



# District Industrial Potentiality Survey Report Kalahandi 2019-20

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## List of Acronyms

AHVS	Animal Husbandry & Veterinary Services
APEDA	Agricultural & Processed Food Products Export Development Authority
APICOL	Agricultural Promotion & Investment Corporation of Odisha Limited
CD	Credit Deposit
CFC	Common Facility Centre
CHC	Community Health Centre
DEPM	Directorate of Export Promotion & Marketing
DES	Directorate of Economics & Statistics
DIC	District Industries Centre
DTET	Directorate of Technical Education & Training
EDP	Entrepreneurship Development Programme
ESDP	Entrepreneurship Skill Development Programme
FIEO	Federation of Indian Export Organizations
Ha	Hectare
IDCO	Odisha Industrial Infrastructure Development Corporation
IMC	Industrial Motivation Campaign
IPICOL	Industrial Promotion & Investment Corporation of Odisha Limited
IPR	Intellectual Property Rights
IT	Information Technology
KVIB	Khadi & Village Industries Board
KVIC	Khadi & Village Industries Commission
MHU	Mobile Health Unit
MPEDA	Marine Products Export Development Authority
MT	Metric Tonne
MARKFED	Odisha State Co-Operative Marketing Federation Ltd.
NAFED	National Agricultural Cooperative Marketing Federation of India Ltd
NABARD	National Bank for Agricultural & Rural Development
NABL	National Accreditation Board for Testing & Calibration Laboratories
NGO	Non Governmental Organization
NSIC	National Small Industries Corporation
OSFC	Odisha State Financial Corporation
OSIC	Odisha Small Industries Corporation Limited
PACS	Primary Agricultural Co-operative Society
PHC	Primary Health Centre
SIDBI	Small Industries Development Bank of India
SLBC	State Level Bankers' Committee
SPV	Special Purpose Vehicle
VDP	Vendor Development Programme
VAT	Value Added Tax
ZED	Zero Defect Zero Effect

## FOREWORD

Every year Micro, Small & Medium Enterprises Development Institute, Cuttack under the Ministry of Micro, Small & Medium Enterprises, Government of India undertakes the Industrial Potentiality Survey for selected districts in the State of Odisha and brings out the Survey Report as per the guidelines issued by the Office of Development Commissioner (MSME), Ministry of MSME, Government of India, New Delhi. Under its Annual Action Plan 2019-20, the district of **Kalahandi** has been taken up for the survey along with a few other districts of the state. The Industrial Potentiality Survey Report covers various parameters like the present industrial structure of the district, availability of surplus resources, problems and prospects in the district for industrial development with special emphasis on scope of setting up of MSMEs.

The Industrial Potentiality Survey Report focuses on the physical and geographical features, natural and human resources and the present status of infrastructure like roads, railways, water, education, health, banking including other financial and technical institutions, industrial estates, growth centres etc. as these are the sine-qua-non of the pace of industrial development. Considering the above factors and the available sector wise surplus resources in the district and also demand from the people, the potential industries have been identified which could be promoted in the coming years for an overall development of the district.

Considering the position of MSMEs in the district, the report will be of immense use not only to the existing and prospective entrepreneurs both inside and outside the state and country but also to various Central and State Government organizations, Corporate bodies, Banks and other Financial Institutions, Promotional agencies looking after the development aspects of different sectors. The prospect of ancillarisation has also been explored.

I hope this Industrial Potentiality Survey Report would be an effective tool to the existing and prospective entrepreneurs, financial institutions and promotional agencies while planning for development of MSME sector in the district.

I would like to place on record my appreciation for Shri Jagadish Sahu, Asst. Director (EI), who has prepared the report for the benefit of entrepreneurs and professionals in the state.

Place: Cuttack

(Dr. S.K. Sahoo)

Date: 04<sup>th</sup> September, 2020

Director Incharge

# KALAHANDI DISTRICT



# Chapter- I

## Introduction

### **Introduction of Kalahandi District:**

The present district of Kalahandi was in ancient times a part of South Kosala. It was a princely state. After independence of the country, merger of princely states took place on 1<sup>st</sup> January, 1948. The princely state of Kalahandi was merged with Odisha along with other princely states on 1<sup>st</sup> November, 1949. The Ex-Zamindari areas of Khariar Sub-Division of Sambalpur was separated and the district of Kalahandi was formed with the Ex-state of Kalahandi and Ex-Zamindari areas of Khariar. Subsequently, in 1962 Kashipur police station was taken out from this district and merged with Koraput district and further from 01.04.1993, the Nuapada sub-division was declared as a separate district and the two sub-divisions of Bhawanipatna and Dharmagarh formed the new Kalahandi district.

Kalahandi district occupies the south-western portion of Odisha and is situated between 19 degree North and 21 degree North latitude and 82 degree 30 degree East and 83 degree and 47 degree East longitude. It is bounded in the North by Raipur (Chhatisgarh), Bolangir and Nuapada districts, in the west by Raipur and Nawarangpur districts, in the South by Rayagada district and in the east by Rayagada and Kandhamal districts. The geographical area of the district is 7920 sq. km. The district falls in the western undulated zone of Odisha. It is divided into two distinct physiographical regions, the undulating plains in the Ampani, Koksara, Junagarh, Dharmagarh and Bhawanipatna – Kesinga tracks (186 to 350 above MSL) with occasional isolated hills. There are hills and highly rugged terrain in South-East and South (up to 1929 m and above MSL). The general slope is towards north-east. The district headquarter is located at Bhawanipatna. It comprises of two sub-divisions which includes 13 blocks and 2253 villages.

The economy of the district is agrarian in nature and about 80% of the population is dependent on agriculture. The strength of the district lies in its agrarian economy, high rainfall, forest produce, minerals etc. The weaknesses are its undulated land deforestation, drought prone nature and poor connectivity. The opportunities are the emphasis by the government on development, irrigation projects, mineral deposits, NTFP. The threats are erosion of soil, aggressive mining etc. The development of the district is highly dependent on institutional credit and the same has been given due importance by the government, bankers and developmental agencies. The predominant economic activities prevalent in the district are agriculture, horticulture, forests, fisheries, animal husbandry, mining, sericulture and textiles in MSME sector and handicrafts and handloom industries in KVIC/KVIB sector. There are two prominent mega industries in the district namely M/s. Vedanta Alumina (P) Ltd., Lanjigarh and M/s. Konark Cotton Growers, Kesinga. The district has 10290 registered MSMEs having investment of Rs. 54655 lakhs creating employment of 48803 persons. About 17900 women SHGs have been promoted in the district which has led to accumulation of capital in semi-urban and rural areas.

