सत्यमेव जयते

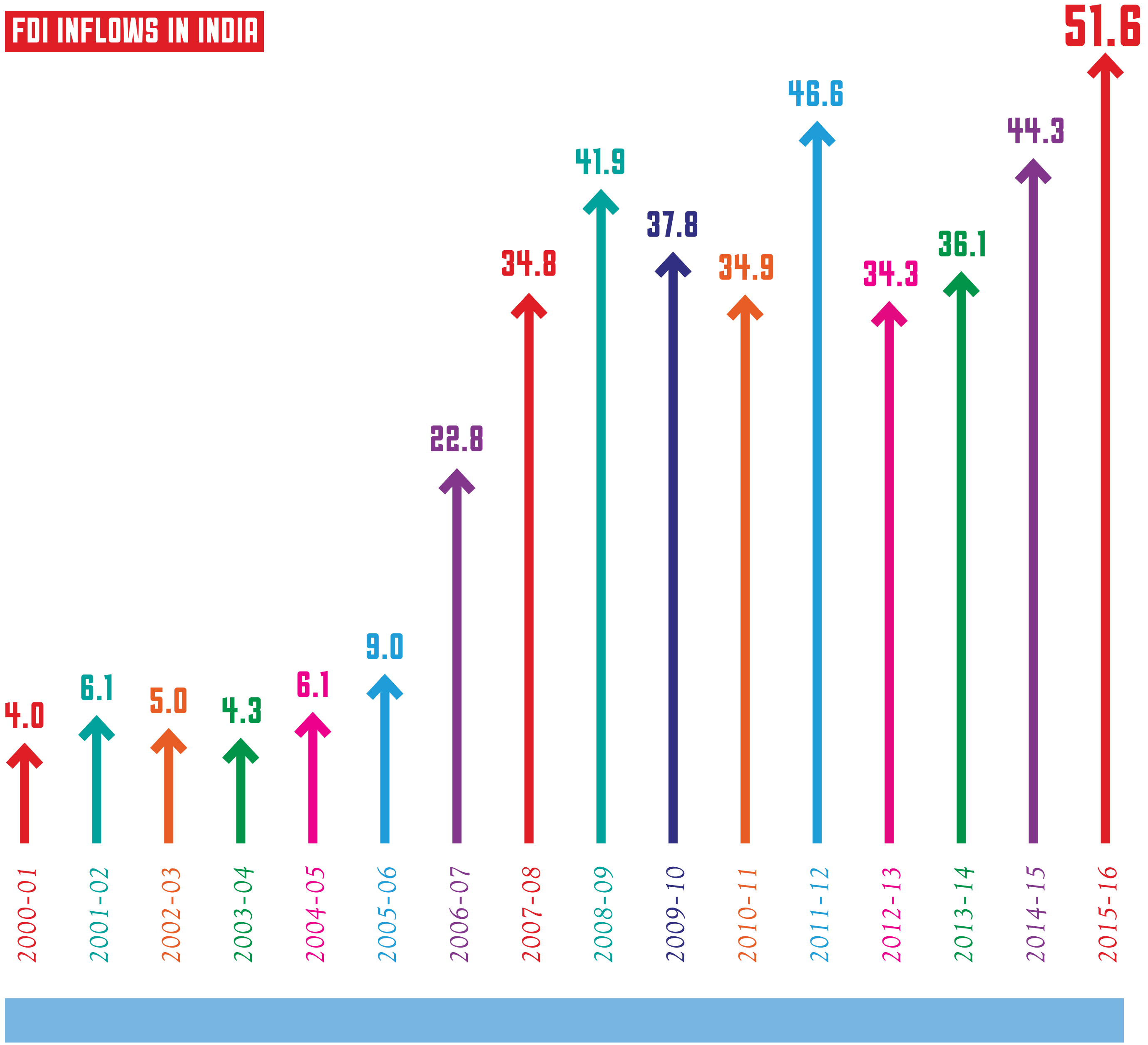
GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF INDUSTRIAL POLICY & PROMOTION

2 YEAR ACHIEVEMENTS

CONTENTS

FDI INFLOWS

Foreign Direct Investment (FDI) equity inflows in the past 21 months (from June, 2014 to February, 2016) have increased by approx. 44%, from USD 43.87 billion to USD 63.16 billion, over the preceding period of 21 months (September, 2012 to May, 2014). Substantial investment has begun to flow into the electronics, automotive, food processing, textiles and garments, renewable energy and construction sectors. The total FDI inflows during 2015-16 (up to February, 2016) have been the highest-ever total FDI for a financial year; which has been achieved in just 11 months of 2015-16. The world's largest democracy is well on its way to becoming the world's most powerful economy.



International Rating Agency Moody's has said that net FDI inflows have hit an all-time high in early 2016, highlighting the success of Make in India initiative.

Source RBI

MAJOR FDI REFORMS

→ 100% FDI under the automatic route has been allowed in the specified rail infrastructure projects

→ Investment made by NRIs, PIOs and OCIs under Schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations on non-repatriation basis is now deemed to be domestic investment at par with the investment made by residents

→ The special dispensation of NRIs has also been extended to companies, trusts and partnership firms, which are incorporated outside India and are owned and controlled by NRIs

→ 100% FDI under automatic route for manufacturing of medical devices has been permitted

→ In order to provide simplicity to the FDI policy and bring clarity on application of conditionalities and approval requirements across various sectors, different kinds of foreign investments have been made fungible under one composite cap

→ FDI up to 100% through automatic route has been allowed in White Label ATM Operations

→ Reforms in FDI policy in construction development sector include:

a Removal of conditions of area restriction and minimum capitalization to be brought in within the period of six months of the commencement of business

b Exit and repatriation of foreign investment is now permitted after a lock-in-period of three years. Transfer of stake from one non-resident to another non-resident, without repatriation of investment is also neither to be subjected to any lock-in period nor to any government approval

c Exit is permitted at any time if project or trunk infrastructure is completed before the lock-in period

d 100% FDI under automatic route is permitted in completed projects for operation and management of townships, malls/shopping complexes and business centres

