attractive investment destination. DIPP plays an active role in the liberalization and rationalization of the FDI policy. Towards this end, it has been constructively engaged in extensive stakeholder consultations on various aspects of the FDI policy.

(iv) National Manufacturing Policy

Government of India has announced National Manufacturing Policy, 2011, with the objective of enhancing the share of manufacturing in GDP to 25% within a decade and creating 100 million jobs. The policy seeks to empower rural youth by imparting necessary skill sets to make them employable. The policy is based on the principle of industrial growth in partnership with the states and is generally sector-neutral, location-neutral and technology-neutral except incentivization of green technology. Sustainable development is integral to the spirit of the policy and technological value addition in manufacturing has received special attention.

The highlights of major policy Initiatives and achievements during 2013, are as follows:

- Re-constitution of High Level Committee (HLC) subsuming Board of Approval in it, has been notified on 1st June, 2013.
- Definition of Cluster to be used for dispensations under NMP prepared and circulated to all states on 5th
March, 2013.

- In principle approval has been granted to the NIMZ located at Prakasam Distt. in Andhra Pradesh on 27th June, 2013.
- Scheme for Master Planning of NIMZ has been approved.
- SFC Note on Technology Acquisition and Development Fund has been prepared and sent to Planning Commission for in-principle approval.
- Draft scheme under NMP on Job Loss Policy has been prepared.
- The first meeting of the Manufacturing Industry Promotion Board (MIPB) under NMP was chaired by Commerce & Industry Minister on 23rd July, 2013. The meeting reviewed the overall situation of the manufacturing sector in the country specifically the situation of capital goods sector.
- Draft advisory on simplification & rationalization of business regulations and skill development has been prepared and forwarded to Ministry for Labour & Employment for further necessary action.
- Guidelines and dispensations for Clusters outside NIMZ under the NMP has been approved.

(v) Measures Taken for Investment Promotion:

Government has been playing an active role in investment promotion, through dissemination of information on the investment climate and opportunities in India and by advising prospective investors about investment policies, procedures and opportunities. International Cooperation for industrial partnerships is achieved through both bilateral as well as multilateral arrangements. At bilateral level, this is achieved through a number of joint commissions and joint working groups, for promoting industrial, technical and scientific cooperation with select countries. The Government has also set up CEOs’ Forums/Business Leaders’ Forum with some countries for active business-to-business cooperation and for developing a road map for partnership and industrial cooperation. The Government, in partnership with various state Government and business Associations, is also making concerted efforts to make regulations conducive for business. In addition, it has initiated the implementation of the e-Biz Project, a Mission Mode Project under the National e-Governance Project, to provide online registration and filing payment services, to investors and business houses. The setting up of ‘Invest India’, a joint venture company between the Department of Industrial Policy & Promotion and FICCI, as a not-for-profit, single window
facilitator, for prospective overseas investors and to act as a structured mechanism to attract investment, is another step towards this end.

**Productivity in Industry**

The industrial performance measured in terms of Index of Industrial Production (IIP) includes sections i.e. manufacturing, mining and electricity and groups based on use-based classification such as basic goods, capital goods, intermediate goods and consumer goods over the base of 2004-05. The IIP has shown fluctuating trend over the last few years. As per IIP, industrial growth peaked at 15.5% in 2007-08 (manufacturing growth rate was 18.4%). Industrial growth then declined to 2.5% in 2008-09, however, recovered to 5.3% in 2009-10 and further improved to 8.2% in 2010-11. Subsequently, the industrial growth decelerated to 2.9% in 2011-12 and 1.1% in 2012-13 and during April-March, 2013-14 the industrial production again moderated recording a negative growth of (-) 0.1% in comparison to the corresponding period of the previous year. The details are given in the Table-2.1.

The deceleration in the IIP growth in April - March, 2014, is mostly on account of shrinking of mining and quarrying sector and in manufacturing sector. The negative growth in manufacturing sector was primarily driven by the steep fall in industry groups like ‘Radio, TV and Communication equipment’ (-27.3%), ‘Office, accounting & computing machinery’ (-15.8%), ‘Furniture’ (-13.8%), ‘Motor vehicles, trailers’ (-9.6%), ‘Fabricated metal products’ (-7.2%), ‘Medical, precision & optical instruments, watches and clocks’ (-5.0%) etc. The details of the growth in the manufacturing subgroups are given in the Table - 2.2.

In terms of use-based classification during 2013-14, positive growth was registered in 'Basic goods' and 'Intermediate goods'. Consumer goods registered negative growth during this period accounted largely by negative growth in the consumer durable segment. Moderation in the rate of growth was, however, primarily

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### Table 2.1

**Annual Growth Rate of Industrial Production (Per cent)**

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<tbody>
<tr>
<td>Mining &amp; Quarrying</td>
<td>14.2</td>
<td>2.3</td>
<td>5.2</td>
<td>4.6</td>
<td>2.6</td>
<td>7.9</td>
<td>5.2</td>
<td>-2.0</td>
<td>-2.3</td>
<td>-0.8</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>75.5</td>
<td>10.3</td>
<td>15.0</td>
<td>18.4</td>
<td>2.5</td>
<td>4.8</td>
<td>8.9</td>
<td>3.0</td>
<td>1.3</td>
<td>-0.8</td>
</tr>
<tr>
<td>Electricity</td>
<td>10.3</td>
<td>5.2</td>
<td>7.3</td>
<td>6.3</td>
<td>2.7</td>
<td>6.1</td>
<td>5.5</td>
<td>8.2</td>
<td>4.0</td>
<td>6.1</td>
</tr>
<tr>
<td>Overall</td>
<td>100</td>
<td>8.6</td>
<td>12.9</td>
<td>15.5</td>
<td>2.5</td>
<td>5.3</td>
<td>8.2</td>
<td>2.9</td>
<td>1.1</td>
<td>-0.1</td>
</tr>
</tbody>
</table>

*Source: Central Statistics Office*
Table - 2.2
Growth Rates of Industrial Production by Broad Groups of Manufacturing (Base :2004-05=100)
(Per cent)

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</thead>
<tbody>
<tr>
<td>15</td>
<td>Food products &amp; beverages</td>
<td>72.76</td>
<td>13.2</td>
<td>15.9</td>
<td>12.5</td>
<td>-8.2</td>
<td>-1.4</td>
<td>7.0</td>
<td>15.4</td>
<td>2.9</td>
<td>-1.3</td>
</tr>
<tr>
<td>16</td>
<td>Tobacco products</td>
<td>15.70</td>
<td>1.0</td>
<td>1.8</td>
<td>-4.4</td>
<td>4.4</td>
<td>-0.6</td>
<td>2.1</td>
<td>5.4</td>
<td>-0.4</td>
<td>1.6</td>
</tr>
<tr>
<td>17</td>
<td>Textiles</td>
<td>61.64</td>
<td>8.3</td>
<td>7.8</td>
<td>6.6</td>
<td>-3.6</td>
<td>6.1</td>
<td>6.7</td>
<td>-1.3</td>
<td>5.9</td>
<td>4.2</td>
</tr>
<tr>
<td>18</td>
<td>Wearing apparel</td>
<td>27.82</td>
<td>14.1</td>
<td>20.3</td>
<td>9.3</td>
<td>-10.2</td>
<td>1.9</td>
<td>3.7</td>
<td>-8.5</td>
<td>10.4</td>
<td>22.6</td>
</tr>
<tr>
<td>19</td>
<td>Luggage, handbags etc.</td>
<td>5.82</td>
<td>-9.1</td>
<td>14.4</td>
<td>5.8</td>
<td>-5.1</td>
<td>1.3</td>
<td>8.0</td>
<td>3.7</td>
<td>7.3</td>
<td>5.0</td>
</tr>
<tr>
<td>20</td>
<td>Wood &amp; wood products</td>
<td>10.51</td>
<td>6.8</td>
<td>18.0</td>
<td>17.5</td>
<td>4.9</td>
<td>3.1</td>
<td>2.2</td>
<td>1.8</td>
<td>-7.1</td>
<td>-2.1</td>
</tr>
<tr>
<td>21</td>
<td>Paper &amp; Paper products</td>
<td>9.99</td>
<td>6.3</td>
<td>4.4</td>
<td>1.4</td>
<td>4.8</td>
<td>2.6</td>
<td>8.5</td>
<td>5.0</td>
<td>0.5</td>
<td>0.1</td>
</tr>
<tr>
<td>22</td>
<td>Publishing, printing &amp; reproduction of media</td>
<td>10.78</td>
<td>13.7</td>
<td>8.0</td>
<td>14.2</td>
<td>1.6</td>
<td>-6.0</td>
<td>11.2</td>
<td>29.6</td>
<td>-5.1</td>
<td>0.3</td>
</tr>
<tr>
<td>23</td>
<td>Coke, refined petroleum products &amp; nuclear fuel</td>
<td>67.15</td>
<td>0.6</td>
<td>11.9</td>
<td>6.2</td>
<td>3.2</td>
<td>-1.3</td>
<td>-0.2</td>
<td>3.5</td>
<td>8.5</td>
<td>5.2</td>
</tr>
<tr>
<td>24</td>
<td>Chemicals and chemical products</td>
<td>100.59</td>
<td>1.0</td>
<td>9.3</td>
<td>7.2</td>
<td>-2.9</td>
<td>5.0</td>
<td>2.0</td>
<td>-0.4</td>
<td>3.8</td>
<td>8.9</td>
</tr>
<tr>
<td>25</td>
<td>Rubber and plastic products</td>
<td>20.25</td>
<td>12.3</td>
<td>6.6</td>
<td>13.4</td>
<td>5.1</td>
<td>17.4</td>
<td>10.6</td>
<td>-0.3</td>
<td>0.2</td>
<td>-2.3</td>
</tr>
<tr>
<td>26</td>
<td>Other non-metallic mineral products</td>
<td>43.14</td>
<td>7.8</td>
<td>10.9</td>
<td>9.3</td>
<td>3.3</td>
<td>7.8</td>
<td>4.1</td>
<td>4.8</td>
<td>1.9</td>
<td>1.0</td>
</tr>
<tr>
<td>27</td>
<td>Basic metals</td>
<td>113.35</td>
<td>15.5</td>
<td>14.7</td>
<td>17.9</td>
<td>1.7</td>
<td>2.1</td>
<td>8.8</td>
<td>8.7</td>
<td>1.9</td>
<td>0.3</td>
</tr>
<tr>
<td>28</td>
<td>Fabricated metal Products</td>
<td>30.85</td>
<td>11.1</td>
<td>19.9</td>
<td>7.8</td>
<td>0.1</td>
<td>10.2</td>
<td>15.3</td>
<td>11.2</td>
<td>-4.7</td>
<td>-7.2</td>
</tr>
<tr>
<td>29</td>
<td>Machinery and equipment n.e.c.</td>
<td>37.63</td>
<td>26.1</td>
<td>19.7</td>
<td>22.6</td>
<td>-7.6</td>
<td>15.8</td>
<td>29.4</td>
<td>-5.8</td>
<td>-4.7</td>
<td>-4.8</td>
</tr>
<tr>
<td>30</td>
<td>Office, accounting &amp; computing machinery</td>
<td>3.05</td>
<td>45.3</td>
<td>7.0</td>
<td>6.0</td>
<td>-9.7</td>
<td>3.8</td>
<td>-5.2</td>
<td>1.6</td>
<td>-13.9</td>
<td>-15.8</td>
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<tr>
<td>31</td>
<td>Electrical machinery &amp; apparatus</td>
<td>19.80</td>
<td>16.8</td>
<td>12.7</td>
<td>183.5</td>
<td>42.3</td>
<td>-13.5</td>
<td>2.8</td>
<td>-22.2</td>
<td>0.6</td>
<td>14.4</td>
</tr>
<tr>
<td>32</td>
<td>Radio, TV and communication equipment</td>
<td>9.89</td>
<td>22.7</td>
<td>155.0</td>
<td>93.1</td>
<td>20.3</td>
<td>11.3</td>
<td>12.7</td>
<td>4.3</td>
<td>5.6</td>
<td>-27.3</td>
</tr>
<tr>
<td>33</td>
<td>Medical, precision &amp; optical instruments, watches and clocks</td>
<td>5.67</td>
<td>-4.7</td>
<td>9.9</td>
<td>6.3</td>
<td>7.5</td>
<td>-15.8</td>
<td>6.8</td>
<td>10.9</td>
<td>-2.0</td>
<td>-5.0</td>
</tr>
<tr>
<td>34</td>
<td>Motor vehicles, trailers</td>
<td>40.64</td>
<td>10.1</td>
<td>25.3</td>
<td>9.5</td>
<td>-8.7</td>
<td>29.8</td>
<td>30.3</td>
<td>10.8</td>
<td>-5.3</td>
<td>-9.6</td>
</tr>
<tr>
<td>35</td>
<td>Other transport equipment n.e.c.</td>
<td>18.25</td>
<td>15.3</td>
<td>15.2</td>
<td>-2.9</td>
<td>3.8</td>
<td>27.7</td>
<td>23.1</td>
<td>11.9</td>
<td>-0.1</td>
<td>5.6</td>
</tr>
<tr>
<td>36</td>
<td>Furniture</td>
<td>29.97</td>
<td>16.2</td>
<td>-3.9</td>
<td>18.7</td>
<td>7.4</td>
<td>7.1</td>
<td>-7.5</td>
<td>-1.8</td>
<td>-5.1</td>
<td>-13.8</td>
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</tbody>
</table>

Source: Central Statistics Office
on account of poor performance of capital goods sector which continued in the negative trajectory for most part of the year, reflecting low capital formation in the country. In 2013-14, capital goods registered a negative growth of (-) 3.7% (Table-2.3)

During 2013-14 (April-March), volatility in the sectors persisted as displayed in the month-wise growth trend of IIP, the highest growth was recorded in the month

Table – 2.3

Use-Based Classification of IIP (Per cent)

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</thead>
<tbody>
<tr>
<td>Basic Goods</td>
<td>45.7</td>
<td>6.1</td>
<td>8.9</td>
<td>8.9</td>
<td>1.7</td>
<td>4.7</td>
<td>6.0</td>
<td>5.5</td>
<td>2.5</td>
<td>2.0</td>
</tr>
<tr>
<td>Capital Goods</td>
<td>8.8</td>
<td>18.1</td>
<td>23.3</td>
<td>48.5</td>
<td>11.3</td>
<td>1.0</td>
<td>14.8</td>
<td>-4.0</td>
<td>-6.0</td>
<td>-3.7</td>
</tr>
<tr>
<td>Intermediate Goods</td>
<td>15.7</td>
<td>6.6</td>
<td>11.5</td>
<td>7.3</td>
<td>0.0</td>
<td>6.0</td>
<td>7.4</td>
<td>-0.6</td>
<td>1.6</td>
<td>3.0</td>
</tr>
<tr>
<td>Consumer Goods</td>
<td>29.8</td>
<td>10.7</td>
<td>16.1</td>
<td>17.6</td>
<td>0.9</td>
<td>7.7</td>
<td>8.5</td>
<td>4.4</td>
<td>2.4</td>
<td>-2.6</td>
</tr>
<tr>
<td>(i) Consumer Durable</td>
<td>8.5</td>
<td>16.2</td>
<td>25.3</td>
<td>33.1</td>
<td>11.1</td>
<td>17.0</td>
<td>14.2</td>
<td>2.6</td>
<td>2.0</td>
<td>-12.2</td>
</tr>
<tr>
<td>(ii) Consumer Non-durable</td>
<td>21.3</td>
<td>8.6</td>
<td>12.3</td>
<td>10.2</td>
<td>-5.0</td>
<td>1.4</td>
<td>4.2</td>
<td>5.9</td>
<td>2.8</td>
<td>5.2</td>
</tr>
<tr>
<td>IIP</td>
<td>100</td>
<td>8.6</td>
<td>12.9</td>
<td>15.5</td>
<td>2.5</td>
<td>5.3</td>
<td>8.2</td>
<td>2.9</td>
<td>1.1</td>
<td>-0.1</td>
</tr>
</tbody>
</table>

Source: Central Statistics Office
of September, 2013 at 2.6 percent and the lowest growth witnessed at (-) 2.5 percent in the month of May, 2013 (Graph - 1).

Products for which information as collected by DIPP which reflected negative/low growth during 2013,-14 are listed in the Table - 2.4.

The moderation in industrial growth can be attributed to both domestic as well as international factors. These include global slowdown; decline in export demand due to global slowdown; subdued domestic demand as reflected in Private Final Consumption Expenditure, which drives

Table 2.4
DIPP products showing negative/low growth during 2013-14 (April-March)

<table>
<thead>
<tr>
<th>Use based industry groups</th>
<th>DIPP products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic Goods</td>
<td>Copper and Copper Products, Stampings &amp; Forgings, Aluminium Foils, wires &amp; extrusions Aluminium, Steel Castings, Aluminium Sheets/Plates, Wires (Copper), Copper Metal Cathode, Aluminium Foils, Molasses, Bagasse etc.</td>
</tr>
<tr>
<td>Intermediate Goods</td>
<td>Fasteners (Excl. Zip-Fastener), Glass Bottles, Polyester Chips, Colour TV Picture Tubes, Lens of All Kinds, Hose Pipe, Explosives etc.</td>
</tr>
<tr>
<td>Consumer Durables</td>
<td>Gems and Jewellery, Colour TV Sets, Telephone Instruments Including Mobile Phone And Accessories, Fans, Watches, Tube, Truck, Mixers &amp; Grinders etc.</td>
</tr>
<tr>
<td>Consumer Non-durables</td>
<td>Biscuits, Milk Powder All Kinds, Atta, Butter, Hair Oil, Gutka etc.</td>
</tr>
</tbody>
</table>
the domestic demand; fall in Gross Fixed Capital Formation; rigid monetary policy of RBI skewed towards inflation control rather than growth; high rate of inflation; increased import costs due to rupee depreciation against dollar.

**Performance of Core Industries**

The Index of Eight Core Industries (ICI) is a monthly index which measures the performance of eight infrastructure industries i.e. Coal, Crude Oil, Natural Gas, Refinery Products, Fertilizers, Steel, Cement and Electricity. These have a weight of around 37.9% in the overall index of Industrial Production (IIP). ICI is a lead indicator of IIP as it is released 12 days prior to the release of IIP by CSO.

During 2012-13, the Index of Eight Core Industries grew at 6.5%, with Refinery products. Cement, Coal, Steel and Electricity sectors registering a growth of 29.0%, 7.7% 4.6% 4.1 and 4.0% respectively. However, Natural Gas, Crude Oil and Fertilizers registered negative growth of (-) 14.5%, (-) 0.6% and (-) 3.4% respectively. Comparative growth rates for eight core industries since 2005-06 are given in Table-2.5

Refinery Products yearly growth rate of 2012-13 are not comparable with other years on account of inclusion of RIL (SEZ) production data since April, 2012.

During 2013-14 (Apr-March), the Index of Eight Core Industries recorded a growth of 2.6% as compared to the corresponding period of the previous year. All other industries recorded positive growth during

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*Source: Office of the Economic Adviser, DIPP*
this period except Natural Gas and Crude Oil which witnessed negative growth of (-) 13.0% and (-) 0.2% respectively.

Global Perspective:

The UNCTAD World Investment Report (WIR) 2013, in its analysis of the global trends in Foreign Direct Investment (FDI) inflows, has continued to report India as the third most attractive location for FDI for 2013-2015. The report also mentions that India accounted for more than four fifths of the FDI in South Asia in 2012.

The Financial Year 2013 survey of the Japan Bank for International Cooperation, conducted among Japanese investors, continues to rank India as the second most promising country for overseas business operations in the medium term, with Indonesia at the top. For the long-term, India has been rated as the top investment destination, with China being rated as the second.

Ernst & Young’s 2014 Attractiveness survey has mentioned India as the 1st global destination for FDI, in terms of the number of FDI projects followed by Brazil and China. This is due to opening up of FDI in various sectors, including multi-brand retail and telecom.

The 2013 A.T. Kearney Confidence Index rates India fifth in terms of future prospects for FDI inflows, after USA, China, Brazil, Canada followed by Australia, Germany, U.K., Mexico, Singapore, Russia and France.
The Department has notified the National Manufacturing Policy (NMP) through a Press Note dated 4th November, 2011, with the objective of enhancing the share of manufacturing in GDP to 25% and creating 100 million jobs over a decade or so. The policy is based on the principle of industrial growth in partnership with the States. The Central government will create the enabling policy framework, provide incentives for infrastructure development on a Public Private Partnership (PPP) basis through appropriate financing instruments, and State Governments are encouraged to adopt the instrumentalities provided in the policy.

**Important Instruments/Features of The Policy**

- National Investment and Manufacturing Zones (NIMZs);
- Rationalization and simplification of business regulations;
- Simple and expeditious exit mechanism for manufacturing units;
- Incentives for SMEs;
- Industrial training and skill upgradation measures;
- Financial and institutional mechanisms for technology development, including green technologies;
- Government procurement;
- Special Focus Sectors.

**National Investment And Manufacturing Zones (NIMZs)**

NIMZs have been conceived as large integrated industrial townships with state-of-the-art infrastructure; land use on the basis of zoning; clean and energy efficient technology; necessary social infrastructure; skill development facilities, etc., to provide a conducive environment for manufacturing industries. To enable the NIMZ to function as a self governing and autonomous body, it will be declared as a Industrial Township under Article 243 Q (1)(c) of the Constitution. These NIMZ’s would be managed by a Special Purpose Vehicle (SPV), which would ensure master planning of the zone; pre-clearances for setting up the industrial units to be located within the zone and undertake such other functions as specified in the various section of the policy.

The NIMZs would be different from SEZs in terms of size; level of infrastructure planning; governance structures related...
to regulatory procedures; exit policies; fiscal incentives, etc.

The policy mandates that the SPV in a zone will be headed by a senior government official and will include inter-alia an official expert conversant with the work relating to pollution control/ environmental protection. There shall be a provision of suitable representation of the allottees and subsequently industrial units.

**Special Benefits/Measures For SMEs**

- Rollover relief from long term Capital Gains tax to individuals on sale of a residential property (house or plot of land) in case of re-investment of sale consideration in the equity of a new start-up SME company in the manufacturing sector for the purchase of a new plant and machinery.

- Tax pass-through status for Venture Capital Funds (VCFs) registered with SEBI with a focus on SMEs in the manufacturing sector.

- Liberalization of IRDA guidelines to provide for investments by insurance companies in Venture Capital Funds (VCFs) registered with SEBI, with a focus on SMEs, in consultation with IRDA.

- Easier access to bank finance through appropriate bank lending norms, to be arrived at in consultation with RBI, to cater specifically to the MSME sector and early stage business units.

- Setting up of a stock exchange for SMEs and implementation of SEBI’s “framework for recognition and supervision of stock exchanges/platforms of stock exchanges for SMEs.”

- Technology Acquisition and Development Fund: SMEs will be given access to the patent pool and/or part reimbursement of technology acquisition costs up to a maximum of ₹20 lakhs for acquiring appropriate technologies patented up to a maximum of 5 years generally, prior to the date of submission of the project.

- 25% grant to SMEs for expenditure incurred on environmental and water audits subject to a maximum of ₹1 lakh in NIMZs.

**Special Provisions**

The proposals in the policy are generally sector neutral, location neutral and technology neutral except incentivisation of green technology. While the NIMZs are an important instrumentality, the proposals contained in the Policy apply to manufacturing industry throughout the country including wherever industry is able to organize itself into clusters and adopt a model of self-regulation as enunciated therein.

**Progress Made So Far**

The implementation of the NMP has been taken up in right earnest and the following steps have been taken:-
• Progress has been made on the issue of rationalization and simplification of business regulations.

• The states have been requested to identify land banks for setting up of the National Investment and Manufacturing Zones and to initiate the process of rationalization and simplification of state level business regulations.

• Constitution of the approval/ monitoring mechanism i.e Manufacturing Industry Promotion Board (MIPB), Green Manufacturing Committee (GMAC) have been notified on 1st June, 2012 and reconstitution of High Level Committee (HLC) subsuming Board of Approval in it, has been notified on 1st June, 2013.

• States have also been requested to apply for setting up of NIMZ in a prescribed format for obtaining in-principle approval from Government of India.

• Scheme for Master Planning of NIMZ under NMP has been approved and ready for operationalization.

• Scheme on Technology Acquisition and Development Fund have been prepared and sent to Planning Commission for ‘in-principle’ approval.

• Scheme on Job Loss policy under NMP has been approved.

• Definitions of Cluster, to be used for dispensations under NMP, prepared and circulated to all State Government.

• Draft advisory on simplification & rationalization of business regulations and skill development has been prepared and forwarded to Ministry for Labour & Employment for further necessary action.

• Guidelines and dispensations for Clusters outside NIMZ under the NMP has been approved and circulated to states.

• The first meeting of the Manufacturing Industry Promotion Board (MIPB) under the NMP was chaired by Commerce & Industry Minister on 23rd July, 2013. The meeting reviewed the overall situation of the manufacturing sector in the country, specifically the situation of capital goods sector.

• First meeting of Green Manufacturing Committee (GMAC), one of the institutional mechanism under NMP was held on 6th August, 2012 under the Chairmanship of Secretary, DIPP.

**Status Of NIMZs**

Eight Investment Regions along the Delhi Mumbai Industrial Corridor (DMIC) project have been announced as NIMZs. The details are as under:

i. Ahmedabad-Dholera Investment Region, Gujarat

ii. Shendra-Bidkin Industrial Park city near Aurangabad, Maharashtra
iii. Manesar-Bawal Investment Region, Haryana
iv. Khushkhera-Bhiwadi-Neemrana Investment Region, Rajasthan
v. Pithampur-Dhar-Mhow Investment Region, Madhya Pradesh
vi. Dadri-Noida-Ghaziabad Investment Region, Uttar Pradesh
vii. Dighi Port Industrial Area, Maharashtra; and
viii. Jodhpur-Pali-Marwar Region in Rajasthan

Eight NIMZs outside the DMIC region have also been given in-principle approval (i) Nagpur in Maharashtra (ii) Tumkur in Karnataka (iii) Chittoor in Andhra Pradesh (iv) Medak in Andhra Pradesh (v) Prakasam in Andhra Pradesh. (vi) Bidar in Karnataka (vii) Gulbarga in Karnataka and (viii) Kolar in Karnataka.
Chapter 4

Industrial Corridors

BACKGROUND

The Delhi-Mumbai Industrial Corridor is proposed to be developed on either side, along the alignment of the 1483 km long Western Dedicated Rail Freight Corridor between Dadri (UP) and Jawaharlal Nehru Port Trust (JNPT), Navi Mumbai. The project seeks to create a strong economic base with a globally competitive environment and state-of-the-art infrastructure to activate local commerce, enhance investments and attain sustainable development. The DMIC project covers the six States of Uttar Pradesh, Haryana, Madhya Pradesh, Rajasthan, Gujarat and Maharashtra. DMIC Development Corporation, incorporated in January 2008 as the project implementation agency has been restructured as a deemed Government company with 26% equity of the Govt of Japan. The Japanese Government has also announced their financial support for DMIC project to an extent of US $ 4.5 billion in the first phase for the projects with Japanese participation involving cutting edge technology. Five projects including three transportation projects have been recommended to the Deptt of Economic Affairs for including them in the JICA Rolling Plan for DMIC Project. Initially, eight nodes/cities in the six DMIC States have been taken up for development. To facilitate the funding for the development of a world class infrastructure at the Industrial Cities, DMIC Project Implementation Trust was set up on 27th September, 2012. The DMIC Trust has taken investment decisions on nine projects.

Progress made during 2013-14 (As on 31st March 2014):

The progress of the DMIC project during the year 2013-14 is given below:

a. DMIC Project Implementation Trust Fund: During 2013-2014, the Trust met four times including a special meeting which was held on 17th Jan, 2014. DMIC Project Implementation Trust Fund considered the following investment proposals in its meeting held on 18 -19 March, 2013, and 10th September, 2013.

i. Integrated Industrial Township ‘Vikram Udyogpuri’, Ujjain, Madhya Pradesh;
ii. Integrated Industrial Township at Greater Noida, U.P;

iii. Improvement of Water Supply System to Pithampur Industrial Area and Phase-1 of Pithampur-Dhar-Mhow Investment Region, Madhya Pradesh;

iv. Construction of New Rail Line from Bhimnath to Dholera Special Investment Region in Gujarat;

v. Model Solar Power Project at Neemrana, Rajasthan;

vi. Seawater Desalination Project at Dahej, Gujarat;

vii. Logistics Data Bank Project;

viii. Multi Modal Logistics Hub at Greater Noida near Dadri; (‘in-principle’ approval);

ix. Integrated Multimodal Logistics Hub, Rewari, Haryana; (‘in-principle’ approval).

The Trust granted in-principle approval in the case of (ii) and (v), and approved the rest.

During 2013-14, an amount of ₹507.8 crore was allocated during Budget Estimates 2013-2014 for DMIC project implementation and development including Exhibition cum Convention Centre Project in Dwarka, New Delhi. An amount of ₹ 303.80 crore was allocated at RE stage for the financial year 2013-14.

b. **Japanese Contribution:** The Japanese Government is committed to extend their financial support for DMIC project to an extent of US $ 4.5 billion in the first phase for the projects with Japanese participation involving cutting edge technology through a mix of JICA and JBIC lending. A proposal for utilization of Japanese assistance under Japan International Cooperation Agency (JICA) through Special Terms for Economic Partnership (STEP) Loan for DMIC Project was approved by CCEA at its meeting held on 20th January, 2014.

The following five projects including three transportation projects have been recommended to the Department of Economic Affairs for including them in the JICA Rolling Plan for DMIC project.

- Power Transmission system improvement and grid stability control for renewable energy project, Gujarat;
- Integrated Water Sector Project at Dholera SIR, Gujarat
- Rail based connectivity between Ahmedabad and Dholera in Dholera
Special Investment Region, Gujarat;

- Regional Mass Rapid Transit System (MRTS) between Delhi - Manesar- Bawal- Neemrana with feeder service to enhance connectivity between Delhi and upcoming manufacturing hubs (for entire suburban system);
- Transport Connectivity in Dadri- Noida- Ghaziabad Investment Region (DNGIR).

c. **Equity structure of DMICDC:** On the basis of the revised equity structure for DMICDC approved by the Board of DMICDC in the meeting held on 28th March, 2013, the allotment of shares was approved in the meeting held on 30th April, 2013. The revised equity structure of the company is as follows:

- President of India (through Secretary, Department of Industrial Policy and Promotion including its nominees): 49%
- Japan Bank for International Cooperation (JBIC): 26%
- Housing and Urban Development Corporation (HUDCO): 19.9%
- India Infrastructure Finance Company Limited (IIFCL) including its nominees: 4.1%
- Life Insurance Corporation of India (LIC): 1%

d. **Indo-Japan Task Force Meeting:** The twelfth meeting of the Indo Japan Task Force on DMIC was held on 18th December 2013, in New Delhi, with Secretary, Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce and Industry (MoCI) of India and Vice Minister for International Affairs, Ministry of Economy, Trade and Industry (METI) of Japan as co-chairs. Both sides expressed the intention of accelerating the development and implementation of the projects to be facilitated by Japan’s USD 4.5 billion facility and stressed upon the need for early implementation of Seawater Desalination Project at Gujarat and Model Solar project at Neemrana, Rajasthan. Both sides also discussed about the outcomes to be listed for the next summit meeting between the two Prime Ministers.

e. **Exhibition - cum - Convention Centre and Air - Cargo Complex at Dwarka:** DMICDC has completed the preparation of the master plan for the proposed Exhibition - cum - Convention Centre (ECC) and Air-Cargo Complex (ACC) in the 154 hectare site identified for development. The collection of primary baseline data pertaining to environmental monitoring, site
analysis and site surveys has been completed. A proposal for transfer of land at Sector 25 and Sector 26 in Dwarka, New Delhi, to DIPP for the development of a world class state-of-the-art Exhibition cum Convention Centre (ECC) and Integrated Freight Complex (Air Cargo Complex) is under consideration. The implementation of the project will be initiated once the transfer of land from Delhi Development Authority to Department of Industrial Policy and Promotion (DIPP) along with the required land use premission is completed.

f. Dadri-Noida Ghaziabad Investment Region (DNGIR), Uttar Pradesh: The draft Concept Master Plan for the Dadri-Noida-Ghaziabad Investment Region has been submitted by DMICDC to the state Government of Uttar Pradesh for review and approval.

The state Government of Uttar Pradesh has agreed to the following projects and has confirmed that the process of land acquisition has been initiated for these projects:

- Integrated Industrial Township Project-Greater Noida;
- Multi Modal Logistics Hub, Dadri;
- High Speed Seamless Connectivity between Delhi-Greater Noida and Faridabad;
- Reuse of Waste Water Study;
- Integrated Transportation Hub Project at Boraki.

DMIC Project Implementation Trust Fund accorded the approval for investing in the development of the Integrated Industrial Township at Greater Noida as also the ‘in-principle’ approval for development of the Multi Modal Logistic Hub at Dadri and same are being taken forward. CCEA, at its meeting held on 20th January, 2014 approved the formation of SPVs for implementation of Integrated Industrial Township Project at Greater Noida. The Share Holders’ Agreement has been executed and the SPV in respect of Integrated Industrial Township Project, Greater Noida has been formed and further action towards the implementation of the project is in progress.

g. Manesar - Bawal Investment Region (MBIR), Haryana: The state Government has accorded its administrative approval to the Concept Master Plan of Manesar-Bawal Investment Region and the process of notifying the development plan and finalizing the institutional structure for Manesar-Bawal Investment Region has been initiated by state Government. The major projects identified for development in the region include:
• Mass Rapid Transit System (MRTS) between Gurgaon and Bawal;
• Integrated Multimodal Logistics Hub (IMLH) at Rewari;
• Global City at Gurgaon;
• Integrated Water Resources Management Plan for Manesar Bawal Investment Region.

DMIC Project Implementation Trust Fund has given ‘in-principle’ approval for development of the Integrated Multimodal Logistics Hub (IMLH) at Rewari. The state Government has been requested to expedite the process of land acquisition along with formation of SPV for the project.

h. Khushkhera - Bhiwadi - Neemrana Investment Region (KBNIR), Rajasthan: The Concept Master Plan for the Shahjahanpur - Neemrana - Behror Urban Complex 2041 which also includes the master plan of the Khushkhera-Bhiwadi-Neemrana Investment Region has been notified by the state Government. The state Government has also initiated the procurement of land for Phase-IA of Khushkhera-Bhiwadi-Neemrana Investment Region. The Early Bird Projects identified for development in the Khushkhera-Bhiwadi-Neemrana Investment Region are:
• Road Link Connecting Bhiwadi - Tapokara Industrial Complex via Ajarka to Neemrana;
• Development of Aerotropolis;
• Development of the Knowledge City.

Apart from the Early Bird Projects mentioned above the state Government has also approved the following five projects for conducting the pre-feasibility studies:
• Waste Water Conveyance System from DJB (Okhla Treatment Plant);
• Integrated Multimodal Passenger Hub;
• High Tech Agriculture/ Food Cluster;
• Water Management for Phase -1;
• Public Transportation for Khushkhera-Bhiwadi-Neemrana Investment Region.

Draft pre-feasibility reports for the above mentioned projects have already been shared by DMICDC with the state Government for seeking their comments/concurrence.

i. Jodhpur- Pali - Marwar Industrial Area (JPMIA), Rajasthan: The Concept Master Plan for Jodhpur- Pali - Marwar Industrial Area is at an advanced stage
of preparation and will be submitted to the state Government once completed. The major projects identified for development in the Jodhpur- Pali - Marwar Industrial Area include:

- Development of Airport near Jodhpur;
- Development of Sojat- Pali bypass road;
- Development of Multi Modal Logistic Hub near Rohat;
- Water supply and Waste Water Management in Jodhpur Pali Marwar Industrial Area;
- Development of MRTS between Jodhpur and Pali.

DMICDC has informed that the state Government, in the State Steering Committee meeting held on 25th July 2013, has approved the Rajiv Gandhi lift canal as a source for potable water for JPMIA.

j. Pithampur- Dhar - Mhow Investment Region, Madhya Pradesh: The Concept Master Plan for Pithampur- Dhar- Mhow Investment Region has been approved by the State Government. The State Government is in the process of undertaking the notification of the Development Plan for Pithampur- Dhar- Mhow Investment Region. The major projects identified for development in Pithampur- Dhar Mhow Investment Region include:

- Development of Integrated Industrial Township ‘Vikram Udyogpuri’ near Ujjain;
- Improvement of Water Supply Project for Pithampur Industrial Area and Phase-1 of Pithampur-Dhar-Mhow Investment Region;
- Development of Integrated Multimodal Logistics Hub near Pithampur;
- Development of Economic Corridor from Indore Airport to Pithampur Industrial Area.

DMIC Project Implementation Trust Fund has accorded approval for investing in the development of Integrated Industrial Township ‘Vikram Udyogpuri’ near Ujjain and for the improvement of Water Supply Project for Pithampur Industrial Area and Phase-1 of Pithampur-Dhar-Mhow Investment Region. Shareholders Agreement (SHA) for the project has been executed in consultation with the state nodal agencies. The project SPV with the name of “Pithampur Jal Prabhandhan Company Limited” has been incorporated and the share of
DMIC Trust towards equity of this company was released on 31st March, 2014.

CCEA, at its meeting held on 20th January, 2014, approved the project of Integrated Industrial Township Project at Vikram Udyogpuri near Ujjain, Madhya Pradesh. Shareholders’ Agreement (SHA) for the project has been executed in consultations with the state nodal agencies. The State Government of Madhya Pradesh has issued directions for transfer of land to the project SPV.

k. Ahmedabad - Dholera Special Investment Region (DSIR), Gujarat: The Concept Master Plan for Dholera Special Investment Region has been approved by the state Government. Subsequently the state Government notified the Development Plan for Dholera Special Investment Region under six Town Planning (TP) Schemes. Out of the six Town Planning Schemes, TP-1 and TP-2 have been sanctioned (which will constitute Phase-1 of Dholera) while the State Government is in the process of sanctioning the remaining Town Planning schemes. The major projects identified for the development in Phase-1 of Dholera Special Investment Region include:

- Six lane expressway from Ahmedabad to Dholera;
- Metro connectivity between Gandhinagar to Ahmedabad;
- Development of Dholera International Airport;
- Development of railway line from Bhimnath to Dholera.

The Programme Manager for New Cities (PMNC) has been appointed for Dholera Special Investment Region and preliminary engineering for Town Planning Schemes, TP-2 East and West has been initiated.

The DMIC Project Implementation Trust Fund has accorded approval for investing in the development of railway line from Bhimnath to Dholera as also the formation of SPV and the same is being taken forward.

l. Shendra - Bidkin Industrial Park (SBIP) and Dighi Port Industrial Area (DPIA), Maharashtra: The Concept Master Plans for Shendra-Bidkin Industrial Park and Dighi Port Industrial Area have been completed. Site surveys for Shendra-Bidkin Industrial Park and Dighi Port Industrial Area are undertaken. The major project identified for development in the Shendra-Bidkin Industrial Park is the Central Business District (CBD) of 50
acres and trunk infrastructure for the Phase-I of Shendra-Bidkin Industrial Park.

RFQ- cum RFP document for the selection of Programme Managers for Phase - I (24 sq. km) of Shendra-Bidkin Industrial Area has been issued. The Shareholders’ Agreement and State Support Agreement for incorporation of the SPV between DMIC Trust and the state Government of Maharashtra have been finalized. The proposal for formation of node/ city level SPV was placed before the Board of Trustees in the meeting held on 10th March, 2014 and the same was approved.

To kick start the development in Shendra Bidkin Industrial Area the Phase I comprising of 32.03 sqkm has been identified which would act as catalyst for further investments. The project was placed before the Board of Trustees in the meeting held on 10th March, 2014 for investment approval. As decided, the financing issues relating to the project are being re-examined.

m. Power Projects in DMIC: Five gas based power projects with capacity of 1000-1200 MW each have been taken up by DMICDC at the following sites for meeting the requirement for power in the DMIC region.

1. Chainpura Industrial Area, Distt. Guna, Madhya Pradesh;
2. MIDC Indapur in Distt. Pune in Maharashtra;
3. MIDC Ville Bhagad, Distt. Raigad in Maharashtra;
4. Vaghel, Distt. Patan, Gujarat;

For the first 4 sites, Detailed Project Reports have been prepared, No Objection Certificates has been obtained from Airports Authority of India (AAI) for Power Plant chimney height, water allocation has been tied up with State Governments and Environmental Clearance from the Ministry of Environment and Forest (MoEF) has been obtained.

For Rajpur-Shahpur, site survey studies have been completed, NOC has been received from AAI for Power plant chimney height and Terms of Reference for Environmental Clearance has been obtained from MoEF. Early Impact Assessment studies would be initiated after getting confirmation about the allocation of gas for other projects.

Project specific SPVs have been established and land is being taken from State Government / Industrial Development Corporations in these SPVs.

- Chainpura Industrial Area in Guna Dist., MP-89.874 ha allotted by IIDC, Gwalior;
- MIDC Indapur Industrial Area, Pune Dist., MH - 79.77 ha of land allotted by MIDC;
- MIDC Ville Bhagad Industrial Area, Raigad Dist., MH- 64.3 ha of land allotted by MIDC;
- Vaghel village, Dist. Patan, Gujarat, - 131.97 Ha of land has been allocated by Gujarat Government for this project.

For gas sourcing and supply, term-sheet and Memorandum of co-operation for gas supply has been signed with M/s GAIL and the discussions on draft gas supply agreement have been initiated.

Proposals for allocation of domestic gas for all sites have been submitted before the Ministry of Power and Ministry of Petroleum & Natural Gas.

n. Information and Communication Technology (ICT) Master Plans:

In addition to the physical master plans, DMICDC is preparing ICT Master Plans for integrating all the utilities and controlling them through a central control/command centre. The objective is to dovetail the geographical plans with the digital plans and to use the technology to leap-frog. ICT Master Plan for the nodes of Maharashtra and the node in Gujarat has been completed. For the node in Haryana and Rajasthan, the same are being prepared. The Final ICT reports for the Dighi Port Industrial Area in Maharashtra, Ahmedabad Dholera Special Investment Region in Gujarat and Shendra – Bidkin Industrial Park in Maharashtra have been submitted by the consultant and accepted by the State Government. The final ICT Master Plans for Khushkhera Bhiwadi Neemrana Investment Region in Rajasthan and Manesar Bawal Investment Region in Haryana have been forwarded by DMICDC to State Government for their comments/suggestions.

o. Environmental Clearance for DMIC nodes:

Public hearings have been successfully conducted for the Khushkhera-Bhiwadi-Neemrana Investment Region and Manesar-Bawal Investment Region with the assistance of the state nodal agencies. The Final EIA Report is being finalized by the consultant and will be submitted to MoEF shortly. The EIA reports for Pithampur-Dhar-Mhow Investment Region have been accepted by the State Government.
Development Corporations in these SPVs.

- Chainpura Industrial Area in Guna Dist., MP- 89.874 ha allotted by IIDC, Gwalior;
- MIDC Indapur Industrial Area, Pune Dist., MH - 79.77 ha of land allotted by MIDC;
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n. Information and Communication Technology (ICT) Master Plans: In addition to the physical master plans, DMICDC is preparing ICT Master Plans for integrating all the utilities and controlling them through a central control/command centre. The objective is to dovetail the geographical plans with the digital plans and to use the technology to leapfrog. ICT Master Plan for the nodes of Maharashtra and the node in Gujarat has been completed. For the node in Haryana and Rajasthan, the same are being prepared. The Final ICT reports for the Dighi Port Industrial Area in Maharashtra, Ahmedabad Dholera Special Investment Region in Gujarat and Shendra - Bidkin Industrial Park in Maharashtra have been submitted by the consultant and accepted by the State Government. The final ICT Master Plans for Khushkhera Bhiwadi Neemrana Investment Region in Rajasthan and Manesar Bawal Investment Region in Haryana have been forwarded by DMICDC to State Government for their comments/suggestions.

o. Environmental Clearance for DMIC nodes: Public hearings have been successfully conducted for the Khushkhera-Bhiwadi-Neemrana Investment Region and Manesar-Bawal Investment Region with the assistance of the state nodal agencies. The Final EIA Report is being finalized by the consultant and will be submitted to MoEF shortly. The EIA reports for Pithampur-Dhar-Mhow Investment
Region, Dighi Port Industrial Area and Dholera Special Investment Region have been submitted to the respective state government agencies for initiating the public hearing process. The EIA report for the Shendra Bidkin Industrial Park is under preparation. The ToR Clearance for Jodhpur Pali Marwar Industrial Area has also been accorded by the Expert Appraisal Committee of MoEF.

Projects referred in Joint Statement of Prime Ministers of India and Japan:

a) Desalination Plant of 336 MLD at Dahej, Gujarat: DMIC Project Implementation Trust Fund has accorded ‘in principle’ approval to take 15% equity at par. The states government has issued a letter of comfort to the Japanese consortium on 22nd January, 2014 for Desalination Project at Dahej. The End User Agreement with various stakeholders is being finalised. The equity structure between Japanese Consortium, JBIC, Government of Gujarat and DMICDC Trust is being finalised.

b) Gas- fired Independent Power Producer (IPP) in Maharashtra: All project development activities such as site related studies, Detailed Project Report, securing land for the project site as well as obtaining water allocation for the power project in the state of Maharashtra has been completed. The environmental clearance for the project has also been obtained from Ministry of Environment and Forests. Efforts are being made to ensure adequate availability of gas at reasonable prices to make the project financially viable.

c) 6MW Model Solar Plant with Smart Micro Grid in Neemrana, Rajasthan: The Cabinet Committee for Economic Affairs in its meeting held on 20th January, 2014, approved the proposal of DIPP for implementation and operation of Model Solar Project at Neemrana, Rajasthan through a 100% subsidiary of DMICDC. The Board of Directors of DMICDC in its meeting held on 24th February 2014 approved the incorporation of 100% SPV of DMICDC for the project. Accordingly, a company with the name of “DMICDC Neemrana Solar Power Limited” has been incorporated and DMIC Trust has released its share of equity to the project SPV.

