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## Chapter - 11: Industry

## Introduction

The **Department for Promotion of Industry and Internal Trade (DPIIT)** was established in **1995** and was **reconstituted in 2000** with the merger of the Department of Industrial Development. The Department was earlier called Department of Industrial Policy & Promotion; and was renamed **DPIIT in 2019. In 2018**, the matters related to e-Commerce were transferred to the **Department and in 2019**, the Department was given charge for matters related to internal trade, welfare of traders and their employees and startups.

- The role and functions of the Department, primarily include:
- Formulation and implementation of industrial policy and strategies for industrial development in conformity with the development needs and national objectives;
- monitoring the industrial growth, in general, and performance of industries specifically assigned to it, in particular, including advice on all industrial and technical matters;
- formulation of Foreign Direct Investment (FDI) Policy and promotion, approval and facilitation of FDI;
- formulation of policies relating to Intellectual Property Rights in patents, trademarks, industrial designs and geographical indications of goods and administration of regulations, rules made there under.

## PM Gatishakti National Master Plan

- To address logistics challenges and enhance efficiency, cost reduction, and collaboration across departments in India, there's a need for integrated planning and infrastructure development.
- PM GatiShakti, initiated in 2021, aims to achieve this through a "whole of government approach".
- PM GatiShakti consists of two main components:
  - **Development of a GIS-based National Master Plan** to integrate information from various sectors like roads, railways, aviation, and agriculture. This ensures timely and accurate data accessibility for all departments.
  - **Establishment of a three-tier institutional arrangement** to synchronize efforts of line ministries/departments for the development of multi-modal infrastructure and economic zones.

#### Institutional Framework

- The Empowered Group of Secretaries (EGoS) under the Cabinet Secretary oversees PM GatiShakti implementation.
- At the central level, 23 infrastructure and user ministries are part of EGoS.
- An integrated Multimodal Network Planning Group **(NPC)** includes representation from various connectivity infrastructure ministries/departments.
- Ministries involved in NPC include Railways, Road Transport and Highways, Port, Shipping and Waterways, Civil Aviation, Power, New and Renewable Energy, and Telecommunication.
- The Logistics Division of DPIIT serves as the Secretariat and Technical Support Unit (TSU) with 7 Directors, 14 subject experts, and 10 support staff.
- Each state replicates the institutional mechanism of EGoS, NPG, and TSU at the state level to

address integration challenges within their infrastructure and logistics networks.

 $\circ\,$  This ensures a federal-level implementation of the PM GatiShakti framework.

#### National Master Plan

- The National Master Plan (NMP) portal contains comprehensive details of existing infrastructure, logistics facilities, and planned/proposed projects across various sectors.
- It includes over 1,400 data layers from central ministries and states, covering areas such as roads, rail networks, aviation, port infrastructure, utility networks, economic zones, logistics assets, forests, and existing and upcoming projects.
- The portal aims to identify critical infrastructure gaps and provide valuable insights for decision-making.
- State governments and central ministries can utilize the NMP portal to plan their investments in economic activities such as Textile Parks, fishing clusters, and agro-processing centers.
- The portal enables them to assess the current multimodal connectivity status, including proximity to highways, airports, rail, ports, etc., thereby facilitating informed decision-making processes.

#### National Logistics Policy

- The National Logistics Policy (NLP) was launched in 2022.
- It provides a comprehensive framework for the logistics sector, aiming at efficiency and human resource development.
- It complements the PM GatiShakti National Master Plan, which focuses on integrated infrastructure development.
- The NLP aims to streamline processes, regulatory frameworks, skill development, and technology adoption.
- Its vision is to create a technologically enabled, integrated, cost-efficient, resilient, sustainable, and trusted logistics ecosystem for inclusive growth.
- Implementation of the NLP will be monitored through the Empowered Group of Secretaries (EGoS) established under the PM GatiShakti National Master Plan.
- A "Services Improvement Group" (SIC) has been set up under the EGoS to monitor parameters not covered by the Network Planning Group (NPG).
- All states and **union territories (UTs)** have been fully integrated into the NLP framework.

#### Logistics Ease

- Logistics Ease Across Different States (LE.ADS) was established in 2018 to evaluate logistics efficiency among states and Union Territories (UTs).
- Its main goals include ranking states/UTs based on logistics performance, facilitating stakeholder interactions, and devising action plans.
- Initially, LEADS relied on perceptions and covered both domestic and international trade segments.
- **LEADS 2021** revamped its framework to incorporate both objective data and subjective perceptions from private sector stakeholders.
- LEADS 22 continues to build on this framework, becoming more detailed to include new initiatives like PM GatiShati National Master Plan and emphasizing on-ground developments.
- The index comprises three major indicators: infrastructure, services, and regulatory environment to assess the state logistics ecosystem.

#### **Unified Logistics Interface Platform**

- Unified Logistics Interface Platform (ULIP) aims to streamline logistics operations.
- Objective: Simplify processes, enhance efficiency, increase transparency and visibility, and reduce costs and time.
- ULIP offers API-based integration for users.
- Users can access data for activities such as multi-modal track and trace, authentication of people and vehicles, document digitization, process automation at yards and gates, and discovery services.

Benefits include reduced operational costs and time savings in logistics.

## **Foreign Direct Investment Policy**

- The Department for Promotion of Industry and Internal Trade (DPIIT) oversees policies regarding Foreign Direct Investment (FDI) in India.
- DPIIT manages data on inward FDI, based on information from the Reserve Bank of India.
- India has a liberal FDI policy allowing up to 100% FDI in most sectors/activities under the automatic route to attract higher levels of investment.
- The Foreign Investment Promotion Board (FIPB) was abolished in June 2017, simplifying the process for granting FDI approvals.
- Approval processes for FDI are now handled by relevant ministries/departments.
- DPIIT administers the Foreign Investment Facilitation Portal (FIF Portal) to facilitate clearance of applications filed through the approval route.
- Since August 2022, the FIF Portal has been integrated with the National Single Window System (NSWS), enabling filing of Electronic Development Interface (EDI) proposals through the NSWS portal for government approval.

#### <u>Make in India</u>

- The 'Make in India' initiative was launched in 2014 to achieve various objectives:
  - Facilitate investment.
  - Foster innovation.
  - Build best-in-class infrastructure.
  - Make India a hub for manufacturing, design, and innovation.
- It is a part of the 'Vocal for Local' initiatives aiming to promote India's manufacturing domain globally, with the slogan "Make in India for the World."
- Currently, the initiative focuses on 27 sectors under Make in India 2.0.
- Coordination for action plans:
  - The Department of Industrial Policy and Promotion coordinates action plans for **15** manufacturing sectors.
  - The Department of Commerce coordinates plans for **27 service sectors.**
- Investment outreach activities involve collaboration with ministries, state governments, and Indian Missions abroad to enhance international cooperation and attract both domestic and foreign investment.

#### Invest India

- Invest India is the National Investment Promotion and Facilitation Agency of India and acts as the first point of reference for investors. It is transforming the country's investment climate by simplifying the business environment for investors.
- It has been set up as a joint venture (not for profit) company between Department of Industrial Policy and Promotion, Federation of Indian Chambers of Commerce & Industry (FICCI), CII, NASSCOM and various state governments.

#### One District One Product

- The central government launched the One District One Product (ODOP) initiative across various states and union territories (UTs) of India.
- ODOP aims to unlock the economic potential of each district, fostering growth, creating jobs, and promoting rural entrepreneurship, aligning with the vision of Aatmanirbhar Bharat (self-reliant India).
- The ODOP initiative is closely integrated with the 'Districts as Export Hub (DEH)' program led by the Department of Commerce.
- The Department for Promotion of Industry and Internal Trade (DPIIT) plays a significant role as a major stakeholder in implementing ODOP.

