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**Taluk Industrial
Development Plan
2006-11**

**H.B HALLI TALUK
BELLARY DISTRICT**

**Department of Industries & Commerce
Bangalore**

District Industrial Development Plan - 2006-07 to 2010-11

H.B. Halli Taluka

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Chapter 1

Introduction

Karnataka is one of the top five industrialised states in the country. It has a history of pioneering industrial development initiatives. The state GDR growth rate during 2005-06 was 8.7 percent, with the industrial sector accounting for 18 percent. The new industrial policy 2006-2011 announced by the Government of Karnataka in the end of August 2006 envisages a growth rate of over nine percent in gross state domestic product. This is sought to be achieved with an industrial sector growth of over 12 percent.

1.2 With this end in view, the Commissioner of Industries and Commerce, Government of Karnataka had commissioned the preparation of a **District Industries Development Plan (DIDP)** for all the 27 districts in the State of Karnataka. The DIDP is to capture the resource endowments of the district, both natural and human and outline the potential for development of industries in the district, taking into account the Infrastructure already available, the existing industrial base of the district, etc. The DIDP was to have a five year perspective- 2006- 11. Since the Plan is a forward looking one, the action required to be initiated to realise the potentials identified were also to be identified. The DIDP was to be prepared Taluka wise and was also to contain useful information for the users, including the various schemes being implemented in the district/ taluka, important contact addresses, etc. The DIDP, in short, was to provide useful and relevant information for all readers, who may refer to the document, with the purpose of scouting for information for setting up industrial units/ ventures in the Taluka.

1.3 The task of preparing such DIDPs were entrusted to various agencies, and NABCONS (a wholly owned subsidiary of the NABARD) had been entrusted with the task of preparing the plans in respect of three districts, viz., Bellary, Chamarajanagar and Shimoga.

Methodology

1.4 A three Step process was adopted for compiling the report. The first Step involved the collection of the resource endowments of the district (taluka wise, as the report was to be presented talukawise)- both natural resources and human resource, the available infrastructure- communication, power, water supply, existing industries, etc., and other details regarding facilities available in the districts/ talukas, etc. The information collected thus is presented in the Report.

1.5 Since the potential for industrial investment depends on the availability of raw material, demand for goods and services, availability of supporting infrastructure, skilled manpower, entrepreneurial ability, etc., the data collected in the first Step were analysed to narrow down on sectors which were predominant in the district/ talukas and detailed discussions were held directly with officials of the concerned government departments/ agencies to secure additional information on the extent to which developments have taken place in those

sectors, the trends, etc. Based on these detailed discussions, a SWOT analysis of individual talukas were prepared. The potential for setting up of industries in specific sectors were also identified. At this stage, the Reports were ready in a tentative/ provisional form. The recommendations were to be scrutinised and vetted by the stake holders.

1.6 Therefore, as the third Step, a Workshop of the stakeholders was arranged, with the participation of Government officials from various departments, mainly the DIC, agriculture, horticulture, industries' associations, NGOs, etc. This Workshop was convened with the help of the CEO, ZP. The outcome of the study thus far were presented at these Workshops and discussions were held in a participatory manner. Based on the feedback received in these Workshops, the report is finalised and presented here.

This report covers H.B.Halli taluka of Bellary district.

Chapter 2:

Identified investment opportunities

2.1 Based on the detailed discussion we had with bankers, Govt. Departments, Industry associations, and NGOs to ascertain the potential as well as the problems, a list of industrial activities having potential in the talukas were identified and details of feasible numbers, investment required and scope for employment were quantified. While doing so, the activities have been classified under 3 major heads as under :

- High Share Sub-sectors : Those which at present account for a high share of industrial activity in terms of employment.
- High Growth Sub-sectors : Those which have registered a high growth rate of employment due to demand in the domestic and / or export market.
- Emergent Sub-sectors : Those which at present support relatively little employment but which, in the opinion of informed persons, have a potential for growth in the near future because of unsaturated demand.

Potentials Identified in terms of Employment Opportunities for H.B.Halli taluk

Sl No	High Share Sub-sector	High Growth Sub-sector	Emergent Sub-sector
1	Supplementary industrial units JVSL & KPC , Garments and related industries	Building material, mining, transport, retreading, vulcanising, service station, automobiles & spare parts, vehicle body building, grease making, milk products, foot ware making, grill works, card board making, preparation of food and spice items, house constructions, plumbers, black smith, gold smith, plastic moulding units	Service sector units, preparation of toys and bags, Candles, Agarbatti, Phenyl, detergents, aerated and mineral waters, shamiana and utensils supply, luggage autos

2.2 SWOT Analysis

Since the potential for industrial activities referred to in para 2.1 above were assessed on the basis of discussion with individual Departments/Agencies, it was decided that these are to be vetted through a consultative process by conducting a participatory workshop in the district. The workshop was conducted with the participation of various Senior District/Talukas level officials representing various Departments viz. Industries, Agriculture, Horticulture, Electricity/Power, Animal Husbandry, Fisheries, Financial Institutions/Banks, representatives of Industries Associations/individual entrepreneurs, etc. The workshop was conducted in consultation and association with the Chief Executive Officer, Zilla Panchayat.

The participants working in groups, had considered the resource endowments of each Taluka, their (Taluka's) strengths and weaknesses and the opportunities provided and threats posed by the external environment. The groups had examined/discussed the industrial potentials identified and had moderated/vetted/made suggestions thereof. For each taluk, strengths and opportunities were taken into consideration based on the information on resource

endowments of each of the taluka provided to the groups. The weaknesses of the taluka and the threats were summarised as action points which need to be addressed. The final potential for activities in the Taluka are given below. The year-wise projections of industrial potential for the year 2006-07 to 2010-11 are given in the Annexure (at the end of the Report).

