

CHAPTER -16

INDUSTRIAL DEVELOPMENT

Introduction

16.1 Industrial development is the most potent instrument through which problems of unemployment can be tackled on the one hand, whereas on the other hand, it has most sustainable potential for enhancing the State's Gross Domestic Product (SGDP). Through major policy initiatives and procedural simplification, the State Government had made earnest efforts during Xth Five Year Plan period to promote and broad base industrial growth of the State, in particular the Small Scale Enterprises sector. The efficacy of the method and strategy of the endeavors is well evidenced in fact that the registered Small Scale and artisan enterprises grew 18.99% with an annual growth rate of 4.75 % during the Xth Plan Period. The total investment in these units has also risen from Rs.3360.65 crores to Rs. 4366.70 crores reflecting total growth of 29.94%. The State could have achieved much more but for lack of level playing field vis-a-vis neighboring States viz. Uttranchal, Gujarat and North East. However, the State envisages giving special and focused attention to take a big leap forward on the basis of full use of unique, evolved and inherent advantages and strength. Furthermore, to offset the favourable incentives regime in the neighboring States, the State shall Endeavour to create long term investment attractions like better and developed infrastructure base, better delivery system, hassle free clearance and stable policy and instrumental framework. The State endeavour aims to build industrial development platform by proper and optimum utilization of the major strengths of the State, i.e. minerals reserves, and their beneficinations, being a leading agro producer of oil seeds and spices, Guar, Maize and highly diversified agri produced base and legendary ethnic and exquisites handicrafts and craftsmen. In figurative term it would be the endeavour of the State to increase the total share of manufacturing sector in the SGDP from the present level of 13% to be at par with the national average of 17%.

16.2 There are 34 DICs working in the State. 7 sub-centres at Balotra, Phalodi, Abu Road, Beawar, Makrana, Kishangarh and Falna have also been set up to cater the need of small scale industries of the area. The schemes being run by the department are financed either by plan and non-plan budgetary allocation or by Government of India under Centrally Sponsored Schemes. All the development schemes are being implemented through the DICs set up in the State. One of the main objectives of the department is to create maximum employment opportunities in the State. The main functions of the Department are promotion of Small Scale Industries, to assist in the marketing of their products, development of salt areas, handicrafts artisan development, development of handloom,

etc. The Department also provides various concessions and facilities and assistance for setting up of industrial units in the State.

16.3 The rapid industrialization is a result of maximum utilisation of local resources, improvement in skill and productivity of traditional craftsman, provision of required infrastructure, financial assistance to industries including tie-up for long-term fiscal policy for attracting the entrepreneurs in the State and promotion of marketing organization for small and medium size units.

16.4 Industrial development is very important for sustaining the economic growth of the State. Keeping in view State's potential for growth and the bottlenecks/deficiencies in infrastructure, efforts are necessary to improve the infrastructure as well as investment climate so as to make the State a preferred destination for investors.

Review of Tenth Five Year Plan

16.5 The main objective of the Industries Department for the 10th Five Year Plan was to make the Rajasthan most preferred State for the investment and to ultimately achieve the global competitiveness. For this the State had to take to stock of the legacy of the backwardness, poor infrastructure and weak industrial base. For combating these negative points, the department proposed to take up in concerted and focused manner, promotion of Small Scale Industries, assisting the marketing of products, development of salt areas, nurturing of handicrafts along with the efforts for improving the lot of the handloom weavers.

16.6 The department took the major fields of activities and intervention for fulfilling the objectives. The efficacy of the method and strategy of endeavors can be best adjudged by their results. At the closing of the 9th Five Years Plan, there were 231444 registered SSI and artisans units in the State, whereas on 31st March, 2006, there are 275400 registered SSI and artisans units reflecting the 18.99% growth with an annual growth rate of 4.75%. The total investment in these units has also grown from 3360.65 Crores to 4366.70 Crores in the corresponding period reflecting the 29.94% of total growth with an annual growth rate of 7.49%. The employment scenario in these units is also not bad, reflecting the 17.97% of total growth. In real terms total employment generated through these units is estimated at 10.55 lacs.

16.7 Keeping the bench mark of making the Rajasthan State, the most preferred destination for investment, in the corresponding period the total investment in the State in large and medium industrial units is to the tune of Rs.18671.73 Crores, whereas the total investment in these units at the end of 9th Five Year Plan was of the order of Rs. 16908.05 Crores. The total figures of likely investment during the Tenth Plan through (a) IEMs filed with the Government of India; (b) LOI, (c) 100% EOUs and (d) directly expressed before the State Government either

through various institutions or during the Industrial Promotion Campaigns is to the tune of Rs. 24938.39 Crores.

16.8 22 New industrial areas comprising of 6085 plots were developed during the 10th Five Years Plan (as on 31.3.2006). Some special types of infrastructure facilities in the shape of Food Parks at Sriganganagar, Jodhpur, Kota; EPIP at Jaipur, Jodhpur; SEZ at Jaipur, Jodhpur and Neemrana, were set up. With a view to create desired level of infrastructure for the promotion of export from the State, 16 infrastructure projects worth of Rs. 118.17 Crores have been sanctioned under ASIDE Scheme. These will facilitate exports from the state helping the export units to achieve the global competitiveness.

Budgeting Provision during Tenth Plan

16.9 A provision of Rs.9558.31 lacs was proposed for the industrial sector during the 10th Five Years Plan (inclusive of Rs.172.00 lacs for Weights and Measures). Out of which Rs. 6327.18 lacs is likely to be utilized in various schemes and activities. Detailed schemes wise position is as under:

Capacity Building

16.10 Imparting basic skill and advanced skills to meet specific needs through various training programme has been the strategy of the department for developing the required level of human resources for the manufacturing sector. For organizing trainings under various schemes like leather training, House Hold Industries, EDP, Training through Electronic Testing and Development Centre, Udhyam Protsahan Sansthan and PMRY. A total provision of Rs.837.03 Lacs was made and total 93852 persons were trained. During the first 4 years of the Plan period ending March, 2006, an expenditure of Rs. 322.05 lacs has been incurred with a likely expenditure of Rs.99.03 lacs during 2006-07.

Research & Development

16.11 A provision of Rs. 718.61 lac was there in the 10th Five Year Plan for undertaking various Research & Development projects. During the first four year of the 10th plan ending March, 06, an expenditure of Rs. 670.10 lac has been incurred with a likely expenditure of Rs. 176.41 lacs during 2006-07. Thus the total (likely) expenditure for R&D for 10th plan will be around Rs. 846.51 lacs. Rs. 500 lac has been spent on establishment of Central Institute of Plastics Engineering & Technology at Jaipur which has started imparting training to the semi skilled, as well as skilled work force. Bikaner region is having great potential for development of ceramic industry and for optimising the potential a ceramic testing laboratory and production centre is being set up at Bikaner for which Rs. 40 lacs has been incurred for basic infrastructure requirements. All the District Industries Centres have been computerized and networked with an expenditure of Rs. 91.51 lac.