#### Production Linked Incentive Scheme

- India announced Production Linked Incentive (PLI) schemes for 14 key sectors.
- The schemes aim to support India's vision of becoming 'Atmanirbhar' (self-reliant) by enhancing manufacturing capabilities and exports.
- The total outlay for these schemes is **Rs. 1.97 lakh crore.**
- The objective is to stimulate production, employment, and economic growth over the next 5 years and beyond.
- PLI schemes focus on attracting investments in sectors with core competency and cutting-edge technology.
- They aim to make Indian companies and manufacturers globally competitive to penetrate global markets and integrate with global value chains.

#### India Industrial Land Bank

- The Department has established a national land bank by integrating state industrial GIS systems with the **India Industrial Land Bank (IILB).**
- The IILB offers a GIS-enabled database of industrial areas, including clusters, parks, nodes, and zones nationwide.
- Its purpose is to assist investors in identifying suitable locations for investment.
- Information provided includes details on internal infrastructure, connectivity to key points such as airports, highways, railways, and dry ports, available raw materials, and plug-and-play facilities.
- A mobile app was launched in 2020 for iOS and Android platforms to enhance investor outreach.
- Additional features were introduced in 2021 to improve the functionality of the mobile app.

#### Public Procurement

- The Public Procurement (Preference to Make in India) Order 2017 (PPP-MII Order) was established in 2017 under Rule 153 (iii) of the General Financial Rules 2017 to boost domestic value addition in public procurement.
- It applies to the procurement of goods, services, and works (including turnkey works) by central ministries/departments, their attached/subordinate offices, autonomous bodies under the Government of India, and government companies defined in the **Companies Act.**
- Additionally, five states have adopted and implemented this order.
- A Standing Committee has been formed to oversee the implementation of the **PPP-MII Order**.
- A Public Procurement Cell within the Department has been set up to monitor grievances related to violations of the **PPP-MII Order.**

#### Industrial Policy

- Industrial policies have played a significant role in shaping India's industrial landscape and competitiveness since independence.
- Two key industrial policies were the **1956** Industrial Policy Resolution, which aimed for a socialistic pattern of society, and the **1991** Industrial Policy, focused on economic and industrial liberalization.
- A new policy, the "Statement on Industrial Policy, 2023," is under development with the theme "Make in India for the World," aligned with Vision India@2047.
- The draft policy emphasizes fostering a progressive, innovative, and competitive industrial ecosystem through an action-oriented approach.
- It aims to strengthen and coordinate efforts across the entire industrial ecosystem with six core objectives:
  - Focus on competitiveness and capability enhancement.
  - Economic integration and advancement in the Global Value Chain.
  - Promotion of India as an attractive investment destination globally.
  - Nurturing innovation and entrepreneurship, particularly in knowledge-based industries and sustainable ecosystems.
  - Sector-agnostic approach with a long-term perspective on addressing existing challenges and future dynamics.
  - Emphasis on fostering circular and sustainable eco-systems.

 The policy aims to address both current challenges and anticipated future trends in the industrial sector.

## Startup India

- Startup India initiative **launched in 2016** to foster entrepreneurship and innovation.
- Aims to create an ecosystem conducive to startup growth.
- **Three major pillars:** simplification and handholding, funding support and incentives, industryacademia partnership and incubation.
- Strategic amendments made to existing policy ecosystem post-launch.
- As of May 15, 2023, 99,371 startups recognized by DPIIT across 57 sectors in 674 districts.
- Every State and UT represented, with over **10.49 lakh jobs created since 2016.**

#### Fund of Funds for Startup Scheme

- DPIIT (Department for Promotion of Industry and Internal Trade) established a Fund of Funds (FFS) with a corpus of INR 10,000 crore.
- The primary aim of the scheme is to address the funding requirements of startups.
- Objectives include accelerating innovation-driven entrepreneurship and mobilizing larger equitylike resources for startups.
- FFS does not make direct investments in startups.
- Instead, it provides capital to SEBI-registered Alternate Investment Funds (AIFs).
- AIFs, in turn, invest in growing Indian startups through equity and equity-linked instruments.

#### Seed Fund Scheme

- DPIIT initiated the Startup India Seed Fund Scheme (SISFS) with a budget of INR 945 crore.
- SISFS aims to aid startups in various stages including proof of concept, prototype development, product trials, market entry, and commercialization.
- Approximately 3,600 entrepreneurs are projected to benefit from this scheme over the next four years.
- The support will be channelled through **300 incubators** to provide assistance to startups.

#### Credit Guarantee Scheme for Startups

- **DPIIT** (Department for Promotion of Industry and Internal Trade) notified the Credit Guarantee Scheme for Startups (CGSS).
- CGSS is designed to provide credit guarantees to loans given by Scheduled Commercial Banks, Non-Banking Financial Companies (NBFCs), and SEBI-registered Alternative Investment Funds (AIFs).
- The scheme aims to offer credit guarantees up to a defined limit for loans extended by Member Institutions (**MIS**) to support eligible borrowers.
- Its objective is to facilitate easier access to financing for startups, thereby fostering growth and innovation within the startup ecosystem.

#### Startup India Portal

- The Startup India portal is a **centralized platform** for startups and stakeholders in the startup ecosystem to network and exchange knowledge.
- Eligible companies can apply on the portal to get recognized as startups by the Department for Promotion of Industry and Internal Trade (DPIIT).
- It offers opportunities for startups and stakeholders to engage in innovation challenges and programs.
- The portal serves as a repository of knowledge, providing details on various schemes and policies available for startups.

#### Income Tax Exempttons

- The Income Tax Act allows eligible startups to deduct 100% of the profits and gains derived from their business for 3 consecutive assessment years out of 10 years.
- This deduction is subject to certain conditions and is optional for the assessee.
- Startups incorporated on or after 2016 but before April 2023 are eligible for income tax exemption.
- To access these benefits, startups must obtain a Certificate of Eligibility from the Inter-Ministerial Board (IMB).

#### ASCEND

- ASCEND stands for Accelerating Startup Caliber & Entrepreneurial Drive.
- It is a program aimed at fostering entrepreneurship and innovation in the North-Eastern states.
- The goal of ASCEND is to support and encourage more startups to emerge from this region.
- It focuses on providing resources and assistance to aspiring entrepreneurs in the North-East.
- ASCEND aims to create a conducive environment for startups to thrive in the North-Eastern states.

#### Ease of Doing Business

- **DPIIT** is leading efforts to enhance the business regulatory environment in India.
- A cohesive communication campaign is initiated by DPIIT, utilizing platforms like Twitter, Instagram, and Facebook to disseminate information to stakeholders.
- Ministries and departments are instructed to create a dedicated section on their websites for 'Ease of Doing Business'.
- The aim is to raise awareness among professionals about past reforms through an extensive outreach campaign.
- Simultaneously, the agenda includes introducing new reforms to further broaden the scope of reforms.

## **Reducing Compliance Burden**

- DPIIT (Department for Promotion of Industry and Internal Trade) serves as the central department for coordination with ministries and states/Union Territories (UTs) to reduce compliance burden on citizens and businesses.
- The main objective is to enhance both ease of doing business and ease of living by simplifying, rationalizing, digitizing, and decriminalizing government-to-business and citizen interfaces across various ministries, states, and UTs.
- **DPIIT launched the Regulatory Compliance (RC)** Portal to monitor actions taken regarding compliance reduction across central ministries/departments and states/UTs.
- According to data from the RC Portal, over 39,000 compliances have been reduced collectively by central ministries/departments and states/UTs as part of this initiative.
- Decriminalization of minor offences under existing Acts/Rules is a key focus area of this exercise.
- Ministries/departments and states/UTs have extensively reviewed Acts/Rules under their jurisdiction and proposed provisions for rationalization.
- **DPIIT** engaged in several interactions with Industry Associations to understand their challenges and shared their suggestions for decriminalization with relevant authorities for necessary action.

## **Promoting Startups in Biotechnology**

- In India, there's a concerted effort to promote bio-entrepreneurship.
- This effort includes establishing bio-clusters, bio-incubators, technology transfer offices (TTOs), and bio-connect offices in research institutes and universities.
- These facilities aim to provide a conducive environment for **bio-tech startups** to thrive.
- Support in the form of seed funding and equity funding is offered to these startups as part of the initiative.