Summary of Activity-wise industrial units, estimated financial outlay and employment potential in H.B.Halli taluk for the period from 2006-07 to 2010-11

Sr.No.	Sector / Sub-sector / Activity	Units	Fin.Outlay (Rs lakh)	Emp. Generated
1	2	3	4	5
I	Agro-based and food products			
	Poha Mill	6	70.65	54
	Tomato products (ketchup, sauce)	14	8.76	28
	Tamarind Paste	10	18.99	40
	Aerated water and soft drinks	2	3.7	16
	Bread and Bakery products	9	34.05	54
	Confectionery	10	17.81	50
	Flour mill & Chilly pounding	23	37.75	92
	Sweets & Savaries	16	11.05	48
	Dairy Milk Products	12	31.16	60
	Ice candy & Ice Cream	2	5.24	12
	Masala powder and condiments	15	27.9	90
	Papad	15	22.19	300
	Bee keeping	9	20.41	45
	Pickles	14	31.84	280
	Roasted & Salted Ground nuts	15	12.89	30
	Vermicilli	10	9.1	40
	Potato Chips	14	22.81	56
	Sub total	196	386.3	1295
II	Agro processing industries			
	Oil Extraction & Refineries (Sunflower, rice bran oil et)	2	210	70
	Milk Chilling units	1	21.35	20
	Decorticating units	20	127.4	100
	Sub total	23	358.75	190
III	HANDLOOM / READYMADE GARMENTS SECTOR			
	Readymade garments	5	30.52	104
	Sub total	5	30.52	104
IV	Chemical, leather & plastic products			
	Agarbatti	20	13.5	440
	Phynol	11	12.1	88
	Cleaning powder	15	13.34	120
	Distilled water for automobiles	0	0	0
	Injection moulded plastic articles	5	13.77	75
	Candle making	13	11.95	104
	Reprocessing of plastics	5	31.04	50
	PVC Fittings	2	14.75	16

Sr.No.	Sector / Sub-sector / Activity	Units	Fin.Outlay (Rs lakh)	Emp. Generated
	Tyre retreading	2	25.5	20
	Sub total	73	135.95	913
V	Electrical/Electronics & Computer Based Inds.			
	Battery charging/ servicing	5	9.18	35
	Invertors upto 50 kva	5	10.88	15
	Voltage Stabilizers	5	10.88	30
	Emergency lamps	4	5.15	12
	DTP Centres	4	7.71	16
	Elec.Repairs/ motor rewinding	13	20.05	65
	Sub total	36	63.85	173
VI	Mineral based and building material products			
	Hollow concrete blocks	1	9.75	15
	Jelly crushing	5	87.4	75
	Soil Cement Blocks	5	4.45	30
	Table moulded bricks	1	9.5	20
	Cement / Flyash Bricks	0	0	0
	Mosaic tiles	1	20	10
	Sub total	13	131.1	150
VII	Livestock based products			
	Cattle / Poultry feed	9	107.8	108
	Dressed Broiler chicken unit	4	5.96	12
	Sub total	13	113.76	120
VIII	Mechanical based products			
	Diesel Engine servicing	7	6.67	28
	Steel fabrication & furniture	8	124.19	96
	Barbed wire	4	25.47	16
	Agricultural implements	15	138.45	75
	General Engineering	5	15.37	25
	Sub total	39	310.15	240
IX	Tourism related projects			
	Motels	7	12.09	35
	Mini buses	4	22.87	16
	Sub total	11	34.96	51
X	Rural Artisans			
	Stone carving	5	1.85	10
	Carpentry	16	25.51	80
	Goldsmithy	5	4.73	10
	Pottery/ Terracota articles	5	4.45	25
	Other artisans (tailoring, laundry, barbers etc.)	26	16.6	130
	Balcksmithy	11	10	55
	Soft toys	121	65.15	605
	Sub total	189	128.29	915
XI	SRTO			
	Auto Rikshaw	40	42.8	40
	Mini trucks	15	228.03	45

Sr.No.	Sector / Sub-sector / Activity	Units	Fin.Outlay (Rs lakh)	Emp. Generated
	Goods carrier/ trucks	5	74.85	15
	Passenger Bus	12	151.46	108
	Sub total	72	497.14	208
XII	PROFESSIONALS & SELF EMPLOYED	4	51.22	80
	Sub total	4	51.22	80
XIII	Others Industries			
	Corrugated Boxes	8	294.29	64
	Vermicompost	19	195.15	95
	Wooden furniture, doors and windows	8	14.1	32
	Book Binding & Note Books	5	19.72	25
	Mineral water	5	61.22	75
	Bee keeping	9	8.15	18
	Cane & Bamboo	5	3.41	50
	Sub total	59	596.04	359
XIV	Other Service Sectors			
	Vulcanising/ air compressor units	5	2.71	10
	Weigh Bridge	5	64.56	10
	Pollution Control Certification Centres	6	5.3	6
	Service station for automobiles	10	119.62	50
	Cyber Cafes	4	20.75	8
	Beauty parlors	6	6.34	18
	Fax STD Centres	5	8.02	10
	Pathological Centres	6	6.51	36
	Nursing Homes	5	94.32	45
	Genset Repair & Hire	4	12.64	12
	Tractor servicing/ repair	11	19.71	44
	Computer Servicing units	4	2.46	8
	Computer Trg. Inst.	4	51.21	12
	Digital photo studio	4	127.66	20
	Screen printing	6	1.45	12
	Offset printing unit	4	61.99	36
	Photo copying	5	7.57	10
	Servicing & repairing of consumer ele.pro.	5	5.52	20
	Repairing & Servicing of Pumps	20	14.44	80
	Oil Gana	5	9.21	10
	Sub total	124	641.99	457
XV	SHG Micro Enterprises	176	60.6	880
	Sub total	176	60.6	880
	Grand Total	1033	3540.62	6135

Chapter 3

Taluk at a Glance

3.1 Hagaribommanahalli (H B Halli) taluk is the headquarters town of the taluk of the same name at a distance of 110 kms from Bellary city. Incidentally this is only taluk with no urban areas in its jurisdiction in the state. A number of families from the villages submerged in the Tungabhadra project have been rehabilitated here. HBHalli taluk occupies 5th place in area and last place in population among seven taluks. The geographical area of the taluk is 976 sq.km. and population is 159886 as per 2001 census. This accounts for 8 p.c. of district's population and its area accounts for 11.50 p.c.

