

NAVMANTRA

Rejuvenating Productivity Movement in India



National Productivity Council



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TABLE OF CONTENTS

Sl.No	PARTICULARS	Page No
01	NAVMANTRA:REJUVENATING PRODUCTIVITY MOVEMENT IN INDIA	01 to 02
02	INDUSTRY PARTNERSHIP TOWARDS ATMANIRBHAR BHARAT	03 to 05
03	YOUTH AND PRODUCTIVITY	06 to 07
04	WOMEN AND PRODUCTIVITY	08 to 09
05	AGRICULTURE AND COOPERATIVES	10 to 12
06	INNOVATION FOR ATMANIRBHAR BHARAT	13 to 15
07	APPROACH PAPER FOR NORTH INDIA	16 to 17
08	APPROACH PAPER FOR EASTERN AND NE INDIA	18 to 19
09	APPROACH PAPER FOR WESTERN INDIA	20 to 20
10	APPROACH PAPER FOR SOUTHERN INDIA	21 to 21

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Rejuvenating Productivity Movement in India

In May 2020, Prime Minister, Mr. Narendra Modi launched the 'Self-reliant India' (Atmanirbhar Bharat) mission to promote Indian goods in the global supply chain markets and help the country achieve self-reliance. The mission was announced amid the pandemic when the government allocated funds worth Rs. 20 lakh crore (US\$ 268.74 billion), which amounts to ~10% of India's GDP, as a stimulus package to help recover the economy by promoting incentives for domestic production. It encompasses themes such as 'Local for Global: Make in India for the World' and 'Vocal for Local'.

Self-reliant India will stand on 5 Pillars-

1. Economy- Bringing in quantum jump and not incremental change.
2. Infrastructure- Should become identity of India.
3. System- Based on 21st century technology driven by arrangements.
4. Vibrant Demography- Our source of energy for self-reliant India.
5. Demand-Whereby the strength of our demand and supply chain should be utilized to full capacity.

Along with Atmanirbhar Bharat Abhiyan Mission, the government took several bold reforms such as Supply Chain Reforms for Agriculture, Rational Tax System, Simple & Clear Laws, Capable Human Resource and Strong Financial System which will help in achieving self-reliance in a faster way.

The key objectives of the 'Self-reliant India' (Atmanirbhar Bharat) mission are as follows:

- ◆ Develop India into a global supply chain hub.
- ◆ Build the government's trust in the private sector capabilities and prospects.
- ◆ Establish 'good force multipliers' for Indian manufacturers.
- ◆ Enter the global markets to export goods including agriculture, textiles, clothing and jewellery.
- ◆ Determine adequacy of each sector (e.g., defense, agriculture, healthcare, infrastructure.), with the help of FY22 budget, to achieve self-reliance.

NPC Perspective

The productivity movement in India, launched in the 1950s and spearheaded by the National Productivity Council (NPC), has contributed greatly to the country's socio-economic development. The productivity movement is needed more now than ever before, especially in the context of the world economic order today, where the nation need to become Atmanirbhar Bharat. As a nodal agency of the productivity movement in the country, the NPC along with 26 nos. Local Productivity Councils (LPCs), spread across the country, play an important role to address the challenges of productivity improvement that the country is facing today.

The NPC Vision for 2022–2047 is "inclusive, innovation-led productivity growth for socio- economically stronger India."

Three high level goals are identified under NPC Vision 2047:

1. Sustained productivity growth:

- ❖ Industry/regional/sectoral growth rate and contribution to economy
- ❖ Achievement of Sustainable Development Goals (SDG), commitment made at various forum

- ❖ Job creation
- ❖ Development of productivity measurement model & tool kits
- ❖ Development of ministry specific models
- ❖ Smart transformation in industry, service and agriculture

2. Robust innovation system:

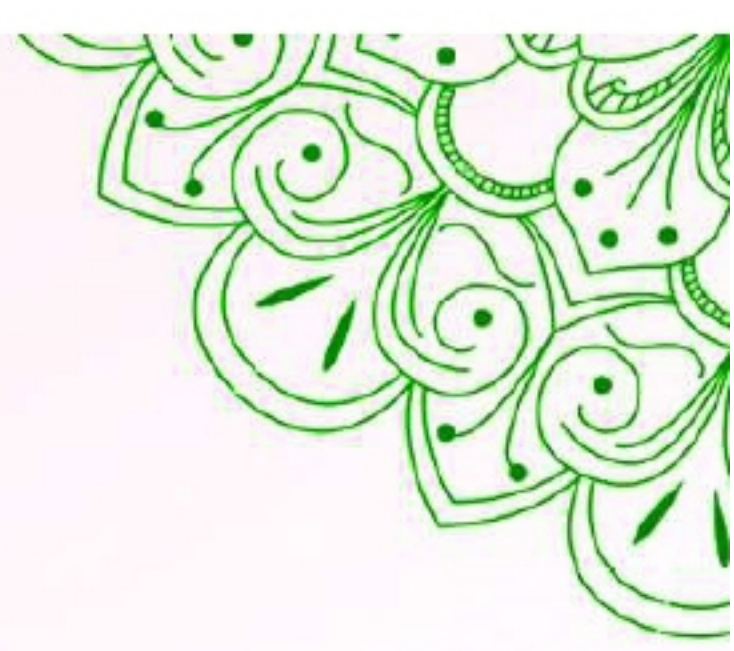
- ❖ Investment analysis
- ❖ Development of MFCA based assessment framework
- ❖ Skill development and entrepreneurship
- ❖ Integrated solutions and services related to evolving technologies

3. Inclusive engagement and shared prosperity:

- ❖ Engagement of SMEs
- ❖ Formalizing the informal sector
- ❖ Female labor force participation
- ❖ Engagement of person with disabilities and aging population

Conclusion

NPC has announced, “Navmantra,” a Nine-Pronged-Approach for Swavalambi Bharat: Five thematic areas and four geographic focal regions. The thematic areas are, Youth & Productivity, Women & Productivity, Innovations, Agri & Co-operatives and Industry Partnerships. Each of the thematic areas and focal regions would be steered by professionals from NPC and co-steered by LPCs representatives.



Industry Partnership towards Atmanirbhar Bharat

Industrial development is a key component in becoming Atmanirbhar Bharat. India's manufacturing sector is a key contributor to the country's economic growth. Further, it was discussed during second Environment Climate Sustainability Working Group (ECSWG) meeting in February 2023 that resource efficiency and circular economy through industrial coalition is need of the hours.