## Jan Vishwas (Amendment of Provisions) Act, 2023

- The Jan Vishwas (Amendment of Provisions) Bill, 2023 has been enacted into law.
- It removes criminal penalties from 183 provisions across 42 Acts.
- These Acts are managed by **19 different** ministries/departments.
- The Act aims to **rationalize criminal provisions.**
- It ensures citizens, businesses, and government departments can operate without fear of imprisonment for minor, technical, or procedural defaults.

## **Intellectual Property Rights**

- **DPIIT** (Department for Promotion of Industry and Internal Trade) is responsible for administering various laws related to **Intellectual Property Rights (IPR).**
- These laws include patents, trademarks, industrial designs, geographical indications of goods, copyrights, and semiconductor integrated circuit layout designs.
- DPIIT is the nodal department for vetting Memorandums of Understanding (MoUs) related to IPR for the Cabinet and other government ministries/departments.
- It also handles international negotiations on IPRs and is the nodal department for dealing with the World Intellectual Property Organization (WIPO).
- The Controller General of Patents, Designs, and Trademarks (CGPDTM), a subordinate office under the Ministry, is responsible for granting patents and registering trademarks, designs, and geographical indications.
- Copyright registration is overseen by the Registrar of Copyright Office, which operates under the CGPDTM.
- These offices are located in Delhi, Kolkata, Mumbai, Chennai, and Ahmedabad, with the Central IP Training Academy situated in Nagpur.

## **National IPR Policy**

- The National IPR Policy outlines the future trajectory for intellectual property in India, acknowledging the nation's creative and innovative potential and aiming to harness these energies for a better future.
- It acknowledges India's existing TRIPS-compliant legal, administrative, and judicial framework for safeguarding IPRs, emphasizing the use of international flexibilities to address developmental concerns.
- The Policy reaffirms India's commitment to the Doha Development Agenda and the TRIPS agreement.
- Objectives of the Policy include:
  - **IPR Awareness**: promoting understanding of the economic, social, and cultural benefits of IPRs across society.
  - Generation of IPRs: fostering the creation of intellectual property.
  - Legal and Legislative Framework: establishing robust and balanced IPR laws to serve both rights owners and the public interest.
  - Administration and Management: modernizing and strengthening service-oriented IPR administration.
  - **Commercialization of IPRs:** enhancing the value of intellectual property through commercialization.
  - Enforcement and Adjudication: strengthening mechanisms to combat IPR infringements.
  - **Human Capital Development:** expanding resources and capacities for teaching, training, research, and skill-building in **IPRs.**

## **Productivity and Quality**

- DPIIT serves as the central department for enhancing productivity and quality within the industrial sector.
- The National Productivity Council (NPC) represents India in the Asian Productivity Organisation (APO), based in Tokyo, of which India is a founding member.
- NPC engages in various activities such as consultancy, training, workshops, seminars, conferences, research, monitoring, evaluation of government schemes, projects, and information

dissemination in collaboration with **APO.** 

- The Quality Council of India (QCI) operates as an autonomous body under DPIIT's purview.
- QCI's objectives include establishing an accreditation framework in India, conducting independent third-party assessments of products, services, and processes, and propagating the quality movement in the country through a National Quality Campaign.
- QCI adheres to international standards and protocols, following norms set by bodies like IAF and APAC.
- QCI promotes the adoption of quality standards such as ISO 9001 Series (Quality Management Systems), ISO 14001 Series (Environment Management Systems), ISO 22000 Series (Food Safety Management Systems), and certification and inspection bodies through accreditation services provided by NABCB.
- In addition to NABCB, there are four other boards: NABET (National Accreditation Board for Education and Training), NABH (National Accreditation Board for Hospitals and Healthcare Providers), NABL (National Accreditation Board for Testing and Calibration Laboratories), and NB(QP) (National Board for Quality Promotion), offering accreditation certification in education, health, and quality promotion, respectively.

## National Institute of Designs

- The National Institute of Designs (NIDs) are esteemed institutions for design education and research, recognized internationally.
- These institutes operate autonomously under **DPIIT**.
- The first NID was established in Ahmedabad, Gujarat, in 1961, following recommendations from the 'India Report' in 1958.
- Various public sector enterprises were established with specific objectives:
  - Cement Corporation of India Ltd.: Established in 1965 to set up cement factories and achieve self-sufficiency in cement production.
  - Heavy Engineering Corporation Ltd. (Ranchi): Incorporated in **1958** to achieve selfreliance in designing and manufacturing heavy equipment, especially for steel plants.
  - HMT Ltd.: Manages food processing machinery business and auxiliary business divisions.
  - **Hindustan Salts Ltd.:** Established in **1958,** engaged in manufacturing various types of salt, bromine, and magnesium chloride.

## **Micro, Small and Medium Enterprises**

- The MSME sector in India has evolved significantly over the past seventy years, becoming a vital part of the economy.
- MSMEs contribute to employment generation, particularly in rural and backward areas, aiding in industrialization and reducing regional disparities.
- They complement large industries as ancillary units and contribute significantly to the socioeconomic development of the nation.
- The Ministry of Micro, Small & Medium Enterprises (MSME) aims to foster a vibrant sector by collaborating with relevant ministries, state governments, and stakeholders to support existing enterprises and encourage the establishment of new ones.
- In 2007, the Ministry was formed through the merger of the erstwhile Ministry of Small Scale Industries and the Ministry of Agro and Rural Industries.
- The Ministry designs policies, facilitates programs, and monitors their implementation to assist MSMEs in scaling up.
- While the primary responsibility for MSME promotion and development lies with state governments, the Government of India supplements these efforts through various initiatives.
- The Ministry and its organizations support states in promoting entrepreneurship, generating employment, and enhancing the competitiveness of **MSMEs** in the evolving economic landscape.

#### New Definition of MSMEs

- In 2020, a new classification for manufacturing and service enterprises was introduced.
- Guidelines were provided to facilitate entrepreneurs under this new classification.
- The new criteria eliminated the distinction between manufacturing and service sectors.
- The criteria now include turnover in addition to investment in plant and machinery.

- Micro, small, and medium enterprises (MSMEs) are classified based on investment and turnover:
  - **Micro:** Investment  $\leq \mathbb{F}1$  crore and turnover  $\leq \mathbb{F}5$  crore.
  - **Small:** Investment  $\leq 10$  crore and turnover  $\leq 50$  crore.
  - **Medium:** Investment  $\leq 350$  crore and turnover  $\leq 3250$  crore.
- Retail and wholesale trades were included as MSMEs from July 2021.
- Street vendors could register as retail traders by August 9, 2021, according to the Ministry of MSME.
- Benefits for retail and wholesale trade MSMEs, including street vendors, are limited to priority sector lending.
- The Ministry of MSME launched the Udyam Assist Platform in January 2023 to formalize informal micro enterprises as MSMEs.

#### **MSME Samadhaan**

- The Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 focus on addressing issues related to delayed payments to Micro and Small Enterprises (MSEs) by buyers.
- If payment is delayed beyond 45 days, MSE suppliers can approach the Micro and Small Enterprises Facilitation Council (MSEFC) established under the Act in all states/UTs.
- According to Section 16 of the MSMED Act, delayed payments to supplier units incur compound interest with monthly interest rates set at three times the bank rate notified by the Reserve Bank.
- In 2017, to further the objectives of the MSMED Act, the Ministry of MSME launched a portal which provides information about pending payments to MSEs by individual CPSEs/central ministries, state governments, and other buyers. Vision

#### Sambandh and Sampark

- Ministry of MSME launched "MSME-SAMBANDH Portal" in 2017.
- Purpose: Monitoring procurement by central government ministries, departments, and Central Public Sector Enterprises.
- Allows sharing of required products/services from Micro and Small Enterprises (MSEs).
- Launched "MSME SAMPARK" job portal in 2018.
- Aim: Facilitate interaction between jobseekers (MSME Technology Centre trainees/students) and recruiters.
- Enables registration for both job seekers and recruiters.
- Designed for mutually beneficial interaction between parties.