→ Foreign investment up to 49% in defence sector has been permitted under automatic route along with specified conditions. Further portfolio investment and investment by FVCIs has been allowed up to permitted automatic route level of 49%. The foreign investment in excess of

49% has been allowed on case-to-case basis with government approval in case of access to modern and state-of-the-art technology related manufacturing

→ Sectoral cap on broadcasting sector has been raised across various activities as follows:

a 74% to 100% in teleports, DTH, cable networks (digital), mobile TV, HITS

b 26% to 49% for FM radio, up-linking of 'news and current affairs'

c 49% to 100% for cable networks (not undertaking digitization)

→ FDI route for up-linking of non-'news and current affairs' and down-linking of channels changed to automatic route

→ Government has decided to introduce full fungibility of foreign investment in Banking-Private sector. Accordingly, FIIs/FPIs/QFIs, following due procedure, can now invest up to sectoral limit of 74%, provided that there is no change of control and management of the investee company

→ Government has opened certain plantation activities namely coffee, rubber, cardamom, palm oil tree and olive oil tree plantations for 100% foreign investment under automatic route

→ It has been decided that a manufacturer will be permitted to sell its product through wholesale and/or retail; e-commerce under automatic route

→ Government has reviewed single brand retail trading (SBRT) FDI policy to provide that sourcing of 30% of the value of goods purchased would be reckoned from the opening of first store. In case of state-of-the-art and cutting-edge technology, sourcing norms can be relaxed subject to government approval. Further, an entity operating SBRT through brick and mortar stores has been permitted to undertake e-commerce activities as well

→ Indian brands are also eligible for FDI to undertake SBRT. In this regard, it has been decided that certain conditions of the FDI policy on the sector viz; products to be sold under the same brand internationally and investment by non-resident entity/entities as the brand owner or under legally tenable agreement with the brand owner, will not be made applicable in case of FDI in Indian brands

→ 100% FDI is now permitted under automatic route in Duty Free Shops located and operated in the Customs bonded areas

→ FDI policy on wholesale cash & carry activities has been reviewed to provide that a single entity will be permitted to undertake both the activities of SBRT and wholesale

→ 100% FDI is now permitted under the automatic route in Limited Liability Partnerships (LLP) operating in sectors/ activities where 100% FDI is allowed through the automatic route and there are no FDI-linked performance conditions. Further, the terms ownership and control with reference to LLPs have also been defined

→ Regional Air Transport Service (RSOP) has been opened for foreign investment up to 49% under automatic route. Further, foreign equity cap of activities of Non-Scheduled Air Transport Service, Ground Handling Services has been increased from 74% to 100% under the automatic route

→ Foreign investment cap on satellites-establishment and operation has now been raised from 74% to 100% under the government route

→ Foreign investment cap on Credit Information Companies has now been increased from 74% to 100% under the automatic route

→ In order to achieve faster approvals on most of the proposals, the government has decided to raise threshold limit for approval by Foreign Investment Promotion Board (FIPB) to INR 5000 crore

→ FDI Policy on insurance and pension sector reviewed to permit foreign investment up to 49% under automatic route

→ In order to provide clarity to the e-commerce sector, the government has issued guidelines for foreign investment. 100% FDI under automatic route is permitted in the marketplace model of e-commerce

→ Further, Finance Minister in its Budget Speech on 29 February, 2016 announced that 100% FDI will be allowed through FIPB route in marketing of food products produced and manufactured in India. This will benefit farmers, give impetus to food processing industry and create vast employment opportunities

EASE OF DOING BUSINESS

A number of measures focused on 'ease of doing business' in India have also been launched. Brand new, IT-driven application and tracking processes have replaced files and red tape, while other measures have helped streamline and rationalize licensing rules at the state government level, aligning them with global best practices. Other initiatives such as Digital India, Smart Cities, Atal Mission for Rejuvenation & Urban Transformation (AMRUT), Sagarmala, Housing for All, Skill India and Startup India are synergizing Make in India by laying a strong foundation for the next wave of investment and growth.

