

Government of Karnataka

**DEPARTMENT OF INDUSTRIES AND COMMERCE**

**ANNUAL REPORT 2009- 2010**

**INTRODUCTION**

Karnataka is considered as one of the most desired industrial location for setting industries in the country. State has been consistently pursuing progressive outlook to meet the changing needs of the State's economy and industry. Karnataka is also considered one of the country industrialists State comprising large public sector industrial undertakings, large privately owned industries like steel sugar, textiles etc., In recent times, Karnataka has emerged as the leader in IT & BT and knowledge based industrial sector, making rapid strides in IT & computer related industries and biotechnology with a strong research and development base. The State has a number of traditional cottage, Handicrafts, Micro Enterprises like Handlooms, Power looms, silk weavers, Khadi and village industries etc.,

With all these, the State also felt the urgency of providing stimulus measures for industries and service sector to combat the ill effects of the financial crisis prevailing globally. The State is committed to initiate certain measures to provide temporary relief to the industry and service sector to overcome the present situation.

Karnataka Government with an objective of increasing GSDP, strengthening the manufacturing sector, generation of additional employment in different sectors, to promote diversified Industrial base and to reduce regional imbalances and also to increase the share of exports from Karnataka in the national exports, has taken up number of initiatives like New Industrial Policy 2009-2014, State Special Economic Zone Policy 2009 and Suvarna Karnataka Textile Policy, and Karnataka Mineral Policy.

The main mission of Industrial Policy 2009-14 is to:

- 1) To create environment for robust industrial growth
- 2) To ensure inclusive industrial development in the State.
- 3) To provide additional employment for about 10 lakh persons by 2014.
- 4) To enhance the contribution of manufacturing sector to the State's GDP from the current level of 17% to 20% by the end of policy period.

In order to achieve the above mission, following strategies are being adopted

1. Classification of the taluks of the State in to four zones depending on backwardness of the taluks and also based on broad guidelines of Dr. D.M.Nanjundappa Committee Report on Redressal of Regional imbalance

2. Thrust on provision of world-class infrastructural facilities for industries with active participation of private sector/ industry
3. Implementation of Suvarna Karnataka Development Corridor programme (SKDCP) through length and breadth of the State and develop industries at the potential locations along the corridor.
4. Development of sector-wise industrial zones for optimal utilization of local natural and human resource so as to minimize migration of people to urban centres.
5. Simplification of land acquisition procedures with emphasis on inclusive development.
6. Safeguarding the socio-economic interest of both farmers and investors while acquisition of land.
7. Preferential treatment for MSME sector enabling to meet the global challenges
8. Attractive employment and performance-linked package of incentives and concessions to attract investment to backward regions and also to provide leverage to MSME sector.

## 1) INVESTMENT APPROVALS

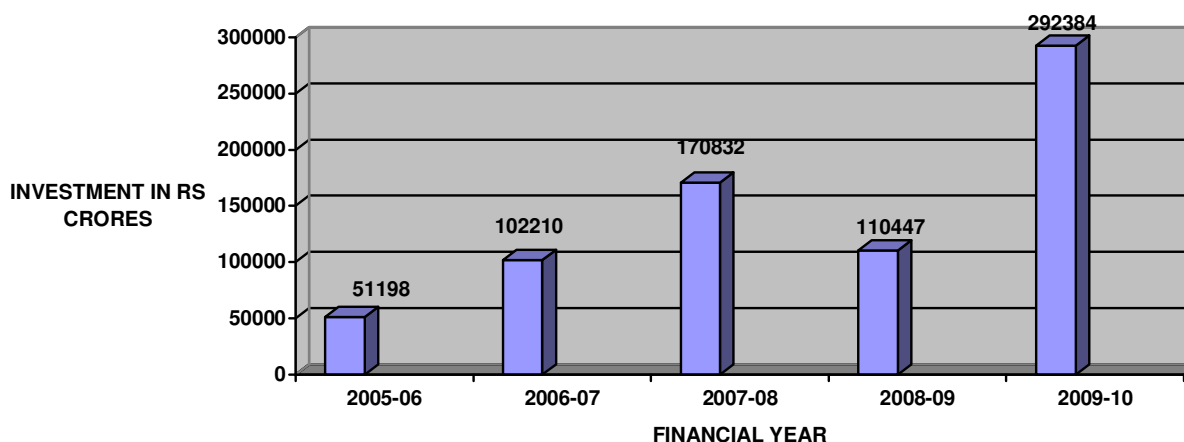
### a) Mega Projects:-

Hon'ble Chief Minister, Government of Karnataka is the chairman of the State High Level Clearance Committee (SHLCC) .The said committee clears projects with investments above Rs.50.00 crores. SHLCC during 2009-10 has approved **110 mega projects** with a total investment of **Rs.2,84,548.52 crore**. These projects are likely to create employment to 2,84,934 lakh people.

### b) Small, Medium and Large Projects

Hon' ble Minister for Large & Medium Industries, Government of Karnataka is the chairman of State Level Single Window Clearance Committee (SLSWCC). The said clears projects with investments between Rs.3.00 crores to Rs.50.00 crores. SLSWCC during 2009-10 has approved **363 projects** with a total investment of **Rs.7,836.74 crores**. These projects are likely to create employment to 116839 lakh people. Important sectors are engineering Software Park, Hotel/Tourism, Drugs/Chemicals, Food processing.

Investment approval trend in the State is as follows:



Districtwise SLSWCC approval of projects are given in Annexure-1.

Category and productwise details of projects cleared in SLSWCC are given in Annexure-2.

The sectorwise SHLCC projects cleared are given in Annexure -3.

The districtwise SHLCC approval of projects cleared are given in Annexure-4.

#### **c) MSME Part II Registration:**

Annual target of 17,278 has been assigned for MSME part II registrations. As on 31.03.2010, 17,195 units have been assigned for MSME part II registrations. 17195 MSME Enterprises have been registered with an investment of 1,22,816 lakhs generating employment for 1,11,164 persons. Out of which 2,503 units have been registered by the enterprises established by the Schedule caste Entrepreneurs & similarly 961 units have been registered by the enterprises established by the Schedule tribe entrepreneurs; 1,532 no. of units have been registered by the enterprises established by Minority Entrepreneurs; 45 units have been registered by the enterprises established by PH/Ex servicemen entrepreneurs ; 4,842 units have been registered by the enterprises established by Women Entrepreneurs .

District-wise Number of Entrepreneur Memorandum (Part-I) issued to Micro, Small and Medium Enterprises is given in Annexure-5.

District-wise Number of Entrepreneur Memorandum (Part-II) issued to Micro, Small and Medium Enterprises is given in Annexure-6.

#### **d) Large and Mega Projects:**

There are 826 Large and Mega projects in the State as on 31-3-2010 with investment of Rs.8,04,341.93 crore and creating an employment to 3,80,180 persons.

## 2. INDUSTRIAL INFRASTRUCTURE DEVELOPMENT INITIATIVES:

### A) Karnataka Industrial Areas Development Board:

Karnataka Industrial Areas Development Board (KIADB) is a statutory body established under the provisions of the Karnataka Industrial Area Development Board Act 1966, with the objective of acquiring land for formation of industrial areas/estates and allied industrial infrastructure. Since inception and up to the end of 31.3.2010 KIADB has acquired an extent of 87,000 acres of land for various purposes.

KIADB has acquired an extent of 2,492 acres of land for formation of Industrial area and also in favour of single unit complex during the period from 1-4-2009 to 31/3/2010. The details are as under.

Industrial area:	1442 acres
Single Window unit complex	1050 acres

During 2009-10 an amount of Rs.1050 crore has been spent for payment of compensation and Rs.150.00 crore has been spent for providing infrastructure facilities in the Industrial areas.

During this year 990 units have been allotted 1442 acres of land in various Industrial areas.

KIADB has also taken up implementation of *“Suvarna Karnataka Development Corridor Project.”* The Board has identified 35,272 acres of land for the project. M/s. Feedback Ventures Private Limited has been appointed as Project Management Consultant.

### Land Bank Scheme

The Government of Karnataka has envisaged to hold the Global Investors meet on 3<sup>rd</sup> and 4<sup>th</sup> June 2010. It is proposed to keep the land bank to cater to the immediate requirements of the industrialists, and also to avoid shifting of their ventures to other States in view of non-availability of land readily. The details of land banks are given below.

(in acres)			
Particulars	Govt. land	Private Land	Total
a. Preliminary notification issued	11,986-25	34,747-18	46,434-03
b. Final notification issued	123-29	12,255-25	12,379-14
c. Preliminary notifications to be issued.	1,745-35	40,002-03	41,747-38
Total	13,856-09	87,005-06	1,00,861-15

### STATUS NOTE ON GLOBAL INVESTORS MEET

Global Investors Meet is scheduled on 3<sup>rd</sup> and 4<sup>th</sup> June 2010 at Bangalore. The two days event will have a conference, exhibition and one to one business meets.