Other Smart Community Projects in DMIC Region:

DMICDC in partnership with the Government of Japan has initiated the
development of Smart Communities or Eco Cities for demonstrating cutting edge technologies and promoting the sustainable development in the DMIC region. METI, Government of Japan, had initiated smart community pre-feasibility studies in the brown field areas of DMIC region. Significant developments have been made in various projects which are undertaken in this Smart Initiative:

a. Manesar Bawal Region, Haryana: Logistics Data Bank Project has been identified by the consortium of NEC in which various manufacturing and large logistics players have been taken on board by NEC to finalize the implementation strategies for this project. A regulatory framework for charging mandatory user charges is being discussed with Ministry of Shipping and data sharing by all the logistics players will be necessary to ensure the viability of this project. In this regard a meeting was held under the chairmanship of Secretary, Shipping with all the concerned stakeholders on 13th March, 2014, and further action on the decisions taken is in progress.

b. Sanand- Changodar Region, Gujarat: Mitsubishi consortium is working on this project. In a meeting held on 27th Feb 2013 with CEO - DMICDC, the consortium has already shared their preliminary findings on the following projects:

(a) Coal Gasification project;
(b) Urban Mass-Transportation Project;
(c) Lithium Battery Life Time cycle Business;
(d) Waste to Energy project.

Other projects undertaken by DMICDC

a. Water availability at the nodes: A committee exists under the Chairmanship of Secretary, Ministry of Water Resources (MoWR), Government of India to address the issue of water availability at DMIC nodes. Based on the decisions of the meeting, DMICDC has taken up preparation of Integrated Water Resource Management Plan for Manesar - Bawal Investment Region and Khushkhera - Bhiwadi - Neemrana Investment Region.

b. Skill Development Initiative: For ensuring the availability of skilled manpower for meeting the requirements of the DMIC region, DMICDC has initiated the development process for establishment of Advanced Skill Development Centres (SDC) on a Hub and Spoke model across the six states covered by DMIC. The Transaction Advisor and Technical Service
Provider has already been appointed by DMICDC in this regard. The appointed consultant has submitted the inception report and Training Need Analysis report. Other required data collection/surveys are in progress.

**Bengaluru-Mumbai Economic Corridor (BMEC)**

During the Summit meeting held between India and United Kingdom in February, 2013, the Prime Ministers of both the countries welcomed the development in cooperation on infrastructure since the last summit. They noted UK’s interest in cooperating with India for the development of a new Bengaluru-Mumbai Economic Corridor (BMEC). The leaders agreed to examine and evolve the modalities and content of a feasibility study of this project concept through mutual discussions and to work out a roadmap for a possible partnership in this area.

The TORs for the feasibility study were finalized in consultation with the Department of Economic Affairs, the UK side and DMICDC which has been appointed as the nodal agency on the Indian side for the project. UK Trade and Investment (UKTI) is the nodal agency on the UK side for the project. The nodal officer on the Indian side is Mr Talleen Kumar, Joint Secretary, DIPP while the nodal officer on the UK side is Mr Barry Lowen, Director, UKTI. On the basis of competitive bidding, M/s. Egis India Consulting Engineers Pvt. Ltd in JV with IAU ile-de-France & CRISIL Risk & Infrastructure Solutions Limited have been selected as the consultants for undertaking the study. As per the Terms of Reference, the study should be completed in about 8 months from the date of award of the work. The feasibility study will be funded by the Government of India. It has also been decided that there will be a Joint Steering Group only for the project and not for the feasibility study. However, while the study is in progress, the financing models could be fine tuned simultaneously by the two sides. The institutional and financial structure for BMEC has to be finalised keeping in mind the requirements of the project on which clarity will emerge only after the completion of a substantial portion of the feasibility study.

**Chennai-Bengaluru Industrial Corridor (CBIC) Region**

During the summit meeting held between India and Japan in December 2011, the two Prime Ministers stressed the importance of infrastructure development in the areas between Chennai and Bengaluru, where an
increasing number of Japanese companies including SMEs have made direct investments to establish their manufacturing base or other forms of business presence. Against this background, they decided to strengthen efforts to improve infrastructure such as ports, industrial parks and their surrounding facilities in Ennore, Chennai and the adjoining areas. The Prime Minister of Japan conveyed Japan’s intention to extend financial and technical support to the preparation of India’s Comprehensive Integrated Master Plan of this region based on which planned development and work on related facilities could be taken up expeditiously. The two Prime Ministers directed their officials concerned to speedily operationalise the modalities for preparation of the Comprehensive Integrated Master Plan and get it completed at the earliest.

The corridor between Chennai - Bengaluru - Chitradurga (around 560 km) would have an influence area spread across the states of Karnataka, Andhra Pradesh and Tamil Nadu. The strategy to develop CBIC is part of a plan to achieve accelerated development and regional industry agglomeration in the states of Tamil Nadu, Karnataka and Andhra Pradesh. A total of 25 priority projects across various sectors were identified for debottlenecking infrastructure in the region, in the preliminary study conducted by the Japan International Cooperation Agency (JICA) as Phase-I of the study. The Terms of Reference (ToRs) for Phase-II Study for CBIC was circulated to all the stakeholders in March, 2013. The final ToRs were discussed in the meeting of PMO held in April, 2013, after consultation with JICA and examination of the comments received from the stakeholders. The ToRs were finalized and shared with JICA.

As per the Terms of Reference for Phase II study, JICA will prepare a Comprehensive Regional Perspective Plan for CBIC region within 6-8 months of mobilization of the Consultant and the Concept Master Plan and Development Plan for at least two Industrial Nodes within the next 10 -12 months.

JICA has selected a consortium of consultants comprising M/s Pricewaterhouse Coopers (PWC), Japan and M/s Nippon Koei Company Ltd, Japan for the study. A kick-off meeting with the JICA consultants and the concerned representatives of the state and Central Government for discussing the Inception Report and the
preparation of the comprehensive plan (phase-2 study) was held on 15th October, 2013, when the timelines for the study were also discussed. The study team has gathered details/information from the concerned state Governments and line ministries of the Central Government to complete the study within the agreed time frame. According to the tentative schedule given by the consultants, the timelines are as follows:

**Part A - Preparation of Comprehensive Regional Perspective Plan for the overall CBIC Region**

(1st Interim Report) - 13th December, 2013

(2nd Interim Report) - Mid March, 2014

**Part B - Preparation of Concept Master Plan and Development Plan for Industrial Nodes**

(3rd Interim Report) - Mid July, 2014

(Draft Interim Report) - Mid December, 2014

(Final Report) - Mid March, 2015.

The consultants submitted the first interim report on 17 Dec, 2013. Following the review meeting taken on 11 Dec 2013, the consultants had a revised target to submit their recommendations on the potential nodes for development in the CBIC region by 10th January, 2014, and the same was received in the Department on 13.01.2014. JICA have since submitted the second Draft Interim Report on 28th March, 2014, on the Comprehensive Integrated Master Plan for Chennai-Bengaluru Industrial Corridor and the same has been circulated to all the concerned state Governments and stakeholders for seeking their comments on the findings of the JICA Study Team. JICA will take up master planning of some of the industrial nodes identified in the region in consultation with the states and other stakeholders.

**Amritsar-Kolkata Industrial Corridor (AKIC)**

The Amritsar-Kolkata Industrial Corridor is an ambitious project aimed at developing an Industrial Zone spanning across seven states in India. AKIC, spread across the states of Punjab, Haryana, U.P., Bihar, Jharkhand, West Bengal and Uttarakhand will include and have an impact on more than 20 important cities in the region. The corridor covers one of the most densely populated regions of the country which houses nearly 40% of India’s population. The region as a whole lags behind in industrial activity and has
been seeing an exodus of manpower to the other industrial hubs for decades. The Project will see major expansion of infrastructure and industry including industrial clusters and rail, road port, air connectivity in the states along the route of the corridor and will provide a boost to employment in primary core sectors and subsequent support areas. AKIC would be developed using the upcoming Railway's Eastern Dedicated Freight Corridor (EDFC) as the backbone. The development of AKIC will be taken up in a band of 150-200 kms on either side of the EDFC, in a phased manner. This infrastructure development project will also give much needed boost to the manufacturing sector and help in raising its gross domestic product contribution from the current level of 16 percent to 25 percent by 2025.

Vizag-Chennai Industrial Corridor (VCIC)

The proposed Visakhapatnam -Chennai industrial corridor is expected to give a fillip to the economic prospects of the Seemandhra region. This prestigious project is expected to create more than 50,000 jobs, both directly and indirectly, in the first phase alone. This project would potentially transform the industrial landscape of the region in less than a decade of its commissioning. Being set up on the lines of Delhi-Mumbai Industrial Corridor project, VCIC will create a strong economic base with globally competitive environment and state-of-the art infrastructure to activate local commerce, enhance foreign investments and attain sustainable development. This project will provide new investment opportunities and will redefine the economic landscape of the region.
The eBiz project is one of the 27 Mission Mode Projects under the National e-Governance Plan (NeGP) being executed by the Department. The vision of eBiz is to transform the business environment in the country by providing efficient, convenient, transparent and integrated electronic services to investors, industries and businesses in the areas of information on forms & procedures, licenses, permits, registrations, approvals, clearances, permissions, reporting, filing, payments and compliances throughout the life-cycle of an industry or business entity. The core theme of eBiz lies in radical shift by Government in its service approach, from being department-centric to customer-centric, in providing services to the business community.

The Project envisages setting up a G2B portal to serve as a one-stop shop for delivery of convenient and efficient services to the investors and addresses the need of the business and industries right from the inception through the entire life cycle of the business.

The following are the Outcomes of the eBiz Project

- **A world-class G2B portal** that enhances India’s business competitiveness through a single, service-oriented, event-driven interface for all G2B interactions.
- **Integrated G2B Services** across Central, State & Local Government & across all geographies in India.

The above outcomes result in the following benefits to the investor.

**eBiz Vision**

“To transform the business environment in the country by providing efficient, convenient, transparent and integrated electronic services to investors, and business throughout the business life-cycle.”

- Returns
- Taxes
- Permits
- Compliance
- Approvals
- Permissions
- Approvals
- Compliance
- Project Profiles
- Infrastructure
- State Support

**1-Stop Shop**

- Consolidated information
- Content updated periodically
- Apply & Pay for licenses online
- 24X7 access to information and services
- Online, Off and Mobile

**Reduced Total Time**

- End-to-end online transactions (Forms, Attachments, Payments)
- Reduction in inter-department wait time
- Immediate status updates
- SMS and email alerts & notifications

**Reduced Total Cost**

- Elimination of in-person visits
- Reduced dependency on middlemen and tests

**Visibility and Transparency**

- Digital Signatures Certificates
- Strategic Control & Security (ISO 27001-2005 compliant)
Today, starting a new business or setting up a new industrial unit requires multiple licenses/clearances and related services from multiple government agencies across various levels of government. The information about these services is fragmented in multiple acts, rules and procedures and scattered across multiple websites. As a result, an average investor is confused and does not know where to begin and is dependent on middlemen for guidance.

After obtaining the relevant information through secondary research and middlemen, the investor has to begin a protracted series of interaction with multiple government agencies. Each clearance service requires multiple interactions with the agency and often multiple visits to the department offices.

As a result of all the above factors, the current scenario is time-consuming, expensive and cumbersome.

The mission of eBiz is to transform the above scenario and provide investors easy access to relevant information and services through a number of key features such as License and Permits Information Wizard, Composite Application Forms and Service Orchestration.

### License and Permits Information Wizard

eBiz License and Permits Information wizard is a consolidated repository of all relevant licenses, permits and other regulatory information along with their applicability criteria. The eBiz portal includes an ‘interview-style’ wizard which poses the investors a series of questions to assess the licensing needs of their business. Based on the answers provided, the wizard provides a customized list of licenses/clearances that the investor needs to begin their business operation and a list of regulatory compliance they need to comply with as part of operating their business.
Composite Application Form

In the current scenario, the investor needs to fill multiple application forms to avail various services from Government agencies. An analysis of the forms indicates significant overlap in the information sought such as the identity of the applicant, demographics of the applicant/business unit etc. eBiz will create a Composite Application Form combining the common elements and creating a single form through which the investor can apply for multiple services.

Joined Up Service Orchestration

eBiz Joined Up Service combines the backend workflow of multiple government departments in such a manner that a single request from the investor through the Composite Applicable Form is routed through multiple government agencies in a logical sequence. This includes parallel and sequential orchestration based on interdependencies between the services being requested by the investor.

The eBiz project will be operated as a PPP for a period of 10 years. The first three years will constitute the pilot phase, and will earmark setting up of the eBiz portal and provisioning of 29 services covering 9 central government departments and 5 states (Andhra Pradesh, Haryana, Maharashtra, Tamil Nadu, and Delhi) in the first year. The list of 29 services is given in table 5.1 additional services have been identified for implementation during second and third year. In addition during the period under report, 5 more states (Odisha, Rajasthan, Punjab, Uttar Pradesh and West Bengal) have been included during the pilot phase. The next seven years called expansion phase, the portal will be run on PPP basis through a business model approved for the project. In this phase, the project will be expanded to cover the whole country and to provide over 200 G2B services and other value added services by suitable private vendors.
The project has been awarded to M/s. Infosys Technologies Ltd., Bangalore after following government’s three-stage bid process. The concessionaire agreement was signed between DIPP and Infosys Technologies on 28th May 2009. Subsequently, the project implementation has commenced from 4th June, 2009.

In order to obtain feedback from partner departments, business-user community, Industry associations etc., for improving the design and ergonomics of the eBiz portal as well as increasing its acceptance by various stakeholders, beta version of the portal was released in December, 2009. A very positive feedback had been obtained from the stakeholders.

Subsequent to the soft-launch on 28.01.2013 by Hon’ble Commerce & Industry Minister comprising Question & Answer based License and Permit Wizard, the eBiz platform with 2 DIPP services viz., ‘Industrial Entrepreneur Memoranda’ & ‘Industrial License’ was also launched by Hon’ble Commerce & Industry Minister on 20.01.2014. The eBiz platform shall showcase the transactional capabilities of G2B service delivery mechanism with payment gateway services and ePAO Solution set up for centralized booking and re-conciliation of all Central Government Ministries / Departments’ fees collected through eBiz portal. The eBiz portal can be accessed at www.ebiz.gov.in. The next launch is planned with 27 Andhra Pradesh single window industrial licensing and one central service viz., ‘Employer Registration’ of Employee’s State Insurance Corporation (ESIC). The Incremental Roll-out is also scheduled to be carried out, thereafter, with 52 remaining Year-1 services (15 Central and 37 State services) pertaining to 4 pilot states along with integration with additional PSU banks.
Chapter One of the principal objectives of the Government of India's Industrial Policy is to have a balance in industrial development between different regions of the country by addressing the problem of industrial development of backward areas. For stimulating industrial development of backward areas, the Union Government has been supplementing the efforts of state governments through various policies/schemes/packages of incentives. Another focus area of the Government of India's Industrial Policy is to develop quality industrial infrastructure through various schemes for enhancing international competitiveness of the domestic industry, especially in the functional clusters/locations which have greater potential to become globally competitive. Some of such policies/schemes/packages of incentives for development of industries and which are being currently administered by this Department are given in this chapter.

Subsequent to allocation by the Planning Commission, scheme-wise allocation is worked out in the Department. The Department was implementing 11 Central Sector (CS) Schemes and 2 Centrally Sponsored Schemes (CSS). However, in accordance with the Government decision on 20th June, 2013, the 2 Schemes namely; North East Industrial and Investment Promotion Policy (NEIIPP), 2007 and package for special category States (SCS) are now to be taken up as Central Sector Schemes. Thus, the Department is now implementing 13 Central Sector (CS) Schemes. Further, 3 new plan schemes have been proposed for the 12th Five Year Plan. The Department has been allocated `12,601 crore as GBS for the 12th Five Year Plan, `1,365 crore for the Annual Plan 2012-13 and `1,501 crore for Annual Plan 2013-14. Progress of expenditure under the Plan Schemes is regularly monitored in the Department. Till March, 2014 end, 75.6%(provisional) of the allocation for Annual Plan-2013-14 has been utilized in the Department.

Transport Subsidy Scheme
The scheme was introduced on 23.7.1971 to promote industrialization in the remote, hilly and inaccessible areas by providing for subsidy in the transportation cost incurred by the industrial units so that they could stand competition with other similar industries, which are geographically located in better areas.

A. Applicability
To all industrial units barring plantations, refineries and power generating units both in public and private sectors irrespective of their size.

Table 5.1
List of Year 1 Services of the Pilot Phase of eBiz Project

<table>
<thead>
<tr>
<th>No.</th>
<th>Service</th>
<th>Department</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Issue of Name Availability Letter</td>
<td>Ministry of Corporate Affairs (MCA)</td>
</tr>
<tr>
<td>2</td>
<td>Issue of Director Identification Number</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Issue of Certificate for Corporation</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Issue of Certificate for Commencement of Business</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Issue of Permanent Account Number (PAN)</td>
<td>Central Board of Direct Taxes (CBDT)</td>
</tr>
<tr>
<td>6</td>
<td>Filing of Returns by Companies (Form 1)</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Tax Deduction Account Number of Income Tax Dept</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Excise Tax Registration (Form R-1)</td>
<td>Central Board of Excise and Customs (CBEC)</td>
</tr>
<tr>
<td>9</td>
<td>Filing monthly returns for production and removal of goods (Form E.R. 1)</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Service Tax Registration (Form ST-1)</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Filing Half-yearly Service Tax Returns</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Issue of Industrial Entrepreneur Memoranda</td>
<td>Department of Industrial Policy &amp; Promotion (DIPP)</td>
</tr>
<tr>
<td>13</td>
<td>Issue of Industrial License</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Issue of Importer Exporter Code</td>
<td>Director General of Foreign Trade (DGFT)</td>
</tr>
<tr>
<td>15</td>
<td>Application for Environmental Clearance</td>
<td>Ministry for Environment and Forests (MOEF)</td>
</tr>
<tr>
<td>16</td>
<td>Filing of FC-GPR (Reporting of Forex Transaction)</td>
<td>Reserve Bank of India (RBI)</td>
</tr>
<tr>
<td>17</td>
<td>Filing for Employees State Insurance Corporation</td>
<td>ESIC, M/o Labour &amp; Employment</td>
</tr>
<tr>
<td>18</td>
<td>Filing for Employees Provident Fund Organization</td>
<td>EPFO, M/o Labour &amp; Employment</td>
</tr>
<tr>
<td>19</td>
<td>Issue of Registration Certificate under Value Added Tax</td>
<td>State Commercial Taxes Deptt (CTD)</td>
</tr>
<tr>
<td>20</td>
<td>Filing of Returns by Dealers</td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>Registration of SSI unit</td>
<td>State Industries Department</td>
</tr>
<tr>
<td>22</td>
<td>Registration under Shops and Establishment Act</td>
<td>State Labour Department</td>
</tr>
<tr>
<td>23</td>
<td>Issue of license under Factories Act, 1948</td>
<td>State Factories Department</td>
</tr>
<tr>
<td>24</td>
<td>Filing of Annual Returns under Factories Act, 1948</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>Payment of Property Tax</td>
<td>Municipal Authority</td>
</tr>
<tr>
<td>26</td>
<td>Application for power connection from DISCOM</td>
<td>State Electricity Department</td>
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<td>27</td>
<td>Permission to Charge the Line</td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>No Objection Certificate from Pollution Control Board</td>
<td>Pollution Control Board</td>
</tr>
<tr>
<td>29</td>
<td>Registration for Profession Tax</td>
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**STATE SERVICES**

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**State Governments :: Andhra Pradesh, Delhi, Haryana, Maharashtra and Tamil Nadu**
One of the principal objectives of the Government of India’s Industrial Policy is to have a balance in industrial development between different regions of the country by addressing the problem of industrial development of backward areas. For stimulating industrial development of backward areas, the Union Government has been supplementing the efforts of state governments through various policies/schemes/packages of incentives. Another focus area of the Government of India’s Industrial Policy is to develop quality industrial infrastructure through various schemes for enhancing international competitiveness of the domestic industry, especially in the functional clusters/locations which have greater potential to become globally competitive. Some of such policies/schemes/packages of incentives for development of industries and which are being currently administered by this Department are given in this chapter.

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**Transport Subsidy Scheme**

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**A. Applicability**

To all industrial units barring plantations, refineries and power generating units both in public and private sectors irrespective of their size.
B. Coverage
All eight states of the North East, Himachal Pradesh, Jammu & Kashmir, Uttarakhand, Andaman & Nicobar Administration, Lakshadweep Administration and Darjeeling District of West Bengal.

C. Quantum of Subsidy
Subsidy ranging between 50% and 90% of the transport cost for transportation of raw material and finished goods to and from the location of the unit and the designated rail-head. For North East States, J&K and UTs, the subsidy is 90%. For H.P. and Uttarkhand and Darjeeling District of West Bengal, the subsidy is 75%. However, for movement of goods within NER, the subsidy is 50%.

D. Period of eligibility
The subsidy is eligible to a unit for a maximum period of five years from the date of commencement of commercial production.

E. Nodal Agency
The disbursement of subsidy to the eligible industrial units in the States is made through the nodal agencies appointed for the purpose. These are:
- North East Development Financial Corporation (NEDFC), Guwahati for the eight states of North Eastern Region;
- JKDFC for Jammu & Kashmir;
- HPSIDC for Himachal Pradesh;
- SIDCUL for Uttarakhand.

The disbursement of subsidy to the industrial units in the Union Territories is made through the UTs Administrations.

F. Funds released under the scheme
Under TSS, 1971, since inception, an amount of ₹3241.66 crore (approx.) has been released to the States/UTs, including ₹222.73 crore released during the FY 2012-13 and ₹220.00 crore released during FY 2013-14. Year-wise funds released under the scheme have been depicted through a Bar-chart given below.

G. Validity of the Scheme
The Transport Subsidy Scheme was sunset on 21.01.2013. and w.e.f. 22.01.2013 it has been modified and notified as Freight Subsidy Scheme (FSS) - 2013, with the approval of CCEA. Units which commenced production on or after 22.01.2013 or a unit which has not claimed subsidy under TSS, 1971, before the date of publication of FSS in the official Gazette will be covered under FSS - 2013. The salient features of this scheme are as follows:
(i) Definition of ‘manufacturing activity’ adopted from the Union Budget 2009-10;
(ii) Subsidy on transportation of fly ash disallowed;
(iii) Sunset clause introduced so that the Scheme terminates after 5 years from its date of notification;
(iv) Provision for subsidy for an additional period of 5 years to MSME;
(v) Plantations, refineries, power generating units, coke (including Calcined Petroleum Coke) industry and the units producing tobacco and manufactured tobacco substitutes, pan masala and plastic carry bags of less than 20 microns have been placed in the negative list.

North East Industrial and Investment Promotion Policy (NEIIPP), 2007

With a view to give a further boost to industrialization in the North Eastern Region, the erstwhile North East Industrial Policy (NEIP), 1997 was revised and a new policy, namely North East Industrial & Investment Promotion Policy (NEIIPP) 2007, was notified w.e.f. 1.4.2007, which will remain in force upto 31.03.2017. Benefits under NEIIPP 2007 have also been extended, for the first time, to select service sector units, Bio-technology units and power generating units (upto 10 MW), besides industries in the manufacturing sector. This policy replaces the erstwhile NEIP, 1997.

Funds released under TSS

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount</td>
<td>531</td>
<td>86</td>
<td>90</td>
<td>109</td>
<td>17</td>
<td>75</td>
<td>97</td>
<td>39</td>
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<td>0</td>
<td>405</td>
<td>400</td>
<td>331</td>
<td>222.73</td>
<td>220</td>
</tr>
<tr>
<td>In crore</td>
<td>₹</td>
<td>₹</td>
<td>₹</td>
<td>₹</td>
<td>₹</td>
<td>₹</td>
<td>₹</td>
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<td>₹</td>
<td>₹</td>
<td>₹</td>
<td>₹</td>
<td>₹</td>
</tr>
</tbody>
</table>

Year-wise funds released under the scheme have been depicted through a Bar-chart given below.
A. Applicability
To all industrial units barring the units producing tobacco and manufactured tobacco substitutes, pan masala and plastic carry bags of less than 20 microns, refineries and units engaged in peripheral activities like preservation during storage, cleaning operations, packing, re-packing, labeling or re-labeling, sorting, alteration of retail, sale price, etc.

B. Coverage
Entire North East Region comprising states of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Tripura and Sikkim.

C. Schemes under NEIIPP, 2007
• Central Capital Investment Subsidy Scheme, 2007:- The Scheme provides for subsidy @ 30% of the investment in plant and machinery or additional investment in plant and machinery by way of substantial expansion to all new units as well as existing units which go in for substantial expansion. In order to grant additional benefits to Micro, Small and Medium Enterprises, this Department has amended provision of CCIS to provide that w.e.f. 6th January, 2011 for the industrial units in the Micro, Small and Medium Enterprises sector, subsidy will be available also on additional investment in plant and machinery in respect of first and every subsequent substantial expansion and on commencing commercial production or becoming operational/ functional on or after 6th January, 2011 subject to a ceiling of ₹3.00 crore for manufacturing sector and ₹1.50 crore for service sector.

• Central Interest Subsidy Scheme: - The Scheme provides for interest subsidy @ 3% on the working capital loan availed by an eligible unit from scheduled banks or Central/State financial institutions for a maximum period of 10 years from the date of commencement of production.

• Central Comprehensive Insurance Scheme: - The Scheme provides for reimbursement of 100% insurance premium for a maximum period of 10 years from the date of commencement of production.

D. Nodal Agency
North Eastern Development Finance Corporation (NEDFC), Guwahati is the nodal agency for disbursal of subsidies under various subsidy schemes of NEIIPP, 2007.

E. Funds released under the various schemes of NEIIPP, 2007
Under NEIIPP, 2007, since inception, ₹549.81 crores has been released to the States of NER, out of which an amount of ₹99.83 crores has been released during the FY 2012-13 and ₹149.99 crore during the current FY 2013-14. Year-wise and scheme-wise funds released have been depicted through a Bar-Chart given below.
Package for Special Category States of Jammu & Kashmir, Himachal Pradesh and Uttarakhand

Jammu & Kashmir

New Industrial policy and other concessions for the state of J&K were introduced by DIPP on 14th June, 2002, for a period of ten years. Details of incentives/concessions provided for industrial development in the State are (i) Central Capital Investment Subsidy Scheme, 2002; (ii) Central Interest Subsidy Scheme, 2002; (iii) the Central Comprehensive Insurance Scheme, 2002. The package of incentives for the state of J&K expired on 14th June, 2012.

On the basis of independent impact evaluation study and in consultation with the stakeholders it was decided to continue the package during the 12th Five Year Plan. An Office Memorandum has been issued on 11.06.2013 with the approval of the competent authority for extension of the package for a further period of five years w.e.f. 15.06.2012 to 14.06.2017 with certain modification in the package. The new package provides the following incentives:

- **Central Capital Investment Subsidy Scheme**: All new industrial units and existing industrial units on substantial expansion, would be

<table>
<thead>
<tr>
<th>Year</th>
<th>CCIS (₹ in crore)</th>
<th>CIS (₹ in crore)</th>
<th>CIS (₹ in crore)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007-08</td>
<td>12.5</td>
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<tr>
<td>2008-09</td>
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<td>2009-10</td>
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<tr>
<td>2010-11</td>
<td>4.65</td>
<td>45.45</td>
<td>0</td>
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<tr>
<td>2011-12</td>
<td>4.45</td>
<td>43.55</td>
<td>0</td>
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<tr>
<td>2012-13</td>
<td>13.7</td>
<td>86.1</td>
<td>0</td>
</tr>
<tr>
<td>2013-14</td>
<td>7.88</td>
<td>131.65</td>
<td>0.46</td>
</tr>
</tbody>
</table>

Funds released under NEIIPP, 2007
eligible for Capital Investment Subsidy @ 15% of the investment of Plant & Machinery, subject to a ceiling of ₹30 lakhs. Micro, Small and Medium enterprises would be eligible for Capital Investment Subsidy of 30% of the investment of plant & machinery, subject to ceiling of ₹3.00 crore and ₹1.50 crore for manufacturing and service sector respectively.

- **Central Interest Subsidy Scheme**: An interest subsidy of 3% on the average of daily working capital loan would be provided to all new industrial units for a period of five years from the date of commencement of commercial production.

- **Central Comprehensive Insurance Subsidy Scheme**: An Insurance subsidy to the extent of 100% would be admissible during the extended package to all new units and to the existing units on substantial expansion for a period of five years from the date of commencement of commercial production.

Jammu & Kashmir Development Finance Corporation Ltd. (JKDFC) has been notified as Nodal Agency for routing the disbursement of subsidy under the Scheme. During the financial year i.e. 2013-14, an amount of ₹41.16 crore has been released to the nodal agency i.e. Jammu & Kashmir Development Finance Corporation (JKDFC) under the package.

Since inception of the scheme, total amount of ₹188.86 crore has been released to the state upto 31.03.2014.

As per the reports received from the state government, 14653 units were set up involving an investment of ₹31769.74 crore which generated employment of 118291 persons since inception of the scheme in the state.

**Special Package Scheme for Himachal Pradesh and Uttarakhand**

New Industrial policy and other concessions for the states of Himachal Pradesh and Uttarakhand were introduced by the Department of Industrial Policy & Promotion on 7th January, 2003, with an aim to provide the required incentives as well as an enabling environment for industrial development, improve availability of capital and increase market access to provide a fillip to the private investment in the state. The scheme was valid till 6th January, 2013. Details of incentives/ concessions provided for industrial development in the States are:-

- **Central Capital Investment Subsidy Scheme, 2003**: A subsidy @ 15% for investment in plant & machinery subject to a maximum limit of ₹30 lakh provided to all new as well as to existing units on substantial expansion under the Central Capital Investment Subsidy Scheme, 2003 notified by this Department.
• **Income tax exemption**: 100% income tax exemption for an initial period of five years and thereafter 30% for companies and 25% for other than companies for a further period of five years under Section 80-C of Income Tax Act, 1961 would be allowed.

• **Central Excise Duty exemption**: 100% exemption on outright basis to the industrial units set up or expanded in these states. The exemption was available till 31.03.2010.

The additions in units set-up, investment and employment generated have shown a steady increase in the past 10 years across both states and the annual growth rate for manufacturing is above 10%.

The largest cumulative increase has been in terms of the investment generated, wherein the state of Himachal Pradesh has been able to attract 300% more than the pre-incentive package level (i.e. prior to 2002-03). The number of units set-up have grown by close to 28% while the growth in employment generated is more than 33% for the same period.

At an aggregate level, the investment generated in the state of Uttarakhand is 42 times the level in the year 2000. The number of units set-up have grown by more than 130% while the growth in employment generated is more than 490% for the same period.

The scheme has expired on 06.01.2013. As per the directions of Ministry of Finance and Planning Commission on continuation of the existing Scheme during the 12th Plan and Impact Evaluation Study was conducted through an independent evaluator.

The study has reported that both packages have created an enabling environment for industrial growth in the states and have led to an inflow of investment which may not have been possible in the absence of such incentives. The extended Package for these states was notified on 4th of March, 2014, w.e.f 7th of January, 2013 to 31st of March, 2017.

The new package for the states of Himachal Pradesh and Uttarakhand provides the following incentives:

• **Central Capital Investment Subsidy Scheme**: All new industrial units and existing industrial units on their substantial expansion, would be eligible for Capital investment Subsidy @ 15% of the investment of plant & machinery, subject to a ceiling of ₹ 30.00 lakhs. Micro, Small and Medium enterprises would be eligible for Capital Investment Subsidy of 30% of the investment of plant & machinery, subject to ceiling of ₹ 3.00 crore and ₹ 1.50 crore for manufacturing and service sector respectively.

Himachal Pradesh State Industrial Development Corporation Ltd. (HPSIDC) and State Industrial Corporation of Uttarakhand Ltd. (SIDCUL) are the nodal
agencies for routing the disbursal of subsidy for Himachal Pradesh and Uttarakhand respectively.

During the financial year i.e. 2013-14, an amount of ₹20.66 crore and ₹38.17 crore has been released to the Nodal Agencies Himachal Pradesh State Industrial Development Corporation (HPSIDC) and State Industrial Corporation of Uttarakhand Ltd. (SICUL).

Since inception of the scheme, total amount of ₹260.00 crore has been released to Himachal Pradesh and ₹204.78 crore has been released to Uttarakhand, upto 31.03.2014.

As per the reports received from the Himachal Pradesh Government, 9647 units with an investment of ₹18725.00 crore were set up in the state, since inception of the scheme. This has led to generation of employment for 120602 persons.

As per the reports received from the Uttarakhand Government, 31276 units with an investment of ₹24460.20 crore were set up in the state, since inception of the scheme. This has led to generation of employment for 337620 persons.

**Industrial Infrastructure Upgradation Scheme (IIUS)**

Industrial Infrastructure Upgradation Scheme (IIUS) was launched in 2003 with the objective of enhancing international competitiveness of domestic industry by providing quality infrastructure through public private partnership in selected functional clusters/locations which have

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**Overview of Disbursement Under Special Package Scheme**

<table>
<thead>
<tr>
<th>Year</th>
<th>J &amp; K</th>
<th>Himachal Pradesh</th>
<th>Uttarakhand</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007-08</td>
<td>4</td>
<td>20</td>
<td>5</td>
</tr>
<tr>
<td>2008-09</td>
<td>14.43</td>
<td>22.57</td>
<td>23</td>
</tr>
<tr>
<td>2009-10</td>
<td>12</td>
<td>19</td>
<td>18.5</td>
</tr>
<tr>
<td>2010-11</td>
<td>24.94</td>
<td>10.22</td>
<td>29.84</td>
</tr>
<tr>
<td>2011-12</td>
<td>61.52</td>
<td>75.51</td>
<td>101.37</td>
</tr>
<tr>
<td>2012-13</td>
<td>25.06</td>
<td>15.88</td>
<td>15.88</td>
</tr>
</tbody>
</table>

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greater potential to become globally competitive. Central assistance upto 75% of the project cost subject to a ceiling of ₹50 crore was given for each project. The Scheme was recast in February, 2009, on the basis of an independent evaluation study to strengthen the implementation process. Two stages approval mechanism was introduced, ‘Final approval’ was to be given within six months of initial approval after achieving certain milestones. The ceiling of the central assistance was raised from ₹50 crore to ₹60 crore.

Summary of IIUS Projects: So far, a total number of 39 projects have been approved in the 10th and 11th Five Year Plan Periods. The break-up of approval of projects under IIUS and release of central grant are as follows:

Out of 39 projects, 21 IIUS projects have been completed so far. Funding in respect of 7 projects is complete, however, funding support are still required in case of 9 ongoing projects. Sanction has been withdrawn in respect of two projects viz. (i) Handloom Cluster, Bhagalpur with a project cost of ₹20.82 crore including central grant of ₹15.69 crore and (ii) Hand Tools Cluster, Jalandhar with a project cost of ₹79.49 crore including central grant of ₹58.28 crore, as both these projects could not start implementation activities even after sustained efforts made by DIPP through the state government to bring these projects on implementation track. As such, at present there are 37 IIUS projects, the present status of indicating project cost, approved central grant, GoI grant released and financial/physical status as on 31.03.2013 of these 39 projects including two project withdrawn is at Appendix-VIII.

State-wise distribution of the 37 IIUS projects along with the number of projects approved in the state, project cost, central grant approved and released are illustrated below in a tabular statement and graph.

Figures in ₹ crore

<table>
<thead>
<tr>
<th>FYP</th>
<th>No. of Sanctioned Projects</th>
<th>Total Project Cost</th>
<th>Sanctioned</th>
<th>Released (Up 30/03/2011)</th>
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</thead>
<tbody>
<tr>
<td>10th</td>
<td>25</td>
<td>1573</td>
<td>893</td>
<td>867.00</td>
</tr>
<tr>
<td>11th</td>
<td>14</td>
<td>980</td>
<td>633</td>
<td>315.00</td>
</tr>
<tr>
<td>11th</td>
<td>12</td>
<td>880</td>
<td>559</td>
<td>375.00</td>
</tr>
<tr>
<td>(Revised)</td>
<td>(After withdrawal of sanction from 2 projects)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>37</td>
<td>2453</td>
<td>1452</td>
<td>1242.00</td>
</tr>
<tr>
<td>State</td>
<td>Project cost (₹ Cr.)</td>
<td>Central Grant (₹ Cr.)</td>
<td>Central Released (₹ Cr.)</td>
<td>Number of Projects</td>
</tr>
<tr>
<td>---------------</td>
<td>----------------------</td>
<td>-----------------------</td>
<td>--------------------------</td>
<td>--------------------</td>
</tr>
<tr>
<td>AP</td>
<td>96.83</td>
<td>72.63</td>
<td>70.44</td>
<td>2</td>
</tr>
<tr>
<td>Assam</td>
<td>62.28</td>
<td>52.63</td>
<td>45.91</td>
<td>1</td>
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<tr>
<td>Chhattisgarh</td>
<td>55.06</td>
<td>31.76</td>
<td>30.79</td>
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<td>Gujarat</td>
<td>484.79</td>
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<td>190.51</td>
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<td>HP</td>
<td>80.5</td>
<td>58.28</td>
<td>49.50</td>
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<tr>
<td>Jharkhand</td>
<td>65.63</td>
<td>47.79</td>
<td>15.93</td>
<td>1</td>
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<tr>
<td>Karnataka</td>
<td>160.28</td>
<td>67.7</td>
<td>65.66</td>
<td>2</td>
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<tr>
<td>Kerala</td>
<td>56.8</td>
<td>42.6</td>
<td>41.31</td>
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<tr>
<td>Maharastra</td>
<td>316.3</td>
<td>209.68</td>
<td>165.85</td>
<td>5</td>
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<tr>
<td>MP</td>
<td>213.13</td>
<td>141.27</td>
<td>117.62</td>
<td>4</td>
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<tr>
<td>Odisha</td>
<td>162.5</td>
<td>105.2</td>
<td>78.73</td>
<td>2</td>
</tr>
<tr>
<td>Punjab</td>
<td>17.19</td>
<td>12.69</td>
<td>12.3</td>
<td>1</td>
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<tr>
<td>Rajasthan</td>
<td>27.84</td>
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<td>26.77</td>
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<td>TN</td>
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<td>221.95</td>
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</tr>
<tr>
<td>UP</td>
<td>14.34</td>
<td>9.32</td>
<td>8.83</td>
<td>1</td>
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<tr>
<td>WB</td>
<td>183.62</td>
<td>90.36</td>
<td>82.295</td>
<td>3</td>
</tr>
</tbody>
</table>

(Graphic Illustration state-wise distribution of IIUS projects)
Central Effluent Treatment Plant (CETP) has been made operational during the year at Leather Cluster project, Unnao. Secretary, Department of IPP inspected the facilities on 11th October 2013.

A workshop was held at BIEC, Bangalore, a facility developed under IIUS on 26th July, 2013 to share knowledge and adopt best practices among clusters funded under IIUS of DIPP from the ‘Metallurgical & Mining’, ‘Foundry’, ‘Plastic’ and ‘Pharmaceutical & Chemical’ sectors. Implementation of projects has been through SPVs in the PPP mode in the 10th and 11th FYPs. Most projects suffered delays ranging from 12-60 months (due to issues pertaining to land acquisition, environmental clearances and raising funds from stakeholders). Optional involvement of the state governments which led to weak ownership in IIUS projects is also one of the reasons for delay in execution of the project. Delay in implementation which leads to cost escalation and deviations in the projects are major concerns of the department.

The scheme was evaluated in 2009 before introduction of Recast IIUS 2009 guidelines and another evaluation was carried out by National Productivity Council (NPC) in December 2011, and the evaluator has observed the following:
Project proposals under MIIUS have been received and are under evaluation for approval in apex committee Meeting chaired by SIPP. An allocation of `580 crore has been made for sanction of new projects in the 12 FYP. The salient features of MIIUS are as under:

i. Under MIIUS, central assistance would be considered with a ceiling of `50 crore per project and execution of projects is to be done through State Implementing Agency (SIA) in Industrial Estates/Parks/Growth Centers. The cost of the land would not be considered under project cost.

ii. Project implementation is proposed by State Implementation Agency (SIA) with mandatory 25% share of project on the basis of central assistance of maximum 50%. In case of North Eastern States, the central grant and the minimum contribution of the SIA will be 80% and 10% respectively. SIA to seek support from industries (Financial, Site selection, Management etc.). Also, SIA can choose to implement the project through SPV;

iii. Projects are to be sanctioned to upgrade infrastructure in Industrial Estates/Parks/Areas and Greenfield projects could be supported in backward areas, including NER;

iv. PRIORITY is to be given to upgrade infrastructure in existing cluster over Greenfield cluster;

v. Tripartite MOU among DIPP, State Government and SIA;

vi. Two Stage approval mechanism like previous recast IIUS has been retained.

vii. Timeframe for project completion would be 2-3 years;

viii. Release of GoI grant (3 Installments viz. 30:40:30) subject to upfront Stakeholder contribution;

ix. Projects covered under the existing sectoral schemes would not be considered;

x. Projects are to be evaluated on the basis of measurable outcomes such as envisaged 'Productivity' and 'Employment Generation';

xi. Central grant for physical infrastructure will be upto 25% of the central grant subject to a ceiling of `12.5 crore;

xii. 'CETP' component of the project would be considered subject to ceiling of assistance upto `15 crore/CETP (maximum `1.50 crore/MLD) and for ZLD treatment (Zero Discharge) maximum assistance upto `20 crore/CETP (maximum `4.50 crore/MLD).

(Deberations on IIUS during workshop held in MTMA Cluster on 26th July 2013)

- IIUS interventions contributed immensely in the technological upgradation of the clusters;
- Revenue of the industries under cluster including exports along with employment have increased after interventions under IIUS;
- Provided a robust platform for development of common facilities such as R&D Labs, Skill upgradation centre, CETP and basic infrastructure;
- About 80% industrial units in projects are under MSE category, hence, it is beyond their financial capacity to invest in infrastructure facilities independently;
- Majority of the clusters have taken up green initiatives.
- Majority of the clusters are self-sustainable.

In continuation with scheme of IIUS, in its place a new/modified Scheme, viz. Modified Industrial Infrastructure Upgradation Scheme (MIIUS) has been notified on 18.7.2013 and the state governments have been requested for submission of new project proposals.
Project proposals under MIIUS have been received and are under evaluation for approval in apex committee Meeting chaired by SIPP. An allocation of ₹580 crore has been made for sanction of new projects in the 12th FYP. The salient features of MIIUS are as under:

i. Under MIIUS, central assistance would be considered with a ceiling of ₹50 crore per project and execution of projects is to be done through State Implementing Agency (SIA) in Industrial Estates/ Parks/ Growth Centers. The cost of the land would not be considered under project cost.

ii. Project implementation is proposed by State Implementation Agency (SIA) with mandatory 25% share of project on the basis of central assistance of maximum 50%. In case of North Eastern States, the central grant and the minimum contribution of the SIA will be 80% and 10% respectively. SIAs to seek support from industries (Financial, Site selection, Management etc.). Also, SIA can choose to implement the project through SPV;

iii. Projects are to be sanctioned to upgrade infrastructure in Industrial Estates/ Parks/Areas and Greenfield projects could be supported in backward areas, including NER;

iv. PRIORITY is to be given to upgrade infrastructure in existing cluster over Greenfield cluster;

v. Tripartite MOU among DIPP, State Government and SIA;

vi. Two Stage approval mechanism like previous recast IIUS has been retained.

vii. Timeframe for project completion would be 2-3 years;

viii. Release of GoI grant (3 Installments viz. 30:40:30) subject to upfront Stakeholder contribution;

ix. Projects covered under the existing sectoral schemes would not be considered;

x. Projects are to be evaluated on the basis of measurable outcomes such as envisaged ‘Productivity’ and ‘Employment Generation’;

xi. Central grant for physical infrastructure will be upto 25% of the central grant subject to a ceiling of ₹12.5 crore;

xii. ‘CETP’ component of the project would be considered subject to ceiling of assistance upto ₹15 crore/CETP (maximum ₹1.50 crore/MLD) and for ZLD treatment (Zero Discharge) maximum assistance upto ₹20 crore/CETP (₹4.50 crore/MLD).
In the budget estimate for 2013-14, ₹ 115.00 crore was provided under the scheme and ₹ 71.69 crore was released up to 31.03.2014 to the SPVs on achieving prescribed milestones.

**Indian Leather Development Programme (ILDP)**

**Objective and Scope**

The major objective of the scheme ILDP is to augment raw material base through modernization and technology upgradation of leather units, address environmental concerns, human resource development, support traditional leather artisans, address infrastructure constraints and establish institutional facilities.

The scheme has been approved for implementation all over India during the 12th Plan period. The scheme would provide skilled manpower to the Leather Industry, employment through training and placement in the leather sector, support to the traditional artisans by way of formation of self-help groups, modernization and technological upgradation of the leather units, environmental protection, modern infrastructure by establishing Mega Leather Clusters and establishing new branches of Footwear Design & Development Institute (FDDI).

Indian Leather Development Programme (ILDP) is an existing Central Scheme initiated from the 10th Five Year Plan and continued in the 11th Five Year Plan with an expenditure of ₹ 669.02 crores. The same has been continued in 12th Plan with an outlay of ₹ 990.36 crores. The ILDP comprises the following six sub-schemes:
1. Human Resource Development (HRD)

HRD mission targets potential work force for leather sector and lays stress on skill development and technical development. This project is intended to train and prepare individuals in the rural areas to be fit to work in medium to large industrial units. Up gradation of skills of persons already employed in the sector besides training for trainers/supervisors is also undertaken. Under placement linked skill development training, at least 75% of trained persons would be placed in the industry.

2. Establishment of Institutional Facilities

The sub-scheme of ILDP aims at providing institutional facilities by way of establishing new campuses of FDDI to meet the growing demand of the leather industry for footwear technologies, designers, supervisors and mechanics. It is proposed to set up two new branches of FDDI in Punjab and Gujarat.

3. Support to Artisan

There are various clusters in India making traditional footwear and other leather goods. The aim of this scheme is to promote the clusters at various forums as they are an integral part of rural Indian economy and have potential for generating local employment and export. The artisan clusters (both urban and rural) would be supported for enhancing their design and product development, capacity building, providing marketing support, establishing common facility centre and marketing support/linkage. The broad objective of this component would be to ensure better and higher returns to the artisans resulting into socio-economic upliftment.