#### Creation of Modern Processes for Increasing the CHAMPIONS

- Output and National Strength (CHAMPIONS) portal launched in 2020
- ICT-based technology system aimed at empowering smaller units
- Provides assistance and support to MSMEs
- Aims to help smaller units grow and seize new business opportunities
- Offers guidance and handholding to navigate current challenges and future prospects.

#### 'Udyam Registration' Portal

- In July 2020, the Ministry of MSME launched the Udyam Registration Portal to streamline the **MSME** registration process.
- The registration process is free, paperless, and digital, aiming to make it more accessible and convenient for **MSMEs.**
- The portal is interconnected with various government platforms including Government e-Marketplace (GeM), Income Tax, GST, TReDs, and NCS (National Career Service) portals.
- The government has exempted MSMEs from the mandatory requirement of having GSTIN (Goods) and Services Tax Identification Number) under the provisions of the CGST Act, 2017.

## Khadi and Village Industries Commission

- Khadi and Village Industries Commission (KVIC) is a statutory organization established under an Act of Parliament.
- It was established in accordance with the Acts amended in 1987 and 2006.
- KVIC operates under the Ministry of MSME (Micro, Small & Medium Enterprises).
- Its primary objective is to promote and develop Khadi and Village Industries (KVI).
- KVIC aims to provide employment opportunities in rural areas, thereby strengthening the rural economy.
- It is recognized as a major organization in the decentralized sector.
- KVIC focuses on generating sustainable non-farm employment opportunities in rural areas.
- The organization emphasizes achieving this goal with a low per capita investment.

#### Textiles

- The Indian textiles industry is among the largest globally, boasting a significant raw material base and manufacturing prowess throughout its value chain.
- It stands out for its strength in both hand-woven and capital-intensive mill sectors.
- The mill sector comprises 3,400 textile mills with an installed capacity exceeding 50 million spindles and 8,42,000 rotors, ranking second worldwide.
- Traditional sectors like handloom, handicrafts, and small-scale power loom units are major employment sources, particularly in rural and semi-urban regions.
- The industry's products have deep-rooted connections with India's agriculture, culture, and traditions, catering to both domestic and export markets.
- In terms of value, the textile industry contributes 7% to industry output and 2% to India's GDP, while representing 15% of the nation's export earnings.
- With over 45 million people directly employed, it stands as one of the largest employment generators in the country.

#### Technical Textiles

- Technical textiles represent the **future of the textiles** industry due to their diverse applications and superior properties.
- High tenacity fibers are highlighted as the lightest and toughest fabrics available.
- These textiles find use in various sectors including automobile, aerospace, architecture, building, healthcare, sports, and apparel industries.
- Eleven Focus Incubation Centres (FICs) have been established on a plug-and-play model.
- Five FICs are located in Centers of Excellence (COEs) and six in Indian Institutes of Technology (IITs) in Delhi, Bombay, Kanpur, and Kharagpur.
- The purpose of these centers is to assist potential entrepreneurs in entering the technical textiles industry.

#### Integrated Processing Development Scheme

- The Ministry is implementing the Integrated Processing Development Scheme (IPDS) since the 12th Five Year Plan to aid the textile industry in meeting environmental standards.
- Modifications have been made to the scheme, which will now continue from 2021-22 to 2025-26 to complete ongoing projects.
- The primary goal of IPDS is to make the Indian textile industry globally competitive by adopting environmentally friendly processing standards and technology.

#### Scheme for Integrated Textile Parks

- The Scheme for Integrated Textile Parks (SITP) initiated during the 10th Five Year Plan aims to offer top-notch infrastructure facilities to the textile industry.
- Flexibility is integrated into the establishment of Integrated Textile Parks (ITPs) to accommodate local needs effectively.
- The scheme has a timeline extended till **2025-26** to ensure completion of ongoing projects.
- Its primary goal is to enhance the competitiveness and productivity of the textile sector through modern infrastructure provisions.

#### Handloom and Handicrafts

- India Handloom Brand: Indian handlooms have worldwide recognition through India Handloom Brand (IHB) which guarantees high quality, authentic handloom items made with organic substance.
- It has partnered with **100 retail stores** to sell the exclusive items from their stores.

#### Exports

- The Indian textile industry is globally significant, boasting a vast raw material base and robust manufacturing capabilities throughout its value chain.
- India holds the position of the largest exporter of Textiles and Apparel (T&A) worldwide.
- Textiles and clothing constitute a crucial sector within India's national economy.
- T&A, including handicrafts, accounted for a substantial 8.1 percent of India's total exports in the 2022-23 fiscal year.
- The industry's strength lies in both hand-woven and capital-intensive mill sectors, with the latter being the **world's second-largest.**
- Traditional segments such as handloom, handicrafts, and small-scale power-loom units serve as significant sources of employment, particularly in rural and semi-urban areas.

#### <u>Silk</u>

- Silk is a luxury item in the Indian sub-continent.
- Around 97% of raw mulberry silk is produced in Karnataka, Andhra Pradesh, Tamil Nadu, West Bengal, and Jammu and Kashmir in India.
- Other commercially important types of silk include eri, tasar, and muga, which fall under non-mulberry silks.
- The Central Silk Board, under the Ministry of Textiles, oversees scientific, technological, and economic research to improve silk quality and productivity. They implement the Central Sector Scheme 'Silk Samagral' for silk industry development.
- State sericulture departments are responsible for extension, marketing, and implementing developmental schemes.
- Due to research efforts, the country has achieved self-sufficiency in manufacturing silk machinery, including Automatic Reeling Machines (ARM) capable of producing International 4A grade silk.
- Efforts are ongoing to attain **self-sufficiency** in producing international grade Bivoltine silk.

#### <u>Cotton</u>

- **Cotton is a significant cash crop in India,** contributing around **22%** to global fiber production.
- Within India's textile industry, cotton constitutes approximately **60%** of raw material consumption.
- The cotton industry supports the livelihoods of roughly 6 million cotton farmers and 40-50 million individuals engaged in associated activities such as processing and trade.
- India possesses the largest area under cotton cultivation globally, with approximately 127 lakh hectares, comprising around 38% of the world's cotton cultivation area.
- The Indian government implements Minimum Support Price (MSP) for medium staple and long staple cotton to support the cotton industry.
- The Cotton Corporation of India (CCI), a Public Sector Undertaking under the Textile Ministry, is responsible for MSP operations when seed cotton prices reach the MSP level.

#### <u>Jute</u>

- India is the world's largest producer of jute, averaging around 80 lakh bales of raw jute annually.
- The Government of India supports jute growers through various measures, including MSP operations by the Jute Corporation of India and direct purchase of jute sacking valued at around 6,000 crore annually for packing foodgrains, as mandated by the Jute Packaging Material (Compulsory Use in Packing Commodities) Act, 1987.
- These measures provide significant support to both jute farmers and workers in jute mills.

- A software platform called "Jute-SMART" (Jute Sacking Supply Management & Requisition Tool) has been implemented since 2016 to facilitate procurement of jute sacking.
- Jute-ICARE has been launched to increase the income of jute farmers by at least 50% through measures such as promoting certified seeds, adopting better agronomic practices, and utilizing microbial retting of jute plants.
- Initiatives for Market & Export Promotions and modernization of machinery in Jute Units/Mills are being implemented under the National Jute Development Programme, an Umbrella Scheme spanning from 2021-22 to 2025-26.

## **New Initiatives**

#### PM Mega Integrated Textile Regions and Apparel Parks Scheme (PM MITRA)

- The Government of India approved the establishment of **PM-MITRA** Parks to enhance industrial infrastructure in Greenfield/Brownfield sites.
- An outlay of 4,445 crore has been allocated for the period 2021-22 to 2027-28.
- The PM MITRA Scheme aims for nationwide implementation, focusing on comprehensive development of the textile sector.
- The Ministry of Textiles received 18 proposals from 13 states.
- Seven sites have been finalized for PM MITRA parks: Tamil Nadu (Virudhnagar), Telangana (Warangal), Gujarat (Navsari), Karnataka (Kalaburagi), Madhya Pradesh (Dhar), Uttar Pradesh (Lucknow), and Maharashtra (Amravati).