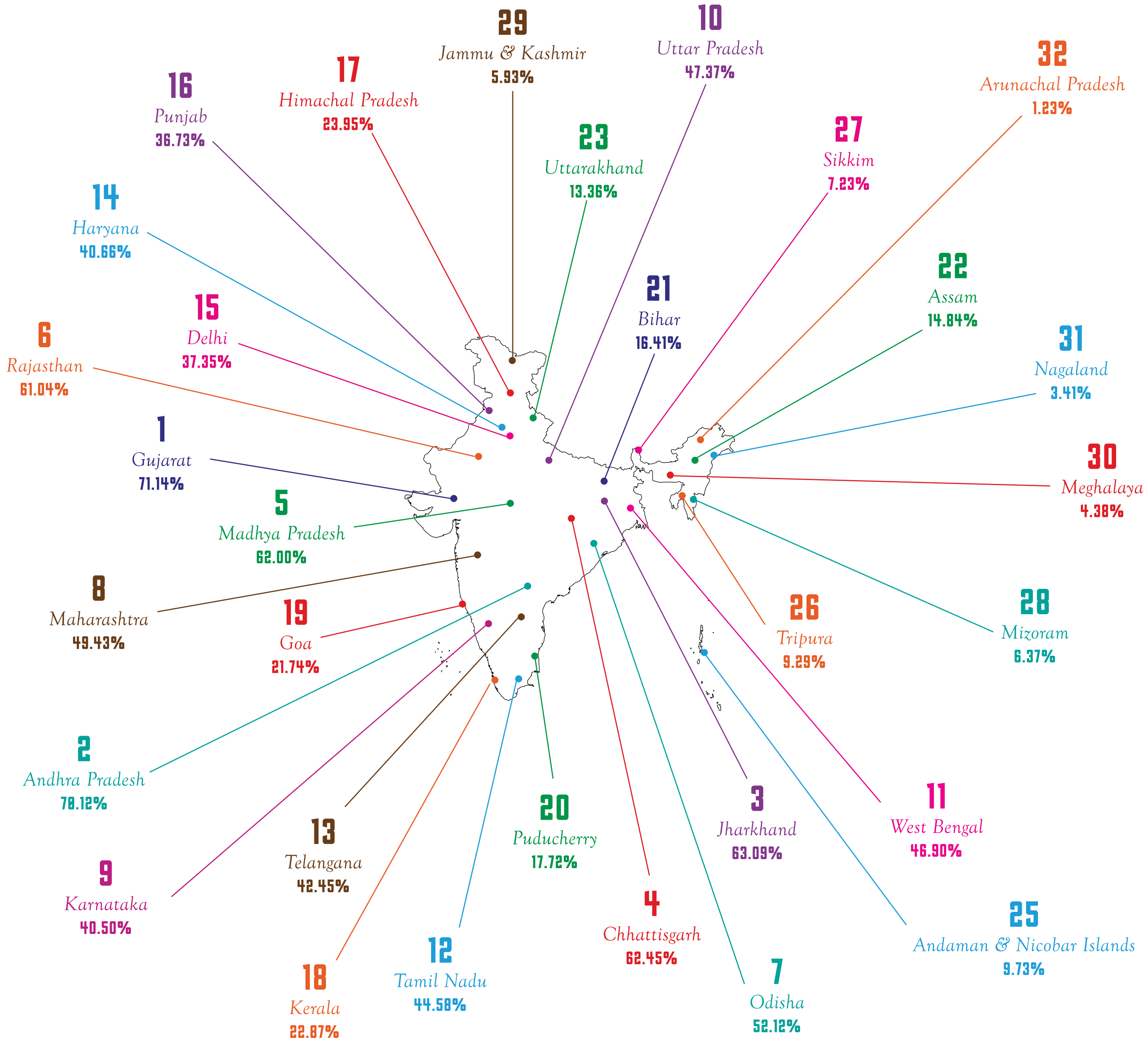
A report titled "Assessment of State Implementation of Business Reforms" was released on 14 September, 2015. The report captures the findings of an assessment of reform implementation by states, led by Department of Industrial Policy & Promotion DIPP, Ministry of Commerce and Industry, Government of India (GoI) with support from World Bank group and KPMG. This assessment has been conducted to take stock of reforms implemented by states from January to June, 2015 based on a 98-point (agreed between DIPP and state/UTs) action plan for business reforms and rank them on the basis of reforms implemented.

The assessment reveals that states are at different levels of implementation on the 98-point action plan. The implementation status of each state has been converted to a percentage, and on the basis of this, the state rankings have been calculated.

A 340-point action plan for improving the regulatory framework for business as part of simplifying doing-business in the country was shared by DIPP with all states/UTs for implementation in 2016. In this regard, an online portal to track implementation of reforms on a real-time basis has been launched on 8 April, 2016.

INDIA HAS MOVED UP 12 PLACES IN THE WORLD BANK'S DOING BUSINESS RANKINGS 2016 RELEASED IN OCTOBER, 2015

RANKINGS OF STATES, ASSESSMENT OF STATE IMPLEMENTATION OF BUSINESS REFORMS



ACTIONS COMPLETED

→ Online portals for Employees State Insurance Corporation (ESIC) and Employees Provident Fund Organization (EPFO) for:

– Real-time registration

– Payments through 56 accredited banks

– Bank Account made optional

→ 20 central government services delivered via eBiz, a single window online portal

→ Simplified forms for:

– Industrial Licence

– Industrial Entrepreneurs Memorandum

→ Extended validity for implementing industrial licences

→ No distinction between partial and full commencement of production for all products

→ Many defence sector dual-use products no longer require licences

→ Validity of security clearance from Ministry of Home Affairs extended to three years

→ Eliminated requirement of minimum paid-up capital and common seal for companies

→ Integrated process of incorporation of a company wherein applicants can apply for Director's Identification Number (DIN) and company name availability simultaneous to incorporation application [Form INC-29].

→ Single window clearance for import

→ Documents reduced from seven to three for exports and imports

→ Launch of the EXIM Analytics dashboard to enable analysis of trade information including ports of export, ports of imports and direction of trade

→ Unified online portal (Shram Suvidha) for:

– Registration of Labour Identification Number (LIN), submission of returns & grievance redressal

→ Online application process for environmental and forest clearances

→ Investor Facilitation Cell established

→ Dedicated Japan+ and Korea+ Cell established

→ Commercial Divisions and Appellate Divisions created in Delhi & Mumbai High Courts

→ Consent to Establish/NOC no longer required for new electricity connections

→ Combined process for registration for VAT and Profession Tax in Maharashtra

→ Registration for VAT in Delhi made online and business can start immediately on receipt of Taxpayer's Identification Number (TIN) number; TIN allotment made real-time

→ Online single window building plan approval systems deployed in Delhi and Mumbai

→ Color-coded maps for locations requiring NOCs developed by Airport Authority of India (AAI), National Monument Authority (NMA), Delhi Metro Rail Corporation (DMRC) and Delhi Urban Art Commission (DUAC)

→ Online portals for NOC launched by AAI and NMA

MAKE IN INDIA

In just over 18 months, Make in India has become a rallying cry for India's innumerable stakeholders and partners. This global movement has been powered by an in-depth overhaul of processes and policies, which in turn was made possible by the hard work of thousands of government and private sector agencies. In a remarkably short space of time, this ambitious effort has yielded significant dividends. There has been an unprecedented increase in confidence, collaboration and investment.

The Make in India initiative has been built on layers of collaborative effort. A National Workshop was held on 29 December, 2014 with the Sectoral Departments/Ministries and state governments to draw up a Plan of Action for short and medium term, for creating an enabling framework to stimulate investments in manufacturing. For this, DIPP also invited participation from industry leaders and

various knowledge partners. The exercise resulted in a road map for the single largest manufacturing initiative undertaken by a nation in recent history.