This sub-scheme provides financial support to Leather Cluster to meet the prescribed pollution control discharge norms and environmental issues. This covers establishment/ expansion/ up gradation of CETPs, technology benchmarking for implementing cleaner technologies for environment management; utilization of solid waste from tanneries and conducting workshops to educate and train the tanners and tannery workers.
5. **Mega Leather Cluster**

The major objective of developing Mega Leather Clusters is to create state of the art infrastructure and to integrate the production chain in a manner that addresses the business needs of the leather industry to cater to the domestic market and exports. These mega clusters will assist the entrepreneurs to set up units with modern infrastructure, latest technology, and adequate training and Human Resource (HRD) inputs. The development of Mega Leather Clusters would help in creating additional employment opportunities, particularly for the weaker sections of society. Mega Leather Clusters (MLC) for the development of leather industry will have minimum common facilities. The project cost would cover various infrastructure developments like Core Infrastructure, Special Infrastructure, Production Infrastructure, HRD & Social Infrastructure, R&D Infrastructure and Export services related infrastructure.

6. **Integrated Development of Leather Sector (IDLS)**

Under this Sub-scheme, assistance is provided for technology upgradation/modernization and/or expansion and setting up of a new unit in the leather sector.

The sub-scheme provides assistance in form of investment grant to the extent of 30% of cost of new plant and machinery for micro and small enterprises and 20% of cost of new plant and machinery for other units subject to a ceiling of ₹ 2 crore for each product line.
Cement Industry

India is the second largest manufacturer of cement in the world. The industry plays a crucial role in the development of the housing and infrastructure sector of the economy. The price and distribution control of cement was removed in 1989 and the cement industry has been de-licensed in 1991 under the Industrial (Development & Regulation) Act, 1951. Since then the Cement Industry has progressed well both in capacity/production and as well as in process technology.

India is producing different varieties of cement like Ordinary Portland Cement (OPC), Portland Pozzolana Cement (PPC), Portland Blast Furnace Slag Cement (PBFS), Oil Well Cement, White Cement, etc. These different varieties of cement are produced as per the Bureau of Indian Standard (BIS) specifications and its quality is comparable with the best in the world.

Capacity, Production and Despatch of Cement

Cement is one of the most technologically advanced industries in the country. The modern Indian cement units are state-of-the-art plants and are comparable to the best in the world.

The Indian Cement Industry has managed to keep pace with the global technological advancement. The induction of advanced technology has helped the industry immensely to improve its efficiency by conserving energy, fuel and addressing the environmental concerns.

The cement industry comprises of 190 large cement plants with an installed capacity of 324.50 million tonnes and more than 350 mini cement plants with an estimated capacity of 11.10 million tonnes per annum. There are a few large cement plants owned by the Central and the State Governments.

The production and despatch figures of cement for the year 2012-13 are 251.96 Million Tonnes (MT) and 237.63 Million Tonnes (MT) respectively. The production and despatch figures for the year 2013-14 are 256.04 MT and 248.70 MT respectively.

The Department collects cess on cement @ ₹ 0.75 per metric tonne of cement manufactured/ produced from medium and large industries. The cess collected on cement for the years 2012-13 and 2013-14 are ₹ 19.52 Cr and ₹ 19.02 Cr respectively and deposited in the Consolidated Fund of India.

Cement Information System (CIS) Portal was launched to compile data about the cement industry regarding capacity,
production, dispatch, export and import of cement, mode of dispatch of cement across the country, cess paid on cement etc.

National Council for Cement and Building Materials (NCCBM) is an autonomous apex R&D organization under the Administrative Control of this Department.

The budget provisions for the current financial year 2014-15 is ₹6.00 Cr for ‘Plan’ and ₹12.20 Cr for ‘Non-Plan’ activities. Outlay for the 12th Five Year Plan for NCCBM is ₹35 Cr.

**Cigarette Industry**

The Cigarette Industry is one of the oldest industries in India. It is an important agro-based industry. It is a labour intensive industry and provides livelihood directly and indirectly. Cigarette is an item which requires industrial license before setting up the industry as per Industries (Development & Regulations) Act, 1951.

The production of cigarettes during 2012-13 was 8,93,642.93 lakh nos. During the current year 2013-14, the production has been 8,36,785.38 lakh nos.

The export and import of tobacco and manufactured tobacco substitutes during 2012-13 was ₹503,022.16 lacs & ₹24,695.86 lacs and during 2013-14 (April, 13-December, 13) is ₹454,854.82 lacs & ₹18,526.20 lacs respectively.

**Glass Industry**

The Indian glass industry consists of seven segments namely sheet & flat glass (NIC-26101); glass fiber & glass wool (NIC-26102); hollow glassware (NIC-26103); laboratory glassware (NIC-26104); table & kitchen glassware (NIC-26105); glass bangles (NIC-26106) including other glassware (NIC-26109). Glass industry comes under delicensed industry. Most of the glass demand in India currently comes from container glass, which accounts for 50% of the country’s glass consumption by value. This type of glass is domestically produced and used for soft drinks, alcoholic beverages, food and pharmaceuticals.

The production of Glass Sheet, Toughened Glass, Fibre Glass, Glass Bottles during 2012-13 were 1,10,992 th.sq.mtrs; 35,66,399.00 sq.mtrs, 42,516.00 tonnes, 12,46,501.00 tonnes respectively and during 2013-14 have been 1,27,582.00 th.sq.mtrs, 31,91,187.00 sq.mtrs, 38,265.00 tonnes and 9,95,106.00 tonnes respectively.

The export & import of glass & glassware during 2012-13 was ₹320,247.20 lacs & ₹415,862.85 lacs and during 2013-14 (April, 13-December, 13) is ₹289,295.85 lacs & ₹332,990.53 lacs respectively. The export & import of Float Glass/ Sheets during 2012-13 was ₹22,487.37 lacs & ₹50,944.24 lacs and during 2013-14 (April, 13-December, 13) is ₹19,279.39 lacs and ₹39,432.98 lacs respectively.

**Explosives Industry**

There are 113 Explosives Plants and 118 Site Mixed Explosives Plants in the medium and Small Scale Sector, engaged in the production of explosives. The installed and production capacity are as under (Table-7.1 & 7.2)
The Indian glass industry consists of seven industries in India. It is an important agro-based industry. It is a labour intensive industry and provides livelihood directly and indirectly. Cigarette is an item which requires industrial license before setting up the industry as per Industries (Development & Regulations) Act, 1951. The Cigarette Industry is one of the oldest industries in India. It is an important agro-technical industry. The production of cigarettes during 2012-13 was 8,93,642.93 lakh nos. During the current year 2013-14, the production has been 8,36,785.38 lakh nos. The production of tobacco substitutes during 2012-13 was 8,30,408.45 lakh nos. During 2013-14 the production has been 8,93,642.93 lakh nos. The export & import of tobacco and tobacco substitutes during 2012-13 was 6.00 Cr for ‘Plan’ activities.

<table>
<thead>
<tr>
<th>Year</th>
<th>Explosives Act</th>
<th>Petroleum Act</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008-09</td>
<td>55581</td>
<td>119663</td>
<td>175224</td>
</tr>
<tr>
<td>2009-10</td>
<td>62613</td>
<td>136469</td>
<td>199082</td>
</tr>
<tr>
<td>2010-11</td>
<td>79265</td>
<td>182855</td>
<td>262120</td>
</tr>
<tr>
<td>2011-12</td>
<td>71420</td>
<td>154167</td>
<td>225587</td>
</tr>
<tr>
<td>2012-13</td>
<td>79199</td>
<td>226171</td>
<td>305370</td>
</tr>
<tr>
<td>2013-14</td>
<td>97529</td>
<td>153978</td>
<td>251507</td>
</tr>
</tbody>
</table>

Table - 7.1 : Number of Licensed Premises/Units

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Class 1 Gun Powder (Metric Tonnes)</td>
<td>1595.55</td>
<td>908.10</td>
<td>827.5</td>
<td>688.6</td>
<td>710.6</td>
<td>577</td>
<td>549</td>
</tr>
<tr>
<td>Class 2 (a) Cartridges (b) Site Mixed (Metric Tonnes)</td>
<td>580386</td>
<td>343018.5</td>
<td>225615.2</td>
<td>359943.5</td>
<td>483828</td>
<td>499249</td>
<td>269999</td>
</tr>
<tr>
<td>Class 3 Div 1 (NG) Booster and PETN* (Metric Tonnes)</td>
<td>**</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>Class 3 Div-2 Safety Fuse (Million meters)</td>
<td>16418.67</td>
<td>3206</td>
<td>4449.3</td>
<td>3573.8</td>
<td>5063.1</td>
<td>5656.5</td>
<td>6186</td>
</tr>
<tr>
<td>Class 6 Div 1 Detonating fuse (Million mtrs)</td>
<td>268.29</td>
<td>132</td>
<td>123.1</td>
<td>77</td>
<td>81.1</td>
<td>77</td>
<td>74</td>
</tr>
<tr>
<td>Class 6 Div 2 Detonators (million no.)</td>
<td>576.2</td>
<td>334</td>
<td>390.6</td>
<td>284.6</td>
<td>370.6</td>
<td>367.5</td>
<td>427</td>
</tr>
<tr>
<td>Class 6 Div 3 Detonators (million no.)</td>
<td>969.05</td>
<td>610</td>
<td>697.5</td>
<td>724.2</td>
<td>970.7</td>
<td>992.2</td>
<td>1031</td>
</tr>
</tbody>
</table>

The number of licences issued under the Explosives Act 1884 and Petroleum Act 1934 and the production of Explosives during the last 5 years are given in the above Table.

*PETN- Penta Erythritol Tetra Nitrate

** Possession, sale and transport of Class 3 Division 1 (Nitro-Glycerine based explosives has been prohibited since 01/04/2004)
Leather Industry

Leather Industry plays an important role in the Indian economy in view of its substantial overall output, export earnings and employment potential. The Leather Industry is the tenth largest amongst the manufacturing sector of India and is one of the top ten export earners for the country. The leather sector provides employment to about 2.5 million people, mainly from the weaker sections/minorities, of which about 30% are women. The sector has very strong linkage to job creation in rural economy and on social equity. The sector is dominated by small and medium enterprises.

The export of leather and leather products from India has undergone a structural change during the last two decades. India was traditionally the exporter of raw hides and skin and semi-processed leather. However, in the last two decades the share of leather footwear, leather garments, leather goods, footwear components and several articles of leather in the total exports has increased substantially as a result of the Government’s policy to encourage export of value added leather products.

India’s Export performance of the Leather Sector during the last five years is presented below (Table-7.3).

Wood Based Industry

Wood Based Industry in India includes plywood, veneers of all types and other wood based products such as particle board, medium density fibre board. Plywood forms the major segment of the wood-based industry in the country.

<table>
<thead>
<tr>
<th>Items of Manufacture</th>
<th>2008-09</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
<th>2012-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finished leather</td>
<td>673.37</td>
<td>627.95</td>
<td>841.13</td>
<td>1024.69</td>
<td>1090.22</td>
</tr>
<tr>
<td>Footwear</td>
<td>1534.32</td>
<td>1507.59</td>
<td>1758.67</td>
<td>2079.14</td>
<td>2055.93</td>
</tr>
<tr>
<td>Leather Garments</td>
<td>426.17</td>
<td>428.62</td>
<td>425.04</td>
<td>572.54</td>
<td>563.48</td>
</tr>
<tr>
<td>Leather goods</td>
<td>873.44</td>
<td>757.02</td>
<td>855.78</td>
<td>1089.71</td>
<td>1178.96</td>
</tr>
<tr>
<td>Saddlery &amp; Harness</td>
<td>92.15</td>
<td>83.39</td>
<td>87.92</td>
<td>107.54</td>
<td>108.32</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3599.45</strong></td>
<td><strong>3404.57</strong></td>
<td><strong>3968.54</strong></td>
<td><strong>4873.62</strong></td>
<td><strong>4996.91</strong></td>
</tr>
</tbody>
</table>

Items of manufacture in the Leather Sector do not attract Licensing Provisions under The Industries Development and Regulation Act 1951.
Plywood, veneers of all types and other wood based products such as particle board, medium density fibre board have been delicensed vide Department of Industrial Policy & Promotion's Press Note No.11 (1997 Series) dated the 17th July, 1997.

In terms of Press Note No. 9 (1998 Series) dated 27.8.98, issued by Department of Industrial Policy & Promotion, entrepreneurs who wish to obtain approval from the Government for setting up any wood based project should obtain prior clearance from the Ministry of Environment & Forests before submitting the applications to the administrative ministry and enclose a copy of “in principle” approval given by the Ministry of Environment & Forests.

The total production of plywood, wood veneer and particle boards during 2012-13 were 50,455.49 th. sq. mtrs; 1,57,174.00 th. sq. mtrs and 9,371.56 th. sq. mtrs respectively and Production during 2013-14 have been 48,821.00 th. sq. mtrs; 1,46,218.56 th. sq. mtrs and 9,116.81 th. sq. mtrs.

The export & import of wood and articles of wood during 2012-13 was worth ₹149,045.69 lacs & ₹1,474,322.42 lacs and during 2013-14 (April, 13-December, 13) is worth ₹144,719.64 lacs & ₹1,183,646.30 lacs respectively.

**Paints & Allied Products Industry**

The Paints & allied products industry mainly consists of paints, enamels, varnishes, pigments, printing inks, synthetic resins, etc. The Paints & allied Industry has been exempted from compulsory licensing, and comprises two sectors, viz. organised sector and small scale sector.

The production of Paints of all kinds, synthetic resins and printing ink during 2012-13 were 7,83,703.71 tonnes; 1,67,286.00 tonnes and 2,00,345.41 tonnes respectively. During 2013-14, the production have been 7,72,075.00 tonnes; 2,12,639.65 tonnes and 1,80,520.00 tonnes respectively.

The export & import of paints & allied products during 2012-13 was ₹1,134,657.80 lacs & ₹7,70,764.28 lacs and during 2013-14 (April, 13-December, 13) is ₹1,088,619.82 lacs & ₹6,56,847.44 lacs respectively.

**Soaps & Detergents Industry**

Soaps and detergent industry includes soaps, laundry detergents, dishwashing detergents, synthetic detergents and toilet soaps including bathroom bars. Since these are consumer items, technology, quality, marketing and distribution determine the success of units in this sector. The industry has developed both in the small-scale and organized sector. Laundry soap is reserved for manufacture in small scale sector. Toilet soap is, however, dominated by the multinationals units.
The production of Synthetic Detergents, Toilet Soaps and Washing soaps during 2012-13 were 13,94,128.73 tonnes; 7,21,208.14 tonnes and 83,852.20 tonnes respectively. During 2013-14, the production have been 13,15,603.13 tonnes; 6,89,892.16 tonnes and 89,825.70 tonnes respectively.

The export and import of Soap, organic surface active agents, washing preparations, etc. during 2012-13 was worth ₹267,590.96 lacs & ₹300,551.93 lacs and during 2013-14 (April,13-December,13) is worth ₹220,761.37 lacs & ₹253,875.17 lacs respectively.

Watch Industry

The Watch Industry in India exists both in the organised and the small scale sector. The Associated Chambers of Commerce and Industry of India (ASSOCHAM) has projected that the market size of Indian watch industry, which is currently estimated at ₹ 5000 crore, will be worth ₹ 15000 crore, by 2020 due to emergence of strong middle class and a large number of high net worth individuals. The organized sector of the watch market contributes 40% of the total demand and the rest of the demand met by the unorganised sector. The prospects for the wrist watch industry in the country are encouraging since the demand for watches has been growing over the years.

The production of wrist watches during 2012-13 was 12,558.00 th.numbers.

During the current year i.e. 2013-14, the production has been 11,375.54 th.numbers.

The production of clock/watch/time pieces during 2012-13 was 1,26,20,912.00 numbers. During the current year i.e. 2013-14, the production has been 1,12,20,912.00 numbers.

The export & import of Clocks and Watches during 2012-13 was worth ₹43,554.70 lacs & ₹162,208.61 lacs and during 2013-14 (April,13-December,13) is worth ₹37,149.31 lacs & ₹140,278.76 lacs respectively.

Metal Container Industry

The principal types of metal (tin) containers are food containers generally known as OTS (Open Top Sanitary) cans and General Line Containers for packaging non-food commodities such as paints, lubricants, pesticides, etc.

The production of tin containers during 2012-13 was ₹386.18 crores and during 2013-14 has been 408.60 crores.

The export & import of containers during 2012-13 was worth ₹24,590.05 lacs & ₹29,110.65 lacs and during 2013-14 (April,13-December,13) is worth ₹21,666.40 lacs & ₹25,383.91 lacs respectively.

Light Electrical Industry Sector

The Light Electrical Industry is a diverse industry having a number of distinct
products and sub-products. It includes goods like electrical wires and cables industry, transmission tower, cranes, lifts & escalators, refrigerators, washing machine, air conditioners, storage batteries, dry cell batteries, electrical lamps & tubes etc. A brief of some of these industries is given below:-

**Electrical wires and cable industry**

Electrical wires and cable industry is one of the earliest industries established in the country in the field of electrical products. A wide range of wires and cables are manufactured in the country which includes communication cables such as jelly filled telephone cables, optic fibre cables, local area network cables, switchboard cables, co-axial cables, VSAT cables, electrical cables such as electrical wires, winding wires, automotive/battery cables, UPS cables, flexible wires, low voltage power cables and EHT power cables. The power cable industry may be mainly divided into four segments viz: house wiring (up to 440V), LT (1.1 to 3.3kV), HT (11 to 66kV), EHV (66kV and above). Well-established R & D facilities are key factors for development of this industry. In India, renowned laboratories like Central Power Research Institute (CPRI), Electrical Research and Development Association (ERDA) are well equipped with the most advanced product testing facilities to meet international standards. The production of insulated cable & wires of all kinds in 2012-13 was 54.61 lac core km. and in 2013-14 is 59.45 lac core km. The export and import of wires and cables (HS code. 7413 & 8544) in 2012-13 was ₹ 3261.66 Crore and ₹ 4376.71 Crore respectively whereas in 2013-14 (April 2013 December 2013) the same was ₹ 3538.90 Crore and ₹ 3415.36 Crore respectively.

**Transmission Towers**

Transmission towers support the high voltage transmission lines which carry electricity over long distance. These lines typically feed into sub-station so that the electrical voltage can be reduced to a level that can subsequently be used by the customers. There is an increasing shift in India to have larger power stations, particularly mega and ultra-mega power projects. Consequently while there would be fewer but larger power generating stations, the demand for transmission of energy would grow substantially. The move to integrate India’s transmission networks through a national grid of inter-regional transmission lines will facilitate transfer of power from surplus regions to deficit regions. The industry has facilities for testing transmission towers up to 1000 KV with the objective of catering to future growth of transmission systems in the country as well as to meet the export potential.
The export and import of transmission towers (HS Code 730820) in 2012-13 was ₹ 1515.27 Crore and ₹ 100.53 Crore respectively whereas in 2013-14 (April-Dec.) the same was ₹ 1140.78 Crore and ₹ 89.24 Crore respectively.

Cranes

Cranes and hoists are an important category of material handling equipment required by almost all sectors across the industry. Wide range of cranes are manufactured in the country and these include Electric Overhead Travelling (EOT) cranes, mobile cranes, ladle cranes, hydraulic decks, crab cranes, floating cranes, controller cranes, etc. There is a good potential for growth of this sector in view of increased industrial activities in various fields as well as construction industry.

The production of cranes in 2012-13 was 17327 tonnes and in 2013-14 is 17969 tonnes. The export and import of cranes (HS Code No.8426) in 2012-13 was ₹ 716.40 Crore and ₹ 2297.21 Crore respectively whereas in 2013-14 (April-Dec.) the same was ₹ 361.53 Crore and ₹ 903.43 Crore respectively.

Lifts and Escalators

The use of lifts and escalators is increasing rapidly due to substantial investments in construction of multi-storied housing complexes, large malls and supermarkets of international standards, modernization of airports and railway stations apart from industrial sectors. A wide range of lifts and escalators are manufactured in India. These include single speed, double speed, gearless, hydraulic, servo and Variable Voltage Variable Frequency (VVVF) elevators.

The production of lifts in 2012-13 was ₹ 1053.34 Crore and in 2013-14 1113.11 Crore. The export and import of Lifts, Escalators, Conveyers etc. (HS Code No.8428) in 2012-13 was ₹ 298.25 Crore and ₹ 2261.16 Crore respectively whereas in 2013-14 (April-Dec.) the same was ₹ 235.35 Crore and ₹ 1932.57 Crore respectively.

Refrigerators

In India, refrigerators have the highest aspiration value of all consumer durables with the exception of television. The refrigerator Industry has become highly competitive since a number of brands have entered the market and the consumers have wider choices. There are two basic designs adopted in refrigerators presently being manufactured in the country. These are commonly referred to as Direct Cool (DC) and Frost Free (FF) Refrigerators. There has been gradual consumer preference shift towards frost free segment. Increasing number of dual income households are shifting the demand from the conventional 180L refrigerators to the larger 220L and more capacity refrigerators with double doors.

The production of refrigerators in 2012-13
was 8685.45 thousand Nos and in 2013-14 is 8420.92 thousand Nos. The export and import of refrigerators (HS Code 8418) in 2012-13 was ₹1225.59 Crore and ₹2248.44 Crore respectively whereas in 2013-14 (April-Dec.) the same was ₹974.72 Crore and ₹1538.68 Crore respectively.

**Washing Machines**

The washing machine market in India can be divided into semi-automatic and fully-automatic. With rising disposable incomes and higher aspirations, there is a gradual shift towards higher capacity washing machines and also towards fully-automatic washing machines. Controls are changing from purely mechanical to fully electronic as microcontrollers are incorporated into the designs. While providing intelligence, microcontrollers boost reliability, drive down costs and improve energy efficiency.

The production of washing machines by the units in the organized sector in 2012-13 was 32.24 Lakh Nos and in 2013-14 is 34.32 Lakh Nos. The export and import of washing machines (HS Code 8450) in 2012-13 was ₹103.07 Crore and ₹864.69 Crore respectively whereas in 2013-14 (April-Dec.) the same was ₹103.63 Crore and ₹567.69 Crore respectively.

**Air Conditioners**

Air Conditioners are gradually being treated as necessity in changed socio-economic environment with changed life style. The air-conditioners’ market can be classified into three segments: window AC, split AC and central AC. The split ACs are gaining popularity due to limitation of space and increase in number of people living in flats in multi-storied complexes and also due to less noise. Bureau of Energy Efficiency (BEE), a statutory body under the Ministry of Power has introduced energy efficiency based star rating for air conditioners to help consumers buy the best energy efficient products.

The production of air conditioners by the units in the organized sector in 2012-13 was 19.60 Lakh Nos and in 2013-14 is 20.07 Lakh Nos. The export and import of air conditioners (HS Code 8415) in 2012-13 was ₹365.21 Crore and ₹5073.65 Crore respectively whereas in 2013-14 (April-Dec.) the same was ₹448.76 Crore and ₹3343.13 Crore respectively.

**Lead Acid Storage Batteries**

Lead Acid Batteries are accumulators of electrical power which is discharged over a period of time. They are used in vehicles and also for various industrial uses such as back up power for UPS application, control rooms, power stations, telecommunications, etc. In addition, it is also used for emergency lights for houses, telephone systems and as power source for mining, etc. A new application of lead acid batteries has emerged today in electric vehicles. The average life of the battery is approximately 2 years, hence these batteries will be needed as replacement
throughout the life of the vehicle or the machinery in use. Although there are few large scale manufacturers of the product in India, there are large numbers of very small scale units in the unorganized sector. The products manufactured by them normally does not qualify the required standards as specified by BIS. In order to ensure safe disposal of lead acid batteries, Ministry of Environment and forest has issued a notification Batteries (Management and Handling) Rules, 2001 under Environment (Protection) Act 1986.

The production of lead acid batteries by the units in the organized sector in 2012-13 was 77.14 Lakh Nos and in 2013-14 (April -Nov.) 75.94 Lakh Nos. The export and import of lead acid batteries (HS Code 8506) in 2012-13 was ₹ 818.19 Crore and ₹ 2523.90 Crore respectively whereas in 2013-14 (April-Dec.) the same was ₹ 678.11 Crore and ₹ 3303.82 Crore respectively.

Dry Cell Batteries

Dry cell batteries are one of the most commonly used items. These are the oldest type of batteries still being used. Performance of dry cell batteries has undergone progressive improvements through technological developments. New types of dry cell batteries with longer shelf life and greater dependability and also rechargeable cells have come up. Nickel cadmium batteries and other rechargeable batteries are manufactured in the country to meet the requirement of defence, telecommunications and electronics. The growing popularity of cellular phones, laptops and imported toys could open the market for a new range of batteries that are not produced at present.

The production of dry cells in 2012-13 was 1999.96 million Nos and in 2013-14 is 2146.20 million Nos. The export and import of dry cell batteries (HS Code 8506) in 2012-13 was ₹ 62.86 Crore and ₹ 1339.31 Crore respectively whereas in 2013-14 (April-Dec.) the same was ₹ 47.35 Crore and ₹ 514.23 Crore respectively.

**Electrical Lamps and Tubes**

Wide range of lamps and tubes are being manufactured in the country which include general lighting service lamps such as incandescent bulbs, halogen lamps, gas discharge lamps such as fluorescent tube light, compact fluorescent lamp, high pressure mercury vapour lamps, metal halide lamps, low pressure and high pressure sodium vapour lamps and variety of special lamps. The higher energy cost have led to the development of energy efficient lamps consuming less power and giving output as close to daylight. Compact Fluorescent Lamps (CFL) which consume about 20% of the electricity for the same light output and last up to 8 times longer than the GLS are getting more popular. LEDs have a great potential to provide highly efficient lighting with little environmental pollution in comparison to the incandescent lamps (ICLs) and fluorescent lamps (FTLs, CFLs). Penetra-
tion of LEDs in India could significantly reduce lighting load as almost 22-25% of electricity is consumed for lighting, which is also a major contributing factor of peak demand. Due to higher costs, LEDs are not very popular even though its production has started in the country.

The production of GLS lamps by the units in the organized sectors and fluorescent tubes in 2012-13 was 784.44 million Nos and 182.24 million Nos respectively. In 2013-14 production of GLS lamps by the units in the organized sectors and fluorescent tubes was 731.12 million Nos and 138.53 million Nos. The export and import of electric lamps and tubes (HS code-9405) in 2012-13 was ₹ 739.71 Crore and ₹ 1496.87 Crore respectively whereas in 2013-14 (April-Dec.) the same was ₹ 596.10 Crore and ₹1385.13 Crore respectively.

Light Engineering Industry Sector

The light engineering industry is a diverse industry with the number of distinct sectors. This industry includes mother of all industries like castings and forgings to the highly sophisticated micro-processors-based process control equipment and diagnostic medical instruments. This group also includes industries like bearings, steel pipes and tubes, fasteners, etc. The products covered under the engineering industry are largely used as input to the capital goods industry. Hence the demand of this sector in general depends on the demand of the capital goods industry.

Roller Bearing Industry

Roller bearings are essential components in the rotating parts of virtually all machines such as automobiles, electric motors, diesel engines, industrial machinery & machine tools, etc. Bearings are used in diversified fields. Hence, the product range is vast and diversified. The indigenous manufacturers are manufacturing bearings of quality and precision at par with world-renowned manufacturers. However, bearings for special applications, requiring high technology and/or required in low volumes are still being imported. There is considerable scope for development of bearings of smaller sizes and lighter weight with improved performance in harsh operating conditions like higher or low temperature. Automobile industry accounts for bulk of the total demand of this industry with estimated share of 35%, electrical industry share is 12%, after market (replacement) share is 40% and the remaining 13% consumption is by other industries.

The production of ball & roller bearings in 2012-13 was 8026.56 million Nos and in 2013-14 is 7899.64 million Nos. The export and import of ball & roller bearings (HS code 8482) in 2012-13 was ₹ 1435.19 Crore and ₹ 4847.07 Crore respectively whereas in 2013-14 (April-December) the same was ₹ 1681.69 Crore and ₹ 3655.56 Crore respectively.
**Ferrous Castings**

Ferrous castings are pivotal to the growth and development of engineering industries since these constitute essential intermediates for automobiles, industrial machinery, power plants, chemical and fertilizer plants etc. Indian foundry industry is the fifth largest in the world. This industry is now well established in the country and is spread across a wide spectrum consisting of large, medium, small and tiny sector. The salient feature of the foundry industry in India is its geographical clustering. Typically, each foundry cluster is known for catering to specific end-use markets. For example, the Coimbatore cluster is famous for pump sets castings, the Kolhapur and Belgaum cluster for automotive castings, Rajkot cluster for diesel engine castings and Batala and Jalandhar cluster for machinery parts and agricultural implements. Advanced countries like USA, Japan, Germany are unlikely to add much capacity due to stringent pollution control norms their. India can thus have a dominant presence in this field and can become an important casting supplier to the world.

The production of steel castings and C.I. castings in 2012-13 was 476754.83 tonnes and in 2013-14 is 455076.72 tonnes. The export and import of casting (HS code 7325) in 2012-13 was ₹6100.61 Crore and ₹462.23 Crore respectively whereas in 2013-14 (April-Dec.) the same was ₹4739.24 Crore and ₹350.38 Crore respectively.

**Medical and Surgical Instruments**

Medical and surgical equipment industry has been playing a critical role in the health care delivery system. Indigenous manufacturers are currently in a position to manufacture wide variety of electro medical equipment such as electro cardiograph (ECG machine), X-ray scanner, CT scanners, short wave physiotherapy unit, electro surgical units, blood chemistry analyzer, etc. However, sophisticated instruments such as nuclear magnetic resonance (NMR) scanners, multi channel monitors etc. are not currently manufactured in the country. Most of the units manufacturing medical equipment are in MSME sector.

The export and import of medical and surgical equipment (HS code 9018 to 9022) in 2012-13 was ₹3851.42 Crore and ₹12351.82 Crore respectively whereas in 2013-14 (April-Dec.) the same was ₹3810.55 Crore and ₹10169.24 Crore respectively.

**Process Control Instrument Industry**

Process control instruments cover wide range of instruments and systems required for monitoring and measurement of physical, chemical and biological properties. They are used for measurement and control of process variables like pressure, temperature, humidity, liquid level, flow, specific
gravity, chemical composition including pH and many forms of spectrometry and spectrophotometry. The process control instruments have become an integral part of the modern industrial activity. This industry is a key industry which provides tools for automation. Their importance is significant in high cost large and sophisticated process industries like fertilizer, steel, power plant, refineries, petrochemicals, cement & other process industries.

The export and import of process control instruments (HS code 9032) in 2012-13 was ₹ 660.70 Crore and ₹ 2773.56 Crore respectively whereas in 2013-14 (April-Dec.) the same was ₹ 558.20 Crore and ₹ 2469.33 Crore respectively.

**Seamless Steel Pipes & Tubes**

Seamless steel pipes and tubes come in all kinds of sizes including thin, small, precise, slender and are used in boilers and pipelines. The process of manufacture imparts strength and durability imparted during the manufacturing process render these pipes useful in corrosion-resisting applications. These pipes and tubes are extensively use in aircraft, missile and anti friction bearing, ordinance, etc. Ultra high strength and corrosion-resistant properties make these perfect for oil and gas industry, chemical industry and automobile industry. Oil sector accounts for around 60% of total requirement of seamless pipes. Bearings and boiler sector contribute around 30% of demand. The industry is able to manufacture tubes up to 14” outer diameter.

The export and import of seamless steel pipes and tubes industry (HS code 7304) in 2012-13 was ₹ 2924.75 Crore and ₹ 5560.01 Crore respectively whereas in 2013-14 (April-Dec.) the same was ₹ 2009.72 Crore and ₹ 3825.15 Crore respectively.

**Electrical Resistance Welded (ERW) Steel Pipes & Tubes.**

Based on the end-user customers’ requirement, ERW steel pipes and tubes are available in a variety of quality, wall thickness and diameter. High performance ERW steel pipes and tubing possess high corrosion resistance, high deformability, high strength and high toughness. These pipes are used in fencing, lining pipes, oil country tubulars, scaffolding, water and gas conveyance, structural, engineering applications etc. There has been tremendous increase in the production of ERW steel pipes due to higher demand in oil and gas industry, infrastructure and automobile uses. There are large number of units in the MSME Sector.

The export and import of ERW steel pipes and tubes (HS code 73059021,73059029, 73069011 & 73069019) in 2012-13 were ₹ 240.06 Crore and ₹ 45.20 Crore respectively whereas in 2013-14 (April-Dec.) the same were ₹ 182.22 Crore and ₹ 8.9 Crore respectively.
Submerged-Arc Welded (SAW) pipes

There are two types of SAW pipes namely longitudinal and helical welded SAW pipes. Longitudinal SAW pipes are preferred where thickness of pipe is more than 25mm and in high pressure gas pipe line. Helical welded SAW pipes are used for low pressure applications. The cost of helical SAW pipes is less than longitudinal pipes. There is huge demand of SAW pipes in the country due to transportation of oil and gas and transmission of water.

The export and import of SAW pipes Industry (HS code 7305) in 2012-13 was ₹ 6888.22 Crore and ₹ 188.00 Crore respectively whereas in 2013-14 (April-Dec.) the same was ₹ 2092.49 Crore and ₹ 47.92 Crore respectively.

Industrial Fasteners

The fastener industry in India may be classified into two segments: high tensile and mild steel fasteners. High tensile and mild steel fasteners broadly include nuts, bolts, studs, rivets and screws. Mild steel fasteners are primarily manufactured by the unorganized sector while high tensile fasteners requiring superior technology are dominated by companies in the organized sector. Automobile industry accounts for bulk of the total demand of this industry. Consumer durables and railways are the other primary users of the high tensile fasteners. Automobile sector is likely to drive growth in the fastener industry.

The production of nuts & bolts in the organized sector in 2012-13 was 96120 tonnes and in 2013-14 (April - Nov.) 62540 tonnes. The export and import of industrial fastener (HS code 7318) in 2012-13 was ₹ 3385.23 Crore and ₹ 4032.42 Crore respectively whereas in 2013-14 (April-Dec.) the same was ₹ 3404.22 Crore and ₹ 3188.52 Crore respectively.

Steel Forgings

Forgings are intermediate products used widely by original equipment manufacturers in the production of durable goods. The composition of the Indian forging industry can be categorized into four sectors - large, medium, small and tiny. A major portion of this industry is made up of small and medium units/enterprises (SMEs). The industry was previously more labour intensive but now with increasing globalization it is becoming more capital intensive. Among the industries that depend on forgings are automotive; agricultural machinery and equipment; valves, fittings, and petrochemical applications; hand tools and hardware; off-highway and railroad equipment; general industrial equipment; ordnance and marine and aerospace. The key driver of demand of forging is the automobile industry. About 65% of the total forging production is used in this sector.

The production of stamping & forging in the organized sector in 2012-13 was 419807.69 tonnes and in 2013-14 is
411408.29 tonnes. The export and import of forging industry (HS code 7326) in 2012-13 was ₹ 5194.62 Crore and ₹ 3225.95 Crore respectively whereas in 2013-14 (April-Dec.) the same was ₹3982.78 Crore and ₹2525.43 Crore respectively.

Bicycle Industry

The bicycle industry of India is one of the most established industries. India is the second largest bicycle producer of the world, next only to China. Most of the manufacturing units are located in Punjab and Tamil Nadu with Ludhiana (Punjab) being a major bicycle production hub. The industry is making endeavor for enhancing export since there is a significant scope for export of Indian bicycles, bicycle spare parts and bicycle accessories. Bicycle companies in India are now focusing on urban markets and are looking to expand their base in the professional and adventure categories.

The production of all kinds of bicycles in the organized sector in 2012-13 & 2013-14 was 130.46 million nos and 138.36 million nos respectively. The export and import of bicycle (HS code 8712) in 2012-13 was ₹ 252.22 Crore and ₹ 187.94 Crore respectively whereas in 2013-14 (April-Dec.) the same was ₹226.34 Crore and ₹ 107.14 Crore respectively.

Light Industrial Machinery Sector

Food Processing Machinery

The Indian market for food processing machinery has been growing steadily fuelled by strong domestic demand for processed food and beverage products spurred by increase in income level, increasing number of women joining the work force, rapid urbanization, changing life style and mass media promotion. The most promising areas of growth are fruit and vegetable processing, meat, poultry, dairy & seafood, packaged/convenience food, soft drinks and grain processing. Food Processing Sector is expected to grow at a healthy pace considering the rapid changes in food habits and consumerist culture developing in the country. The machinery manufacturers have honed their expertise in manufacturing dairy machinery and other core equipment of food processing machinery.

The export and import of food processing machinery (HS code 8438) in 2012-13 was ₹ 753.07 Crore and ₹ 990.60 Crore respectively whereas in 2013-14 (April-Dec.) the same was ₹ 676.53 Crore and ₹ 674.29 Crore respectively.

Packaging Machinery Industry

Packaging of consumer products or industrial products is emerging as the USP in the marketing strategies. Developments in packaging technology have not only contributed to improving aesthetic appeal of the products but also their shelf life. In some cases specialized packaging becomes a technical necessity. Considering the growth prospects in industrial sector and growing consumer awareness of packaging, it is expected
that there would be substantial growth in this area. There is a wide range of packaging machinery available in the country covering packaging of vast range of items. Some of the commonly available packing machinery includes machines for coding and on-line printing machines, feeding and labeling machines, strip packaging, form fill and seal machines, carton filling, fully automatic bag making machinery and automatic micro processor controlled packaging machines.

The export and import of packaging machinery industry (HS code 842220) in 2012-13 was ₹ 720.29 Crore and ₹ 1572.56 Crore respectively whereas in 2013-14 (April-Dec.) the same was ₹ 37.16 Crore and ₹ 250.00 Crore respectively.

**Water Pollution Control Equipment**

Due to growing awareness of preventing water pollution and stringent environmental control standards being enforced for various uses including process industries, the water/waste water treatment industry is poised for huge growth. The various categories of water pollution control equipment broadly include waste water treatment plants, drinking water treatment plants and effluent treatment plants. Water/waste water treatment is the process of removing contaminants and it includes physical, chemical and biological processes to remove physical, chemical and biological contaminants. The primary treatment is the first step in the treatment process and involves the removal of pollutants that settles or floats. The common industrial equipments are clarifiers and oil - water separator devises. The secondary treatment is designed to substantially degrade the biological content of the sewage. The common equipments are activated sludge, filters, biological reactors, etc. The tertiary treatment is a polishing step to remove contaminants that escape from the primary and also secondary treatment and also removal of suspended solids, refractory organics and toxic components. Tertiary physical processes are filtration and carbon absorption. Chemical processes are used to remove inorganic and organic, resistant to biodegradation. Chemical process includes precipitation, oxidation and neutralization. The biological processes involve biodegrading. Organisms such as bacteria, fungi, yeasts and algae are commonly used to break down the organic matters. The cell tissues are then removed from the treated water by physical method like clarification. The complete plants are manufactured mostly in the organized sector and many of the equipments are manufactured in the Small Scale Sector as well.

The export and import of Water Pollution Control Equipment (HS code 842121) in 2012-13 was ₹ 449.03 Crore and ₹ 389.18 Crore respectively whereas in 2013-14 (April-Dec.) the same was ₹ 360.00 Crore and ₹ 338.00 Crore respectively.
Air Pollution Control Equipment

Industrialization and urbanization have resulted in a profound deterioration of India’s air quality. India’s most severe environmental problem, comes in several forms, including vehicular emissions and untreated industrial smoke. Air pollution in the country especially in metropolitan cities and large towns has assumed great significance with the adoption of stringent environmental control standards for various industries. Hence the pollution control equipment industry has acquired importance. Further judicial pronouncements have given a definite direction and urgency for adoption of air pollution control measures. The choice of control method depends on factors such as the nature of pollutant, flow-rate (amount of pollutant emitted), particle size and desired collection efficiency. The air pollution control equipments are broadly classified under the categories such as Settling Chambers, Cyclone and multi-cyclones, Bag Filters, Wet Scrubbers, Spray Tower, Venturi Scrubber, Ionizing Scrubber and Electrostatic Precipitator. The industry is in position to do basic and detailed engineering and supply of plants on turnkey basis.

The export and import of air pollution control equipment (HS code 842139) in 2012-13 was ₹ 356.39 Crore and ₹ 1094.62 Crore respectively whereas in 2013-14 (April-Dec.) the same was ₹ 377.47 Crore and ₹ 845.73 Crore respectively.

Industrial Gears

Industrial gears comprises mainly gears and gear boxes. Gears are used for two basic purposes: increase or decrease of rotation speed and increase or decrease of power or torque. Gears being an important part of a machine have immense usage within various industries. These industries include automotive industries, coal plants industry, steel plants industry, paper industry, in mining and many more. In these industries they behold a wide area of application. They are used in conveyors, elevators, kilns, separators, cranes and lubrication systems. Gearbox is defined as a metal casing in which a train of gears is sealed. The manufacture of gears and gear boxes involve high precision machining and accurate assembly as mechanical power is to be transmitted noiselessly and with minimum losses. Different types and sizes of gears such as spur gears, helical gears, worm gears, spiral gears and many other kinds are manufactured in the country. The demand for gears and gear boxes predominantly depend on the growth of industrial machinery, machine tools, and consumer & automobile sector. Considering the industrial growth prospects, particularly in automobile sector, the demand for gears and gear boxes is expected to grow at a healthy pace.

The export and import of gears and gearing (HS code 848340) in 2012-13 was ₹ 491.27 Crore and ₹ 1512.17 Crore respectively whereas in 2013-14 (April-
Cases.

duty on the product is about 22% in most at a basic duty of 10%. The average total segment can be imported in to the country in India employ state-of-art technologies.

Most items of the paper and paper board segment, newsprint can be imported in to the country at zero customs excise duty, subject to an actual user condition. There are 119 units registered under the schedule as on date with a total installed capacity of 2.0 million tons for newsprint production. However, for the year, the production of newsprint was 1.44 million tons. Unlike the paper and paper board segment, newsprint can be imported in to the country at zero customs duty, subject to an actual user condition. Imports for newsprint stood at 1.47 million tons for the year 2013-14.

**Paper and Paper Board**

As per industry sources, not much has changed with regards to the capacity addition in the paper and paper board sector. There are 759 mills producing around 11.8 million tons with a total consumption of 13.0 million tons. These capacities cannot be compared to international benchmarks of leading international players. Scandinavian countries, USA, the Russian Federation, China, Indonesia and Japan are the major players in the field of pulp and paper. These countries have some of the best available raw materials for paper production, cutting edge technologies and control the global trade. Only a few mills in India employ state-of-art technologies.

Most items of the paper and paper board segment can be imported in to the country at a basic duty of 10%. The average total duty on the product is about 22% in most cases.

**Newspaper**

Newspaper was under the ambit of the Essential Commodities Act, 1955 and the activities of the sector were governed by the Newsprint Control Order (NCO) 1962. In 2004, Newsprint was taken out of the essential commodity list and the NCO of 1962 was rescinded to be replaced by NCO - 2004. The mills that get registered under the schedule to this order are exempt from excise duty, subject to an actual user condition. There are 119 units registered under the schedule as on date with a total installed capacity of 2.0 million tons for newsprint production. However, for the year, the production of newsprint was 1.44 million tons. Unlike the paper and paper board segment, newsprint can be imported in to the country at zero customs duty, subject to an actual user condition. Imports for newsprint stood at 1.47 million tons for the year 2013-14.

**Rubber Goods Industry**

The Rubber Goods Industry excluding tyre and tubes consists of 4550 small and tiny units generating about 5.50 lakhs direct jobs. The rubber industry manufacturers a wide range of products like rubber cots and aprons, contraceptives, footwear, rubber hoses, cables, camelback, battery boxes, latex products, conveyor belts, surgical gloves, balloons, rubber moulded goods etc. The main raw materials used by the rubber goods manufacturing industry

\[1\text{ Industry estimates} \]

\[2\text{http://www.icegate.gov.in/Webappl/duty_details.jsp?cht=48021010\&cntrycd=1Null} \]

\[3\text{Indian Newsprint Manufacturers Association, www.inma.org.in} \]
are Natural Rubber, various types of Synthetic Rubber, Carbon Black, Rubber Chemicals etc. The turnover of Rubber Goods Industry in 2013-14 is estimated to ₹27500 crore against ₹25000 crore in 2012-13. Rubber goods worth ₹6400 crore was exported in 2013-14 as against ₹5400 crore in 2012-13.

The performance of rubber goods industry hardly needs any emphasis. From healthcare to footwear, high performance tyres to conveyer belts are indispensible for country’s infrastructure.

**Tyre & Tube Industry**

Tyres play an integral role to ensure mobility including movement of passengers and essential goods across the urban and rural landscape of the country using all types of vehicles ranging from carts, tractors, trucks and buses to the latest generation passenger cars that ply on the modern expressways. All types of tyres required to meet the domestic demand are manufactured in India. These tyres include moped tyre weighing 1.5 Kg to off road tyres for earthmovers which weigh 1.5 tonnes, bias ply tyres to rugged all steel radial truck tyres to high performance passenger car radial and tubeless tyres, etc. India is one of the few countries worldwide which has attained self sufficiency in manufacturing a wide range of tyres for all applications.

**Salient features of tyre industry**

- Indian Tyre industry consists of 39 Companies with 60 tyre manufacturing plants.
- Tyre & Tube production during 2013-14 was 2615.47 lakh tyres with a turnover of ₹ 46,000 crore.
- Three Indian Companies (MRF Ltd., Apollo Tyres and J&K Tyres) are in the lists of top 25 Global Tyre companies.
- These large tyre companies account approx. 92% of Industry turnover in value and tonnage terms.
- All large Indian tyre companies have initiated major capacity expansion programmes to the tune of ₹24,000 crore during 12th Five Year Plan period.

**Export of Tyres & Tubes**

Indian tyres are exported to over 75 countries worldwide. India’s share in world tyre market is 5%. During 2012-13, export of tyres was to the tune of ₹9428.90 crore. During (2013-14) tyre export was to the tune of ₹10205.51 crore.