Curtain raiser for the event was held on 16.09.2009. The GIM logo and website was launched.

CII and FICCI are the “Associate Partners” for the event.

Road shows have been conducted in USA, Sweden, China and Japan Further road shows and proposed at UAE, Singapore, Malaysia, Hongkong, etc., to attract investments from outside the country.

Similarly, domestic road shows will be held at Kolkatta, Mumbai, Hyderabad and Chennai. Two road shows were held at Delhi on 29.01.2010 – one for potential investors and the other for Ambassadors and High Commissioners of various Embassies.

M/s. JWT consortium has been appointed as consultants for knowledge partner / media consultancy / event management.

Details of Global Investors Meet along with registration forms is available at [www.advantagekarnataka.com](http://www.advantagekarnataka.com)

Five task forces under the Chairmanship of the Hon’ble Ministers as shown below are constituted to co-ordinate and supervise the conduct of the event; exhibition, conference and one to one meetings vide Government Order No. CI 192 CPI 2009 Dt: 06-08-2009 and Government Order No. ITD 60 ADM 2009 Dt: 16-09-2009.

- Task Force for Reception – Hon’ble Minister for Transport and incharge of Bangalore.
- Task Force for Publicity - Hon’ble Minister for Information, BWSSB, IT, BT and ST.
- Task Force for Marketing (Investment promotion) - Hon’ble Minister for Large and Medium Industries.
- Task Force for Event management- Hon’ble Minister for Large and Medium Industries
- Task Force for IT and BT Investment Promotion – Hon’ble Minister for BWSSB, Information, IT, BT and ST.

Sector-wise task forces under the Chairmanship of Principal Secretaries of various departments are constituted for co-ordinating the thematic conferences. Following thematic conferences are planned during the event.

- i. Infrastructure
- ii. Micro and small enterprises
- iii. Education
- iv. Tourism
- v. Textiles
- vi. Automobiles and aerospace
- vii. IT & BT
- viii. Power
- ix. Health
- x. Steel

- xi. Cement
- xii. Food Processing

Media consultant has prepared a draft media plan.

Event management consultant has prepared the draft design and layouts of the event, conference halls, exhibition area, one to one meeting areas, etc. TECSOK has been assigned with bid management for calling for tenders and selection of suppliers of goods and services.

As a prelude to the GIM:

- An Interactive meeting with Presidents of various Industrial Associations of Bangalore and other districts was organized on 5.1.2010.
- All prominent Builders and Land Developers were called for an interactive meeting on 6.1.2010.
- The meeting with top management Officers of various Banks and financial institutions was organized on 7.1.2010.
- Karnataka Udyog Mitra also participated in the Indo-Arab Investment conclave at Delhi organized by the FICCI in association with Ministry of External Affairs, GOI on 8<sup>th</sup> & 9<sup>th</sup> February 2010.
- A meeting of Trade Commissioners of all Foreign Trade Officers situated at Bangalore was organized on 25.2.2010.

In all the above meetings and interactive sessions, the Government Officers have apprised the focus sectors, shelf of projects for potential investments in the State of Karnataka.

#### **B) Karnataka State Small Industries Development Corporation (KSSIDC):**

KSSIDC has been a catalyst in the development of small scale industries in the State. Establishment of Industrial Estates, construction of Industrial sheds and formation of Industrial plots are the major functions of the Corporation. 160 Industrial Estates have so far been established all over the State. In these Estates 5,758 sheds have been constructed and 5,498 sheds have been allotted.

In the current year Industrial Estates are being developed at Pavagada- Tumkur district, M.K.Hatti – Chitradurga district, Chikkahosalli – Anekal Taluk, Sindanur- Raichur district, Ranebennur- Haveri Dist., Belur- Dharwad district, Basavakalyan-Bidar district. No Sheds have been taken up during the current year.

About 400 issues have been solved in the Kaigarika Adalaths. 18,769 Ton of Iron & Steel amounting Rs. 6805 lakhs and Coal of 39,072 Ton amounting Rs.637 lakhs have been sold to the needy industrial units.

#### **C) Special Economic Zones**

In order to support and encourage development of SEZ in the State, State Policy of SEZ 2009 has been announced. The policy provides for a package of incentives, supportive measures besides clarity in procedural guidelines.

Special Economic Zones are being established to encourage exports and to attract Foreign Direct Investments. Special Economic Zone is specially delineated duty free enclave and shall be deemed to be foreign territory for the purpose of trade operations, duties and tariff.

### SEZ Approvals:

Govt.of India has granted formal/In-principle approvals to the State as below:

Sl. No	Approvals	Area Hectares	Proposed Investment In crore	Employment Potential (Persons)
1	Formal Approvals - 51	2,499	30,671	10,69,385
2	In Principal Approvals - 09	6,344	20,268	2,34,500

- Out of 51 formal approvals, 41 are IT/ITES SEZs, 3 are BT SEZs & 7 are product specific SEZs.
- KIADB is developing three product specific SEZs viz Textile, Food processing and Pharmaceutical at Hassan and IT-SEZ at Mangalore.

### Implementation of SEZs:

- Out of 51 formal approval, 29 SEZs are notified in the Gazette of India.
- 17 SEZs have commenced their 1<sup>st</sup> phase of operation.
- Investment in SEZs as on date is Rs. 12,885/- crores and employment created to 79,440 persons.
- Exports from the SEZ units is mentioned below:

Year	Exports (Rs.in crore)
2007-2008	1,673.00
2008-2009	7,608.00
2009-2010	10,177.00
<b>Total</b>	<b>19,458.00</b>

### D) Assistance to State for Development of Export Infrastructure and Allied Activities (ASIDE)

Since 2002-03, Ministry of Commerce, Government of India introduced a scheme for Assistance to States for Developing Export Infrastructure and other Allied Activities (ASIDE), based on the export performance of each State and also its growth rate. The objective of the scheme is to involve the States in the export effort by providing assistance to the State Governments for creating appropriate infrastructure for the development and growth of exports. During the year 2008-09, 18 projects are under implementation. GOI has released Rs. 41.62 crore as on March 2009.

VITC is the Nodal Agency for implementation of ASIDE Scheme. The project proposals received from implementing agencies for developing critical export infrastructure in the State will be approved by the State Level Export Promotion Committee (SLEPC) for ASIDE, chaired by the Chief Secretary to Govt. of Karnataka as per the guidelines of the ASIDE scheme.

During the year 2009-10, Rs.39.54crores grant has been released from the Ministry of Commerce, Govt. of India, out of which Rs. 21.96 crore has been released for implementation of 29 projects.

Export performance of the State is given in Annexure-7-.

#### **E) Food Parks :**

Out of Budget allocation of Rs.1000.00 lakhs an amount of Rs.500.00 lakhs, has been released towards establishment of Food Park at Kolar, Gulbarga, Bagalkote and Chitradurga. It is proposed to establish another 6 Food Park at Bangalore (Rural), Tumkur, Shimoga, Davanagere, Belgaum and Bijapur District. The implementation of these food park projects would be completed by June 2012.

### **3. SSI & VILLAGE INDUSTRIES SECTOR INITIATIVES**

**a) New Industrial Policy 2009-14 :** GOK in its Order No. CI 233 SPI 08 dated: 28.2.2009 has announced New Industrial Policy 2009-14. The salient features of the policy are:

- Envisions to make Karnataka prosperous through development of human and natural resources in a systematic, scientific and sustainable manner.\
- Target to provide additional employment for about 10 lakh persons in the next five years.
- Efforts to increase the Share of Industry to the State GDP to 20% by the year 2014.
- Focus on providing quality infrastructure across the State for the development of Industries.
- State will allocate Rs. 1000.00 crore for acquiring 1000 to 2000 acres of land in each district through KIADB. This will facilitate establishment of thousands of small and medium enterprises. It is also proposed to attract foreign capital to the State Industrial sector by establishing industrial townships.
- Implementation of *Suvarna Karnataka Abhivrudhi corridor programme*
- Development of Sector Specific Zones viz., Steel, Cement, Sugar, Automobile, Food processing, Ready made garments etc.,
- To motivate the prospective entrepreneurs, Guidance Cell in the DICs will be strengthened. This cell will help entrepreneurs from the initial stage to the implementation level.

**b) Constitution of Vision Group:** For rapid Industrialisation of Karnataka and to guide the State Govt. in formulating the policies for Industrial Development a “Vision

Group” has been formed under the Chairmanship of Sri. Kris Gopalakrishnan, CEO, Infosys, so far six meetings of "Vision Group” have been conducted.

Progress under 2009-2014 policy as on 31-3-2010.

- 224, MSMEs have been sanctioned investment promotional subsidy of Rs.12.84 crore in 21 districts.
- 5 Large units have been issued Entry tax exemption certificates.
- 3 units have been sanctioned Effluent treatment plant subsidy to an extent of Rs.154.00 lakhs.