Industrial Coalition, also known as Coopetition, enables resource sharing instead of resource duplication, which is seen in competition. Different types of industrial coalition that are prevailing include:

- ❖ Information sharing
- ❖ Sharing of common infrastructure
- ❖ Optimum utilisation of resources
- ❖ Innovation
- ❖ Supply chain management

Further, Ministry of Environment, Forest and Climate Change has developed a concept note on developing industrial coalition which will bring together countries, industry and experts globally. Following are pillars suggested by them:

- ❖ Building partnership for impact
- ❖ Technology cooperation
- ❖ Mobilize de-risked finance

Towards this NPC with 12 regional offices and 25 LPCs can become technical partner for MoEF& CC in facilitating industrial coalition. NPC in the past as well as currently is undertaking industrial coalition programs, namely:

National Productivity Council has been associated with this project in the capacity of National Monitoring & Implementation Unit (NMIU) on "Lean Manufacturing Competitiveness Scheme" of Ministry of MSME. This scheme was launched in the year 2009 on a pilot basis with the objective to enhance the competitiveness of MSMEs. Owing to the success, the scheme was upscaled to 500 more clusters spread across the country and NPC was again assigned the role of NMIU along with QCI. The upscaled scheme continued till March 2023. Now Ministry of MSME has come up with a new version of the same scheme where big corporates are also invited. NPC is again engaged by Ministry of MSME as nodal agency for this scheme.

NPC acted as Nodal Agency & Project coordinator for establishment of Waste Minimization Circles in the country sponsored by Ministry of Environment, Forest & Climate Change (MoEF& CC). Under this program, around 158 circles were formed wherein 1000+ waste minimization options were evolved and around 400+ were implemented which resulted in about Rs. 4.5 crores of savings from Phase II (of the project) with investments of Rs. 8.5 crores by SME units.

Following are the requirement for achieving resource efficiency and a circular economy:

- ❖ Capacity building/Awareness program for transition to a resource-efficient and circular economy for industrial.
- ❖ Mapping of domestic policies, fiscal and regulatory frameworks on the sustainable management of natural resources, the circular economy transition and industrial symbiosis, building on relevant information.
- ❖ Identify barriers, knowledge and governance gaps that hinder circular and just transitions, bottlenecks in decoupling economic growth from resource use environmental loss at the international and global level, and possible opportunities for making sustainable global value chains.



- ❖ Identify research needs and possible governance improvements
- ❖ Take forward and support sectoral, bilateral and/or regional partnerships.
- ❖ Facilitate more intra industrial conversations on the governance of natural resources and options to improve the current situation.

In this respect, NPC along with LPCs may facilitate in developing following types of industrial partnerships:

1. Developing Industrial Partnership Program for Information Sharing as Such

- ❖ Introduction of Special Purpose Vehicles in group consulting program and shaping new Green Public Private Partnerships. This could lead to a strengthened initiative that could be taken to a vast range of clusters so far yet to be reached.
- ❖ Green Supply Chains and Resource Conservation initiatives for enhancing value chain productivity.
- ❖ Engage in knowledge creation.

2. Developing Partnership Program for Sharing of Common Infrastructure

- ❖ Small-scale enterprises are facing is that they are not equipped with the latest technology to manage their factories and machinery. There is inadequate availability of transportation, communication, power and other facilities in the backward areas. All these factors adversely affect the quantity, quality and production schedule of the enterprises operating in these areas.
- ❖ The presence and use of ICT infrastructures like Local Area Network(LAN), Wide Area Network(WAN), provision for e-library, plagiarism checking resources, e-learning and teleconferencing facilities would help to enhance the overall learning environment for research.

3. Developing Partnership Program for Optimum Utilization of Resources

- ❖ There is underutilization of installed capacity to the extent of 40 to 50 percent in case of small-scale industries. Various causes of this underutilization are shortages of raw material, power and technology. Small-scale units are forced to resort to employing unskilled labor or manpower. Thus, there is a crucial need to reallocate resources to the most efficient firms that translate the efficiency gains obtained at the frontier into higher aggregate productivity levels and growth rates.
- ❖ Efficient reallocation requires the ability to optimally combine technological, organizational and human capital in production processes.

4. Developing Partnership Program for Innovation

It is crucial that innovative productivity advancements diffuse into the economy through knowledge spillovers and technology adoption, reducing technological gaps among firms. Industrial partnerships can lead to following:

- ❖ Knowledge creation and innovation through:
 - ◆ R&D, digital technologies and other KBC investment
 - ◆ Skill upgradation/capacity building
 - ◆ Innovation diffusion
- ❖ Creating industrial partnership requires following:
 - ◆ Technology audit by formal R&D institutions
 - ◆ National Innovation and R&D Fund for MSMEs
 - ◆ Awards for Innovations by/for MSMEs
 - ◆ Dedicated R&D Centres for various industrial clusters

5. Developing Partnership Program for Supply Management

Small-scale industries normally tap local sources for meeting raw material requirements. Due to the shortage of funds, raw materials, or labour, small-scale industries cannot produce high-quality products. Hence, it's important to pool resources so that players from all levels can be benefitted.

6. Developing Partnerships Program for Other Purposes like

- ❖ Focus on enhancing entrepreneurial performance
- ❖ Demand improved public and private systems
- ❖ Strengthen institutional services
- ❖ Usher green growth and green economy
- ❖ Co-creation Strategy

Conclusion

The different strategies of industrial partnerships if implemented effectively on the ground can substantially impact to progress of productivity improvement, and resource efficiency in the country.



Youth and Productivity

Youth population is the driving force of a nation. Tapping their potential and energy they support the entire society and its development. There has been a growing need for young people to be productive in order to ace the current competitive global market. Factors like education, technology, motivation, social environment are the enablers of youth productivity.

It is crucial for India to focus attention to create a more supportive and inclusive environment for the youth to help them to achieve their highest potential and serve the society.

Objectives

1. To Identify factors that aid in youth productivity.
2. To Identify the challenges that youth face and find ways to mitigate these hurdles.
3. To correlate youth productivity and their personal wellbeing such as, mental health, physical health, social connections.
4. Understanding the impact of technology and suggesting ways to optimize it for maximum productivity.
5. To analyze role of education and training and effectiveness of different educational approaches in promoting youth productivity.

Current Scenario

1. Youth population in India

India became the world's most populous country in 2023, with a current population of 140.76 billion with a median age of 28.2 which is considerably less than that of China and Japan. As per national youth policy, youth in the age group of 15-29 years comprise 27.5% of the total population. India is also expected to become 4th largest economy by 2025, contributing 5.5%-6% to the world GDP, next to United states, China and Japan. Hence its crucial to tap into youth productivity so that they can make a significant contribution to the economic development of the country.