## **Objectives and Scope of the Study:**

The role of MSMEs has assumed a considerable significance in recent years with the change of the structure and composition of the economy. The scope of the study is confined to Kalahandi district in respect of MSME sector and related activities. The year 2019-20 has been taken as the status year of development to analyse further improvement in industrial activities in different sectors in the district. The objective behind the development of the MSME sector is that it acts as a nursery for the development of entrepreneurial talent. This sector also manufactures a wide range of products meant for all segments of the society. This sector also earns a significant amount of the foreign exchange of the country through exports. The main objectives of the study are as follows:

- i) To explore the natural and human resources including the skill.
- ii) To explore the industrial resources available in the district to accelerate the industrial activity.
- iii) To evaluate the existing industrial activities of the district in utilizing the resources and catering to the local demand.
- iv) To focus on useful information, guidance and assistance to well informed class of entrepreneurs, young, educated and qualified persons who have evinced keen interest in setting up of MSMEs.
- v) To cater to the requirements of the entrepreneurs, the area survey reports need proper analysis of the available surplus resources and demand conditions and proper identification of prospective and viable projects in the district for its development in the coming years with necessary techno-economic details.

## **Methodology:**

District Industrial Potentiality Survey is a detailed study of important marketable surplus of resources available in the district for industrial use. It gives a clear picture of available infrastructure in different parts of the district. It also focuses on the existing industrial scenario and the prospects of different MSMEs and ancillary industries so that it can act as a guide to the entrepreneurs. The district industrial potentiality survey has been conducted by this Institute as per the instructions and guidelines of the Development Commissioner, Micro, Small and Medium Enterprises, Ministry of MSME, Government of India, New Delhi as part of its Annual Action Plan 2019-20 to promote MSMEs. Selection of the district has been done keeping in mind the year when the previous survey was conducted for the district as well as to meet the industrial progress of the district.

The report has been prepared by collecting information from various offices both from state and central government. Also information has been collected from various reports published by the government authorities. Keeping the above factors in view, the report was drafted and discussed among the officers of Economic Investigation Division and other Technical Officers of the Institute to arrive at the conclusion in identifying the scope of the new industries in the district.

## **Chapter- II**

### **Executive Summary**

The present district of Kalahandi with 5.09 % of state area and 3.76 % of state population was in ancient times a part of South Kosala. The headquarters of the district is at Bhawanipatna. The district has 2 sub-divisions, 13 tahasils, 13 CD blocks with 310 GPs & 2253 villages. The decennial growth rate of population is 18.1 %. The literacy rate in the district is 59.22 %. The district has about 32.05 % of its geographical area as forest area.

Agriculture is the predominant economic activity in Kalahandi district. Around 80% of the population directly or indirectly depends on agriculture. Majority of the cultivators in the district are small & marginal farmers. Paddy is grown as major crop followed by pulses, oilseeds, sugarcane and vegetables. The district covers a geographical area of 7920 sq.km. The net sown area of the district is 362000 ha. Presently, cultivation is being done for sustenance and livelihood maintenance. There is tremendous scope for commercialisation of agriculture by introducing modern cultivation techniques which include scientific crop management, pest management, farm mechanisation, post-harvest management, etc. There is a need to develop Agro-based MSMEs to generate adequate employment opportunities which will absorb the skilled manpower available in the district & will arrest migration of work force to other states. Investment in agriculture sector needs to be enhanced & Promotion of allied activities such as Dairy-Animal husbandry, Poultry, Bee-keeping, Horticulture, and Fisheries is required to make agriculture sustainable & double the farmer's income by 2022 as envisioned by Govt. of India.

Though the district is industrially categorized as backward, there are two prominent large scale industries in the district namely M/s. Vedanta Alumina (P) Ltd., Lanjigarh and M/s. Konark Cotton Growers, Kesinga. The district has 10290 registered MSMEs having investment of Rs. 54655 lakhs creating employment of 48803 persons. The district has Rice Mill clusters & there is scope for few more clusters.

Rapid development is possible only when there is necessary infrastructure support. Hence, development and expansion of infrastructure facilities are an essential precondition for accelerating the pace of development in agriculture, industry and service sectors of the district. The infrastructure facilities consist of economic and social overhead viz; energy, transport, communication, irrigation, banking, finance, insurance, health and education. The district has a reasonably good banking network with 153 branches of Commercial & Co-operative Banks.

There is no doubt that a lot of initiatives have been taken by the developmental agencies to make the district a developed one. But the infrastructure gaps are noticeable in all sectors which need improvement.



The major areas where infrastructure is more required are Irrigation, Ware house & Cold Chain facilities, Health Care, Rural Sanitation and Education.

The District Industrial Potentiality Survey Report of Kalahandi has been divided into the following sections viz- **Chapter-I** which gives an overview of the district. **Chapter-II** deals with the "Executive Summary" of the report. "District at a Glance" reflects the different development parameters till date to have a glimpse on the development in **Chapter-III**. **Chapter-IV** deals with "District Profile" which covers all aspects of development in brief. **Chapter- V** deals with an important aspect of the study i.e."Resource Analysis". In this chapter, the available resources both human and physical have been discussed with statistical information. The "Infrastructure Available for Industrial Development" has been discussed in **Chapter-VI**. This chapter also contains the incentives given by the State Government for development of MSMEs. **Chapter-VII** reflects the "Present Industrial Structure" with number of medium and large scale industries and MSMEs with investment and employment. Besides this, the chapter also reflects the growth of MSMEs over the years and category wise concentration of MSME units in the district. This Chapter also deals with the existing and prospective MSME clusters in the district. **Chapter-VIII** reflects the "Prospects of Industrial Development" based on surplus resources available and demand factor. This chapter has also considered the scope of ancillary industries based on the requirement of mother plants in the district. **Chapter-IX** reflects the "Plan of Action for Promoting Industrial Development in the District" and **Chapter-X** deals with "Steps to set up MSMEs". In this chapter, the main functions of different promotional agencies to be contacted for setting up of MSMEs have been mentioned with detail address. **Chapter- XI** deals with "Conclusion".