**c) Kaigarika Adalath**

It is a platform to find solutions to the problems faced by industrialists under a single roof for promotion of Industrial and Economic growth in the region. All the concerned Departments / Corporations / Boards / Associations and Industrialists brought under one roof. Kaigarika Adalats were conducted at Bangalore, Belgaum, Gulbarga Divisional Head Quarters and at Bangalore (Urban)

Pre adalat meetings were conducted involving all officials at the divisional / district level of concerned departments to arrive at appropriate solutions. This motivated all the concerned to take a decision on the grievances and has resulted in considerable change in their attitude towards the problems of industrialists. All the officials connected were motivated to arrive with the solution to be announced in the adalat.

Some solutions to the grievances were announced at the beginning of the adalat. Some solutions were found during the course of the adalat. Announcement and assurance was given by the Hon’ble Minister on the Adalat day on subsequently solving the remaining problems, which yielded many solutions to the grievances subsequently. Successive adalats have resulted in motivating the entire system. Motivation in turn has led to enhanced ‘ Investment Friendly ’ status of the state. Continued Adalat programmes will further motivate the system and improve the Investment friendly status of Karnataka.

1146 grievances received.

493 grievances resolved.

653 grievances are under process.

It is planned to conduct Adalats at major cities.

**d) 4<sup>th</sup> All India Census of MSME:**

4<sup>th</sup> All India Census of Micro, Small and Medium Enterprises in the year 2008-09, under the guidance of Central Statistical Organization (CSO), New Delhi. The main objective of the census was updating the frame list of registered Micro, Small and Medium Enterprises, to identify sick and incipient sick units with reasons thereof and to

collect other useful information for policy formulation. The sample survey of unregistered units is also completed. Totally 16,11,655 MSME were found working, wherein 37% of MSMEs units were manufacturing and 63% of MSMEs were Service Units. Preparation of 4<sup>th</sup> All India census report is under progress.

#### 4. INDUSTRIAL DEVELOPMENT INITIATIVES

##### a) Kaigarika Vikasa:

The scheme is being implemented for industrialization of 79 most backward and more backward Talukas identified by Dr. D.M. Nanjundappa Committee on Redressal of Regional imbalances. The scheme envisages creation of new economic opportunity by utilizing local resources. Skill and demand by providing ready to use infrastructure, human resource development etc.,

The following Developmental agencies have been identified for implementation of the programmes.

- i) KSSIDC and KIADB for development of New Industrial areas / Estates and upgradation of existing Industrial areas / Estates
- ii) KSPDC and KHDC: Construction of common facility centre, Living cum worksheds, Powerloom/ Handloom complex, modernization of machineries Training etc.,
- iii) KSCDC and KSCCF Development of Coir Cluster and establishment of Training cum production Centre.
- iv) CEDOK and TECSOK: Conducting of EDP/EAP, Skill development programme, Resource mapping etc.,

Out of budget allocation of Rs.570.00 lakhs, Rs.451.00 lakhs has been released to various sectoral corporations. The details are indicated below.

	<b>Implementing Agency</b>	<b>Amount released Rs. In lakhs</b>	<b>Purpose</b>
1	Karnataka State Powerloom Devp Corporation	86.00	For construction of 56 worksheds, Living cum worksheds, and for procurement of 112 looms for 56 weavers
2	Karnataka State Small Industries Development Corporation Ltd	a)194.00 b) 131.00	a) For development of 20 acres of Industrial Estate at Pavagada Taluk, Tumkur District. b)For construction of Sheds and providing infrastructure facilities at Sindanur Taluk of Raichur District.
3	Karnataka Industrial Areas Devp Board	40.00	For development of Industrial Area at Sanda Shikaripura Taluk, Shimoga District.
	Total	451.00	

##### b) State Investment Subsidy to SSI/Tiny units.

An amount of Rs.20 crore subsidy has been released out of which Rs.18.76 crore has been disbursed to 1475 units.

**c) PRIME MINISTER'S ROZGAR YOJANE ( PMRY):**

The scheme was discontinued during the present year. Instead a New Programme called Prime Ministers Employment Generation Program (PMEGP) has been introduced during the current year

**d) PRIME MINISTER'S EMPLOYMENT GENERATION PROGRAMME (PMEGP)**

Govt of India has announced a new Programme called *Prime Minister's Employment Generation Programme* on 15-8-2008. The scheme contemplates to provide self employment to unemployed youths by extending financial assistance to start their own Industrial ventures/ business/ Service etc., The scheme also envisages for creation of employment to rural artisans and thereby avoid the rural artisans to migrate from villages to cities. During the year 2009-10, a target of 1190 has been fixed to all the District Industries Centres and an amount of Rs. 14.28 crores has been kept as Margin money. Vide publicity has been given to this programme .

As on end of March 2010, 2,584 applications has been received, out of which 1,757 beneficiaries have been sanctioned loans by the Banks and for 511 beneficiaries margin money of Rs. 926.85 lakhs has been disbursed.

**e) Vishwa:**

Vishwa programme aims at continuous productive employment in rural areas by promoting cottage and village industries by utilizing local resources for 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 DSMS and State level Boards and Corporations. The training / skill development programmes are implemented both through the DICs (unorganized sector) and State level Boards and Corporations (organised sector).

During the current year an amount of Rs. 15.50 lakhs has been released to 5 Institutions for different activities under this programme as under:

**Amount in lakhs**

<b>Sl No</b>	<b>Name of the Institutions</b>	<b>Amount Disbursed</b>	<b>Programmes</b>
1	Shimoga district Sthri Shakthi Vedikkae (R) Shimoga	0.42	Saree jardhosi works & Jari Embroidary.
2	Sri. Annadhana Vijaya Vidya Samithi, Gajendragad, Ron, Gadag district	9.06.	For creation of infrastructure
3	Artisan Training Institutes	5.00	Training programmes
4	Dr.Bhimji Kala Yuvaka Sangha, B.G. Kere, Molkalmuru Chitradurga dist.	1.02	For creation of the Infrastructure
	Total	15.50	

**f) Kayakanagara Programme:**

The programme contemplates a multi-craft township for traditional artisans like cobblers, bamboo workers, sheet metal and brass workers, pinjaras, tailors and such other craftsmen.

The State Government provides grant towards land development and construction of living cum worksheds(LCWs). The minimum basic facilities like roads, water, power, play ground, community hall etc., are also being provided. Three Kayakanagara are under implementation at Naredra Village(411), Dharwad District, Hoovinahadagalli(89), Bellary and Ramadurga(57) in Belgaum District and total of 557 Living Cum Worksheds are under construction.

**g) Establishment of New Industrial Cluster (SCP/TSP)**

Out of Budget allocation of Rs.1200.00 lakhs, only an amount of Rs.600.00 lakhs, has been released by Govt. The said grants has been allotted to various DICs for construction of Living cum worksheds for SC/ST artisans. 464 LCWs for SC artisans and 192 LCWs for ST artisans are under construction. An amount of Rs.579.96 lakhs expenditure has been incurred.

**5. HUMAN RESOURCES DEVELOPMENT INITIATIVES:**

**a) Suvarna Kayaka Koushalya Abhivrudhi Yojane:**

Thrust has been given to the development of human resources in the 2006-11 and 2009-14 Industrial Policy of the State. The Scheme envisage to promote / help / facilitate establishment of specialized skill development institutions at key locations suitable for the manufacturing industries and emerging vocations in the service sector. through public, private partnership.

Grant for 5 acres of Government land will be considered along with capital contribution of 50% of the project cost subject to a ceiling of Rs. 2.00 crores per training establishment for sector specific training and recurring cost for running the training institute. An amount of Rs.750/- per month per trainee will be provided subject to a ceiling of Rs.15 lakh per year for a period of 3 years. 21 institutions have been selected by the State Level selection Committee and Government Orders have been issued. During the current year, an amount of Rs.119.21 lakhs has been released to the following institutions:

- a) Rs.86.43 lakhs released to N.S. Infotec Ltd., Hubli
- b) Rs.32.78 lakhs released to B.V.V.Sangha, Bagalkote.

**b) Jewellery Training Institute:**

In accordance to the Budget Speech made in the year 2007-2008, it was proposed to establish Jewellery training Institute at Bangalore and Karwar with main objective of providing training to young artisans and also to provide advanced knowledge and professionalism in Gem & Jewellery activity.

KSSIDC has been identified as nodal agency for the implementation of the said Institute. An amount of Rs.101.00 lakhs has been released by the Government.

KSSIDC has informed that promoters are not coming forward for establishing Jewellery training institute at Bangalore & Karwar and requested to drop the proposal.

In the year 2009-2010 an amount Rs.100.00 was allotted. Out of the said funds Rs.80.00 lakhs has been released to GTTC under the Specialised skill development institution scheme for construction of sub centre building at Mangalore.

**c) Karnataka Institute for Leather Technology:**

The main objective of the institute is to offer 3½ years Diploma course in Leather Technology and short-term courses in leather garments, Foot-wear and Leather goods manufacturing. The Institute also provides assistance in design development of Leather articles and R&D programmes.