**Import of Tyres & Tubes**

Tyres are imported @ custom duty of 10%. Tyres are also imported at concessional custom duty under various agreements such as Asia Pacific Trade Agreement (8.6%), ASEANFTA (7%), Indo-Sri Lanka Agreement, Indo-Singapore Agreement, SAFTA Agreement (5%) and India-Malaysia Trade Agreement (7%). During 2013-14, import of tyres was to the tune of ₹2655.20 crore.
Radialization of Tyres

Radialization of passenger car tyres has reached 98% by the domestic industry and radialization of truck and bus tyres is 22% at present. All the major tyre companies have under taken Truck/Bus Radial Tyre manufacturing programmes which will increase the level of radialization to approximately 45-50% by the end of XII Five Year Plan.

Quality (Control) Order for Pneumatic Tyres and Tubes for Automotive Vehicles

A Quality (Control) Order for Pneumatic Tyres and Tubes for Automotive vehicles was notified by this Department on 19th November, 2009, in exercise of the power conferred vide Section 14 of the BIS Act, 1986. The order prohibits import, sale or distribution of pneumatic tyres and tubes which do not conform to the specified Bureau of Indian Standards (BIS) standard and which do not bear the standard mark. This means the manufactures are required to obtain licences from BIS for use of standard mark to enable them to sell or distribute pneumatic tyres and tubes conforming to the specified standard. The Quality Control Order, 2009, has come into force w.e.f. 13th May, 2011.

In terms of the Clause 3(1) (f) of the said Quality Control Order, a Committee has been constituted under the Chairmanship of Additional Director General of Foreign Trade to finalize the list of tyres which are not manufactured domestically and to be imported by Original Equipment Manufacturers (OEMs). The Committee last reviewed and finalized a list of 559 sizes of tyres (not manufactured domestically) in November, 2013 which can be imported by OEMs. This list has been circulated among various stakeholders.

Salt Industry

India is the third largest producer of salt in the world after China and USA with an average annual production of about 200 lakh ton. It is the second largest producer of iodized salt after China, with an average annual production of 60 lakh ton. At the time of independence, there used to be a shortfall in production of salt which was met through imports. Since then, India has made tremendous progress in production of salt, achieving self-sufficiency in 1953 and exporting salt to other countries.

Salt is one of the essential items of human consumption. The per-capita consumption of salt in the country is estimated to be 14 Kg, which includes edible and industrial salt. The current annual requirement of salt in the country is estimated to be 60 lakh ton for edible use (including requirement of cattle) and 110 lakh ton for industrial use. India exported 50.04 lakh ton of salt valued at ₹679.44 crore in 2012-13 and 59.61 lakh ton, valued at ₹844.40 crore in 2013-14.

Salt is manufactured mainly by solar
evaporation of sea water, sub-soil brine and lake brine. Sea salt constitutes about 82% of the total salt production in the country. Salt manufacturing activities are carried out in the coastal states of Gujarat, Tamil Nadu, Andhra Pradesh, Maharashtra, Karnataka, Orissa, West Bengal, Goa and hinterland State of Rajasthan. The three major salt producing States are Gujarat (79%), Tamil Nadu (11%) and Rajasthan (7%), who also cater to the requirement of other States.

Under Salt Cess Act 1953, cess is levied on salt at the rate of ₹3.50 per ton but salt works having an area up to 10 acres set up by individuals or group of individuals are exempted. Similar salt works set up over an area measuring more than 10 acres and up to 100 acres is given 50% concession on the cess payable. Salt exported is also exempt from payment of cess.

Private sector contributes to more than 91% of the salt production, the public sector, about 1.6% and the co-operative sector, about 7.4%.

The targeted and actual production of salt during the last five years is as (Table-7.4)

<table>
<thead>
<tr>
<th>Year</th>
<th>Target</th>
<th>Production</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009-10</td>
<td>190</td>
<td>239.51</td>
</tr>
<tr>
<td>2010-11</td>
<td>200</td>
<td>186.10</td>
</tr>
<tr>
<td>2011-12</td>
<td>240</td>
<td>221.79</td>
</tr>
<tr>
<td>2012-13</td>
<td>240</td>
<td>245.47</td>
</tr>
<tr>
<td>2013-14</td>
<td>220</td>
<td>230.19</td>
</tr>
</tbody>
</table>

High purity salt is required for iodization and the industrial sector. To achieve the required level of purity by upgrading raw salt, Salt Commissioners Office (SCO) has till date facilitated establishment of 112 salt washeries/refineries with an annual installed capacity of 125 lakh ton. All the units are registered with SCO and have commenced commercial production.

**Salt Works and Area under Salt Production**

There are about 11931 salt works, mostly in small sector, engaged in production of salt. The total area under salt production is about 6.15 lakh acre. Salt manufacturing activities provide direct employment to about 1.09 lakh persons.

**Distribution of Salt**

Railways play an important role in transporting salt from the three major salt producing States to other states. About 64% of edible salt is transported by rail from production centres and the rest by road/sea. Salt is transported by rail under Preferential Traffic and sponsored programmes on requirement basis. Railways grant graded concession in freight for transportation of non-refined iodized salt depending upon distance.

**Iodized Salt**

For human consumption, edible salt needs to be iodized to prevent and control Iodine Deficiency Disorders (IDD). SCO has been identified as the Nodal Agency for creation
of adequate salt iodization capacity, monitoring production and quality of iodized salt at production centres and monitoring distribution of iodized salt in the country, under National Iodine Deficiency Disorders Control Programme (NIDDCP), implemented by the Ministry of Health & Family Welfare. SCO has facilitated establishment of 777 salt iodization units including 112 refineries & washeries (capacity 125 lakh ton) with an annual installed capacity of 222 lakh ton up to March, 2014. All the salt iodization units are registered with Salt Commissioner. The production and supply of iodized salt during the last five years is as under. (Table-7.5)

<table>
<thead>
<tr>
<th>Year</th>
<th>Production</th>
<th>Supply</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009-10</td>
<td>58.23</td>
<td>54.88</td>
</tr>
<tr>
<td>2010-11</td>
<td>62.20</td>
<td>60.19</td>
</tr>
<tr>
<td>2011-12</td>
<td>62.00</td>
<td>59.70</td>
</tr>
<tr>
<td>2012-13</td>
<td>61.81</td>
<td>58.64</td>
</tr>
<tr>
<td>2013-14</td>
<td>58.47</td>
<td>55.08</td>
</tr>
</tbody>
</table>

SCO periodically reviews the availability, price and quality of iodized salt, in association with state governments, iodized salt manufacturers, traders and other stake holders.

**Exports of Salt**

Export of common salt and iodized salt is permitted under Open General License (O.G.L) India exports salt to Japan, Vietnam, UAE, Qatar, Korea, China, Malaysia, Nepal, Bangladesh, Indonesia, Bhutan, Hong Kong and Singapore. Export of salt during the last five years is as under. (Table-7.6)

<table>
<thead>
<tr>
<th>Year</th>
<th>Quantity (in Lakh Ton)</th>
<th>Value (in Lakh ₹)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009-10</td>
<td>28.95</td>
<td>40335.45</td>
</tr>
<tr>
<td>2010-11</td>
<td>38.68</td>
<td>52062.45</td>
</tr>
<tr>
<td>2011-12</td>
<td>37.72</td>
<td>49225.34</td>
</tr>
<tr>
<td>2012-13</td>
<td>50.04</td>
<td>679.44</td>
</tr>
<tr>
<td>2013-14</td>
<td>58.47</td>
<td>84439.78</td>
</tr>
</tbody>
</table>

**Labour Welfare Activities and Development Works for Salt**

(i) SCO is paying special attention to the welfare of labourers engaged in salt industry by extending financial assistance for executing various welfare schemes, viz.

- Medical facilities to salt workers and their families.
- Drinking water facilities in salt works.
- Education facilities and financial assistance to the children of salt labourers.
- Rest sheds and crèches in salt works.
- Recreation facilities to labourers and their wards.
Cash Rewards to the children of Salt Workers.

In addition, financial assistance is provided for undertaking various schemes for the benefit of salt industry. The expenditure on development and labour welfare works during last five years is as given in Table-7.7.

(ii) Health-cum-Eye Camp & Sports Meet

SCO has organized 27 general health cum eye camps & 8 sports meets for benefit of salt labourers during the year 2012-13. For the current financial year, it is proposed to organise 28 health camps and 9 sports meets.

(iii) Model Salt Farms

SCO is making efforts to educate salt manufacturers in general and small salt producers in particular for improving the quality of salt to meet the stringent standards of industrial salt, in order to compete in the international market.

Two Model Salt Farms (MSF) one in Ganjam in Odisha and the other in Nawa in Rajasthan have been established for providing scientific know-how for the construction of salt works and proper brine management and transfer of technology to the salt manufacturers. These are used to impart training to the salt manufacturers/workers for improving the quality of salt by re-modelling and re-alignment of the existing salt works in association with the scientists of CSMCRI, Bhavnagar. The 3rd Model Salt Farm is under construction at Markanam Salt Factory in Tamil Nadu.

New Welfare Schemes for Salt Workers

With a view to improve the access of the salt workers to healthcare facilities and educating salt workers/ artisans for improving the quality of salt to meet the standards prescribed for industrial and edible salt, two schemes namely (1) Namak Mazdoor Swasthya Bima Yojana (NMSBY) and (2) Training for skill upgradation of the Salt Workers, have been approved.

Namak Mazdoor Swasthya Bima Yojana (NMSBY)

Namak Mazdoor Swasthya Bima Yojana aims at financially enabling the salt

<table>
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<th>Labour Welfare Works</th>
<th>Other Works</th>
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</table>
workers’ community so that they have access to standard healthcare facilities. This scheme covers not only the salt workers but his / her spouse and two children also. All salt workers whether male or female; between the age group 18-60 years and their children of one day to 25 years or till they become independent and/or dependent parents are eligible to be covered under NMSBY. The scheme will be implemented during 12th five year plan period ending in 2016-17. The scheme will include all salt workers including those employed in salt iodisation units, loading and unloading of salt at the manufacturing centres. The 90% contribution will be borne by the Government of India and remaining 10% by the beneficiaries. During the financial year 2014-15, 5000 families of salt workers will be covered under the NMSBY. During the entire plan period it is proposed to cover 55,000 families. The estimated expenditure for the Central Government would be ₹13.95 Crore (90%) and the 10% i.e. ₹1.55 Crore would be paid by the beneficiary salt workers.

**Training for skill up gradation of the Salt Workers**

The scheme for training for skill up gradation of salt workers has been approved and it is going to be implemented during the 12th plan period ending in 2016-17. A total number of 200 training programmes costing ₹ 3.00 crore are proposed to be conducted. One training programme has already been organized at Vedaranyam in Chennai Salt Region in the month of March, 2014.
Activities of UNIDO

Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, is the nodal department in Government of India for all matters related to UNIDO operations in India. The United Nations Industrial Development Organization (UNIDO) based in Vienna, Austria, was established in 1966, and became a specialized agency of the United Nations in 1985 to promote industrial development and cooperation at the global, regional, national and sectoral levels. India has been an active member of the Organization since its inception. UNIDO has at present 172 countries as its members.

Aims and Objectives

UNIDO is committed to the promotion and industrialization of the developing countries in order to ensure sustained socio-economic growth. In its role as a global forum, UNIDO generates and disseminates knowledge relating to industrial matters and provides a platform to the private sector, civil society organizations and the policy-making communities in general to enhance cooperation, establish dialogue and develop partnerships.

UNIDO aspires to reduce poverty through sustainable industrial development. At the 15th Session of the UNIDO General Conference held in Lima, Peru, held from 2-6 December 2013, the Lima Declaration was adopted highlighting the new paradigm of UNIDO defined as “Towards Inclusive and Sustainable Industrial Development (ISID)”. UNIDO works towards improving the quality of life of the world’s poor by drawing on its combined global resources and expertise in the following three inter-related thematic areas:

1. Poverty Reduction through Productive Activities;
2. Trade capacity-building; and

Organization and its Policy-making Organs

The Organization is headed by a Director-General. The main policy making organs of UNIDO are:

- General Conference (GC)

The General Conference determines the guiding principles and policies of the Organization and approves the budget and work programme. Every four years, the Conference appoints the Director-General. It also elects the
members of the Industrial Development Board and of the Programme and Budget Committee. The Conference meets every two years.

- **Industrial Development Board (IDB)**

  The Board has 53 members, elected for a four-year term on a rotational basis. It reviews the implementation of the work programme, the regular and operational budgets and makes recommendations to the Conference on policy matters, including the appointment of the Director-General. The Board meets once a year.

- **Programme and Budget Committee (PBC)**

  The Committee consists of 27 members, elected for a two-year term. It is a subsidiary organ of the Board which provides assistance in the preparation and examination of the work programme, the budget and other financial matters. The Committee meets once a year.

**India’s Contribution**

India is a founder member of the UNIDO and is both a recipient as well as a contributor to the programmes of UNIDO. India contributes to the regular budget of UNIDO, which currently amounts to Euros 0.5 million annually. In addition, India also makes an annual voluntary contribution of US $ 1.2 million to the Industrial Development Fund (IDF) of UNIDO. Both of these contributions are made from the Non-Plan provision. This contribution has two components;

a) A General Purpose Component of US $ 0.1 million which is utilized by UNIDO for its technical cooperation activities in developing countries.

b) A Special Purpose Component of US $ 1.1 million utilized for implementation of projects in India.

**Country Programme of Cooperation between the Republic of India and UNIDO-2013-17**

The Country Program of Cooperation between the Republic of India and UNIDO was signed in Vienna in September, 2013 by Secretary DIPP and DG, UNIDO. The UNIDO Country Program 2013-2017 (CP13-17) serves as the portfolio of development interventions of UNIDO in India, as aligned with the Government’s 12th Five Year Plan and the United Nations Development Action Framework (2013-2017). The Program aims at raising the competitiveness of industrial enterprises through technology-oriented initiatives to increase productivity, quality, energy efficiency, occupational health and safety and the environmental sustainability of industrial production. The Program will be implemented by UNIDO with a budget to the tune of US$ 101.15 Million.
Aims and expected results of the Country Program 2013-17

The expected results of the CP 13-17 are:

1. Expanded private sector development, particularly MSMEs, through improvements in marketability and technology, skill-building, increasing access to finance and expanding opportunities for indigenous industries.

2. More sustainable and cleaner industrial development by applying various technical and policy tools and methodologies.

3. Establishment of enhanced knowledge base towards sustainable industrial development.

Important developments during 2013

In June 2013, during the Special session of the General Conference, Mr. Li Yong from People’s Republic of China was elected as the new Director-General of UNIDO.

A high-level India delegation visited UNIDO HQs in Vienna on 5-6 September, 2013, led by the Secretary, DIPP Shri Saurabh Chandra. During this visit, Secretary signed two documents with
Director-General, UNIDO viz. the UNIDO-India Country Programme 2013-2017 and Phase II of UNIDO Centre for South-South Industrial Cooperation.

Mr. Yong visited India on 12-14 November, 2013 as a part of his Asian mission tour, and held a series of high-level meetings with the Government/stake holders in New Delhi. During the meeting with the Hon’ble Minister of Commerce and Industry, ways to strengthen cooperation between India and UNIDO were discussed.

UNIDO Centre for South-South Industrial Cooperation (UCSSIC), New Delhi

The UNIDO Centre for South-South Industrial Cooperation (UCSSIC) was established by UNIDO at New Delhi in December 2006, with full financial support of the Government of India. Phase-I of the Centre was operationally completed in April 2013. UNIDO CSSIC Phase-II commenced in May 2013 for a period of 5 years. UNIDO CSSIC-India (Phase-2) project document was signed by Shri Saurabh Chandra, Secretary,
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The overall developmental goal of the Centre’s operation is to contribute to social, economic and environmental development in least developed countries, mainly in Africa and Asia. The main objective of the Centre is to enhance South-South industrial cooperation between the host country (India) and developing countries by way of (1) identification, design and implementation of technical cooperation (pilot) projects and programmes on a demand-driven basis mainly in LDCs, (2) functioning as matchmaker, catalyst and broker between interested development parties. This is realized by identifying and mobilizing technical, financial, managerial, and other resources required within the framework of South-South industrial cooperation, in order to achieve overall development goals.

In the Phase-1 of UCSSIC, 10 projects were completed, primarily in the area of agribusiness, renewable energy, cluster development, trade capacity building, entrepreneurship & skill development and capacity building. The majority of UCSSIC projects are designed to benefit Least Developed Countries (LDCs). Through Indian technical/resource partners, the Centre has been able to leverage Indian technology and institutional linkages between Laboratories, Universities, Civil Society Organizations and R&D institutions of various developing/LDCs and India. UCSSIC Projects covered 15 developing countries: 11 in Africa and 4 in Asia, including 10 LDCs (8 in Africa and 2 in Asia).

UCSSIC participated in the Conference on “Africa: A Land of Opportunities” held on 20 November, 2013 organized by PHD Chamber of Commerce and Industry in New Delhi jointly with Ministry of External Affairs. Event facilitated interaction with Ambassadors/High Commissioners/Trade Consular’s from as many as 20 embassies/high commissions of LDCs in Africa based in New Delhi. External Affairs Minister, Government of India delivered the valedictory address.
To begin with, in 2013, DIPP has approved 3 Africa based projects to be undertaken by UCSSIC namely- (i) Demonstration and Promotion of Coconut Husk processing for income generation in rural communities Coast Province, Kenya; (ii) Strengthening the technical service capabilities of Kenya Industrial Research and Development Institute (KIRDI); and (iii) Development of Production Capacity and Promotion of Neem Derived Bio Pesticides as low cost and eco-friendly alternative to chemical pesticides in West Africa.

**International Centre for Advancement of Manufacturing Technology (ICAMT), Bangalore**

UNIDO ICAMT promotes manufacturing technologies and innovations to enhance industrial competitiveness in India and other developing countries. In 2013, UNIDO ICAMT continued the implementation of 3 on-going programmes for Machine Tools, Plastic and Foundry industries.

To promote the application of Green Manufacturing Technologies amongst MSMEs, UNIDO-ICAMT launched the compendium on “Environmentally-friendly Manufacturing Practices” focussing on machine tools, plastics and foundry sectors. The compendium was launched by Mr. Arun Maira, Member, Planning Commission, Government of India, Ms Ayumi Fujino, UNIDO Representative in India and Regional Director for South Asia and Mr Jamshyd N Godrej, Chairman & MD, Godrej & Boyce Manufacturing Company Ltd on 2nd May 2013, in New Delhi.

The Intellectual Property Rights Advisory Cell of ICAMT continued to provide hand holding to SMEs in machine tools, plastic and foundry sectors with inputs and services to protect their valuable intellectual property (IP). IP Audits have been conducted across 17 Machine tool and Plastic SMES in the year 2013. A customized IP Inventory has also been made available to each of the Units.

Training on Intellectual Property Rights was conducted for Research Institutions...
such as Central Institute of Plastics Engineering and Technology (CIPET) and Central Manufacturing Technology Institute (CMTI) in June and July 2013 respectively. The training served as an eye opener on trademarks, patents and copyrights for research scientists and scholars working in the area of plastics and machine tools.

**Machine Tools Project**

Under the Project for Technology Upgradation and Productivity Enhancement of the Machine Tool Industry, CNC training programmes for Machine tools sector continued with Training Programmes on Part Programming on Machining Centre; Basic Training Programmes on CNC Turning Centre and CNC Machining Centre for Engineering Students and Effective Utilisation of CNC Machining Centre (VMC & HMC) for SMEs. The trainings were found to be useful in reduction of cycle time and tooling costs.

**Plastics Project**

Under the National Programme for Development of Plastic Industry in India detailed energy audits were conducted at 10 units in the plastic sector in Mumbai, 7 units in Ahmedabad and at 6 units in Delhi/NCR during March - August 2013. The audit comprised of data collection, measurements, performance tests, study of energy utilization and current level of performance of utility equipment,
calculated efficiency of the machines, areas of energy wastages and recommendations for energy saving and energy efficiency improvements. The results identified savings up to 9% of total energy bill. Major saving areas identified included Extruders - Heat Loss, Pumps, Air Compressor - Unload, Leakages & Performance, Refrigeration System, Power Factor, Fans & Blowers, Cooling Tower Fans, Illumination - Electronic Ballast, LED Lamps, and Grinders.

Technical trainings were conducted with CIPET during March-July 2013 at Delhi Cluster wherein modules on Product design & Auto CAD; Mould Making facilities including state of the art CNC machine operation were covered. Conventional Tool Room Machine and maintenance of CNC Tool Room Machine Mould were explained through demonstration.

**Upgradation of Biodegradable Plastics Testing Facility at CIPET** - the Diagnostic study report on CIPET’s Biodegradable Plastics Testing Facility was finalized along with benchmarking of global biopolymer market scenario, in-depth SWOT analysis of the Indian Biopolymer industry and technology evaluation of CIPET Centres - Chennai and Bhubaneshwar, dealing in testing and research of bio-degradable plastics.

**Foundry Project**

Under the Project for Technology Upgradation and Productivity Enhancement of the Foundry Industry at Coimbatore and Belgaum, technical trainings in various areas of foundry technology were conducted. These included technical training on Foundry Technology conducted by Steinbeis Centre for Technology Transfer at Belgaum and Coimbatore from 23-25th June, 2013, and 27-29th June, 2013, respectively which covered topics including family of casting iron, melting process, Moulding Sand Technology, Shell Core Process and Cold Box Process, correct composition of metal
sand mixing, casting defects and divided blast cupolas etc. for the operator and supervisory level staff.

The training programme on efficient melting practices mainly focused on improving life of furnace lining, reducing power consumption per ton of liquid metal, tips for selection of the capacity & power input of induction furnaces, basic principles of melting, cement grouting thickness of the coil and best lining of furnace, procedure & tools to be used for lining. During a visit to five foundries the procedure of using the induction furnace as indicated in the training was demonstrated.

Member SMEs have also been trained on strategic marketing, in particular the principles of professional marketing, marketing tools, evaluation of marketing performance and its procedure. The training emphasized the importance of leads generation, cold calling and targeting was also demonstrated. Proposed Business Plans were also shared with interested units. Initiatives in the area of product costing have been completed. Cupola designs are being changed to improve energy consumption.

To provide an exposure to contemporary technology and technology trends in foundry sectors, technology mission to Cast-expo 2013, held at St. Louis, USA, was organized for 33 members.
‘FDI’ means investment by non-resident entity/person resident outside India in the capital of an Indian company under Schedule 1 of Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.

Role of Department of Industrial Policy & Promotion:

The Department of Industrial Policy & Promotion (DIPP) is the nodal Department for formulation of the policy of the Government on Foreign Direct Investment (FDI). It is also responsible for maintenance and management of data on inward FDI into India, based upon the remittances reported by the Reserve Bank of India.

The Department also plays an active role in investment promotion, through dissemination of information on the investment climate and opportunities in India and by advising prospective investors about investment policies and procedures and opportunities. International Cooperation for industrial partnerships is solicited both through bilateral as well as multilateral arrangements. It also coordinates with apex industry associations, in their activities relating to promotion of industrial cooperation, through both bilateral as well as multilateral initiatives intended to stimulate the inflow of foreign direct investment into India.

FDI POLICY

Government has put in place a liberal policy on FDI, under which FDI, up to 100%, is permitted, under the automatic route, in most sectors/activities. There is a small list of sectors, which are either prohibited for FDI, or are subject to restrictions in the nature of equity caps, entry route or conditionalities.

Further, the FDI policy is reviewed on an ongoing basis, with a view to making it more investor-friendly. Significant changes have been made in the FDI policy regime in recent times, to ensure that India remains an increasingly attractive investment destination. DIPP plays an active role in the liberalization and rationalization of the FDI policy. Towards this end, it has been constructively engaged in extensive stakeholder consultations on various aspects of the FDI policy.

SECTORS PROHIBITED FOR FDI

FDI is prohibited in the following activities/sectors:

(a) Lottery Business including Government /private lottery, online lotteries, etc.
**Chapter**

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### SECTORS PROHIBITED FOR FDI

FDI is prohibited in the following activities/sectors:

- (a) Lottery Business including Government/private lottery, online lotteries, etc.
- (b) Gambling and Betting including casinos etc.
- (c) Business of chit fund
- (d) Nidhi company
- (e) Trading in Transferable Development Rights (TDRs)
- (f) Real Estate Business or Construction of Farm Houses
- (g) Manufacturing of Cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitutes
- (h) Activities/sectors not opened to private sector investment including Atomic Energy and Railway Transport (other than Mass Rapid Transport Systems)

### FDI Policy Changes in 2013

In 2013, Government introduced the following measures for liberalisation/rationalization of the FDI policy:

**Press Note 1 of 2013:**

The government of Himachal Pradesh conveyed its intention to permit FDI in multi-brand retail trading in Himachal Pradesh. Accordingly, Himachal Pradesh was added to the states where multi-brand retailers with FDI are permitted to open front end stores.

**Press Note 2 of 2013:**

In order to bring further clarity to the extant FDI policy, ‘group company’ was defined in the FDI policy as under:

“Group Companies” means two or more enterprises which, directly or indirectly, are in a position to:

(i) exercise twenty-six per cent, or more of voting rights in other enterprise; or

(ii) appoint more than fifty per cent, of members of board of directors in the other enterprises

**Press Note 3 of 2013:**

The government of Karnataka conveyed its intention to permit FDI in multi-brand retail trading in Karnataka. Accordingly, Karnataka was added to the states where multi-brand retailers with FDI are permitted to open front end stores

**Press Note 4 of 2013:**

Paragraph 2.1.7 of ‘Circular 1 of 2013-Consolidated FDI Policy’, effective from April 5, 2013, relating to definition of the term “control” for calculation of total foreign investment i.e. direct and indirect foreign investment, in Indian companies has been amended by the Government. The revised definition of the term “control” will be as under;

‘Control’ shall include the right to appoint a majority of the directors or to control the management or policy decisions including by virtue of their shareholding or management rights or shareholders agreements or voting agreements.”

**Press Note 5 of 2013:**

The government has reviewed certain provisions of the FDI policy for Multi-brand
Retail trading (MBRT) as under:

a) Amendment in para 6.2.16.5(1) (iii) of ‘Circular 1 of 2013 - Consolidated FDI Policy' to read as follows:

“At least 50% of total FDI brought in the first tranche of US$ 100 million, shall be invested in 'backend infrastructure' within three years, where 'backend infrastructure' will include capital expenditure on all activities, excluding that on front-end units. For instance, back-end infrastructure will include investment made towards processing, manufacturing, distribution, design improvement, quality control, packaging, logistics, storage, ware-house, agriculture market produce infrastructure etc. Expenditure on land cost and rentals, if any, will not be counted for purposes of backend infrastructure. Subsequent investment in the back-end infrastructure would be made by the MBRT retailer as needed, depending upon his business requirements”.

b) Amendment in para 6.2.16.5(1)(iv) of 'Circular 1 of 2013 - Consolidated FDI Policy' to read as follows:

“At least 30% of the value of procurement of manufactured/ processed products purchased shall be sourced from Indian micro, small and medium industries which have a total investment in plant & machinery not exceeding US $ 2.00 million. This valuation refers to the value at the time of installation, without providing for depreciation. The 'small industry' status would be reckoned only at the time of first engagement with the retailer and such industry shall continue to qualify as a 'small industry' for this purpose even if it outgrows the said investment of US$ 2.00 million, during the course of its relationship with the said retailer. Sourcing from agricultural co-operatives and farmers co-operatives would also be considered in this category. The procurement requirement would have to be met, in the first instance, as an average of five years' total value of the manufactured/processed products purchased, beginning 1st April of the year during which the first tranche of FDI is received. Thereafter, it would have to be met on an annual basis”.

c) Amendment in para 6.2.16.5(1)(vi) of ‘Circular 1 of 2013 - Consolidated FDI Policy' to read as follows:

“Retail sales outlets may be set up only in cities with a population of more than 10 lakh as per the 2011 Census or any other cities as per the decision of the respective State Governments, and may also cover an area of 10 kms around the municipal/urban agglomeration limits of such cities; retail locations will be restricted to conforming areas as per the Master/Zonal Plans of the concerned cities and provision will be made for requisite facilities such as transport connectivity and parking”.

The amendment in the extant FDI policy relating to Multi-Brand Retail Trading in respect of ‘small industry’ will bring in a balance between the business exigencies of the MBRT entity and intent of the policy which is to extend the benefits of the FDI policy in multi-brand retail trading to a
larger constituency of small industries. The amendment in the provision regarding 'back-end infrastructure' will give more clarity to the policy. The amendment to the provision regarding location of retail outlets will bring in parity in the policy as it is proposed to extend such dispensation to all States.

**Press Note 6 of 2013:**

The Government has reviewed the provisions on Foreign Direct Investment policy regarding caps and approval routes in some sectors viz. petroleum & natural gas; commodity exchanges; power exchanges; stock exchanges, depositories and clearing corporations; asset reconstruction companies; credit information companies; tea sector including tea plantations; single brand retail trading; test marketing; telecom services; courier services and defence.

**Press Note 7 of 2013:**

Government has recently reviewed the existing FDI policy on issue of shares by unlisted Indian companies under FCCB/ADR/GDR, pursuant to the Foreign CurrencyConvertible Bonds and Ordinary shares (Through Depository Receipt Mechanism) (Amendment) Scheme, 2013. The unlisted companies shall be allowed to raise capital abroad without the requirement of prior or subsequent listing in India initially for a period for two years subject to certain conditions prescribed therein.

**Press Note 1 of 2014:**

The Government reviewed the FDI policy in Pharmaceuticals sector and decided that the existing policy would continue with the condition that ‘non-compete’ clause would not be allowed except in special circumstances with the approval of the Foreign Investment Promotion Board.

**Press Note 2 of 2014:**

The FDI policy on Insurance Sector was reviewed to allow FDI up to 26% (FDI+FII+NRI) under the automatic route, in Insurance Company, Insurance Brokers, Third Party Administrators and Loss Assessors, subject to certain conditions.

**FDI INFLOWS**

Total FDI into India, since April, 2000, including equity inflows, reinvested earnings and other capital, is US $323.91 billion (April, 2000-March, 2014).

During the calendar year 2014 (i.e. during January-March 2014), FDI equity inflows of US $7.74 billion have been received. This represents increase of 41% over the FDI equity inflows of US $5.48 Billion received during the corresponding period (January-March 2013) of the previous calendar year (2013).

During the financial year 2013-14 (i.e. during April 2013-March 2014), FDI equity inflows of US $24.30 billion have been received. This represents an increase of 8% over the FDI equity inflows of US$ 22.42 billion received during the corresponding
Measures Taken for Investment Promotion:

Government has been playing an active role in investment promotion, through dissemination of information on the investment climate and opportunities in India and by advising prospective investors about investment policies, procedures and opportunities. International Cooperation for industrial partnerships is achieved through both bilateral as well as multilateral arrangements. At bilateral level, this is achieved through a number of joint commissions and joint working groups, for promoting industrial, technical and scientific cooperation with select countries. The Government has also set up CEOs’ Forums/Business Leaders’ Forum with some countries for active business-to-business cooperation and for developing a road map for partnership and industrial cooperation. The Government, in partnership with various State Government and Business Associations, is also making concerted efforts to make regulations conducive for business. In addition, it has initiated the implementation of the e-Biz Project, a Mission Mode Project under the National e-Governance Project, to provide online registration and filing payment services, to investors and business houses. The setting up of ‘Invest India’, a joint venture company between the Department of Industrial Policy & Promotion and FICCI, as a not-for-profit, single window facilitator, for prospective overseas investors and to act as a structured mechanism to attract investment, is another step towards this end.

Global Perspective:

The *UNCTAD World Investment Report (WIR) 2013*, in its analysis of the global trends in Foreign Direct Investment (FDI) inflows, has continued to report India as the third most attractive location for FDI for 2013-2015. The report also mentions that India accounted for more than four fifths of the FDI in South Asia in 2012.

The Financial Year 2013 survey of the *Japan Bank for International Cooperation*, conducted among Japanese investors, continues to rank India as the second most promising country for overseas business operations in the medium term, with Indonesia at the top. For the long-term, India has been rated as the top investment destination, with China being rated as the second.

*Ernst & Young’s 2012 Attractiveness survey* has mentioned India as the 1st global destination for FDI, in terms of the number of FDI projects followed by Brazil and China. This is due to opening up of FDI in various sectors, including multi-brand retail and telecom.

The *2012 A.T. Kearney confidence Index* rates India fifth in terms of future prospects for FDI inflows, after USA, China Brazil, Canada followed by Australia, Germany, U.K., Mexico, Singapore, Russia and France.
Chapter

Investment Promotion & International Cooperation

Investment Promotion and International Cooperation (IP&IC) for enhancement of external economic engagement is undertaken through bilateral as well as multilateral arrangements. There are four IP&IC divisions in DIPP to carry out the said functions, viz. IP&IC-I (Asia-Oceania region), IP&IC-II (Europe), IP&IC-III (North & South America and CIS Countries) and IP&IC-IV (Africa).

IP&IC Divisions are responsible for dissemination of information about investment climate and opportunities in India and investment facilitation.

IP&IC Divisions endeavor to increase economic cooperation with developing, as well as developed countries, for mutual benefits through different fora, such as Joint Commissions/ Joint Committees, other bilateral channels like interaction with the delegations visiting the country, organizing visits abroad for discussions on issues of mutual interest and business/investment meets between Indian and foreign entrepreneurs, with the aim of stimulating foreign investment into India.

IP&IC Divisions implement the ‘Scheme for Investment Promotion’ which has the following components:-

(i) Organization of Joint Commission Meetings;
(ii) Organization of business and investment promotion events;
(iii) Project Management, Capacity Building, Monitoring and Evaluation;
(iv) Establishment of G2B portal/ e-Biz Pilot Project;
(v) Foreign Travel;
(vi) Setting up of country focus desks for promoting investment;
(vii) Multi media audio visual campaign; and
(viii) Creation of a dedicated investment promotion agency.

The main objectives of this scheme are:

(i) Promotion of investment, including FDI, by way of dissemination of information on the investor friendly climate and opportunities available in the country, by bringing out various publications/ publicity materials in print/ electronic form, organizing investment promotion events, such as road shows, seminars, etc., in potential countries in association with
Industry Associations, Indian Missions abroad and assisting the State Governments in undertaking various investment promotion activities;

(ii) Providing financial assistance to the Apex Industry Associations, etc. for organizing various investment promotion and business meets in India and abroad/ undertaking of various investment promotion activities;

(iii) To implement e-Biz Project, which aims at providing a single window electronic Government - Industry interface, to establish a Government to Business (G2B) portal with the aim of creating a one stop shop for convenient and efficient services to foreign and domestic investors, business and industry, by facilitating online filing of various approvals/clearances, requests and periodical reports; and

(iv) Creation of a dedicated investment promotion agency, namely ‘Invest India’, which has since been set up.

IP&IC Divisions act as nodal point for the following Joint Commissions/ Inter-Governmental Commissions:

(i) The India-Libya Joint Commission
(ii) The India-Hungary Joint Commission on Economic Cooperation.
(iii) The India-Belarus Inter-Governmental Commission for Economic, Trade, Industrial, Scientific, Technological and Cultural Cooperation.
(v) The India-Poland Joint Commission for Economic Cooperation.

The major activities undertaken by IP&IC Divisions during 2013-14 were as under:

**World Economic Forum 2013**: CIM led a high level official cum business delegation to Davos (Switzerland) on January 23-25, 2013 and participated in the Annual Meeting of World Economic Forum (WEF) and had bilateral meetings.

**Investment Round Table, London**: CIM led an official delegation to London on February 8, 2013, to participate in Investment Round Table where he also had bilateral meetings.

**India-UAE High Level Task Force (HLTF) on Investments**: The 1st meeting of India-UAE High Level Task Force on Investments (HLTFI) was held on February 18, 2013, at Abu Dhabi, UAE. CIM led the Indian delegation and co-chaired the meeting.

**Organization of Investment Round Tables (IRTs)**: 5 Investment Round Tables were organized to celebrate the 20th anniversary of India-ASEAN Dialogue relations in Bangkok, Thailand on March 19, 2013; Jakarta, Indonesia on March 21, 2013; Singapore on May 15, 2013; and Ho Chi-Minh City, Vietnam on June 26, 2013, during his visit to China. BRICS Summit: CIM participated in BRICS Summit on March 27, 2013. BRICS Business Council was inaugurated during the Summit.

**International Trade and Investment Committee (ITIC)**
- The ITIC held meetings with the Ministry of Trade during the period March 25-27, 2013.
- The ITIC held bilateral meetings.

**Visit of CIM to Myanmar**: CIM visited Myanmar on March 27, 2013. BRICS Summit: CIM participated in BRICS Summit on March 27, 2013. BRICS Business Council was inaugurated during the Summit.

**Japan Business Leaders' Forum**: The 4th meeting of the India-Japan Business Leaders' Forum (IJBLF) was held during the visit of Hon'ble Prime Minister to Japan on May 29, 2013, in Tokyo, Japan, during his visit to Japan. The Forum was attended by the Japanese and Indian business leaders and economic experts.

**India-Japan Business Leaders’ Forum**: The 4th meeting of the India-Japan Business Leaders’ Forum (IJBLF) was held during the visit of Hon'ble Prime Minister to Japan on May 29, 2013, in Tokyo, Japan, during his visit to Japan. The Forum was attended by the Japanese and Indian business leaders and economic experts.

**Myanmar Joint Trade and Investment Committee**: The Myanmar Joint Trade and Investment Committee was inaugurated during the visit of Hon'ble Prime Minister to Myanmar on April 10-11, 2013, as a part of Prime Minister's led delegation for India-Myanmar relations in Bangkok, Thailand on March 19, 2013; Jakarta, Indonesia on March 21,
2013; Kuala Lumpur, Malaysia on March 26, 2013; Singapore on May 15, 2013; and Ho-
chi-Minh City, Vietnam on June 26, 2013, in association with Invest India, Ministry of
External Affairs (MEA) and respective Embassy of India.

**BRICS Summit:** 5th BRICS Summit was held on March 27, 2013, at Durban, South
Africa. CIM participated in several engagements during the period March 25-
27, 2013. BRICS Business Council was launched during the Summit.

**India-Zimbabwe Joint Trade Committee (JTC):** CIM led an official delegation to
participate in the India-Zimbabwe Joint Trade Committee (JTC) at Harare,

**Investment Round Table, Geneva:** CIM participated in Investment Round Table on
April 8, 2013, at Geneva, Switzerland.

**India-Germany Inter Governmental Consultations:** CIM visited Germany on
April 10-11, 2013, as a part of Prime Minister’s led delegation for India-
Germany Inter Governmental Consultations and had bilateral meetings.

**CIM's visit to the Russian Federation:** CIM held bilateral discussions with the Russian
Ministers during his visit to the Russian Federation on April 11-12, 2013. He also
held meeting with Mr. Viktor Khristenko, Chairman of the Eurasian Economic
Commission.

**Visit of CIM to Japan:** CIM paid a bilateral
visit to Japan with a high level official and
business delegation on May 16-18, 2013,
for a comprehensive review of bilateral
economic engagement with Japan. He
held detailed discussions with his
counterpart Minister of Economy, Trade
and Industry (METI), Japan.

**India-Japan Business Leaders’ Forum (IJBLF):** The 4th meeting of the India-
Japan Business Leaders’ Forum was held on May 29, 2013, in Tokyo, Japan, during
the visit of Hon’ble Prime Minister to Japan.

**Visit of CIM to Myanmar:** CIM lead
delegation to the East Asia World Economic Forum (WEF) convened at Nay
Pyi Taw, Myanmar on June 5-7, 2013. During the visit he also called on President
U Thein Sein, and met Ms Aung San Suu Kyi,
Chairperson, National League for
Democracy. He also held bilateral
meetings with Minister of Commerce,
Minister of Energy and Minister of
Communications & Information
Technology of Myanmar. He also
inaugurated the 1st meeting of the India-
Myanmar Joint Trade and Investment
Forum (JTIF).

**CIM’s visit to Finland:** CIM led a
delegation to Finland on June 18-19, 2013,
and attended various bilateral and
investment related engagements.

**St. Petersburg International Economic
Forum:** CIM led a delegation to participate
in the XVII St. Petersburg International
Economic Forum (SPIEF) during June 20-22, 2013. He also had bilateral meeting with the Russian leaders.


**CIM’s visit to London:** CIM lead an official cum business delegation to London on June 25-26, 2013, and attended various official, business and investment related engagements.

**Visit of CIM to Mauritius:** CIM visited Mauritius to take part in the Indian Ocean Rim Association for Regional Cooperation Economic and Business Conference (IOR ARC EBC) which was co-hosted by India and Mauritius on July 4-5, 2013. A 40 member strong business delegation led by Ms. Naina Lal Kidwai, President, FICCI also accompanied the official delegation. During the visit, CIM also held bilateral meetings with Mr. Taira Masaki, Parliamentary Vice-Minister of Japan, Mr. Kelvin Thompson, the Minister from Australia, Mr. Cader Sayed Hossen, his Mauritian counterpart and Dr. Arvin Boolel Minister of Foreign Affairs, Regional Cooperation and International Trade, Mauritius.

**Indo-French CEOs Forum:** The 6th meeting of the Indo-French CEOs Forum was held on July 8-9, 2013 at Paris. The meeting was attended by CIM. He also had bilateral meetings during his visit to Paris.

**CIM’s USA visit:** CIM held bilateral discussions with the US Trade representative, Mr. Michael Froman in Washington, during his official visit to USA in July 10-14, 2013. CIM discussed a range of bilateral issues from the perspective of advancing the agenda of India-US trade and economic engagement and strengthening of India-US Strategic Partnership. CIM also had talks on bilateral issues with Ms. Penny Pritzker, the US Commerce Secretary and met business leaders in USA.

**India-US CEOs Forum:** A meeting of the India-US CEOs Forum was held in Washington on July 12, 2013, during the visit of CIM to USA. This was co-chaired by Sri Ratan Tata and David Cote. In addition to the American and Indian CEOs, many senior Indian and U.S. officials participated including Finance Minister P. Chidambaram, CIM, USTR Michael Froman, and Deputy Chairman, Planning Commission Mr. Montek Singh Ahluwalia, US Treasury Secretary, Jacob J. Lew, Commerce Secretary Penny Pritzker.

**India-Russia Forum on Trade and investment:** The VIIth India-Russia Forum on Trade and investment was held in St. Petersburg, Russian Federation on September 20, 2013. A strong official cum business delegation led by CIM participated in the Forum. Three business Round Tables on “Pharmaceutical and Medical Industry”, “Tourism and Medical
Tourism” and “Mutual Trade of Consumer Goods” were held during the Forum which were attended by senior government official from the ministries concerned of the two countries and business representatives.

3rd Joint Trade Committee Meeting at Dar-Es-Salaam, Tanzania: The 3rd Joint Trade Committee Meeting and India Show was organized at Dar-Es-Salaam, Tanzania during September 25-26, 2013. Minister of State for Commerce and Industry led an official cum business delegation to the event.

India Africa Business Council (IABC): The India-Africa Business Council (IABC) was established during India-Africa Trade Ministers’ Meet held on the sidelines of India Africa Forum Summit-II in May 2011, with the aim to have an institutional platform for sustained exchange of business communities between India and Africa. The second meeting of IABC was held on October 01, 2013 at Johannesburg in South Africa in conjunction with 3rd India-Africa Trade Ministers’ Meet under the Co-Chairmanship of Shri Sunil Bharti Mittal, Co-Chairman, IABC from the Indian side and Dr. Bright Chunga, acting Co-Chair from the African side. A Joint Statement was adopted during the meeting.

India-Russia Working Group on Modernization and Industrial Cooperation: The second meeting of India-Russia Working Group on Modernization and Industrial Cooperation was held in Moscow on October 2, 2013, which was co-chaired by Secretary IPP from the Indian side and Deputy Minister of Trade and Industry, Russian Federation. A protocol signed at the conclusion of the meeting identified specific areas of industrial cooperation between the two countries in Civil Aviation, Fertilizer, Mining and Modernization of industries.

India-Russia Working Group on Priority Investment Projects: An India-Russia Working Group on Priority Investment Projects was constituted with the objective to identify specific industrial projects which need to be implemented on priority basis. The first meeting of the Working Group on Priority Investment Projects was held in Moscow on October 2, 2013, and was co-Chaired by Secretary, IPP from the Indian side and Deputy Minister of Economic Development of the Russian Federation. A protocol and a joint statement were issued on the conclusion of the meeting.

India-Indonesia CEOs’ Forum: The 1st meeting of India-Indonesia CEOs’ Forum was organized during CIM’s visit to Indonesia on October 10, 2013, in Jakarta, Indonesia.

India Russia CEOs Council: Two meetings of the India Russia CEOs Council were held during the SPIEF 2013 in St. Petersburg in June 2013 and the Annual Summit in Moscow on October 21, 2013. Both sides discussed the issues and opportunities for
enhancement of economic engagements between the two countries.

India- Australia CEOs’ Forum: The 3rd meeting of the Forum was held on December 6, 2013, in Melbourne, Australia. The meeting was held under the co-chairmanships of Mr. Naveen Jindal and Mr. Lindsay Fox.

World Economic Forum 2014: CIM led an official cum business delegation to Davos (Switzerland) on January 22-25, 2014, and participated in the Annual Meeting of World Economic Forum (WEF) and had bilateral meetings.

Investment Round Table, Davos: CIM participated in Investment Round Table on January 23, 2014, at Davos, Switzerland.

CIM visited Zimbabwe & Namibia from 3rd to 6th February, 2014, to participate in bilateral meetings in Zimbabwe, review the issues of 2nd India-Zimbabwe Joint Trade Committee (JTC) held in March, 2013, bilateral meeting in Namibia and to review the India-SACU PTA ongoing negotiations in Namibia.

Major Conferences, Bilateral/ Joint Commission Meetings and Investment Promotion Events in India:

Invest India Training Workshop: Invest India organized a five days’ Training Workshop for delegates from African Investment Promotion Agencies under the Project “Capacity Building of African Investment Promotion Agencies” approved for implementation under 2nd India Africa Forum Summit (IAFS-II) with a view to sharing India’s experience in attracting FDI and building relationship with relevant agencies during January 21-25, 2013, at TERI, Gurgaon. 23 participants from 15 African countries participated in the programme.