Promotion of Small Scale Industries

16.12 To promote SSI, an outlay of Rs. 1856.46 lacs was proposed for 10th plan period for providing various subsidies to the SSI and for marketing and developing infrastructure as well as assistance scheme. Registration with BIS enables SSI achieves quality marking on ISI which establishes its creditability in the eyes of the consumer. Rs. 5.82 lac subsidy has been provided to SSI units for registration with BIS. To ensure a unhindered production process a total expenditure of Rs.397.26 lac has been incurred for providing subsidy for creating captive power generation facility through DG Sets to the SSI.

16.13 Urban Haat is a permanent established outlet where the small scale units and artisan units can have a platform for marketing their product without incurring any extra financial burden on advertisement etc. One Urban Haat is at Jaipur, another Urban Haat has been commissioned at Jodhpur and one more Urban Haat has been sanctioned for Ajmer. A total of Rs. 515.01 lac has been incurred. For these urban haats for providing international access for their products and exposure to the latest trends of demands and likings, Udhyam Protsahan Sansthan has organized artisans participation in International Trade Fairs at Delhi, Chennai and Baku (Azharbejan).

Handloom Development in Co-operative sector

16.14 To facilitate development of handloom in Co-operative Sector, an outlay of Rs.181.46 lac was proposed, the purpose being providing assistance for thrift fund scheme, new insurance scheme for Handloom weavers, share capital to RRBSS, Deendayal Haath Kargha Protsahan Yojana and stipend for diploma students. The total likely expenditure for Handloom sector during 10th plan period will be Rs. 316.19 lac.

Handicraft

16.15 A provision of Rs. 100.20 lac was made for promotion of handicraft in the State for making the artisan self sufficient and a resilient group. The likely expenditure for promotion of handicraft sector shall match the provision made for sector for the 10th five year plan.

Other Expenditures

16.16 A provision of Rs.1382.28 lac was made for 10th five year plan for development of salt areas, DIC building, infrastructure subsidy and cluster development. Out of these, Rs. 226.33 were incurred for making critical infrastructure intervention. During 2005-06, five artisan clusters namely Kota Doria (Kota), Leather (Bansur,Alwar), Tie-Dye (Akola, Chittorgarh), Handloom (Dariba, Churu) and Stone Sculpture (Talwara, Banswara) were taken up for identified interventions, creation of common facility centers and providing marketing support. Rs. 20.00 lac has been incurred for getting the diagnostic study done and chalking out development plan. During current financial year, Rs. 17.34 lac is likely to

be incurred for preparation of the cluster development plan for 10 new identified clusters. A sum of Rs.473.48 lac shall be incurred for infrastructure development and providing other hand holding facilities in the five clusters. Further expenditure of Rs.11.11 lac for modal salt farm and Rs. 2.02 lac as contribution for constructing Namak Mazdoor Awas (residence of salt labours) were incurred. Rs. 150 lac are likely to be incurred for development of infrastructure in salt area during 2006-07 thus out of the total outlay of Rs. 1382.28 lac the likely expenditure would touch Rs.1916.84 lac.

16.17 A provision of Rs.4209.07 lac were made for the 10th five year plan out of which Rs.683.08 lac and Rs.463.69 lac were provided for meeting out the committed liability lying pending due to old cases of the erstwhile effective Capital Investment Subsidy and Interest Subsidy Scheme, respectively, out of which Rs. 897.77 lac has already been paid for the old investment subsidy cases and Rs. 321.89 lacs for the committed liability under the Interest Subsidy Scheme. Rs.3062.30 lac were envisaged to be incurred for new Investment Subsidy and payment of subsidy for investment in PPP infrastructure projects as proposed in the draft Industrial Policy of the State which was likely to be announced. However, the proposed new Industrial Policy could not be announced, therefore, the outlay has remained unutilized.

Objectives & Priorities for the Eleventh Five Year Plan

- The growth rate of manufacturing sector has been wavering around 6 to 8% over last few decades. The first and foremost objective and priority for the State for the 11th Five Year Plan shall be of raising the rate of growth of the manufacturing sector to 12% p.a. by the end of plan period.
- Human Resource Development shall be a key priority area of the State Government with special emphasis on institutional arrangements for initiation and completion of training which is relevant to the needs of the industries.
- Facilitating the existing entrepreneurs in achieving global competitiveness.
- Harnessing employment potential in Agro-based & Processing units, Handloom, Handicraft, Khadi & Village Industries and other Rural Industries.
- Special emphasis for preservation and sustenance of traditional art forms and the artisans.
- Creation of employment opportunities in non traditional industries like up coming chemical industries and allied services sector related with the petroleum based large production.

- To create investor friendly climate and conducive environment for implementation by reducing the cost of doing business.
- To strengthen backward and forward linkage for industry to sustain and develop.
- Ensuring social security for handloom weavers, craftsmen and artisans.
- Adaptation of cluster approach for developing MSMES.
- Equipping the Legal Metrology Wing for ensuring better consumer protection.

Strategy to achieve objectives

- For achieving the raised rate of growth of manufacturing sector of the level of 12% p.a. by the end of plan period, the State Government would be placing special emphasis on building required infrastructure and competent and skilled workforce. The industrial areas would be developed, preferably on PPP model. These areas would be cluster specific or investment size specific. To start with, small industrial areas equipped with the world class development parameters may be developed to house 50 to 100 units.
- For ensuring availability of human resources of the desired level of competence a 3 tier system of training shall be encouraged. The 1st tier would contain of imparting the basic skills. The 2nd tier would concentrate on skill upgradation of the persons already working in the sector. The 3rd tier would address skill adaptation for work on advanced tools and latest technologies. Industrial Training Institutes (ITIs) may be established for providing such specific training wherein the demand and the funds may be assessed and provided on PPP model.
- Facilitating the existing entrepreneurs in achieving global competitiveness and enhancement and substance of the quality level, matching with the global standards, shall be the priority of the 11th Five Year Plan.
- The diverse and decentralized village and small entrepreneurs bear the second largest share of employment after agriculture and comprises of wide range including handloom, handicrafts, khadi & Village industries and other rural industries segments including food processing industries. To tap this potential, a constructive intervention and infusion of design skills, modern marketing and appropriate technology shall be priority areas of state endeavor during 11th Five Year Plan.
- For facilitating the traditional art form and the artisans related with these to prosper further and to achieve economies of scale while keeping the traditional skills and the exquisite uniqueness intact, the

state shall be providing specially designed training programmes involving master craftsmen for imparting the skills with experts of modern marketing techniques for imparting vision and marketing strategies.

- Specially designed training courses shall be undertaken to prepare the work force and imbibe the required skill in the unemployed youths of the state so that they may grab the vast opportunities likely to emerge in the ancillary units based on the petroleum based processing and allied services sector units.
- The single window clearance system shall be further strengthened so that it is able to tackle and eradicate delays and bottlenecks in land use change, water and other utility connections, environment and other clearances.
- The industry does not function in vacuum. It requires backward and forward linkages to sustain and develop itself. The industries lend and take support from agriculture, trade and services on continuous basis, therefore, an integrated approach and a holistic vision has become imperative for triggering growth of manufacturing sector so as to achieve the required growth rate of 12% p.a.
- The State will launch its own handloom initiative which will inter-alia include
 - I. Proper development initiative for further growth of the sector in the State through cluster development approach, and
 - II. Social Security Package for Handloom Weavers like old age pension, health insurance and low cost housing.
- Adaptation of clusters approach for constructive development intervention will go a long way in helping increase viability by providing the units of the clusters, infrastructure and support services of better quality at lower cost. The approach has been till date adopted for artisan units and there is a need for duplicating the efforts and approach for industrial clusters also because these clusters gain strength on the economics of interdependence of different producing units in geographical concentration in procurement of raw materials, technologies, manpower and collective marketing and financial strength.
- To ensure better and effective consumer protection, equipping laboratories of legal metrology with latest digital balances having higher range of sensitivity and up keep and renovation of laboratories suiting to the needs of the equipments and the requirements of such standards shall be the priority areas of plan expenditure.