According to the Ministry of Statistics and Programme Implementations (MoSPI) over 62% of the population is aged between 15 and 59 years, and the drop in fertility had increased concentration of the working-age population. This means India is going through the stage of 'demographic dividend' representing the potential for economic growth based on the age structure of the population.

2. Employment status of youth in India

The International Labour Organization(ILO) Global employment trends for Youth 2022 report study shows that the youth employment participation rate declined by 0.9% in 2021 in comparison to that of 2020. Women encountered larger relative losses than their male counterparts. Young Indian men account for 16%, and that of females is 5% in the global labor market.

As per NSSO (National Sample Survey Organization), among age 15-29 years, LFPR (Labour force participation rate) in India was 38.1%: 37.8 % in rural and 38.7 %in urban areas. Among aged 15 years and above, LFPR in India was 50.2 %: it was 51.5% and 47.5 % in rural and urban areas respectively.

3. Youth productivity in India

According to the studies, education, training, skill development programs, social media, social and family environment are the critical determinants of youth productivity. Hence, it's imperative for the government to focus on the above factors in order to enhance their performance and increase employability. It has also been found that social media is a potential tool to accelerate youth.

4. Skill training

The skill India program by Indian government, launched in 2015, was designed to train youth and cater the current need of various industries like construction, retail, healthcare and others. As of 2021 this program has trained over 1 crore people, with majority of age under 35 years.

5. Digital literacy initiatives

Digital India program and the National Digital Literacy Mission have trained millions of people in digital skills and optimized usage to boost productivity. These trainings have enabled youth to access technology and access job opportunities that were earlier unavailable. Digital literacy paired with internet made online learning more accessible to the students from all backgrounds.

SWOT Analysis for youth in India

Strengths:

- ❖ Adaptability, faced paced, quick learners are some of the greatest tools of the youth
- ❖ Energetic mindset allows youth to approach work with creativity.
- ❖ Access to technology and digital tools increase productivity by manifold.

Weaknesses:

- ❖ Lack of experience
- ❖ Limited professional networks and exposure to industries.
- ❖ Youth are more prone to distractions due to social media and instant gratification.

Opportunities:

- ❖ Mentoring and training programs can help them to develop skills needed for employment.
- ❖ Growing demand of digital skills and technological knowledge can open pathways for alternate career options.
- ❖ Remote and freelancing can provide youth with flexibility and diversify their income sources.

Threats:

- ❖ High competition in the job market along with economic uncertainty and job insecurity are the major threats to the youth productivity.
- ❖ Mental health issues like anxiety and depression can negatively impact youth productivity.

Conclusion

Improving the lives of youth in mission mode would lift their lives, and generate a virtuous cycle with healthier and educated young adults contributing substantially to securing India's future.

The policies for empowerment of youth and their effective implementation will ensure that the demographic dividend, which is a time-limited opportunity, becomes a boon for India.



Women and Productivity

Productivity is one of the measures of understanding the economic performance of a nation. Higher production does not define the participation of all the provided resources such as humans. In order to develop Atmanirbhar Bharat, it is crucial to recognize gender equality and female empowerment so that we can elevate female participation in the workforce in the coming days.

Statistics

According to various studies, the female workforce participation rate in India is 20.3%, of which 18.2% is in urban regions. While there is an increase in women's employability, 51.44% in 2022 from earlier 41.25% in 2021, India still has one of the lowest female labor force participation rates in the world, lower than that of Bangladesh and Sri Lanka. Covid 19 pandemic worsened the situation specifically in rural India.

Female inclusivity in the workforce positively impacts the economy and society. Hence it is important to understand the cultural and social factors that hold back women from achieving their highest potential.

Possible reasons for low participation of women in the workforce

1. Marriage, childbirth, and family responsibilities force women to quit jobs.
2. Inherent bias towards males in job opportunities.
3. Mechanization in the agricultural sector.
4. Gender discrimination and hostile work environment.

Gender Equality-Sustainable Development Goal(SDG)

The demand for equality and an end to all discrimination is not only a universal human right but also indispensable for a sustainable, economically positive future. Sexual violence and exploitation, unequal division of work in the household, discrimination, climate change, and disasters continues to affect women and children. It is, therefore, crucial to ensure that they are provided with financial literacy, equal rights in land and property, health, and exposure to technology and the internet.

Women's Productivity- Significance

1. Economic growth- women's contribution to innovation and technology can improve productivity thereby boosting the economy.
2. Gender equality- breaking down stereotypes in society can lead to women's productivity.
3. Improved social outcomes- providing better health and education to women and children can help them to break the vicious cycle of poverty in the long run.
4. Improved outcomes- educated women can earn a living wage and their skills will improve business performance and drive innovation. This can help to promote social development.

Women can drive their own mobility by creating peer-to-peer mentoring programs and supporting their female colleagues in the workforce will help them to achieve top positions in their careers.

Women Leaders

For generations, there has been a void in society due to the lack of women leaders. Women are credited to have higher emotional intelligence and better soft skills, therefore using these tools can increase productivity and growth in any organization. Women have a distinct advantage in building relationships, motivating, supporting, and mentoring others in a work environment. These problem-solving skills can help in addressing challenges and adverse situations in a business. Studies have shown, a higher percentage of women in decision-making roles and senior positions has led to higher profitability (Ernst & Young).

Whether it is the first female into the space or first woman prime minister, their accomplishments motivate society at a greater level.

Factors affecting women productivity

- ❖ Particularly in rural regions it has been noted that women have limited access to education which may be due to a lack of infrastructure and/or cultural biases against women.
- ❖ Gender discrimination both in society and the workplace limit women's opportunities for advancement.
- ❖ Unpaid domestic work creates a psychological and economic burden on women.
- ❖ Lack of financial knowledge limits their access to credit and finances which stops them to start their own ventures.
- ❖ Lack of access to higher education and mentorship programs affects women's growth in their careers.
- ❖ Harassment and bullying in the workplace, followed by microaggressions corner women and destroy their motivation, and impacts their mental health.

Way forward

It is important to release women to come out of their self-limiting behaviors where they have to take a disproportionate amount of burden of both domestic and workplace, therefore certain initiatives maybe be taken to make a more equitable and productive workplace.

❖ **Policy level**

- ◆ Awareness program in the rural and backward regions to motivate girls and their parents emphasizing the importance of education.
- ◆ Educating women to understand their rights and status in society, such as the Right to Information Act, and the Right to Education.
- ◆ Setting up of SEZs to encourage large-scale investment and maximum job opportunities for women, such as digital participation of the Ministry of Rural Development and Amazon to boost women artisans.