Sr. No.	Item	Units	Data
1	Population		
(i)	Total	Lakh	1.60
(ii)	Rural	"	1.60
(iii)	Urban	"	-
(iv)	Male	"	0.81
(v)	Female	"	0.79
(vi)	SC population	"	0.30
(vii)	ST population	"	0.22
(viii)	Density in population	persons per sq.km	979
2	Literacy		
(i)	Total	thousands	77
(ii)	Male	"	47
(iii)	Female	"	30
(iv)	Urban	"	-
(v)	Rural	"	77

3.2 Administrative set up

H.B.Halli comes under the administrative jurisdiction of Hospet revenue sub-division with 4 R I circles. The taluk is divided into four Hoblis. It has 53 villages, 22 Gram Panchayats.

3.3 Physiography

The taluk is bounded on the north by the Koppal district on the south by Kudligi taluk, on the east by the Hospet taluk and on the west by Hadagali taluk. The Bellary district is situated between 14 degrees 30' and 15 degrees 50' north latitude and 77 degrees 40' East longitude. The district is situated in a semi-arid zone. The geographical location is at 1512 ft. Height from the main sea level. The western parts of the taluk is hilly with iron deposits.

3.4 Soil Conditions & Topographical Features

The Bellary district consists of archern complex composed of crystalline schist' epidorities, granites and later granites. The soil content of the taluk is black cotton with red loamy. The river Cikkahagari flows in the taluk and a dam is constructed Malvi village for irrigation purpose.

3.5 Seasonal & Climatic Conditions

The Bellary district falls under semi-arid zone with dry climate. The temperature range from min. 13 degrees Celsius during December to a maximum of 44 degrees Celsius in April and

May. The taluk is known for its hot summer and a dry weather persists for a major part of the year. Average rainfall for the taluk is about 554.5 mm per annum, which precipitates in about 36 rainy days. Usually August and September months get maximum rainfall.

3.6 Land use Pattern:

The current pattern of land utilization is as follows:

Land Use	Area (ha)
Forests	4482
Barren	5159
Non agriculture	19980
Cultivable waste	2058
Permanent pasture	1108
Trees and Groves	105
Current fallow	19868
Net area sown	44839
Total geographical area	97599
Area sown more than once	11085

3.7 Irrigation

The net irrigated area constitute only 16820 hec. (32 p.c.).The main source of irrigation is

Sl.no.	Particulars	Area (hec.)	Percent
1	Malvi Project	2887	17.16
2	Lift Irrigation	3408	20.26
3	Tanks	1491	8.86
4	Wells/Borewells	9034	53.72
Total area under irrigation		16820	100.00

3.8 Predominant Economic Activities prevalent in the taluk

3.8.1 Agricultural sector

Agriculture contributes major portion of the income of the taluk. The major crops grown are maize, jowar, bajra, sunflower, groundnut and cotton. Though the productivity has shown a declining trend in the last few years, performance is better than the state average in terms of production and yield with reference to paddy, pulses, jowar and cotton. Major horticultural crops grown in the district are chillies, coriander, pomegranate, mango, fig, and coconut.

3.8.2. Industrial Sector:

H.B.Halli taluk is another taluk in the district where industrialisation is making progress at snail's pace. In this taluk there are 869 industrial units with an investment of Rs. 746.28 lakh. These units provide employment to 3141 persons. There are 1085 Rural artisans whose activity comprises of Carpentry, Blacksmith, Barbers, Goldsmith, Pottery, Cotton weaving, Mat weaving and Mirror Embroidery.

3.9 Performance of Credit Agencies

There are 14 bank branches in the taluk. The details of outstanding deposits and advances as at the end of March 2006 are furnished below. (Rs. lakh)

Sr. #	AGENCY	No .of branches	Advances		Deposits	
			Outstanding	% of share	Outstanding	% of share
1	CBs	5	3,906.27	45.7	3,214.37	57.5
2	PGB	7	2,795.37	32.7	1,869.6	33.4
3	BDCCB	1	1,529.27	17.9	357.44	6.4
4	PCARDBs	1	323.15	3.7	151.55	2.7
	Total	14	8,554.06	100	5,592.96	100

3.10 Credit-Deposit (CD) Ratio The CD ratio of CBs, PGB and BDCCB was at 122, 149 and 428 respectively as at the end of March 2006. The overall CD ratio of the formal banking system in the taluk was at 153 as on that date.

3.11 Ground level credit flow

During 2004-05, Banks have disbursed Rs.124.98 lakh as against target of Rs. 147.80 lakh in H.B.Halli taluk under non-farm sector which includes activities like Handloom/powerloom, village and cottage industries, tiny industries, SSI and Rural Artisans. Similarly under Other Priority Sector which includes activities like Road transport operators, professional and self employed, rural housing, small business and retail trade, consumption loans, banks have disbursed Rs.673.92 lakh as against the target of Rs. 659.80 lakh during 2004-05 in H.B.Halli taluk.

3.12 Places of Interest:

AMBLI: This village is famous for Black stone Chalukyan temple dedicated to Kalleswara.

Holalu: This village which is 32 kms away from Hadagali is famous for the beautiful image of Ananthashayana which is carved in black stone.

Malvi Dam: Malvi dam which is constructed in 1972 at a cost of Rs.412.00 lakh has capacity of 2 TMC.This dam covers 15 villages for irrigation purpose.The irrigation potentiality is 2965 hectares.