#### Integrated Processing Development Scheme

- The Ministry is implementing the Integrated Processing Development Scheme (IPDS) since the 12th Five Year Plan to support the textile industry in meeting environmental standards.
- IPDS aims to facilitate the establishment and upgradation of Common Effluent Treatment Plants (CETPs) in existing processing clusters and new processing parks, particularly in Coastal Zones.
- The Ministry has decided to continue the scheme with modifications, extending it from 2021-22 to 2025-26.
  - The extension aims to ensure the completion of ongoing projects under IPDS.

#### Scheme for Capacity Building in Textiles Sector (SAMARTH)

- **SAMARTH** is a skilling scheme initiated by the Ministry of Textiles to support and enhance industry efforts in job creation within the organized textile and related sectors.
- It covers the entire value chain of textiles, excluding Spinning and Weaving.
- **SAMARTH** aims to address the skilled manpower requirements of the organized textile industry.
- Additionally, the scheme focuses on skilling and upgrading the skills of weavers and artisans involved in traditional textile sectors such as handlooms, handicrafts, sericulture, and jute.
- The scheme is valid until March 2024.

#### Promoting Fashion Technology

- National Institute of Fashion Technology (NIFT) was established in 1986 and is the pioneering institute for fashion education in India.
- NIFT became a statutory institute in 2006 through an Act with the President of India as the 'Visitor'.
- It has campuses spread across the country and established its newest campus in Daman in August 2022, the first in any Union Territory (UT).
- NIFT offers various programs including 4-year undergraduate programs in seven disciplines, 2-year postgraduate programs in three fields, and full-time & part-time doctoral programs.
- Additionally, it provides tailor-made diploma and certificate programs of short duration for working professionals.
- The Ministry of **MSME** initiated the establishment of a Centre of Excellence for Khadi (**CoEK**) with the goal of making Khadi a worldwide, classic, and value-driven brand.

- **CoEK** has been set up at NIFT following a **'hub and spoke'** model with Delhi as the hub and spokes at Bengaluru, Gandhinagar, Kolkata, and Shillong.
- The mission of CoEK is to design khadi clothing, home goods, and fashion accessories appealing to individuals of all ages.

## Steel

- The **Ministry of Steel oversees the planning and development of the iron and steel industry,** as well as the development of crucial inputs like iron ore, limestone, dolomite, manganese ore, chromites, ferro-alloys, and sponge iron.
- Since 2013-14, crude steel production has consistently increased, paralleled by an expansion in capacity.
- Currently, the crude steel production capacity stands at 161.30 million metric tons (MT).
- A robust domestic steel industry is vital for a developing economy, as steel serves as a critical component in various sectors including construction, infrastructure, automotive, capital goods, defense, and rail.
- Steel is recognized for its role in driving prompt and environmentally sustainable economic development, owing to its recyclable nature and quicker project completion times.
- The steel sector plays a crucial role in generating employment and fostering economic growth, with its impact extending beyond direct effects to encompass the entire supply chain and associated industries.

#### National Steel Policy

- The National Steel Policy (NSP) was launched in 2017 with the aim of ensuring that the Indian steel sector can meet the demands of modern India and foster sustainable growth.
- The vision of the NSP is to create a technologically advanced and globally competitive steel industry that contributes to economic growth.
- The policy outlines key objectives and initiatives for the steel sector.
- It aims to establish self-sufficiency in steel production by providing policy support and guidance to private manufacturers, MSME steel producers, and CPSEs.
- The NSP projects a crude steel capacity of 300 million tonnes (MT), production of 255 MT, and a robust finished steel per capita consumption of 160 kg by 2030-31, compared to the current consumption of 86.7 kg.
- It also aims for 100% indigenous fulfilment of demand for high-grade automotive steel, electrical steel, special steels, and alloys for strategic applications.
- Additionally, the policy aims to increase domestic availability of washed coking coal to reduce dependence from about 85% to around 65% by 2030-31.

## **Key Initiatives**

- Steel Scrap Recycling Policy
  - The Steel Scrap Recycling Policy (SSRP) was introduced in 2019.
  - **SSRP** aims to facilitate the establishment of metal scrapping centers in India.
  - It focuses on scientifically processing and recycling ferrous scrap, including from end-of-life vehicles (ELVs).
  - The **policy outlines a framework** for organized, safe, and environmentally friendly collection, dismantling, and shredding activities.
  - The objectives include reducing pollution and preventing health hazards associated with scrap processing.
  - **The policy specifies the responsibilities** of dismantling centers, scrap processing centers, aggregators, government, manufacturers, and owners.
  - Shredded scrap produced through recycling will be used as raw material for steel making.
- Production Linked Incentive Scheme
  - The **Production Linked Incentive (PLI) Scheme** for Specialty Steel has been operational **since 2021.**
  - The scheme offers incentives ranging from **4% to 12%** on incremental production.
  - It targets five specific product categories:
    - Coated/plated steel products

- High strength/wear-resistant steel
- Specialty rails
- Alloy steel products and steel wires
- Electrical steel
- These steel products find application in various sectors such as:
  - White goods
    - Automobile body and components
    - Pipes for oil and gas transportation
    - Boilers
    - Ballistic and armour sheets
    - High-speed railway lines
    - Turbine components
    - Distribution and power transformers.

#### Fertilisers

- The Department of Fertilisers falls under the Ministry of Chemicals and Fertilisers, focusing on ensuring the availability of fertilisers at affordable prices for agricultural production.
- Its **main functions include the development** of the fertilisers industry, planning, monitoring production, import, distribution of fertilisers, and managing financial assistance such as subsidies for indigenous and imported fertilisers.
- It oversees the Fertilisers Industry Coordination Committee (FICC) and administers 9 Fertilizer Public Sector Undertakings (PSUs).
- Agriculture, contributing about one-seventh of the GDP and supporting nearly two-thirds of the population, is crucial for the economy with its backward and forward linkages.
- **Past five-year plans** prioritized self-sufficiency and self-reliance in foodgrain production, leading to increased agriculture productivity.
- Chemical fertilisers play a significant role in meeting domestic foodgrain requirements and generating exportable surpluses.
- **The Department of Fertilisers** has initiated measures to promote indigenous fertiliser production and ensure timely availability to farmers, aiming at sectoral growth.
- New Urea Policy
  - The New Urea 5 initiative was introduced to achieve several objectives:
    - Maximize indigenous urea production.
    - **Promote** energy efficiency in urea production processes.
    - Rationalize the subsidy burden on the government.
  - It encompasses 36 existing gas-based urea units, categorized into three groups based on preset energy norms.
  - Target energy norms were assigned to 25 urea manufacturing units for the period from 2018-19 onwards.
  - However, only **11 urea** manufacturing units managed to meet the target energy norms.

#### Neem Coating of Urea

- Neem coating of urea (NCU) mandated for all indigenous producers.
- **NCU** renders urea unfit for industrial use, preventing illegal diversion.
- Aim is to curb illegal diversion of subsidised urea to **non-agricultural purposes.**
- Government seeks to prevent subsidy leakages through this measure.

#### Chemicals and Petro-chemicals

- The **Department of Chemicals and Petro-chemicals** was initially under the Ministry of Industry until **1989** when it was moved to the Ministry of Petroleum and Chemicals.
- In 1991, it was transferred again to the Ministry of Chemicals and Fertilisers.
- Its responsibilities include planning, development, and regulation of the chemicals, petro-chemicals, and pharmaceutical industry sector, excluding specific areas allocated to other departments.
- It oversees drugs and pharmaceuticals, insecticides (except administration under the **Insecticides Act, 1968**), molasses, industrial and potable alcohol from molasses, various organic and inorganic chemicals, petrochemicals, synthetic rubber, and assistance to related industries.
- Its jurisdiction covers insecticides, dye-stuffs, dye-intermediates, synthetic fibres, plastics, and other related areas.