❖ **Grassroot level**

- ◆ Providing mentorship and vocational education can help women to monetize their skills.
- ◆ Promoting better healthcare, especially in the rural areas to girls and women who are engaged in field jobs.
- ◆ Primary school teachers can harness the potential and skills of children and create a gender parity ecosystem for them.

❖ **Workplace level**

- ◆ Providing equal opportunities to all genders and ensuring women have equal access to resources as their male counterparts.
- ◆ Flexible work arrangements like part-time, remote work, or hybrid setup can enable women to balance both domestic and work life.
- ◆ Sensitizing about sexual harassment laws and rules and regulations.
- ◆ Employers can support women by providing various training and mentorship programs to boost their skills and potential.

Finally, it's equally important for men to support their spouses both in education and work and help them in the household chores to ensure the burden is well distributed. This will ensure better households and a better economy for the nation at large.



Agriculture and Cooperatives

India has been an agriculture-based country. Agriculture, not only makes the country secure in terms of food and other materials but continues to be the source of livelihood for the majority of the Indian population. Agricultural production in India has undergone a phenomenal change since the dawn of green revolution. Indian agriculture witnessed a distinct step up in the growth of output following the green revolution in the 1960s driven by intensive use of inputs and technological advancement, which was sustained during the seventies and eighties.

From a meagre 55 million tonnes, production of foodgrains has increased to a record 308.65 million tonnes last season (July 2020-June 2021). Production of pulses, coarse cereals, natural fibres, sugarcane, vegetables and fruits has all increased manifold since Independence.

Not with standing some deceleration during the early 2000s, the average production of foodgrains has increased significantly in the last decade aided by higher agriculture credit, public and private investment, increased usage of quality seeds and fertilisers, expansion of acreage under irrigation, and increase in cropping intensity. Besides increased accessibility to key farm inputs, the price support policy of the government (driven by minimum support price) has also played a significant role in boosting the production of cereals and pulses resulting in consecutive record production of foodgrains since 2016-17.

Though in absolute terms agricultural GDP is growing, the share of agriculture in the GDP has been declining, and a sizable population is still dependent on agriculture for their livelihood. Since this sector influences the lives of the entire population, several efforts have been made since independence to evolve appropriate agricultural policies for producers' and consumers' welfare.

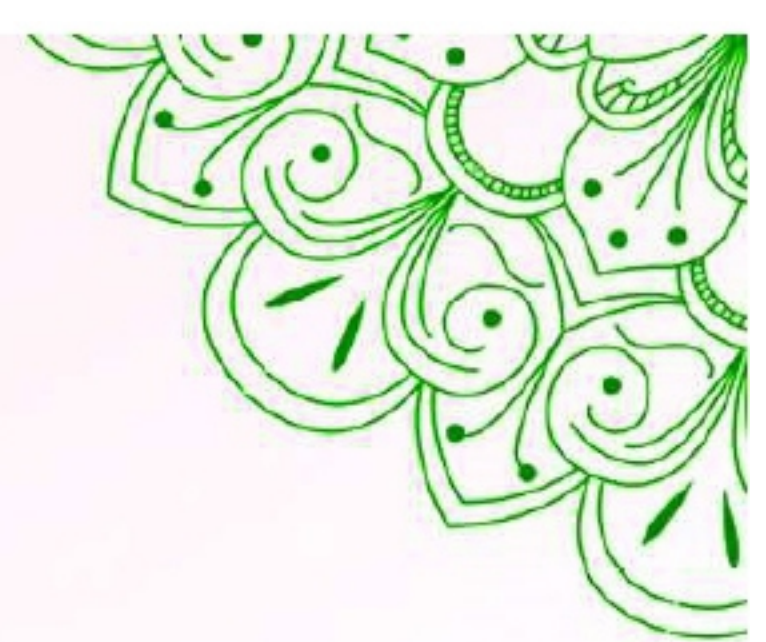
Opportunities

1. Increase in food production.
2. Changing consumption patterns.
3. Land consolidation and migration of agricultural ecosystem into a digital architecture.
4. Increase in demand for processed food.
5. Increase in competitiveness.
6. Migration of agricultural labour to more productive jobs.
7. Crop diversification.
8. Use of biotechnology.
9. Prudent use of land and new growing medium.
10. Hydroponic farming.
11. Precision farming.
12. Drone in agriculture.
13. Application of nano-technology.
14. Improved storage and supply-chain facilities.
15. Digitisation of retail outlets.
16. Organic farming.

In India, the dramatic increase in land productivity through industrial farming has caused severe environmental damage and did not boost agricultural labour productivity. India further faces the challenges of both increasing farm productivity and increasing sustainability and resilience to climate change.

Major constraints in Indian agriculture are as follows:

1. Small and marginal holdings.
2. Subsistence agriculture.
3. Low credit supply.
4. Low penetration of technology.



5. Less value-addition at the primary level.
6. Poor irrigation infrastructure.
7. Over usage of chemical fertilizers stripped soil of its natural nutrients.
8. Improper supply chain management.

Adoption of a holistic ecosystem approach to address the multiple challenges faced by the agriculture sector is of national importance, to fulfill the aspirations like Doubling Farmer's Income and achieving SDG's. A multi-stakeholder approach is essential with the government playing the role of an enabler of the ecosystem players, rather than acting as a builder of digital systems.

Cooperative Movement in India

Cooperatives in India came into being as a result of the Government taking cognizance of the agricultural conditions that prevailed during the latter part of the nineteenth century and the absence of institutional arrangements for finance to agriculturists, which had resulted in mounting distress and discontent. Small, local, locally worked institutions, cooperative in form, which would satisfy the postulates of proximity, security and facility for providing credit, were seen as the answer to this situation.

Gorwala Committee, popularly known as the All India Rural Credit Survey Committee (1954) recommended following:

- ❖ The cooperative way of life as a preferred form of organization for the development of the economy.
- ❖ State partnership in cooperatives to give cooperative growth a major boost.
- ❖ The establishment of the National Cooperative Development and Warehousing Board (1956).

In 1963, the National Cooperative Development Corporation (NCDC) was established as a statutory Corporation by an Act of Parliament. The establishment of the NCDC, gave a great boost to the growth of post-harvest activities through cooperatives.

Current Scenario of Cooperatives in India

- ❖ The cooperative credit system of India has the largest network in the world and cooperatives have advanced more credit in the Indian agricultural sector than commercial banks.
- ❖ Help the farmer to get remunerative prices and co-operative processing units help in value additions to the raw products etc.
- ❖ Co-operative societies are helping in building up of supply chain, and in farm management.
- ❖ Dairy cooperatives operating under the leadership of the National Dairy Development Board and through 15 state cooperative milk-marketing federations have now become the largest producer of milk in the world.
- ❖ The Indian Farmers Fertilizer Cooperative has recently teamed up with a Japanese company and formed a joint venture for undertaking a general insurance business in India.
- ❖ It creates a conducive environment for small and cottage industries.