Chapter 4
Resource base of the taluk

4.1 Agriculture :

Around 60% of the population depends on Agricultural activity, rice is the staple food. In total 57% of the land is utilised for the agricultural activity. The main crops in H.B.Halli Taluk are as under :

Sl.No.	Name of the crop	Sown area during 2005-06 (in ha.)
1	Paddy	3,230
2	Jowar	8,335
3	Maize	16,470
4	Pulses	4,805
5	Groundnut	7,065
6	Sunflower	12,026
7	Cotton	2,240

4.2 Horticulture :

Production of Horticultural crops in H.B.Halli Taluk as on 31.03.2005 is as under :

Sr. No.	Name of the crop	Area (Ha.)	Production (M.Ton)	yield/ ha.	Value (Rs. lakhs)
I	Fruit Crops				
1	Mango	117	1,755	15	263.25
2	Banana	29	725	25	21.75
3	Sapota	60	720	12	21.60
4	Guava	10	250	25	5.00
II	Vegetable Crops				
1	Tomato (Rabi & Kharif)	74	1,269	18	35.74
2	Cucumber	60	1,500	25	45.00
3	Brinjal	28	840	30	16.80
4	Onion Kharif & Rabi	546	11,894	20	834.48
III	Spices				
1	Tamarind	15	60	4	4.80
2	Dry Chilli	650	1,300	2	260.00
3	Coriander	82	41	0.5	6.15
IV	Other Horti Crops				
1	Ladies Finger	45	450	10	13.50
2	Radish	28	140	5	1.40
3	Cluster Beans	54	432	8	4.32
4	Drumstick(lakh sticks)	31	62	2	15.50
5	Water melon	20	800	40	32.00
6	Coconut (lakh nuts)	246	24.6	0.1	49.20
7	Oil Palm	62	51	3	2.04
8	Betelvine(lakh leaves)	101	12.12	0.12	1.21
V	Flowers				
1	Jasmine flower	99	594	6	89.10
2	Mari Gold	46	368	8	18.40
VI	Medicinal Plants				
1	Ocimum(Tulasi)	12	36	3	18.00

4.3 Forest

4482 ha. or 5% of the area is covered by forest. The activities that can be taken up in the forest area are Bee keeping, Basket making, Manufacture of bags from natural fibres, rope weaving, collection of minor forest produce, Agarbatti making, Organic farming, Furniture shop, neem oil/cake manufacturing, Extraction of oil from aromatic plants etc.

4.4 Animal Husbandry

Animal Husbandry is the main allied activity next to Agriculture in H.B.Halli Taluk.

(i)	Indigenous cattle	no.	38,688
(ii)	Cross Breed	no.	1,978
(iii)	Buffaloes	no.	16,835
(iv)	Indigenous sheep	no.	42,218
(v)	Goats	no	25,983
(vi)	Poultry	no	480,903

Dairy and Sheep/goat rearing are the main activities in the taluk. Dairy development activities in the district are carried out as supplementary activities. The per capita availability of milk in the district is 170 gm/day as against the normal requirement at a minimum of 240 gm per day as per Indian Council of Medical Research (ICMR). Raichur-Bellary Milk Union (RBMU) covers Raichur, Koppal and Bellary districts. It has created infrastructure support to suit its requirements. The milk production in H.B.Halli taluk during 2005-06 was 15900 LPD. In H.B.Halli taluk, there are 3 Layer farms with daily egg production of 25000.

4.5 Fisheries

Fisheries is one of the important sectors in the socio-economic set up of Bellary district. It provides animal protein to population, generates large-scale employment and earns valuable foreign exchange. Fish farming is a traditional activity as the district is endowed with fresh water resources consisting of tanks, reservoirs, rivers, canals and ponds. There is a good scope for inland fisheries, particularly pond fisheries, tank and riverine fisheries. There are 22 irrigation tanks in the taluk. The fishermen population in H.B.Halli taluk is 5010. The total fish production in the taluk during 2005-06 was estimated to be around 596.70 ton. During the past five years, the construction of fish ponds in Bellary district was encouraging. As on 31.3.2005, there are 9 fish ponds in the taluk.

4.6 Human Resource

The details of educational institutions in Hadagali taluk are indicated below.

Educational Institutions	Number of institutions	No. of students
Primary Schools	145	29,086
High Schools	28	5,715
Pre-university	5	1,203
Degree Colleges	1	320

Classification of workers:

(i)	Cultivators	thousands	22
(ii)	Agricultural labourers	"	36
(iii)	Workers in household industry	"	2
(iv)	Other workers	"	12
(v)	Total	"	72

As per 2001 census, 801369 constituting 40% of the total population are main workers of which 30% are agriculturists, 34% agriculture labourers and the remaining 36% are other workers. Of the total main workers, 34% are female workers. More than 68360 are registered for employment with the Employment Exchange in the district as at the end of March 2005, out of which 4785 are from H.B.Halli taluk. CEDOK, GTTC, SIRD, RUDSETI, Chitradurga organizes EDPs, Management Development Programmes and awareness creating/Skill

development programmes with a view to motivate rural youth to establish their own SSI units. The following table shows that existing manpower which is not sufficient to meet the demands of the existing and implementing medium and large scale industries.

Sr. No.	Particulars	Total
1	Degree holders	348
2	Diploma holders	80
3	ITI	331
4	Stenos & Typists	121
5	SSLC	1,688
6	PUC	692
7	Driving license holders	145
8	Below SSLC	1,043
9	Others	1,021
10	Total registered	5,469

Chapter 5:

Infrastructural facilities and new developments

The district fares fairly well under some of the infrastructure indicators such as Electricity, Irrigation, Transportation, Water supply, education, and agricultural markets where the ranking of the district is better than the State average. Infrastructure facilities act as catalysts in the development. In 1995, the GOI set up Rural Infrastructure Development Fund (RIDF) with NABARD for sanctioning loans to State Governments for development of rural infrastructure. 465 projects with an outlay of Rs.88.15 crore and RIDF loan of Rs.77.22 crore sanctioned by NABARD for the district covering mainly rural roads and bridges, Minor Irrigation projects, recharging of ground water structures, , anganawadi centres, primary and secondary schools, rural markets, godowns. District offers scope for infrastructure projects in minor irrigation sector to increase irrigation facilities, improvements to rural roads for all-weather connectivity, development of infrastructure facilities such as rural drinking water supply, health service projects, creation of water recharge structures, rain water harvesting structures etc.

5.2 Power

In the taluk, there are 4014 distribution lines per 1000 sq.km and 140 electric connections per 1000 population. Per capita power consumption in industries is 6799 kw per annum whereas per capita consumption for all users is 2238 kw.