25 thrust sectors including manufacturing as well as relevant infrastructure and service sectors were identified under the Make in India initiative.

Once the road map was in place, the Make in India initiative began to accelerate. Concerned Ministries/Departments have over time updated their action plans to identify quantifiable and measurable milestones in respect of each activity of their Action Plan, which is now monitored on a Dashboard that was launched on April 8, 2016. The Make in India initiative has demonstrated the transformational power of public-private partnership, which has become a hallmark of Make in India.

As part of the program, outdated frameworks of the past were rapidly dismantled and replaced with a transparent and user-friendly system that has helped drive investment, foster innovation, develop skills, protect Intellectual Property (IP) and build best-in-class manufacturing infrastructure. The most striking indicator of progress has been the opening up of key sectors – including railways, defence, insurance and medical devices – to dramatically higher levels of FDI.

INDIA AT HANNOVER MESSE, 2015

12-17 APRIL, 2015/GERMANY

India participated as partner country in Hannover Messe, 2015 organized in Germany during 12–17 April, 2015. During India's participation the core theme of 'Make in India' was showcased; German as well as other international companies were invited to make India their manufacturing base. Over 350 Indian companies, 120 Indian CEO's and 14 Indian states participated at Hannover Messe, 2015. Prime Minister of India and Chancellor of Germany jointly inaugurated the fair.

Prime Minister Modi, Minister for Commerce & Industry Nirmala Sitharaman and German Chancellor Angela Merkel at the inaugural event

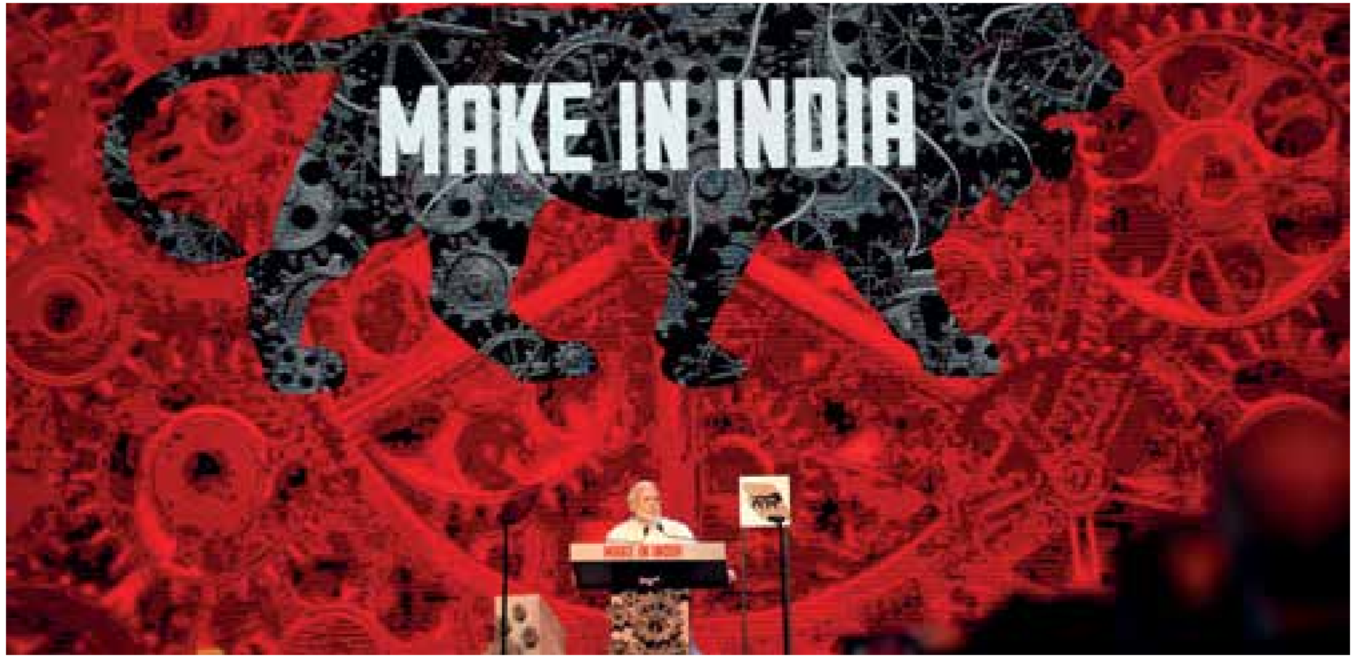
MITTELSTAND INITIATIVE

Make in India Mittelstand initiative was launched on September 10, 2015 and more than 50 German Mittelstand companies participated. It is a business support program launched in cooperation with the Indian Embassy in Germany and designed to facilitate German Mittelstand and Family-Owned Enterprises to Make in India.

MAKE IN INDIA WEEK

13–18 FEBRUARY, 2016/MUMBAI

Showcasing the potential of design, innovation and sustainability across India's manufacturing sectors in the coming decade, the week sparked a renewed sense of pride in India's manufacturing and took corporate and public participation to the next level.



Launch of Make in India Week by the Hon'ble Prime Minister at the NSCI

Inauguration of Make in India Centre by the Hon'ble Prime Minister at MMRDA Grounds, Mumbai

Nirmala Sitharaman, Minister for Commerce & Industry, inaugurating the Global Design & Innovation Session during the Make in India Week

STARTUP INDIA

Launched on 16 January, 2016 by PM Narendra Modi, Startup India is a flagship initiative of the GoI, intended to build a strong ecosystem for nurturing innovation and startups in the country that will drive sustainable economic growth and generate large-scale employment opportunities. The government, through this initiative, aims to empower startups to grow through innovation and design.