Partnership Summit 2013: The 19th Partnership Summit was organised by the Government of India on January 27-29, 2013, in Agra, Uttar Pradesh in association with the State Government of Uttar Pradesh and the Confederation of Indian Industry. The theme of the Summit was “Global Partnerships for Enduring Growth”.

India-Korea Joint Investment Promotion Committee (JIPC): The 4th meeting of India-Korea Joint Investment Promotion Committee (JIPC) was held in New Delhi on February 15, 2013, under the Chairmanship of Secretary, DIPP.

NID Exhibition: An exhibition titled ‘Basketry Dialogues : Connecting Cultures’ of basketry products in bamboo and sisal fibre developed by Zimbabwean basket weavers under the project ‘Design Interventions for the Basketry Craft for Empowerment of Craft Women/Artisans of rural Africa’ approved for implementation under IAFS-II, was organized by this Department in association with NID at Indira Gandhi National Centre for Arts, New Delhi, during March 2-6, 2013.
CII: Training Programme to strengthen Chambers/Industry Associations: The project undertaken by CII aims to train 90 delegates from African Chamber of Commerce/Industry Associations. The Second Programme under IAFS-II, for the senior representatives of Apex Chambers of Commerce / Industrial Associations from African countries, was organized during March 17-28, 2013, at New Delhi. 27 participants representing 17 countries (Algeria, Botswana, Burkina Faso, Burundi, Cote d’Ivoire, Ethiopia, Gambia, Mali, Malawi, Namibia, Nigeria, Senegal, Tanzania, Togo, Tunisia, Zambia and Zimbabwe) participated in the programme.

India-China Secretary-Vice Ministerial level meeting: A Secretary level meeting was held under the Chairmanship of Secretary, DIPP on India-China cooperation on investment promotion including signing of MoU for cooperation on Industrial Parks with the delegation led by the Vice Minister, Ministry of Commerce (MOFCOM), People’s Republic of China on May 15, 2013, in New Delhi.

India-China CEOs’ Forum: The 1st meeting of India-China CEOs’ Forum was organized during the visit of the Chinese Premiere Mr. Le Keqiang to India on May 20, 2013, in New Delhi.

India-Belarus Joint Working Group (JWG) on Trade and Investment: The 1st meeting of the India-Belarus JWG was held in New Delhi on July 23, 2013. The meeting was co-chaired by Sri D.V.Prasad, Joint Secretary, DIPP from the Indian side. This meeting identified the issues and investment & trade opportunities between the two countries.

India-Belarus Inter Governmental Commission (IGC): The 6th meeting of the India-Belarus IGC was held in New Delhi on July 24, 2013, under the co-chairmanship of Minister of State (Commerce and Industry) and at the conclusion of the meeting a protocol was signed highlighting the potential areas of bilateral cooperation.

Secretary-Vice Minister level Economic Consultation between India and Taiwan: The 7th Secretary-Vice Ministerial level Economic consultation between India and Taiwan was held on September 3, 2013, in New Delhi, under the Chairmanship of Secretary, DIPP.

India-Japan Ministerial Dialogue and Government-Business Dialogue: A Minister level meeting between CIM and Mr. Toshimitsu Motegi, Minister of Economy, Trade and Industry, Japan was held in New Delhi during the latter’s visit to India on September 11, 2013, to enhance cooperation between the two countries. The two ministers shared the view that Japan and India will work together for strengthening economic cooperation. A joint statement containing Japan-India Investment Promotion Plan was also issued.
India Poland Joint Commission Meeting: The 3rd session of the India-Poland Joint Commission on Economic Cooperation was held on October 8, 2013, at New Delhi. The Indian side was led by Mr. Saurabh Chandra, Secretary, DIPP and Polish side was led by Mr. Jerzy Witold Pietrevicz, Secretary of State. A protocol was signed during the meeting.

Indo-UK Joint Economic and Trade Committee (JETCO): The 3rd meeting of the Indo-UK Joint Economic and Trade Committee (JETCO) was held on December 9, 2013, at New Delhi.

India-Hungary Joint Commission Meeting: The 3rd session of Indo-Hungary Joint Commission on Economic Cooperation was held in New Delhi on October 15, 2013. The Indian side was led by Mr. Saurabh Chandra, Secretary, DIPP and the Hungarian side was led by Mr. Peter Szijjjarto, State Secretary for Foreign Affairs and External Economic Relations of the Prime Minister’s Office. A protocol was signed during the meeting.

India-Japan Cooperation on Investment Promotion: A Secretary level meeting was held under the Chairmanship of Secretary, DIPP on India-Japan cooperation on investment promotion including cooperation on Creative Industries with the Japanese delegation led by Vice-Minister for International Affairs, Ministry of Economy, Trade & Industry (METI), Japan on December 18, 2013, in New Delhi.

India-Japan Business Leaders Forum: The meeting of the Forum was held on January 25, 2014, in New Delhi.

India-Malaysia CEOs Forum: The 6th Meeting of India-Malaysia CEOs Forum was held on January 27, 2014, in Bangalore during Partnership Summit 2014. The meeting was addressed by CIM.

Partnership Summit 2014: The 20th Partnership Summit was organised by the Government of India on January 27-29, 2014, in Bengaluru, Karnataka in association with the State Government of Karnataka and the Confederation of Indian Industry. The theme of the Summit was “Emerging Global Value Chain: Building Partnership”.

India-UAC High Level Task Force on Investment (HLTFI): The 2nd meeting of the Task Force was held on March 3, 2014, in Mumbai. The meeting was addressed by CIM.

10th CII-EXIM Bank Conclave on India-Africa Project Partnership was organized at New Delhi from 9-11th March, 2014.

8th CII Industrial Services Training Programme (8th ISTP), a project under India-Africa Forum Summit-II (IAFS-II), was organized for representatives from African Chambers of Commerce/Industrial Associations from 9-18th March 2014, at New Delhi.

Visiting Delegations/Dignitaries:
CIM and MoS (C&I) had discussions with the
following visiting dignitaries/ delegation:

- Lord Green, Minister of State for Trade and Investment, UK, January 15, 2013, New Delhi.
- On the sidelines of Partnership Summit 2013. held on January 27-28, 2013, CIM had bilateral meetings with Mr. Bill Pavleski, Minister for Foreign Investments, Macedonia, Mr. Kristof Szatmary, Minister of State for Economy Regulation, Hungary and Mr. Radovan Zerjav, Deputy Prime Minister for Economic Development & Technology of Republic of Slovenia.
- Mr. Nicole Bricq, Minister for Foreign Trade, France, February 14, 2013, Delhi.
- Mr. Hatim Sale, Minister of Industry and Foreign Trade, Egypt, March, 2013.
- Meeting of MOS(C&I)’s with Ms. Elizabeth Thabethe, Dy. Minister of Trade & Industry, South Africa, March 04, 2013.
- Mr. Paulo Portas, Minister of Foreign Affairs, Portugal, March 05, 2013, New Delhi.
- President, European Bank for Reconstruction and Development (EBRD), March 06, 2013, New Delhi.
- Sheikh Nasser Sabah Al Ahmad Al-Jaber Al-Sabah, Minister, Amiri Dewan Affairs, Kuwait, March 11, 2013, New Delhi.
- Dr. Martin Kuba, Minister of Industry & Trade, Czech Republic, March 12, 2013, New Delhi.
- Mr. Daniel Kablam Duncan, PM of Cote D’Ivoire and his counterpart ministers from Senegal, Mozambique, Zambia, Rwanda, Djibouti on the sidelines of 9th CII-EXIM Bank Conclave, March 18, 2013, New Delhi.
- Mr. Amara Konneh, Finance Minister of Liberia on the sidelines of 2013 Spring Meetings of IMF/ World Bank, April, 2013, New Delhi.
- Mr Paul Hermelin, CEO, Capgemini and Special Representative of France for Economic Relations with India, April 25, 2013, New Delhi.
- Dr. Joe Phaahla, South African Deputy Minister of Arts and Culture, April 26, 2013, New Delhi.
• The First Vice Prime Minister of Kyrgyzstan Republic, May 3, 2013, New Delhi.
• A five member MPs delegation led by Mr. Lee Hahn-koo, Leader of Saenuri Party of Korea, May 24, 2013, New Delhi.
• Mr. Murray McCully, Minister for Foreign Affairs and Minister for Sports, New Zealand, June 4, 2013, New Delhi.
• Mr. Ahmed Shede Mohamed, State Minister of Finance and Economic Development of Ethiopia, June 13, 2013, New Delhi.
• Dr. Linus Von Castelmur, Ambassador of Switzerland, India, August 8, 2013, New Delhi.
• Ms. Lilianne Ploumen, Minister for Foreign Trade & Development Cooperation, Netherlands, September 3, 2013, New Delhi.
• Mr. Naftali Bennett, Minister of Economy, Religious Services, and Jerusalem and Diaspora Affairs, Israel, October 8, 2013, New Delhi.
• Mr. Alexander Stubb, Minister for European Affairs and Foreign Trade, Finland, October 15, 2013, New Delhi.
• CIM participated in delegation level talks between Hon’ble Prime Minister and Mr Viktor Orban, Prime Minister of Hungary, October 17, 2013, New Delhi.
• Ms. Nguyen Thi Hong, Vice Chairperson of the People’s Committee of Ho Chi Minh City, Vietnam, October 22, 2013, New Delhi.
• Mr. Niwattumrong Boonsongpaisan, Deputy Prime Minister and Minister of Commerce, Thailand, October 23, 2013, New Delhi.
• Mr. Jan Kohout, Minister of Foreign Affairs, Czech Republic, November 7, 2013, Delhi.
• Mr. Terje Rød-Larsen, President of the International Peace Institute (IPI) and former Deputy Prime Minister of Norway, November 7, 2013, New Delhi.
• Mr. Borge Brende, Minister of Foreign Affairs, Norway, November 11, 2013, New Delhi.
• Mr Radoslaw Sikorski, Minister of Foreign Affairs of Poland, November 13, 2013, New Delhi.
• Mr. Oliver Letwin, Minister of Government Policy, Cabinet Office, UK, November 13, 2013, New Delhi.
• Mr. Richard Bruton, Minister for Jobs, Enterprise and Innovation, Ireland, November 19, 2013, New Delhi.
Mr. Joaquin Almunia, Vice President of the European Commission, November 22, 2013, New Delhi.

Her Imperial and Royal Highness Princess Astrid and Mr. Didier Reynders, Deputy PM and Minister for Foreign Affairs, Foreign Trade and European Affairs, Belgium, November 25, 2013, New Delhi.

Sir James David Bevan KCMG, British High Commissioner to India, November 29, 2013, New Delhi.

Dr. Vince Cable, Secretary of State for Business, Innovation and Skills, UK, December 9, 2013, New Delhi.

Mr. Mounir Fakhry Adbel Nour, Minister of Industry & Foreign Trade, Egypt; Mr. M.C. Bimha, Minister of Industry & Commerce, Zimbabwe; Mr. Carl H.G. Schlettwein, Ministry of Trade & Industry, Namibia; Sayyad Abd-Al-Cader Sayed Hossen, Minister of Industry, Commerce and Consumer Protection, Mauritius, January 27-29, 2014, on the sidelines of Partnership Summit in Bangalore.

Mr. Nihat Zeybekci, Minister of Economic Affairs, Turkey during 10th Session of India-Turkey JCETC, January 31, 2014, New Delhi.

Mr. Elsmaih El Siddig, Minister of Trade and Industry, Sudan and Ms. Claudine Munari, Minister of Trade, Republic of Congo (Congo Brazzaville) on March 10, 2014, Mr. Armando Inroga, Minister for Industry & Commerce, Mozambique; Mr. Mvoubalsidore, Sr. Minister, Minister of Industry, Republic of Congo; Mr. Sekhulumi Nisosole, Minister of Trade, Industry, Cooperative & Marketing, Lesotho and Mr. M.C. Bimha, Minister of Trade & Industry, Zimbabwe on March 11, 2014, on the sidelines of 10th CII-EXIM Bank Conclave on India-Africa Project Partnership, New Delhi

(d) Other Important Activities:

Cooperation in the field of advanced training of corporate executives from India in Germany through Indo-German Managers’ Programme

As part of the Joint Declaration signed between India and Germany in 2008, Indian managers have been undergoing training in Germany. The programme has been extended till 2014 through a new Joint Declaration signed in 2012. The 1st meeting of the Steering Committee of the Indo-German Managers’ Programme was held in Berlin on January 13, 2014. It was decided in the meeting that the Programme would continue beyond 2014 also by signing another Joint Declaration.

The programme is being implemented by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), GmbH, from Germany and CII and FICCI from India. DIPP is handling the inter-se coordination between the two sides. About 250 Indian
Introduction

Intellectual Property Rights are private rights recognized within the territory of a country and given to (or conferred upon) an individual(s) or a legal entity in order to protect their creativity or innovation. India has a well established legislative, administrative and judicial framework to safeguard Intellectual Property Rights which meet the country's international obligations while utilizing the flexibilities provided in the international regime to address its developmental concerns.

India’s comprehensive legal framework on IPRs includes the Patents Act 1970 as amended in 2005, the Trade Marks Act 1999 (as amended in 2010), the Geographical Indications of Goods (Registrations and Protection) Act 1999, the Designs Act 2000, the Copyright Act 1957, the Semiconductor Integrated Circuits Layout Design Act 2000 and the Protection of Plant Varieties and Farmers Rights Act 2001. The Department of Industrial Policy and Promotion is responsible for administration of four of the seven IP Acts, i.e. patents, trademarks, designs and geographical indications.

This Department is also responsible for coordinating all issues relating to the World Intellectual Property Organization (WIPO), a specialized agency of the United Nations. India became a member of WIPO in 1975, and has so far acceded to the following treaties administered by WIPO-

*a. WIPO Convention 1975*

*b. Berne Convention 1928*

*c. Phonograms Convention 1975*

*d. Nairobi Treaty 1983*

*e. Paris Convention 1998*

*f. Patent Cooperation Treaty 1998*

*g. Budapest Treaty 2001*

*h. Protocol relating to the Madrid Agreement concerning International Registration of Marks.*

Brief History

The present legal framework in India has its roots in the system established by the British. Patent Right was first introduced through the Protection of Inventions Act, 1856. This legislation was further modified and the Patent and Designs Protection Act, 1872 was enacted which brought in design within the ambit of Name of Conventions

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managers have undergone the training since the launch of the programme.

Projects under India Africa Forum Summit-II

**(a) NID Workshop on Rural Crafts Women of Africa:** The National Institute of Design (NID) is implementing a project “Design Interventions for the Basketry Craft for Women/Artisans of rural Africa” approved for implementation under Second India-Africa Forum Summit (IAFS-II). The project focuses on empowering the rural, women basketry weavers of five African countries namely - Zimbabwe, Ethiopia, Ghana, Malawi and Zambia. Under the programme, 125 training positions are being offered for the crafts-women and artisans from five African countries over three years to empower them. The training programme for Zimbabwe has since been completed in March, 2013. Ghana & Ethiopia have been identified for undertaking the training programme during 2013-14.

In-field Need Assessment Visit-cum-First Workshop in Ghana and Ethiopia was successfully completed in October 2013. The second Training of Trainers’ Workshop for Ghana and Ethiopia has been held at NID, Ahmedabad, in December, 2013, wherein a total of 40 weavers/craftsperson (20 from each country) participated.

**(b) Invest India’s India-Africa Investment E-Portal:** India-Africa Investment E-Portal aims to provide details on the overall investment scenario, including investment opportunities and policies in Africa and India. India Africa Business Guides and E-Newsletters being brought out by Invest India are available at the portal. Number of visits to the E-portal is more than 6000 per month since January, 2013.

**(c) Invest India’s India Africa Business Guides & E-Newsletter:** Under the project, it is proposed to bring out India-Africa Business Guides for five regions of Africa. The Business Guides will highlight investment policies in important countries of each region, sectors of importance in each region, processes involved in setting up business, taxation issues, important projects, etc.

The Guide for ECOWAS was released by CIM at the India Show at Accra, Ghana, in July 2012. Remaining four Guides are proposed to be released during 2013-14.

Invest India is also bringing out monthly E-newsletters. The E-newsletters are being circulated to numerous contacts including Indian businessmen, corporates and select Indian Missions.
Introduction

Intellectual Property Rights are private rights recognized within the territory of a country and given to (or conferred upon) an individual(s) or a legal entity in order to protect their creativity or innovation. India has a well established legislative, administrative and judicial framework to safeguard Intellectual Property Rights which meet the country’s international obligations while utilizing the flexibilities provided in the international regime to address its developmental concerns. India’s comprehensive legal framework on IPRs includes the Patents Act 1970 as amended in 2005, the Trade Marks Act 1999 (as amended in 2010), the Geographical Indications of Goods (Registrations and Protection) Act 1999, the Designs Act 2000, the Copyright Act 1957, the Semiconductor Integrated Circuits Layout Design Act 2000 and the Protection of Plant Varieties and Farmers Rights Act 2001. The Department of Industrial Policy and Promotion is responsible for administration of four of the seven IP Acts, i.e. patents, trademarks, designs and geographical indications.

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Brief History

The present legal framework in India has its roots in the system established by the British. Patent Right was first introduced through the Protection of Inventions Act, 1856. This legislation was further modified and the Patent and Designs Protection Act, 1872 was enacted which brought in design within the ambit of
protection. A significant step was taken in 1911, when, through a further amendment to the Patent and Design Act, Patent Administration was brought under the management of the Controller of Patents for the first time. The legislation went through further amendments most significant of which was the enactment of the Patent Act 1970, which was introduced subsequent to the report submitted by Justice N Rajagopalan Ayyangar in 1959, when both product and process patents were introduced for all sectors with the former not being available for inventions relating to food, medicine or drugs or substances produced by chemical process.

India became a member of the World Trade Organization in 1995, and as per the transitional arrangement it was required to comply with the provisions of TRIPS within a period of 5 years except for the provision relating to extension of product patents to technologies that were hitherto exempt, for which an additional period of 5 years was given. This implied that all IP legislations were required to be compliant with the TRIPS Agreement by the year 2000 with the exception of the Patent legislation which had to be amenable to TRIPS by 2005. To achieve this, the Patents Act, 1970 was modified in a calibrated manner in 1999, 2002 and 2005. Both product and process patents were introduced through the Patents (Amendment) Act, 2005 in all fields of technology.

While the Patent Law has a strong legislative history, prior to 1940 there was no statutory law relating to trademarks in India. The problems relating to passing off and infringement were decided on the basis of the common law as was applicable in England. Registration of Trade Marks was carried out under the Indian Registration Act, 1908. The Trade Marks Act was subsequently enacted in 1940, on the basis of the UK Trade Marks Act, 1938. This Act was replaced in 1958 by the Trade and Merchandise Act, 1958.

The Trade Marks Act, 1999, was enacted incorporating the developments in trading and commercial practices and the TRIPS provisions. Some of the important amendments in compliance with the TRIPS provisions were the introduction of trade marks for services and inclusion of the concept of well-known trade mark. The amendment also provided for setting up of the Intellectual Property Appellate Board (IPAB) to deal with appeals against the decisions of the Registrar of Trade Marks and the Controller of Patents to lie before the IPAB instead of the respective High Courts. The Trade Marks Act, 1999 was further amended in the year 2010 to enable the accession to the Madrid System for international registration of trademarks. The 2010 Amendment to the Madrid Protocol has, however, yet to be notified. In keeping with India’s commitment under TRIPS, a new legislation on Geographical Indications namely the Geographical Indication of
Goods (Registration and Protection), Act, 1999 was enacted. The Designs Act 1911 was repealed and a new legislation was enacted in the year 2000 with a view to provide more effective protection to registered designs and to promote design activity in the country.

Office of Controller General of Patents, Designs & Trademarks and the Appellate Board for Intellectual Property Rights

The registration of the 4 Intellectual Property Rights administered by the Department Industrial Policy and Promotion namely Patents, Trade Marks, Geographical Indications and Designs is being carried out by the subordinate field formation of the Controller General of Patents, Designs and Trade Marks (CGPDTM) with headquarters at Mumbai. There are at present 11 Offices of the organization spread over 5 cities i.e Delhi, Mumbai, Chennai, Kolkata and Ahmedabad. These are as follows:-


b) The Designs Act, 2000 through the Patent Offices at Kolkata (HQ), Mumbai, Chennai and Delhi.

c) The Trade Marks Act, 1999 through the Trade Marks Registry at Mumbai (HQ) Chennai, Delhi, Kolkata and Ahmedabad.

d) The Geographical Indications of Goods (Registration & Protection) Act, 1999 through the Geographical Indications Registry at Chennai.

In addition, the Patent Information System and the Rajeev Gandhi National Institute of Intellectual Property Management (RGNIIPM), both located at Nagpur, come under the purview of the CGPDTM.

The Intellectual Property Appellate Board (IPAB) was established in September 2003 for hearing appeals on the decisions, orders or directions of the Registrar of Trade Marks and Geographical Indications. Subsequent to the Amendment to the Patent Act in 2002 and 2005, IPAB also hears appeals arising out of decisions of Patent Controllers from April, 2007. All pending cases of appeal against decisions of the Registrar/Controller and all those relating to rectification of the Trade Mark Register were transferred to the IPAB form the High Courts from the date of notification.

Brief Summary of the Activities of the Office of the Controller General Of Patents, Designs and Trademarks

Over a period of time with economic development, liberalization and globalization, Intellectual Property is gaining an importance. This is evident from a five-fold increase in the filing of patents from 8,503 in 2000-01 to 42,950 in 2013-14. The no. of applications examined, patents granted and applications disposed during the period
2013-14 was 18,306, 4,225 and 11,672 respectively. During the same period, 2,00,005 trademarks applications were filed and 2,03,086 applications were examined. The no. of trademarks registered during 2013-14 was 67,873 and 1,04,753 applications were disposed. The registration of industrial designs under the Designs Act 2000 is carried out by Designs Wing of the Patent Office located at Kolkata. During 2013-14, 8553 design applications were received, 7281 applications were examined and 7178 designs were registered. The Geographical Indications (GI) registry which is situated at Chennai had during the year 2013-14 received 75 applications for registration of GIs and 22 applications were registered in the same period.

Some of the important steps taken by the office of the CGPDTM during the year 2013-14 were as follows:-

a. The patent office operationalized the International Searching Authority (ISA)/ International Preliminary Examining Authority (IPEA) status given to it by World Intellectual Property Organization (WIPO) on 15th Oct., 2013. As on 31st March, 2014, the Indian Patent Office had received 145 international applications choosing India as ISA, requesting for international search reports.

b. Steps were taken to bring in greater transparency through the development of a dynamic patent search portal which allows access to information on the status of the application including its complete details and its disposal.

c. Provisions of the Madrid Protocol came into force in India from 2013. As on 31st March 2014, 3138 international applications seeking Trademarks protection in India were received through WIPO. The Trademarks Registry also received 81 applications for international registration, of which 74 applications have been certified and forwarded to WIPO.

d. The Manual of Patent Office Practice and Procedures has been prepared to ensure uniformity in operation and the same is available on the website. Further, the “Guidelines for Processing of Patent Applications relating to Traditional Knowledge and Biological Material” and “Guidelines for Examination of Biotechnology Applications” have been published in the official website.

**Awareness**

The Department has through the Office of CGPDTM been conducting programme for creating general awareness on the need and the manner in which protection should be sought for IP generated. Programmes are also conducted for the stakeholders on building respect for IP and for sensitizing the enforcement agencies...
such as the state police forces, the judiciary, etc. Since, a large number of Ministries/Departments are responsible on IP issues, awareness programmes are largely conducted by each one of them in their specific sphere of specialization.

**Plan Schemes**

Recognizing the importance of modernization, this Department has implemented the following two Plan schemes during the 11th Five Year Plan with objectives of modernization and strengthening of Intellectual Property Offices:

**a. Plan Scheme for Modernization and Strengthening of Intellectual Property Offices (MSIPO)**

This Department has implemented a plan scheme for Modernization and Strengthening of Intellectual Property Offices during the 11th Five Year Plan. The total Plan outlay for this scheme was ₹ 300 crores. The scheme aimed at strengthening the capabilities of Intellectual Property Offices in India and to develop a vibrant Intellectual Property Regime in the country. It also aimed to develop modern infrastructure for the Indian Patent Offices to function as an International Search Authority and International Preliminary Examining Authority under the Patent Cooperation Treaty, for which WIPO had recognized Indian Patent Office in October, 2007 to join an exclusive group of 17 countries / organizations. The scheme also aimed to enable the Trade Marks Registry to meet the requirements of Madrid Protocol for international registration of Trade Marks. The scheme included the components for physical infrastructure, human resources, digitization of IP records, library and awareness creation. Since commencement of the Plan Scheme in March, 2008, various actions in all the said components have been initiated and completed. The Scheme has been continued in the 12th Plan. The proposal has been appraised by Expenditure Finance Committee and awaits approval of the Competent Authority.

**b. Plan Scheme for Rajiv Gandhi National Institute of Intellectual Property Management (RGNIIPM)**

Rajiv Gandhi National Institute of Intellectual Property Management is being set up as an institute of international importance which would provide training, education, research and function as a think tank on Intellectual Property Rights. The main components of the scheme included construction of the Academic and Residential Blocks, establishment of other infrastructure facilities and creation of posts. The construction work in respect of Academic Block has been completed. The institute has been inaugurated by Hon’ble CITM on the 21st July, 2012, simultaneously commencing the training of newly recruited examiners of patents and designs. The scheme has been continued in the 12th Plan and an overall allocation of ₹ 30 crores was initially made which
Chapter Administration of the Boilers Act, 1923 and the rules/regulations made thereunder

The Boilers Act was enacted in 1923 to provide mainly for safety of life and property from the danger of explosion of boilers and for achieving uniformity in registration and inspection during operation and maintenance of boilers throughout the country. Upto year 2007, there had been no major amendments to the Act and the legislation needed changes in consonance with the evolving developments and changes in the technology of fabrication, testing, inspection and operation of boilers.

The Indian Boilers (Amendment) Act, 2007 (49 of 2007), introduced improvements in the provisions of the law to enhance safety norms, to ensure uniformity in standards of inspection, expediting inspections and reducing bureaucratic delays by decentralization of inspection of boilers during their manufacture, erection and use, by allowing inspection and certification by independent inspecting authorities.

Rules and regulations have now been framed for inspection by third party inspecting authorities and competent persons. “Competent Persons” have been recognized and authorization cards issued to them for undertaking inspection and certification of boilers and boiler components in India during manufacture, erection and use. Third Party Inspecting Authorities for inspection in India have also been recognized and such inspections have started in some states. This has resulted in a simplified and more accessible, user-friendly framework for the administration of the Boilers Act and has also protected manufacturers/users’ interests without sacrificing the safety aspects. This will immensely benefit a broad spectrum of industries both in large and small scale sector which includes Power plants, Chemical plants, Refineries, Paper plants, Steel plants, Sugar mills and other process industries.

Amendments are being introduced in the Indian Boiler Regulations, 1950 for making provisions for Super critical boilers and other latest technologies in the industry. Time period between inspection requiring mandatory shut down of the boilers is being increased in power plants and continuous process plants which will result in increase in production from these plants. Review of forms and drawings is being undertaken to simplify registration.

Amendments to the Trade Marks Act and Madrid Protocol

The Trade Mark (Amendment) Bill was passed by the Parliament and assented to by the President on 21.9.2010. Consequently, the provisions of the amended Trade Mark (Amendment) Act, 2010 were brought into force with effect from 8th July 2013. The necessary amendments in the Trade Marks Rules 2002 have also been made. The amended Act and Rules enabled India to accede to the Madrid Protocol which is a simple, facilitative and cost effective system for registration of international trade marks. India’s membership of the protocol will enable Indian companies to register their trade marks in Member Countries of the Protocol through a single application in one language and by paying one-time fee in one currency. India has acceded to the Protocol on 8th April 2013, on which it has come into force in India.

Operationalization of ISA/IPEA Status granted to Intellectual Property Office in India

The Indian Patent Office commenced its operation as International Search Authority/International Preliminary Examining Authority on 15th October, 2013.

National IPR Strategy

The Sectoral Innovation Council (SIC) on Intellectual Property Rights (IPRs) set up under the umbrella of the National Innovation Council (NIC) had prepared the National IPR Strategy bringing out the measures that need to be taken within the overall extant legal regime to promote innovation. The strategy document has been submitted to the National Innovation Council (NIC). On the basis of the strategy, a work plan has been prepared to be implemented over the next two years.
Administration of the Boilers Act, 1923 (5 of 1923) and the rules/ regulations made thereunder

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of boilers and make it more user friendly for the stakeholders.

**Central Boilers Board**

The Central Boilers Board, constituted under Section 27A of the Boilers Act, 1923 (5 of 1923) is responsible for making regulations consistent with the Act including laying down standards for material, design, construction as well as for registration and inspection of boilers. The Board comprises of the representatives of the Central and State Governments, Bureau of Indian Standards, boiler and boiler component manufacturers, National Laboratories, engineering consultancy agencies, users of boilers and other stakeholders connected with the boiler industry.

The Secretary, Department of Industrial Policy and Promotion is the ex-officio Chairman and Technical Adviser (Boilers) is the ex-officio Member-Secretary of the Board.

The Board deals with the problems of both users and manufacturers and takes policy decisions for proper growth of the boiler manufacturing industry in the country. The Board formulates the Indian Boiler Regulations incorporating the latest developments taking place in the boiler industry all over the world. The Board’s responsibilities have further increased with the introduction of provision of third party inspecting authorities and competent persons for inspection and certification of boilers and boiler components.

The Evaluation Committee/Appraisal Committee of the Board considered ninety eight recognition cases for recognition as Inspecting Authorities, Competent Authorities, Well-known Steel Makers, Tube/Pipe Makers, Well Known Foundry/Forge-Shops, Material Testing laboratories and Remnant Life Assessment Organisation under the Indian Boiler Regulations, 1950, and granted recognition/renewal in eighty eight cases during the period under report. Authorisation cards were also issued to competent persons for inspection and certification of boilers and boiler components in India during manufacture, erection and use.

**Functions of Boilers Division:**

Boiler Division is headed by the Technical Adviser (Boiler) and its functions are to:

(i) Advise the Central Government on all matters relating to administration of the Boilers Act, 1923 and the Indian Boiler Regulations (IBR) framed there under.

(ii) Deal with cases/matters on which direction is to be given to State Governments by the Central Government for carrying out execution of the provisions of the Boilers Act, 1923.
(iii) Deal with the work relating to framing or amendment of regulations for laying down standards for material, design and construction of boilers and also for regulating the inspection and examination of boilers.

(iv) Examine proposals for amendment of the regulations including drawings, designs, calculations and specifications for submissions to the Central Boilers Board.

(v) Evaluate quality management systems and production facilities of various firms in India and abroad for their recognition as Competent Authorities, reputed steel makers, foundries, forge-shops, tube & pipe makers, material testing laboratories and remnant life assessment organisations under the Indian Boiler Regulations, 1950, in order to cut down the inspection delays and increased availability of the boiler components without sacrificing the safety and quality of the boilers and its components.

(vi) Evaluate inspection systems and performance of firms for their recognition as Inspecting Authorities for inspection and certification of boilers and boiler components in India and aborad.

(vii) Conduct meeting of all Technical Sub-Committees of the Central Boilers Board as Chairman of these committees.

(viii) Deal with various matters in connection with the administration of the Boilers Act, viz. scrutiny of the proposals regarding amendment of the Indian Boiler Regulations, 1950, in line with the latest technological developments in the developed countries all over the world.

(ix) Interpret the provisions of the Indian Boiler Regulations, 1950.

(x) Deal with issues raised by the manufacturers and users of boilers and others concerned, and give necessary advice and guidance.

(xi) Authorise “Competent Persons” for inspection and certification of boilers and boiler components in India during manufacture, erection and use.

(xii) One-day/two days workshops on efficient boiler operation and maintenance to apprise the owners of boilers of the steps to be taken to optimize the efficiency of their working boilers are being continuously conducted through National Productivity Council to popularize the measures for energy conservation.
Office of the Economic Adviser

The Office of the Economic Adviser was set up in 1937. It renders advice for the formulation of policies having impact on the country’s industrial development and for promoting investment. It also renders advice on trade, fiscal, investment, competition and labour related issues having bearing on industrial performance. Further, the Office compiles and disseminates Wholesale Price Index (WPI) and Index for eight Core Sector industries besides compilation of data in respect of DIPP items in IIP.

The main functions of the Office of the Economic Adviser include the following:

Policy oriented functions

- Economic policy inputs on industrial development.
- Rendering advice relating to formulation of Industrial Policy, International Trade (PTA/FTA/RTA) and tax issues related to industry.
- Analysis of trends of industrial production and growth.
- Examination of WTO issues pertaining to market access for non-agricultural commodities (industrial tariffs).
- Examination of labour issues, inter-alia, concerning labour laws and labour market issues.
- Comments on various legislative proposals relating to tax, industrial relations, companies, labour laws, Essential Commodities Act, draft Cabinet Notes, etc.

Compilation and Release of Economic Statistics

The Office of Economic Adviser compiles and releases the following publications:

- Wholesale Price Index (WPI) Numbers for India on the 14th of the month for all commodities (Press Release).
- Monthly and annual indices of Wholesale Prices are available at the website [http://eaindustry.nic.in](http://eaindustry.nic.in)
- Monthly report on production of eight infrastructure industries viz. crude oil, petroleum refinery products, coal, electricity, cement and finished steel, natural gas, fertilizer (also available at [http://eaindustry.nic.in](http://eaindustry.nic.in))
- The Monthly Economic Scenario.

Coordination functions

The Office coordinates the following

- Development of Business Service Price Index (BSPI)

During the Tenth Plan, the Planning Commission approved a Plan Scheme with the objective of developing Service Price Index for the country. The scheme “Development of Business Service Price Index” continued in the Eleventh Plan. Also, the scheme has been approved for the 12th Plan. The progress of the work is as under:

- Ten sectors namely Banking Sector, Trade, Business Services, Postal, Telecommunication, Air Transport, Port Services, Insurance, Rail Transport Sector and Road Transport Sector have been identified in the initial phase for development of experimental Service Price Index. An Expert Committee on Development of Service Price Index under the chairmanship of Prof. C. P. Chandrasekhar has been set up in April 2007, to provide the technical guidance on the conceptual and methodological issues. Experimental Service Price Indices for four sectors, viz., Rail Transport Sector, Banking Sector, Postal Services and Telecom (Cellular) Service are placed on the website of the office for comments and are being updated from time to time.

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The work relating to preparation of Monthly Summary for the Cabinet highlighting monthly IIP Growth rate, manufacturing growth rate, investment scenario, FDI, inflation position etc.,

Monthly D.O. letter to the Cabinet Secretary regarding important achievements during the month.

Coordinating for the material regarding Pre-Budget Economic Survey, material for the Speech of President of India, Prime Minister, Finance Minister, etc.

Preparation of Executive Summary & Chapter-1 of Outcome Budget of the Department.

Preparation of Annual Plan/Five Year Plan of the Department.

Monitoring status of approval (EFC/SFC) of Plan Schemes.

Preparation of concept papers/ approach papers for the schemes of the Department.

Research work concerning industrial sector.

Work relating to proposals for changes in fiscal policy regime relating to industrial goods and renders advice on matters pertaining to changes in the tariff structure and fiscal incentives for industry.

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• Monthly Experimental Railway Services Price Indices (Base: 2004-05) have been compiled from April 2005 to Jan., 2014, based on data made available by Directorate of Economics & Statistics, Railway Board.

• Monthly Experimental Banking Services Price Indices (Base: 2004-05) have been compiled from April 2005 to Feb., 2014, (provisional) by RBI in consultation with the Office of the Economic Adviser.

• Monthly Experimental Postal Services Price Indices (Base: 2004-05) have been compiled from April 2005 to June 2013, based on the data received from Department of Posts.

• Quarterly Experimental Telecom (Cellular) Service Price Indices (Base: 2009-10) have been compiled from QE June, 2010 to QE Dec., 2014, on the basis of Performance Indicator Report (a quarterly publication) of Telecom Regulatory Authority of India (TRAI).

• Notes on the methodology of construction of these Indices are also uploaded.

• The methodologies are being worked out in consultation with relevant Departments/ Ministries for the sectors mentioned below:
  (i) Road Transport (M/o Road Transport & Highways)
  (ii) Air Transport (Directorate General of Civil Aviation)
  (iii) Insurance (Insurance Regulatory Development Authority)

**Tariff Commission**

The present Tariff Commission in India is the result of the refinement and amalgamation of the functions of its predecessor organizations namely, Tariff Board, Tariff Commission (old) and Bureau of Industrial Costs & Prices (BICP). The Commission is presently being headed by Member Secretary in the rank of Additional Secretary. Tariff Commission being located in the Department of Industrial Policy & Promotion, is working as per the guidance of National Manufacturing Competitiveness Council in areas where NMCC is authorized under Para 1.22, 7.1 and 10.4 of National Manufacturing Policy.

The Tariff Commission has been engaged in discharging the following functions drawn from the TOR/ charter revised in September, 1998 and April, 1999.

(a) To make recommendations as an expert body, on matters referred to it by Government regarding fixation of tariff and all tariff related issues in relation to trade in goods and services, keeping in view the interest of various sectors including production, trade and consumers and taking into account the international commitments. The
Commission should aim at evolving an overall tariff structure and look into the issue of tariff rationalisation.

(b) To make a detailed impact analysis on select sectors like textiles, agriculture, automobiles, information technology, chemicals, steel and engineering goods through a multi-disciplinary team.

(c) To carry out technical studies on cost of production of different goods and services and their competitiveness in relation to other countries.

(d) Core function of BICP including pricing, efficiency, improvement and cost reduction, issue of Public & Private sector, Industrial Product & Services
   i) Commodities under Administrative Mechanism(APM)
   ii) State monopolies/public utilities
   iii) Government procurement
   iv) Price monitoring
   v) Others

(e) To undertake other tasks as may be assigned by the Government from time to time.

Tariff Commission is the only organization in the public domain having multi-disciplinary teams as below for conducting in-depth study using data based on ground realities collected from field:

- Engineers from the field of science and technology belonging to Tariff Commission cadre
- Cost Accountants/Chartered accountants from Indian Costs & Account Service (IC&AS)
- Economists from Indian Economic Service (IES); and
- Statisticians from Indian Statistical Service (ISS).

Tariff Commission is the only Government organization which has the know-how and expertise of using the tool of normation for informed decision making across the board for different sectors of the industry. Normation is based on assessment of achievable efficiencies i.e optimal capacity utilization, productivity parameters of respective inputs (such as man, material, energy and machine) taking into account technologies and manufacturing processes etc. Normation analysis thus can be used to benchmark sectors/units for enhancing their competitiveness.

Merits of decision making through Normation include:

- Considered fair by an individual and/or a group.
- Determining the cost of goods/services at optimal/efficient level of inputs (manpower, material, energy and capital) and provides thrust for
improvement in efficiency and enhances competitiveness of the industry.

- It helps in identifying areas for physical improvements leading to enhancing competitiveness

- Normation is a fundamental management tool that supports quality / excellence and innovation. It is in fact a continuous process of measuring one’s own performance and practices against the best competitors. It is thus a benchmarking tool in competitiveness studies.

- Normation balances the interest of all stakeholders while protecting consumer interest.

- It is a tool which also focuses on providing a road map for improving industrial efficiency.

- Over the period this tool has passed the test of time and has become essential in the emerging complex global market scenario and cutting edge competition.

Tariff Commission always endeavours to deliver study reports in a definite time frame in a phased manner so that the findings are real time and relevant for arriving at policy decisions and not rendered redundant with the passage of time. This is ensured by phasing the studies and making them state specific and/or sector/unit/product specific. Study topics which are of continuing nature and require submission of study reports on a continuous basis are listed below.

a) Studies on inverted duty structure

b) Impact assessment of Free Trade Agreements on different sectors with different countries.

c) Studying competitiveness (including export competitiveness of different sectors/industry, firm/PSU and product.

d) Impact of prevailing tariff structures on domestic manufacturers and industry competitiveness

e) Study on normative pricing of Fertilizers.

f) Study on computation of fair price of B-Twill Jute bags

The Commission has submitted several reports to various Govt./Referral Agencies during 2013-14.

The Sector wise details of the study reports submitted during 2013-14 (i.e. till 31/3/2014) is given in the **Table-13.3** below.
improvement in efficiency and enhances competitiveness of the industry.

- It helps in identifying areas for physical improvements leading to enhancing competitiveness.
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<table>
<thead>
<tr>
<th>S.No.</th>
<th>Sector/Type of Study</th>
<th>No. of Reports</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>(Manufacturing Sector)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>a) Studies related to WTO/Market Access Offer/FTA/Tariff</td>
<td>19</td>
</tr>
<tr>
<td></td>
<td>b) Industry specific studies</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>c) Pricing Study</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>6</td>
</tr>
<tr>
<td>2</td>
<td>(Service Sector)</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td>a) Pricing Study</td>
<td>18</td>
</tr>
<tr>
<td>3</td>
<td>(Social Sector)</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>a) Industry Specific studies</td>
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</tr>
<tr>
<td>Grand Total</td>
<td>40</td>
<td></td>
</tr>
</tbody>
</table>

The detailed list of the study reports submitted during 2013-14 (up to 31/3/2014) is given in the Table-13.4 below:

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of the study report -2013-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Report on Impact Assessment of Free Trade/Preferential Trade Agreements with respect to Capital Goods Sector (First report relating to Power Generation Equipment)</td>
</tr>
<tr>
<td>3</td>
<td>Report on Impact Assessment of free trade/preferential trade agreement on capital goods sector-power transmission and distribution equipment</td>
</tr>
<tr>
<td>4</td>
<td>Report on Assessment of Free Trade Agreement with Thailand.</td>
</tr>
<tr>
<td>5</td>
<td>Report on Impact Assessment of Free Trade/Preferential Trade Agreement on Capital Goods Sector-Electrical Equipment</td>
</tr>
<tr>
<td>6</td>
<td>Study on Impact Assessment of ASEAN-India Free Trade Agreement for Indian Industry &amp; Trade (Report Part no. 1)</td>
</tr>
<tr>
<td>Sl. No.</td>
<td>Name of the study report</td>
</tr>
<tr>
<td>--------</td>
<td>-------------------------</td>
</tr>
<tr>
<td>12</td>
<td>Report on Inverted Duty Structure (IDS) on Slewing Bearing for Wind Operated Electricity Generator upto 30 kw (HS Code-8482)</td>
</tr>
<tr>
<td>13</td>
<td>Report on per tonne per KM transportation rate of fertilizers by road for Jammu &amp; Kashmir, Himachal Pradesh and North-Eastern States</td>
</tr>
<tr>
<td>14</td>
<td>Report on Quantum value and types of Bio-resources exported from India (Report Part No.II-Spices &amp; Aromatic Plants)</td>
</tr>
<tr>
<td>16</td>
<td>Report on Quantum Value and Types of Bio-resources Exported from India (Report Part No.IV)</td>
</tr>
<tr>
<td>17</td>
<td>Note on Estimation of Fair Price of 50 Kg. B-Twill Jute Bags</td>
</tr>
<tr>
<td>18</td>
<td>Report on Estimation of Fair Price of B-Twill Jute Bags</td>
</tr>
<tr>
<td>19</td>
<td>Note on effect of change in payment terms for B-Twill Jute Bag prices for supply through DGS&amp;D</td>
</tr>
<tr>
<td>20</td>
<td>Supplementary Report on Estimation of Fair Price of B-Twill Jute Bags (94.4x57 cm-6x7, 665 gms, 50 kgs. capacity)</td>
</tr>
<tr>
<td>21</td>
<td>Supplementary Note on Effect of Change in Payment Terms for B-Twill Jute Bag for supply through DGS&amp;D.</td>
</tr>
<tr>
<td>Sl. No.</td>
<td>Name of the study report</td>
</tr>
<tr>
<td>--------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>22.</td>
<td>Report on fixation of price of Type-A B-Twill Jute Bags manufactured on shuttle less looms.</td>
</tr>
<tr>
<td>27.</td>
<td>Report on Operation &amp; Maintenance Cost of Irrigation Projects in Odisha</td>
</tr>
<tr>
<td>28.</td>
<td>Report on Operation &amp; Maintenance Cost of Irrigation Projects in Kerala</td>
</tr>
<tr>
<td>34.</td>
<td>Report on Bus Transport Services in Non-BRT City Chennai</td>
</tr>
<tr>
<td>37.</td>
<td>Report on Bus Transport Services in BRT City Pune</td>
</tr>
<tr>
<td>39.</td>
<td>Report on Principles of determination of tariffs for passenger fares by the operational Metro Companies - Delhi Metro</td>
</tr>
<tr>
<td>40.</td>
<td>Report on Performance of Bio-Fertilizers with their Chemical Counterparts in terms of Usage, Efficiency &amp; Cost Effectiveness</td>
</tr>
</tbody>
</table>
Besides the above reports submitted during the current financial year the Commission has several other studies at different stages of progress / completion. The list of ongoing study topics and the tentative number of reports that are likely to be generated in each of the study topics is given at Table 13.5.