5.3 Water

The position of drinking water facility in the taluk is given below.

Rural Drinking Water			
1	Fluoride affected villages	Number	28
2	Borewells	Number	309
3	Mini Water Supply schemes	Number	115
4	Piped Water Supply schemes	Number	73

5.4 Road and Rail connectivity

The rail and road connectivity of the taluk are indicated below:

1	Railway Route		
(i)	Broad Gauge	kms	30
(ii)	Railway Station	no.	4
2	Road length		
(i)	National Highway	kms.	31
(ii)	State Highway	kms.	90
(iii)	Major dist. roads	kms.	130.7
(iv)	other dist. roads	kms.	25.6
(v)	village roads	kms.	250.4
(vi)	Irrigation dept., roads	kms.	8
(vii)	TDB Roads	kms.	80

5.5 Other factors affecting the economy of the District:

The State Government has announced Bellary package of Rs 3300 crore for the overall development of the district and solve the problems such as poor roads, drinking water and

drainage problems, education, Health including veterinary health etc, to be implemented in next three to four years.

New Developments- Industrial policy 2006-11

The Government of Karnataka has announced the new industrial policy-2006-11 vide its order dated 26 August 2006. The policy envisions the following:

- The state to achieve a Gross State Domestic Product (GSDP) growth of over 9%, which in turn will call for industrial sector growth rate of over 12%
- Strengthening the manufacturing industry in the state and increase its share of the GSDP from the present average of 16.7% to over 20% by the end of the policy period
- Achieve an increased share of Karnataka's exports in the National exports from the present 15% to 20%
- Create additional employment generation for at least a 10 lakhs persons in the manufacturing and service sectors
- Promote diversified industrial base which would strengthen both the old economy and new economy fields
- Facilitate reduction of regional imbalance in the matter of economic opportunities, employment and growth
- Promote sustained industrial growth by facilitating accelerated flow of investments

This vision is sought to be achieved by following the strategy indicated below

- The various talukas of the state have been categorised into three Zones for the purpose of focussed attention.
 - Zone 1- consisting of 79 talukas- most/ more Backward Talukas as categorised by Dr. Nanjundappa committee report;
 - Zone 2- consisting of 85 talukas (taluka not covered in Zone 1 and 3) and
 - Zone 3- consisting of 12 talukas of Bangalore urban and rural districts (excluding talukas of Kanakapura and Magadi), Mangalore and Mysore talukas.
- To develop industrial infrastructure facilities ahead of the requirements, in various key locations of the state through the KIADB / KSSIDC. The industrial areas developed would include areas for housing and other social infrastructure.
- Implementation of the industrial water supply schemes would be facilitated by the government through Special purpose vehicles.
- Government would facilitate the preparation of "gas distribution master plan" to enable public/ private sector players to bring in gas from diverse sources for distribution

- Specialised industrial infrastructure for specific sectors and the Special Economic Zones would be encouraged to be established
- Industrial corridor/ cluster development would be increased in potential locations.
- Alternate partnership and financing options for infrastructure development would be encouraged
- A separate package would be formulated in consultation with the sericulture department for the silk reeling sector
- Impetus for development of renewable and non-conventional energy sources through mission approach
- Government would help promote/ help facilitate the establishment of specialised skill development institutions at key locations suitable for the manufacturing industries and emerging vocations in the service sector
- Promote Agro food processing industries in the potential locations
- Karnataka Council for Technology Upgradation would be strengthened to take up promotional programmes to help small scale industries modernise, improve quality and cut costs
- Programmes for promotion of local entrepreneurship would be strengthened
- Special incentives for entrepreneurs setting up units in backward areas. Additional incentives for units promoted by entrepreneurs from the category of a SC/ST, minority, women, physically challenged and ex-servicemen
- Improvement of investment climate and business environment through decentralised governance measures and efficient facilitation
- Comprehensive rationalisation and simplification of provisions of various labour laws to enable flexibility and increased productivity in the industry
- Government to come up with the separate revival package for sick small scale industrial units and BIFR cases, in consultation with all the stakeholders
- The District Industries Centre (DIC) would be designated as nodal agency at the district level for implementation of self-employment programmes and self-help groups
- Global information centres to be set up at all DICs for the benefit of other pillars
- Existing areas of concentration of industries would be converted in to “Industrial Township” for efficient maintenance of civic amenities and services etc.
- Price and purchase preferences extended to SSIs under the previous industrial policy to be extended in this policy for the next five years.

The incentives being proposed to be given to the units being set up in the various Zones is given in the Annexure.

ANNEXURE

Incentives & Concessions for Mega, Large & Medium and Small Scale Industries

Sl.No.	Type of Incentives	Mega Industries	Large & Medium Industries	Small Scale Industries
1	Capital Investment Subsidy	Nil	Nil	<p>Zone -1 : 25% of the value of fixed assets, subject to a maximum of Rs.15 lakhs per unit</p> <p>Zone -2 : 20% of the value of fixed assets, subject to a maximum of Rs.10 lakhs per unit</p> <p>Zone -1&2: Addl. Subsidy of 5% of the value of fixed assets, subject to a ceiling of Rs.1 lakh for SC/ST/PH/Minority & X-Serviceman entrepreneurs. In case of women entrepreneurs, the ceiling for additional subsidy would be Rs.5 lakhs.</p> <p>Note: This incentive is available only to units financed by KSFC/KSIIDC/Banks / other financial institutions.</p> <p>Zone-3: Nil</p>
2	Exemption of Electricity Duty on Captive power generation	Currently available under Energy Dept. Policy Continued upto 2011.		
3	Exemption of Stamp Duty & Reduction of Registration Charges	<p>Zone-1 : Full exemption</p> <p>Zone-2 : 75% exemption</p> <p>Zone-3 : Nil</p> <p>Stamp duty : In respect of Loan & Credit deeds executed for availing term loans from Fls/Banks and for execution of Lease, Lease-cum-Sale & absolute Sale Deeds by KIADB/KSSIDC in respect of Industrial land / plots allotted.</p> <p>Reduction of Registration charges: Concessional registration charges at Re.1 per Rs.1,000.</p>		
Sl.No.	Type of Incentives	Mega Industries	Large & Medium Industries	Small Scale Industries
4	Waiver of conversion fine:- (on lands converted for industrial use)	<p>Zone-1: Full exemption subject to a maximum of 50 acres per unit.</p> <p>Zone-2: 75% exemption subject to a maximum of 25 acres per unit.</p> <p>Zone-3: Nil</p>	<p>Zone-1: Full exemption subject to a maximum of 25 acres per unit.</p> <p>Zone-2: 75% exemption subject to a maximum of 25 acres per unit.</p> <p>Zone-3: Nil</p>	<p>Zone-1: Full exemption subject to a maximum of 10 acres per unit.</p> <p>Zone-2: 75% exemption subject to a maximum of 10 acres per unit.</p> <p>Zone-3: Nil</p>