In order to meet the objectives of the initiative, GoI has announced the Action Plan that addresses all aspects of the startup ecosystem. With this Action Plan, the government hopes to accelerate spreading of the startup movement:

→ From digital/technology sector to a wide array of sectors including agriculture, manufacturing, social sector, healthcare, education etc

→ From existing tier-1 cities to tier-2 and tier-3 cities including semi-urban and rural areas

The Action Plan is divided across the following areas:

→ Simplification and Handholding

→ Funding Support and Incentives

→ Industry-Academia Partnership and Incubation

STARTUP ACTION PLAN: MILESTONES ACHIEVED SO FAR

→ A website has been created for Startup India (www.startupindia.gov.in)

→ Mobile application for recognition of startups has been launched on 1 April, 2016

→ Startup Hub for a single point of contact for the entire ecosystem, to enable knowledge exchange and access to funding has been created on 1 April, 2016

→ The definition of startup has been notified

→ Notification related to self-certification under Labour Laws has been issued

→ New categories of white industries has been notified

→ Scheme for facilitating Startup Intellectual Property Protection (SIPP) has been notified

→ List of facilitator for patents has been notified

→ List of facilitator for Trademarks has been notified

→ Relaxed norms of Public procurement for Startups has been issued

The Action Plan is under various stages of implementation in consultation with various Ministries/Departments/ State Governments/Union Territory Administration and will be implemented through various notifications/circulars, which shall be shared on the website of DIPP and Startup India.

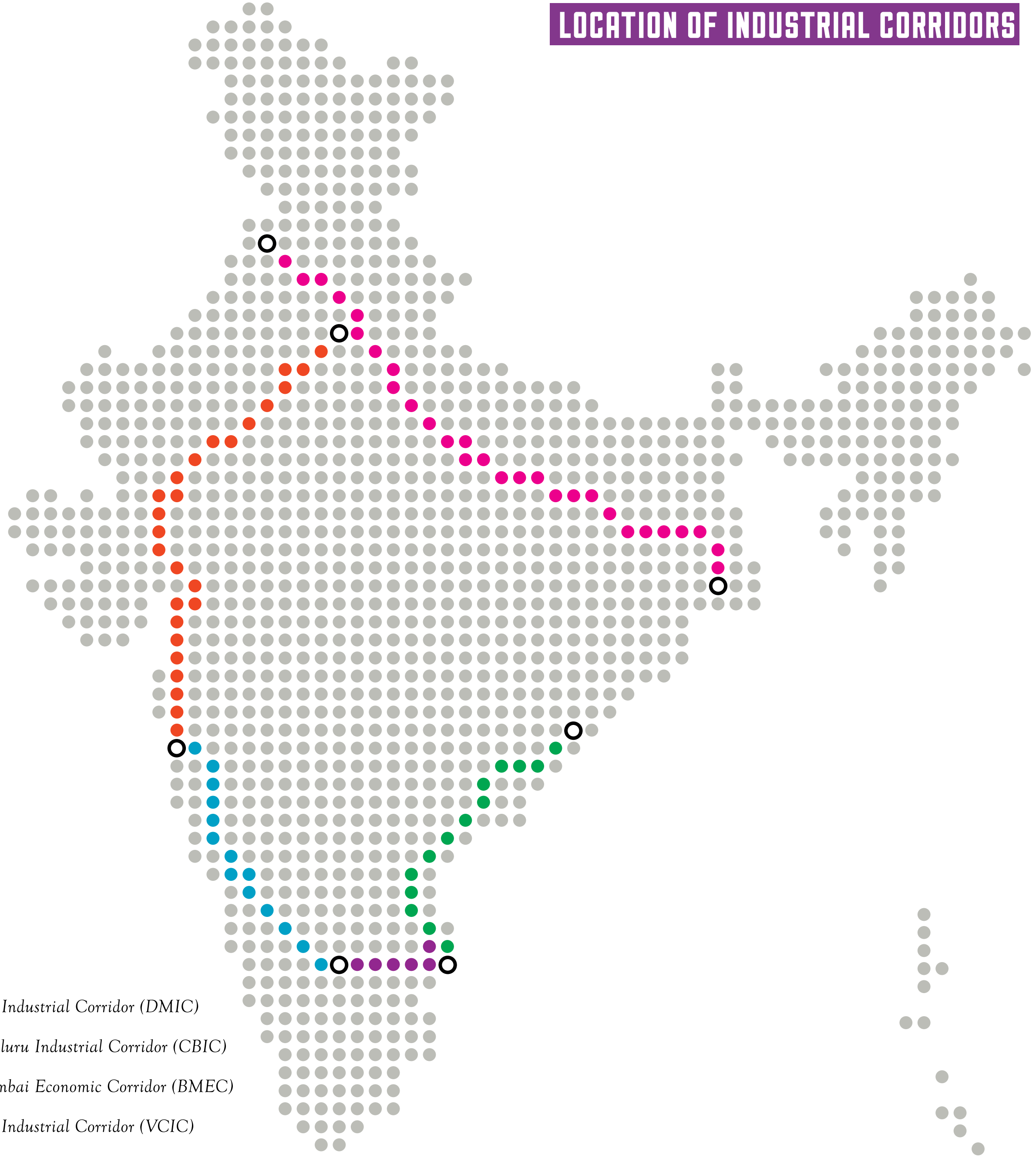
The Minister for Commerce and Industry interacted with young entrepreneurs in different cities to promote the Startup India campaign. She attended a workshop on startups in Coimbatore, for women entrepreneurs in Bengaluru and another workshop in Mumbai to disseminate the Startup Action plan. She also visited a co-working startup place in Delhi and interacted with 70 entrepreneurs working there.

INDUSTRIAL CORRIDORS

GoI is building a pentagon of industrial corridors across the country to provide developed land and quality infrastructure for industrial townships.