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Study topic</th>
<th>Sector</th>
<th>Type of Study</th>
<th>No. of study reports expected to be submitted</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Performance of cement Industry (2013-14)</td>
<td>mfg</td>
<td>Pricing/APM</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>Study on assessing the price of Sanitary Napkins.</td>
<td>mfg</td>
<td>Pricing - Govt procurement</td>
<td>1</td>
</tr>
<tr>
<td>3</td>
<td>Inverted Customs Duty Structure in respect of raw materials and components required for the Manufacturers of goods</td>
<td>mfg</td>
<td>Tariff Study</td>
<td>45</td>
</tr>
<tr>
<td>4</td>
<td>Impact of Liberalization / Tariff Reduction on HMT and Public Sector Enterprises &amp; Innovative Pricing - HMT.</td>
<td>mfg</td>
<td>Industry competitiveness</td>
<td>2</td>
</tr>
<tr>
<td>5</td>
<td>Impact of Liberalization / Tariff Reduction on IDPL and Public Sector Enterprises &amp; Innovative Pricing - IDPL.</td>
<td>mfg</td>
<td>Industry competitiveness</td>
<td>2</td>
</tr>
<tr>
<td>6</td>
<td>Impact of Liberalization / Tariff Reduction on NEPA and Public Sector Enterprises &amp; Innovative Pricing - NEPA</td>
<td>mfg</td>
<td>Industry competitiveness</td>
<td>2</td>
</tr>
<tr>
<td>7</td>
<td>Public Sector Enterprises &amp; Innovative Pricing - ‘Principles’.</td>
<td>Mfg/ social services</td>
<td>Industry competitiveness</td>
<td>4</td>
</tr>
<tr>
<td>8</td>
<td>Study on Competitiveness of HLL</td>
<td>mfg</td>
<td>Industry competitiveness</td>
<td>2</td>
</tr>
<tr>
<td>9</td>
<td>Import of second hand machinery and their impact on domestic manufacturers of capital goods and their competitiveness:</td>
<td>mfg</td>
<td>Industry competitiveness</td>
<td>8</td>
</tr>
<tr>
<td>10</td>
<td>Impact Assessment of FTAs/ PTAs on Capital Goods - Impact analysis of tariff and trade policy of major commodity/sector</td>
<td>mfg</td>
<td>FTA impact analysis</td>
<td>9</td>
</tr>
<tr>
<td>11</td>
<td>Impact assessment of Free Trade Agreement - Singapore.</td>
<td>mfg</td>
<td>FTA impact Analysis</td>
<td>1</td>
</tr>
<tr>
<td>Sl No</td>
<td>Study topic</td>
<td>Type of Study</td>
<td>Study topic</td>
<td>No. of study reports</td>
</tr>
<tr>
<td>-------</td>
<td>------------------------------------------------------------------------------</td>
<td>---------------</td>
<td>----------------------------------------------------------------------------</td>
<td>----------------------</td>
</tr>
<tr>
<td>12</td>
<td>Impact assessment of Free Trade Agreement - ASEAN.</td>
<td>mfg</td>
<td>FTA impact analysis</td>
<td>1</td>
</tr>
<tr>
<td>13</td>
<td>Study on Export Competitiveness:</td>
<td>mfg</td>
<td>Industry competitiveness</td>
<td>6</td>
</tr>
<tr>
<td>14</td>
<td>Input Cost Study on Sub-Sectors of Capital Goods:</td>
<td>mfg</td>
<td>Industry competitiveness</td>
<td>9</td>
</tr>
<tr>
<td>15</td>
<td>Competitiveness of Indian Manufacturers Vs. Chinese Manufacturers in respect of Capital Goods:</td>
<td>mfg</td>
<td>Industry competitiveness</td>
<td>9</td>
</tr>
<tr>
<td>16</td>
<td>Sectoral Impact of imports on the market share in India in respect of the reserved list of SSI Sector</td>
<td>mfg</td>
<td>Industry competitiveness</td>
<td>1</td>
</tr>
<tr>
<td>17</td>
<td>Study on determining the realistic cost of Condoms</td>
<td>mfg</td>
<td>Pricing - Govt procurement</td>
<td>1</td>
</tr>
<tr>
<td>18</td>
<td>Study on costing structure/ Benchmarking for testing / homologation charges at NATRIP’s centres</td>
<td>Services Sector</td>
<td>Pricing - public utility</td>
<td>7</td>
</tr>
<tr>
<td>19</td>
<td>Principles of determination of tariffs for passenger fares by the city bus services in BRT Corridors &amp; non BRT cities / corridors. [19 cities / 12 States]</td>
<td>Services Sector</td>
<td>Pricing - public utility</td>
<td>15</td>
</tr>
<tr>
<td>20</td>
<td>Study on per capita costs of surface water based piped water supply schemes to cover (i) Arsenic affected habitations - Two States - West Bengal &amp; Bihar (ii) Fluoride affected habitations - Three states - Rajasthan, Karnataka and Andhra Pradesh</td>
<td>Services Sector</td>
<td>Pricing - public utility</td>
<td>4(1)</td>
</tr>
<tr>
<td>21</td>
<td>O &amp; M Costs of Single village and multi-village rural water supply schemes - Six states - West Bengal, Bihar, Rajasthan, Karnataka, Maharashtra &amp; Madhya Pradesh</td>
<td>Services Sector</td>
<td>Pricing - public utility</td>
<td>6(1)</td>
</tr>
<tr>
<td>22</td>
<td>Operational &amp; Maintenance cost of irrigation projects</td>
<td>Services Sector</td>
<td>Pricing - public utility</td>
<td>5(2)</td>
</tr>
<tr>
<td>23</td>
<td>Study for determining additional compensation for complex fertilizers produced by Naphtha/Fuel Oil/LSHS based feed stock under NBS Policy.</td>
<td>mfg</td>
<td>Pricing - Govt procurement</td>
<td>1</td>
</tr>
</tbody>
</table>

1 scope expanded in view of the TORs projected by the client Ministries
2 No. of reports indicated is zone wise however, no. of study reports may get enhanced if state wise reports are submitted
<table>
<thead>
<tr>
<th>No.</th>
<th>Description</th>
<th>Sector</th>
<th>Type</th>
<th>Reports</th>
</tr>
</thead>
<tbody>
<tr>
<td>24</td>
<td>Assessment of normative cost of drinking water supply</td>
<td>Services</td>
<td>Pricing - public utility</td>
<td>5</td>
</tr>
<tr>
<td>25</td>
<td>Assessment of normative cost of water used for irrigation</td>
<td>Services</td>
<td>Pricing - public utility</td>
<td>5</td>
</tr>
<tr>
<td>26</td>
<td>Assessment of normative cost of industrial water supply</td>
<td>Services</td>
<td>Pricing - public utility</td>
<td>5</td>
</tr>
<tr>
<td>27</td>
<td>Study on quantum, value and type of bio-resources exported from India - Four Reports.</td>
<td>Social</td>
<td>Industry competitiveness</td>
<td>1</td>
</tr>
</tbody>
</table>
| 28  | Principles of determination of tariffs for passenger fares by the operational metro rail companies:  
     i) Kolkata  
     ii) Delhi - report submitted  
     iii) Bangalore  
     iv) Mumbai | Services        | Pricing - Public Utility   | 3       |
| 29  | Study on the Realistic Cost/Price of various types of pipes used in rural Drinking Water Supply Schemes. seven states | mfg             | Pricing /Govt. procurement  | 7       |
| 30  | Principles of determination of tariffs for water supply                      | Services        | Pricing - Public Utility     | 5(2)    |
| 31  | Study on per capita costs of piped water supply schemes base in Arunachal Pradesh (a) On gravity flow (b) On pumping | Services        | Pricing - public utility     | 1       |
| 32  | Principles of determination of tariffs for Solid waste management            | Services        | Pricing - Public Utility     | 5(3)    |
| 33  | Principles of determination of tariffs for Sanitation                        | Services        | Pricing - Public Utility     | 5(3)    |
| 34  | Study on database on economic contribution of biotech, pharmaceutical and health care industry in Punjab to Indian economy | mfg             | Others                      | 1       |
| 35  | Comparative performance of bio-pesticides with their chemical counterparts in terms of usage, efficiency & cost effectiveness. | mfg             | Industry competitiveness    | 1       |
| 36  | Study of successful commercial models adopted by self help group for livelihood generation and sustainability in Punjab | Social          | Others                      | 1       |

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No. of reports indicated is zone wise however, no. of study reports may get enhanced if state wise reports are submitted.
<table>
<thead>
<tr>
<th>No.</th>
<th>Description</th>
<th>Sector</th>
<th>Industry Competitiveness</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>37</td>
<td>Study on interventions through joint forest management on livelihood improvement and increase in purchasing power of local communities</td>
<td>Social Sector</td>
<td>Others</td>
<td>1</td>
</tr>
<tr>
<td>38</td>
<td>Impact of taxation on Minor Forest Produce to the Local communities</td>
<td>Social Sector</td>
<td>Others</td>
<td>1</td>
</tr>
<tr>
<td>39</td>
<td>Impact of Certification on cost benefit ratio of handicraft items exported from India</td>
<td>Social Sector</td>
<td>Industry Competitiveness</td>
<td>1</td>
</tr>
<tr>
<td>40</td>
<td>Assessment of fuel wood extraction from India’s forest for meeting energy needs.</td>
<td>Social Sector</td>
<td>Others</td>
<td>1</td>
</tr>
<tr>
<td>41</td>
<td>Study to analyse the effect of lower duties on revenue foregone vis-a-vis possible economic benefits obtained in the cost of construction of residential apartments/houses in selected States/UTs</td>
<td>Social Sector</td>
<td>Industry Competitiveness</td>
<td>1</td>
</tr>
<tr>
<td>42</td>
<td>Economics of utilization of bio-resources (medicinal &amp; aromatic plants) in the state of Punjab.</td>
<td>Social Sector</td>
<td>Industry Competitiveness</td>
<td>1</td>
</tr>
<tr>
<td>43</td>
<td>Contribution of Agro and Farm Forestry for meeting industrial demand of forest produce / products in the country and scope for wood based industry</td>
<td>Social Sector</td>
<td>Industry Competitiveness</td>
<td>1</td>
</tr>
<tr>
<td>44</td>
<td>Study on Socio-economic impact of Bt Cotton in Punjab</td>
<td>Social Sector</td>
<td>Industry Competitiveness</td>
<td>1</td>
</tr>
<tr>
<td>45</td>
<td>Impact analysis of fiscal incentives announced in the recent budgets (2010-11 &amp; 2011-12) done for cold chain infrastructure</td>
<td>mfg</td>
<td>Industry Competitiveness</td>
<td>1</td>
</tr>
<tr>
<td>46</td>
<td>Study on Status of Ship Building Industry in Goa -Strengths, Impediments and way forward</td>
<td>mfg</td>
<td>Industry Competitiveness</td>
<td>1</td>
</tr>
<tr>
<td>47</td>
<td>Study of multiple use of natural gas in various sectors across Goa and benefits to the Environment</td>
<td>Services Sector</td>
<td>Others</td>
<td>1</td>
</tr>
<tr>
<td>48</td>
<td>Integrated reports/study on cultivation of medicinal plants linked to marketing value added health products in the designated Biosphere Reserves by the Ministry on Environment &amp; Forests.</td>
<td>Social Sector</td>
<td>Industry Competitiveness</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Study on Determination of State-wise average cost of Transmission including technical and non-technical losses</td>
<td>Services Sector</td>
<td>Pricing - public utility</td>
<td>5</td>
</tr>
<tr>
<td>---</td>
<td>--------------------------------------------------------------------------------------------------</td>
<td>-----------------</td>
<td>------------------------</td>
<td>---</td>
</tr>
<tr>
<td>50</td>
<td>Study on Impact of Power Sector Reforms on financial Health of the Distribution companies and their respective payment capability for the next five year</td>
<td>Services Sector</td>
<td>Pricing - public utility</td>
<td>5</td>
</tr>
<tr>
<td>51</td>
<td>Study on Decentralised distribution Generation (DDG) Tariff</td>
<td>Services Sector</td>
<td>Pricing - public utility</td>
<td>5</td>
</tr>
<tr>
<td>52</td>
<td>Study on Comparative study of open access charges in distribution and recommendation of optimum tariff for open access</td>
<td>Services Sector</td>
<td>Pricing - public utility</td>
<td>5</td>
</tr>
<tr>
<td>53</td>
<td>Study on impact of change in royalty rates of coal and lignite on thermal power generation tariff in addition to tariff based bidding for allotment</td>
<td>Services Sector</td>
<td>Pricing - public utility</td>
<td>1</td>
</tr>
<tr>
<td>54</td>
<td>Study on Benchmark distribution margins for bidding out distribution services for privatization of distribution</td>
<td>Services Sector</td>
<td>Pricing - public utility</td>
<td>5</td>
</tr>
</tbody>
</table>
| 55 | Coal pricing subsidiary wise  
i) Singareni Collieries SCCL  
ii) Coal India Ltd subsidiary ECL  
iii) Coal India Ltd subsidiary MCL  
iv) Coal India Ltd subsidiary NCL  
v) Coal India Ltd subsidiary NFCL  
vi) Coal India Ltd subsidiary SECL  
vii) Coal India Ltd subsidiary WCL  
viii) Coal India Ltd subsidiary CCL | Mining Sector | Pricing - Public Utility | 8 |

Outcome of the study reports submitted by the Commission, by way of adoption, indication, appreciation and interest shown by the clients in addition to the usage by the client in analysis and decision making are as below:

1) **Office of Economic Adviser, Department of Industrial Policy & Promotion** in its tax proposals for the union budget of 2013-14, used all the 26 reports of Tariff Commission on Inverted Duty Structure for making specific recommendations to the Department of Revenue for correction of IDS in manufacturing products. (Reference letter no. Ec.Ad.2/16/2012-TFP dated 19th March, 2014).
2) The slab wise rates recommended by the Tariff Commission for movement of fertilizers by road from plant/port to block up to 500 Km has been adopted by the Department of Fertilizers. (Reference letter no.12012/25/2013-FPP dated 14th March, 2014).

3) The formula recommended by the Commission for the payment of interest by DGS&D on the withheld amount for procurement of Jute Bag for packing of food grains has been implemented by DGS&D. (Reference letter no. Kol/Jute/ADS(C-3)/Policy Matter/2014 dated 19th Feb., 2014)

4) The report prepared by the Commission on medicinal plants, species and aromatic crops and horticultural crops enabled the National Biodiversity Authority to glean a total of 88 gazette notified biological resources. (Reference letter no.NBA/Tech. Gen./22/61/11-12/ dated 3rd March, 2014)

5) Tariff commissions report on O&M cost of irrigation projects for Andhra Pradesh was requested by the MI(Stat) wing of the Ministry of Water Resources for submission to the XIV Finance Commission. (Ref. letter dated 16th August, 2013).

6) Department of Commerce vide their letter no 14/7/2005-TPD dated 26th September, 2013, have expressed interest in the reports of the studies done on inverted duty structure in 2012-13.


8) Department of Revenue vide its letter no. C-15012/2/1/10- SO(NC-1) dt. 5.7.2013 have intimated that the recommendations of Tariff Commission have been duly considered while revising the prices of bulk drugs produced by Govt. Opium & Alkaloid Works, in March-April, 2013.


10) Report of Second Hand Machinery and its impact on competitiveness of domestic capital goods industry- Plastic Processing Machinery, was presented before Director General of Foreign Trade, Department of Commerce, during meeting of DGFT on 12th December, 2013. (Reference D.O. letter no.01/93 /180/20/AM-13/PC-2(B)/E50 dated 12th Dec., 2013)
Table-13.6

<table>
<thead>
<tr>
<th></th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
<th>2012-13</th>
<th>2013-14</th>
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<tbody>
<tr>
<td>Plan expenditure</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Non-Plan expenditure</td>
<td>6.36</td>
<td>6.27</td>
<td>6.55</td>
<td>6.81</td>
<td>6.72</td>
</tr>
<tr>
<td>Total</td>
<td>6.36</td>
<td>6.27</td>
<td>6.55</td>
<td>6.81</td>
<td>6.72</td>
</tr>
<tr>
<td>Number of studies done</td>
<td>5</td>
<td>25</td>
<td>40</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>Expenditure per study</td>
<td>1.06</td>
<td>0.25</td>
<td>0.16</td>
<td>0.17</td>
<td>0.17</td>
</tr>
<tr>
<td>reports submitted</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

11) The report on “study on quantum, value and types of bio-resources exported from India”, has been appreciated by the Ministry of Environment and Forests (Reference letter no. 28-13/2008-CS-III dated 19.6.2013) and they have indicated that the data provided in the study would be helpful in the context of notification to be issued by the Ministry on normally traded commodities under provisions of the Biological Diversity Act.

12) Tariff Commission’s Report on “Study on quantum value and types of bio-resources exported from India”, has been cited in the background note of the Expert committee Meeting/Key-stake holder consultation on “strategies for up-scaling domestic and international trade in herbal & medicinal plant resources in the 12th Five Year Plan.

13) Ministry of Environment and Forests vide their letter no. 12025/1/10-CS-III dated 22/8/2013 have appreciated the second and third report of the Commission on “Spices and Aromatic Plants and Horticultural Crops”.


Tariff Commission, as per its mandate does not charge its clients. No specific funds are being allocated for studies. The entire expenditure is met from the Non-Plan budgetary allocation of the Tariff Commission. Table-13.6.

Apart from undertaking the studies referred to the Commission it also undertook activities which inter-alia included:

(a) Strengthening of database for monitoring global trade & policies.
(b) Providing real-time information on the website of the Tariff Commission which was substantially recast, in view of the change in perspective and focus.

(c) Providing requisite disclosures under Right to Information Act, 2005.

(d) Imparting training to its employees on emerging trade and industry, aspect of competitiveness and the changing organizational concepts/techniques.

(e) Modernizing cum updating the library and documentation facilities to enable the organization to deal effectively with its mandate.

(f) Ensuring availability of the state-of-the-art computer network infrastructure for e-functioning.

(g) Taking up the process of refinement of data base of the Office of Jute Commissioner for ensuring realistic price fixation based on current data,

The Tariff Commission endeavors to give due weight-age to the use of Raj Bhasha. The efforts of the Commission in implementing section 3(3) and rule 5 of the Raj Bhasha Act has been appreciated by the Department of Industrial Policy and Promotion.

Office of the Salt Commissioner, Jaipur

Salt is a central subject under Item no. 58 in 7th Schedule of the Constitution of India. The Salt Commissioner’s Office (SCO) is an attached office of this Department, with its headquarters at Jaipur and is headed by the Salt Commissioner. There are five Regional Offices at Chennai, Mumbai, Ahmedabad, Jaipur and Kolkata, besides the field offices in the salt producing states. SCO is primarily responsible for administration of the Salt Cess Act, 1953 and rules made thereunder. It is also responsible for planning and facilitating production of salt, promotion of technological development, arranging equitable distribution and monitoring the quality and price of salt, custody and superintendence of departmental salt lands, promotion of exports and pre-shipment inspection, collection of salt cess, assignment fee, ground rent, undertaking labour welfare measures, rehabilitation of salt works affected by natural calamities, etc.

The Ministry of Health and Family Welfare is implementing a plan scheme National Iodine Deficiency Disorders Control Programme (NIDDCP) and SCO has been made the nodal agency for implementation of its components pertaining to monitoring of production, quality of iodized salt at production level and its distribution to the consuming centers.

SCO is the inspecting agency for the issue of export-worthy certificate for export of salt under the Quality Control and Export Inspection Act, 1963.
Subordinate Offices

Petroleum & Explosives Safety Organisation

The Petroleum and Explosives Safety Organization (PESO) is headed by the Chief Controller of Explosives with its headquarter at Nagpur. It is the nodal agency to look after safety requirements of explosives and petroleum products. It has five Circle offices located in Kolkata, Mumbai, Chennai, Faridabad and Agra and 18 Sub-circle offices across the country. It also has a Testing Station at Gondkhairi, Nagpur where tests on explosives, safety fittings of road tankers, cylinders/containers are carried out and Fire Research and Development Centre at Sivakasi, for testing and development of eco-friendly fireworks. For ensuring safety and security of public and property from fire and explosion, the Organisation as a statutory authority, is entrusted with responsibilities under the following Acts/Rules:

The Explosives Act, 1884

5. Notification No. GSR 625(E) dated 07.08.1983, regarding Acetylene Generation.

The Petroleum Act, 1934
3. The Cinematography Film Rules, 1948.

Major Activities and Functions
1. To approve the layout and construction plans/licensing for explosives manufacturing units and other installations;
2. To scrutinize the returns of purchase, use and sale of explosives throughout the country.
3. To regulate and implement safety regulation norms in over 2.78 lakhs licensed premises/units used for manufacture, storage, transport and handling of hazardous substance;
4. To advise Port, Airport and Railway authorities in respect of transportation of explosives & other dangerous substances whenever asked for.
5. To impart training to police personnel, security and other officers in safe handling of explosives;

Revenue and Expenditure

The trend of growth in revenue and expenditure of the organisation for the last five years are given in Table-13.7.
Modernization and Computerisation

The following steps have been initiated to make the functioning of the organization more efficient, transparent and user friendly:

Under the prestigious e-governance project of Government of India, the working procedures of PESO have been re-engineered and made online. PESO has launched its website (http://peso.gov.in) in adherence to Right to Information Act, with adequate security features. The wide area network (WAN) and related IT infrastructure (hardware and software) have been upgraded according to the requirements. All the PESO offices have been brought under Explonet Network and leased line speeds of 2 Mbps for five circle offices with fall back arrangement in place. Similarly, the leased line speed has been enhanced for 18 Sub-Circle offices, DTS, and FRDC Sivakasi. Licensing work of PESO, that is, grant of construction approval, grant of licence, amendment, renewal, suspension as well as cancellation of licences are being done online by all PESO offices across the country. The data is simultaneously updated on the public domain link of the PESO’s website. Applicants can also view status of their application and also download letters issued by PESO. Video conferencing system is also in place and is being used for coordination amongst the five circle offices and head office at Nagpur.

All explosive manufacturers have been submitting their explosive production data online from 1st July, 2010. For holders of explosives magazine licenses, online submission has been made compulsory. Under Explosives Rules, the existing ERS (Explosives Returns System) has been enhanced to compulsorily generate RE-11 (indent) on the part of purchaser. Preparation of RE-12 also goes through the checks and balances and on actual receipt of explosives, the consignee accepts them online in the ERS. Thus, features like knowing real-time stock have further enhanced the ERS and streamlined the transaction of explosives to a great extent. Introduction of pass for use (RE-13) is another initiative launched for users of explosives in mines and other sites to streamline the usage and maintenance of records. This new initiative will greatly help to curb the misuse and mis-appropriation of explosives and will also bring accountability. Sites of use of explosives with names of blasters will also be captured in the database.

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
<th>Expenditure Non-Plan</th>
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<tbody>
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<tr>
<td>2013-14</td>
<td>72.10</td>
<td>27.66</td>
</tr>
</tbody>
</table>
The indents, pass for sale and pass for use of explosives are generated by the system which does not allow any licensee to deviate from provisions of the Rules. Quarterly returns of explosives (RE7) are filed online by licensees and all transactions are cross-checked by the system.

All District Magistrates/SPs have been given link in the PESO website to see movements of explosives in respective jurisdiction, whereas DIPP/MHA can see movements across the country. Of late, procedure of system-generated SMS alert service has been started for all transactions of explosives i.e. in the event of issue of indents by consignee, supply of explosives, receipt of explosives etc.

For penal transactions under Explosives Rules i.e. suspension & cancellation, email facility has been integrated with the internal application. The system sends email to concerned DM and SP (wherever e-mail IDs are available) in case the license is suspended or cancelled under their jurisdiction.

E-filing of applications for external stakeholders under Petroleum Rules 2002 has been started. The licensees have been provided with facility to register with PESO portal and maintain their License-Portfolio. This system also provides them a facility to send their application online to the concerned office of PESO across India. In this process to provide e-filing to external stakeholder, the internal application has also been completely revamped with additional features.

Under SMPV (U) and Petroleum Rules, an initiative for Competent Persons has also been launched. This initiative has streamlined the online generation of test certificates by competent persons to a great extent. The generated certificates also gets linked to respective license file at the time of processing of applications. During processing, PESO officers can view certificates issued by the competent person online and can also verify his signature with the online record. This will totally eliminate scope of forgery in the certification process.

Office of the Controller General of Patents, Designs and Trade Marks

a. The Patent Offices (including the Designs Wing) at Chennai, Delhi, Kolkata & Mumbai.

b. The Patent Information System (PIS) and Rajiv Gandhi National Institute of Intellectual Property Management (NIIPM) at Nagpur.

c. The Trade Marks Registry at Ahmedabad, Chennai, Delhi, Kolkata & Mumbai and

d. The Geographical Indications Registry (GIR) at Chennai.

The Government has taken several initiatives to modernize and streamline the intellectual property administration in the country in view of the strategic significance assumed by intellectual property in the context of globalization and liberalization of the Indian economy and the increasing thrust on innovation and creativity. These include both legislative and administrative measures to create a modern facilitative set-up. Under the modernization project, four IPO buildings were constructed at Delhi, Mumbai, Kolkata and Chennai. The construction of Trade Marks Registry & IP Archives building at Ahmedabad and the Rajiv Gandhi National Institute of Intellectual Property Management building at Nagpur has also been completed. Also, the construction of ISA/IPEA building as an extension of the existing IPO building at Delhi is nearing completion.

Besides strengthening online search in the Patent Office database, novelty search facilities have been strengthened by subscribing to various patent and non-patent databases. Digitization of old IP records are almost complete and the current records are being digitized immediately after filing and are stored in the electronic database. Almost all IP information has been made available to the public on the official website. In order to increase the efficiency and disposal of patent applications, 248 more Examiners of Patents and Designs were selected during the year 2011-12 out of which 164 had joined and 136 of them are now working in the Patent office. At present, the total strength of Examiners of P & D in the Patent Office is 201.

Awareness creation is one of the major planks of the modernization scheme, as it educates IP stakeholders of the benefits of registration of their rights as also educates the general public, particularly the business community. These programmes are also expected to sensitize the enforcement agencies such as the state police forces, customs, judiciary, etc. The Office of CGPDTM either organized or participated in 116 IP-awareness and sensitization programmes in 2012-13 and 124 in such programmes during 2013-14.

The official website of the CGPDTM, namely www.ipindia.nic.in contains information that includes all IP-laws and
rules administered by the Office, reports, official e-journals, public search facility of IP records, dynamic utilities for public, public notices and news.

During the year 2012-13, the Patent Office generated an income of ₹170.48 crore, the Designs Wing generated an income of ₹1.29 crore, the Trade Marks Registry generated ₹110.45 crore, the Geographical Indications Registry generated ₹0.088 crore and NIIPM/PIS generated ₹0.015 crore. The total non-plan expenditure was ₹36.69 crore during the year. Thus, against a total revenue of ₹282.32 crore earned during 2012-13, the actual expenditure was ₹36.69 crore, leaving a revenue surplus of ₹245.63 crore. In the year 2013-14, the Patents Office generated revenue of ₹188.27 crore, Designs Wing ₹1.34 crore, Trade Marks Registry ₹120.68 crore, Geographical Indications Registry ₹0.06 crore and NIIPM/PIS generated ₹0.09 crore. Thus, the total revenue generated by the Office of CGPDTM during 2013-14 is ₹310.44 crore, which is higher than the revenue earned in the previous year.

A brief summary of the activities of the various offices under CGPDTM is given below:

Patent Office:

The Patent Office performs statutory functions relating to the grant of patents for inventions, renewal of patents, amendments, restoration of lapsed patents, grant of compulsory licenses, registration of patent agents, etc. under the Patents Act 1970. The Head Office of the Patent Office is at Kolkata with branch offices at Chennai, Delhi and Mumbai. The offices deal with the applications for patents originating within their respective territorial jurisdictions. A total of 43,674 applications were filed during 2012-13; thus registering an increase of about 1.10 per cent over 2011-12. The number of applications examined during 2012-13 was 12,268 as compared to 11,033 in 2011-12. The number of disposals of patent cases in 2012-13 was 9,027 as compared to 8,488 disposals during 2011-12. The number of patent applications filed during 2013-14 is 42,950, out of which 9,540 patent applications have been received through e-filing facility. The number of applications examined during 2013-14 is 18,306. Patents granted during the above period was 4,225 and number of disposal of applications was 11,672.

Indian applicants are also increasingly using the Patent Cooperation Treaty (PCT) route to obtain patents in other countries. The total number of international applications filed by the Indian applicants using the PCT system during the period from 1st April, 2013 to 31st March, 2014 was 816.

The World Intellectual Property Organization (WIPO), a United Nations agency specialized in the field of
Intellectual Property Rights, in its General Assembly meeting held in September-October 2007 at Geneva recognized the Indian Patent Office as an International Searching Authority (ISA) and an International Preliminary Examining Authority (IPEA) under the Patent Cooperation Treaty. This puts India in an elite group of 17 Patent Offices recognized as ISAs and IPEAs. Patent Office has started functioning as ISA/IPEA at Patent Office Delhi with effect from 15th October, 2013. During 2013-14, 145 international applications choosing India as ISA have been received in Patent Offices at four locations.

Under the project of modernization of Patent Offices, a dynamic Patent Search Portal has been developed in the IPO website and many dynamic utilities on patent have been made available to the public like, displaying the month of filing of Request for Examination for which First Examination Report is being issued; group-wise and location-wise dates of Requests of Examination (RQ) for which First examination Report (FER) has been sent to the applicants; status on disposal of patent applications by the respective examination groups during the specified period. The utility for facilitating the search to ascertain the status of a patent has also been provided. Besides, the facility for displaying patents, which have expired or ceased to have effect by reason of failure to pay the renewal fee has been provided by their number, title and technical / scientific field. Also, the facility for viewing “First Examination Report (FER)” issued (Jurisdiction and Group-wise) at all locations of Patent Office has been made available. The facility for Online filing of all forms in the first Schedule of Patents (Amendment) Rules have been made available through the comprehensive e-filing portal in the website.

The patent search facility in the website has been considerably strengthened. The status of patent applications including publication, examination and grant as well as all post-publication patent documents are available freely for public search in the website. The Patent Office subscribes to major global patent and non-patent databases for prior art search to be conducted by the examiners. The Manual of Patent Office Practice and Procedures has been prepared to ensure uniformity in operation and the same is available on the website. Further, the “Guidelines for Processing of Patent Applications relating to Traditional Knowledge and Biological Material”, “Guidelines for Examination of Biotechnology Applications”, “Draft Guidelines for Examination of Patent Applications in the field of Pharmaceuticals” and “Draft guidelines for Examination of Computer Related Inventions” have been published in the official website. The digitization of old patent records is almost complete and current patent records are digitized immediately after filing the documents so
that these are available for examination. These steps have resulted in a significant improvement in the performance of the office as well as in overall transparency and public service dissemination.

**Rajiv Gandhi National Institute of Intellectual Property Management (RGNIPM) and Patent Information System (PIS), Nagpur:**

Patent Information System (PIS) at Nagpur maintains a comprehensive collection of patent specifications and patent related literature on worldwide basis and provides technological information contained in patent or patent related literature through search services and patent copy supply services to various users like industry, R&D organizations, inventors, Government departments and undertakings, entrepreneurs, business community and other IP users in India.

The Rajiv Gandhi National Institute of Intellectual Property Management (RGNIPM) Nagpur is a specialized institute catering to training, education, research and think tank functions in the field of Intellectual Property. It provides training to Examiners of Patents & Designs and regularly conducts refresher courses for them. It also organizes awareness programme for users such as patent attorneys, scientists, researchers etc.

During the period from April 2013 to March, 2014, induction training for 9 examiners from the third batch and 1-month advanced training for 140 new examiners was conducted. Besides, 14 public programmes on IP-awareness/training were conducted by RGNIPM during 2013-14.

**Industrial Designs Wing:**

The registration of industrial designs under the Designs Act 2000 is carried out by the Designs Wing of the Patent Office located at Kolkata. Filing of design applications in branch offices at Chennai, Delhi and Mumbai is also permitted. The thrust of the modernization programme of the Design office includes transition from the essentially paper-based examination procedure to an IT based system which is supported by computerized records, online search facilities, a user-friendly website and a digital library.

During 2013-14, 8,553 design applications were received, 7,281 applications were examined and 7,178 designs were registered.

**Trade Marks Registry (TMR):**

The Trade Marks Registry (TMR), with its Head Office at Mumbai and branch offices at Ahmedabad, Chennai, Delhi and Kolkata, performs statutory functions relating to administration of the Trade Marks Act, 1999 and maintaining the register of trademarks.

During the year 2013-14, 2,00,005 trademark applications were filed. Out of this, 38,145 trademarks applications were received through e-filing facility. During 2013-14, the number of applications
examined were 2,03,086 and trade mark registered were 67,873, whereas the number of disposal of applications was 1,04,753. The total number of registered trademarks in India as on 31st March, 2014 is 9,75,964, out of which the number of registered trademarks by Indian applicants is 7,22,566.

A dynamic Trade Mark Search Portal has been developed in the IPO website and many dynamic utilities on trade marks have been made available to the public in order to achieve complete transparency in the functioning of Trade Marks Registry. These include online tool for attending to the requests for correction of clerical errors in the trademark records, details of TMR hearing and adjournment, display of the details of examination of trademark applications, show-cause hearings, publications in the trademark journal, registrations of trademarks, other disposals of applications (i.e. by way of abandonment, refusal etc.), other notices issued month-wise or date-wise, classification of goods and services under section 8 (1) of Trade Marks Act, 1999 for the purpose of registration of trademarks and online filing of reply to an examination report in respect of trademark application through the comprehensive e-filing services for trademarks on real time basis. Further, the comprehensive details of pending Trade Mark Applications as well as Registered Trademarks including the scanned copies of documents, prosecution history, examination report, copy of the application, copy of the trademark certificate, opposition details etc. have been made available free of cost to the public through the official website.

The Government of India has acceded to the Madrid Protocol for protection of trademarks through international registrations by depositing Instrument of Accession with the World Intellectual Property Organization on 8th April, 2013. The necessary amendments in the Trade Marks Act 1999 and Trade Marks Rules 2002 have been made and the provisions of Madrid Protocol have come into force in India since 8th July, 2013.

As on 31st March, 2014, India has been designated for the protection of trademark in approximately 3138 international applications. Indian office has received 81 applications for international registration of trademarks under the Madrid Protocol, out of which 74 applications have been certified and forwarded to the WIPO till 31st March, 2014.

Geographical Indications Registry (GIR):

The GIR is a statutory organization set up for the administration of the Geographical Indications of Goods (Registration and Protection) Act, 1999, which came into force on 15th September 2003. The Registry is situated at Chennai. As on 31st March, 2013, 193 Geographical Indications (GIs) have been registered.
The list of registered GIs (products) inter alia includes Darjeeling Tea, Pochampallikat, Chanderi Fabric, Kota Doria, Kancheepuram Silk, Mysore Agarbathi, Mysore Silk, Madurai Sungudi, Kullu Shawl, Assam (Orthodox), Nilgiri (Orthodox), Kani Shawl, Kashmir Pashmina, Kashmir Sozani Craft, Lucknow Chikan Craft, Venkatagiri Sarees, Villianur Terracotta Works, Mango Malihabadi Dusseheri, Vazhakulam Pineapple, GirKesar Mango, Udupi Mattu Gulla Brinjal, etc. As on 31st March, 2014, 75 applications for Geographical Indications have been received and 22 applications have been registered.

The Geographical Indications Registry has conducted many awareness programmes throughout India to promote registration of the Indian Geographical Indications. The Sectors being focused on are tea, coffee, rice, spices, tobacco, horticulture products, handloom products, handicrafts, textiles, processed food items, and spirits & wines. The Geographical Indications Registry had conducted 10 awareness programmes/seminars/workshops on GI during 2013-14. Besides this, the GIR officials have participated as faculty in 6 GI awareness programmes conducted by external agencies.

Further action has been taken to improve the functioning of the GI Registry. This includes in-house publication of GI journals and online public viewing of GI documents launched on 14thFebruary, 2013.

**Intellectual Property Appellate Board (IPAB)**

Intellectual Property Appellate Board (IPAB), a quasi judicial body was set up as statutory Board by the Government of India vide Gazette Notification No: S.O 1049 (E) Dated 15.9.2003. It has been established to hear appeals against the decisions of the Registrar and to hear applications for rectification of entries in the Registrar of Trade Marks under the Trade Marks Act, 1999, the Geographical Indication of Goods (Registration and Protection) Act, 1999, and Patents Act, 1970. IPAB has its headquarters at Chennai and besides Chennai, it holds the Circuit Bench Sittings at New Delhi, Mumbai, Kolkata and Ahmedabad. Presently, Shri Justice K. N. Basha is the Chairman and Ms. S. Usha is the Vice Chairman of the Board, Shri D. P. S. Parmar is the Technical Member (Patents) and Shri Sajneev Kumar Chaswal is the Technical Member (Trademarks).

The number of appeals/applications transferred from various High Courts (Transferred Appeal/Transferred Rectification Application) and the number of original appeals/application (Original Appeal/Original Rectification Application) directly filed before the Intellectual Property Appellate Board are as given below:
During the period from April 2013 to 31st March 2014, 812 Trade Marks Cases have been filed and 494 cases have disposed of. During the same period 168 Patent Cases have been filed and 121 cases have been disposed of. One (1) GI case has been disposed of during the above period.

**TRADE MARKS CASES RECEIVED** (as on 31.03.2014)

<table>
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<tr>
<th>Cases Received</th>
<th>Transferred Appeal</th>
<th>Transferred Rectification Application</th>
<th>Original Appeal</th>
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**TRADE MARKS CASES DISPOSED** (as on 31.03.2014)

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**GEOGRAPHICAL INDICATION CASES RECEIVED** (as on 31.03.2014)

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GEOGRAPHICAL INDICATION CASES DISPOSED (as on 31.03.2014)

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PATENT CASES RECEIVED (as on 31.03.2014)

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PATENT CASES DISPOSED (as on 31.03.2014)

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</table>

Central Manufacturing Technology Institute, Bangalore

Central Manufacturing Technology Institute, a premier R&D organization in the manufacturing technology, established in the year 1962, is an autonomous body, registered as a Society and under the Administrative control of Department of Industrial Policy & Promotion, Ministry of Commerce & Industry. It is supporting the Indian industry to achieve excellence in technology and stimulate economic
growth. The Institute is active in metal working technology, evolving solutions to national strategic initiatives and is a one-stop destination for end-to-end solutions in manufacturing technology deployment. It functions through Governing Council, which has representatives from industries in manufacturing sector, machine tool manufacturers, Government nominees and others.

CMTI continues to support the Indian engineering industry and various sectors through its value added services in manufacturing technology and product development/realization activities. It continues to play a vital role of a catalyst in the application of manufacturing technology. The Institute is equipped with trained manpower, equipment and facilities for design, research, prototype production, manufacturing, testing, inspection, calibration, product development, training and technical information.

The implementation of major projects under the XII plan are in various stages of progress which includes the establishment of activities and procurement of advanced high technology equipment and establishments of facilities for Nano-Manufacturing Technology Centre (NMTC), Applied Mechatronics Integration facility (AMIF), Advanced Machine Tool Testing Facility (AMTTF) and Academy of Excellence for Advanced Manufacturing Technology (AEAMT).

Advanced Machine Tool Testing Facility - a PPP initiative is nearing completion and is now operational.

The innovation chairs set up in the area of nano-manufacturing technology and high tech. product are guiding the R & D projects of CMTI. Under the guidance of these chairs a number of R & D projects have been initiated. Some of the explorative themes include (i) realization of Nano-needles for medical applications, (ii) Vision systems for on-line evaluation of machine tool accuracies, (iii) Cryogenic cutting, (iv) vortex cooling for machine tool control enclosures, (v) aerostatic spindles for nano-metric accuracy, (vi) alternative materials for machine tool applications, (vii) green manufacturing, and others.

The various collaborative R & D projects that are under various stages of progress include Abrasive Flow machining, Intelligent ultra-precision machine tool, Development of Technology for Nano Composite Structure using CNTs and Ceramics, Micro Stereo Lithography, Determination of Nano - scale feature dimensions using an optical imaging technology, Green machining including hard turning, Advanced Metrology and Material characterization technologies, Mechatronics including Parallel Kinematic Machines.

Collaboration with national academic institutions like NITK, Surathkal, NIT, Warangal, MVIT, Bangalore and other
institutions are being pursued.

Performance During the Year

1. XII Plan Projects on Advanced Technology Areas:

a) Applied Mechatronics Integration Facility (AMIF)

As a part of this activity under AMIF

I. 3D Vision research for dimensional measurements using structured lighting and stereo technique is under progress.

II. Research on surface characterization and defect identification of specular component.

III. 3 Dimensional Inspection of dimensions and surface defects by Machine Vision is in progress.

IV. Feasibility study on providing inspection of ‘Crankshaft’ for automobile industry and ‘Dripper’ for irrigation sector has been completed.

V. Integration of Embedded board with motor drive module for motion control and to provide low cost vision based automation solution to industries is in progress

VI. Realisation of a Parallel Kinematic Machine is complete.

b) Nano Manufacturing Technology Centre (NMTC)

As a part of this Flagship project under DIPP,

1) Civil work for the construction of NMTC building is in progress.

2) Several advanced equipment like

   a) Fast Tool Servo (FTS) System

   b) Quantachrome Autosorb iQ-C Physisorption and Chembet Pulsar Chemisorption systems

   c) Low G Accelerometer and Tri Axial Accelerometer

   d) Nano Sensors and Eddy current displacement measurement system

   e) FTIR spectrometer have been procured and installed in the existing underground lab.

   f) Mask Aligner is in the process of procurement.

c) Academy of Excellence for Advanced Manufacturing Technology (AEAMT)

As a part of this Flagship project under DIPP and the “Industry Ready Engineers” initiative

1) The third batch of Post Graduate Diploma in Advanced Manufacturing Technology (PGDAMT) has successfully completed the course with 100% placement in prestigious companies.

2) Evening course on CNC Programming through Mastercam X7 Software was conducted.

3) Academy infrastructure including Advanced manufacturing and Technology Laboratories, Web-enabled learning facilities, Library, etc., is being built and is nearing completion.

4) CMTI and Sir M Visvesvaraya Institute of Technology signed a ‘Memorandum of Understanding’, for collaborative R&D in Design and Manufacturing engineering.
d) Advanced Machine Tool Testing Facility (AMTTF)

This PPP initiative between DIPP and Machine Tool Industries is nearing completion and is already operational at the CMTI campus. Several testing assignments have been completed and prospects are being pursued with industries.

2. Design & Development

The Institute undertakes design and development of Special Machines, Equipment and Test systems for customers. Currently, the Institute is involved in the following:

1. Design of Twin Screw continuous mixer is nearing completion
2. Design of Special Cutting Device is in progress
3. Manufacturing of components for centreless bar peeling machine is in progress
4. Special tooling’s for applications in the ship building industry are in the final stages of completion.
5. The Double head Centreless Bar Turning Machine are in the final stages of completion.
6. The components for 3000 L and 4.5 T capacity vertical mixers are in advanced stages of manufacturing.
7. The assembly of 160 Litres pilot processing vertical mixer is in progress.

3. Precision Manufacturing Services

Technologies for manufacture of several precision parts were developed for various customers.

a. Micro machining using FS Laser Micromachining system
   - Poly Crystalline Diamond Turning Tools were machined using FS Laser for controlling the tool nose waviness to 22 µm.
   - Micro holes Ø 30µm x 300µm deep holes were made in Ceramic and Titanium
   - Micro fluidic channel of width 1µm x 1µm deep 2µm x 2µm deep 3µm x 3µm deep (10 nos.) were machined
   - 183µm deep x 366µm wide x 2000 long slots were made in steel Micro capillary tubes
o Masks containing slots of 50µm width x 0.5mm deep, 10µm width x 0.2 mm deep (containing 16 Fingers) in Stainless Steel, were machined. These masks are used for coating of Gas sensors by sputtering.

b. Machining trials were conducted on Copper coated Polyamide (kapton) sheet to machine 384µm width x 30 µm deep slots. This has applications in Microwave Antenna (Dual Gridded Reflector -DGR).

c. Precision Floating Frame Balance for wind tunnel testing applications used for measuring the forces developed during wind tunnel testing of aircraft models.

d. Target holders used in Sputter-coating systems for holding the coating source material. Target holders are highly accurate made of molybdenum to withstand high temperature.

e. Alpha source capsules for space applications made of Titanium alloy material having micro-size features with high dimensional and geometrical accuracies.

4. R & D on Rapid Prototyping

- R & D is being taken up for the following:
  a. Laser sintering of nickel coated copper by DMLS process.
  b. The optimization of process parameters and characterization through DMD process.
    ✓ Deposition of Chromium on Stainless Steel
    ✓ Remanufacturing of Turbocharger shafts.

5. Technology Development

- Some of the manufacturing technology development projects (continuing activity) are:
  a. The centreless axial feed rollers
  b. Micro hole on Ceramic
  c. Salvage of Shaft & Wheel seal groove damage using Laser Cladding
  d. Gas compressor parts
  e. Cantilever on copper foil
  f. Micro machining & spiral grooving of special alloy components

*Alpha source capsules*
g. Drilling of micro hole on valve body

6. Testing & Evaluation

- Testing and evaluation of airworthy products are taken up as a continuing activity:
  - Assembly & testing of airborne quality hydraulic system filters for aerospace applications.
  - Pressure Impulse Test on differential pressure indicator

- Testing of pneumatic cylinders, filtration efficiency test and dirt holding capacity test, Functional test and proving of centrifuge for its performance, pressure setting on thermal relief valves, testing of hydraulic elements, measurement of oil contamination level, component cleanliness level checking, calibration of pressure gauges, temperature transducers, thermometers & RTD, hydrostatic pressure testing and supply of calibration fluid were carried out as routine testing services. (193 assignments).

- The Chemical laboratory (NABL accredited) provided services in the area of chemical analysis of metals and alloys, identification of metal coating and measurement of metal coating thickness, calibration of balance & weights, surface treatment, oil analysis and corrosion testing (515 Assignments).

- Annual Maintenance for Pump Test Rig Facilities of LCA Pumps.

7. Calibration & Inspection Services

a. Calibration of masters and inspection of very accurate components in the area of length, angle, form, surface finish and gears with traceability to international standards (256 assignments).

b. Calibration of slip gauge sets, surfaces roughness masters, Master Cylinders, Cylindrical Squares, Glass Scales, Glass Hemispheres, Master Gears, Extensometers, Optical Flats, Optical Parallels, Steel balls and Metallic spheres, Test Sieves, Electronic levels, Granite Squares, Polygon mirrors, extramasess, supramesses and conventional measuring instruments.

c. Calibration / alignment of CNC machines (10 instances), CMM (2 instance were carried out at customer’s works and Length Measuring Machine (1 instance) using Laser measurement systems.

d. Inspection support for gears, on site calibration of Universal Length Measuring Machine and Gauge Block Comparator.

e. Balancing of Machine Tool Spindles, propellers, Armatures, Tool adapters, Rotors, Electric Motors and Condition Monitoring service for industries were also provided.

- Experimentation to Cutting Force study in micro end milling by measurement & analysis of Cutting Force
- Dynamic balancing of propellers, nozzles etc.

2. Measurement of Chatter vibrations during machining of steel

- Ground vibration measurement to assess the ground vibration induced by metro train for NMTC site.