- The chemical sector is largely deregulated except for three hazardous chemicals requiring licensing: hydrocyanic acid and its derivatives, phosgene and its derivatives, and isocyanate and di-isocyanates of hydrocarbons.
- Setting up new undertakings or substantial expansions in the chemical sector requires an Industrial Entrepreneur Memorandum (IEM) from the Department for Promotion of Industry and Internal Trade (DPIIT).
- Entrepreneurs base their decisions on technical and economic feasibility, demand and supply, and raw material costs.

## **New Schemes**

#### Setting up of Plastic Parks

- The scheme **aims to establish need-based plastic parks**, creating an ecosystem with modern infrastructure and shared facilities through cluster development.
- It targets consolidating and leveraging the capabilities of the domestic downstream plastic processing industry.
- The Government of India offers grant funding covering up to 50% of the project cost, capped at 40 crore per project.
- The remaining project expenses are covered by the state government, state industrial development corporations, beneficiary industries, and loans from financial institutions.

#### Petroleum Chemical and Petrochemical Investment Regions

- The Petroleum Chemical and Petrochemical Investment Regions (PCPIRs) were conceptualized in 2007.
- Aim: To promote the petroleum, chemical, and petrochemical sectors in an integrated and environmentally friendly manner on a large scale.
- Implemented in a cluster approach.
- Four PCPIRs under the policy:
  - Andhra Pradesh (Vishakhapatnam)
  - Gujarat (Dahej)
  - Odisha (Paradeep)
  - Tamil Nadu (Cuddalore and Nagapattinam).
- Objective: To boost investment and development in these regions.
- Each region strategically selected to leverage local resources and infrastructure.
- Intended to foster industrial growth while minimizing environmental impact.
- Represents a significant initiative in the petroleum, chemical, and petrochemical sectors in India.

## **Pharmaceutical Sector**

- The Indian pharmaceutical industry ranks as the world's third-largest by volume.
- Total Annual Turnover for the pharmaceutical industry in 2022-2023 was 3,79,450 crore.
- Over the past nine years, the sector has shown steady growth, with a Compound Annual Growth Rate (CAGR) of 6.4% based on total pharma exports.
- Total imports of pharmaceuticals reached 56,391 crore for 2022-23, covering bulk drugs, drug intermediates, drug formulations, and biologicals.

#### National Pharmaceuticals Pricing Policy

- The Department introduced the National Pharmaceutical Pricing Policy-2012 (NPPP-2012) in 2012.
- The objective of NPPP-2012 was to establish a regulatory framework for drug pricing, ensuring availability of essential medicines at reasonable prices.
- The policy aimed to balance innovation and competition within the pharmaceutical industry, promoting economic growth and employment.
- To implement NPPP-2012, the Drugs (Prices Control) Order, 2013, was enacted in 2013.
- The order regulated the prices of specific dosages and strengths listed under the National List of Essential Medicines-2011 (NLEM-2011).

- In 2016, the order was updated to include medicines listed in the revised National List of Essential Medicines-2015 (NLEM-2015).
- The revision of NLEM-2015 was recommended by an Expert Core Committee formed by the Ministry of Health and Family Welfare, considering contemporary knowledge of therapeutic product usage.

#### <u>Pradhan Mantri Bhartiya Janaushadhi Pariyojana</u>

- The Jan Aushadhi Scheme was initiated in 2008 to provide affordable generic medicines through Jan Aushadhi Stores in various districts.
- Objectives of the scheme include ensuring access to quality medicines, reducing the unit cost of treatment per person, and promoting awareness about generic medicines.
- The first Jan Aushadhi Store opened in Amritsar, Punjab in 2008.
- The original goal of the scheme was to establish Jan Aushadhi Stores in every district of the country.
- Recently, the scheme was renamed as "Pradhan Mantri Bhartiya Janaushadhi Pariyojana" (PMBJP) and "Pradhan Mantri Jan Aushadhi Kendra" (PMJAK) as "Pradhan Mantri Bhartiya Janaushadhi Kendra" (PMBJK).

#### Mines and Minerals

- The Ministry of Mines oversees the survey and exploration of all minerals except natural gas, petroleum, and atomic minerals.
- It manages mining and metallurgy of non-ferrous metals like aluminum, copper, zinc, lead, gold, nickel, etc.
- Administration of the Mines and Minerals (Regulation and Development) Act, 1957, and related rules excluding coal, natural gas, and petroleum, and also the Offshore Areas Mineral (Development and Regulation) Act, 2002.
- The ministry is responsible for legislation regarding mines and minerals within India's territory, including maritime zones like territorial waters, continental shelf, and exclusive economic zone.
  - Regulation and development of minerals other than coal, lignite, and specified substances for the **Atomic Energy Act**, **1962.**
  - Oversight of metals and minerals not allocated to other ministries/departments like aluminium, zinc, copper, gold, diamonds, lead, and nickel.
  - Planning, development, and control of industries under its purview.
  - Administration and management of Geological Survey of India and Indian Bureau of Mines.

#### Mineral Legislation and Reforms

- The Mines and Minerals (Development and Regulation) (MMDR) Act of 1957 is the central legislation governing the development and regulation of mines and minerals in India.
- Section 13 of the MMDR Act grants the central government the authority to establish rules for the regulation of granting mineral concessions for major minerals.
- The Mineral Concession Rules of 1960 were formulated in accordance with Section 13 of the MMDR Act.
- Section 18 of the MMDR Act empowers the Central Government to formulate rules for the conservation and systematic development of minerals, as well as for environmental protection.
- The Mineral Conservation and Development Rules of 1988 were framed based on Section 18 of the MMDR Act.
- Section 15 of the MMDR Act empowers state governments to create rules for regulating the grant of quarry leases, mining leases, or other mineral concessions for minor minerals.
- Consequently, all state governments and some union territories have formulated their own rules regarding minor mineral concessions in accordance with Section 15 of the MMDR Act.

#### Mineral Laws (Amendment) Act, 2020

- The MMDR Act, 1957 was amended by the Mineral Laws (Amendment) Act, 2020.
- The purpose was to ensure the continued supply of minerals, as many mineral blocks were set to expire in March 2020.

- The amendment aimed to avoid the need for new mining lease holders to obtain fresh clearances, which was causing significant delays in starting mining operations and mineral production.
- A provision was introduced to transfer all clearances and approvals to the new mining lease holders of expiring mineral blocks allocated through auction.

#### MMDR Amendment Act, 2021

- The Ministry of Mines amended the Mines and Minerals (Development and Regulation) (MMDR)
  Act, 1957 through the Mines and Minerals (Development and Regulation) Amendment Act, 2021.
- The amendments aim to boost mineral production, improve ease of doing business, and increase employment in the mineral sector.
- Key provisions of the amended Act include:
  - Removal of the distinction between captive and merchant mines, allowing all captive mines to sell up to **50%** of minerals produced after meeting certain requirements.
  - Resolution of pending cases under Section 10A of the MMDR Act, 1957.
  - Validity of statutory clearances of mining leases even after expiry or termination, to be vested in the next lessee.
  - Transfer of mineral concessions without charges.
  - Seamless transition from exploration to production.
  - Empowerment of the Central Government to give directions regarding the composition and utilization of funds by the District Mineral Foundation.
- The Ministry also amended the Second Schedule to the MMDR Act, 1957, specifying royalty rates for Glauconite, Potash, Emerald, Platinum Group of Metals (PGM), and alusite, sillimanite, and molybdenum.
- These amendments aim to facilitate auctions, reduce imports of these minerals, and create empowerment opportunities in the mining and manufacturing sectors.

#### National Mineral Exploration Trust

- The government notified the National Mineral Exploration Trust (NMET) Rules in 2015.
- It established the National Mineral Exploration Trust (NMET) in accordance with subsection (1) of Section 9C of the Mines and Minerals (Development and Regulation) Amendment Act, 1957.
- The primary objective of **NMET** is to promote regional and detailed mineral exploration across the country.
- The goal is to increase overall mineral production and achieve sustainable development in the mineral sector.