The progress so far has been as follows:

LOCATION OF INDUSTRIAL CORRIDORS



Delhi-Mumbai Industrial Corridor (DMIC)

Chennai-Bengaluru Industrial Corridor (CBIC)

Bengaluru-Mumbai Economic Corridor (BMEC)

Vizag-Chennai Industrial Corridor (VCIC)

Amritsar-Kolkata Industrial Corridor (AKIC)

DELHI-MUMBAI INDUSTRIAL CORRIDOR

LENGTH: *1483 km*

INFRASTRUCTURE PLANS

Dedicated Freight Corridors connecting industrial nodes, to be built by 2017

ECONOMIC POTENTIAL

→ *USD 720 billion in exports in the next nine years*

→ *Output value: USD 3.3 trillion in the next nine years*

→ *25.5 million jobs in the next seven years*

DELHI-MUMBAI INDUSTRIAL CORRIDOR (DMIC):

→ The Delhi-Mumbai Industrial Corridor is being developed on either side, along the alignment of the 1483km long Western Dedicated Rail Freight Corridor between Dadri (UP) and Jawaharlal Nehru Port Trust (JNPT), Navi Mumbai

→ The DMIC project covers six states namely (1) Uttar Pradesh, (2) Haryana, (3) Rajasthan, (4) Madhya Pradesh, (5) Gujarat and (6) Maharashtra. Currently, following seven Nodes/Industrial Regions/Areas are being focused for development across these states:
(i) Dadri – Noida Ghaziabad IR, UP
(ii) Manesar – Bawal IR, Haryana
(iii) Neemrana – Khushkhera – Bhiwadi IR, Rajasthan
(iv) Pithampur – Dhar – Mhow IR, MP
(v) Ahmedabad – Dholera IR, Gujarat
(vi) Shendra – Bidkin Industrial Park, Maharashtra
(vii) Dighi Port IA, Maharashtra

→ Proposals for development of Trunk Infrastructure Components in the activation area of 22.5 sq. km. as part of Phase-1 development of the Dholera Special Investment Region (DSIR) in Gujarat; and development of trunk infrastructure components and landscaping over an area of 8.39 sq. km. as part of Phase-1 development of the Shendra Bidkin Industrial Area (SBIA) in Maharashtra were approved by Cabinet Committee on Economic Affairs (CCEA) in its meeting held on 30 May, 2015. The construction related works have started on site

→ Four DMIC projects as under are ready to be launched:
– Ahmedabad-Dholera Special Investment Region in Gujarat
– Shendra-Bidkin Industrial Park in Maharashtra
– Integrated Industrial Township Project in Greater Noida, UP
– Integrated Industrial Township Project in Vikram Udyogpuri in Ujjain, MP

→ The proposal for creation of a world-class, state-of-the-art Exhibition-cum-Convention Centre (ECC) on land measuring 89.72 ha in Sector 25, Dwarka, New Delhi has been approved by Cabinet in its meeting held on 23 March, 2016

CHENNAI-BENGALURU INDUSTRIAL CORRIDOR (CBIC):

→ Master planning of three identified nodes namely Ponneri (Tamil Nadu), Tumkur (Karnataka) and Krishnapatnam (Andhra Pradesh) in CBIC completed

→ Preliminary Environment Impact Assessment Study for these nodes is under progress

BENGALURU-MUMBAI ECONOMIC CORRIDOR (BMEC):

→ Four nodes in the state of Maharashtra and six nodes in the state of Karnataka have been identified under perspective planning, of which, one node from each state governments is to be shortlisted by state government for master planning

VIZAG-CHENNAI INDUSTRIAL CORRIDOR (VCIC):

→ Asian Development Bank (ADB), consultant of VCIC has since submitted the final report on Conceptual Development Plan (CDP) of VCIC

→ Out of four nodes namely Vishakhapatnam, Kakinada-Gannavaram, Kankipadu and Srikalahasti-Yerpedu of Andhra Pradesh identified by ADB in CDP-VCIC region, ADB prioritized two nodes namely Vishakhapatnam and Srikalahasti-Yerpedu for which master planning has been initiated by third quarter of 2015

→ Regional Perspective Planning of VCIC is in progress

→ Department of Economic Affairs has accorded approval of project loan of USD 500 million and program loan of USD 125 million from ADB to the proposal of Government of Andhra Pradesh for VCIC-DP

AMRITSAR-KOLKATA INDUSTRIAL CORRIDOR (AKIC):

→ Interim Report on Perspective Plan for AKIC Project prepared

FACILITATION OF INTELLECTUAL PR OPERTY RIGHTS INCLUDING DESIGN

NATIONAL INTELLECTUAL PROPERTY RIGHTS POLICY

The most significant achievement has been the approval of the National Intellectual Property Rights (IPR) Policy. This policy was prepared on the basis of the draft prepared by the 'Think Tank' constituted for this purpose. After extensive stakeholder discussion and examination of the comments/suggestions received from as many as 31 Departments/Ministries of the GoI, the final National Intellectual Property Rights (IPR) Policy has been prepared.

This policy will lay the future road map for IP in India. The policy recognizes the abundance of creative and innovative energies that flow in India, and the need to tap into and channelize these energies towards a better and brighter future for all. It aims to create and exploit synergies between all forms of IP, concerned statutes and agencies. It sets in place an institutional mechanism for implementation, monitoring and review. It aims to incorporate and adapt global best practices to the Indian scenario. This policy shall weave in the strengths of the government, research and development organizations, educational institutions, corporate entities including MSMEs, startups and other stakeholders in the creation of an innovation-conducive environment, which stimulates creativity and innovation across sectors, as also facilitates a stable, transparent and service-oriented IPR administration in the country.

The announcement of the policy is a landmark event. This is especially true when seen against the backdrop of IPRs becoming increasingly important in the global arena. There is a need to increase awareness on IPRs in India, be it regarding the IPRs owned by oneself or respect for others' IPRs. The importance of IPRs as a marketable financial asset and economic tool also needs to be recognized. For this, domestic IP filings, as also commercialization of patents granted, need to increase. Innovation and sub-optimal spending on R&D too are issues to be addressed.

The policy lays down seven objectives, to be achieved through detailed action points. The action by different Ministries/Departments shall be monitored by DIPP, which shall be the nodal department to coordinate, guide and oversee implementation and future development of IPRs in India. The objectives of the policy are to increase IPR awareness through outreach and promotion; their generation; commercialization; improvements in the legal and legislative framework as well as administration and management; enforcement of IPRs and human capital development.