Constraints

- ❖ Mismanagement and manipulation
- ❖ Lack of awareness
- ❖ Restricted coverage
- ❖ Lack of trained personnel causes functional weakness



Way forward

- ❖ The weak and inefficient societies should be winded and merged with strong and efficient societies.
- ❖ Instead of single-purpose societies multipurpose societies need to be organized superficially single –purpose societies appear to be more useful because each one would concentrate on a specified function.
- ❖ It is necessary to maintain close coordination of activities among different constituents of the cooperative structure: primary societies at the base, organization at the central and state levels should be the right type.

Conclusion

The pendulum of economic growth in India is swinging from over-commitment of the public sector to over-enthusiasm of the private sector. The urban sector is growing impressively very fast in India. The growth rate of the service sector has become very impressive but the agricultural sector has lagged behind. The problem of poverty and unemployment among common people create vulnerability and insecurity. Any development route which bypasses the rural people of India is unsustainable.

Salvation of a developing economy as vast and diverse as India's lies only in the transformation and revitalization of its rural economy, which requires people's empowerment and participation.





Innovation for Atmanirbhar Bharat Abhiyan

Introduction

Innovation can be defined as the application of new ideas, giving fresh perspective and ability to create a new, refined system that will increase the value of the output. This value can benefit both individuals/firms and society at large.

Two important components of innovation are:

- ❖ **Product innovation:** introduction of new product which has significant qualitative change from the existing one.
- ❖ **Process innovation:** introduction of new system which increases the yield of the delivered goods.

Both these can be tangible and intangible, tangible as in case of manufactured goods, and intangible process such as sustainable method of creating goods. Due to increasing competition in the global market researchers are under constant pressure to innovate and adapt to ever changing technology in order to create a dynamic, resourceful environment in India that will create sustainable economic growth in the economy.

Government Initiatives for Promoting Innovations

Several initiatives have been taken by the Government in order to boost innovations so that it lends a competitive edge to economy.

❖ **Establishment of National Innovation Council (NInC)**- India had declared 2010-2020 as the “Decade of Innovation” and set of structures to promote innovations in MSME sector. Various initiatives that have been launched by NInC are: Sectoral Innovation Councils, an India Inclusive Innovation Fund, Industry Innovation Clusters and Cluster Innovation Centres. Biotechnology Industry Research Assistance Council (BIRAC), National Innovation Foundation, CSIR Innovation Complexes, Technology Business Incubators.

- ❖ **Atal Innovation Mission 2016**- it focused on fostering innovations among school children and providing practical knowledge of emerging technologies.
- ❖ **‘Startup India’** to handhold startups and **‘Stand up India’** to finance entrepreneurs from vulnerable groups contributed to achieving the vision.
- ❖ The Ministry of MSME has set up an **intellectual property cell** which provides a range of IP related services such as prior art-search, validity search, patent landscape, studies on technology development, etc. The implementation of proper intellectual rights regime has helped SMEs gain access to newer markets, avoid wasteful investment in R&D and marketing, negotiate licensing, franchising or other IP-based contractual agreements and increasing market value to lead to other potential benefits.
- ❖ **Setting up on R&D Institutions** by different ministries such as, Ministry of textiles, Commerce, Agriculture and Rural Industries and Chemicals and Petrochemicals.

India has jumped from 81st position in 2015 to an impressive 48 in 2020 in the Global Innovation Index (GII) and has proved itself to be the most innovative economy in Central and Southern Asia. The ease of doing business saw the country scaling from 134 in 2015 to 63 in 2019. Moreover, India currently



holds the 7th rank globally in Patent Filing.

Role of Innovation in the vision of Atmanirbhar Bharat

Innovation lies at the heart of our glorious culture and since ancient times emphasis has been given to it in almost all aspects of life such as science and technology, medicines, infrastructures, governance. Atmanirbhar Bharat or self-reliant India was launched keeping in mind to drive economic growth by domestic resources. Innovation is the critical enabler to achieve this vision.

Creating new products, meeting the need of the current days, creating a sustainable ecosystem. The five pillars outlined in the vision document of Atmanirbhar Bharat are Economy, Infrastructure, System, Vibrant Demography and Demand. India's strive for global leadership position can only be achieved by self-reliance. This will pave way for economic growth by creating more jobs, upgradation of technologies, strong intellectual property regime that protects the rights of the inventor and assures long-term benefits. Therefore, it's imperative for local firms to innovate in order to thrive in super competitive global market.

The forgotten cultural aspect of innovation has recently become the catchphrase with the increasing aspiration of India to acquire self-sustenance and leadership position. Innovation can be considered central to fulfill the vision of Atmanirbhar Bharat.

In order to reinforce the culture of innovation, following steps may be considered important:

Research:

Research is the backbone of innovation, focusing not only on the technology but also in the fields of governance, legal, environmental, etc. In order to achieve the vision of Atmanirbhar Bharat, research is critical as it will find ways to optimize indigenous knowledge and enhance competitiveness. It can foster economic growth and facilitate the development of new technologies, product and services.

- ❖ Development of indigenous technologies specifically in the field of agriculture, healthcare can reduce dependence on imported technologies and products.
- ❖ Research can help identify local problems and challenges, and provide innovative solutions to address them.
- ❖ By developing new and innovative products, firms can differentiate themselves from competitors and gain edge in the market.
- ❖ Leveraging emerging technologies can help Indian firms to improve their operations and develop new products and services.

Extension and Training:

As much as research is important, it is equally important to spread knowledge via training and by providing extension services in order to achieve the goal of Atmanirbhar Bharat.

- ❖ Extension services can help to build the capacity of farmers, entrepreneurs, and other stakeholders to effectively adopt and use innovative technologies and products.
- ❖ Many stakeholders and small businesses still face challenges in accessing finance for growth. Thus, providing financial help and literacy can help to address this issue.
- ❖ Extension services can help in navigating complex regulatory environments and accessing relevant policy support programs.

Challenges to Innovation:

- ❖ Most of the Indian ventures have a traditional working style and have exposure limited to domestic market only. Therefore, they are often reluctant to experiment with new technologies and systems.
- ❖ Limited access to financial institutions and literacy in rural areas prevents people to innovate and hampers their progress.
- ❖ The lack of access to high-speed internet, advanced technologies, and modern infrastructure can hinder creativity and limit innovation.
- ❖ Lack of education and skill limit innovations in the long run.