#### The MMDR Amendment Act, 2023

- The Mines and Minerals (Development and Regulation) Amendment Act of 2021 amended the MMDR Act, 1957.
- The Amendment Act introduces several new measures, including:
  - Introduction of exploration licences for deep-seated and critical minerals.
    Auctioning of blocks explored by exploration license holders for mining lease within the second second
  - Auctioning of blocks explored by exploration license holders for mining lease within a specified timeline.
- Deep-seated minerals like gold, silver, copper, zinc, lead, nickel, cobalt, platinum group minerals, diamonds, etc., are challenging and costly to explore and mine compared to surface or bulk minerals.
- Six minerals, namely beryl and other beryllium-bearing minerals, lithium-bearing minerals, niobium-bearing minerals, titanium-bearing minerals and ores, tantalum-bearing minerals, and zirconium-bearing minerals and ores, have been removed from the list of two atomic minerals specified in **Part-B of the First Schedule to the Act.**
- The central government is empowered to exclusively auction mining leases and composite licences for certain critical minerals listed in the **new Part-D of the First Schedule to the Act.**

#### The Offshore Areas Mineral Act, 2023

- The Offshore Areas Mineral (Development and Regulation) Amendment Act, 2023 introduces new measures.
- Production leases are now granted only through auction by competitive bidding.
- A declaratory provision is added under **Section 13C**, stating that all applications received before the commencement of the amendment act are ineligible due to the adoption of auction as the sole method for grant selection.
- There's a limit set on the acquisition of area: no person can acquire more than 45 minutes latitude by 45 minutes longitude concerning any mineral or prescribed group of associated minerals under one or more operating rights.
- To facilitate ease of doing business, provisions are made for easy transfer of composite licenses or production leases.
- The scope of power for premature termination has been expanded to include reasons like 'public interest', 'strategic interest of the country', or 'any other reason'.

#### Pradhan Mantri Khanij Kshetra Kalyan Yojana

- The government introduced Pradhan Mantri Khanij Kshetra Kalyan Yojana (PMKKKY) aimed at improving conditions in **mining areas.**
- **PMKKKY** is to be executed by district mineral foundations in respective districts.
- Objectives include creating a favorable mining environment and improving conditions for affected individuals.
- A national portal for District Mineral Foundation (DMF) is under development to monitor **PMKKKY** project implementations.
- Monitoring of PMKKKY will fall under "DISHA," the District Development Coordination and Monitoring Committee of the Ministry of Rural Development. Tision
- The aim is to enhance synergy and convergence for greater project impact.

#### National Mineral Exploration Policy

- The Government introduced the National Mineral Exploration Policy, 2016 (NMEP).
- NMEP outlines strategies and action plans for comprehensive exploration of non-fuel and non-coal mineral resources.
- The primary goal of NMEP is to accelerate exploration activities in India.
- The policy emphasizes increased involvement of the private sector in mineral exploration.
- The government aims to boost exploration through collaborative efforts with private entities.

#### Digitisation of Land Use

- GIS and Remote Sensing operations by IBM began in 2018, focusing on digitising leasehold maps.
- The process involves plotting RP (Revenue Parcel) and PL (Plot) areas from available documents onto the GIS platform.
- Key activities in this process include generating data from RP/PL reports/documents, creating shape files by plotting RP/PL boundaries on the GIS platform, and attaching RP/PL attribute data to the shape files.

#### **Mineral Resources**

- In April 2020, the classification of reserves/resources of various minerals based on the United Nations Framework Classification (UNFC) was conducted.
- This classification was followed by the preparation of the National Mineral Inventory.
- The UNFC utilizes a three-dimensional system with three axes: economic viability, feasibility assessment, and geological assessment.
- India is a producer of over 90 minerals, with some prominent ones listed.

#### Bauxite

- Total bauxite resources in the country per UNFC: 4,958 million tonnes.
- Breakdown of resources: 646 million tonnes reserves, 4,312 million tonnes remaining

resources.

- **79%** of the resources are of **metallurgical grade**.
- Odisha holds the largest share of the country's bauxite resources at 41%.
- Chhattisgarh follows with 20%, Andhra Pradesh with 12%, Gujarat with 8%, Jharkhand with 6%, Maharashtra with 5%, and Madhya Pradesh with 4%.
- Major concentrations of bauxite resources are found along the east coast of Odisha and Andhra Pradesh.

#### <u>Chromite</u>

- According to the UNFC system, the total chromite resources in the country are estimated to be 332 million tonnes.
- This comprises 79 million tonnes categorized as reserves, accounting for 24 percent, and 253 million tonnes categorized as remaining resources, making up 76 percent.
- Approximately 96 percent of these resources are located in Odisha, primarily in the Sukinda valley within the Jajpur and Keonjhar districts.

#### <u>Copper</u>

- Total copper ore resources in the country: 1661 million tonnes
- Total copper metal: 12.20 million tonnes
- **Reserve category:** 164 million tonnes (10% of total) with 2.16 million tonnes of copper metal
- Remaining Resources: 1497 million tonnes (90% of total) with 10.04 million tonnes of copper metal
- Rajasthan: 868 million tonnes ore (52% of total) with 4.64 million tonnes of copper metal
- Madhya Pradesh: 387 million tonnes ore (23% of total) with 3.67 million tonnes copper metal
- Jharkhand: 251 million tonnes ore (15% of total) with 2.78 million tonnes of copper metal
- Other states collectively account for 10% of the total resources.

#### <u>Gold</u>

- According to the UNFC system:
  - Total gold ore resources in the country: 544 million tonnes.
  - Reserves category: 24 million tonnes.
  - Remaining resources category: 520 million tonnes.
  - Total gold (primary) resources: 607.26 tonnes.
  - Reserves category: 92.76 tonnes.
  - Remaining resources category: 514.50 tonnes.
- Kerala has placer-type gold ore:
  - Estimated at 26 million tonnes.
  - Contains 5.86 tonnes of gold metal.
- Largest gold ore (primary) resources by state:
  - Bihar: 43%.
  - Rajasthan: 24%.
  - Karnataka: 20%.
  - Andhra Pradesh and Uttar Pradesh: 3% each.
  - Jharkhand and West Bengal: 2% each.

#### Iron Ore

- Hematite and magnetite are the primary iron ores in India.
- Hematite accounts for 78% of ore deposits in the eastern sector, while magnetite accounts for 89% in the southern sector, particularly in Karnataka.
- Hematite is preferred due to its higher grade.
- Indian hematite deposits are part of the precambrian iron ore series, occurring in various forms including massive, laminated, friable, and powdery.
- Under the UNFC system, hematite resources are estimated at 24,058 million tonnes, with 26% categorized as 'reserves' and 74% as 'remaining resources'.
- Major hematite resources are found

in Odisha (39%), Jharkhand (20%), Chhattisgarh (19%), Karnataka (12%), and Goa (5%), with smaller deposits in other states.

- Magnetite, another principal iron ore, occurs as oxide, either in igneous or metamorphosed banded formations.
- Total magnetite resources are estimated at 11,228 million tonnes, with only 2% classified as 'reserves' and 98% as 'remaining resources'.
- 20% of magnetite resources are of metallurgical grade, while 80% belong to unclassified, notknown beneficiated, foundry, coal washery, and other grades.
- 94% of India's magnetite resources are located in Karnataka (69%), Andhra
  Pradesh (13%), Rajasthan (7%), and Tamil Nadu (5%), with the remaining 6% scattered across several other states.

## Lead and Zinc

- Total resources of lead and zinc ores according to the UNFC system: 767 million tonnes.
- 13% of total resources classified as 'reserves', amounting to 103.28 million tonnes.
- Remaining 87% categorized as 'remaining resources', totaling 663.22 million tonnes.
- Rajasthan possesses the largest share of resources: 685 million tonnes (89% of total).
- Other significant resource-rich states include Andhra Pradesh (23 million tonnes, 3%), Madhya Pradesh (19 million tonnes, 2%), Bihar (11 million tonnes, 1.49%), and Maharashtra (9 million tonnes, 1.21%).
- Resources are also identified in Gujarat, Meghalaya, Odisha, Sikkim, Tamil Nadu, Uttarakhand, and West Bengal.

