

82952/2019/OFFICE OF SECRETARY

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सचिव

Dr. A. R. SIHAG
SECRETARY

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D.O.No.10 (1)/2019-Coord

Dated: the 7th June, 2019

Dear Sir,

With reference to D.O. letter No.502/1/2/2014-CA-V dated August 5, 2014 of Cabinet Secretary, the following significant activities in the Department of Heavy Industry (DHI) for the month of May, 2019 are highlighted:

1. I addressed a seminar on "SAMARTH Udyog Smart Manufacturing in India-Taking Stock to Look Ahead", organized by the Central Manufacturing Technology Institute, Bangalore on 8th May, 2019. Over 250 participants from industry and academic institutions attended the seminar. This was the thirteenth such seminar organized by the Department of Heavy Industry this year to generate awareness about Smart Manufacturing and Industry 4.0. As part of this endeavour, the Department has supported IITs and other academic institutions of repute to set up Industry 4.0 centers under the scheme of "Enhancement of Global Competitiveness in Capital Goods Sector". These national "SAMARTH (Smart & Advanced Manufacturing and Rapid Transformation Hub) Udyog" Centres make available an eco-system to executives of manufacturing industry, particularly the small and medium sector, for awareness, hand-holding and adoption of new technologies. During this particular seminar, presentations were made on (a) the work being done at four SAMARTH Udyog Centres, (b) success stories in India on Smart Manufacturing, and (c) challenges in the adoption of smart manufacturing. A panel deliberated upon the road ahead for smart manufacturing in India.
2. I visited Tumkuru Machine Tool Park at Tumkuru, Karnataka on May 9, 2019. This project is jointly funded by Government of Karnataka and GoI. Being set up at a total project cost of Rs 421 crores, the Industrial Park is spread over an area of about 500 acres. Civil construction of the project is likely to be completed by September, 2019. The process for allotment of land to companies in the Indian Machine Tools sector has started.
3. I chaired the 8th meeting of the Apex Committee of the Scheme for "Enhancement of Competitiveness in the Indian Capital Goods Scheme" on May 13-14, 2019 at Udyog Bhawan, New Delhi to review the progress of 26 R&D and technology development projects sanctioned under the scheme. It was seen that 3 projects have been completed and most other projects are progressing on schedule. Also, patents have been applied for in several projects. Academic institutions and their industry partners requested for extension of the Scheme with enhanced budget. DHI is working on formulating proposals for the next stage of the scheme.
4. As regards implementation of FAME India scheme Phase-II, the following major activities were undertaken during the month :
 - i. Online portal for the scheme (www.fame2.heavyindustry.gov.in) was made operational with effect from 17th May 2019. This is a common portal for DHI, OEMs, dealers and testing agencies for online claims and reimbursement of demand incentives under the scheme.

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- ii. A Localization conference- cum-exhibition of locally manufactured components required for electric vehicles was held at New Delhi on 15th May 2019 to bring together OEMs and EV component manufacturers for achieving the necessary level of localization, as specified in the scheme document.
 - iii. A series of meetings were held between DHI and MoP to finalize the EOI for inviting proposals to establish charging stations.
 - iv. A meeting was held in DHI with State Transport Secretaries and MDs of State Transport Undertakings to finalize the draft EOI for deployment of e-buses.
5. The only remaining facility under NATRIP project at ICAT, Manesar, i.e Construction of track for testing Anti-lock Braking System, was completed. With this, all major facilities at ICAT, Manesar have been completed under the NATRIP project.
 6. In the matter of international arbitration concerning Nissan Motors Ltd. (NML), the Arbitral Tribunal passed an order on 29th April 2019, dismissing all objections raised by the GoI (Respondent) in the Jurisdictional Challenge Application, except challenge on Taxation Measures, which was deferred for consideration at the hearing stage. After detailed deliberations on the issue in meetings of the Inter-Ministerial Group, held on 13th and 24th May 2019, it was decided that-
 - (i) the Tribunal be requested to render a decision on the remaining 5th objection of GoI for jurisdictional challenge, i.e. "Taxation Measures", in terms of Article 96(21) of CEPA, before proceeding further on merit in the claim filed by NML.
 - (ii) the Singaporean Law Firm suggested by MEA may be engaged to file an appeal before the Singapore Court challenging the order of the Tribunal, dated 29th April 2019.

Accordingly, an appeal has been filed in the High Court of Singapore on 29th May 2019.

7. Hindustan Paper Corporation Limited (HPC) has been facing the Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code, 2016, in the National Company Law Tribunal (NCLT), New Delhi since June 2018. The Hon'ble Tribunal during its hearing on 02.05.2019 ordered for the liquidation of HPC (order uploaded on 16.5.2019). The ASG defending the Department in this matter has opined that there is no scope for filing an Appeal against this order. Further, the NCLAT in its order dated 29.05.2019 has inter alia directed that, during the liquidation process, the liquidator is required to take steps to ensure that the company remains a going concern. NCLAT was moved by the Officers' Association and Workers' Union of HPC; however, the Department was not made a party in this case. In the said order, the Liquidator has also been directed to approach the Union of India through the concerned Department for realization of funds to ensure that the 'Corporate Debtor' remains a going concern.
8. The Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code, 2016, has also been initiated against Hindustan Newsprint Limited (HNL), one of the subsidiaries of Hindustan Paper Corporation (HPC) in National Company Law Tribunal (NCLT), Chennai. The next hearing of the matter in NCLT is on 7th July, 2019. The State Government/ Kerala State Industrial Development Corporation (KSIDC) has been approached by HNL for funding support by way of loans.

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9. As approved by the Cabinet Committee on Economic Affairs (CCEA), disinvestment of the non-operational unit of Cement Corporation of India at Nayagaon is underway. Due diligence of the bids received is in progress. Evaluation Committee has been re-constituted under the Chairpersonship of AS&FA, DIPAM.
10. In the matter of strategic disinvestment of SIL, the only remaining bidder has withdrawn from the bidding process on 30.5.2019.
11. BHEL signed MoU with the Department of Heavy Industry (DHI), Govt. of India on 22nd May, 2019, outlining the performance targets of the company for FY 2019-20 .
12. 'Pragati Deergha', the first-ever museum of BHEL showcasing its glorious journey and engineering/product prowess since inception, was opened at the company's Bhopal establishment on 28th May, 2019.
13. BHEL signed an MoU with Hindustan Petroleum Corporation Ltd. (HPCL) for implementation of EV charging infrastructure at HPCL locations on 23rd May, 2019.
14. The second air-conditioned AC EMU rake fitted with state-of-the-art IGBT- based 3-phase propulsion system supplied by BHEL was successfully commissioned and flagged off from ICF, Chennai on 17th May, 2019.
15. BHEL has been awarded 'India's Best Public Sector Undertaking 2018-Fastest growing Maharatna of the year (Manufacturing)' by Dalal Street Investment Journal.
16. A knowledge sharing program on Quality Management and Business Excellence among select CPSUs was organized by BHEL on 31st May, 2019 in which various CPSUs (viz. BHEL, NTPC, PGCIL, NHPC, THDC, ONGC, IOCL, BPCL, GAIL, SAIL, BEL, IGL) participated.
17. In view of the Cabinet Secretariat's direction dated 12-01-2017, vide D.O letter No.1/50/1/2017-Cab, the status of ACC directions/ orders as per the prescribed format, is given as under:

S.No.	Subject	Gist of Decision	Status of implementation
		Nil	

Warm regards,

Yours sincerely



(A.R. Sihag)

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Cabinet Secretary
Cabinet Secretariat,
Rastrapati Bhawan
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