## Chapter – III District at a Glance

Sl. No.	Particulars	Year	Unit	Statistics
<b>1</b>	<b>Geographical features</b>			
A	Geographical Data			
	i) Latitude	2019	Degree	19 <sup>0</sup> 3' N and 21 <sup>0</sup> 5' N
	ii) Longitude	2019	„	82 <sup>0</sup> 30' E and 83 <sup>0</sup> 47' E
	iii) Geographical Area	2019	Sq.Km.	7920
B	Administrative Units	2019		
	i) Sub divisions	„	No.	2
	ii) Tehasils	„	No.	13
	iii) Sub-Tehasil	„	No.	-
	iv) Patwar Circle	„	No.	-
	v) Panchayat Samitis (CD Block)	„	No.	13
	vi) Nagar Nigam	„	No.	0
	vii) Nagar Palika (Municipality & NAC)	„	No.	4
	viii) Gram Panchayats	„	No.	310
	xi) Revenue villages	„	No.	2253
	x) Assembly Area	„	No.	5
	xi) Police Station (P.S)	„	No.	17
	xii) Fire Station	„	No.	11
<b>2.</b>	<b>Population( Census 2011)</b>			
A	Sex-wise			
	i) Male Population	2011	No.	787101
	ii) Female Population	„	„	789768
	Total Population	„	„	1576869
B	Rural Population	„	„	1454882
C	Sex Ratio	„	„	1003
D	Density of Population	„	Per Sq.KM	199
E	Decadal Growth Rate	2001-11	%	18.07
<b>3.</b>	<b>Agriculture</b>			
A.	<b>Land utilization</b>	2018-19		
	i) Land put to Non-Agricultural Use	„	000' Hectare	35
	ii) Barren & Un-cultivable Land	„	“	57
	iii) Current Fallow	„	“	16
	iv) Other Fallow	„	“	16
	v) Culturable Waste	„	“	21
	vi) Permanent Pasture	„	“	23
	vii) Misc. trees & Grooves	„	“	8
	viii) Net area Sown	„	“	362
B.	<b>Rainfall</b>	2018	MM	
	(i) Normal Rainfall	„	„	1330.5
	(ii) Actual Avg. Rainfall	„	„	1996.5
C.	<b>Agricultural Production</b>	2018-19	000' MT	
	i) Paddy	„	„	697.95
	ii) Wheat	„	„	0.10

	iii) Maize	„	„	31.89
	iv) Ragi	„	„	0.80
	v) Moong	„	„	35.45
	vi) Biri	„	„	26.24
	vii) Kulthi	„	„	8.44
	viii) Arhar	„	„	24.01
	ix) Ground Nut	„	„	24.12
	x) Mustard	„	„	4.84
	xi) Cotton	„	„	168.04
	xii) Potato	„	„	2.40
	xiii) Sugarcane	„	„	108.55
<b>4.</b>	<b>Forest</b>	2018-19	Sq.km.	2540
<b>5.</b>	<b>Livestock &amp; Poultry (2012 Census)</b>			
	i) Cows	2012	No.	310875
	ii) Buffaloes	2012	No.	43765
	<b>Other livestock</b>			
	i) Goat	2012	No.	216927
	ii) Sheep	2012	No.	79939
	iii) Pig	2012	No.	3727
	<b>Poultry</b>	2012	No.	584055
<b>6.</b>	<b>Production of Milk, Egg &amp; Meat</b>	2018-19		
	i) Milk	„	'000 MT	62.68
	ii) Egg	„	Lakh. No	681.48
	iii) Meat	„	'000 MT	3.28
<b>7.</b>	<b>Fish Production</b>	2018-19	MT	
	i) Inland Water	„	„	25421
	ii) Marine Water	„	„	0
	iii) Total	„	„	25421
<b>8.</b>	<b>Railways</b>			
	i) Length of rail line	2014-15	Km	92.73
	ii) Railway Stations/ PH	2014-15	No.	10
<b>9.</b>	<b>Roads</b>			
	(a) National Highway	2018-19	Km	205.87
	(b) State Highway	„	Km	240.57
	(c) Major District Road	„	Km	187.74
	(d) Other District Roads	„	Km	711.68
	(e) Rural road	„	Km	1394.99
	(f) Inter Village Road	„	Km	5589.55
	(g) Intra Village Road	„	Km	2957.85
	(h) Forest Road	„	Km	311
<b>10.</b>	<b>Industry</b>			
	i) No. of MSMEs Set up	2018-19	No.	1639
	ii) Total Capital Investment	„	( Rs. in Lakh)	13440.55
	iii) Total employment Generated	„	No.	8416

<b>11.</b>	<b>Public Health</b>			
	(a) Medical College & Dist.Hqrs.Hospital	2018	No.	1
	(b) Sub-Divisional & Other Hospitals	„	No.	3
	(c) Community Health Centers	„	No.	17
	(d) Primary Health Centers	„	No.	44
	(e) Mobile Health Unit (MHU)	„	No.	19
	(f) Beds available in Hospitals	„	No.	589
	(g) Ayurvedic Hospitals & Dispensaries	2018-19	No.	20
	(h) Homeopathic Hospitals & Dispensaries	„	No.	18
<b>12.</b>	<b>Education</b>			
	(a) Primary school	2018-19	No.	1571
	(b) Upper Primary school	„	No.	783
	(c) Secondary school	„	No.	362
	(d) Colleges (Junior + Degree)	„	No.	101
	(e) Technical University	„	No.	0
<b>13.</b>	<b>Post offices</b>	As on 01.04.2019	No.	307
<b>14.</b>	<b>No. of Villages Electrified</b>	As on 31.03.2019	No.	2116
<b>15.</b>	<b>Banking Commercial</b>			
	(a) Total Commercial Bank Branches	As on 31.03.2020	No.	153
	(b) Rural Branches	As on 31.03.2020	No.	91
	(c) Urban Branches	As on 31.03.2020	No.	04
	(d) Semi-Urban Branches	As on 31.03.2020	No.	58

Source: District at a Glance 2020, Directorate of Economics & Statistics, Odisha & SLBC, Odisha

# Chapter – IV

## District Profile

### 1. Location :

Kalahandi district is situated in the South western portion of Orissa. The district headquarter is located at Bhawanipatna which is well connected with important towns of the state like Bhubaneswar, Cuttack, Sambalpur and Bolangir by rail. The nearest railway station is located at Kesinga, which is nearly 35 km away from Bhawanipatna. The district depends upon Raipur and Visakhapatnam for consumable articles and other goods. It is situated between 19.3 N and 21.5 N latitude; 82.30' E and 83.47' E longitude. It is bounded in the North by Raipur (Chattisgarh), Bolangir and Nuapada districts in the west by Raipur and Nabarangpur districts.