Just the run-up to the actual finalization of the IPR policy has seen substantive achievements. The administration of Copyright Act, 1957 and Semiconductor Integrated Circuits Layout-Design Act, 2000 has been transferred to the DIPP with the change in the GoI (Allocation of Business) Rules on 17 March, 2016. This shall enable an integrated approach and synergy between different IP offices and Acts. This is one of the crucial aspects identified in IPR policy and could come to fruition only because of momentum provided by the policy.

Another success has been the much-needed augmentation of manpower in the Patents Office and Trademark Registry. The policy recognizes this as crucial to reduce the huge pendency in patent and TM applications. 458 new technically competent Patent Examiners in various fields of technology have been appointed on regular basis in addition to the existing 130. Training of first batch of 292 newly recruited Examiners of Patents & Designs has already commenced on 11 April, 2016. 263 Patent Examiners are also being appointed on contractual basis. On the Trademarks front, 100 Examiners have been appointed on contractual basis, while 62 are being recruited through UPSC. With this, the time taken for first examination in the case of patent applications shall come down from the present five to seven years to just 18 months by March, 2018; in case of trademarks, this will reduce from the present 13 months to just one month by March, 2017.

ADMINISTRATION OF COPYRIGHT ACT, 1957 AND THE SEMICONDUCTOR INTEGRATED CIRCUITS LAYOUT DESIGN ACT, 2000

The administration of Copyright Act, 1957 and the Semiconductor Integrated Circuits Layout Design Act, 2000 has been transferred to the DIPP from the Department of Higher Education and the Department of Electronics and Information Technology respectively. The transfer will lead to synergetic linkages between concerned IP offices and Acts under one umbrella, streamlining processes and enabling an integrated approach. Overall it will result in better services to the users.

AMENDMENT OF THE PATENTS RULES, 2003

The Patents Rules, 2003 stand amended w.e.f. 16 May, 2016. These amendments, which bring into effect far-reaching changes in the functioning of the Indian Patent Office, were finalized after detailed deliberations on stakeholder comments received on the draft Rules.

They put in place a special regime regarding patents for startups in India, and are in addition to the Scheme for Facilitating Startup Intellectual Property Protection (SIPP) launched in January this year, as part of the Startup India initiative.

→ Startups will now get an 80% rebate in patent fees vis-à-vis corporates. They have been equated to individual applicants in this regard

→ Examination of patent applications by startups can be expedited for disposal

→ The fee for startups, for expediting examination of their patent applications is also much lesser than that for corporates: it is less than 15% of that for such corporates

Expedited examination of applications has been introduced in the Rules vide this Amendment. Apart from startups, this facility has been extended to those applicants who chose the Indian ISA/IPEA for their international application under the PCT.

An important reform has been brought into the functioning of the Patent Office with the requirement of processing the replies to the first statement of objections on a first-come-first-served basis, as is done in the case of patent applications.

The fee structure stands amended with the fee for withdrawal of application being waived. In addition, if the application is withdrawn before the issuance of the first examination report, 90% of the fee paid for the request for examination will be refunded to the applicant. Also, a specific provision has been made for refund of fee that is paid more than once due to technical issues, while using the online filing system of the Patent Office.

Electronic filing has been made mandatory for patent agents, with a provision to file the originals, where required, within a period of 15 days. Patent agents will also be required to provide a mobile number registered in India. Another step towards better service delivery is the provision allowing hearing through video conferencing.

The applicants will get an opportunity to delete the claims of the application before entering national phase in India under the PCT.

To curtail the practice of seeking undue adjournments, a provision has been incorporated that provides for a limit of two adjournments per party with a maximum of 30 days per adjournment. In case of delay due to war/natural calamities etc., the Controller has been given the power to condone the delay for a limited period of time up to a maximum of six months.

The applicant will get a time period of six months, extendable by three months, to submit a reply to the examination report. More clarity has been brought into the procedure relating to pre-grant opposition.

STRENGTHENING OF PATENT OFFICES

→ The Office of Controller General of Patents and Trademarks is being strengthened to speed up the patent and trademark processing

→ Manpower is being augmented to reduce pendency to global levels

– 458 Examiners of Patents & Designs have been recruited and the training of first batch has already commenced. 263 Examiners are being taken on contract

–100 trademark examiners have been taken on contract

– Direct recruitment of 62 Examiners of Trademarks & Geographical Indicators also in process through UPSC

→ Recent amendments in Allocation of Business Rules: Administration of Copyright Act, 1957 and the Semiconductor Integrated Circuits Layout Design Act, 2000 transferred to DIPP

→ Patents Rules & Trademarks Rules being amended to simplify procedure

→ IT enabled services in Patent Offices are also being enhanced

NATIONAL INSTITUTE OF DESIGN

The National Institute of Design (NID) Act, notified on 17 July, 2014, was the first bill to be passed by this Government. It aims at the promotion of quality and excellence in education, research and training in all disciplines relating to design. The Act declares NID, Ahmedabad India's premier and first design institute, as an 'Institution of National Importance'. Four more NIDs are also being set up in Assam, Andhra Pradesh, Madhya Pradesh and Haryana.

These initiatives are expected to reduce pendency of patent applications, with first examination, which currently takes 38 months to 78 months, slated to be brought down to 18 months by March, 2018, in line with global practices. Similarly, first examination of Trademark applications, which currently takes 13 months, would be brought down to just one month by March, 2017.

FACILITATION

INVESTOR FACILITATION

GoI has established 'Invest India' as the National Investment Promotion and Facilitation Agency, as a joint venture between the DIPP, state governments and the Federation of Indian Chamber of Commerce and Industry (FICCI). The mandate of Invest India is to proactively source and facilitate foreign investment in India. With the objective to promote investment in the country, a full-fledged "Investment Facilitation Cell" has been set-up under the 'Make in India' initiative, which primarily supports all investment queries apart from handholding and liaising with various agencies on behalf of potential investors.

