MINUTES OF THE MEETING ON STATE INNOVATION COUNCIL HELD ON 29.7.2013 AT 2.30 PM IN THE CHAMBERS OF CHIEF SECRETARY

List of Participants is at Annexure-1.

1. After a brief welcome addressed by Principal Secretary(GPM&AR) and introduction by each invitee, Ms. Veena Upadhyaya, IAS (Retd.), former Secretary, Govt. of India, and Expert with the National Innovation Council, in her address, appreciated the clarity and comprehensiveness of the background paper circulated by the Dept. of Administrative Reforms, State Govt. of A.P. on the concept of innovation and the initiatives taken by the State in this regard in the Health Sector and under the District Innovation Fund so far. She also touched upon the advantages of Andhra Pradesh in undertaking innovations especially its network of academic institutions. She mentioned that currently 23 States have constituted State Innovation Councils and efforts are underway to encourage more States to constitute the Councils. It was also mentioned that 25 sectoral councils have been formed.

2. She said that the purpose of the meeting was two-fold namely, acceleration of the process of the formation of the State Innovation Council (SInC), and initiation of the formulation of the Innovation Roadmap for the State for the period upto 2020. The roadmap should clearly spell out the short term and medium term milestones. She observed that the roadmap on innovation should be multi-pronged, cutting across all sectors and should be inclusive, wherein citizens at the lower end of pyramid can draw benefits. The term 'inclusive innovation' implies that the innovation driven initiatives

should be frugal, affordable, scalable and distributive, benefitting the poor and the deprived.

3. In order that the roadmap is comprehensive and implementable, it is important to have a broad agreement on the scope, and structures for innovations, and the strategies for institutionalization of the same. The word 'innovation' has to be understood in a very broad manner as it covers processes and systems, and encompasses high-end to low-end technologies. She said that the platform of SInC is a vital link between NInC at the national, and District Innovation set-up (with the introduction of the District Innovation Fund) levels, more so in a system of federal governance. This platform is unique since it is a semi-governmental forum which brings together the policy-makers and the best brains from the world of academia, industry, science and technology. The scope of SInC will be multi-sectoral and all-embracing. The scope of SInC will merit a composition in which the non-governmental representatives are drawn from the institutions of high learning, R&D organizations, CII, and other Chambers of Industry, and persons with expertise in ICT, and management of venture capital funds for projects with social impact. A representative each from the national bodies like NInC, CIPS, and CSIR can provide the national and global perspective. The Chief Secretary may chair the SInC, an arrangement that has empirically proven its efficacy. It was suggested that the anchoring of SInC can be done by a designated technical university, CGG or a S&T entity, and the umbrella Dept. like the Dept. of Planning or any other department, as decided by the State Govt. may be the Facilitating Dept.

4. The Terms of Reference for SInC, as suggested by her, should include **(1)** creation of eco- system for innovation, **(2)** preparation of roadmap and its implementation**.(3)** Formation of Sectoral Sub Committees and **(4)** Creation of a basket of Project Ideas. Creation of innovation eco-system implies taking policy initiatives, infrastructure for connectivity using ICT, creating platforms for collaboration, and putting in place a regime of rewards and incentives for innovators. She also suggested that there could be sectoral sub-committees in SInC which should be decided based on the perceived needs of the people that are chosen to be addressed by the SInC. Suggestions were made for four initiatives, among others. These were identification of MSME clusters for fulfillment of their technological or financial needs though networking in which NInC can be a Knowledge-partner; creation of 'A.P.Inclusive Innovation Fund' in line with 'India Inclusive Fund' created at National level for projects with maximal social impact; setting up of Technology Incubation Centers on the premises of the technical institutions for supporting the young technical graduates/pot-graduates with discernible entrepreneurial instincts; and setting up of an ICT network for the Judicial System on the lines undertaken by the State Govt. of M.P.

5. Sri Samir Mitra, Expert Member of NInC made a detailed presentation on Innovation Cluster Initiatives taken in some states which have yielded very encouraging results. He informed that 25 sectoral Innovation councils have so far been set up around different industries. While setting up such clusters importance have been given to MSME sector as they cover almost 45% of output in manufacturing sector. He suggested that, CICs should be a lean body staffed with 2-3 people bringing in