By addressing these challenges, India can promote a culture of innovation and achieve self-reliance in various sectors.

Role of National Productivity Council and Local Productivity Councils

NPC with its pan-India presence along with the contribution of the LPC's can help to drive the Atmanirbhar Bharat initiative. The institution can foster innovation and entrepreneurship and also help in bringing various stakeholders and create a cohesive ecosystem. This will further reduce the differences between rural and urban economic growth and distribute resources all across the country. India has an abundant pool of talent, and innovation creates avenues for its utilization. Education and training programs can be developed to prepare the younger generation for future work in innovative industries. Governments and private organizations should support innovative start-ups and incubators that will foster entrepreneurship and create jobs. Policies could be implemented to encourage innovation in fields where India's skills and resources are already strong, such as IT, healthcare, pharmaceuticals, renewable energy, and agriculture.



Approach Paper for North India

The three most pressing challenges for India today are Institutional Framework, Human Capital, and Technology & Innovation. Accordingly, there is a need to carve out a strategy for the future. Although, India today has a solid production base, the country needs to re-skill and up-skill workers, upgrade its technology platform, seek frugal innovations, and ensure good governance is in place to perform well in the future.

In order to enhance the welfare of people, economic growth depends both on the use of factors of production, such as capital and labor, and on the efficiency with which resources are used, a concept often referred to as productivity. As our economy continues to develop, productivity is becoming increasingly important. Technological developments rather than public policies drive trade integration among countries. As a result, those with a high degree of productivity are rewarded. Information and Communication Technologies (ICTs) have enabled unprecedented productivity gains around the world in a very short period of time due to their spread and thrust.

Over 70% of non-farm employment in India is in low- and medium-productivity service sectors (excluding real estate, business and professional services). Approximately 66% of India's non-farmworkers are employed in construction, trade, transport and communication, hotels, restaurants, and personal services, as well as public administration and defense. This large group requires up- skilling to enhance productivity, which is the key to economic prosperity.

Under the Self-reliant India (Atmanirbhar Bharat Abhiyan), the government implemented the following schemes:

- ❖ Introduced Production-Linked Incentive (PLI) scheme: under the Union Budget 2021-22, the government launched a Production-Linked Incentive scheme (PLI) across 13 sectors, at ~Rs. 1.97 lakh crore (US\$ 27.02 billion), for the next five years.
- ❖ Strengthened Healthcare Infrastructure: Under Pradhan Mantri Atmanirbhar Swasth Bharat Yojana (PMASBY), the government allocated funds worth Rs. 64,180 crore (US\$ 8.80 billion) over six years to strengthen the existing 'National Health Mission' and develop capacities of primary, secondary & tertiary care and healthcare systems & institutions to detect and cure new and emerging diseases.
- ❖ Strengthened other Infrastructure: Under the Union Budget 2021-22, the government pushed for higher capital expenditure to focus on infrastructure upgrades for roads, rail and power delivery.
- ❖ Increased focus on Women Entrepreneurship: In 2015-16, the government, under the Department of Science & Technology's 'Science & Technology for Women' scheme, launched Women Technology Park (WTP) programmes to empower women by training them in skills to set up their own microenterprises and become self-reliant.
- ❖ Achieving self-reliance in the Defence Sector: The government increased FDI limit to 74% in defence manufacturing, placed 'import embargo' on 101 military items and introduced the Defence Production and Export Promotion Policy 2020.

Role of NPC and LPCs

1. Inclusion of more segments of the economy and society in the national productivity drives. This will ensure that all available resources are used fully in generating wealth and that there is widespread participation in and commitment to productivity improvement. It will also

strengthen the resilience and preparedness of the economy and society for global challenges such as pandemics.

2. The fruits of productivity improvement will be distributed equitably. This will ensure the continued involvement and engagement of all stakeholders in national productivity agendas as well as enjoyment of the greater prosperity created.
3. “Productivity 6.0,” and the phrase “**Innovation-Led Productivity Growth**” underlines the NPC’s intent to lead Productivity 6.0 for achieving its vision during 2022-2047.

Guiding factors to plan future direction of NPC and LPCs function

- ❖ Build a strategy for the future
- ❖ India should become increasingly open to free and fair trade
- ❖ Focus on developing and supporting innovators
- ❖ Active investment in digital and data technology
- ❖ Put sustainability at the centre of India’s trade and investment strategy
- ❖ Enhancing demand
- ❖ Mobilising finances
- ❖ Holistic reforms

Conclusion

The NPC and LPCs need to remain creative, innovative, develop evidence-based competencies, impactful marketing of USPs, adopting collaboration and co-operation model for achieving sustainable ‘Atmanirbharta’ and NPC with its collaborative network of LPCs can move ahead in this direction. There is a need to constantly renovate and re-innovate to improvise on existing capability for staying relevant and contributory. To rejuvenate the productivity movement towards achieving the objectives of Atmanirbhar Bharat, the NPC and LPCs together need to strategize and constantly endeavour to facilitate each other through knowledge sharing and optimizing on resources.

There cannot be one fit for all strategic intervention, i.e., for Himalayan & North East regions, the coastal regions and the desert or arid regions, the requisite focus of the resource allocation and optimization needs to be looked at. The challenges due to economic, social and geographic divide need to be addressed through developing an appropriate and specific strategy aligning with the Government of India formulated Programs, viz., Swachh Bharat-Swasth Bharat, SamagraBharat- Saksham Bharat, SatatBharat- Sanatan Bharat, Sampann Bharat-Samriddh Bharat.



Approach Paper for Eastern and NE India

Background

The National Productivity Council (NPC) was set up as an autonomous, non-profit organization under the Ministry of Industry, Government of India, with the objective of promoting productivity culture in the country. The NPC's mandate was to promote productivity awareness, provide consultancy services, conduct training programs, and undertake research and development activities in the field of productivity. To reach out to the grass-roots level, the NPC also promoted a network of Local Productivity Councils (LPCs) across the country. Over the last 60 years, the NPC and its associated LPCs have worked with various industries, government organizations, educational institutions, and other stakeholders to improve productivity, quality, and competitiveness in the country.

“Atmanirbharta Index” is a recently launched index by the Government of India to measure the extent of self-reliance achieved by various sectors of the economy. The index aims to track the progress of various sectors in reducing their dependence on imports and promoting domestic production and consumption.

Eastern India comprises states like West Bengal, Odisha, Bihar, Jharkhand, and the North Eastern states, which have significant potential for growth and development.