### 2. Area and Topography:

The geographical area of the district is 7920 sq km. The district has two distinct physiographic regions, the plain lands and the hilly tracts. It falls in the western undulated zone of Odisha. The two distinct physiological regions, the undulated plains in the Ampani, Koksara, Junagarh, dharmagarh and Bhawanipatna- Kesinga tracks (186 to 350 m above MSL) with occasional isolated hills. There are hills and highly rugged terrain in South East and South (rep to 1929 m and above MSL). The general slope is towards the North East. About eight kilometers south-east of Bhawanipatna commences the mountain tracts called Dongri which covers a vast area of about 3665 sq. km on the eastern side of the district and extend southwards to the Koraput border. These tracts rise in a series of precipitous hill ranges from the plains. The principal plateau lands are the Karlapat, Thuamul Rampur ranges and the Baphimali hill a fine plateau on the district border near Mahulpatna. In these hills of the Dongria area, the splendid stream of the Indravati makes it rise near Thuamul. It makes its way through the hill ranges which form the southern boundary of Kalahandi district.

### 3. Soil Condition:

The district of Kalahandi has five types of soils broadly classified as Red, Laterile, Black clay, Sandy Loam and Red Sandy Loam. The Red Sandy Loam Laterile soil which is deficient in phosphorous and nitrogen is found all over the district, mostly at the foothills and hillocks. In Bhawanipatna and Dharmagarh Tahsils, occurrence of heavy soil is common. It is rich in Potassium and Nitrogen but poor in phosphorous. Sandy Loam soil is seen in Lanjigarh and parts of Bhawanipatna tahasils. The soil on the river bank of Tel, Udanti, Utei and Sagada are alluvial, sandy and sandy loam. The fertility of the soil in Dharmagarh Jaipatna Tahsils area is high. The percentage occurrence of the major soil types are as follows: Red soil- 31.63%, Black clay- 15.93%, Clay and Sandy loam- 54.44%.

#### **4. Climate and Rainfall:**

The average annual rainfall of the district is 1996.5 MM. The monsoon starts in late June and generally lasts up to September. The rainfall is much erratic in the plain area punctuated by long dry spells. The climate of Kalahandi District is like that of Central Indian type where summer season is prolonged and severe with a brief spell of winter which is the main cause of drought being a normal feature of the district. There are large variations in the day and night temperatures. The summer season starts from the beginning of March. May is the hottest month of the year where the maximum temperature reaches about 45 degree celsius. December is the coldest month where the mean of daily minimum temperature is recorded at 11 degree celsius.

#### **5. Administrative set up:**

As per the administrative set up, Bhawanipatna is the district headquarters of the district. There are two Sub-Divisions in the district namely Bhawanipatna & Dharmagarh. There are 13 Tehsils in the district. There are 13 CD Blocks in Kalahandi district viz. Bhawanipatna, Dharmagarh, Golamunda, Jayapatna, Junagarh, Kalampur, Karlamunda, Kesinga, Koksara, Lanjigarh, M. Rampur, Narla and Th. Rampur. There is one Municipality and 3 NACs in the district. There are 17 Police Stations, 11 Fire Stations, 310 Gram Panchayats, 2253 Villages & 5 Assembly areas in the district.

#### **6. Education:**

As we go through the educational scenario of the District, it has got 101 colleges and one engineering college. Besides these institutions, there are 2 Polytechniques, 11 ITIs, 1571 Primary Schools, 783 Upper Primary Schools & 362 Secondary Schools in the district.

#### **7. Mineral Resources:**

A great variety of major minerals like Bauxite, Graphite, Galena, Precious Stone (Ruby), Semi-precious stone (Lolite) and specified minor minerals like Quartz, Feldspar & Decorative Stones (Granite) are available in the district. Graphite has been commercially exploited.

#### **8. Water Resources:**

Kalahandi district mostly depends upon the rivers for surface water. Tel is the longest and most important river of the district. The tributaries of river Tel are Moter, Hati, Sagada, Utei, Udanti which are also the other important rivers in the district. The rivers are rain-fed and go dry during summer. However, with the commissioning of Indravati Water Project, second biggest in the state, the landscape of southern Kalahandi has changed leading to two crops in a year. Because of this, blocks like Kalampur, Junagarh, Jaipatna & Dharmagarh have become the leading producers of paddy in district.

## 9. Forest Resources:

Forests occupy 32.07% of the total geographical area in the district. The principal species generally found are sal, bamboo, teak and other mixed varieties. Cotton is widely cultivated in areas of Kesinga, Bhawanipatna and Golamunda blocks. Forest based products like Mahua, Kendu-Leaf, Wood, Timber and Bamboos also contribute to local economy largely. Kalahandi District supplies substantial raw materials to paper mills in neighbouring Rayagada District. Kalahandi is a potential district for bamboo cultivation.

## 10. Culture & Heritage:

This District is rich in culture. The cultural heritage of Kalahandi is reflected in its vibrant art forms. There are nineteen art forms in the district such as **Ghumura**, Bajashal, Banabadi, Singh Baja, Madli, Dandari, Paik Akhada, Ghodel, Podmara, Salap Nishan, Dhap, Suanga, Baria, Sankha Vadya, Ghanta Vadya, Sankirtan, Palla, Daskathia & Rahas.

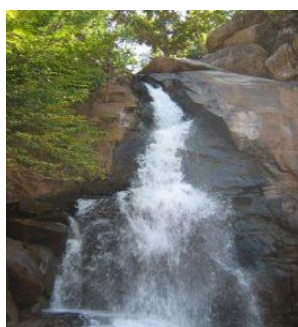


Ghumura

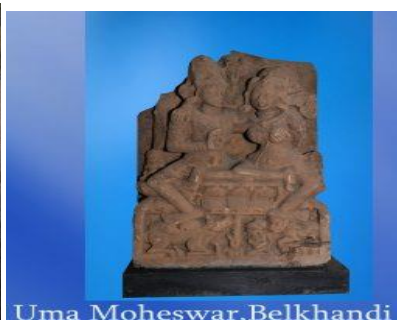
Kalahandi District celebrates many festivals round the year. Chhatra Jatra in Bhawanipatna, Deepawali, Rathajatra, Shivaratri, Holi, Janmastami, Ramanabami are the famous festivals celebrated by local people with fun and fair. There are also some other local festivals like Khandabasa, **Nuakhai**, Amnuan, Kandulnuan, Seminuan, Dumernuan, Kalahandi Utsav, Ghanta Jatra that are celebrated in the District.

## 11. Tourist place:

There are various historical places to be visited in Kalahandi district. Places like Ampani ( scenic spot hill & forest); Asurgarh (historical sites & ancient fort); Belkhandi (religious centre of God Shiva); Phurlijharan (Waterfall); Gudahandi (waterfall ,hill, forest); Junagarh (historical sites & ancient town) etc.