The institute is imparting Training to students in Diploma in Leather Technology Courses in line with the norms of Central Leather Research Institute, Chennai and with their co-ordination.

An amount of Rs. 60.00 lakhs has been released to KILT for Design, Development, Research & for Training programmes.

**d) Government Tool Room and Training Centre (GTTC):**

Government Tool Room and Training Centre was established in the year 1972 at Bangalore as a Joint venture between Government of Karnataka and DANIDA, Denmark GTTC is a leading Tool room and Training Centre in India. It trains youth as Tool room mechanics and Tool Engineers. It organizes long term and short-term training courses. The Long term courses are Diploma in Tool & Die making, Diploma in Electronics and Communication Engg., Diploma in Precision Manufacturing, Diploma in Mechatronics, Post Diploma in Tool Design and M.Tech in Tool Engg. Short term courses includes Auto CAD, CNC, Master CAM , Machinist, Metrology, Laser Machinist etc.,

GTTC has developed tools/components for the prestigious customers viz., ISRO, ADA, HAL, NAL, ISTRAC, VSSC, TVS, TOYOTA, BHEL etc.,

GTTC has main centers at Bangalore and Mysore with sophisticated precision tool room equipments. It has established 18 Centres in Karnataka. An amount Rs.50.00 lakhs has been released towards Infrastructure hitech precision manufacturing (Mechatronics), Rs.50.00 lakhs has been released to GTTC for procurement of equipments for Tumkur Center & Rs.80.00 lakhs for the construction of sub-centre building at Mangalore. Total of Rs. 180 lakh has been released.

**e) Science and Technology Entrepreneurs Parks (STEPS):**

The scheme of Science and Technology Entrepreneurs Park (STEP) mainly aims at targeting the young engineers and professionals coming out of engineering

colleges, technical and management institutions with a view to motivate them and assist them in becoming “entrepreneurs” to take up industrial ventures. STEP provides facilities for upgradation of skills and transfer of technology. 14 Science and Technology Entrepreneurs Parks (STEPS) have already been set up and functioning.

**f) Rural Development and Self Employment Training Institutes (RUDSETIs)**

As per the Industrial policy 2001-06, it was proposed to establish a RUDSETI Model centres in all the districts. The Rural Development and Self Employment Training institutes are being established in association with the Banks with an objective of preparing the Rural youths to have their own Industrial / service ventures by imparting Training and guidance.

So far, 29 RUDSETIs have been established and functioning in 24 districts. It is also proposed to establish RUDSETIs at Bangalore (U) , Chikkaballapur, Hassan and Coorg Districts.

Under this programme the State Government is extending 50% cost of the project subject to a maximum of Rs. 20.00 lakhs for creation of infrastructure for a RUDSETI. From the year of establishment, for 3 years, 50% of the cost subject to a ceiling of Rs. 5.00 lakhs per annum will be borne by Govt. recurring.

During 2009-10 Rs. 25.00 lakhs has been released for the following.

	Name of the Institution	Amount in lakhs	Remarks
1	Syndicate Rural Entrepreneurship development Institute (SIRD) Kumata, Uttara Kannada district	10.00	Towards building Construction (final instalment)
2	Canara Bank, RUDSETI, Hassan	07.00	Towards cost of 2 acres of land to be purchased from KIADB
3	Syndicate Bank, RUDSETI, Belgaum	08.00	Towards cost of land to be purch from KIADB
	Total	25.00	

Out of 20 acres of land at survey no. 57 belonging to the Sericulture Department, 2 acres of land has been allotted on 33 years lease period to the RDPR Department for the establishment of the RUDSETI at Tholahunsae village in accordance to the guidelines of Ministry of Rural Development Government of India vide Govt. Order. CI 32 ICS 2009 dated: 31.12.2009.

**6. ARTISANS INITIATIVES :**

**(a) The Karnataka State Handicraft Development Corporation(KSHDC):**

The Corporation is a nodal agency for handicrafts promotion programmes in the State. KSHDC is implementing various programmes for the development, promotion and marketing of handicrafts, procuring directly from the artisans. The Corporation has 13 craft complexes and 1,222 Living cum work sheds.

1.Subsidy on raw material (Silver & Zinc) to Bidriware artisans

2. Rebate on sale of Handicrafts
3. Domestic Export Promotion and Exhibitions
4. Supply of sandal wood to artisans at concessional rate
5. State Level exhibitions
6. Infrastructure at Craft complexes

An amount of Rs.30.00 lakhs has been released, an amount of Rs.1.10 lakh has been spent for awarding State awards to 29 artisans and export promotion programmes. An amount 50% of Rs.10.00 lakhs has been spent for extending 50% subsidy for supply of Silver, Zinc & raw materials for 250 Bidri Artisans. An amount of Rs.3.2 lakhs has been spent for development of design and consultancy unit at Sagar for the benefit of 1,000 artisans.

**b) Urban Haat:**

GOI has evolved a scheme called “Urban Haat” to be established in prime locations in the State to enable the artisans to sell their products directly to the consumers. It is planned to have 40 to 50 stalls in the artisans complex and exhibition halls to cater to the requirement of artisans and to sell their products by organizing weekly exhibitions. Ministry of Textiles, GOI provides 70% of the cost of project subject to maximum of Rs. 210.00 lakhs and the remaining 30% of the project cost up to Rs. 90.00 lakhs shall be borne by the State Govt and implementing agencies.

An amount of Rs.10.00lakhs has been released to KSHDC for establishment of Urban Haat at Freedom Park, Bangalore.

**c) Khadi & Village Industries Board:**

The main objective of the KVIB is to give priority for Khadi and Village Industries in rural areas in developing and regulating Khadi sector and to provide assistance for the cottage Industries to generate employment opportunities to improve upon the economic status of the rural artisans.

The main activities of the organization are :

- i) Implementation of Prime Minister employment generation programme
- ii) Product development, design intervention and packaging
- iii) Khadi development
- iv) Kaigarika vikasa.
- v) Rebate on retail sale of Khadi Products
- vi) Bee-keeping

***Rebate on retail sale of Khadi products:***

In order to promote the production and sale of Khadi and thereby to create more and more employment opportunities in Khadi sector, the Central as well as State Government have announced normal rebate of 10% by Central and 5% by State Government on retail sale of Khadi products throughout the year and special rebate of 10% each by Central and State Governments during the special 108 days.

During 2009-10 Rs. 500.00 lakhs has been released to KVIB towards rebate on sale of Khadi products and towards incentives to Khadi Weavers

**d) Karnataka State Coir Development Corporation Ltd:**

The Corporation was established with the main objective of developing Coir sector in the State. The main functions of the Corporation is to:

- 1) Carry on the business of developing, promoting and stabilizing the coir and coir based and coconut based industries in Karnataka
- 2) To support, protect maintain increase and promote the production and sale of coir, coir products and coconut products
- 3) To implement scheme of the Government of Karnataka and the Government of India for the development of coir and coconut based industries.
- 4) To generate rural employment to women (including SC/STs) by providing training and engaging in production of coir products in the coir complexes
- 5) To undertake and promote research and development of coir and its products.

**Financial & Physical targets and achievements during 2009-10**

Sl.No.	Particulars	Target	Achievement	%
1	Sales (Rs in Lakh)	316.60	237.23	75.65
2	Production (Rs in Lakh)	250.00	174.11	69.65
3	Employment (Persons)		1100	

An amount of Rs.50.00 lakhs has been released to Coir Development Corporation for conducting training in Power loom matting & Repairs & maintenance of existing production centers & Rs. 37.50 lakhs towards meeting expenditure of Coir Rebate of previous years and Rs. 31.84 lakh under Marketing Development Assistance.

**e) Karnataka State Coir Co-operative Federation Ltd:**

The Federation was established in the year in 1961 with the main objective of developing coir sector in the State through co-operative movement. Its main objective is to assist and support primary coir co-operative societies, provide training, marketing coir products, technical guidance & implementation of ICDP & Govt. sponsored schemes in coir sector. The Federation is having 17 sales outlets and 20 production units in different parts of the State. The Federation has provided employment to about 1200 persons in rural area out of which 90% are women. There are 52 coir primary Co-operative societies affiliated to the Federation. The manufacturing products are coir fibre, coir yarn, curled rope, fibre mats, different types of mattings, geo textiles etc.,

**Financial & Physical targets and achievements during 2009-10**

Sl.No.	Particulars	Target	Achievement	%
1	Sales (Rs in Lakh)	600.00	265.00	44
2	Production (Rs in Lakh)	250.00	125.00	50
3	Employment (Persons)		392	

An amount of Rs.50.00 lakhs has been released towards training programmes, repairs & maintenance of existing centres & for procurement of new machineries and for infrastructural improvements. An amount of Rs. 18.76 lakh has been released under Marketing Development Assistance Scheme.