Proposed outlay for Eleventh Five Year Plan and Annual Plan 2007-08

Training

16.18 The financial provision of Rs. 876.00 lacs for implementing various training programmes is proposed for Eleventh Five Year Plan and Rs. 132.50 lacs for Annual Plan 2007-08. The details of the various training programmes are as follows:

Training of Officers

16.19 Looking to the changing scenario of SSI sector, the training of the concerning officers is must, to face the new challenges of W.T.O. and Globalisations, an amount of Rs. 15.00 lacs is proposed for 11th Five Year Plan. An amount of Rs. 2.50 lacs is kept for the Annual Plan 2007-08.

Training of Leather Artisans

16.20 The aim of training is to upgrade the skills of leather artisans by using modern tools and technique. The training programmes are being implemented by Industries Deptt. through DIC's. Training is imparted by skilled trained trainers to artisans in different trades i.e. leather goods, Nagara Juti, Leather tanning, Leather Toys etc. A sum of Rs. 40.00 lacs is proposed for 11th Five Year Plan and Rs. 7.00 lacs is kept for the Annual Plan 2007-08.

Grant for HHI

16.21 With a view to encourage women entrepreneurs by upgrading their skills, efficiency and enabling them to take up self-employment, a scheme under the name "House Hold Industry scheme" is being implemented. Under this scheme, training is being imparted through NGOs/Nehru Yuva Kendra's to Women in different trades & different crafts i.e. Tailoring, Weaving, Dress design, Leather work etc. A provision of Rs. 300.00 lacs is proposed for this scheme in 11th Five Year Plan and Rs. 60.00 lacs is proposed for Annual Plan 2007-08.

E.D.P.

16.22 Entrepreneur Development Programme (EDP) is being implemented through all DIC's in the State. A sum of Rs. 60.00 lacs is proposed for 11th Five Year Plan. An amount of Rs. 12.00 lacs is proposed for the Annual Plan 2007-08.

Electronics Test and Development Centre (ETDC)

16.23 To provide technical education to educated unemployed youth, a sum of Rs. 25.00 lacs is proposed for 11th Five Year Plan. An amount of Rs. 5.00 lacs is proposed for the Annual Plan 2007-08. ETDC scheme is being implemented through DIC, Jaipur.

Technology Upgradation Training Centres

16.24 It was observed during different surveys and studies, that the poor technological standard and the obsolete and out dated techniques of the artisans are basic causes of their backwardness. The aim of this project is to make the artisans aware with the modern tools, techniques and product designs.

16.25 Regional Training Centres at Jodhpur, Kota and Udaipur will up lift the technological standard of the artisan and 2000 artisans of the State will be trained. Rs. 135.00 lacs is proposed for 11th Five Year Plan and Rs. 21.00 lacs is proposed for the year 2007-08.

Quality Control Act

16.26 Industrial Policy and Promotion Department, Govt. of India has directed State Govt. for the effective implementation of electrical wires, cables, appliances and production devices (Quality Control Order, 2003) and Cement Quality Control, 2003. This Act has been made for the protection of consumers.

16.27 It is essential to create environment in the state for the awareness of these Acts. Seminars will be organised with the traders and commercial associations to create an environment. TV/Radio talk and publication of literature are essential for publicity of the Acts.

16.28 An amount of Rs. 25.00 lacs is proposed for 11th Five Year Plan and Rs. 5.00 lacs is proposed for the Annual Plan 2007-08.

Rural EDPs

16.29 For the organisation of Rural EDPs through NICIET, Hyderabad in the State, an amount of Rs. 100.00 lacs is proposed for 11th Five Year Plan. An amount of Rs. 10.00 lacs is proposed for the Annual Plan 2007-08.

Training in Service Sector

16.30 For starting 3 tier training course to provide workforce of the matching skill and competence with the help of the existing infrastructure available in the Industrial Training Institutes (ITI's), sector specific development agencies and Industrial Associations, shall be undertaken. The curriculum, faculty and duration of the courses shall be decided with the consultation of the stakeholders. Approximately 50000 youths are targeted to be trained during the 11th plan period with annual break up of 10000 per annum.

16.31 A provision of Rs. 176.00 lacs is being proposed for the 11th Five Year Plan and Rs.10.00 lacs for the Annual Plan 2007-08.

Research and Development

Central Institute of Plastic Engineering Technology

16.32 CIPET at Jaipur will provide technical services, testing services and training man power. These facilities will not only help in improving quality, product development but will encourage other entrepreneurs to set up plastic industry in the State. CIPET Centre can work as testing house for the State Government for its purchases.

16.33 To cater the needs of Plastic Industries located in the State of Rajasthan, Delhi and Haryana, a full fledged CIPET extension centre is being set up in Rajasthan. In establishing a full fledged centre at Jaipur, an expenditure of Rs. 21.28 crores has been estimated.

16.34 A provision of Rs. 688.00 lacs is proposed for 11th Five Year Plan and Rs.100.00 lacs is proposed for Annual Plan 2007-08.

WTO Cell

16.35 It is proposed to get studies conducted to suggest measures required in view of challenges being thrown up by WTO policy decisions. Studies are proposed to be undertaken to begin with on two broad sectors, namely, Industry and Agriculture. Such studies are proposed to be undertaken by engaging suitable experts/consultants. A provision of Rs. 25.00 lacs is proposed for 11th Five Year Plan and Rs. 3.00 lac for the Annual Plan 2007-08.

Industrial Project Profiles

16.36 In the age of globalization changing of industrial scenario it is required latest publication to industrial entrepreneurs. To provide the Industrial Project Profiles and other related publications, a provision of Rs. 100.00 lacs is proposed for Eleventh Five Year Plan and for the year 2007-08, Rs. 20.00 lacs is proposed.

Computerisation and Networking

16.37 For maintenance of computers a provision of Rs. 50.00 lacs is proposed for 11th Five Year Plan and Rs.10.00 lacs for Annual Plan 2007-08.

Setting up of Ceramic Testing Laboratory & Training-cum-Production Centre at Bikaner

16.38 Detailed Diagnostic study was conducted by CGCRI, Khurja (U.P) on the possibilities to establish ceramic testing laboratory at Bikaner. A project report of Rs. 451.20 was made by the technical staff of CGCRI Khurja (U.P.). Keeping the importance in the view, the State Government had made a provision of Rs. 291.20 lacs in the budget of 2005-06. A district level committee under the Chairmanship of District Collector, Bikaner has been constituted and 10,000 sq. meters land has been allotted for the project at Engineering College, Bikaner.