Phurlijharan Waterfall



Uma Moheswar, Belkhandi

## 12. Infrastructural Facilities:

An extensive & reliable infrastructure network is the primary requirement for sustainable economic growth of the district. It not only facilitates functioning of the economy & social sectors, but also accelerates economic development. The District has National Highway of 206 km & State Highway of 241 km in addition to other district & rural roads. The length of Railway line in the district is 93 km. Kalahandi District has immense scope for improving the extent & quality of its infrastructure facilities in the field of agriculture, food & safe drinking water, education, health care etc. Such interventions are crucial to enhance the standard of living of the people in the district.

## 13. Industries:

The district has two prominent large scale industries namely M/s. Vedanta Alumina (P) Ltd., Lanjigarh and M/s. Konark Cotton Growers, Kesinga. M/s. Vedanta Alumina (P) Ltd has its significance to boost the economy of Kalahandi district. There are 10290 MSMEs functioning in the district. There is good scope for Vendorisation / Ancillarisation of the Industries.

## 14. Handicrafts:

Having an ancient tradition of making splendid pieces of art by hands, Kalahandi artists have long been presenting their awe inspiring master pieces to the world. There are a lot of handicrafts that have been running as the life force in the cultural land of Kalahandi. Some of which include Wood Work, Stone Carving, Terracotta, Bamboo craft etc.



Wood craft



Terracotta



Bamboo craft



Stone Carving



## Chapter – V

### Resource Analysis

Planning is the cutting edge of economic development. The economic development of a region is directly related with the availability of resources like agriculture, horticulture, fisheries, forestry, animal husbandry etc. Therefore, it is necessary to see that the available resources are allocated to different developmental sectors in a prudent and judicious manner. For ensuring growth in different sectors, it is essential to improve the connectivity in the form of infrastructural service facilities like health, social welfare, rural connectivity etc. Considering the socio-economic conditions of the people and the felt needs of the people, priorities need to be attached to certain developmental sectors. Thus, resource is a potential wealth and it is to be planned suitably for its effective utilization. The main objectives of resource planning are to unite the various organizations involved in the process of development in directing their efforts in a planned manner in accordance with potentialities available for exploitation and to enable optimum utilization of these scarce resources by channelling them into sectors with growth potential.

In this chapter, a brief resume has been attempted to analyze available resources for further development of the district. The analysis of resources has been categorized into human and physical resources.

#### **A. Human Resources**

The availability of quality and trained human resources is considered as a very important factor as it organizes all other factors of production efficiently for an optimal output.

##### **1. Population:**

As per 2011 Census, the total population of the district is 15, 76,869 out of which 7, 87,101 are males and 7, 89,768 are females. The rural population of the district is 14, 54,882 & that of urban population is 1, 21,987. The sex ratio is 1003 females per 1000 males against the state average of 979 females per 1000 males. The density of population is 199 per sq. km. The share of ST population in the district is **28.50%** against the state average of 22.85%. Similarly, the share of SC population in the district is 18.17% against the state average of 17.13%. The decadal population growth (2001-2011) is 18.07 % in the district against the state average of 14.05%. The comparative statistics on population is given in the table below.

**Table – 1****Comparative Statistics on Population as per 2011 Census of Kalahandi District**

<b>Sl. No.</b>	<b>Item(s)</b>	<b>Kalahandi</b>	<b>Odihsa</b>
1.	Total Population	1576869	41974218
2.	Male Population	787101	21212136
3.	Female Population	789768	20762082
4.	Rural Population	1454882	34970562
5.	Urban Population	121987	7003656
6.	ST Population	449456	9590756
7.	SC Population	286580	7188463
8.	Sex Ratio (No. of females per 1000 males)	1003	979
9.	Decadal Population Growth (2001-2011)	18.07	14.05
10.	Density of Population (Per sq. km.)	199	270

Source: Census 2011

**2. Literacy:**

In Kalahandi district, as per 2011 Census, only **59.22** % of the population is literate. The male literacy rate is 71.90% and that of female is 46.68%. The female literacy rate is much lower than the state average of 64%. At present, there are 1571 Primary Schools, 783 Upper Primary Schools and 362 Secondary Schools in the district. There are 101 colleges in the district. In terms of technical education, this district is very poor. Hence, for human resources development, some more technical colleges are required to be set up so that the local youths would get trained which will make them self-employed for establishment of MSMEs.

**3. Occupational Pattern:**

Manpower planning is the need of the hour. Without quality manpower, work suffers and in this process, adequate resource potential cannot be utilized for the purpose. Amelioration of poverty and reduction in unemployment continue to be the prime objective of development planning. In order to achieve these twin objectives, several self-employment and wage employment programmes have been launched both in rural and urban areas in the district to benefit particularly economically backward and socially vulnerable target groups. The problem of unemployment among educated youths who generally seek employment in Government and Semi-Government Offices, PSUs, Factories, Business establishments etc. is more acute. Although it aimed to achieve near-full employment, the problem of unemployment still persists.

Manpower planning at different levels includes the need for manpower for different categories. As per 2011 Census, the total labour force in Kalahandi district is 751930. The table below gives the picture of occupational pattern of the district.

**Table- 2**  
**Occupational Pattern of Kalahandi District (2011 Census)**

Sl. No.	Category of Workers	No.
1.	<b>Main Workers</b>	<b>376757</b>
	Male	299835
	Female	76922
2.	<b>Marginal Workers</b>	<b>375173</b>
	Male	147455
	Female	227718
3.	<b>Total Workers ( Main + Marginal)</b>	<b>751930</b>
4.	Cultivators	144991
5.	Agricultural Labourers	436733
6.	Workers in Household Industries	18453
7.	Other Workers	151753

Source: Census 2011

#### 4. Employment:

The problem of educated unemployed is a serious phenomenon in recent years. It is found among educated persons in general. The district has an employment exchange. The Employment exchange apart from functioning as the agency for placement deals with the other related activities such as registration of names of candidates and submission of names against vacancies notified. It is also responsible for the collection of statistical reports / returns relating to any employment and unemployment and implements various programmes concerning Vocational Guidance and Employment Counselling, Employment Market Information etc.

However, as regards uneducated unemployed who remain in the remote areas of the district, the employment exchange does not have the scope to enter their names in the live register of employment exchange. The employment exchange gives a partial figure. However, the fact remains that there is acute under employment in the district and steps need to be taken to provide part-time employment to a large number of persons during off seasons.