Youth and Productivity

The youth population in Eastern India presents a significant opportunity for the region's economic growth and development. With a large pool of talented and educated young people, there is enormous potential for innovation, entrepreneurship, and productivity.

Women and Productivity

Women's participation in the workforce is critical for driving productivity and economic growth in Eastern India. However, women in this region face various challenges that hinder their full participation in the economy, such as limited access to education, gender bias, and cultural barriers.

To increase women's productivity in Eastern India, there needs to be a focus on several key areas:

- ❖ Education
- ❖ Empowerment
- ❖ Entrepreneurship
- ❖ Work life balance
- ❖ Health and safety

Innovations

Eastern India has enormous potential for innovation and has already made significant strides in this area. The region is home to many top educational institutions, research organizations, and a vibrant startup ecosystem that provides fertile ground for innovation. To further promote innovation in Eastern India, there needs to be a focus on several key areas:

- ❖ Developing an innovation ecosystem
- ❖ Encouraging entrepreneurship
- ❖ Investing in research and development
- ❖ Promoting collaboration

- ❖ Fostering a culture of innovation

Agriculture and Cooperatives

Agriculture is an essential sector of the economy in Eastern India, contributing significantly to the region's growth and development. The region is home to vast fertile lands, suitable for growing a wide range of crops, including rice, wheat, maize, pulses, vegetables, fruits, and spices. However, despite its potential, the sector faces several challenges that need to be addressed to maximize its potential. To improve agriculture in Eastern India, several key strategies can be implemented:

- ❖ Improving irrigation facilities
- ❖ Promoting mechanization
- ❖ Increasing access to credit
- ❖ Improving crop diversification
- ❖ Providing better market access

Cooperatives can also support agricultural development by promoting sustainable farming practices and providing training and extension services to farmers. The cooperatives can contribute to the social and economic development of rural communities by providing employment opportunities and supporting local businesses. By working together and pooling their resources, communities can create new economic opportunities and improve their standard of living.

Industry Partnerships

Industrial development in Eastern India has been a key focus area for the government and various stakeholders in recent years. The region has abundant natural resources, skilled manpower, and strategic geographical advantages that make it attractive for industrial development.

The government has also implemented various policies and initiatives to promote industrial development in the region. For example, the "Make in India" initiative aims to encourage domestic and foreign companies to invest in manufacturing in India, including in Eastern India.

Industrial development in Eastern India has the potential to create jobs, drive economic growth, and improve the standard of living for millions of people in the region. With the right policies and investments, Eastern India can become a hub for manufacturing, technology, and innovation.



Approach Paper for Western India

Background

In February 2023, G20 Delegates in Second Environment Climate Sustainability Working Group (ECSWG) meeting at Gandhinagar discuss key issues pertaining to identified priorities with emphasis on developing inclusive, action-oriented outcomes. One of the sub themes discussed in the meeting is Resource efficiency and circular economy through industrial coalition or partnership (PIB, 2023). This would enable India in achieving Atmanirbhar Bharat.

Currently, the manufacturing sector in India is facing a number of challenges, including a lack of infrastructure, a shortage of skilled labor, and difficulties in obtaining credit. In addition, the sector has been hit by a slowdown in global demand and increased competition from countries such as China.

NPC-LPC's Strategy for moving towards Atmanirbhar Bharat

NPC along with 12 regional offices and in association with 25 LPCs plans following towards contributing for resource efficiency and circular economy transition:

- ❖ Undertaking capacity building/Awareness program for transition to a resource efficient and circular economy.
- ❖ Mapping of domestic policies, fiscal and regulatory frameworks on sustainable management of natural resources.
- ❖ Identify barriers, knowledge and governance gaps that hinder circular and just transitions, bottlenecks in decoupling economic growth.
- ❖ Identify research needs and possible governance improvements that could help governments and stakeholders to address such barriers and bottlenecks, including concerning specific resources.
- ❖ Take forward and support sectoral, bilateral and/or regional partnerships for the circular economy transition to disseminate best practices while making sure not duplicating efforts.
- ❖ Facilitate more intra industrial conversations on the governance of natural resources and options to improve the current situation, including through the wider adoption of more resource efficient and circular approaches.

NPC- LPC network having presence throughout the country, can facilitate in following through industrial partnership:

- ❖ Sector specific gaps prevailing in MSMEs at local levels which can facilitate in formulation of right schemes such as capacity building, innovation, digital readiness, etc.
- ❖ Industry-Academia linkage that needs to be built up
- ❖ Build strong start-up ecosystems for survival & growth.
- ❖ Projects involving energy efficient, eco-friendly technologies customized for MSMEs

Conclusion

Supply chain management has been increasingly seen as a strategic tool to improve the competitiveness of companies. Coopetition, the mingling of competitive and cooperative relationships, has been utilized by New Zealand companies in the horticulture industry to help break into and develop new markets. Significant benefits that are shown to accrue include improved information flow, increased ability to supply, and flexibility to meet customer requirements. The ability to supply while controlling costs and developing appropriate supply chain structures to support customers can lead to significant advantages for producers.

Approach Paper for South India

Introduction

The vision of Atmanirbhar Bharat or self-reliant India depends on understanding the different needs of different states and designing policies based on local issues, views, resources and capabilities to tap the potential. Government and public service-oriented organizations play dual role of supporting growth and rejuvenating productivity so that the growth stays on a sustainable path. National productivity council and local productivity councils can support this growth trajectory by guiding the industries to improve human resources, resource efficiency, thereby increasing output. It can also assess and evaluate policies to provide insights the efficacy of schemes, highlight course corrections and other measures required.

State Vision Statements

It is important to understand the current scenarios, need and goal of each state so that tailored policies can be designed. For example, Telangana is the hub of pharma industries while Tamil Nadu attracts automobile and engineering industry.

NPC and LPCs

Opportunities:

- ❖ Increased productivity in the last few years is due to capital deepening rather than labour contribution
- ❖ Increasing role of service sector due to technological changes
- ❖ Decreasing role of unorganized sector

Challenges :

- ❖ Lack of skilled labor
- ❖ Arbitrage of land value for old industries appears limited
- ❖ Due to automation in industry is causing labor-management issues
- ❖ Complicated time taking environment, social and governance issues

Role:

- ❖ Addressing labor productivity aspects through- manpower assessment, defining productivity norms, developing incentive scheme, improving energy productivity, resource productivity, environmental conservation, agricultural productivity
- ❖ Evaluation and assessment of scheme effectiveness like: IIUS for leather sector, TUFSS scheme for textiles, support for fisheries, seekho aur kamao skill development scheme, SIPS scheme for industries
- ❖ Since NPC has no registered members unlike LPCs whose members can provide with ground report and take actions faster
- ❖ LPCs can be onboarded for survey and data collections, understanding financial implications, understand the evolving trend of changing industries



NATIONAL PRODUCTIVITY COUNCIL
LODI ROAD, NEW DELHI - 110003

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In pursuance to discussion held in the two days' conference of Local Productivity Councils on "Rejuvenating Productivity Movement towards Atmanirbhar Bharat" held on 10 and 11 September, 2022, "Navmantra: a Nine-Pronged Approach Towards Atmanirbhar Bharat Through Enhanced Productivity" was discussed. Five thematic areas and four geographic focal regions were discussed. These nine groupings are to discuss strategies and approaches towards Atmanirbhar Bharat.