## Manganese Ore

- Total manganese ore resources in the country: 504 million tonnes (as per UNFC system)
- Reserves: 75 million tonnes (15% of total)
- Remaining resources: 429 million tonnes (85% of total)
- State-wise distribution of total resources:
  - Odisha: 34%
  - Karnataka: 25%
  - Madhya Pradesh: 12%
- Remaining states (Rajasthan, Gujarat, Telangana, West Bengal) share approximately 1% of resources collectively.

## Nickel

- Nickeliferous limonite is found in Sukinda Valley, Jaipur district, Odisha, occurring as an oxide.
- A process is under development for the utilization of nickeliferous limonite.
- Nickel occurs in sulphide form alongside copper mineralization in East Singhbhum district, Jharkhand.
- Nickel is also found associated with uranium deposits at Jaduguda, with a recovery process in development.
- Additional occurrences of nickel are reported in Karnataka, Kerala, and Rajasthan.
- Polymetallic sea nodules are another source of nickel.
- According to UNFC, the total estimated resources of nickel ore are 189 million tonnes.
- Approximately 93% of these resources, or 175 million tonnes, are located in Odisha.
- The remaining 7% of resources are distributed in Jharkhand (9 million tonnes) and Nagaland (5 million tonnes).
- Nominal resources of nickel ore are reported from Karnataka (0.23 million tonnes).

## Tungsten

- Total tungsten ore resources in the country as of April 1, 2020, according to the UNFC system, are estimated to be 89 million tonnes.
- These resources contain approximately 144,650.07 tonnes of WO3 content.
- All of these resources are categorised as 'remaining resources'.
- Distribution of resources:
- Karnataka holds 41% of the total resources.
- Rajasthan holds 27%.
- Andhra Pradesh holds 17%.

### Diamond

- Diamond occurrences in India have been reported since prehistoric times.
- India's diamond fields are currently categorized into four main regions:
  - South Indian tract including parts of Anantapur, Cuddapah, Guntur, Krishna, and Kurnool districts, as well as Mahabubnagar in Telangana.
  - Central Indian tract in Madhya Pradesh, comprising the Panna belt and Chhatarpur districts.
  - Behradin-Kodavali area in Raipur district and Tokapal, Dugapal, etc. areas in Bastar district of Chhattisgarh.
  - Eastern Indian tract, primarily in Odisha, lying between the Mahanadi and Godavari valleys.
- According to the UNFC system, India's total diamond resources are estimated to be around 31.72 million carats.
- Of this total, 0.85 million carats (3%) are categorised as reserves, while the remaining 30.87 million carats are under the remaining resources category.
- In terms of states, Madhya Pradesh holds about 90% of the diamond resources, followed by Andhra Pradesh with 6%, and Chhattisgarh with 4%.

## Fluorspar

- Total fluorite resources in the country: 21 million tonnes according to UNFC system.
- **Reserves:** 0.4 million tonnes.
- Gujarat holds the largest share of total resources: 14 million tonnes (68%).
- Rajasthan follows with 6 million tonnes (27%), Chhattisgarh with 0.55 million tonnes (3%), and Maharashtra with 0.49 million tonnes (2%).
- **Grade-wise classification:** Marketable grade resources constitute 82% of the total, low grade comprises 15%, and the remaining 3% are unclassified and low grades.

## Graphite

- Graphite occurrences are found in various states in India, with economically significant deposits located in Andhra Pradesh, Jharkhand, Karnataka, Kerala, Odisha, Rajasthan, and Tamil Nadu.
- According to the UNFC system, total graphite resources in India are estimated at about 212 million tonnes.
- These resources consist of 9 million tonnes (4%) in the reserves category and 203 million tonnes (96%) in the remaining resources category.
- Arunachal Pradesh holds the largest share of total graphite resources at 36%, followed by Jammu and Kashmir (30%), Odisha and Jharkhand (9% each), Madhya Pradesh (6%), and Tamil Nadu (5%).
- In terms of reserves, Tamil Nadu holds the highest share at about 36%, followed by Odisha (33%) and Jharkhand (30%).

## Ilmenite

- Ilmenite and rutile, along with other heavy minerals, are significant components of beach sand deposits.
- These deposits are found along the coastline from Ratnagiri coast in Maharashtra to the

Odisha coast in the east.

- The main areas of concentration for these minerals are Kerala, Tamil Nadu, Odisha, and Andhra Pradesh.
- According to the UNEC system, the total estimated resources of ilmenite are in the millions of tonnes, including leucoxene.
- The estimation includes indicated, inferred, and speculative categories of resources.

## **Kyanite and Sillimanite**

- Total resources of kyanite in the country: 106 million tonnes according to UNFC system.
- Distribution of kyanite resources by state:
  - Telangana: 46%
  - Andhra Pradesh: 30%
  - Karnataka: 12%
- Total resources of sillimanite: 72 million tonnes.
- Distribution of sillimanite resources by state:
  - Odisha: 25%
  - Tamil Nadu: 24%
  - Uttar Pradesh: 16%
  - Iharkhand, Karnataka, Madhya Pradesh, Maharashtra, Meghalaya, Rajasthan, and West Bengal combined: 4%

#### Limestone

- Total limestone resources estimated at 227,589 million tonnes according to UNFC system.
- Karnataka leads with 25% of total resources.

#### Phosphate Minerals

- Apatite resources under the UNFC system: 21 million tonnes.
- Distribution of apatite resources:
  - West Bengal: 50%
  - Jharkhand: 34%
  - Meghalaya: 6%
  - Remaining 5% in Andhra Pradesh, Gujarat, and Tamil Nadu.
- Rock phosphate resources: 311 million tonnes.
- Distribution of rock phosphate resources:
  - Jharkhand: 35%
  - Rajasthan: 30%
  - Madhya Pradesh: 19%
- Meagre resources in Gujarat and Meghalaya.

## **Geological Survey of India**

- The Geological Survey of India (GSI) is a prominent earth science organization established in 1851.
- Initially focused on coal research, GSI has expanded its activities significantly over 163 years.
- **GSI** provides crucial earth science information to the government, industry, and geoscientific sector.
- It holds one of the largest and most comprehensive earth science databases.
- GSI's activities include surface mapping, aerial and remote sensing surveys, offshore surveys, mineral and energy resource exploration, and more.
- Natural resource assessment and augmentation, public good geoscience, dissemination of geoscience knowledge, and capacity building are its prime areas.
- GSI operates through six geographically distributed regions and five missions.

- It collaborates with the British Geological Survey on projects like the Landslide Early Warning System (LEWS) and earthquake studies.
- **GSI** monitors glaciers in the Himalayan states to understand climate change's impact on the cryogenic environment and river systems.
- Additionally, it conducts studies in the Polar regions to decipher climate change patterns.
- GSI addresses issues like desertification, soil and groundwater contamination, bank erosion, urban flooding, and coastal land use change.
- GSI received the "WCDM-DRR Awards" in 2022 for its contributions to geotechnical, geoenvironmental, and natural hazard studies.

## **Indian Bureau of Mines**

- The Indian Bureau of Mines (IBM) was established in March 1948 under the Ministry of Mines.
- IBM has both statutory and developmental responsibilities, focusing on the conservation and systematic exploitation of mineral resources excluding petroleum and natural gas, atomic minerals, and minor minerals.
- It operates under various legal frameworks including the Mines and Mineral (Development and Regulation) Act of 1937, amended in 2015, 2020, and 2021, and associated rules such as the Mineral Conservation and Development Rules of 2017.
- Additionally, IBM operates under the Environmental (Protection) Act of 1986 and its associated rules. techno-economic research studies
- The bureau conducts scientific and in various aspects of mining, including geological studies, ore beneficiation, and environmental impact assessments.
- The Ministry of Mines oversees three Public Sector Undertakings (PSUs) which are National Aluminium Company Limited (NALCO), Hindustan Copper Limited (HCL), and Mineral Exploration Corporation Limited (MECL).
- NALCO and HCL are engaged in mining and mineral processing, while MECL focuses on mineral exploration.

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