16.39 To complete the above project of Ceramic Testing Laboratory, Bikaner, a sum of Rs.280.00 lacs is proposed for 11th Five Year Plan and Rs.280.00 lacs is proposed in Annual Plan 2007-08.

Small Scale Industries

16.40 In order to promote development of small scale industries financial provision to the tune of Rs. 2192.00 lacs is proposed for 11th Five Year Plan and Rs. 169.00 lacs is proposed for the Annual Plan 2007-08 for the following schemes:

(Rs. in lacs)

S. No.	Scheme	Provision for 11th Plan	Provision for 2007-08
1.	DG set Subsidy	5.00	4.00
2.	Export Awards & Seminars	61.00	11.00
3.	Participation in International Trade Fairs	1000.00	75.00
4.	Rural/Urban Haat Recurring Exp.	456.00	48.00
5.	Promotion of SSI	200.00	10.00
6.	Establishment of Industrial Facilitation Council	65.00	15.00
7.	Issuance of green cards to Exporters	5.00	1.00
8.	Electricity Subsidy for New Textile & Agro processing units	400.00	5.00

Handloom Development in Cooperative sector

16.41 Department is looking the work of Handloom Development in cooperative sector. Number of schemes viz. Thrift fund scheme, new insurance scheme for Handloom weavers, Health Insurance Scheme for Handloom Weavers, Stipend for Diploma Students and Deen Dayal Haath Kargha Protsahan Yojna, are being implemented in the State with the matching share of Central Govt. Study Tour of Handloom Weavers, Cash Award for Handloom Weavers/Societies and yarn bank are being implement in State Plan. A new scheme old age pension for handloom weavers is proposed in 11th Five Year Plan. A sum of Rs. 455.06 lacs is proposed for 11th Five Year Plan, and Rs. 32.47 lacs is proposed for Annual Plan 2007-08.

Handicraft Development

16.42 The new Handicraft Policy will be declared very soon. Some schemes are proposed for the welfare and development of handicraft artisans in the policy.

16.43 To facilitate credit flow to the artisans a composite term loan scheme shall be launched with the cooperation of banks and financial institutions, wherein a term loan to the extent of Rs.1 lac shall be provided to the artisans. 5% Interest subsidy shall be provided to artisans by the State for a period of 5 years. An amount of Rs. 150.00

lacs is proposed for 11th Five Year Plan and Rs. 10.00 lacs for Annual Plan 2007-08.

Power loom

16.44 For technological upliftment in power loom sector, training to weavers is being imparted at three places namely Bhilwara, Kishangarh (Ajmer) and Jaipur for power loom weavers. An amount of Rs. 5.00 lacs is proposed for the 11th Five Year Plan and Rs. 1.00 lac for Annual Plan 2007.08. To organise the seminar and workshop on power loom, an amount of Rs. 9.00 lacs is proposed for the 11th Five Year Plan and also Rs. 1.50 lacs in Annual Plan 2007-08.

Other village Industries

D.I.C. Building

16.45 During the 11th Five Year Plan, DIC buildings of district Ajmer, Bharatpur, Baran, Banswara, Dausa, Dholpur, Dungarpur, Sriganganagar, Hanumangarh, Jaisalmer, Jalore, Jhunjunu, Jodhpur, Kota, Pali, Rajsamand, and Udaipur, are proposed to be constructed and renovated, therefore a provision of Rs. 180.00 lacs is proposed for 11th Five Year Plan and a sum of Rs. 20.00 lacs is proposed for Annual Plan 2007-08.

Extension and Renovation of H.Q. Building.

16.46 A provision of Rs. 69.00 lacs is proposed for Annual Plan 2007-08 and Rs. 150.00 lacs for XIth Five year Plan.

Survey and Demarcation of Salt Areas

16.47 For survey and Demarcation of Salt Plots, a sum of Rs.10.00 lacs is proposed for 11th Five Year Plan 2007-12 and Rs. 2.00 lacs for Annual Plan 2007-08.

Development of Infrastructure in Salt Areas

16.48 Infrastructure facilities and labour welfare works in the saline areas are generally executed with the assistance of CSS funds from Salt Commissioner Office. But the Govt. of India is not providing assistance from CSS funds since 1996. Taking into consideration that Govt. of India will not provide any assistance, all schemes prepared in Xth Five Year Plan will be completed from State Govt. funding. In order to develop infrastructure of salt areas, a sum of Rs. 1500.00 lacs is proposed for Eleventh Five Year Plan and Rs. 150.00 lacs for the Annual Plan 2007-08.

Grant in Aid to Panchayati Raj Institutions

16.49 For strengthening the Panchayati Raj Institutions, a token provision of Rs. 0.01 lacs is proposed for 11th Five Year Plan and Rs. 0.01 lacs for Annual Plan 2007-08.

Residence of Salt Labours

16.50 A sum of Rs. 750.00 lacs is proposed for 11th Five Year Plan and Rs. 125.00 lacs for Annual Plan 2007-08 for construction of residence of salt labours.

Critical Infrastructure Development

16.51 A token provision of Rs. 0.01 lacs is proposed for 11th Five Year Plan and Rs. 0.01 lacs for Annual Plan 2007-08.

Cluster Development.

16.52 For the Development of Clusters of Artisans and SME's, special intervention points need to be ascertained and provided for development with a fixed time matrix. On the basis of Diagnostic Study, 57 clusters are proposed to be developed during the 11th Five Year Plan. A provision of Rs. 2500.00 lacs is proposed for 11th Five Year Plan 2007-12 and Rs. 400.00 lacs for Annual Plan 2007-08.

Growth Poles

16.53 A growth pole for the areas in the vicinity of Sikandra on Jaipur - Agra highway has been approved by the Government of India. The State shall provide the requirement of land for the project and the state machinery for the implementation of the project milestone. The estimated cost of project is Rs. 230.52 crores. A provision of Rs. 1000.00 lacs is proposed in 11th Five Year Plan and Rs. 50.00 lacs for Annual Plan 2007.08.

Development of Specific Industrial Areas

16.54 There is a need for developing industrial areas to suit the sector specific needs and also to house the units of SME's sector so that the units situated in these areas may derive and provides strength to each other. To start with leather, stone, handicrafts, handloom and engineering goods and agro based and food processing units shall be the sectors for which such industrial areas are proposed to be developed on PPP Models. The land shall be arranged by the Industries Department as a part of its contribution in the project whereas the funds for developing the areas and provide connectivity shall be arranged through the sector specific industries associations. SPVs shall be formed o maintain and manage the areas having proportionate representative from the Industries Department, the Industries Associations and the units to be housed there. A provision of Rs. 2457.36 lacs is proposed for 11th Five Year Plan and Rs. 24.51 lacs for Annual Plan 2007-08.

Sericulture Development Scheme.

16.55 Income enhancement of Rural Poor through sericulture a pilot project is being taken in Sirohi and Udaipur Districts. Total project cost is Rs. 219.40 lacs. Central Silk Board, Bangalore will be executing

agency. Industries Department will work as implementing agency through a field implementing agency NGO. Their share will be as under.