5	Acquisition & allotment of land through KIADB	In respect of lands acquired for development of industrial area / estates or single unit complex KIADB acquisition charges to be levied is 28% in respect of areas in Zone-3 . For the areas in Zones 1 & 2 acquisition charges would be 10%		
6	Subsidy for setting up of Effluent Treatment Plants [ETPs]	One time capital subsidy up to 50% of the cost of ETP, subject to a ceiling of Rs.100 lakhs per unit for all categories of industries for all Zones.		
7	Entry Tax & Special Entry Tax concessions	<p>Zone - 1 & 2 :</p> <p>a) 'ET & Special ET exemption of "Plant & Machinery and Capital Goods" for an initial period of 3 years from the date of commencement of project implementation. For this purpose, the term "Plant & Machinery and Capital Goods" also includes Plant & Machinery and capital goods i.e., equipment, etc. which is put up in the power project units for captive generation of Electricity.</p> <p>b) On raw materials, inputs, component parts & consumples (excluding petroleum products) [wherever applicable] for a period of 5 years from the date of commencement of commercial production.</p> <p>Zone-3 : Nil</p>		
8	Human Resource Developments	<p>a) Grant of up to 5 acres of Government land will be considered along with capital contribution of 50% of the project cost subject to a ceiling of Rs.2 crores per Training Establishment for sector specific training.</p> <p>b) Recurring cost for running the training institution an amount of Rs.750/- p.m./per trainee will be provided subject to a ceiling of Rs.15 lakhs per year for period of 3 years.</p> <p>c) Government will launch a new scheme to provide Rs.750/- p.m. stipend with suitable matching contribution by training institutions for on-the-job training of unemployed educated youth for training in different vocations through industrial / service establishments.</p>		
9	Technology Upgradation	Nil	Nil	<p>Zone-1&2 :</p> <p>a) Existing scheme of 4% interest subsidy for TU loans availed from KSFC/KSIIDC shall be extended to cover TU loans availed from scheduled Commercial Banks, which are not covered under CLCS Scheme of Govt.of India.</p> <p>Zone-1,2&3 :</p> <p>b) Existing incentive scheme for SSI units going in for BIS product certification or ISO series certification is continued with enhanced financial allocation.</p> <p>c) Encouragement to Patents Registration: Subsidy at 50% of the cost of Patents registration, subject to a ceiling of Rs.2 lakhs per unit.</p>
		Funding will be provided for certain commercially viable research projects in collaboration with IITs, universities and other reputed institutions. An amount of Rs.25 crores is earmarked for this purpose during the policy period.		
10	Industrial Infrastructure Development / Common infrastructure / facilities in Notified Industrial Clusters	A separate Infrastructure Upgradation Fund of Rs.500 crores would be created for upgradation of infrastructure facilities in existing industrial area / estates and also for maintenance. This fund may also be utilized for new industrial areas. Separate guidelines would be issued for utilizing this fund.		
11	Agriculture Produce Processing Industries - Exemption of APMC Cess	APMC Cess in respect of direct procurement of agriculture produce for processing from farmers by processing industries is exempted.		

Chapter 6

Existing Industrial base

6.1 Tiny / SSI units:

As on 31 March 2006, there are 967 Tiny / SSI units in H.B.Halli taluk with an investment of Rs. 1083.58 lakh and providing employment to 3613 persons as per details given below.

Sl. No.	Products	Units	Investments (Rs. lakh)	Employment
1	Food Beverages	228	245.38	563
2	Textiles	101	206.30	353
3	Wood	46	44.50	133
4	Printing & Stationery	9	103.80	83
5	Leather & Leather Product	96	38.00	200
6	Rubber & Plastic	3	3.75	9
7	Glass and Glass chemicals	7	12.60	47
8	Metal Products	3	16.00	15
9	Gen.Engg.works	127	149.00	491
10	Electricals & Electronics	4	10.00	20
11	Repairs & Servicing	63	98.00	180
12	Other Services	83	93.00	455
13	Miscellaneous	75	39.00	570
14	Job Works	122	24.25	494
	TOTAL	967	1083.58	3613

There are no medium and large industries functioning in Hadagali taluk.

6.2 Rural Artisans:

The list of Rural Artisans in the taluk are as under :

Sr.No.	Activity/Craft	No.of Artisans
1	Carpentry	131
2	Blacksmithy	52
3	Cane & Bamboo	18
4	Barbar	62
5	Dhobi	48
6	Leather artisans	127
7	Goldsmith	13
8	Tailoring	135
9	Pottery	21
10	Stone cutting	9
11	Woolen weaving	64
	Total	909

6.3 Vishwa sheds

In H.B.Halli taluk 5 workshed have been constructed for the benefit of rural artisans under Vishwa scheme and all the sheds have been allotted. Out of 5, 4 sheds are functioning and in one shed activity is yet to start.