The five thematic areas as follows. The respective coordinators for developing thematic approach papers are:

- Youth & Productivity- Ms Nikita, AD,
- Women & Productivity- Ms Kritika Shukla, DD,
- Innovations- Ms Sweta Kumari, DD,
- Agri & Co-operatives- Ms Binko Tirkey, DD and
- Industry Partnerships- Dr Shukla Pal Maitra, Director.

Composition of the four geographic focal regions is as follows. They will meet virtually and prepare approach papers in their respective contexts for Atmanirbhar Bharat through Enhanced Productivity.

	North Zone	East Zone	West Zone	South Zone
Key NPC official	Mr. U. S. Prasad, GH(HRM)	Mr. Avijit Nayak, RD (Bhubaneswar)	Mr. Shirish Palliwal, RD (Gandhinagar)	Mr. D Sreenivasulu, RD (AIP)
Proposed Zone wise LPCs	Uttarakhand Productivity Council, Delhi Productivity Council, Haryana State Productivity Council, Greater Noida Productivity Council, Kanpur Productivity Council, UP Productivity Council,	Odisha State Productivity Council, Assam Productivity Council, State Productivity Council-West Bengal, Bihar State Productivity Council, Jharkhand State Productivity Council,	Baroda Productivity Council, Kutch-Saurashtra Productivity Council, South Gujarat Productivity Council, Rajasthan State Productivity Council, Poona Divisional Productivity Council, Bombay Productivity Council, Vidarbha Productivity Council,	Coimbatore Productivity Council, Madurai Productivity Council, Salem Productivity Council, Tirunelveli Productivity Council, Madras Productivity Council, Tiruchirapalli Productivity Council, Kerala State Productivity Council, Mangalore Productivity Council, Andhra Pradesh Productivity Council

Efforts should be made to prepare draft approach papers by January 2023.

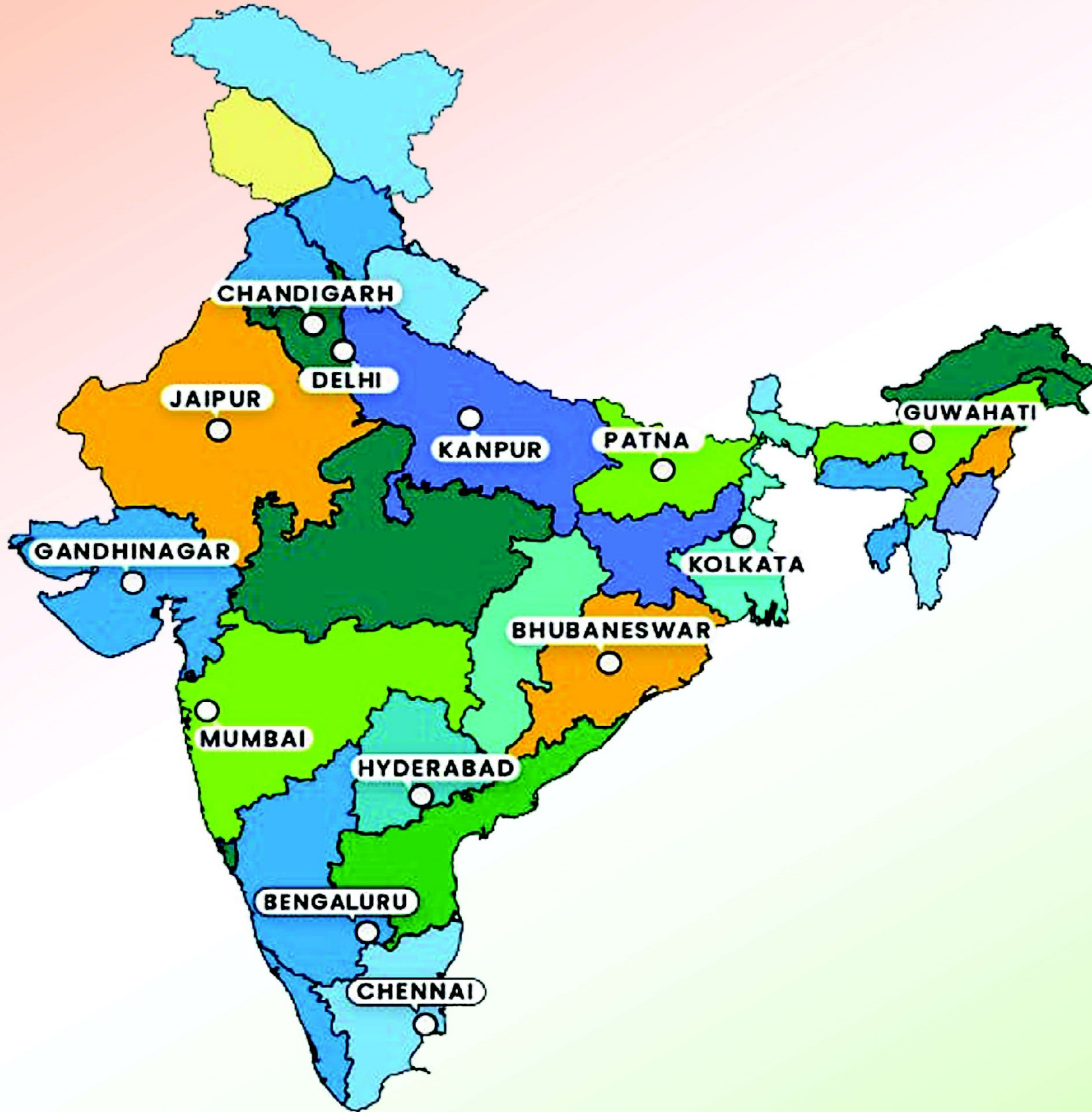
This is issued with the approval of Competent Authority.

Amitava Ray
16/12/2022
(Amitava Ray)
Group Head (Admn.)

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