The break-up of Registration made, Placements and Live Register (LR) Position of the District as on 31.12.2018 is as follow:

**Table- 3**

Sl. No	District	2018		
		Registered during the year	No. of Placements	No. of applicants remained in LR as on 31 <sup>st</sup> December
1	Kalahandi	2259	55	28824

Source: Directorate of Employment, Odisha

## **State Employment Mission:**

As a part of the State Employment Policy 2005, an Employment Mission has been proposed the objectives of which are highlighted below viz;

### **Objectives of State Employment Mission**

The main objectives of the 'Mission' are as follows:

- i) To facilitate generation of adequate employment opportunities through a policy framework.
- ii) To recommend and initiate bold steps for infrastructure development which would open up avenues for self-employment and create a conducive atmosphere for sustainable wage employment.
- iii) To act as a catalyst in opening of marketing opportunities for commodities and goods produced in the state.
- iv) To mount special drive for creation of self-employment opportunities particularly in agriculture and allied sectors and small-scale industries, handicraft and cottage industries and in the IT sector.
- v) To encourage and facilitate training of young entrepreneurs on development of small-scale and cottage industries.
- vi) To monitor generation of employment in different sectors and programmes.
- vii) To facilitate launching of training programmes for both uneducated and educated unemployed persons for up gradation of their skill.
- viii) To formulate area and trade specific strategies for maximizing employment opportunities on a sustainable basis in the state.
- ix) To facilitate proactively substantial wage employment for various development activities with special emphasis on creation of community and individual assets. Sectors like forests, watershed development, rural communication and land development among others would receive priority.
- x) To facilitate a coordinated approach in achieving the above objectives through convergence of various ongoing schemes for maximizing the benefits overtime and in reaching out to the most needy sections of the population.

### **New and Innovative Self-Employment Programmes (SEPs)**

- i) Development Departments would formulate more proactive and innovative self-employment programmes so as to provide self-employment and wage-employment opportunities to the youth. Such schemes shall contain training component for up gradation of skill and entrepreneurial ability.
- ii) Assistance would be provided to educated unemployed persons for their self-employment in urban and rural growth centres in the services and small business sectors.
- iii) Development of infrastructure for marketing shall be given utmost priority.
- iv) Export promotion in Handloom, Coir & Cottage Industries would be given priority.

- v) Handicraft artisans and Handloom Weavers would be assisted with a particular emphasis on market orientation and linkage with the SME sector.
- vi) Special measures would be initiated for improving the skills of young persons in order to improve their employability.
- vii) Ancillarisation of large industries and promotion of downstream industries would receive priority of attention. Employment Exchanges in various districts would be re-organized for counselling for self-employment programmes (SEPs).

## **B. Material/Physical Resources:**

### **1. Agriculture:**

In Kalahandi district, almost 92 % of the population lives in rural areas and 77% of workforce is engaged in agriculture sector. The average size of land holding in the district is 1.30 hectare. Agriculture forms the major economic activity of the people in the district. The soil type and climate is suitable for both horticulture and agriculture crops. Paddy is one of the major cereal crops in the district. The major crops in the district consists of Paddy, Sugarcane, Groundnut, Moong, Sweet Potato, Potato and Biri.

Agriculture and allied sector of the district provides a source of livelihood to a large share of the population. It is likely that the economy of the district would remain largely agrarian in coming years also. Agriculture will remain as the major source of living for the majority of population of the district. In this respect, the agriculture and allied sector has to be developed in order to meet the increasing demand for food and livelihood opportunities. One of the major challenges in this sector is ensuring the food security of the population. Food security is not confined to the availability of the food alone. But it includes the accessibility to food to all sections of the society. Food availability must be supported with purchasing power of the people. Agriculture and allied sector can play a very important role in improving purchasing power of the people. Therefore, it is essential that strategies for development of this sector must focus on generating higher income and greater on-farm and off-farm employment opportunities. The sector has to positively respond to the changing food habit of the population also. A major trend observed in the food habit is the increase in the consumption of meat and meat products, inclusion of vegetable and fruit in the consumption basket. The production and productivity of major crops has to be increased so as to meet the increased demand.

#### **1.1 Soil, Climate & Rainfall:**

The major soil type found in Kalahandi district is **black soil** with more clay content (Vertisols), matured unaltered soils with coarse parent materials (Entisols), red and lateritic soil (Alfisols). The climate of the Kalahandi district is of extreme type. It is dry except during monsoon. The maximum temperature of the District is 45 degree celsius whereas the minimum temperature recorded is 4 degree celsius. The monsoon starts late in June and generally lasts up to September. The average

annual rainfall in the district is 1996.5 mm. There are 10 Agro Climatic Zones in the state of Odisha & Kalahandi falls into Western Undulating Zone. The details are as follow:

**Table – 4  
Agro Climatic Zone**

Sl. No	Agro Climatic Zone	District Covered	Crops Grown
1.	Western Undulating Zone	Kalahandi	Paddy, Maize, Ragi, Small millets, Moong, Biri, Arhar, Gram, Lentil, Groundnut, Castor, Sunflower, Mustard, <b>Cotton</b> , Chillies(dry), Onion, Sweet Potato, Vegetables, Mango, Jack fruit, Guava, Ber, Bael, K. Lime etc.

### 1.2 Area & Production of Different Crops:

A large number of crops are grown in Kalahandi district. The table below gives the Area & Production of different agricultural crops in the district.

**Table- 5  
Area & Production of Different Crops Grown during 2018-19 in Kalahandi District**

Sl.No	Name of Crop	Area(in 000 Ha)	Production(in 000 MT)
1.	Rice	211.76	460.64
2.	Wheat	0.05	0.10
3.	Maize	9.12	31.89
4.	Ragi	0.82	0.80
5.	Jowar	0.01	0.01
6.	Small Millets	1.00	0.54
<b>Total Cereals</b>		<b>222.76</b>	<b>493.98</b>
7.	Moong	72.25	35.45
8.	Biri	49.09	26.24
9.	Arhar	23.54	24.01
10.	Gram	7.56	5.71
11.	Field Pea	1.52	1.16
12.	Lentil	2.00	1.04
13.	Cow Pea	0.14	0.10
14.	Kulthi	18.16	8.44
15.	Other Pulses	20.67	10.03
<b>Total Pulses</b>		<b>194.93</b>	<b>112.18</b>
<b>Total Food grains</b>		<b>417.69</b>	<b>606.16</b>
16.	Groundnut	13.75	24.12
17.	Sesamum	1.92	0.82
18.	Castor	1.33	0.91
19.	Sunflower	1.22	1.52
20.	Safflower	0.22	0.13
21.	Niger	7.91	2.88
22.	Mustard	11.21	4.84
23.	Linseed	1.45	0.75
<b>Total Oilseeds</b>		<b>39.01</b>	<b>35.97</b>
24.	Mesta	0.11	0.60
25.	Sun hemp	0.10	0.55
26.	Cotton	58.42	168.04
<b>Total Fibres</b>		<b>58.63</b>	<b>169.19</b>
27.	Sweet Potato	0.39	3.38