6.4 Agro-Processing Units:

Agro processing and food processing along with the related post harvest technology plays a key role in value addition, income and employment generation in rural areas. There is a potential for agro based industries in the district such as rice mills, cotton ginning/pressing/spinning mills, briquetted fuel, oil mills, solvent extraction and refinery, dal mills, fried gram units, spice processing units, vegetables processing cold storage units, pulp making, chilly powdering, seed processing, banana chips and fibre making units. There are 85 rice mills, 45 oil extraction units, 65 poultry units with seven poultry feed plants catering only

to the need of 50% poultry farms and 48 ginning and processing units. For food and beverage units, the average unit cost per unit in the district is Rs. 30000/ with employment generation of 5 persons. Since the horticulture crops are grown in recent days and the horticulture crops are becoming popular in Bellary taluk, there is a good scope for food processing units such as mango, jam processing, tamarind processing, Pomegranate & Sapota processing, fig drying, onion dehydration, oleoresin, chilli powdering etc.

6.5 Marketing

It is proposed to construct show rooms at Bellary and Sandur / Hampi for marketing the products manufactured by tiny / SSI units, SHGs and rural artisans under Kaigarika Vikas Yojana. The required land for construction of show rooms is already acquired and is in the name of DIC. The probable cost for construct of Show rooms with furniture is estimated at Rs. 30.00 lakhs(Rs. 15.00 lakhs per each).

Chapter 7

Salient features of important Central and State Government schemes for development of industries

With a view to promote industrialisation, resulting in self-employment or creating employment opportunities to the large segment of unemployed/ underemployed population and with a view to uplift specific segments of the population, the governments, both Central and the State offer a number of schemes, under which a lot of support is provided- mainly financial and frequently by way of subsidy. A brief write up on the various schemes available/ operating in the district is given below in a summary form. The actual details of the schemes will have to be procured from the concerned agencies.

7.1 Prime Minister's Rozgar Yojana

The scheme of "Prime Minister's Rozgar Yojana (PMRY) inter-alia aims at providing self employment opportunities to educated unemployed youth and was launched as a centrally sponsored scheme during 1993-94. The target beneficiaries are educated unemployed youth in the age group of 18-35 years having minimum educational qualification of VIII standard passed or having undergone any Government sponsored training course for a minimum duration of 6 months and with a family income not exceeding Rs.40,000/- per annum. Age relaxation upto 10 years is available for SC/ST, Ex-servicemen, physically handicapped and women beneficiaries under the scheme. Applicants should be residents of the area for atleast 3 years. The Government of India will provide subsidy at 15% of the project cost subject to a maximum of Rs.7,500/-. The total percentage of margin money and subsidy should not exceed 20%.

Selected candidates are provided with financial assistance upto Rs.1.00 lakh for business and Rs.2.00 lakhs for industry depending upon the activity, by the Commercial banks. A district level Task Force Committee has been constituted to identify and select beneficiaries, comprising of DIC officers and representatives of Commercial Banks.

After sanction, before disbursement of the sanctioned amount, the beneficiaries are given training/ orientation in entrepreneurship, accountancy and basic managerial inputs through a 10-20 days Entrepreneurship Development Program (EDP).

7.2 Khadi and Village Industries Programme

Khadi and Village Industries Board is assisting Khadi and Village Industries in rural areas. Margin money scheme is also being implemented through the Board to generate rural employment throughout the country in rural areas by providing back-end subsidy i.e., margin money. This scheme is applicable to all village industries set up in rural areas. All individuals, artisans, entrepreneurs are eligible to set up project up to Rs. 25.00 lakh. In case of general category, 25% of the project cost and in case of SC/ ST/ Minority/ Women/ BCM 30% of the project cost is provided as a margin money. The margin money will be treated as loan and after two years of successful completion of the project period, it is treated as back- end

subsidy. Under the captioned scheme, the banks must first release the loan amount and thereafter claim subsidy from the agency.

7.3 Swarnajayanthi Gram Swarozgar Yojana (SGSY)

SGSY is a holistic program introduced with effect from 1.4.1999 covering all aspects of self-employment such as organization of the poor into SHGs, training, credit, technology, infrastructure, insurance and marketing. The focus and objective of SGSY is to bring the assisted poor families (Swarozgaris) above the poverty line in three years by providing them income generating assets through a maximum of bank credit and Government subsidy under cluster approach. The subsidy under SGSY will be uniform at 30% of the project cost, subject to a maximum of Rs. 7500.00. In respect of SC/ ST and disabled persons, these will be 50% and Rs.10,000, respectively. For group of swarozgaris (SHGs), the subsidy would be 50% of the project cost subject to per capita subsidy of Rs. 10000/or Rs. 1.25 lakh.

7.4 Credit Linked Capital Subsidy Scheme for technology upgradation of SSIs

The GOI has introduced the Scheme to support the SSIs to upgrade their technology for which a subsidy of 15% is being made available. NABARD, SIDBI and a few major commercial banks have been nominated as nodal agencies for disbursement of subsidy to the eligible SSIs.

7.5 Credit Guarantee Fund Trust for Small Industries (CGTSI)

CGTSI has been set up jointly by the Government of India and Small Industries Development Bank of India (SIDBI) in January 2001 to encourage banks and other financial institutions to offer collateral free loans up to Rs. 25 lakh to SSIs to help small-scale entrepreneurs, realise their dreams of making it big and successful. To minimise the credit risk of lending agencies, CGTSI, under the credit guarantee scheme, offers them guarantees, covering up to 75 % of their credit exposures to SSIs. When lending agencies finance SSI borrowers engaged in manufacturing and IT/ Software Industries for their term loan and working capital requirement, without any collateral security/ third party guarantee, CGTSI provides guarantee for such collateral free lending for loans over Rs. 5 lakh and upto Rs. 25 lakh per SSI borrower and takes care of 75 % of the credit risk.