expertise from various domains/sectors and it should be attached to an adjusting industry association in that cluster. Such CICs should be connected to the National Knowledge Network (NKN). Initial seeding can be done by NInC/SInC but in due course such CICs should become self-sustaining. He explained activities of some of the existing pilot CICs in Krishnagiri, Tamilnadu covering agriculture and food processing centre, Moradabad, Uttar Pradesh covering brassware industries etc. 7 such pilot CICs working in 7 states have provided employment to over 1 million people, 85,000 MSME units with US $4 billion annual revenue. In case of pilot CIC at Moradabad, he explained that the furnace used by the workers in brassware, were very archaic which required effort by some of the technical institutions to bring in innovation in developing a better furnace costing just about Rs.3,000-4,000/- but in terms of daily income of the workers, it went up from Rs.700 per day to Rs.1200 per day and thus providing a huge benefit and thus helping brassware industry more competitive. Similarly in case of seasoning of wood in Ernakulam CIC working around furniture sector, by bringing in innovation in the process of seasoning of wood which brought down period of seasoning from 15-16 days to 11-12 days, not only the quality of furniture went up, but also the expenditure went down, and thus bringing in more profit. Similarly in case of CIC around agriculture and food processing industry at Krishnagiri, Tamilnadu, shelf life of mango can be increased from 7 days to 35 days by technologies developed by CFTRI and thus food processing industry can greatly benefit. He also emphasized that, in this CIC at Krishnagiri, the waste generated from processing of raw mango, is used to prepare fuel briquettes which in-turn is used as fuel in mango processing and thus reducing the cost of production. Sri Samir Mitra,

therefore suggested that similar kind of Cluster Innovation Centers (CIC) centered around some of the industries demanding such innovations, must be thought for A.P. also. One of the points greatly emphasized by Sri Samir Mitra, was that innovations are confined to certain R&D institutions in Silos without getting shared by the users, and therefore there is great need to disseminate such innovations by connecting such Silos of information across the nation. Mr. Mitra emphasized on networking and "connecting" as an imperative tool for fostering an eco-system of innovation, an idea which was seconded by other members of the meeting. In this regard, he emphasized the role that will be played by NOFN(National Optic Fiber Network) which is 20000 crore project started in 2011 to connect all the Panchayats in the country. He also emphasized on Open Govt. Platform(OGPL) which is a joint product from India and United States to promote transparency and greater citizen engagement by making more government data, documents, tools and processes publicly available. By making this available in useful machine-readable formats it allows innovators to develop new processes, products and insights that will help citizens. He also referred to the experiment of "Tod-Fod-Jod"(TFJ) which supports childhood innovation which inspires children to become creative. This initiative of TFJ was launched in 2011. NInC setup the Innovation Clusters program to create a model of local innovation ecosystems at Micro, Small and Medium Enterprise (MSME) clusters, many of which are part of informal sector, with a vision to transform India's industry clusters for inclusive growth and global competition.

6. Sri Ashok Reddy, Chairman, CII, Hyderabad, informed that CII is also working with Department of Industries, Govt. of A.P. towards creating 35 million jobs by

encouraging and promoting innovations by young talent and local universities, colleges, MSMEs and R&D institutes, by rewarding talent in innovation and by disseminating success stories. He informed that CII in partnership with CSIR's National Institute of Science Technology and Development Studies (NISTADS) has initiated action to map innovation eco-system of different States. Based on such mapping, CII in collaboration with SInC will develop State Innovation Roadmap 2010-20.

7. Brigadier Ganesham made a very lively presentation by projecting the work done by Palle Srujana and also A.P.Chapter of Honeybee wherein innovation done at grassroots level by farmers and other innovators have helped the users to have innovative water pump working on the natural wind which can lift upto 3500 litres per day which is good enough to irrigate about 1 acre of land, a cotton picking machine which can help the picker to pick upto 100 kgs of cotton per day etc. He emphasized that such grassroots innovations must be supported by providing a proper platform by the State Govt.

8. Dr P.K Mohanty, Chief Secretary, during the course of discussion observed that generally economic growth are driven by input, skill, resources, inflow of fund through venture capital etc. However, innovation can be another driver to the growth of economies of any state or country. CS emphasized that attention must be focused on areas with low Human Development Index wherein innovation will be difficult to apply. The ultimate aim of such growth is to achieve prosperity by providing gainful employment the under privileged class. In India more than 80% of employment is in informal sector which is inelastic and therefore this is one sector where innovations can

be used to raise employment level. Area of governance is generally ignored while talking about innovation, but it must be realized that a huge chunk of public money is invested in the government sector, and therefore to raise the efficiency of such public money, it is important that innovation must be brought into the government sector also. Such innovations should be directed towards improving government delivery systems so that public money deployed through budget in different sectors, do reach the targeted group of people. In the State of A.P., almost 75 lakh acres of land has been assigned to the poor people, and thus there is a great opportunity to bring in innovation in this sector so as to ensure that assignees of such lands can attain prosperity by better utilization of land, water, mulch animal etc. Huge chunk of public money is deployed in creating assets under MGNREGS and still there is a need to bring in innovation in utilization of such money so that assets created are productive and useful to the community as a whole. There are innovations in the form of battery operated rickshaws but still we do find rickshaw pullers using the same old rickshaw where utilization of human energy is less efficient. CS opined that ***cities*** have been missed out in the focus on innovation clusters. He cited the example of the United States of America where most patents occur in 5 metropolitan cities