Central Silk Board	Rs. 83.35 lacs
Industries Department	Rs. 71.56 lacs
Beneficiaries Share	Rs. 64.49 lacs
Total	219.40 lacs

16.56 With this project, 500 commercial cocoon producers, cocoon rearers, 50 spinners and 25 weavers will be benefited, and 2 CFC for cocoon processing and 1 CFC for spin yarn producers will be developed. 8690 people will get annual employment. A provision of Rs. 71.56 lacs is proposed for Eleventh Five Year Plan and Rs. 29.00 lacs for Annual Plan 2007-08.

Other expenditure

Capital Investment Subsidy

16.57 Capital investment subsidy scheme is closed from 31st March 1998. For the committed liabilities, a sum of Rs. 21.00 lacs is proposed for 11th Five Year Plan and Rs. 1.00 lacs for Annual Plan 2007-08.

Interest Subsidy

16.58 Interest subsidy scheme for industries has been launched since 1.4.98 to give SSI units a competitive edge in the State to meet out the challenges of globalization. The Scheme has been closed. A sum of Rs.30.00 lacs is proposed for 11th Five Year Plan and Rs. 20.00 lacs for the Annual Plan 2007-08 as committed liabilities.

State Enterprises

16.59 A sum of Rs. 235.00 lacs has been provided to the department for the Eleventh Plan for State Renewal Fund and construction of shelters shed which includes Rs. 38.00 lacs for Annual Plan 2007-08. Schemes wise details are as follows:-

State Renewal Fund

16.60 State Renewal Fund (SRF) was set up in 1995. It is a social safety net scheme for the workers of Public Sector Undertakings, which are likely to be affected by the restructuring of the undertakings. Broad objectives of the schemes are-

- To provide assistance towards cost for retraining and redeployment of employees.
- To provide funds towards compensation/ voluntary retirement schemes affecting the employees.
- To provide assistance towards gainful self-employment to the employees.

- Any other assistance/ relief programme for any category of workers to be decided by the State Government from time to time.

16.61 The fund is being managed by a High Power Committee consisting of Chief Secretary (Chairman), Principal Secretary, Finance, Principal Secretary, Industries, Secretary, Labour, Administrative Secretary of concerned enterprises as members and Secretary, State Enterprise as Member Secretary. Present status of the fund:

(Position from set up of the fund upto 30.11.2006)

S. No.	Particulars	(Rupees in lacs)
1	Contribution from the Govt.	832.90
2	Contribution from PSUs	900.64
3	Recovery of loan (Principal)	1131.61
4	Recovery of interest on loan	205.72
5	Unused loan returned	44.70
6	Total Receipts	3115.57
7	Loans disbursed	1980.42
8	Balance (6-7)	1135.15

Construction of Shelter Shed

16.62 A provision of Rs. 12.50 lacs has been proposed for construction of 10 shelter shed during Financial Year 2007-08 in Salt Area, Didwana for salt producers/ laboures.

BUREAU OF INVESTMENT PROMOTION (BIP)

Introduction:

16.63 Bureau of Investment Promotion(BIP) has been set up in 1991 by the State Government as a society as the Investment Promotion Agency of the State.

16.64 The BIP was formed under registered society to keep the flexibility of operations for attracting investors, free from normal procedures of expenditures etc. The Main objectives of establishment of BIP are:

- To provide One Stop Services
- To recommend changes in policies & procedures to make investment climate investor friendly.
- To effective dissemination of information to the entrepreneurs
- To serve as the Secretariat for various high power committees such as BIDI (Board of Infrastructure Development & Investment), State Level Empowered Committee(SLEC), Economic Development Board, Single Window System, CM's gift and Membership of World Economic Forum, etc.

16.65 The main activities of BIP are:-

- Information and Public Relation activities
- Project Profiles, Survey & Sectoral Studies etc.
- Campaigns (Domestic & Overseas)
- Organisation of seminars, meetings, conferences & participation in Trade Fair
- Support for incentive activities
- Institutional Membership and other work of World Economic Forum

Outlay during XIth Plan

16.66 To promote the different activities of BIP, a provision of Rs. 20.15 crores for XIth Plan and Rs. 3.10 crore for Annual Plan 2007-08 have been kept.

RAJASTHAN KHADI & VILLAGE INDUSTRIES

16.67 Khadi and Village Industries have played a pioneering role in the generation of income and employment particularly in the creation of employment at low capital cost, utilization of local resources and in participation of all sections of the society.

Present status and development potential

16.68 Mahatama Gandhi believed in “Production by Masses as against Mass production” and in due course of time KVI has proved its worth as a business activity for rural masses. KVI activities in the State have encompassed about 17516 villages in the State providing additional employment opportunities to about 1.40 lac people. Of these, 1.30 lacs find employment in the village industries sector and about 0.10 lacs in the Khadi sector. It is noteworthy that as per statistical data for 2005-06, published by KVIC, Rajasthan is ranked in first five State’s in providing employment through Khadi and village industries. There are app. 223 KVI institutions registered mainly for Khadi programme in the State along with 1565 village industries co-operatives, 292 institution and 1.50 lac individual village industries. The Khadi sector in the State produced Khadi cloth worth Rs. 115.00 crores whereas village industries sector produced goods worth Rs. 339.18 crores in the X th Five Plan.

16.69 The changing economic scenario in the country has affected the KVI sector also. From the heavily subsidised programme of the Central Government, the sector is now being funded by a REGP (Margin Money) Scheme through Nationalised Banks, since 1996-97, with commercial rates of interest being applicable in the case of village industries, although Khadi sector is still being subsidised by the Central Government. Thus, a shift in the policy has been made to the extent that where as earlier the Khadi sector got funds from budgetary sources of the Central Government without any interest thereon, now it has to pay

4.50% interest on funds received from Banks under the Interest Subsidy Scheme. Similarly the village industries sector which got funds at the interest rate of 4.00%, now has to pay according to the prime lending rate of nationalised banks, presently rate being from 12% to 18%. This clearly indicates that the sector is being asked to operate on commercial lines, which is a welcome change.

Development Potential

16.70 KVI sector has enormous development potential in the State. It is one programme, which has been able to find roots in far flung areas of the State so much so that it is the only one of the main source of livelihood in some desert areas. There is further advantage in the large number of hand spinners both cotton and woollen. The need is to provide them raw materials regularly so that they may get continuous employment. The woollen khadi garments, shawls, durries etc have a ready market all over the country and this sector should be reinforced by design development, skill upgradation and processing facilities. These three measures require low infrastructure investment yet could immediately result in not only increasing employment but also increase in wages, which is very vital to prevent people migrating from Khadi sector to other sectors. The village industries sector in the State provides greater employment than Khadi sector and has more development potential. Skill upgradation by way of training in viable trades is a critical area, which needs immediate attention. Agro and forest based industries, mineral based industries, leather goods industries and service industries are the sectors which have considerable development potential in the State. As already mentioned above, Rajasthan ranks First Five State's in the country in terms of through Khadi employment and village industries and with proper emphasis in the XI Five Year Plan the number of village industries can be increased almost by 8100 units; additional employment in Khadi and Village Industries Sector to 120400 people and the increased production value worth Rs. 500 crores.