7.6 Swarojgar Credit Card Scheme

Swarojgar Credit Card Scheme has been introduced in the year 2003-04. The salient feature of the scheme is that it takes care of investment and working capital requirements of a wide range of small borrowers especially in the non farm and service sectors both in rural and urban areas. SCC Scheme aims at providing adequate and timely credit i.e. working capital or block capital or both to persons belonging to the category of small artisans, hand loom weavers, service sector, fishermen, self employed persons, rickshaw owners, other micro entrepreneurs, etc. from the banking system in a flexible, hassle free and cost effective manner. The Scheme is to be implemented by all Commercial Banks, RRBs, State Co-operative Banks / DCCBs / PACS, SCARDBs/ PCARDBs and Scheduled Primary Co-operative Banks. The normal limit under the scheme is Rs. 25,000/- per borrower. The beneficiaries under the

Scheme will be issued with laminated credit card and a passbook incorporating the name, address, borrowing limit, validity etc. which will serve both as an identity card as well as facilitate recording of the transactions on an ongoing basis.

7.7 Special Component Plan

The Social Welfare Department is implementing Special Component Plan and Tribal Sub-Plan for the benefit of SC/ST to enable them undertake various income generating activities, both under farm and non farm sectors, through various line departments such as AH, Sericulture etc. . 60% subsidy is provided and 40% is bank loan for various development activities undertaken by the beneficiaries. Maximum subsidy of Rs. 10000 is provided to the beneficiaries below poverty line for various income-generating activities.

7.8 Vishwa Scheme

The Vishwa program is the State's rural industrialization program which aims at continuous productive employment in rural areas by promoting cottage and village based industries which utilize local resources for the manufacture of goods and services for mass consumption. The scheme contemplates institutional support for training, establishment of production units, support services like supply of raw materials and marketing through District Supply and Marketing Service (DSMS) and State level Boards and Corporations. The training/skill development programs are implemented both through the District Industries Centres (unorganized sector) and State level Boards and Corporations (organised sector).

7.9 Support for Research, Development and Quality Assurance

This scheme has been formulated by the GoK to address the issue of providing Testing facilities as a common facility for SSI units. The Department of Commerce, GoK provides for financial assistance to industry associations, capped at Rs.20 lakhs, which set up "Testing Centers" for specific product groups.

7.10 Support for Technological Upgradation

Periodical modernization and technology upgradation is a key to the survival and growth of SSI sector, especially in the context of globalisation and international competition. In order to encourage SSI units in the State to take up modernization and technology upgradation initiatives in a big way, the State Government has set up an exclusive fund for this purpose called the "SSI modernization and technology upgradation fund". Under this scheme, assistance is extended to units taking up modernization through margin money scheme.

7.11 Programmes of SC/ST Development Corporation

The SC/ST Development Corporation implements a host of schemes for the upliftment of SC/ST families. Under Self Employment programme, the Corporation provides subsidy @ 50% of the project with maximum subsidy limit of Rs. 5000 and with minimum bank loan component

of Rs.10000. Under Devadasi scheme, all eligible devadasis are entitled to avail maximum subsidy of Rs. 5000 with bank loan component of Rs. 10000 for all developmental activities. Under Scavengers Rehabilitation scheme, irrespective of SC/ ST, maximum subsidy is available up to 50% of the project cost with a maximum of Rs. 10000. In addition 15% margin money at 4% interest with maximum of Rs. 7500 and the balance amount in the form of loan component from the financial institutions. Under ISB, margin money of 20% will be released at a maximum limit of Rs.100000, 5% beneficiary contribution and 75% bank component. The corporation has recently introduced a new scheme viz., SWARNIMA wherein financial assistance has been provided to groups to undertake income generating activities.

7.12 Programmes of Backward Classes and Minorities Development Corporation

The BCM Development Corporation mainly implements two schemes, the Chaitanya Margin Money Scheme for backward classes and Swavalambana Scheme for minorities. Assistance is provided in the form of margin money to the extent of 20% of the investment cost with a ceiling of Rs..20000 to the beneficiaries concerned taking up any productive activity.

7.13 Karnataka Women Development Corporation- Udyogini Scheme

It is aimed at providing assistance to unemployed women to provide income generating activities and improve their standard of living. The women eligible are aged between 18-45 years with annual income less than Rs. 40000 /pa. The activities are identified as per the choice of women beneficiaries.

Chapter 8

List of Important addresses & Phone Numbers

Sr. No.	Name & Designation S/Shri	Organisation Name & Address	Telephone Number/mobile/e.mail
1	G.M.Shirol, IAS, CEO	Zilla Panchayat, Bellary	267300
2	Maheswaraiiah, Dy. Sec -I	Zilla Panchayat, Bellary	9448444924
3	Annadanaiah, Dy. Sec -II	Zilla Panchayat, Bellary	9449562257
4	V.S.S.Reddy, CPO	Zilla Panchayat, Bellary	268635
5	Laxminarayana, Project Director	Zilla Panchayat, Bellary	9449245629
6	Anil Uppin, Jt. Director	Dist.Industries Centre, Hospet Road, Bellary	(08392) - 242858, 242643 9448362211
7	B.Y.Srinivas, Jt. Director	Dept. Of Agriculture, Bellary	276224 9449173085
8	D.Nagarjuna, Exe.Engineer	GESCOM, Bellary	255841 9449173085
9	Dr.Ramachandra, Dy.Director	Horticulture Dept., Bellary	278179 94484 53686
10	K.N.Janardhana, LDM	Lead District Office, Syndicate Bank, Bellary	277191
11	P.Rammohan Reddy, Sr. Asst. Director	Fisheries Dept.	242783
12	Bhojya Naik Executive Officer	Taluk Panchayat, H.B.Halli	08397-238259
13	K. Mohammed Irfan, Asst.Director	Dist.Industries Centre, Hospet Road, Bellary	(08392) - 242858, 242643
14	C.K.Nagraja Industrial Ext.Officer	DIC	93426 82542
15	Chandrasekhara Gudi, Dist.Statistical Officer	Dist.Statistics Office Dy.Commissioner Office Complex, Bellary	(08392) - 276398,
16	Shankaregowda, Dist Officer	KVIB, DS No.739, Ward No.16, Nehru Colony, Gandhi Nagar, Bellary	(08392) - 255833 98392 255833
17	M. Chandrasekar Choudhury, MBA	Bellary Dist.Chamber of Commerce & Industry, K.C. Road, Bellary	(08392) 276427 94481 11211