8. Facilities Added / Upgraded

The following facilities were added/ upgraded under the various plan projects:

- Advanced Technology Equipment
  - Industrial Robot
  - Embedded board and motor drive hardware
  - Tri Axial Force Sensor
  - Acoustic Emission Sensor
  - Gauge Block Comparator
  - Grade ‘K’ Slip Gauges
  - Up gradation of UPMC 850
  - Up gradation of Surface Roughness Tester
  - 40 T crane
The following Equipment are planned for procurement

1. Motor current analysis system
2. Miniature type Tri axial Accelerometer
3. ICP Microphones
4. NVH Simulation Software
5. Two Channel Portable FFT Analyser.
6. 10 T crane

9. **IT in Manufacturing**
   - Biometric access system is in advanced stages of completion
   - Redesign of CMTI website is completed
   - IPv6 implementation is in advanced stages of completion

10. **Improvement of Infra-structure**
    - An additional workshop bay to enable assembly & testing of large machines and equipments is completed and the workshop was dedicated by Shri Ajay Shankar, Member Secretary, NMCC.
    - Renovation of Welfare & Canteen building are completed
    - The asset register creation is completed using Asset Management System.

11. **Technology Transfer/ HRD**
    - Corporate training programs were conducted for Wipro Kawasaki, Sansera Engineering Pvt Ltd, covering CNC & conventional machining, CNC Operation & Programming and Fluid Power, Awareness on ISO 17025:2005.
    - In-house training courses (10) were conducted in different areas of manufacturing like Precision Measurements & Metrology, Laboratory Quality Management & Internal Audit, Calibration of Dimensional Measuring Equipments, Mechatronics & Manufacturing Automation, Material Selection & Heat Treatment of Ferrous Alloy, Uncertainty of Measurements for Dimensional Measurements, Gear Engineering, Management System Document & Internal Audit as per ISO17025:2005 etc.

12. **Publications & Papers**
    - Technical Papers (11) have been published in National and
international conferences in the field of MEMS for health monitoring of CNC machines, Nano metrology, tool wear and metal deposition process.

- The monthly journal ‘Manufacturing Technology Today’ is being brought out regularly.

- An exclusive life-time collection of technical publications donated by Dr. Komanduri’s family and Prof Satish Bukkapatnam of Oklahoma State University, USA was dedicated for R & D at CMTI by Lt. Gen. Dr. V. J. Sundaram, Former Director DRDL and RCI. A collection of Dr. Komanduri’s technical articles compiled by CMTI was also released for reference by researchers.

13. Visit of Dignitaries & Delegations

- Several International and Indian dignitaries from Industries, Government and Research Organisations visited CMTI for Technical Discussions / Business proposals and familiarization with the facilities and activities of the Institute.

- The Minister of Commerce & Industry, Government of India dedicated the Parallel Kinematics Machine [PKM] - one of the complex mechatronics systems - developed with R & D licensing agreement with M/s Exechon, Sweden and the state of the art Plasma Enhanced Chemical Vapour Deposition System [PECVD] for carrying out research in thin films.

- The Minister also had an Interaction session with CMTI Scientists, academicians, R & D Institutions & Industry representatives during his visit

- Prof Satish Bukkapatnam of Oklahoma State University

- Lt. Gen. Dr. V. J. Sundaram, Former Director DRDL and RCI
• Shri Ajay Shankar, Member Secretary, NMCC.

• Srilankan delegates visited CMTI for exploring areas of collaboration

Dr R Chidambaram, Principal Scientific Advisor (PSA) to Government of India. The PSA witnessed the advanced systems/products, R & D Platforms developed at CMTI, live demonstrations of R&D experiments, micro/ nano machining and Characterisation facilities, etc. He interacted with the young scientists engaged in R&D projects. He had an exclusive interaction meeting with the representatives of industry, academia and R&D Institutions collaborating with CMTI in technology and product development. He also gave a special address on knowledge economy citing examples to the august gathering.

14. Technical Lecture Programmes / Seminars under NMTC and AEAMT

Under the aegis of Nano Manufacturing Technology Centre (NMTC) and Academy of Excellence for Advanced Manufacturing Technology (AEAMT) the following Technical presentations were arranged.

1) INORA Spatial Reference System (SRC) for Quick Health Check & Laser Calibration of CMMs by M/s. Sandeep Engineers

2) Resource Efficient Production Technology - Cold Forging & Forming jointly organised by FhG-CII-CMTI

15. HR Initiatives for CMTI Scientists

a) Participation in Conferences, Seminars

CMTI scientists were deputed for various conferences and seminars covering Problem Solving using Design of Experiments, Materials and Heat Treatment for Manufacturing Engineering, Advanced Uncertainty
Measurement Technique by Monte Carlo Simulation, etc.

- **National Conference on “Micro Nano Fabrication (mnf)” at CMTI, Bangalore**

The First National Conference/Workshop on Micro & Nano fabrication was held at CMTI during 21st to 23rd January 2013 with the theme ‘To Promote, Foster & Enhance activities in Micro & Nano Fabrication’.

1. intelligent ultra-precision turning machine with nano level accuracies,
2. Micro stereo lithography,
3. Abrasive Flow Finishing machine,
4. Automated vision based inspection system for features, defects & non-contact dimensional measuring,
5. Laser Dressing system for super abrasive grinding wheels.

- **IMTEX 2013, Bangalore**

CMTI participated in IMTEX 2013, the 16th Indian Metal Cutting Machine Tool Exhibition held at Bangalore International Exhibition Centre (BIEC), Bangalore, during 24-30 Jan 2013

CMTI has showcased at IMTEX 2013 the following Innovative products

1. intelligent ultra-precision turning machine with nano level accuracies,
2. Micro stereo lithography,
3. Abrasive Flow Finishing machine,
4. Automated vision based inspection system for features, defects & non-contact dimensional measuring,
5. Laser Dressing system for super abrasive grinding wheels.

- **International Engineering & Technology Fair (IETF), New Delhi**

As part of the International Engineering & Technology Fair (IETF), 2013, CMTI conducted a workshop on Advanced Manufacturing Technology for Automotive Industry along with CII to disseminate knowledge and sharing insights into the recent developments in manufacturing technology. This has been the focus area for international cooperation and has gained momentum through the India-UK initiative of Joint Economic & Trade
Committee - Joint Working Group (JETCO JWG) on advanced manufacturing & engineering coordinated by CII. The participants included a wide spectrum of delegates from the automotive industries.

b) Training on advanced technology equipment

- One scientist visited M/s Bruker, Germany for advanced training on X-Ray Diffractometer.
- Two scientists visited Western Michigan University, USA for training on real-time measurement of machine tool vibration for adaptive control.

16. Awards & Appreciations

Intelligent ultra-precision turning machine developed at CMTI was presented with prestigious FIE Foundation award for technology innovation at IMTEX 2013,

17. Memorandum of Understanding / Non Disclosure Agreement

a) A Memorandum of Understanding (MoU) is inked between i2n Technologies and CMTI to jointly work for the collaborative R&D Projects in Scanning Probe Microscope (SPM).

b) A Memorandum of Understanding was inked between National Aerospace Laboratories and CMTI to jointly develop, manufacture & assemble wind tunnel models, floating frame/integral balance.

c) Memorandum of Understanding (MoU) was inked between IIT, Kanpur and CMTI for the development of prototype magnetic abrasive flow finishing machine for nano level finishing.

d) A reciprocal NDA was signed between HMT Machine Tools Limited, Bangalore and CMTI for providing testing and validation services.
Central Pulp & Paper Research Institute, Saharanpur

Central Pulp & Paper Research Institute (CPPRI), Saharanpur is a premier research institute dedicated to the service of pulp, paper and allied industries. It is an autonomous organization under administrative control of Ministry of Commerce and Industry, Government of India. The Institute prides itself of having state of art facilities and equipments and a team of dedicated, well experienced and trained scientists to carry out quality research work in various areas of pulp & paper making i.e. conservation and upgradation of raw material, product quality improvement, energy and environmental management, biotechnological applications, waste paper processing, human resource development, etc.

The management of the institute rests with the Council of Association, which has members from the Industry, R&D organizations and the academia. The activities funded by the Plan Funds are monitored by the Research Advisory Committee. The activities utilizing the Cess funds are monitored by the Cess Committee.

R&D activities of the Institute are designed to continuously support the growth of the Indian Pulp & Paper Industry in terms of sustainability and competitiveness. Accordingly, the R&D schemes of XII Five Year Plan & Cess Funded Projects focused on the following areas:

- Raw material research,
- Energy & environmental management,
- Quality improvements,
- Water conservation and
- Information dissemination

Major Achievements of the Institute during 2013-14

1) Projects Under the 12th Five Year Plan

i) Utilization of Rice Straw and other Non-conventional Raw materials for Production of Various Grades of Pulp

Detailed literature survey in the areas cited below was carried out for planning of the project activities:

- Availability of rice straw for Indian Paper Industry.
- Storage and handling of rice straw.
- Pulping practices for rice straw.
- Bleaching practices for pulps obtained from rice straw.

Further studies will focus on-

- Collection of rice straw from various climatic zones of the nation having highest production of rice straw like West Bengal, Chhattisgarh & Assam etc.
Each sample collected will be subjected to Proximate Chemical analysis and efforts will be aimed to remove silica from the raw material. Various pulping processes will be employed to produce different grades of paper by blending the rice straw pulp with long fibre indigenous raw material pulps.

ii) New Approaches in Processing and Paper Making of Recycled Fibre to Improve the Quality of End Product

R & D work is in progress to evaluate the efficacy of Dry Strength Resin (DSR) of different charge density to improve the strength properties of Deinked pulp (DIP) of ONP/ OMG furnish. Simultaneously studies were initiated to study the effect on Bio co-polymers on improving the Water Retention Value (WRV) and fiber-fiber bonding potential of OCC furnish.

iii) Implementation of Enzyme Application in Pulp & Paper Industry

The project aims to implement the biotechnological applications in pulp & paper industry to pursue clean & green technology to address issues related to energy conservation, quality up-gradation and environmental improvement. Studies are in progress for designing suitable biotechnological interventions for energy reduction and lowering of environmental loads due to process streams.

iv) Incremental Capacity Enhancement and Improved Efficiency of Conventional Chemical Recovery System in Wood and Non wood based Paper Mills

Studies were initiated on black liquor collected from a non-wood based mill. Characterization of collected black liquor completed.

v) Water Conservation through Application of Kidney Technologies in Pulp and Paper Industry

The project activities were initiated with identification and selection of mills for adoption as case study. Questionnaire were prepared and sent to the mills for collection of information and data related to water consumption, re-use and recycling practices adopted by the mills etc. A study has been initiated at a RCF based mill claiming Zero Liquid Discharge (ZLD) where regular collection and analysis of back water and treated water is being carried out to study the build-up of TDS and other pollution load and its impact on product quality and overall impact on mill operations.

vi) Strengthening of Training and HRD Infrastructure in Pulp, Paper and Allied Industry

Bio-technology

* Training was imparted to three M.Sc. students in the area of biotechno-
logical applications in pulp and paper industry.

**Pulp & Papermaking**

- Forty Four student trainees from Dr. Y. S. Parmar University of Horticulture and Forestry Nauni, Solan (Himachal Pradesh) were trained in the area of Pulp & Papermaking, from April 01-12, 2013, in two batches.

- One month training was imparted to two students from Sant Longowal Institute of Engineering & Technology (Haryana) and Dr. B.R. Ambedkar University, Agra (U.P.).

**Chemical Recovery**

- Five month training was imparted to one student from D.C.R.U.S.T, Murthal Sonipat.

**Environment Management**

- Two month training was imparted to one student from CCS University, Meerut (U.P.).

- Three month training was imparted to one student from Kurukshetra University (Haryana).

2) **Cess Funded Projects**

i) **Studies on Ozone Treatment of Indigenous Raw Material Pulp for better Bleachability**

Ozone treatment studies were continued on indigenous raw material pulp with the objective to improve bleached pulp quality & liquid discharges.

- Bagasse unbleached pulp having 12 Kappa No. was bleached employing following total chlorine free (TCF) bleaching sequences.
  - Z(EP)QP
  - AZ(EP)QP
  - OAZ(EP)QP

Final bleached pulp obtained after each bleaching sequence was characterized for physical strength as well as optical properties.

- Results revealed that incorporation of A and OA in stages in case of bagasse pulp helped in reduction of kappa number from 10 for AZ(EP)QP sequence to 8 for AZ(EP)QP sequence & 4.3 for OAZ(EP)QP sequence.

- TCF bleached Bagasse pulp employing Z(EP)QP, AZ(EP)QP and OAZ(EP)QP showed final bleached pulp brightness of 77.9, 80.2 and 83.4 % (ISO) respectively and CED viscosity of 726, 693 and 601 cc/gm respectively.

- Final bleached pulp strength properties for Z(EP)QP, AZ(EP)QP and OAZ(EP)QP TCF bleaching sequences at 300 ml CSF level indicated burst index 2.61, 3.80 and 2.54 Kpam²/gm and tensile index 48.4, 62.14 and 44.0 Nm/g and tear index 5.38, 6.05 and 6.16 mNm²/g respectively.
ii) An Integrated Approach for Utilization of Bagasse Pith for Production of Bio-ethanol and Value Added Lignin Products (CPPRI/IIP, Dehradun)

The objective of the project aims at efficient utilization of bagasse pith through development of a process for production of bio-ethanol and value added chemicals.

The project was completed successfully and the final report of the project has been submitted to CESS committee.

iii) Development of Environmentally Safe Biological Process to Bleach the Bamboo & Wood Pulp using Potential Bacteria (CPPRI/IGIB, New Delhi)

The aim of the project was to develop an environmental friendly bleaching process for biobleaching of wood pulps using ligninolytic bacteria for the reduction in the demand of chlorinated bleaching chemicals and improvement in pulp quality.

The project was completed successfully and the final report of the project has been submitted to CESS committee.

Important Meetings

Special Session of the Development Council for Pulp, Paper and Allied Industries

A special interactive session of the Development Council was called on 4th September, 2013, wherein the members and other captains of the paper industry interacted with the Minister of State for Commerce & Industry, Department of Industrial Policy and Promotion.

Initiating the meeting, Shri Talleen Kumar, IAS, Joint Secretary, Department of Industrial Policy and Promotion welcomed the Hon’ble Minister to the meeting and summarized the status of the paper sector. It was informed that the paper sector is highly capital intensive as a result of which the Industry finds it very difficult to raise capital from the market and has to rely mostly on internal accruals for capacity expansions. It was also submitted to the Hon’ble Minister that the Industry faced acute raw material crisis. A mechanism for use of degraded forest lands for pulpwood plantations was put forward by the Working Group Report but its implementations are still a long way from implementation and DIPP is taking up the matter with MoEF, the nodal ministry in this case. Thereafter, the Chairman of DCPPAI, Shri Harsh Pati Singhania, M.D., JK Paper Ltd., presented issues related to raw material, coal prices, effect of Free Trade Agreements, and problems related to land acquisition for pulpwood plantations. Request for reduction of duty on imported wood chips and bamboo were also put forward and discussed. The issue of first use of bagasse for paper industry was also discussed. It was informed that sugar industry may be requested to use the advanced depithing
technology developed by CPPRI and use only the non-fibrous portion of bagasse for burning.

A follow up meeting of the Development Council was subsequently held on 4th October, 2013, wherein the action on the decisions of the above meeting were reviewed and discussed. This meeting was chaired by Shri Harsh Pati Singhania, M.D., JK Paper Ltd., Shri Talleen Kumar, IAS, Joint Secretary, DIPP graced the occasion along with other senior officers. Major issues taken up for discussion during meeting of members of DCPPAI and other representatives of Pulp and Paper sector with honourable Minister of State, Ministry of Commerce and Industry, on 4.9.2013 were discussed and prioritized for action. The meeting also discussed a statement of the R&D projects funded by Cess grant authority under Development Council for Pulp, Paper and Allied Industries.

Meeting of Development Council for Pulp, Paper and Allied Industries (DCPPAI)

A meeting of DCPPAI was held under Chairmanship of Shri Harsh Pati Singania, M.D., JK Paper Ltd. on April 5, 2013, at Scope Building, Bhabha Hall, CGO Complex, New Delhi. The agenda of meeting was presented by Dr. R.M.Mathur, Member Secretary & Director CPPRI. Various issues like viability of degraded forest land for plantation, Improving recovery of waste paper, Technology Modernization Assistance Program (TMAP), PAT scheme, Promotion to agro forestry, Skill development, Illegal dumping of newsprint and review of the progress of Cess projects were taken up as agenda for discussion. In addition to the members, the meeting was also attended by Smt. Sunita Yadav, IES and Shri P.L.N. Murthy (Ministry of Commerce and Industry) and officials from Indian Paper Manufacturers Association (IPMA), Indian Agro and Recycled Paper Mill Association (IARPMA), Indian Newsprint Manufacturers Association (INMA), J.K. Paper Ltd., International Paper, All India Federation of Master Printers (AIFMP) and CPPRI.

Meeting of the Council of Association of CPPRI.

The 44th meeting of the Council of Association was held on 26th September, 2013, at Udyog Bhawan under the Chairmanship of Shri Saurabh Chandra, Secretary, DIPP, Ministry of Commerce and Industry, Govt of India and President,
Council of Association of CPPRI. The meeting was also graced by the presence of Shri Talleen Kumar, IAS, Joint Secretary, IPP, Ms. Gauri Karol, Director (Finance), Shri A.K. Mukhopadhyay, Deputy Secretary, IPP and Shri Harsh Pati Singhania, Chairman, Development Council for Pulp, Paper & Allied Industries & MD, J K Papers Ltd., New Delhi. The Council deliberated on various issues of the Institute and gave directions and suggestions thereon.

**Meeting of the Research Advisory Committee (RAC)**

A meeting of the RAC was held on 23rd August, 2013 at DIPP, New Delhi. The meeting was chaired by Shri Talleen Kumar, IAS, Joint Secretary, Ministry of Commerce and Industry. The meeting was also graced by the presence of Mrs. Gauri Karol, Director (Finance), Shri Alok Mukhopadhyay, Deputy Secretary (IPP) and Shri S.K. Agarwal, Under Secretary (IPP). The agenda of the meeting was presented by Dr.R.M. Mathur, Director CPPRI and Member Secretary, RAC . The committee reviewed the progress of the 12th Plan Schemes and gave special directions for the implementation of the scheme related to up gradation of IT infrastructure of CPPRI. Task specific sub committees were also set up by the Committee.

**Meeting of the Cess Committee**

A meeting of the Cess Committee was held on 23rd August, 2013, at Udyog Bhawan, New Delhi. The meeting was chaired by Shri Talleen Kumar, IAS, Joint Secretary, DIPP, Ministry of Commerce and Industry, Govt of India. The meeting was also graced by the presence of Mrs. Gauri Karol, Director (Finance), Shri Alok Mukhopadhyay, Deputy Secretary (IPP) and Dr. R.M. Mathur, Member Secretary and Director CPPRI and other members of the Cess Committee. Various issues like action taken on the decisions of last cess committee meeting, review of the ongoing projects, consideration of new proposals for approval, etc. were taken up as agenda for discussion.

**MOU SIGNED**

Mr. Houssam Dawood from DIS Industrial, Deutschland visited CPPRI for discussions in connection with the sponsored project for installation of commercial desilication plant in a 100 TPD rice straw based paper mill in Egypt, and signed MoU for transfer of desilication technology, in April 2013.
**Green Chemistry Delegation**

A delegation from Department of Science & Technology, Govt. of India, headed by Principal Scientific Advisor visited CPPRI for discussion on promotion and implementation of the applications of Green Chemistry in pulp & paper industry, on April 29, 2013.

**World Environment Day**

World Environment Day was observed by CPPRI on June 05, 2013. To mark the occasion, a programme was held in CPPRI auditorium wherein Dr. R.M. Mathur, Director, CPPRI, addressed the staff highlighting the significance and objective of observing World Environment Day every year. A presentation was made by Dr Nitin Endlay on the theme of the World Environment Day 2013 i.e. -Think, Eat and Save. The presentation highlighted need to reduce food loss along the entire chain of food production and consumption and specifically in context of food wasted by consumers, retailers and the hospitality industry and the environmental and economical impact due to food wastage.

**Receipts and Expenditure**

During the year 2013-14, total receipts of the Institute were ₹ 1645.00 Lacs and total expenditure was ₹ 1155.00 Lacs (i.e. revenue expenditure ₹ 1039.00 Lacs + capital expenditure ₹ 116.00 Lacs).

**Internal Revenue**

Internal Revenue worth ₹ 230.00 Lacs was generated by CPPRI during the financial year 2013 - 14.

**Indian Rubber Manufacturers Research Association (IRMRA), Thane**

The Indian Rubber Manufacturers Research Association (IRMRA), Thane, an autonomous institution under the Department of Industrial Policy & Promotion (DIPP), is dedicated to basic and applied research in rubber and allied products. Its main emphasis is to support the rubber industries in product development, testing and manpower development in order to meet the global competitiveness of Indian rubber industry. IRMRA is governed by a Governing Council consisting of members from Rubber Industry, Central Government and Government of Maharashtra. Established in 1959, IRMRA has created necessary infrastructure for research and development and testing of all rubber products in the non-tyre and tyre sector.

**Plan Assistance to IRMRA**

Plan Assistance of ₹ 22.50 crore was approved under the Integrated Scheme “Project Based Support to Autonomous Bodies” under DIPP during the XI Five Year Plan for implementing the three projects namely, (i) Setting up of Centre of Excellence for Tyre Research and Testing (₹ 20.25 crore), (ii) HRD Entrepreneurship Programmes (₹ 1.75 crore) and (iii) Outreach Programmes (₹ 0.50 crore) by IRMRA. Plan assistance of ₹ 22.42 crore was released to IRMRA for implementation of the said projects.
Major Activities

(A) Setting up of a Centre of Excellence for Tyre Research and Testing:
IRMRA has set up a tyre research and testing centre, equipped with the necessary machines and equipment for tyre research and testing, namely, Endurance Testing Machine for passenger car, truck/bus tyres and 2/3 wheeler vehicles, Universal Testing Machine (UTM), Shereography, Noise Vibration Harshness (NVH) and Dynamic Growth Machine. The tyre testing centre has been made functional since February, 2010. This will help to get quality tyres for consumers both from indigenous and foreign manufacturers. This centre is enabling BIS to get tyres tested for the purpose of issuing licences etc. Around 2728 numbers of tyres have been tested so far. During 2013-14, 1025 types of tyres have been tested by IRMRA.

(B) HRD - Entrepreneurship Development Programme :-
IRMRA has created infrastructure facilities like Hostels, Class Rooms, Training Aids etc. for conducting short and long term training courses in Rubber Technology. The main objective of this programme is to strengthen the hands of the Indian Rubber Industry by providing them well trained personnel. During 2012-13, 13 short term technical training programmes were conducted and during 2013-14, IRMRA conducted 21 short term technical courses with practical demonstration on Rubber Technology, which benefitted around 400 participants across the country.

(C) Outreach Programme:
The main objective of outreach programme is to disseminate the knowledge to Rubber sector and above all to link up to work with world's best institutes. IRMRA has developed 20 modules on Rubber Technology and uploaded on their website for access by the people in Industry. During 2013-14 IRMRA conducted one international training programme in USA and six training programmes in Bangkok.

National Council for Cement and Building Materials
National Council for Cement and Building Materials (NCCBM) is a cooperative research organisation registered as a society under the Societies Registration Act, 1860. The Council provides scientific, technological and industrial services support to the cement, related building materials and construction industries and carries on its activities through its units located at Ballabgarh, Hyderabad and Ahmedabad.

NCB’s activities are channelised through the following six Programme Centres:
- Cement Research and Independent Testing
- Mining, Environment, Plant Engineering and Operation
- Construction Development Research
- Industrial Information Services
- Continuing Education Services
- Quality Management, Standards and Calibration Services
Some of the major activities during the year 2013-14 are as under:

**Cement Research and Independent Testing**

- **Investigations on nanoparticle blended cements and cement based nano-composites have been taken up.** Blends of OPC prepared with different nanoparticles in the size range of 15-50 nm, viz. nano silica, nano-Fe₂O₃ and nano-TiO₂ and investigations on hydration chemistry of the blends undertaken. SEM, DTA, XRD & IR spectroscopy investigations of hydrated samples of OPC & OPC nano silica blends carried out. Nanoparticles of silica were found to accelerate the cement hydration even at very early ages resulting in significantly shorter setting times. Nano particles of silica also exhibited pozzolanic reaction at very early ages of 1 day as indicated by DTA, FTIR and XRD studies. Further study is in progress.

- **Investigations are in progress on geopolymERIC cements based on alkali activation of coarse fly ash samples having Blain fineness of 260m²/kg. Effect of varying conditions of curing including initial thermal curing have been found to be significant in compressive strength development. The investigations are on optimization of retention time and temperature which affects hydration phase development including microstructure of the hardened product.** Specimen cured at 90° C showed some dimensional instability but the drying shrinkage for specimen cured at 60° C was found to be well within permissible limits. The study is in progress.

- **Investigations on development of composite cement was taken up evolving formulations using 40 to 60 percent clinker, 35 to 55 percent combined mixes of fly ash and granulated blast furnace slag (GBFS) and gypsum. These samples have been evaluated for their physical properties and performance characteristics such as fineness, setting time, compressive strength, soundness, sulphate expansion and heat of hydration as per test procedures specified in relevant Indian Standard. Another set of raw materials such as clinker, fly ash, limestone and gypsum samples were also obtained from different sources to substantiate the study and their characterization completed. Further studies are in progress.**

- **Studies were taken up to prepare synthetic gypsum from marble slurry for use in cement production. Samples of synthetic gypsum were prepared in the laboratory by inducing chemical reaction using sulphuric acid and marble slurry. The properties of synthetic gypsum were found comparable to mineral gypsum. The micro-structure of gypsum samples are shown below:**
Aluminium waste is generated in the course of making aluminium alloys by melting aluminium scrap in furnace. Studies were taken up on establishing use of aluminium wastes in the manufacture of refractories and cement. Study showed that up to 10% of waste could be used in making refractory bricks. Similarly, up to 0.7% could be gainfully utilized as raw material as a replacement of alumina bearing additive in cement making.

Investigations have been carried out on suitability of a typical sample of marble dust as raw mix component partially replacing limestone in the manufacture of ordinary Portland cement. The cement produced replacing 80% limestone showed comparable performance.

A study has been carried out on use of Jarosite, a solid residual byproduct generated by zinc industry. As jarosite consist of sulphate bearing mineral phases it has been used as set controller replacing mineral gypsum in the manufacture of cement. Preliminary investigations were carried out using 20-40-60-80 and 100 percent jarosite replacing mineral gypsum and it was found that more than 40 percent of mineral gypsum could be replaced by jarosite in regulating the cement setting. This could be attributed to compatible solubility of sulphate bearing phases in jarosite.

Investigations were completed on evaluation of overburden stone from the limestone mine of a cement plant. The studies indicated suitability of graded overburden stone as coarse aggregate conforming to the requirements of IS:383-1970, for use in cement concrete.

A study has been taken up on characterization of fly ash samples from NTPC Ltd., Ramagundam Super Thermal Power Station generating about 4.3 million tonnes of fly ash annually. Accordingly the fly ash samples were collected and characterized for properties as per IS:3812 for their chemical and physical characteristics. It was found that fly ash samples from different fields were of a consistent quality.
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At the Independent Testing Laboratories of NCB, investigations for chemical, mineralogical and physical properties of raw materials such as limestone, clay, coal, water, admixtures, clinker, cement and aggregate samples were carried out. About 7,500 samples have been tested during the period at NABL accredited laboratories.

**Mining, Environment, Plant Engineering & Operation**

- Technical Health Audit of Mining Aspects in a cement plant located at Bhatapara, Chattisgarh was carried out.

- Preliminary Investigations for beneficiation on laboratory scale of low/marginal grade limestone deposit in District Raipur, Chhattisgarh was completed.

- Studies on present dust emissions levels and available technologies for reducing the dust emission at stone crushers have been taken up. Six Stone Crusher units i.e., three each in Tamil Nadu and Goa States covering south and western regions are being studied. Parameters like $\text{PM}_{10}$ & $\text{PM}_{2.5}$ in ambient air and fugitive dust near plant machineries & transfer points were monitored.

- Environment Monitoring Studies were carried out at two plants in Rajasthan under which ambient air quality, point source emissions, water quality and noise level near plant machinery and ambient noise were monitored.

- A study on productivity improvement was carried out in a 1.5 million tone cement plant in Andhra Pradesh covering optimization of kiln operation and heat balance study. Recommendations for improving the performance of kiln were given and as a result the production increased from 5,000 TPD to 5,400 TPD.

- Technical Audit of a cement plant was carried out and recommendations for improving performance of plant operation were given.

- Carried out Heat Balance studies for 3 plants. The reasons for high heat consumption were identified and recommendations for reducing heat consumption were submitted.

- A task on Technical Audit of reverse air bag house (RABH) was carried out for a cement plant in Kerala. The reasons for high dust emissions were identified and suggested remedial measures for
reducing dust emission from the stack.

- Studies on Technical (Health) Audit covering Mechanical, Electrical & Instrumentation aspects and Process & Quality aspects were taken up in a major cement plant of 3,750 TPD located in Gujarat. Various recommendations were given for improvements based on NCB’s assessment made from capacity utilization & breakdown analysis of various core equipment, condition monitoring practices adopted by the plant, study on operational health of various electrical systems to identify the causes of previous failures and technical audit of process and operating parameters to narrow down the ranges and optimize the performance of core equipment.

- Study on Assessment of Technology of a split located cement plant i.e. Clinkering Unit with capacity 1.09 MTPA at Babupur, Satna, Madhya Pradesh and Grinding Unit with capacity 2.2 MTPA at Bilai, Chhattisgarh was conducted. Assessment of output rate of kiln and mills, environmental management practices, safety aspects, manpower and overall maintenance practices adopted by the plant were carried out and the related report was submitted.

- Detailed project report prepared on enhancement of cement grinding capacity for a cement plant in southern part of India.

- Techno-economic Feasibility Report (TEFR) submitted for modernization of packing plant for a cement plant in southern part of India.

- Pre-feasibility report for setting up of 1000 TPD white cement plant in H.P. was submitted.

- A report was submitted for Technical Appraisal and Recommendations for setting up of the proposed 600 TPD cement plant in Republic of Congo.


- Studies on Evaluation of Technologies for Cogeneration of Power Utilizing Waste Heat in Cement Manufacture were taken up.

- Studies on Development of System Design for Storage, Handling and Firing of different Types of Alternate Fuels/Wastes in Cement plants were taken up.

- Pre-feasibility report for setting up 0.6 mtpa Bulk Cement Unit for a Cement Plant in South India.

- Technical Health Audit and Valuation of cement mill for a cement plant in South India.
Detailed project report prepared on Study on Assessment of Technology of a enhancement of cement grinding and the related report was submitted. Adopted by the plant were carried out overall maintenance practices, safety aspects, manpower and maintenance of output rate of kiln and mills, Chhattisgarh was conducted. Assessment of capacity 2.2 MTPA at Bhilai, Pradesh and Grinding Unit with MTPA at Babupur, Satna, Madhya Clinkering Unit with capacity 1.09 split located cement plant i.e. performance of core equipment. The assessment made from capacity improvements based on NCB’s recommendations were given for located in Gujarat. Various major cement plant of 3,750 TPD Quality aspects were taken up in a Instrumentation aspects and Process & covering Mechanical, Electrical & stack.

Technical Health Audit and Valuation Pre-feasibility report for setting up 0.6 Studies on Development of System Studies on Evaluation of Technologies Techno-economic review for M/s Ali. A report was submitted for Technical Pre-feasibility report for setting up of South India.

of cement mill for a cement plant in Plant in South India.
mtpa Bulk Cement Unit for a Cement taken up.
Firing of different Types of Alternate Fuels/Wastes in Cement plants were taken up.
Congo.
TPD cement plant in Republic of for setting up of the proposed 600 Appraisal and Recommendations was submitted.
1000 TPD white cement plant in H.P.
southern part of India.
packing plant for a cement plant in southern part of India.

Benchmarking report for cement projects (Green & Brownfield) & cement grinding units of various capacities (with & without captive power plant) was prepared for Industrial Promotion and Investment Corporation of Odisha Limited, Odisha.

Construction Development and Research

- Studies on Development of Methods for Service Life Design for Concrete Structure, Development of Design Parameters for High Strength Concrete and Development of Accelerated Mix Design Method for Concrete using PPC or Flyash with OPC are in progress.
- Evaluation of concrete aggregates for alkali-aggregate reactivity and other properties was carried out for 30 projects including hydroelectric and thermal power plants.
- Carried out ten studies on evaluation of chemical and mineral admixtures for concrete.
- About 150 concrete mix proportions were carried out for various grades of concrete for different projects.
- In-situ testing of concrete structures for assessment of quality and distress evaluation was carried out for 18 concrete structures.
- Third party quality checking was carried out for 300 construction projects of Municipal Corporation of Delhi.

- Detailed Third Party Inspection/ Quality Assurance for Comprehensive Development of Corridor by Construction of Elevated Road and other allied works for Public Works Department, Delhi is in progress.
- Taken up distress assessment study of 32 years old Cast in-situ RCC conduit (2,800 mm internal dia) carrying discharge of 200 Cusec of Ganga Water from Muradnagar to Gokulpuri, Delhi (Total 26 Km Stretch) and recommendation for restoration & strengthening for Delhi Water Supply Maintenance Unit.
- Performance evaluation done for Steel Fibre Reinforced Shotcrete (SFRS) Lining of the underground De-silting Chambers of a hydro power project and conducted study for installation of suitable monitoring/inspection equipment inside lined water tunnels to monitor long term performance of lining without dewatering for upcoming Hydro Power projects of SJVN Limited.

Industrial Information Services

- NCB Library serves as the national information centre for cement, building materials and construction industries. The holdings of the Library have grown to 46,398.
- The library has maintained and updated a bibliographic database consisting of about 40,325 entries.
List of indexed articles from journals received in NCB are being posted on intranet and internet website www.ncbindia.com

The IT infrastructure has been strengthened with Core 2 Duo and Quad Core Processor based systems.

Organised “13th NCB International Seminar on Cement and Building Materials” during 19-22 Nov, 2013, New Delhi. The seminar had a participation of more than 900 delegates including 115 overseas delegates from various countries. 120 technical papers were presented in 21 technical sessions. A technical exhibition was organized concurrently with the seminar. The technical exhibition bearing on the themes of the seminar was an added opportunity for the delegates to have an exposure of the state-of-the-art developments around the world. 79 companies participated in the technical exhibition occupying total 122 stalls. The seminar concluded with the presentation of National Awards for ‘Energy Efficiency’, ‘Environmental Excellence’ and ‘Quality Excellence’ in the Indian Cement Industry as well as the awards for twelve best papers to the award recipients.

Continuing Education Services

One Long Term Course, 25 Short Term Courses, 23 Special Group Training Programmes, 10 Simulator Based Courses and 10 Contact Training Programmes were organized on different topics covering cement, concrete and construction technologies for about 1,100 participants from India and abroad.

Quality Management, Standards and Calibration Services

7631 vials of certified reference materials and 1564 sets of standard lime were supplied to cement and construction industries, national testing laboratories and academic institutions during the year.

1565 equipment were calibrated during the year.

NABL Accreditation received for Proficiency Testing (PT) in cement and fly ash in chemical and mechanical fields. NCB became the first accredited PT services provider in India.

Three Proficiency Testing (PT) programmes for PPC were completed with the participation of 64 laboratories.

Two PT programmes on Fly ash were completed with the participation of 35 laboratories.

Study on Benchmarking of Quality Parameters for Indian Cement Industry completed with the participation of 15 plants.
National Institute of Design (NID), Ahmedabad

National Institute of Design (NID) is an internationally renowned institution with an experience of more than five decades in the field of Design-Research, application of advanced teaching methodologies, and unparalleled design research projects providing design education and is a catalyst for Indian commerce and industry. The institute is also recognised as a scientific and industrial research organization by the Department of Science & Technology, Government of India. This multi-disciplinary institute in the field of design education and research has also earned its place in the top 25 European and Asian programmes in the world. NID’s efforts towards making a National Design Policy finally materialized in February 2007 when the Government of India announced the first National Design Policy (NDP), a first among developing countries. Further to this, the Government of India has initiated steps to set up design education campuses in Assam, Madhya Pradesh, Andhra Pradesh and Haryana on the lines of NID, Ahmedabad. The National Institute of Design (NID) Bill 2013, for declaration of NID, Ahmedabad as an ‘Institution of National Importance’, has been introduced in Rajya Sabha on 11.03.2013. The Bill would give NID, Ahmedabad the status of the ‘institute of national importance’, which would enable award of degrees instead of diplomas to the students.

Professional Education Programmes


Integrated Design Services (IDS)

NID offers design Intervention services to corporate and specific industrial and social sectors through (a) Outreach Programmes (b) Industry Programmes & Projects (c) Design Consultancy Services, all of which come under IDS.

(a) Outreach Programmes

NID provides design intervention through Outreach Programmes for crafts and other needy sectors in governmental and non-governmental organizations at national and international levels. Some of the significant ongoing projects accomplished during 2012-13 between April-Dec, 2013 are:
• Documenting the Textile Traditions of the North-Eastern States of India: A Composite Design Study of Fibres, Fabrics, Dyes, Looms & Tools, Uses and Cultural Indicators, a project commissioned by Indira Gandhi National Centre for the Arts (IGNCA)

• Design Interventions for the Basketry Craft for Empowerment of 50 craft women/artisans of Ethiopia (25 persons) and Ghana (25 persons) [For the Ministry of External Affairs (MEA), New Delhi]

(b) Industry Programmes and Projects (IP&P)

In order to meet the specific requirements of the industry and bring about design awareness, and promote design activity through IP&P, NID conducts short-term training programmes, workshops and seminars, which usually take place throughout the year; these activities are conducted at all the three NID campuses. From April 2013 onwards, IP&P Department has conducted 9 in-house/off-campus workshops, where 267 working professionals from different industry segments participated. During April-December 2013, additional 10 workshops were conducted and 172 young students and their teachers participated in it.

MSME – Design Clinic Scheme

This Scheme aims to empower the small and medium scale industries of India and ensure better productivity through design intervention strategies. Under this scheme at NID, some of the important activities conducted in 2013 - 2014 include: 69 Design Awareness Seminars, 65 Design Awareness Programmes, 7 Orientation Programmes, 47 Professional Projects approved and 11 Student Design Projects Approved. Registrations were received from 120 Design Consultant, 55 Design Firms, 19 Design Institutes, 37 Design Students, 45 MSME Associations, 470 MSME Units and 9 Government Organisations.

(c) Design Consultancy Services (DCS)

Through the Design Consultancy Services wing, NID offers consultancy to several industrial and social segments, governmental and non-governmental agencies. Design intervention is carried out in various phases of product development involving concept development, design development and prototyping. More than 16 significant projects were undertaken by DCS in 2013.

Research and Publications

NID undertakes research, mostly applied, in all areas of design, which have a direct bearing on all sectors of the economy. Over the last decade, NID has established Design Research Chairs, in collaboration with industry partners as well as from its own corpus, in several areas such as furniture, colour universal design, stainless steel, design education, textile
and apparel design technology and transliteration. In October 2013, a publication on ‘transliteration’ under the title ‘Failed Roman’ was released, as the outcome of a research project on the same area. NID also completed its Golden Jubilee or History Book in December 2013. The department’s research centric publication ‘The Trellis’ was released in December 2013. Projects on Digital Heritage and Digital Learning Environments are in progress at NID’s R&D campus in Bengaluru.

MoUs with Other Institutions/Organisations

NID has links and collaborations with a number of national and international institutions. This has helped to foster a culture of scientific enquiry through collaborative partnerships. For the faculty and students, this has become a platform for exchanging knowledge and ideas.

Significant Events

- Department Related Parliamentary Standing Committee on Commerce has visited NID from 26th to 28th June 2013 in connection with “The National Institute of Design Bill 2013” to recognise NID as an Institute of National Importance.

- A Seminar on “National Sizing Standards for India” was conducted on 7-8 August, 2013. The Seminar looked into the urgent necessity to develop National Sizing Standards for Product Designers, Apparel Designers, Interior & Furniture Designers, Automobile Designers, Tool & footwear Designers etc.

- Design History Society 2013 Annual Conference “Towards Global Histories of Design - postcolonial perspectives” was hosted and organized by NID on 5-8 September, 2013. 150 participants from 18 countries were participated.

- During the year, Foundation stones were laid at Kurukshetra, Hyderabad and Bhopal to set up new NIDs. Foundation stone for the Jorhat campus was laid in 2012.

- Indo-France Design conclave in collaboration with CEFIPRA was held on 21st & 22nd October 2013 at New Delhi.

- The biennial International Students Animation Film Festival “Chitrakatha-13” was held during 23 to 27 October, 2013.

- A documentary film Pinch of Skin has received Special Mention Category Award at the 60th National Film Award and is also certified by the Censor Board to apply for National Film Award.

- NID students won awards at Automotive Design Challenge (ADC’12) organized by SIAM during the 7th SIAM Styling & Design conclave.
• Design Development and Skill up gradation Workshop on Doll Making Craft for North Eastern Development Finance Corporation Ltd. (NEDFi), Assam was held at Agartala, Tripura from 28th March 2013 to 16th April 2013. For the said workshop 23 women artisans from Agartala had participated.

National Productivity Council

The National Productivity Council (NPC) was established in 1958 as an autonomous body under the Societies Registration Act, by Govt. of India. It has a tripartite character, wherein Government, Industry and Labour are equally represented. The Council is headed by the Union Minister of Commerce and Industry as its President and the Governing Body is headed by Secretary, Department of Industrial Policy and Promotion as its Chairman.

The main objectives of the Council are to increase awareness of productivity and demonstration of the concepts and techniques of productivity in all sectors of the economy.

The Corporate Office of NPC is located at New Delhi. NPC also has a countrywide reach with 12 Regional Professional Management Groups (RPMGs), located at important State capitals/industrial centres and one training institute called Dr. Ambedkar Institute of Productivity (AIP) at Chennai.

NPC undertakes management and technological consultancy, training and information services in various productivity subjects for the benefit of its clients. The specialized productivity functions dealt by NPC are Process Management, Environment Management, Information Technology and Knowledge Management, Energy Management, Human Resource Management, Agribusiness, etc.

NPC also networks with over 24 Local Productivity Councils (LPCs) situated in the country to spread the message of productivity and dissemination at grassroots level. NPC is also the implementation agency for programmes/activities relating to India of the Tokyo based Asian Productivity Organization - an inter-governmental body for promotion of productivity in the Asia-Pacific region of which the Government of India is a founder member.

NPC’s Activities: Highlights

National Productivity Council has been carrying out productivity services in all spheres of the Indian economy through training, consultancy, promotion, institution building, research, International Services, and publications etc.

NPC has conducted training programmes covering topics like Organizational Excellence, Team Working, Performance Management, Six Sigma, Balance Score Card, Knowledge Management, e-Governance, TQM, TPM, Lean Manufact-
uring, Safety & Risk Management, Condition Monitoring & Predictive Maintenance, Spare Parts Management, Tribology, Energy Conservation and Audit. Various Management Systems like ISO 9000, ISO 14000, OHSAS-18001, etc. These programmes are held either as intra-company or inter-company events for different levels of executives and technical personnel.

NPC also has carried out consultancy projects demonstrating the application of various productivity tools and techniques in the areas of Lean Manufacturing, Productivity Linked Group Incentive Scheme, Organisational Strategy Planning, Manpower and Organizational restructuring, Implementation of ISO 9001 Quality Management Systems, Audit of various Management Systems, Thermography and Vibration Monitoring studies, Safety Audits, Energy Audits, Systems and Process Improvement Studies, Cleaner Production (CP) demonstration studies, etc.

The major activities of NPC during 2013-14 are as follows:

After successfully implementing seven major plan projects during XIth five year plan, NPC has submitted proposals for implementing five major plan projects in the XIIth five year plan as given below:

i. Productivity Measurement & Development of Productivity Norms for Agro Based Industries.


iii. Productivity Promotion with Special Focus on Innovation and Dissemination for Multiplier Effect.

iv. Upgradation of Ambedkar Institute of Productivity (AIP), Chennai into Centre of Excellence.

v. Adoption of Energy Efficiency and Green Initiatives at NPC, HQ.

- Unit level studies on the subject of Manpower Assessment & Productivity Improvement are being carried out in many organizations, namely, Grasim Industries Ltd.; Galaxy Surfactants Ltd.; Shell India Ltd.; Hindustan Newsprint Ltd.; Raymonds Ltd.; Tata Steel Ltd.; Cadila Healthcare Ltd.; Shree Renuka Sugars Ltd.; Jayshree Textiles Ltd. etc.

- NPC also implemented Integrated Mgmt. System in 16 model Steel Rerolling Mills under UNDP/GEF Project.

- Third party energy accounting under Restructured Accelerated Power Development & Reforms Programme (RAPDRP) project of Govt. of India has been carried out successfully in 3 states with the objective to bring down the transmission & distribution losses.
• NPC has been conducting annual examinations for Certification in Inspection of Boilers on behalf of Central Boiler Board, DIPP.

• NPC is also the authorized agency for conducting National Certification Examination for Energy Managers & Energy Auditors on behalf of Bureau of Energy Efficiency (BEE). About 10,000 such Certified Auditors/Managers are serving the Indian economy presently.

• NPC is also carrying out International Training & Consultancy projects in Energy Conservation through ADB & GIZ in Bangladesh & Nepal respectively.

• NPC has carried out the study for Ministry of Textiles, Govt. of India, for undertaking a research study on Impact of Imported Second Hand Shuttleless Looms under Technology Upgradation Fund Scheme (TUFS) on Domestic Capital Goods Industry.

• Skill Development programmes on Industrial Safety as per International standards are being conducted for newly commissioned Multinational Oil Exploration Company (CAIRN Energy India Pvt. Ltd.).

• NPC is providing Partner Institute Services from India in the publication of “World Competitive Year Book”, 2013 to be published by Institute of Management Development (IMD), Switzerland.

• NPC publishes Quarterly Journal on ‘Productivity’ with articles on various specialized themes. Two issues have already been brought out and another two issues of Productivity Journal will be brought out during the remaining part of the current year. The issues will have specialized themes - “Biotechnology, Industry, Governance and IT & ITES” during the current year.