**f) Dr.Babu Jagjeevan Ram Leather Industries Development Corporation (LIDKAR)**

Karnataka Leather Industries Development Corporation Ltd, (LIDKAR) was established by Government of Karnataka in the year 1976, keeping in view objectives of overall developmental Leather Industry in Karnataka and upliftment of Socio – Economic conditions of SC Leather Artisans in the State. The said Corporation has been renamed as **Dr.Babu Jagjivan Ram Leather Industries Development Corporation Ltd.**, during 2009-10 and the Corporation has been implementing various programmes under developmental and commercial activities. The Corporation has so far assisted more than 25000 leather artisans by providing living cum worksheds, common worksheds, wayside cabins and through training programmes.

**Rejuvenation of Dr. Babu Jagjivan Ram Leather Industries Development Corporation.**

600 artisans families are identified at 21 centres, out of which 400 leather artisan families have been issued orders for procurement of Rs.130.00 lakhs worth of goods. Among these artisans, 209 artisans have entered into M.O.U. with Corporation & Rs.40.00 lakhs worth of goods have been procured and distributed among different showrooms. Apart from this Rs.27.00 lakhs has been spent towards Advertisement, Rebate, Exhibition cum sales and other related items.

400 artisan families covered under Marketing Assistance Scheme. Under the said scheme 50% of cost will be paid immediately as Raw material cost. Out of procurement worth of Rs.40.00 lakhs 50% has been paid.

New showrooms have been opened in Tumkur, Dharwad, Chickmagalur and of Bangalore at Vijayanagar. An amount of Rs.25.00 lakhs has been spent for the said programme.

Renovation & computerisations of showrooms at Hospet, Mysore-1 & 2, Majestic & Rajajingar of Bangalore, Mangalore & Head Office have been completed and Rs.25.00 lakhs has been spent for the said purpose.

Renovation of Showroom at Belgaum and Mandya are under process and will be completed by May 2010.

In the Common Facility Centres at Bidar, Aurad and Dhumansur of Bidar District, upgradation works are completed and an amount of Rs.10.50 lakhs has been spent. Similarly upgradation of CFCs at Chickballapur, Bellary and Malvalli of Mandya District has been taken up and will be completed by end of June 2010, at a cost of Rs. 25.00 lakhs.

Out of Rs.350 lakhs, released for the rejuvenation the Corporation has spent an amount of Rs.275 lakhs and balance will be utilised by the end of June 2010.

## **7. INVESTMENT AND TRADE PROMOTION INITIATIVES:**

### **(a) Karnataka Udyog Mitra :**

KUM was established with a main objective of providing escort services to entrepreneurs for establishment of Industrial ventures in the State. It also acts as Secretariat for State Level Single Window Agency Meeting. KUM organizes various publicity propaganda programmes, Investors Meet, Road-shows to attract the Investors not only within the State but also from abroad.

“Karnataka Diaspora Cell” – an exclusive cell to attractive investment and provide information to the people of Karnataka origin (PKOs) and non resident Kannadigas (NRKs) has been set up.

An amount of Rs.401.49 lakhs has been spent towards conducting Road Shows at Munich, Germany, Chicago & also for organization & participation in summits etc.The details are mentioned below.

During the years 2009-10, Karnataka Udyog Mitra participated in following Events / Trade Fairs to attract investment into the State.

1. **Made in India show at Jakartha Indonesia – 8<sup>th</sup> to 10<sup>th</sup> August 2009 -** KUM participated with one stall (free of cost) in the event.
2. **IPLEX 2009 Exhibition and Seminar – 4<sup>th</sup> to 9<sup>th</sup> September 2009 –** Karnataka Udyog Mitra participated in the exhibition along with KCTU & VITC at Chennai.
3. **Bangalore IT. Biz – 29<sup>th</sup> to 31<sup>st</sup> October 2009 -** was organized by department of IT/BT, Science and Technology at Bangalore. KUM is participated with a stall (free of cost) in the event.
4. **India International Trade Fair – 14<sup>th</sup> to 27<sup>th</sup> November 2009 -** was organized by VITC, at Pragathi Maidan, New Delhi. KUM is participated with a stall (free of cost) in the event.
5. **Pravasi Bharathiya Divas – 7<sup>th</sup> to 9<sup>th</sup> January 2010 -** was organized by MOEA and CII at New Delhi. KUM participated with a stall.
6. **IMTEX – Tooltech – 21<sup>st</sup> to 26<sup>th</sup> January 2010 –** was organized by IMTMA at BIEC at Bangalore. KUM is participated with a stall (free of cost) in the event.
7. **Plast Asia from 26<sup>th</sup> to 1<sup>st</sup> March 2010 –** KUM participated with a stall at Palace Ground, Bangalore.
8. **Swadeshi Mela 11<sup>th</sup> to 16<sup>th</sup> March 2010 –** Organized by Bharathiya Marketing Development, Palace Ground, Bangalore – KUM participated along with KCTU & VITC.
9. Global Investors Meet in Munich, Germany.
10. 12<sup>th</sup> know India Programme at Mysore.

11. Global Investor PAN IIT at Chicago.
12. Food Processing summit at New Delhi organised by ASSOCHAM, New Delhi.

**b) Visveswaraya Industrial Trade Centre:**

VITC is a registered society set up in 1965 with the main function of trade and export promotion. It is engaged in conducting programmes in export management/export awareness/export documentation and allied assistance for the community of exporters. Also trade promotion activities are taken up in the form of participation in exhibitions and trade fairs both within the State and outside the State and abroad.

**VITC has organized the following programmes during the year 2009-10**

1. 7 Awareness programmes at Bangalore, Mysore, Ilkal, Bagalkote, Channapatna, Bellary and Chennai.
2. Three Export Training Programmes at Bangalore and Belgaum.
3. Five seminars/ workshops at Bangalore.
4. Three Export Management training programme.
5. Interactive meetings.
6. Participation of Women and SC/ST Entrepreneurs/Artisans in Various Exhibitions.
7. Participation in IITF 2009 New Delhi exhibition.
8. Export promotion Meetings

An amount of Rs.138.27 lakhs has been released to VITC for conducting the following programmes.

- 1) Annual training programmes of Export awareness and management training Rs.1.75 lakhs. 575 participants participated.
- 2) Release of Rs.55.75 lakhs for Ground Rent at IITF Pavilion and other activities for 75 stalls.
- 3) Vikasa Sankalpa Programme was organised at a cost of Rs.2.50 lakhs to highlight the achievements of New Government, at National College Grounds, Bangalore.

**c) Kalavaibhava Exhibitions:**

An amount of Rs. 61.53 lakhs has been released for organizing Kalavaibhava Exhibitions, Agriculture & Industrial Exhibitions. The details are indicated below:

- **DIC, Mysore:** To participate in Dasara Exhibition with Department Industrial Pavilion. with 29 stalls.
- **DIC, Hassan:** For conducting seminar on project profiles for New industrial innovative products at cost of Rs.1.00 lakh. 100 participants participated in the seminar.

- **Handloom & Textiles Dept.:** Harshakala State exhibition of Handloom Expo 2009 Rs.15.00 lakhs. more that 100 stalls.
- **DIC's Kalavaibhava Exhibitions** in Bangalore, Davanagere, Bijapur and Tumkur Rs.10.00 lakhs at the rate of Rs.2.50 lakhs.
- **Agriculture & Industrial Exhibitions:** For conducting Agriculture & Industrial exhibitions by Siddaganga Mutt, Adichunchanagiri, Gurugunda Mutt and JSS Vidyapeeta, an amount of Rs.26.00 lakhs has been released.

## 8) **TECHNOLOGY UPGRADATION INTIATIVES:**

### **Karnataka Council for Technology Upgradation:**

Technology upgradation initiatives are implemented through the Karnataka Council for Technology Upgradation. Karnataka Council for Technological upgradation has commenced functioning from 1996. KCTU is a joint venture of Government of India, Government of Karnataka and Industries Associations. It functions as a Nodal Agency for Technology Transfer to MSEs. The Council functions under the Chairmanship of the Commissioner for Industrial Development and Director of Industries and Commerce, Government of Karnataka.

The main objectives of the KCTU are to enhance competitive status of SME's, catalyse technology upgradation through acquisition, adoption and modernization and to reduce cost of productivity, quality improvement to make the SMEs products more competitive both nationally and internationally. It assist the SMEs to obtain ISO 9001/14000 or any other Nationally and Internationally recognized Certification. The Council is a Nodal Agency for creating awareness and provides assistance for registration of Intellectual Property Rights, guidance in Plant Layout, diversification, modernization and expansion.

In the current year KCTU has released Incentives of Rs. 17.07 lakhs to 31 units who have obtained ISO Certification and Rs. 3.22 lakhs to 13 units who have obtained Product Certification.

KCTU has conducted 39 Seminars and Workshops on the subjects of Quality Policy, Technological Upgradation, Intellectual Property Rights, Patents-Trade Marks, Cluster Industries Development- Common Facility Centres, Industrial Infrastructure Upgradation.