Long Term Development Perspective

16.71 A critical appraisal of KVI sector would reveal that programme needs to be spread in more villages of the State, new designs are needed in Khadi cloth, marketing awaits a complete re-orientation and intensive technological input is needed in the village industries sector. To achieve a significant growth of KVI in Rajasthan, following long term measures could be kept in perspective :-

- Formation of new institutions and societies in areas not so far covered under KVI activities.
- A two-tier training system for village industries one at the district level and the other at the State level.

- Adequate and timely availability of funds to Board especially for Khadi production as the period of weaving and spinning is from April to June and funds are, at present, normally released by Sept./October.
- Establishment of R & D centre and HRD centre at Jaipur shall meet the long standing demand of up gradation of KVI programmes which have already been implemented and need to be reviewed periodically.
- Funds as working capital and for modernization of Pooni Plant at Abu Road are required so that every spinner in the State under KVI can be given job of spinning by providing “sliver “ otherwise same shall continue to be provided by other States.
- To establish an IT development centre for development of IT programme under village industries sector to unlock rural employment opportunities available and to take advantages of this recently developed segment and to keep pace at par with global industrialization. Training of rural people in IT sector shall give fillip to employment opportunity further in service sector.
- Creation of an extensive marketing network via marketing plaza at Mount Abu and opening of chain of brand equity KVI sales outlets at divisional Head Quarters and also in the Metros outside the state.
- Organization of fairs, Hat-Bazars and exhibitions for a wider publicity and creating an awareness for the KVI sector.
- Establishment of rural industrial clusters and “Self-help groups” particularly in village industries sector.
- Creation of a Corpus fund – KVI developed a corpus fund to achieve a quantum jump in implementing rural employment scheme of KVI in next 10 years in the state.
- Development of Sericulture in tribal areas.

Strategy of Eleventh Five Year Plan

16.72 It does not need to be emphasized that KVI promote a self-reliant rural economy and decentralized growth. This objective is at the core of the 11th plan and, therefore, calls for a recommitment from the Govt. to promote KVI as an effective instrument for fighting poverty and unemployment in rural areas. As already mentioned above, the 11th plan perspective is to bring about a considerable increase in employment generation, KVI production and in the number of village industries in the State. To achieve these objectives following strategy are suggested:-

- Registration of new institutions and societies to cover fresh areas for KVI activities.
- Increasing production in sliver plant to cater to the demand for sliver of Amber Charkas.

- For implementing the concept of developing backward linkage and forward linkage in KVI, we shall concentrate on production of market oriented products and to develop proper linkage between production and marketing activity of affiliated institutions.
- Explore possibilities of Khadi & village industries goods export in the State and to identify such products and provide all support for their production.
- Schemes for quality control and certification, brand identification and patents registration shall be formulated for better equipping the marketing strategy for KVI products under TOTAL MARKETING CONCEPT OF KVI SECTOR.
- For village industries, the State Govt. should constitute a separate corpus fund of Rs. 15 crores to be administered by Board.
- Development of HRD segment in KVI shall be given special attention. This is needed both in production and management areas, the latter being totally neglected so far.
- Khadi institution shall be formed in such districts having potential for Khadi production and marketing but had lagged behind earlier due to various reasons.
- Testing lab for KVI products certification be established at Jaipur.
- District plan should have KVI target also and ought to be compulsory for Banks responsible for financing schemes of the district plan.
- KVI goods should be purchased by the State Govt. deptt. /autonomous bodies without tender as same are produced on the principle of no profit no loss basis.
- Special thrust shall be given to develop model Khadi & VI districts for production and marketing.
- Exhibitions, sales promotion campaigns, electronic media and print media publicity along with out door publicity and advertising programmes shall be strengthened to fight out consequences of liberalization of economy.
- Rajasthan Khadi Board is the only Board, out of 30 State Boards in the country, which organizes KVI exhibitions in the State at a huge level to make available instant cash in form of sales proceeds to KVI workers to enable them to keep their production cycle going on. During last five years (up to Sept. 2006) sale of app. Rs. 44.00 crore has been effected in Rajasthan through exhibitions organized by Board.

Proposed Physical Targets

16.73 As mentioned above in the objectives, the employment through KVI sector is sought to be increased by 1.07 lakhs people by the end of 11th

plan; production value of VI sector to be increased by approx. Rs. 400.00 crores and the No. of V.I. units to increase by 8100 units during 11th five year plan. In Khadi sector, it is planned to provide additional employment to 13000 people with a net increase in Khadi production worth Rs. 100.00 crores.

Outlay during XIth Plan

16.74 To promote the different activities of KVI, a provision of Rs. 40.50 crores during Eleventh Plan and a provision Rs. 6.30 crores for Annual Plan 2007-08 have been kept.

RAJASTHAN STATE HANDLOOM DEVELOPMENT CORPORATION LTD. (RSHDC)

16.75 The main objective of the corporation is to provide sustainable employment to weavers of the state, who are below poverty line. Most of the weavers are from scheduled castes, scheduled tribes and minority groups. A provision of Rs. 7.00 crores has been made for Eleventh Plan period and Rs. 0.60 crores for Annual Plan 2007-08 for different activities related to skill upgradation, design development, publicity and exhibition and computerization of sales outlets etc.

RAJASTHAN SMALL INDUSTRIES CORPORATION

16.76 RSIC is the nodal agency for organising National and International exhibitions to provide a good forum for sale of product and expose the craftsmen for new designs and marketing system.

16.77 On the initiative of the Corporation, a corpus fund of Rs One crore has been created for Rajasthan Hastshilpi Avm Dastkar Kalyan Kosh. Contributions for the fund were received as under:

Government of Rajasthan	Rs 50 lac
RIICO	Rs 30 lac
RFC	Rs 15 lac
RSIC	Rs 5 lac

16.78 Income from the fund is to be used for giving financial assistance to craftsmen in case of identified diseases like TB, leprosy, cancer, replacement of valve / bye-pass surgery etc; premium contribution for group insurance scheme for craftsmen; old age pension for craftsmen.

16.79 The Corporation is providing old age pension to 13 craftsmen and in one case medical assistance of Rs 10,000 has been provided. More than 1700 craftsmen have been covered under group insurance.

16.80 A sum of Rs. 6.70 crore has been kept for XIth plan and Rs. 0.70 crore for Annual Plan 2007-08 for the RSIC. The amount is proposed to utilize mainly for participation in IITF (Indian International Trade Fair).

RURAL NON FARM DEVELOPMENT AGENCY (RUDA)

Development in Rural Non Farm Sector in the Eleventh Five Year Plan

16.81 The activities of RUDA are mainly related to marketing assistances for Rural Non Farm Sector (RNFS) products and skill up-gradation in leather, wool and minor mineral sub-sectors.

16.82 RUDA feels that over the next few years, RNFS will continue to march ahead along with its "*Product led Strategy*" for generating additional income and employment for the economy of Rajasthan. It is envisaged that whereas share of agriculture and allied sector in the GSDP may decline to less than 17 percent by 2012, the contribution of rural non-farm sector would steadily increase to 33 percent. If the on-going projects initiated for the six sub-sectors covered under RNFS bear the expected results and also if the new strategies are initiated during the Eleventh Five Year Plan (2007-12) are successfully implemented, it is anticipated that RNFS would generate at least 1.0 lakh additional jobs in the following activities related to RNFS:

- Production of RNFS products and product diversification.
- Exploration of new markets and increase in demand within India and abroad.
- Packaging of RNFS products.
- Investment of new capital via increased availability of micro credit.
- Increase in transportation of raw materials and products.
- Sales promotion related activities.