• Assessment of implementation of Skill Development Initiative (SDI) Scheme awarded by DGET, MoLE, GOI is being carried out by NPC.

New Business Initiatives

NPC is attempting improvement in its financial performance through new business initiatives such as: IT & IT Enabled Services to Govt. Organisations; Implementation of ISO 50001; Distance Learning Certification Courses; Organising National Seminars through sponsorships & utilising Centre of Excellence for Training in Energy Efficiency (CETEE) to the fullest extent, etc.

The Quality Council of India

The Quality Council of India (QCI) has been set up as a non-profit autonomous society registered under Societies Registration Act XXI of 1860 to establish an accreditation structure in the country and to spread quality movement in India by undertaking a National Quality Campaign.
The society is governed by a Council comprising of 38 members, and has an equal representation of Government, Industry and other stakeholders.

The Council is the apex level body responsible for formulating the strategy, general policy, constitution and monitoring of various components of QCI including the accreditation boards with objective to ensure transparent and credible accreditation system. The Council through a Governing Body monitors the progress of activities and appeal mechanisms set by the respective boards.

QCI functions through the executive bodies (boards/committees) that implement the strategy, policy and operational guidance set by the Quality Council of India with a view to achieve international acceptance and recognition of various components including the accreditation systems.

Each Board has a Chairman nominated by the Chairman, QCI and comprises of representatives volunteer group of stakeholders who guide and monitor the activities and progress of the respective Boards.

The National Accreditation Board for Certification Bodies (NABCB)


The Board is a member of International Accreditation Forum (IAF) and Pacific Accreditation Cooperation (PAC). IAF is an association of the accreditation bodies of different countries of the world and PAC is the association of the accreditation bodies of the Asia Pacific economies. Membership of these organizations has helped in achieving the status of Multilateral Arrangement (MLA) of mutual recognition of the accreditations granted by NABCB by other members of IAF and PAC who are signatories to the MLA.

NABCB signed the MLA for Quality Management Systems with PAC in August 2002 and with IAF in September 2002. Further, NABCB signed the EMS MLAs of PAC and IAF in 2007. With the signing of the MLA, the accreditations granted by NABCB and the certificates issued by NABCB accredited Certification Bodies are recognized in the international markets.

As on July 2013, the number of accreditations operational is 39 for QMS certification, 11 for EMS certification, 12 for FSMS certification and 5 for OHSAS certification. In addition 17 inspection bodies and 3 product certification bodies have been accredited.
The National Accreditation Board for Testing and Calibration Laboratories (NABL)

NABL was earlier operating as part of Department of Science and Technology. Since 1998 this Board has been registered as an autonomous body under Department of Science & Technology. In time to come, it would form a part of QCI as per the Cabinet decision of February 1996, in regard to establishment of QCI. NABL offers accreditation to the Testing, Calibration and Medical Laboratories in accordance with the corresponding international standards ISO/IEC 17025 and ISO 15189.

The National Accreditation Board for Education and Training (NABET)

The National Accreditation Board for Education and Training has continuously been striving to create enabling mechanisms for the Industry. With the current scenario wherein there is frequent migration of manpower within industries and countries, NABET is trying to bring best practices through its accreditation mechanism. Necessary international linkages and partnerships with various expert groups are regularly being forged to bring uniformity and ensure acceptance of the accreditation nationally and internationally.

At present, NABET has the following verticals under its accreditation:

a) Vocational Training Institutions (including ITI’s, ITCs)

b) Personnel Certification Bodies /Skill Assessment Bodies
c) Schools
d) Environment Impact Assessment Consultant Organizations
e) Management systems (covering training courses, consultant organizations)

National Board for Quality Promotion (NBQP)

The 8th National Quality Conclave was held on March 8-9, 2013 at New Delhi. The theme of the Conclave was “Value Creation through Quality at Grassroots”. The theme was selected in order to stimulate co-ordinated action by different stakeholders including government authorities, and the corporate sector, so that citizens’ at all levels benefit by getting improved quality of products and services.

The 8th National Quality Conclave was inaugurated by Hon’ble Minister of Labour and Employment, Govt. of India. In his speech the Minister emphasised the need for skill upgradation for achieving global standards of quality in every trade and service. He wanted QCI to work out effective programmes so that goal of national skill mission is achieved.

The keynote address was delivered by Mr. Sam Pitroda, on Public Information Infrastructure & Innovations through video conference. In his speech Mr. Pitroda highlighted the need to put people at the centre of all quality efforts. While appreciating the theme of the Conclave he
underlined the importance of improving quality of education, healthcare, government services etc. which will directly impact the quality of life of the citizens.

The Guest of Honour during the inaugural session was Dr. Bindeshwar Pathak, Founder, Sulabh International Movement. Dr. Pathak shared his experiences of Sulabh Movement and categorically mentioned that a clean India would lead to Quality India. He also wanted QCI to make efforts towards improving the quality of life of the citizens.

The inaugural session was also addressed by Mr. Arun Maira, Chairman, Quality Council of India and Member, Planning Commission. In his address he focused on the need for implementation of various rules and regulations pertaining to quality of products and services. He also emphasised that Panchayats play a critical role for taking quality at grassroot levels.

The speakers for the theme session of the Conclave were Dr. Prajapati Trivedi, Chairman, NACWC & Secretary PMD, Cabinet Secretariat, Government of India, Mr. Darshan Shankar, Former Advisor (Health and Family Welfare), Planning Commission, Mr. Sharda Prasad, Director General, DGE&T, Dr. Rolf Schmachtenberg, Programme Director, Indo-German Social Security Programme (IGSSP) and Mr. Vijay Chaddha, CEO, Bharti Foundation.

The Valedictory session was addressed by Shri Chanchalapati Dasa, Vice Chairman, The Akshya Patra Foundation, Bangalore. He spoke on the topic ‘Service towards Humanity” and elaborated on the mid-day meal scheme being operated by Akshya Patra Foundation in Bangalore.

Like all previous Conclaves, the 8th National Quality Conclave had three breakaway sessions which were Quality in Healthcare, Quality in Education and Quality in Industry.

The conclave was attended by 600 professionals from industry, healthcare, education, academics, NGOs, Government departments, etc.

National Accreditation Board for Hospitals & Health Care Providers (NABH):

National Accreditation Board for Hospitals and Healthcare Providers is responsible for all the activities as per scope of its Vision and Mission statement

Following are the NABH accreditation programs along with number of applicant and accredited HCOs.

National Manufacturing Competitiveness Council (NMCC)

The National Manufacturing Competitiveness Council (NMCC) is an autonomous apex body under the administrative control of the Department to provide inputs for policy making as well as to suggest measures for enhancing the Competitiveness of Indian Manufacturing Sector. The council is represented by persons of eminence from Industry, Government and Academia. The
 endeavours of NMCC have been focused both on the short-term objective of arresting and reversing the downturn in manufacturing as well as the medium-term objective of India getting well on the way towards achieving the sustained 12-14 per cent growth in manufacturing and creation of 100 million jobs in line with the objectives of National Manufacturing Policy.

**Highlights of Major Activities/Policy Initiatives/Measures**

**High Level Committee on Manufacturing (HLCM):**
Chairman, NMCC is the convener member of the HLCM under the Prime Minister. The meeting of the High Level Committee on Manufacturing (HLCM) under the Prime Minister was convened by NMCC on 9th July, 2013 to discuss the strategy for boosting competitiveness and output in two important sectors - Textiles and Steel - and for formulating a long term approach in three strategic industries - Civilian Aircraft Manufacture, Electric and Hybrid vehicles and Advanced Materials and Composites.

**Civilian Aircraft Manufacture:** This is a strategic sector where there is a need to have a presence in the long term, particularly in view of the rapid growth of our aviation sector. The HLCM took a major strategic decision for the development of a civilian aircraft, of a 70-100 seater range to begin with, in India. The idea is to house the development and production in an SPV that would be created for this purpose. The design capabilities in NAL, HAL and

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<td>5.</td>
<td>Blood Bank</td>
<td>71</td>
<td>58</td>
</tr>
<tr>
<td>6.</td>
<td>Dental</td>
<td>8</td>
<td>4</td>
</tr>
<tr>
<td>7.</td>
<td>Allopathic Clinics</td>
<td>8</td>
<td>1</td>
</tr>
<tr>
<td>8.</td>
<td>Ayush Hospital</td>
<td>22</td>
<td>8</td>
</tr>
<tr>
<td>9.</td>
<td>Wellness Centre</td>
<td>17</td>
<td>5</td>
</tr>
<tr>
<td>10</td>
<td>Safe - I Programme</td>
<td>30</td>
<td>4</td>
</tr>
<tr>
<td>11</td>
<td>ECHS Empanelment</td>
<td>257</td>
<td>190</td>
</tr>
</tbody>
</table>

(As accreditation process is continuous cycle with many activities on for all applicant as well as accredited hospitals in any given time, so total no. are considered)
other institutions in the country would be utilised for this. Development and production partnerships with Indian private sector firms as well as overseas institutions are envisaged. Efforts will be made to leverage the offsets that are available in the defense sector for building critical domestic capabilities in high precision manufacturing and avionics.

A High Level Steering Group under Dr. V. Krishnamurthy, the then Chairman, NMCC was set up to work out the modalities of this programme.

The Request For Information (RFI) for Pilot Projects for the engine for the development of a 70 - 100 seater civilian aircraft has been issued.

**Alternative fuel based transport:**

**Electric and Hybrid:** The HLCM endorsed the launch of pilot projects for public transport of electric/hybrid vehicles in three wheelers, mini buses and buses in Delhi followed by other metros after obtaining necessary approvals. Electric vehicles do not generate pollution while moving. They are the key to low carbon transport. India has the potential to emerge as a global manufacturing hub for electric and hybrid vehicles. The pilot projects would be implemented by city specific SPVs. The first pilot in Delhi would be targeted for launch.

An Inter-Ministerial Group constituted by D/o Heavy Industry including Chief Secretary of Delhi would work out implementation modalities for the first pilot project.

**Advanced Materials: Alloys and Composites:** In order to give a greater thrust to the development as well as acquisition of technologies for advanced materials, alloys and composites, the HLCM felt that a coordinated R&D effort is needed to be mounted in critical areas. On the basis of assessment of total anticipated requirements, domestic production would be pursued. The NMCC would evolve an action plan in consultation with all stake holders.

An action plan for the development and production of advance material and alloys has been prepared & given to the Defence Ministry.

**A New Competitiveness Strategy for the Textiles Sector:** In order to expand the textiles sector which is labour intensive and contributes substantially to exports, the HLCM endorsed a new competitiveness strategy for the textiles sector. The goal would be to leverage the strengths we have in cotton and other fibres to enhance employment generation and achieve a greater share in global markets, especially in apparel. The core of the strategy is to facilitate the rapid scaling of competitiveness of the garment segment of the textile sector in the country through a comprehensive package of measures. Some of the elements of the strategy include having ready availability of work space, having adequate and comfortable housing for workers, having more flexible work timings, leveraging textile clusters and obtaining the best technologies.
An IMG under Secretary (Textiles) will work out the Action Plan. The work of IMG would be facilitated by a Steering Group consisting of Member (Industry), Planning Commission, Member Secretary, NMCC and CEA. Ministry of Labour would be asked to expedite action on the pending State level Bills on overtime flexibility and allowing night shifts for women under specified conditions.

Ministry of Textiles has started to implement the key features of the new competitiveness strategy such as modernisation of the weaving and processing sectors and provision of workers housing and training in textile parks.

**Growth strategy for Steel Industry - Targeting 300 Million Ton Output:** The growth strategy endorsed at the meeting aims at the production of 300 million tons of steel by the middle of the next decade. In the short run, pro-active facilitation of projects in the pipeline would be taken up on priority jointly by the Steel Ministry and the new investment facilitation mechanism in the Cabinet Secretariat. SAIL would leverage its existing infrastructure to substantially expand capacity. It would work out its plans for capacity expansion and production of speciality steels. A Master Plan for achieving 300 million tons of production would be prepared. The approach of having project specific SPVs for identified sites owned by GoI/States/CPSEs, which would assemble land, get necessary approvals and clearances and tie up water and raw materials, would be finalised.

The SPV could then be offered in a transparent manner for takeover by investors through a bidding process. The Steel Ministry would prepare a road map with time lines for the above.

A strategic roadmap is being finalised by Ministry of Steel for taking the Steel production to 300 million tons by the middle of next decade through a consultative process with all the stakeholders. Facilitation of brown field expansion through Cabinet Secretariat and Cabinet Committee on Investment is being pursued along with the development of green field sites through the SPV route in partnership with the concerned State Governments.

The preparatory work for convening HLCM meeting on the following items has been done:

a) SME Package
b) New Strategy for Ship Building Industry
c) Telecom Equipment Manufacturing

**Setting up of Semiconductor Wafer FAB:**

In line with the broad directions in the Prime Minister’s Group Report on Manufacturing (PMGR), a Committee comprising of Dr. V.Krishnamurthy, the then Chairman, NMCC and Dr. Sam Pitroda, had inter-alia suggested for setting up of Semiconductor Wafer Fabs for chip manufacturing. The setting up of two Semiconductor Wafer Fabrication (FAB) Manufacturing Facilities in India has since been approved by the Government. The Letter of Intent (LoI) from the Government has also been issued to provide support for
setting up the Semiconductor Wafer Fabrication (FAB) facility.

**Monitoring Capital Expenditure (CAPEX) of 23 major CPSUs:**

At the behest of the PMO, the NMCC has been reviewing the Capital Expenditure of 23 select major CPSUs on a quarterly basis. During the Financial Year 2013-14, the achievement of target was 90.7 per cent of the targeted CAPEX. This was a significant improvement over the 79.2 percent achievement of the targeted CAPEX for the FY 2012-13 of the 17 CPSUs that were monitored. The monitoring exercise has been critical in the efforts to regain the growth momentum in the Indian economy.

**National Investment Fund:**

During the course of CAPEX review, it was seen that many CPSUs had not been able to make investments commensurate with their post tax profits and growing reserves, accordingly it was suggested by the NMCC that a National Investment Fund may be created by taking special dividend from the select CPSUs, where CAPEX is moderate in comparison to their Post Tax Profits and growing reserves. This fund could, inter-alia, be used for a wide range of investments such as provision of equity for key infrastructure projects including PPP projects, contribution to the Trust Fund for the Delhi-Mumbai Industrial Corridor, strategic investments like FAB facilities and chip manufacturing, etc.

**National Gas Grid and Movement to International Fuel Standards:**

There is a captive power generation capacity of well over 50,000 MW in the country using diesel as a fuel. Gas from imported LNG at market determined prices without any subsidy is a much cheaper substitute for diesel in this market with the cost of power coming down to about half. With the end of the supply of subsidised diesel, imported gas would even be competitive as a fuel for trucks and buses on highways. For this attractive market to be served, aggressive investment in LNG terminals, regasification facilities and extension of the gas grid is essential. Therefore, NMCC has suggested for India having a National Gas Grid covering all major Cities and Industrial areas along with adequate facilities for LNG terminals and regasification.

NMCC has also suggested that the Oil companies should make investments for improving the quality of fuel to contemporary international standards as the problem of under recovery is getting behind them, this would have major impact on improving air quality in our Cities and along highways. It would also improve the competitiveness of our auto industry and make it easier for them to penetrate to international markets.

**Visionary Leaders for Societal Manufacturing:**

A Memorandum of Understanding (MoU) was signed with Japan International Cooperation Agency (JICA) for the
programme on visionary leaders for societal manufacturing. Consultations were also held with the various CPSUs/Industrial units/Industrial Associations for their participation in the programme of visionary leaders.

**Competitive Exchange Rate:**
Maintaining a competitive exchange rate, even if it requires building up of considerable reserves, is an essential prerequisite for success in manufacturing and creation of 100 million jobs over the next decade as envisaged in the National Manufacturing Policy. The East Asian economies were able to create manufacturing jobs and reduce poverty at a remarkable pace and maintaining a competitive exchange rate was one of the core elements of their strategy for rapid industrialization. In fact, this has also been part of the standard IMF package for countries facing Balance of Payment difficulties. Therefore, NMCC has been suggesting to the Government & RBI that there is a need for maintaining a competitive exchange rate policy. It may take care of neutralizing the appreciation of the Real Exchange Rate (RER) caused by inflation rate in India being higher than in its trading partners. Appreciation of the RER creates a competitive disadvantage for manufacturing and value addition in the country both for the domestic as well as export markets.

**Labour Laws Reform:**
Our existing Labour Laws emerged in response to conditions of manufacturing in the late 19th and early 20th Century. We have around 44 laws relating to labour, many of whose provisions are clearly dated. The regulatory burden they impose appear so onerous to small and medium enterprises that these act as a disincentive to their growing into large enterprises. This is reflected in the extraordinary distortion in the country where employment in the unorganized and informal sectors has been growing much faster than in the organized sector. At our stage of the industrialization, this should be the other way round. Therefore, the NMCC has suggested repealing the existing Labour Laws and replacing them with new Labour Law(s) suited to the 21st Century and in consonance with our ILO obligations. This is essential for success in large scale employment generation in manufacturing. One modern comprehensive law or at best three laws: one relating to rights, one to welfare and one to safety is the need of the hour.

**Project Exports Financing for Capital Goods:**
Project exports from India have considerable potential especially in the power and railways where manufacturing as well as project execution strength have improved over the years. The real handicap in achieving our full potential in this sector is inability of the EXIM Bank to finance Project Exports with credit at interest rates and tenor which are comparable to those of our competitors. Therefore, NMCC has suggested the need for enhancing the equity base of EXIM Bank by the Government. If Government has difficulty in providing extra equity then
firms like BHEL which would benefit could either inject the necessary equity into the EXIM Bank directly or pay extra dividend which could be then used to infuse equity into the EXIM Bank. Further, the RBI could be persuaded to provide a line of credit of ‘say’ 10 Billion US dollars to the EXIM Bank at the rates which its reserves get when deployed elsewhere. If the financing issues are resolved satisfactorily, the country could realistically target orders of 50 Billion US dollars of Project exports over the next five years.

**Inverted Duty Structure:**

The inverted duty structure acts as a disincentive for the manufacturing and value addition in the country. Accordingly, NMCC has suggested for undoing the inverted duty structure in the case of segments of manufacturing where the finished products can be imported duty free, whereas components have import duty. The major sectors where this has been the case are IT hardware, defence and shipbuilding. Giving deemed export benefits in these cases to sales within India would provide a neat solution.

**Shipbuilding Industry:**

Shipbuilding industry has been identified as a strategic industry in the National Manufacturing Policy (NMP). It is high technology and employment intensive industry. However, for various reasons, it has remained at a nascent stage with very few Indian built ships. A major reason for this is the substantial cost disadvantage on account of taxation and duties. It is seen that domestic ship building industry is taxed on inputs and final products leading to an inverted duty structure, which incentivizes import of vessels. Ship owners in the country are allowed to freely import ships without payment of duty. Unabsorbed taxes and duties are estimated to account for 11% of the price of a vessel in case of domestic sales. Without addressing the taxation issue, it is unlikely that the ship building industry would achieve its full growth potential. One way in this can be fully done is by converting existing shipyards into Special Economic Zones (SEZs). Accordingly, NMCC has suggested for a special dispensation under the SEZ Rules to enable existing shipyards above a certain capital investment as SEZs. Once ship building succeeds in the country, Greenfield investments in the developing new shipyard SEZs would also take place.

**Preferential Market Access (PMA) Policy in Government Procurement:**

NMCC has recommended for the early and focused implementation of the Preferential Market Access (PMA) Policy in Government procurement to create the business case for investment in new high technology segments of Manufacturing and ensuring thereby domestic value addition. Bulk procurement by Government and its agencies with conditionality of phased domestic manufacturing is a variant of this approach which could be used for Metros as well as next generation technologies in the Railways. The implementation of the PMA Policy will be critical to the success of strategic and sunrise industries as per the inspirations of
the National Manufacturing Policy.

**Annuity Based Infrastructure Projects**

Generation of additional domestic demand through annuity based projects in the infrastructure space has the advantage of not having any adverse effect on the fiscal consolidation efforts over the next few years, as annuity payments would start only after completion of projects and would be spread over many years. Accordingly, NMCC has suggested for taking up a number of such projects.
Chapter 14

Representation of Scheduled Castes/Scheduled Tribes/OBCs/Ex-servicemen and Physically Disabled persons in Services

The Government’s efforts for safeguard of public employment for persons belonging to Scheduled Castes and Scheduled Tribes are instrumental in ensuring inclusive growth of the Nation, free from discrimination and sufferings. In accordance with the policy of the Government of India, a SCs/STs Cell has been created in the Department under a Liaison Officer of the rank of Deputy Secretary with the objective of ensuring proper implementation of the instructions issued from time to time relating to reservation for SCs/STs in Government service. The SC/ST Cell in the Department is responsible for monitoring the implementation of the instructions of the Government on the reservation of SCs/STs in services in the Department as well as in various attached/subordinate offices, inspection of reservation rosters, ensuring submission of regular returns to the Department of Personnel & Training. Similarly, a nodal officer has been appointed in the rank of Deputy Secretary, for ensuring proper implementation of the instructions issued from time to time in respect of OBCs in government service.

Periodic directions are also issued by the Department to all administrative sections as well as the appointing authorities under its control to ensure proper implementation of the directives on reservation for members of the Scheduled Castes/Scheduled Tribes/OBCs/Ex-servicemen and Physically Disabled Persons.

Representation of Persons with Disabilities in Service

Section 3 of the Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act. 1995 stipulates that as a matter of policy, 3% reservation in the posts under the Government be provided for persons with disabilities. The Department of Industrial Policy & Promotion has been making efforts in the matter and the instructions issued by the Government of India from time to time are being implemented in the Department and circulated to all attached/subordinate offices and autonomous organizations under the Department, ensuring its compliance.
The breakup of number of persons with Disabilities and ex-servicemen working in the Department of Industrial Policy & Promotion and its Attached/Subordinate offices and Autonomous Bodies is as follows Table 14.1.

Table 14.1.

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Category of Post</th>
<th>Sanctioned Strength</th>
<th>No. of Physically Handicapped Persons</th>
<th>No. of Ex-Servicemen</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>A</td>
<td>1495</td>
<td>15</td>
<td>1</td>
</tr>
<tr>
<td>2.</td>
<td>B</td>
<td>1233</td>
<td>8</td>
<td>7</td>
</tr>
<tr>
<td>3.</td>
<td>C</td>
<td>1447</td>
<td>31</td>
<td>11</td>
</tr>
<tr>
<td>4.</td>
<td>C#</td>
<td>956</td>
<td>16</td>
<td>7</td>
</tr>
</tbody>
</table>

# Erstwhile Group ‘D’
Chapter 15

Women Welfare Activities

The principle of gender equality is enshrined in the Indian Constitution in its Preamble, Fundamental Duties and Directive Principles. The Constitution not only grants equality to women, but also empowers the State to adopt measures of positive discrimination in favour of women. Within the framework of a democratic polity, our laws, developmental policies, plans and programmes have aimed at advancement of women in different spheres.

In consonance with the guidelines proposed by the Hon’ble Supreme court in the case of Vishakha and others Vs. State of Rajasthan, the National Commission for Women drafted a code of conduct to be adopted by the Ministries/Departments. The Department has a Complaints Committee headed by a woman director in accordance with the code of conduct wherein it was stipulated that the Committee should be headed by a woman and not less than half of its members should be women.

The constitution and objectives of the Complaints Committee have been intimated to all sections in this Department. All the attached/subordinate offices under the Department have also such committees for ensuring prompt action on any complaint of sexual harassment at work place.

The Department follows all the guidelines of the Government in this matter and all possible efforts are being made to create healthy and congenial atmosphere so that women employees can perform duties with honour, dignity and without fear. The suggestions from women employees are invited from time to time for improvement in their working conditions.
Use of Official Language Hindi in Official Work

Hindi in Devnagari script has been adopted as the Official Language of the country in the Constitution of India and the Official Language Policy has been framed to ensure its use in official work and propagation thereof. Effective steps were taken during the year 2013-14 in the Department of Industrial Policy and Promotion to ensure compliance to the Official Language Policy of the Government, implementation of the requirements of Annual Programme issued by the Department of Official Language, Ministry of Home Affairs and compliance to other constitutional obligations.

Rules/provisions of Official Language Act (O.L. Act), 1963 passed by the Parliament for ensuring the effective use of Hindi in Government Offices, were fully implemented. All documents mentioned in section 3(3) of the Act such as resolutions, general orders, rules, licenses etc., including all papers to be laid on the Table of the Houses of Parliament, were issued mandatorily in bilingual form i.e. in Hindi and English. All letters received in Hindi, were replied compulsorily in Hindi as mandated in Rule-5 of Official Language Rules, 1976.

Besides cent-percent implementation of Section 3(3) of Official Language Act, 1963 and Rule-5 of Official Language Rules, 1976, correspondence with the Offices of State Governments, Union Territories and Central Government located in region ‘A’, ‘B’ and ‘C’ as prescribed by Ministry of Home Affairs, Department of Official Language, was done in Hindi to the extent possible. Efforts were made to achieve the targets laid down in the Annual Programme 2013-14 circulated by Department of Official Language. With the active cooperation of officers/staff members, 69%, 68% and 64% (as on 31st March, 2014) of correspondence has been done in Hindi with Region ‘A’, ‘B’ and ‘C’ respectively during the year. In this way, the department has continued its endeavour to achieve the targets.

In addition, with the aim of boosting the use of Hindi in day-to-day work in office, 20 Sections within the Deptt. have been earmarked to do their 100% work in Hindi in compliance with Rule 8(4) of O.L. Rules, 1976. These sections make special & concerted efforts to perform their official work in Hindi. This enthusiasm on their part, acts as a beacon to others to improve their proficiency of transacting work in Official Language. The same has
facilitated increased and significant participation of the employees in the constitutionally obligatory provision of use of Hindi in official work.

**Monitoring of Implementation of Official Language Policy in the Department**

A Quarterly Progress Report is submitted to Deptt. of Official Language, Ministry of Home Affairs in respect of the updated status regarding implementation of Official Language Policy of the Government in all divisions of the Department and Offices/Institutes/Autonomous bodies, under it. The Quarterly Progressive Report is first reviewed regularly by the Official Language Wing of the Department in context of the related rules. Position is also reviewed in the quarterly meetings of Official Language Implementation Committee, which is the main executive committee of the Deptt. on Official Language, under the chairmanship of Incharge (Official Language) of the level of a Joint Secretary and having officers of the level of Director/Dy. Secretary. Necessary instructions are issued to the officers concerned on the basis of outcome of the meetings of the committee. During the year under report, three meetings of the above Committee have been held so far in which discussions were very fruitful. The chair-person took much interest in the deliberations and gave concrete advice/decisions. There is provision of a high level Hindi Advisory Committee (34 members) under the chairmanship of Minister for Commerce & Industry, in the Department to monitor the status of use of Hindi at the highest level, in the divisions of DIPP and offices under its administrative control. This is an apex consultative/programme determining committee of the Department regarding Official Language. It consists of six Members of Parliament, hindi intellectuals/experts and renowned hindi journalists as non-official members in this committee. The Committee has representatives of the Parliamentary Committee on Official Language as well as many voluntary hindi institutions and the Deptt. of Official Language, Ministry of Home Affairs. Besides, Secretary (IPP) and other senior officers of the Department and Heads of Attached/Subordinate Offices/Institutions under the Department, are the official members. Joint Secretary (incharge of official language work), is the Member-Secretary. At least two meetings of the committee, are to be held during each year. The position regarding use of Hindi in the Deptt. as well as in its attached offices, is reviewed intensively in the meeting of the Committee. The committee members have continuously been appreciating the performance/progress achieved by the Department in respect of increased use of Hindi in official work and other related activities.
In compliance to the Official Language Policy of the Government, the official website of the department has been made bilingual in English and Hindi, to make it more useful for general public. The information about working/ activities/ important achievements of the Department, is made available in both Hindi & English languages on the website of the Deptt.

The officers of the Department responsible for official language work, inspect the Divisions of the Department, as well as attached/subordinate offices to have an on-the-spot assessment of implementation of O.L Policy of the Govt. During the year 2013-14, seven offices namely (1) National Manufacturing Competitiveness Council, New Delhi (2) Office of the Joint Chief Controller of Explosive, Faridabad (3) Office of the Salt Commissioner, Jaipur (4) Petroleum and Explosives Safety Organisation, Nagpur (5) Office of the Controller General of Patents, Designs & Trade Marks, Mumbai (6) Indian Rubber Manufacturers Research Association, Thane and (7) Central Manufacturing Technology Institute, Bangalore were inspected and detailed inspection reports were prepared and sent to respective offices alongwith suggestions in respect of shortcomings. A constant vigil is maintained on follow up by Official Language Wing.

Training

To facilitate maximum work in Hindi, training in Hindi typing and stenography is given to the concerned employees of the Department from time to time. Most of the employees have already been trained. Efforts to impart training in a phased manner to the remaining employees through Hindi Teaching Scheme operated by Ministry of Home Affairs, are on.

In addition, practical training for doing work in Hindi on different subjects, is given to the officers/employees through workshops, arranged from time to time and their problems are solved. Three such workshops were held during the year under review. Out of these, one workshop was exclusively meant for the Director/Deputy Secretary level officers. In this workshop, the concerned expert provided valuable/practical knowledge about working in Hindi through Unicode Software in computer. The participating officers highly applauded the concept and workshop itself, as it proved very useful and informative. This has helped them a lot to do work in Hindi and to overcome their hesitation. It has also resulted in increased Hindi noting/drafting percentage on files.

Mechanical Aids

As per related provisions of Official Language Act, the facility of working in English and Hindi on all available computers of the Department, has also been provided. For this purpose, encoding of universal software ‘Unicode’ has been facilitated in all computers. To facilitate
use of rupee sign ‘₹’, the concerned font has also been provided.

**Incentive Schemes**

With a view to promote increased use of Hindi by the employees, following incentive schemes are being continued in the Department, to encourage officers/employees to do their maximum work in Hindi:

1. **Annual Cash Prize Scheme for doing noting/drafting in Hindi**, circulated by M/O Home Affairs, D/O Official Language. The scheme consists of First, Second & Third prizes of ₹ 2000, ₹ 1200, & ₹ 600 (Total 10 prizes) respectively. During the year under report, ten officers/employees were awarded prizes for their excellent work under the scheme.

2. **Half Yearly Cash Prize Scheme for sections/desks**, doing their official work originally in hindi in the Department. To encourage the sections of the Department to do more work collectively in Hindi and to promote positive competition among them, a half yearly cash prize scheme is also on. Under this scheme, Prizes of ₹ 7000, 6000 & 5000 are given as first, second & third prize respectively and two consolation prizes of ₹3000 each are given. Five sections/desks were given prizes under the scheme during the year.

**Other Incentive Activities**

On the occasion of Hindi Divas, a ‘Hindi Fortnight’ was organized from 13th Sep. 2013 to 27th Sep. 2013. An appeal was circulated from Secretary (IPP) to the officers/employees of the Deptt. as well as of attached/subordinate offices and other organisations/institutes under the Deptt. to do their maximum work in Hindi.

With a view to encourage officers/employees of the Department to do work in Hindi, 9 Hindi competitions i.e. Essay, Noting & Drafting, Stenography, Typing, Hindi Knowledge of Sr. (Gp’A’) Officers, Debate, Poem Recitation, Hindi Translation and Dictation for MTS were organized. Employees participated in these competitions with great enthusiasm.

To motivate the employees to do maximum work in Hindi, wooden plaquettes depicting motivative sayings about Hindi by reputed scholars/prominent persons, have been installed in the office premises.

With the aim of increasing use of Hindi to the maximum and utilization as well as propagation of writing skills of officers/employees, the Fourth Annual Issue of Departmental Magazine ‘Sugandhi’ was published during the year, in which interesting and readable compositions of the officers/employees of the Deptt. were provided maximum space in the magazine. In addition, detailed information as well as photographs related to various functions/
activities regarding implementation of Official Language Policy like meetings of Hindi Advisory Committee/Official Language Implementation Committee, Hindi workshops, Hindi Fortnight etc., were also incorporated in the magazine. The readers found the issue very informative and commendable. The contents of the magazine are also available on website i.e. http://dipp.nic.in/English/Publications/webPatrika_Sugandhi_2013.pdf of the Department in the form of e-magazine.

The attached and subordinate offices/institutes etc. continued their endeavour towards ensuring effective implementation of various provisions of Official Language Act and Rules to promote and progressively propagate the use of Official Language in their day-to-day working. Their correspondence in Hindi with offices located in ‘A’, ‘B’ and ‘C’ regions, was found to be comparatively satisfactory. However, they were given instructions to further increase the percentage of work done in Hindi.

Like previous years, this year also, Hindi Week/Fortnight was organized during the month of September, 2013 in all the aforesaid offices. Wide-ranging Hindi competitions were organized during the week/fortnight. Winners were awarded prizes.
Vigilance Activities

The Vigilance unit of the Department is headed by a Chief Vigilance Officer (CVO) of the rank of Additional Secretary who is appointed on the advice of the Central Vigilance Commission. The Chief Vigilance Officer is the nodal point in the vigilance set up of the Department in respect of the following:

- Identification of sensitive areas prone to malpractices and taking preventive measures to ensure integrity and efficiency in the functioning of the Department.
- Taking suitable action to achieve the targets fixed by the Department of Personnel and Training on anti-corruption measures.
- Scrutiny of complaints and initiation of appropriate investigation measures.
- Processing and initiation of disciplinary proceedings.
- Maintenance of property folders and issue of sanctions under CCS (Conduct) Rules/FR&SR in respect of officers/officials of DIPP.
- Maintenance of CR Dossiers of all officers/officials of DIPP as well as Group ‘B’ / Group ‘A’ officers of Petroleum and Explosives Safety Organizations (PESO) & Salt Department.
- Issue of Major/Minor Penalty and Integrity Certificates.
- Preventive vigilance.
- Handling and custody of top secret papers like Union War Books etc.

There are part time Chief Vigilance Officers for attached and subordinate offices under DIPP. The overall responsibility of vigilance activities of these offices, however, rests with the Chief Vigilance Officer of the Department of Industrial Policy and Promotion.

Preventive vigilance continues to receive priority attention with primary emphasis on identification of areas sensitive or prone to malpractices and temptation. Compliance of the guidelines/instructions issued from time to time by the Department of Personnel and Training and Central Vigilance Commission in this regard is ensured.

Vigilance Awareness period was observed from 28th October, 2013 to 2nd November, 2013 to create awareness amongst officers and staff.
During the year 2013 Vigilance Section has received one CVC case.

The Department has also adopted Web Based Software Solution for Cadre Management System (CMC) in respect of CSS, CSSS and CSCS as per instructions issued by the Department of Personnel and Training, the cadre controlling authority of the three services. This involves feeding of relevant entries of Annual Performance Appraisal Reports (APARs) in the software (CMS) in respect of Group ‘A’ & ‘B’ (Gazetted) officers of CSS/ CSSS, before sending the hard copy of APARs to the Cadre Controlling Authority of the two services.
The Department consciously and diligently upholds the values of integrity, transparency and accountability in its day-to-day public dealings. The Department endeavors to add value to services and to speed up the process of decision making and timely implementation by adopting modern management systems and practices.

The Department is committed to:

- Continuously consult the stakeholders and other interest groups/stakeholders in reviewing the policies and procedures to reflect their views, perceptions and concerns on the policy documents.
- Consider the stakeholders and interest groups as partners in progress and accord them respect and cordiality, encourage them to come out with innovative concepts and procedures to provide for cross-fertilization of ideas that help overall promotion of industrial climate.
- Create more effective channels of communication for an interface with the stakeholders and other interest group through e-governance with widespread use of electronic mode.
- Maintain the confidentiality of the personal and business information disclosed to the Department.
- Simplifying procedures for industrial approvals keeping minimum controls that are considered critically essential.
- Place in the public domain all changes in law and procedures through appropriate media channels as and when these are finalized.

Quick disposal of cases and redressal of grievances is accorded top priority. Towards this, the Department continues to issue on the spot written acknowledgments to all queries and applications and responds to all queries within time bound manner. A detailed list of service provided including standards thereof is a Table 18.1.

For successful implementation of the Citizens' Charter, the Department expects cooperation of the users. An indicative list of expectations is given below:

- Submission of duly completed application forms in all respects.
- Proper utilization of central financial
assistance released to State Governments/UT Administrations for specific projects and making efforts for the timely completion of these projects.

- Extending courtesies to officials of the Department.
- Always keeping proper records of letters and communications with the Department.
- If the user has an appointment with an officer in the Ministry, please arrive 15 minutes prior to the appointment.
- If the user wants to cancel an appointment, please give a written notice via fax or email at least two days in advance.
- Send reports in the prescribed format as per prescribed timelines.
- To check the website regularly for updates on policies, programmes and procedures.
- Give their suggestions/inputs on drafts placed on Ministry’s website/ those circulated to them.
- State representatives should attend the conference with complete information.

Service Audit

The Department is committed to periodical audit of the quality of the services based on stringent benchmarks and standards set, both at the unit and national levels. It is envisaged to hold independent surveys to capture the stakeholder’s perceptions and assessment of the quality of services.

Helpline

For any help please visit Department’s Information and Facilitation Counter (IFC) and the Public Relation Office, at Udyog Bhavan, New Delhi, (Near Gate No.11) Tele No.011-23063088. Receipt of all applications can be obtained from the IFC office.

The Department’s cell for investment Promotion and Infrastructure Development provides information, guidance and escort services on investment promotion and infrastructure development.

Printed publications of the Department can be obtained from any outlet of the Controller of Publications. Users may visit Department’s website (http://dipp.nic.in) for downloading relevant forms for making applications for Industrial Entrepreneurs-Memorandum, Letter of Intent, Foreign Collaboration etc.

Grievance Redressal

The Department attaches great importance to redressal of grievances of the stakeholders for the overall promotion of industrial development. User complaints can be sent to us over phone, by mail, fax or personal visit. The first
The Department is committed to periodical audit of the quality of the services based on stringent benchmarks and standards set, both at the unit and national levels. It is envisaged to hold independent surveys to capture the stakeholder’s perceptions and assessment of the quality of services.

### Table 18.1
List of Some Services/ Transaction included in the Citizens’ Charter

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<td>1.</td>
<td>Grant of ad-hoc permission for manufacture and sale of cement without standard mark for a maximum period of 150 days.</td>
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<td>Certification of essentiality for import of capital goods required for initial setting up of new projects of expansion of the existing projects.</td>
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<td>3.</td>
<td>Furnishing of comments of DIPP to the Ministry of Coal for long term coal linkage and allocation of coal blocks for cement sector.</td>
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<td>4.</td>
<td>Release of Plan and Non-Plan funds to National Council for Cement and Building Materials (NCCBM) and Development Council for Cement Industry (DCCI)</td>
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<td>Inclusion of Paper Mill in Schedule-I of Newsprint Control Order 2004</td>
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<td>Release of Plan and Non-plan funds to Central Pulp and Paper Research Institute (CPPRI) and Development Council for Pulp and Paper Association of India (DCPPA)</td>
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<td>Release of Plan funds to Delhi-Mumbai Industrial Corridor Development Corporation (DMICDC) for Project Development.</td>
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<td>Issuing Industrial License for compulsory licensable items.</td>
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<td>Issuing Acknowledgment for Industrial Entrepreneur Memorandum (IEM).</td>
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<td>12.</td>
<td>Recognition of Competent Authority (CA), Inspecting Authority (IA), Well-known Material Testing Laboratory, Well-known Steel maker, Well-Known Foundry/Forge-Shops, Well-Known Tube/Pipe Maker And Well-Known Remnant Life Assessment Organisation under the Indian Boiler Regulations, 1950.</td>
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15. Disbursal of Plan Funds to Implementing Authorities.
16. In principle approval and release of funds to IIUS/MIIUS Projects.
17. Preparation and scrutiny of Bills to make payment to private firm/suppliers.
18. Furnishing of comments on FIPB cases forwarded by DEA (FIPB Division).
21. Essentially Certificate for projects in Light Engineering Industry
22. Release of Wholesale Price Index
23. Approval of foreign visit of Ministers and officers of the State Government concerning industry sector.

Useful Addresses

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<tr>
<th>SI No.</th>
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<tr>
<td>1</td>
<td>Public Relations Officer</td>
<td>Department of Industrial Policy &amp; Promotion, Entrepreneurship Assistance Unit, Near Gate No. 11, Udyog Bhavan, New Delhi.</td>
<td>Tel: 011-23063933 EPABX: 011-23063321 Extn. 2237</td>
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<td>2</td>
<td>Shri Talleen Kumar, Grievance Officer and Joint Secretary</td>
<td>Department of Industrial Policy &amp; Promotion, Ministry of Commerce &amp; Industry, Room No. 227 A-1, Udyog Bhavan, New Delhi.</td>
<td>Tel: 011-23063838 Fax: 011-23063051 <a href="mailto:talleenkumar@nic.in">talleenkumar@nic.in</a></td>
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<td>3</td>
<td>Sh. S. K. Bahri, Business Ombudsman and Additional Secretary &amp; Financial Adviser</td>
<td>Department of Industrial Policy &amp; Promotion, Ministry of Commerce &amp; Industry, Room No. 244, Udyog Bhavan, New Delhi.</td>
<td>Tel: 011-23062756 Fax: 011-23062101</td>
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Chapter 19

Right to Information (RTI)

The Department of Industrial Policy & Promotion has implemented the Right to Information Act, 2005.

The proactive disclosure scheme and other guidelines issued by the Department of Personnel and Training are being implemented scrupulously by this Department. All the 17 items required to be published proactively in terms of Section 4 (i) to (xii) of the RTI Act have been placed on the website of the Department at http://dipp.nic.in. In addition 8 more items have also been uploaded for suo moto disclosure as advised by DoP&T.

To facilitate the citizens, who come in person to submit RTI applications/appeals, one RTI counter at Gate No.11, Udyog Bhavan, New Delhi has been set up to receive applications/appeals from them. Disposal of all the applications/appeals received under RTI Act, 2005 in the Department is being centrally monitored by RTI Section.

All the Director/Deputy Secretary level officers have been designated as Central Public Information Officers to provide information to the citizens. Further, Shri D.V. Prasad, Joint Secretary, has been designated as the Appellate Authority to entertain appeals and to pass appropriate orders thereon. Also, Smt. Shubhra Singh, Joint Secretary, has been nominated as Transparency Officer in the Department.

During the current financial year 2013-14, total 734 RTI applications including online applications were received (upto 31st March, 2014) in this Department out of which 32 Nos. of applications were transferred to concerned Public Authorities in other Ministries/Departments. Total 24 Appeals were received in the Department. Quarterly Reports in respect of RTI Act are being sent to Central Information Commission (CIC) regularly.
Organizational Chart of Department of Industrial Policy and Promotion (as on 15/6/2014)

Appendix-I

Attached Offices
2. The Tariff Commission, New Delhi.
3. Office of the Salt Commissioner, Jaipur.

Subordinate Offices
2. Petroleum & Explosives Safety Organization, Nagpur.

Other Organizations / Grantee Institutions
1. Central Manufacturing Technology Institute, Bangalore.
2. Central Pulp & Paper Research Institute, Saharanpur.
3. Delhi Mumbai Industrial Corridor Development Corporation Ltd., New Delhi.
4. Indian Rubber Manufacturers' Research Association, Thane.
5. Intellectual Property Appellate Board (IPAB), Chennai.
8. National Manufacturing Competitiveness Council (NMCC), New Delhi.
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5. Intellectual Property Appellate Board (IPAB), Chennai.
8. National Manufacturing Competitiveness Council (NMCC), New Delhi.
### Yearwise and Statewise Breakup of Industrial Entrepreneurs Memorandum Filed

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Appendix-III
### Yearwise and Statewise Breakup of Industrial Entrepreneurs Memorandum Filed

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*Proposed investment ₹ Cr*
# SECTORWISE AND YEARWISE LISTS OF IEMs FILED DURING LAST FIVE YEARS

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*Proposed investment ₹ Cr*
Appendix-V

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Based on Part B of IEM Form Filed by Entrepreneurs

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*Note: No applicant had reported implementation of IEM during the year 1991. Investment ₹ Cr*
Statewise Investment Intentions (IEMs +LOIs+DILs)  
**10th Plan Period Onwards**

<table>
<thead>
<tr>
<th>Name of the State</th>
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Note: Investment in terms of Industrial Entrepreneur Memoranda (IEMs) filed by non-MSME category industrial undertakings; Letters of Intent (LOIs) and Direct Industrial Licences issued.
### Statewise Investment Intentions (IEMs + LOIs + DILs)
#### 10th Plan Period Onwards

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<tr>
<th>Name of the State</th>
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**Proposed investment ₹ Cr**

*Note: Investment in terms of Industrial Entrepreneur Memoranda (IEMs) filed by non-MSME category industrial undertakings; Letters of Intent (LOIs) and Direct Industrial Licences issued.*
### Statewise Investment Intentions (IEMs +LOIs+DILs) 10th Plan Period Onwards

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Statewise Investment Intentions (IEMs +LOIs+DILs)
10th Plan Period Onwards

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<th>Name of the Scheduled Industry</th>
<th>Xth Plan Period</th>
<th>XIth Plan Period</th>
<th>XIIth Plan Period Apr-12 to Mar-14</th>
<th>Total</th>
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<td>Nos</td>
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*Proposed investment* ₹ Cr

*Note: Investment in terms of Industrial Entrepreneur Memoranda (IEMs) filed by non-MSME category industrial undertakings; Letters of Intent (LOIs) and Direct Industrial Licences issued.*
## Present Status of Projects under IIUS Sanctioned During 11th FYP

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<th>Released GOI grant (₹ Cr.)</th>
<th>Progress Physical (%)</th>
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## Present Status of Projects under IIUS Sanctioned During 11th FYP

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<th>Name of the Industrial Cluster</th>
<th>State</th>
<th>Date Approval</th>
<th>Total Project Cost (₹ Cr.)</th>
<th>Approved GOI Grant (₹ Cr.)</th>
<th>Released GOI Grant (₹ Cr.)</th>
<th>Progress Physical (%)</th>
<th>Project Approval Period</th>
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Government of India
Ministry of Commerce & Industry
Department of Industrial Policy & Promotion

2013-14
Annual Report