An amount of Rs.30.00 lakhs has been released to KCTU towards ISO Certification & Patent registration for Micro & small manufacturing enterprises & for taking of training programmes.

KCTU is the nodal agency for implementation of the following projects under MSME Cluster Development Programme of MSME Dept, Government of India.

#### **(i) Auto Cluster Hubli –Dharward:**

The total project cost of the project is Rs.485.00 lakhs.

GOI contribution is	Rs. 339.50 lakhs 70%
GOK contribution is	Rs. 97.00 lakhs 20%
SPV contribution is	Rs. 48.50 lakhs 10%

The State Government has released its entire share of Rs. 97.00 lakhs during 2008-09 and the amount is deposited in the "No Lien Account" opened at SBM, Vidhana Soudha Branch, Bangalore.

The building of Artisan Training Institute, Hubli has been handed over to SPV by the Joint Director, District Industries Centre, Dharwad for implementation of the project. The project implementation is under progress.

**(ii) Common Facility Centre for Food Cluster at Gulbarga:**

The total project cost is	Rs.23.00 lakhs
The GOI contribution is	Rs.15.70 lakhs
The GOK contribution is	Rs. 5.00 lakhs
SPV contribution is	Rs. 2.30 lakhs

Government of Karnataka has released Rs. 5.00 lakhs, which has been deposited in a no lien account opened at SBM, Vidhana Soudha Branch, Bangalore, by KCTU. SPV has collected its share of Rs. 2.30 lakhs and deposited in No Lien Account.

ATI Building, Gulbarga has been allotted to SPV for setting up of CFC. The DIC, Gulbarga has handed over the possession of Building to SPV. The project implementation is under progress.

**9. ENTREPRENEUR DEVELOPMENT PROGRAMME INSTITUTIONS**

**a) Centre for Entrepreneurship Development of Karnataka, Dharwad (CEDOK)**

CEDOK was established by Government of Karnataka with an objective to contribute for the development and disbursement of Entrepreneurship by conducting various EDPs, Skill Development programmes to expand the social and economic base of entrepreneurial class.

Main functions of CEDOK :

- To augment the number of entrepreneurs through entrepreneurship, training and research
- To Produce multiplier effect on opportunities for self-employment
- To improve the managerial capabilities of small entrepreneurs
- To contribute to the dispersal of entrepreneurship and thus expand the social base of the entrepreneurial class in urban/ rural areas
- To be centre of learning for trainer-motivation on entrepreneurship development.
- To contribute to growth of entrepreneurship cultures, spirit and entrepreneurship developing countries.

CEDOK is organizing the following Activities and Programmes.

- One day Entrepreneurship Awareness Programmes
- Two days Entrepreneurship Awareness Camps (EAC) for students.
- 2/4/8 Weeks Skill based EDP.
- EDP for PMEGP beneficiaries.

The institute has also conducted the following programmes during the year 2009-10.

1. Effective utilization of IT skills through conducting of Smart Technology for Smarter Business in association with Hewlett Packard.
2. Capacity building of institutions through conducting of Workshop on Institutional supports.
3. Management Development Programmes conducted for KHDC employees, I&C Dept. officers & officers of Dept. of Public Enterprises.
4. Workshop on Demand based and Lavancha activities.
5. Opportunities Guidance programme conducted on Food & Agro based industries under STED. (A programme of Department of Science and Technology, Government of India)
6. Workshop on capacity building/Transformation conducted for HESCOM Engineers.
7. Agriculture Entrepreneurship Awareness Camp for Farmers.
8. Workshop for Second Generation New entrepreneurs.
9. MDP on Motivational Methodologies for Performance Improvement for Public Enterprises officers.
10. Career Guidance and Personality Development Training to SC/ST students under BBMP project.
11. Entrepreneur Motivational Inputs for degree Students.
12. Workshop conducted on preparation of Consumer Chemicals.
13. Sensitization on Enterprise Development programme conducted at IBMR, Hubli.
14. Workshop on Vendor Development programme for South Western Railways.
15. Soft skills training for Police constables and ASIs.
16. EAP - coir cluster development
17. "Parivarthana" Training organized for TATA Marcopolo employees.

#### **b) Technical Consultancy Services Organisation of Karnataka (TECSOK)**

TECSOK is a multi disciplinary consultancy organization engaged in providing consultancy services for entrepreneurs who wish to set up industries or service ventures in Karnataka. TECSOK provides basic information on potential products, suitable

location, policy and procedures of the Government and other related organizations, incentives and facilities offered by the Government to the entrepreneurs.

TECSOK focuses more on promotion of Entrepreneurship amongst rural Entrepreneurs and Entrepreneurs belonging to SC/ST/Backward Community and other under privileged classes utilizing various special schemes available for such entrepreneurs.

TECSOK also organizes Entrepreneurship Awareness Programmes, Entrepreneurship Development Programmes and Seminars/Workshops on current topics at various locations for the benefit local Entrepreneurs. Further, TECSOK participates in various programmes organized by other agencies and counsel with Entrepreneurs.

In addition to the services to Entrepreneurs, TECSOK is also providing professional services to various institutions and departments of State and Central Government. TECSOK offers technical assistance on various aspects to the Department of Commerce & Industries on regular basis, in addition to participating in the meetings of various committees of the Government.

#### **Details of Activities/Programmes conducted during 2009-2010 by TECSOK**

TECSOK has counseled and assisted over 375 prospective entrepreneurs. Officers of TECSOK participated in various awareness programmes, seminars and other training programmes conducted by various agencies at different places to motivate the entrepreneurs.

60 project reports/appraisals/profiles have been prepared for Entrepreneurs.

TECSOK participated in the meetings of State High Level Clearance Committee and State Level Single Window Clearance Committee and facilitates the Committee in the approval process of project proposals. TECSOK is a member of the Land Audit Committee constituted for taking appropriate decision on requirement of land for the project proponents.

Zeebrugge Port, Belgium has engaged TECSOK on retainership basis for undertaking the Market study for potential to develop trade from India to EU through Zeebrugge Port Gateway.

TECSOK is the State Nodal agency of Ministry of Food Processing Industries, GOI for Propagation of various promotional schemes of agro food processing Industries in Karnataka.

TECSOK has undertaken and completed 45 major assignments sponsored by different agencies and Government departments including the following assignments:

1. Diagnostic Study on Stone Carving Cluster at Shivarapatna.
2. Preparation of Directory of Large Enterprises in Karnataka

3. Cost-Benefit Analysis for Constructing New Convention Centre and Medium & Long-term Plans for KTPO
4. DPR on Establishment of Sector Specific SEZ for Aerospace Industries at Devanahalli.
5. Spin off effects of MRPL Expansion Project Phase-III
6. Establishment of Silver Craftsware Park at Mangur Village, Chikodi Taluk, Belgaum District.
7. Cost benefit analysis of providing water supply to Dabbaspeta Indl.Area from Bugudana Halli – Maidala Tank
8. Assessment of Water Requirement from Bhima River for industries in Gulbarga & part of Bijapur District.
9. Facilitation services for Selection of Programme Management Consultant for Suvarna Karnataka Development Corridor Programme.
10. Facilitation services for Selection of Consultants for preparation of GIS maps of Industrial Areas & Computerisation of KIADB.
11. Facilitation services for Selection of PMC for setting up KS&DL Plant at Dobbaspeta.
12. Appraisal Report of Harsha Seeds & Agro Products Pvt. Ltd.
13. Techno – Feasibility Report for allotment of alcohol to Vishwanath Sugars.
14. Valuation of Plant and Machinery of Volvo India Ltf. (referred by Registrar of Stamps)
15. Assessment Report on Water requirement for Industries in Bagalkot and Dharwad Dist.
16. Preparation of Standard Pre-qualification Criteria(PQC) Document for selection of Contractor for construction of building and providing sites and services and scrutiny of 40 PQC documents (for KHB).
17. Evaluation of Living-cum-Workshed Scheme of KHDC for Handloom Weavers.
18. Organisation of Transformation Workshop- Module-2 for all officers of Dept. of I&C.
19. Compilation of Handbook for Entrepreneurs.
20. Pre-investment Report on Power Generating Units using Bio-mass in Koppal District.
21. Management Consultancy Reports for 17 Units in Most Backward Taluks under Kaigarika Vikasa Scheme.
22. Organised 9 EDPs at Kollegal and Nanjanagud taluks for Industry and Services under Kaigarika Vikasa Scheme.
23. Organised follow-up meetings to review progress of candidates attended earlier EDPs in 13 most Backward Taluks under Kaigarika Vikasa Scheme.
24. Pre-investment report on Power Generating Units using Bio-mass in Koppal District.

25. Benefit monitoring & Evaluation study of projects under KUDCEM
26. Management consultancy reports for twenty one units in most Backward taluks under Kaigarika Vikasa scheme.
27. Organised eight EDPs at Kollegal, jagalur, molakalmuru and Nanjangud taluks for Industry and Services under kaigarika Vikasa Scheme.
28. Organised follow-up meetings to review progress of candidates attended earlier EDP in thirteen Most Backward Taluks under Kaigarika Vikasa Scheme.