Outlay during XIth Plan

16.83 During XIth plan to promote the different activities of RUDA, a provision of Rs. 6.90 crores has been kept. A provision of Rs. 0.95 crores for Annual Plan 2007-08 has been kept.

Institute of Craft and Design

16.84 The purpose of the institute is to develop high quality professionals who through their skills, knowledge and attitude are able to assist in development of craft sector for the benefits of the craftsmen and the society.

16.85 The approach of the institute is professional, economic and development oriented. The objective of training in handicrafts is to turn out crafts person craft professionals and academicians covering design, technology and management aspect to create a strong outreach programme. Research and services programme will be constantly conducted with the support of trainers and faculty.

16.86 A provision of Rs. 8.45 crore has been made in Eleventh Plan and Rs. 1.30 crore for Annual Plan 2007-08.

RAJASTHAN FINANCIAL CORPORATION (RFC)

16.87 The Rajasthan Financial Corporation is responsible for providing financial assistance to entrepreneurs for setting up of industries, mining, transport and hotels etc. The Corporation also acts as an agent on behalf of the State Government for providing Central/State investment subsidy and other concessional facilities of the State Government. A token provisions of Rs. 0.05 lacs is kept for RFC for Eleventh Five Year Plan and Rs. 0.01 lacs for Annual Plan 2007-08.

RAJASTHAN STATE INDUSTRIAL DEVELOPMENT & INVESTMENT CORPORATION (RIICO)

16.88 RIICO being the State owned Company, has been providing multifaceted services for industrial development in the State i.e. development of industrial infrastructure, extending term loan and equity funds to the industry, providing agency services to State Govt. for execution of its various schemes. State support for industrial development is essentially required to have a competitive edge over other States.

16.89 During the 10th Five Year Plan period (2002-07), the Corporation has been able to effectively utilize the various grants from the State Govt. for development of R&D Centre for CDOS, National Development Programme for Stones, Stone Development Fund, Improvement of Link Road to ICD Basni and for Critical Infrastructure Development Fund.

16.90 Further, in respect of term lending activity the anticipated sanctions of term loans is also likely to be Rs.383.74 crores as against projected target of Rs.366.32 crores. At the same time in infrastructure field total acquisition of land of 3460.46 acres has been made against target of 2825 acres and anticipated land development is expected to be 3972.26 acres against target of 4550 acres and allotment of plots is expected to be 10302 Nos. as against target of 6220 Nos.

16.91 During the 11th Five Year Plan (2007-12) the Corporation is giving major thrust for development of Tool Room cum Testing Centre for Auto Components, Development and Strengthening of Test Labs for Agro Food Park, Upgradation/Augmentation of electric works of RIICO industrial areas and Augmentation of Water Resources near industrial areas.

16.92 The Corporation is also carrying out sectorial/regional/cluster studies for spinning and rotor spinning of cotton synthetics, synthetic shirting, cotton weaving, study for gypsum based industry, coloured gems stone and silver jewellery for developing new avenues of industry.

16.93 Further, in order to provide thrust to marketing of products of various sections of industries in the State, the Corporation is in the process of developing a permanent exhibition ground and convention centre on the pattern of Pragati Maidan, New Delhi.

16.94 India Stone Mart is the flagship event of the State Govt. and already 3 event in 2000, 2003 and 2005 have already been organized by the Corporation which have met with resounding success in terms of business generation and visitor's turn-out and the next India Stone Mart would be held in the year 2009 in the 11th Five Year Plan period.

Outlay during Eleventh Five Year Plan

16.95 The State Budgetary support of Rs. 87.00 crores is proposed during 11th plan period as per following schemes.

Soft loan for term lending in TSP area:

16.96 Previously various term-lending schemes of the Corporation were being implemented under refinance scheme of IDBI/SIDBI. As on date the Corporation is a debt free Company, hence these schemes are being operated by the Corporation from its own funds, however, the Corporation has proposed a token provision of Rs. 0.01 lakh every year in the form of soft loan as Govt. support for TSP area in the 11th Five Year Plan.

Interest Free Sales Tax Loan:

16.97 A token provision of Rs. 0.01 lakh for every year has been made in the 11th Five Year Plan.

Equity support for Rajasthan Trade Promotion Organisation (RTPO):

16.98 In order to provide thrust to marketing of products of various sectors of industries in the State, the Govt. wants to promote a permanent exhibition ground and convention centre on the pattern of Pragati Maidan, New Delhi. A new company shall be incorporated for managing the trade exhibition ground.

16.99 An area of approximately 125 acres will be required to launch this venture. Besides land cost, an expenditure of Rs.32.00 crores will have to be incurred on the proposed exhibition ground in the first phase. Land and cost thereof will have to be borne by State Govt.

16.100 The tentative cost of project and means of finance are as under:

S. No.	Cost of project	Amt. (Rs. in lacs)
1	Land (to provide by State Govt. free of cost)	0.00
2	Site Development	450.00
3	Building & Civil Works	1650.00
4	MFA	470.00
5	Preliminary & Pre-operative exp.	250.00
6	Contingency	257.00
7	Working capital	123.00
	Total	3200.00

Means of Finance:

1. Equity capital	1600.00
2. Term loan	<u>1600.00</u>
Total	<u>3200.00</u>

16.101 For implementing the project the State Govt. has released grant of Rs.50.00 lacs to the Corporation during 2005-06, and a provision has also been made for Rs.57.42 lacs in the year 2006-07 as Govt. support. The Govt. support as equity contribution to the Corporation for RTPO project proposed in the 11th Five Year Plan is Rs.1600.00 lacs. Corporation has already placed an order for pre feasibility study and same will be available by March 2007.

Share capital for Growth Centres:

16.102 This is a scheme of Central and the State Govt. and allocation is made as per the matching contribution. The developmental works of Growth Centres at various places is going on and is expected to be completed by the end of 11th Five Year Plan. Total provision of Rs.578.04 lacs is proposed in the 11th Five Year Plan.

Maintenance and up-gradation of CETP, Bhiwadi.

16.103 CETP is being operated and maintained by the Corporation. The Corporation requires Govt. support of Rs.50.00 lacs each in the year 2007-08 and 2008-09 for the maintenance and up gradation of this plant (Total Rs.100.00 lacs).

India Stone Mart 2009 - Grant for up gradation and renovation of infrastructure created for India Stone Mart 2009:

16.104 India Stone-Mart is the flagship event of State Government. International Stone Industry Exhibition is being organized jointly with CDOS/RIICO at EPIP, Sitapura. The next edition of India Stone mart is scheduled to be held during 1-4, February 2007. Earlier three events were organized in 2000, 2003 and 2005 and were resounding success in terms of business generation and visitors turnout.