STARTUP HUB

Startup Hub, created on 1 April, 2016 as a single point of contact for the entire ecosystem and to enable knowledge exchange and access to funding. The hub assists startups through their lifecycle with specific focus on important aspects like obtaining financing, feasibility testing, business structuring advisory, enhancement of marketing skills, technology commercialization and management evaluation.

PUBLIC INTERACTION

Twitter Seva was launched on 21 April, 2016 to get people's feedback/queries on different initiatives of the government. Through this Seva, queries regarding Manufacturing Policy, Industrial Corridors, Investment Promotion, Make in India, Startup India, FIPB, FDI, IPR, Patents, Trademarks, Designs, Geographical Indicators, Copyrights, Paper, Light Engineering Industry, Cement, Linoleum and Rubber Industry will be addressed by DIPP.

CEO FORUMS/BUSINESS COUNCIL MEETINGS

The following CEO Forums/Business Council meetings have been held in the last two years:

- → *India-US CEOs Forum*
- → *India-UK CEOs Forum*
- → *Indo-French CEOs Forum*
- → *India-Spain CEOs Forum*
- → *BRICS Business Council*
- → *3rd India-UAE High Level Task Force on Investment*
- → *3rd India-Africa Business Council*
- → *4th India-UAE High Level Task Force on Investment*
- → *India-Korea CEOs Forum*
- → *India-Australia CEOs Forum*
- → *India-China Business Forum*
- → *4th Gulf Cooperation Council-India Industrial Forum*

INDIAN LEATHER DEVELOPMENT PROGRAMME (ILDP)

Indian Leather Development Programme (ILDP) aims at augmenting raw material base through modernization and technology upgradation of leather units, addressing environmental concerns, human resource development, supporting traditional leather artisans, addressing infrastructure constraints and establishing institutional facilities.

HUMAN RESOURCE DEVELOPMENT (HRD):

During 2014-15, 1,38,608 unemployed persons have been provided placement linked skill development training and out of these 1,13,244 trainees (82%) have been provided employment in the leather sector with total GoI assistance of INR 186.08 crore. During 2015-16 (up to 1 March, 2016), 1,07,036 unemployed persons have been provided skill development training and out of these 85,806 trainees (80%) have been provided employment in the leather sector with total GoI assistance of INR170.28 crore. The year-wise status is as given below:

In respect of skill upgradation training, Government College of Engineering & Leather Technology (GCELT), Kolkata has been given the target of training 20,000 workers, out of which, 6,000 workers have been trained by GCELT in FY 2014-15.

ESTABLISHMENT OF INSTITUTIONAL FACILITIES

The Department is supporting establishment of two new branches of Footwear Design and Development Institute (FDDI) in the states of Gujarat and Punjab with GoI assistance of INR 100 crore for each branch. Construction work is in progress.

APPROVAL:

The approval is under process for two Mega Leather clusters under Indian Leather Development Programme. These Clusters would be established at Nellore District (Andhra Pradesh) and Mewat (Haryana).

CAPACITY-BUILDING OF HUMAN RESOURCE IN LEATHER SECTOR

YEAR	NO. OF PERSONS TRAINED	NO. OF PERSONS PLACED	PERCENTAGE
2014-15	1,38,608	1,13,244	82
2015-16*	1,07,036	85,806	80
TOTAL	2,45,644	1,99,050	81
SECONDARY TRAINING (2014-15)	6,000	6,000	
TOTAL	2,51,644	2,05,050	

CORRECTION OF INVERTED DUTY STRUCTURE TO PROMOTE MAKE IN INDIA

With increased opening up of trade in goods and enhanced commitments under various bilateral and regional preferential or free trade agreements (PTA/FTA), the domestic industry faces a deteriorating level playing field. This arises primarily from anomalies in tariff structure of inputs vs. finished products, particularly duty inversion. Inverted duty structure (IDS) arises when the import duty on a final product is lower as compared to the import duty on its imported inputs. The impact of IDS on the domestic industry depends on the share of imported inputs used in domestic manufacturing of final product. Presence of IDS hampers competitiveness of domestic industry vis-à-vis imports, if reflected through a negative protection and calls for a policy intervention.

The Department has been proactively identifying cases of IDS in consultation with industry for correction. Various such cases have been addressed in the last three Union Budgets in sectors including information technology hardware, consumer electronics, electrical equipment, capital goods, medical devices, newsprint, automotive components, chemicals, renewable energy etc.

TECHNOLOGY ACQUISITIONS AND DEVELOPMENT FUND

The scheme namely Technology Acquisition and Development Fund (TADF) under the National Manufacturing Policy (NMP) was launched by the Department on 18 November, 2015.

The objective of this scheme is to provide funding specific to acquisition and development of clean and green technologies. The fund will support, via subsidies, manufacturing of equipment/machines/devices for controlling pollution, reducing energy consumption and water conservation. Implementation and fund management is being done by Global Innovation & Technology Alliance (GITA), an existing joint venture (government & private sector) Section 25 Company promoted by the Technology Development Board of the Department of Science & Technology and Confederation of Indian Industry. In Cycle-1 of Request for Proposal (RFP) under this scheme, a total number of 11 projects have been considered and approved by the Green Manufacturing Committee (GMAC), constituted under NMP, in its meeting held on 22 February, 2016.

TRANSFER OF AUTHORITY TO REGULATE 'POTABLE ALCOHOL' TO STATES

Industries (Development and Regulation) Amendment Bill, 2015 for amendment in the First Schedule of Industries (Development and Regulation) Act, 1951 to transfer the authority to regulate 'potable alcohol' to states was finally passed by the Lok Sabha on 10 May, 2016. This Amendment will strengthen federal structure by removing conflict between Union and states over control of potable alcohol and industrial alcohol. It would ensure that the industries engaged in manufacturing alcohol meant for potable purposes shall be under the total and exclusive control of states in all respects. Accountability would be assigned to states for manufacture of potable alcohol.