**10) Karnataka State Financial Corporation:**

KSFC was established to meet mainly the long term financial needs of small and medium enterprises of the State. The Corporation has extended sizable assistance to infrastructure projects, mining, service sectors like transport, hospitals, hotels etc., In addition to, the term lending activity, Corporation also extends financial assistance under merchant banking activities, hire purchase and corporate loans etc.,

Particulars	During 2009-10		Cumulative upto 31-03-2010	
	No.	Amount (Rs. Crore)	No.	Amount (Rs. Crore)
Sanctions	1460	631.49	1,62,105	9,733.26
Disbursals		434.39		7,647.84
Recovery		555.26		10,257.48

An amount of Rs.117.00 lakhs has been released for providing Interest Subsidy for MSME units under Technology Upgradation Scheme.

Out of budget allocation of Rs.4847 lakhs, an amount of Rs.2456.96 lakhs has been released & expenditure has been incurred towards Principal and interest payment on bonds raised by KSFC for clearing backlog subsidy

**11) Assistance to Karnataka State Small Scale Industries Association (KASSIA).**

An amount of Rs.100 lakhs has been released to (KASSIA) to take up the following activities:

- a) E-library or Information centre.
- b) Video Conference & Centralised Network.
- c) Project Display Centre.
- d) State of the Art Auditorium.

**12) Modernisation of Department & Training of Personnel:**

- a) **Seminars, Training, Tours of Officers:** An amount of Rs.70.00 lakhs was earmarked out of which Rs.32.85 lakhs has been utilised, Rs.27.00 lakhs was released 25 District Industries centre for conducting Seminars/awareness programme and study tours, Rs.5.85 lakhs released to CEDOK, Dharwad for conducting Training programmes for 125 Officers & Staff of the Department.

- b) Modernisation & Computerisation of Dept.:** Out of Rs.75.00 lakhs allocated for the year, an amount of Rs.52.30 lakhs has been utilised towards modernisation of District office/Directorate for providing computer systems, UPS, Digital Copier wherever required and towards annual maintenance contract/repairs of office equipment.

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**ANNEXURE-I****I. THE DISTRICTWISE SLSWCC APPROVAL PROJECTS :****SLSWCC APPROVAL PROJECTS – DISTRICTWISE – 2009-10**

<b>Sl. No.</b>	<b>District</b>	<b>No. of projects</b>	<b>Investment (Rs. In Crores)</b>	<b>Employment (Nos)</b>
1	Bagalkot	8	182.57	594
2	Bangalore Rural	118	2470.79	52220
3	Bangalore Urban	57	1256.70	27125
4	Belgaum	8	253.29	3730
5	Bellary	25	897.42	3014
6	Bidar	22	142.24	2006
7	Bijapur	3	65.49	343
8	Chamarajanagar	0	0	0
9	Chickmagalur	1	9.77	235
10	Chitradurga	15	627.21	2108
11	Dakshina Kannada	6	114.92	1095
12	Davanagere	3	34.90	209
13	Dharwad	10	174.10	839
14	Gadag	0	0	0
15	Gulbarga	4	17.30	210
16	Hassan	5	55.76	530
17	Haveri	3	106.62	910
18	Kodagu	1	12.73	80
19	Kolar	4	93.06	1180
20	Koppal	5	174.13	338
21	Mandya	6	130.63	1941
22	Mysore	6	102.95	1216
23	Raichur	10	187.32	917
24	Shimoga	2	32.05	360
25	Tumkur	8	112.33	1249
26	Udupi	1	45.54	30
27	Uttara Kannada	2	94.82	815
28	Chikkaballapura	1	47.51	7700
29	Ramanagaram	29	394.58	5845
	<b>TOTAL</b>	<b>363</b>	<b>7836.73</b>	<b>116839</b>

**ANNEXURE-II****II. THE CATEGORY AND PRODUCTWISE DETAILS OF PROJECTS CLEARED IN SLSWCC DURING 2009 – 10.**

<b>Sl.No.</b>	<b>Products</b>	<b>No. of Projects</b>	<b>Investment (in crores)</b>	<b>Employment</b>
1	Electronics / Tele. Com.	16	379.22	6892
2	Software / Hardware	12	130.74	2547
3	Engineering	52	1724.52	7948
4	Automobile	15	250.13	3330
5	Floriculture / Agriculture	4	68.55	726
6	Food Processing	36	478.64	4089
7	Granite / Marble	4	67.87	598
8	Textile	5	86.87	4206
9	Plastic / Rubber	9	257.12	3738
10	Drugs / Chemicals	26	580.61	13561
11	Cement	5	28.04	240
12	Sugar	0	0	0
13	Distilleries / Breweries	2	76.36	227
14	Petroleum process	3	97.31	425
15	Hotel / Tourism	37	912.81	8553
16	Coir Products	0	0	0
17	Leather products	0	0	0
18	Research & Development	2	58.50	380
19	Infrastructure	12	198.26	2549
20	Others	59	897.59	11901
21	Power Project	15	558.47	2001
22	Software Tech. Park	49	985.12	42928
<b>TOTAL</b>		<b>363</b>	<b>7836.73</b>	<b>116839</b>

**ANNEXURE-III**

**III. THE SECTORWISE SHLCC PROJECTS CLEARED DURING 2009 -10.**

<b>SHLCC Projects Cleared Sectorwise [Investment above Rs.50.00 crore]</b>				
<b>Sl. No.</b>	<b>Sector</b>	<b>No's</b>	<b>Investment Rs Cr.</b>	<b>Employment</b>
1	AEROSPACE	1	465.8	2100
2	AUTOMOBILES	4	1058	3495
3	BIOTECH	0	0	0
4	BT PARK	1	257	200
5	CEMENT	12	13066.29	4645
6	CERAMICS	0	0	0
7	CHEMICALS	2	4818	1719
8	COKE	1	148.71	100
9	ELECTRONICS	1	175.73	277
10	ENERGY	10	24215.51	11115
11	ENGINEERING	3	423.88	1315
12	ENTERTAINMENT	0	0	0
13	FOOD BASED	7	720.88	3726
14	HOTEL	4	1242.06	3375
15	INFRASTRUCTURE	0	0	0
16	INTREGATED TOWNSHIP	0	0	0
17	IRON AND STEEL	30	211620.17	118066
18	IT PARK	3	1938.98	58083
19	IT/ITES SEZ	2	1092	26000
20	SEZ	0	0	0
21	OTHERS	9	4154.28	19568
22	PETROCHEMICALS	3	19995	3770
23	PHARMA	0	0	0
24	PLASTIC	2	253.83	1320
25	SOFTWARE	1	445.08	20991
26	SUGAR	14	2457.37	5069
27	TEXTILES	0	0	0
		110	288548.57	284934

**ANNEXURE-IV****IV. THE DISTRICTWISE SHLCC APPROVAL PROJECTS CLEARED DURING 2009-10.**

<b>SHLCC Projects Cleared Sectorwise [Investment above Rs.50.00 crore]</b>				
<b>Sl. No.</b>	<b>Sector</b>	<b>Nos</b>	<b>Investment Rs Cr</b>	<b>Employment</b>
1	BAGALKOT	8	32900.95	16512
2	BANGALORE [RURAL]	13	6335.37	103575
3	BANGALORE [URBAN]	3	1456.35	11972
4	BELAGUM	10	12445.62	12540
5	BELLARY	18	166235.77	94168
6	BIDAR	1	300.00	350
7	BIJAPUR	3	2914.01	892
8	CHAMARJANAGAR	0	0.00	0
9	CHIKKABALLAPUR	1	1000.00	30
10	CHIKMANGARLUR	1	95.00	592
11	CHITRADURGA	0	0.00	0
12	DAKSHINA KANNADA	1	8655.00	1000
13	DAVANAGERE	0	0.00	0
14	DHARWAD	0	0.00	0
15	GADAG	1	68.50	28
16	GULBARGA	10	13799.45	4824
17	HASSAN	3	2242.03	1247
18	HAVERI	3	2105.00	1327
19	KODAGU	0	0.00	0
20	KOLAR	2	269.01	905
21	KOPPAL	6	1406.43	1930
22	MANDYA	1	92.42	1025
23	MYSORE	6	1657.76	12530
24	RAICHUR	3	11966.40	4467
25	RAMANAGARA	5	1086.56	5390
26	SHIMOGA	3	306.94	2440
27	TUMKUR	3	1990.00	3500
28	UDUPI	1	280.00	205
29	UTTARA KANNADA	2	7600.00	715
30	MANY DISTRICTS	2	11340.00	2770
		110	288548.57	284934