9. During the course of general discussion, points were made by Sri D.Chakrapani, IAS(Retd), Director, CIPS (Centre for Innovation and Public Service), Professor R.K.Singh, Director, Rajiv Gandhi University of Knowledge, Dr.B.G.Sidharth, Director of B.M.Birla Planetarium, Hyderabad, Dr.Rao V.B.J. Chelikani, President International Foundation for Human Development (IFHD), Hyderabad, Dr.Amar Jyothi Persha, Retired Director NIMHANS, Bangalore , Sri K.Rama Krishna Rao, IAS., Director

General, Centre for Good Governance, Sri K.Pradeep Chandra, IAS, Principal Secretary, Industries & Commerce, Sri Anil Chandra Puneetha, IAS, Principal Secretary, Agriculture & Cooperation, and Sri Ajay Mishra, IAS., Principal Secretary, Higher Education. The points made by them are summarized as follows:

i. More emphasis has to be put on Educational institutions where innovation culture can be inculcated into students and nurtured. Generally universities can be good innovation centers, innovations done by the universities play a very important role in making ensuring developments around such universities and the same can be very effective, when there is the process of constant dialogue between the innovators and the industries. A case in point is that of Stanford University which triggered the creation and development of Silicon Valley. What is required is to provide a platform where such innovations by the universities get linked to the industries around that university. Creating Technology incubators, venture funding opportunities for young entrepreneurs from universities and organizing related competitions at school level are some of the proposed mandates for SInC

ii. The concept of Tod-Fod-Jod should be scaled up by appropriate policy intervention. There had been many R&D institutions of high repute but there is sharing of knowledge between the industries around those institutions and such R&D institutions. Such institutions of high learning should reorient their efforts towards innovations relevant to the people around them. There should be a method by which similar problems faced by India, might have been

tackled successfully by a different country, should be adopted in Indian context and thus there is need to bring in global networking.

iii. Department of Industries & Commerce, in association with CII has already established an organization called “Research and Innovation Council of Hyderabad”(RICH). This body has been working on innovation in the field of life-sciences, information technology, aviation and food processing. He also stressed the need for speeding up the process of identifying MSME innovation clusters to foster innovation in industries.

iv. There is a great need to innovate in urban social institutions concerning the governance and delivery systems specially in respect of senior citizens, resident welfare associations etc. There is a need to provide rural-urban linkages.

v. A good number of innovations across different sectors have been documented. There is an urgent need to disseminate such innovations, and therefore they should be a mechanism to institutionalize such efforts. It can be explored whether state ATI can collaborate with CIPS to disseminate such innovations to the government officials.

vi. Center for good governance (CGG) is equipped to play the role of anchoring agency for the SInC and can create online and offline platforms for collaboration and exchange of new ideas.

vii. Innovation must reach the handicapped or disabled in the rural areas to give solutions to their problems.

Annexure – 1: List Of Participants

S No.	NAME	DESIGNATION & DEPARTMENT
1.	Mr S.K.Sinha	Prl Secretary (GPM&AR) Govt Of AP.
1	Ms Veena Upadhyaya	Expert Member, National Innovation Council
2	Mr. Keerthi Laal kala	Consultant with NInC for state of A.P.
3	Mr Samir Mitra	Expert Member, National Innovation Council
4	Sri Brigadier Ganesham	Chief of Honeybee, A.P. Chapter
5	Dr. B.G Sidhath	Director of B.M. Birla, Hyderabad
6	Dr. Amar Jyothi Persha	Retired HOD, NIMH, Hyderabad
7	Dr. Rao V.B.J Chelikani	President International Foundation for Human Development (IFHD), Hyderabad
8	Sri D. Chakrapani, IAS (retd)	Director, CIPS (Centre for Innovation and Public Service)
9	Sri Ashok Reddy	Chairman, CII AP.
10	Sri S Kannan	Member, CII
11	Sri T.P Das	Principle Secretary to Government (Police), Home Department
12	Sri Anil Chandra Puneetha	Principle Secretary to Government (Agriculture), Agriculture Department
13	Sri K. Pradeep Chandra, IAS	Principle Secretary to Government and CIP, Industries and Commerce Department
14	Sri TV Parthasarathi,	Director, Information technology & Communications Department
15	Sri Satya Prakash Tucker, IAS	Principle Secretary to Government, Planning Department
16	Sri Ajay Mishra	Principle Secretary to Government (Higher Education), Education Department
17	Sri R. Damodar	Secretary (Legal Affairs), Law Department
18	Dr. P. Satti Reddy	Secretary, APSCHE
19	K. Ramakrishna Rao	DG, C.G.G
20	Nayana Renukumar	Program Manager, C.G.G
21	Akshay Srivastava	Knowledge Manager, C.G.G
22	Sridhar Bhagvatula	E.O, CII