28.	Potato	0.20	2.40
29.	Onion	2.37	28.44
30.	Other Vegetables	20.07	301.15
<b>Total Vegetables</b>		<b>23.03</b>	<b>335.37</b>
31.	Chillies (Dry)	2.77	2.41
32.	Corriender	0.78	0.37
33.	Garlic	0.48	1.57
34.	Turmeric	0.96	4.90
35.	Ginger	0.10	0.69
36.	Other Spices	0.29	2.24
<b>Total Condiments &amp; Spices</b>		<b>5.38</b>	<b>12.18</b>
37.	Sugarcane	1.45	108.55

Source: Directorate of Economics & Statistics, Odisha

## 2. Land Utilization:

Land is the first and foremost factor of production in any economic activity. So, land is a vital resource. Underdeveloped land is a drag on the cultivator and needs to be brought into cultivable status. In order to ensure better yields from high land and low rainfall areas, dry land farming technology is being implemented on a priority basis. In the event of drought, dry land farming and watershed development programme become crucial. The table below gives the land utilization pattern of Kalahandi district.

**Table – 6**  
**Land Utilization Pattern of Kalahandi District in 2018-19**

Sl.No.	Items	Area (in 000 hectares)
1.	Land put to Non-Agricultural Use	35
2.	Barren &Un-cultivable Land	57
3.	Current Fallow	16
4.	Other Fallow	16
5.	Culturable Waste	21
6.	Permanent Pasture	23
7.	Misc. trees & Grooves	8
8.	Net area Sown	362

Source: DES, Odisha

Farm Mechanization contemplates use of available modern machinery and equipment for various agricultural operations and mechanization of selected farm operations is a key factor in successful implementation of an intensive farming system. Mechanizing the drudgery of agricultural operation especially during peak labour load period would enable timely completion of various operations which would result in remarkable increase in labour productivity and farm output. The impact of mechanization would facilitate adoption of multiple cropping, use of yield increasing technology and more profitable crop rotation.

## 3. Irrigation:

Irrigation has played a vital role in the growth and development of agriculture in the district. The Irrigation Potential Created (IPC) in Kalahandi district during 2018-19 is given in the following table.

**Table – 7**  
**Irrigation Potential Created (IPC) in Kalahandi District in 2018-19**

(Area in '000 Ha.)

Sl.No.	Particulars	Kharif	Rabi
1.	Major & Medium	123.19	72.06
2.	Mega Lift	9.11	0.00
3.	Minor Flow	44.23	5.99
4.	Minor Lift	54.15	25.12

Source: DES.

#### 4. Fertiliser Consumption :

Fertilizer use is one instrument implemented as a means of raising agriculture production and yield. There are many studies which show fertilizer use impacts agricultural output, although in recent times, some evidence of the negative effect of overusing chemical fertilizers has also gained credence. Hence, a balanced use of fertilizers is the key to better crop production and maintaining soil health. The table below gives consumption of fertiliser in Kalahandi district.

**Table – 8**  
**Fertiliser Consumption in Kalahandi District in 2018-19**

Sl. No.	Nitrogenous (MT)	Phosphatic (MT)	Potasic (MT)	Total (MT)	Fertiliser Consumption ( Kg/Hect)
1	23961	11107	4847	39915	70.18

Source: DES, Odisha

#### 5. Land Holdings:

Agricultural productivity very much depends on the size of land holdings. Fragmented and very small sizes of land holdings reduce productivity due to problems in using modern methods of farming. About 87% of operational holdings represent marginal and small holdings. The average size of operational land holding in the district is 1.30 ha. The land holding pattern of Kalahandi district is reflected in the table below:

**Table – 9**  
**Land Holding Pattern of Kalahandi District**  
(As per Agriculture Census 2015-16)

Sl.No.	Item(s)	No.of holdings	Area (Ha.)
1.	Marginal (<1.0 ha)	132331	84764
2.	Small (1-2 ha)	45574	78641
3.	Semi-Medium (2-4 ha)	20988	62721
4.	Medium (4-10 ha)	5487	32639
5.	Large (>10 ha)	438	8687
6.	All Sizes	<b>204818</b>	<b>267452</b>
7.	SC Holdings	33180	33168
8.	ST Holdings	73239	101577
9.	Average size of holdings	-	<b>1.30</b>

Source: Agriculture Census 2015-16



## 6. Horticulture:

The agro-climatic conditions in the district are immensely suitable for fruit crops like Mango, Guava, Jackfruit, Anola, Bael, Ber, Sapota, Papaya etc. and flowers like Marigold & Rose and also plantation crops like Coconut, Cashew etc. The productivity trend for fruits, ornamental & plantation crops are shown in the tables below:

**Table – 10**  
**Area and Production of different Fruit Crops in the district:**

(Area in Ha.)  
(Production in MT)

<b>District- Kalahandi 2018-19</b>			
<b>SL.No</b>	<b>Name of Fruit Crops</b>	<b>Area</b>	<b>Production</b>
1.	Anola	122	49
2.	Banana	876	18413
3.	K. Lime	1162	11004
4.	Other Citrus	16	116
5.	Guava	1580	10598
6.	Litchi	81	321
7.	Mango	11413	45797
8.	Papaya	96	1884
9.	Pineapple	42	377
10.	Pomegranate	8	26
11.	Sapota	46	275
12.	Jack Fruit	615	11954
13.	Bael	432	2788
14.	Ber	364	1972
15.	Other Fruit Crops	865	4368
	<b>Total</b>	<b>17718</b>	<b>109942</b>

Source: Directorate of Horticulture, Odisha

**Table – 11**

### **Area & Production of Ornamental Crops 2018-19**

Area in Ha.  
(Production: Marigold/Tuberose in MT,  
Rose in lakh stems & Gladioli in lakh spikes)

<b>Sl.No</b>	<b>Crops</b>	<b>Area</b>	<b>Production</b>
1.	Rose	75	127
2.	Gladioli	59	59
3.	Tube Rose	6	11
4.	Marigold	130	1156

Source: Directorate of Horticulture, Odisha

**Table-12**

### **Area & Production of Plantation Crops 2018-19**

(Area in Ha.)

<b>Sl.No</b>	<b>Crops</b>	<b>Area</b>	<b>Production</b>
1.	Coconut	410	( in Lakh Nos.) 18
2.	Cashew Nuts	260	(production in MT) 86

Source: Directorate of Horticulture, Odisha

However, there is a possibility for growing a diversified basket of fruits, flowers & plantation crops whose potential has not yet been exploited.