**ANNEXURE-V**

<b>District-wise Number of Entrepreneur Memorandum (Part-1) issued to Micro, Small and Medium Enterprises for the 2009-10</b>								
<b>Sl.No</b>	<b>District</b>	<b>MANUFACTURE</b>			<b>SERVICE</b>			<b>Total</b>
		<b>Micro</b>	<b>Small</b>	<b>Medium</b>	<b>Micro</b>	<b>Small</b>	<b>Medium</b>	
1	Bagalkot	266	29	0	42	5	1	343
2	Bangalore	1870	266	67	643	93	1	2940
3	Bangalore Rural	167	92	4	11	10	2	286
4	Belgaum	1093	67	12	162	12	1	1347
5	Bellary	383	44	8	46	32	0	513
6	Bidar	482	12	3	224	4	0	725
7	Bijapur	194	28	7	108	20	0	357
8	Chamarajanagar	97	7	0	25	3	0	132
9	Chikkaballapura	180	6	2	33	3	0	224
10	Chikmagalur	275	8	0	26	0	0	309
11	Chitradurga	391	7	1	82	0	0	481
12	D.Kannada	687	42	15	232	22	3	1001
13	Davanagere	580	25	0	95	3	0	703
14	Dharwad	800	57	12	130	24	0	1023
15	Gadag	265	8	0	39	4	0	316
16	Gulbarga	652	42	1	11	0	0	706
17	Hassan	330	10	1	26	4	0	371
18	Haveri	157	6	5	129	7	0	304
19	Kodagu	108	1	2	38	1	0	150
20	Kolar	272	13	1	24	0	0	310
21	Koppal	133	53	3	29	7	1	226
22	Mandya	341	34	1	75	4	0	455
23	Mysore	457	31	4	130	25	0	647
24	Raichur	337	88	7	229	4	0	665
25	Ramanagara	135	54	7	30	5	0	231
26	Shimoga	714	24	5	140	1	0	884
27	Tumkur	1013	82	12	95	14	0	1216
28	Udupi	417	41	5	95	13	1	572
29	Uttara Kannada	487	10	2	92	2	0	593
	<b>Total</b>	<b>13283</b>	<b>1187</b>	<b>187</b>	<b>3041</b>	<b>322</b>	<b>10</b>	<b>18030</b>

**UNITS REGISTERED FOR ALL DISTRICT UNDER PART II FROM 01-04-2009 TO 31-03-2010 ANNEXURE - VI**

SL NO	DISTRICT	MANUFACTURE									SERVICE									Total		
		MICRO			SMALL			MEDIUM			MICRO			SMALL			MEDIUM					
		Unit	INV	EMP	UNIT	INV	EMP	UNIT	INV	EMP	UNIT	INV	EMP	UNIT	INV	EMP	UNIT	INV	EMP	UNIT	INV	EMP
1	Bagalkot	333	637.8	1647	14	902	190	0	0	0	27	47.88	119	1	56.5	7	0	0	0	375	1644	1963
2	Bangalore	2011	10507.24	16428	325	24062.42	14925	8	5678	2186	318	960.84	2999	105	3287.71	3265	0	0	0	2767	44496	39803
3	Bangalore R	158	517.1	811	35	2432.62	1187	4	2934	192	25	32.82	93	1	25	23	0	0	0	223	5942	2306
4	Belgaum	1138	2163.35	4479	26	1653.14	521	2	1538	132	367	136.23	768	3	69	29	0	0	0	1536	5560	5929
5	Bellary	667	938.04	3245	41	4575.55	821	1	602	58	231	91.23	761	9	492	180	1	335	25	950	7034	5090
6	Bidar	57	498.5	443	7	454.12	144	0	0	0	9	33.56	41	0	0	0	0	0	0	73	986	628
7	Bijapur	174	292.3	691	13	633.94	193	0	0	0	365	174.73	773	3	60.5	35	0	0	0	555	1161	1692
8	Chamarajanagar	99	229.95	624	5	253.03	89	1	800	30	139	58.52	323	0	0	0	0	0	0	244	1342	1066
9	Chikkaballapura	176	416.35	918	2	120	39	0	0	0	76	34.75	206	0	0	0	0	0	0	254	571	1163
10	Chikmagalur	392	398.07	1358	3	803	84	0	0	0	170	109.45	396	1	12.91	12	0	0	0	566	1323	1850
11	Chitradurga	154	261.8	598	1	198	13	0	0	0	295	192.45	791	2	39	14	0	0	0	452	691	1416
12	Dakshina Kannada	631	795.1	2395	21	1846.03	581	0	0	0	377	121.24	802	12	501.3	518	0	0	0	1041	3264	4296
13	Davanagere	167	248.27	568	10	1045	335	0	0	0	270	161.13	649	2	66.68	23	0	0	0	449	1521	1575
14	Dharwad	712	1812.67	3315	38	2138.22	910	1	550	100	84	125.04	274	1	50	30	0	0	0	836	4676	4629
15	Gadag	233	312.47	1169	5	122.94	70	0	0	0	2	5.5	11	0	0	0	0	0	0	240	441	1250
16	Gulbarga	243	2814.66	1512	40	1714.1	407	0	0	0	375	285.1	839	1	0	5	0	0	0	659	4814	2763
17	Hassan	337	421.95	1050	10	566.77	111	0	0	0	195	79.91	405	2	58	38	0	0	0	544	1127	1604
18	Haveri	100	240.56	591	3	77.42	64	0	0	0	299	136.04	736	4	125.42	155	0	0	0	406	579	1546
19	Kodagu	79	269	597	1	50	9	0	0	0	21	95	139	0	0	0	0	0	0	101	414	745

ANNEXURE-VI

## ANNEXURE-VII

										VITC, Bangalore
<b>EXPORT PERFORMANCE OF KARNATAKA STATE</b>										<b>2009-10</b>
(Value Rs.in Crores)										<b>(Apr - Dec)</b>
Sl.no	Commodity	2001-02	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-08	2008-2009	
1	Electronics & Computer Software	11533.06	15899.77	20522.28	31488.73	42180.81	56478.16	69517.50	82153.00	36393.00
2	Readymade Garments	2820.00	4000.00	4038.00	4500.00	4980.00	6773.00	4125.00	5395.00	3272.00
3	Petroleum & Petroleum products	NA	1915.00	4472.15	6186.00	11912.00	11602.25	11232.00	11642.00	<b>10200.00</b>
4	Engineering	1048.07	1650.11	1899.49	3021.35	3052.00	5461.00	8301.00	6185.99	3015.42
5	Iron Ore and Minerals (incl granites)	691.56	1524.10	2093.43	4480.00	5920.10	8791.32	10197.00	7274.77	3433.85
6	Silk Products	672.24	746.09	967.99	898.80	1050.68	1273.94	912.12	896.87	511.79
7	Coffee Products	881.42	730.65	757.57	705.65	1103.94	1476.65	1307.60	1579.05	965.16
8	Basic Chemicals, Pharamaceuticals and Cosmetics	320.24	413.33	649.22	746.03	1018.63	1839.05	2069.76	2530.64	2009.70
9	Agriculture and Processed Food Products	349.51	366.99	361.25	362.41	384.11	398.36	415.51	712.34	493.70
10	Gem and Jewellery	281.05	295.85	2631.00	4644.00	5725.00	7799.11	9749.00	10892.66	11621.30
11	Cashew and Cashew Kernals	163.54	279.83	265.72	518.35	521.81	552.78	527.05	638.48	421.38
12	Handicrafts	48.59	260.58	324.28	330.15	360.01	389.01	428.36	428.93	157.88
13	Leather Products	237.64	221.58	276.51	186.75	214.59	218.05	201.28	213.90	135.48
14	Chemicals and Allied Products	201.22	215.36	338.62	705.52	732.00	745.12	399.28	456.87	242.99
15	Marine Products	85.76	96.91	81.58	91.65	98.22	136.13	153.46	236.21	266.28
16	Plastic Goods	83.07	96.84	749.07	2779.1	1850.70	552.15	215.25	265.77	232.19
17	Spices	69.12	91.65	99.58	109.54	169.98	219.72	245.15	479.25	236.98
18	Wool & Woollen Products	44.46	76.80	89.25	109.40	124.86	140.03	147.59	153.25	122.73
19	Miscellaneous and Others	615.03	1016.55	1053.25	775.13	880.16	2529.76	2559.52	2120.39	997.54
	<b>Total</b>	<b>20145.58</b>	<b>29897.99</b>	<b>41670.24</b>	<b>62638.56</b>	<b>82279.60</b>	<b>107375.59</b>	<b>122703.43</b>	<b>134255.37</b>	<b>74729.37</b>
	<b>Country's Exports</b>	<b>245518.00</b>	<b>299290</b>	<b>349581.9</b>	<b>430888.00</b>	<b>546466.00</b>	<b>709641.87</b>	<b>817872.14</b>	<b>1051477.00</b>	
	<b>Karnataka's %age share in all India Exports</b>	<b>8.21%</b>	<b>10.00%</b>	<b>11.92%</b>	<b>14.54%</b>	<b>15.06%</b>	<b>15.13%</b>	<b>15.00%</b>	<b>12.77%</b>	