16.105 Subsequently India Stone Mart would be held in the year 2009 as such it is proposed that an amount of Rs.100.00 lacs each would be required for construction of facilities and drinking water heads/facilities at the fair site, Repairs and Maintenance of the fair site, internal roads, culverts, drains, painting etc. construction and organisation of Shilpgram for poor artisans in the year 2008-09 and 2010-11. The amount would also be utilised for maintenance/repair of the existing infrastructure as well as to create additional infrastructure based on feedback from exhibitors in previous Stone Mart. The infrastructure for India Stone Mart at EPIP was initially created with the grant from the State Government (Total Rs.200.00 lacs).

Corpus fund for CDOS - Grant for up gradation of Centre for Development of Stones (CDOS) & Creation of corpus fund for the Centre:

16.106 CDOS is developing facilities for Stone museum, facilities for promoting export of dimensional stones, Artisan village, stone park, school of technology and training facilities - all of which are aimed at developing of Stone Industry.

16.107 CDOS is also developing a Testing Centre for testing of stones as per international standards which is coming up at the Centre for Development of Stones (CDOS) complex, Sitapura, Jaipur. National Institute of Rock Mechanics (NIRM), Kolar has prepared the project report for the testing Centre. The Testing Centre is being set up with financial assistance from Ministry of Mines, Government of India; National Programme for Development of Stone Industry (NPDSI-a project of UNIDO) and Government of Rajasthan. Land has been provided by RIICO.

16.108 For up gradation of various CDOS facilities, operationalize the testing centre, CDOS requires assistance from the State Government. The State assistance is essential to initiate specialised services as per the project guidelines, so as to achieve financial self-sustainability in the following years. The corpus funds for CDOS is of Rs.10.00 Crores against which Rs.1.00 Crores each was released in the year 2003-04, 2004-05 and 2005-06 and a provision has also been made for Rs.100.00 lacs for the year 2006-07.

16.109 To make CDOS self-sustaining and to enable to provide strong institutional support to the dimensional stone sector, Rs.100.00 lacs in each year from 2007-08 to 2011-12 (Total Rs.500.00 lacs) is proposed in the 11th Five Year Plan also.

Grant for development and strengthening of Testing lab for Agro food products:

16.110 The Grant-in-Aid provided by Ministry of Food Processing Industries, GOI, for setting up test labs of good standard at Agro-Food Parks at Kota, Jodhpur, Sriganganagar and Alwar are not sufficient. Besides this running expenses for initial 4-5 years will have to be borne by operating agency (CSIO, Chandigarh) for which necessary budgetary provision is required. Therefore additional funds for each lab are required for following purposes.

1.	Building/ Civil works	- Rs. 15.00 lacs.
2.	Equipment	- Rs.150.00 lacs.
3.	Running Expenses	- Rs. 35.00 lacs.
	Total	- Rs.200.00 lacs

16.111 Thus Rs.200.00 lacs are required for each lab over a period of four years. One by one each lab will be strengthened upto optimum level.

Augmentation of water resources near Industrial areas:

16.112 Presently, RIICO is solely dependent on the ground water resources which are depleting very fast. It is very essential that some surface water resources are developed in the vicinity of important industrial areas. This could be in the form of Check Dams or Water Reservoirs, especially to cater to the needs of the Industrial areas. Such works would entail large funds for which the State has to provide assistance in the form of grant. For the above purpose a sum of Rs.700.00 lacs is proposed.

Upgradation/Augmentation of Electrical work of RIICO Industrial Areas.

16.113 To cope up with the pace of load growth of industries in the established industrial areas viz. MIA Alwar, Kishangarh, MIA Udaipur, Indraprasta Industrial area Kota, Jaipur (South), Jaipur (North), Jaipur (Rural), Sitapura, Bhilwara etc. augmentation/upgradation of existing network is required for which a provision of Rs.100.00 lacs during 2007-08 and Rs.200.00 lacs for the next four years is proposed (total Rs.900.00 lacs).

Test lab for Ceramic and building materials:

16.114 In order to provide testing facilities for ceramic based industries and building materials in the areas rich in ceramic material such as Bikaner and Beawar. Government support of Rs.350.00 lacs in 11th Five Year Plan has been proposed.

Tool Room cum testing centre.

16.115 Auto component is an upcoming sector in Indian Economy. NCR has good potential and therefore to attract industries in this sector we will have to setup a Tool-Room cum Testing-Centre in Alwar District, preferably at Chopanki / Khushkhera / Neemrana. For the same a budgetary support of Rs.1900.00 lacs is required during 11th Plan Period. Indo-German tool room, Indore, a Govt. of India society is carrying out the detailed feasibility study for the same and report is likely to be available by March 2007.

Stone Park, Dholpur:

16.116 Stone Park for artisans of Stone is proposed to be developed on 121.50 acres of land at Dholpur. The cost estimates for the same are being worked out. Likely cost is estimated at about Rs.1500.00 lacs for this park. This park will have 292 plots of various sizes on 70.61 Acres saleable lands. In order to reduce cost of plots for individual artisans, it is proposed that budgetary grant of Rs.500.00 lacs (i.e. Rs.100.00 lacs every year in 11th plan period) be considered for this project.

Sectorial/Regional/Cluster Studies:

16.117 It is proposed to carry out Sectorial/Regional/Cluster Study and Techno-Economic feasibility reports for the following:

- Spinning and rotor spinning of Cotton / Synthetics yarn in Rajasthan.
- Potential of synthetic Shirting /Sarees/ Dress material in Rajasthan.
- Potential of cotton weaving units in Rajasthan.
- Cluster potential studies for textile sector at Bhilwara/ Pali/ Balotra/ Jodhpur and Utensil cluster at Jodhpur.
- Study for Gypsum based industry / cluster in Bikaner / Churu region.
- Potential of ceramic sector at Bikaner / Beawar.
- Potential and constraints of garment sector in NCR and Jaipur.
- Potential and constraints of knitting sector in NCR.
- Potential and constraints of coloured Gem-Stone and jewellery sector in Rajasthan especially in Jaipur.
- Potential of silver jewellery cluster at Kuchaman / Bikaner / Sardarshahar.

16.118 Government support of Rs.571.86 lacs in the form of grant has been proposed for conducting the above sectorial/ regional/cluster studies.

Plan Proposal for the year 2007-2008

16.119 The State Annual Budgetary support of Rs.13.50 crores is proposed during the year 2007-2008 as per schemes given below:

Rs. In lacs

	Schemes	Amount
1	Soft loan for term lending in TSP area	0.01
2	Interest Free Sales Tax Loan	0.01
3	Equity support for Rajasthan Trade Promotion Organisation (RTPO)	3200.00
4	Share capital for Growth Centres	50.00
5	Maintenance and up-gradation of CETP, Bhiwadi	50.00
6	Corpus fund for CDOS - Grant for up gradation of Centre for Development of Stones (CDOS) & Creation of corpus fund for the Centre	100.00
7	Grant for development and strengthening of Testing lab for Agro food products	200.00
8	Augmentation of water resources near Industrial areas	100.00

	Schemes	Amount
9	Upgradation/Augmentation of Electrical work of RIICO Industrial Areas	100.00
10	Test lab for Ceramic and building materials	100.00
11	Tool-Room cum testing center	200.00
12	Stone Park, Dholpur	100.00
13	Sectorial/Regional/Cluster Studies	49.98