### **Suggestions:**

The following suggestions, if implemented, may further improve the sector in the district:

- Increasing land coverage under horticulture crops by bringing in barren and uncultivable land under plant coverage (mango, citrus etc.) through micro irrigation practices.
- Increasing the area under Tuber crops like Sweet potato and ensuring food security of the people in the district.
- Attaining self-sufficiency in production of quality planting materials of various Horticulture crops such as vegetables, fruit and Tuber crops etc. by encouraging Private entrepreneurship for setting up of Nurseries through the programmes of National Horticulture Mission.
- Increasing area under Floriculture by encouraging cultivation of Marigold, Gladioli, Rose, Tube rose etc. especially in Tribal sub-plan area.
- Improved management of waste land and degraded and rain fed farming lands through watershed programmes and improving livelihoods of marginalized/ small farmers and landless families.
- Sustainable use of waste lands and horticulture land for increased plantation of cashew, fruit bearing plants and underneath shade crops.
- Diversification of crops by bringing more area under vegetables.
- Incentives to farmers for growing vegetables and linking them with retail stores in urban and semi-urban centers.
- Promoting Farmer Markets in rural and urban centres for removing middle men in the vegetable trade and facilitating farmers to access direct marketing facility.
- Building cold storage facilities in all major market centres especially in all blocks, for storage of vegetables for marketing.

### **Government initiatives through Schematic Intervention:**

#### **(a) Krushak Assistance for Livelihood and Income Augmentation (KALIA):**

Financing agriculture & insuring the cultivators is essential to eradicate poverty & to boost shared prosperity of the State. Through the implementation of KALIA scheme, the State Government aims to lend farmers with an all inclusive and flexible support system, ensuring accelerated agricultural prosperity. At the heart of a progressive scheme like KALIA lies the motivation to empower the farmers of the state with finance options that will enable the growth & development of agriculture in Odisha. Enhancement of the accessibility to suitable financial services will further ensure agricultural productivity & increase income among farmers, particularly the small & marginal land holders.

KALIA scheme has five key components such as (i) Support to Cultivators for Cultivation, (ii) Livelihood Support for Landless Agriculture Households (iii) Financial Assistance to Vulnerable

Agricultural Households (iv) Life Insurance Support to Cultivators and Landless Agricultural Labourers & (v) Interest Free Crop Loan. In this scheme, the assistance is directly transferred to the accounts of the beneficiaries.

**(b) Odisha Farmer Producer Organizations (FPOs) Policy:**

Launched during Krushi Odisha 2018, the objective of the scheme is to make the State the most sought after destination for agri-business and food processing sectors with focused attention and handling support to Farmer Producer Organisations (FPOs) in production and aggregation. The State has also come up with a dynamic FPO policy and signed MOU with organizations like Navkisan Trust to take it forward.

**(c) Millet Mission:**

In order to provide nutritional security, the Millets Mission programme was strengthened for promotion of millets in the State. Steps have been taken for procurement of millets from the farmers under the millets mission programme to provide remunerative price to the millets farmers.

**(d) Price Support System (PSS):**

With a view to provide remunerative prices to the farmers for non-paddy crops namely, green gram, black gram, arhar, groundnut and sunflower, the Price Support Scheme has been introduced for these crops through involvement of NAFED in the State. The above crops are procured from the farmers of the State through MARKFED.

**(e) Soil Health Management:**

Soil testing has become an important aspect to boost production and productivity. Static & Mobile soil testing laboratories have been established in the state for enhancing the soil testing capacity.

**(f) Organic farming:**

It is being promoted under Paramparagat Krishi Vikas Yojana. During 2018-19, State Organic Farming Policy was brought into force with an objective to promote organic farming. This is a good step towards achieving sustainability.

**(g) Crop Insurance:**

To popularise enrolment under crop insurance by non-loanee farmers, massive capacity building and awareness generation programme have been taken up across the State to bring more farmers under crop insurance.

**The State Agricultural Policy – 2020**

The objective of Agriculture Policy of 2020 is to ensure continuous growth in farmer's income, making the growth process inclusive of small and marginal farmers, landless farmers and ensuring sustainable, stable and scalable agricultural growth. The sector specific strategy in the policy is designed on eight pillars: "SAMRUDHI".

- S: Leveraging Science and Technology
- A: Adaptation to climate change
- M: Markets (domestic and global), physical and financial, sport and future
- R: Resource use efficiency ensuring higher productivity
- U: Up scaling appropriate infrastructure
- D: Diversification of production to high value agriculture
- H: Human resource upgrading and skilling
- I: Strengthening Institutions

## 7. Forests:

Forests are the lifeline of the environment & human settlement. Forests play a vital role in maintaining ecological stability & contribute significantly to the local economy, especially by providing livelihood support to forest dependent socially backward communities, mostly the scheduled tribes.

Kalahandi District is very ideal for farm forestry due to suitable agro-climate conditions & abundant availability of degraded/ waste land. The species like Sal, Bija, Bamboo, Teak, Sandalwood, Acacia, and Eucalyptus etc. have come up well in the forest. In fact, Eucalyptus and Acacia have already become very popular in the district. Similarly, Wasteland can be brought under vegetative cover with reasonable effort, which is currently unutilized. Further, the condition of the land is deteriorating for lack of appropriate water and soil management practices or on account of natural calamities.

The total geographical area & forest area in the district are 7920 sq.km & 2538.01 sq.km. respectively. The percentage of Forest area to Geographical area is 32.05. The details of forest area are as under:

**Table – 13**  
**Forest Area in Kalahandi District**

(in Sq. Km)

Name of District	Geographical Area	Total Forest Area	Forest Land under control of Forest Department				
			Reserve Forest	Un-Classified Forest	Demarcated Protected Forest	Un- demarcated Protected Forest	Other forests
Kalahandi	7920	2538.01	1449.03	0.54	488.51	313.37	286.56

Source: DES, Odisha

### Suggestions:

The following suggestions, if implemented, may further increase the forest coverage & forest produce in the district:

- Increasing the forest cover on forest land through planting of additional trees and promoting vegetation and undergrowth.

- Planting of more trees outside forest land in rural and urban areas especially on community parks, along the roads, canals, etc.
- Updating land records and demarcation of forest area in the district.
- Reducing shifting cultivation through provision of alternate employment opportunities to the tribes.
- Initiating forest protection measures with wider community participation.
- Promoting the collection and marketing of Non Timber Forest Based Products (NTFPs) for sustainable use of forest resources.
- Increasing value addition of Forest Produce (including NTFPs and medicinal plants) and increasing the overall turnover from the forest sector and the share of income accruing to primary collectors.
- Promotion of Vana Samrakshana Samitis (VSS) with active involvement of local community especially tribes.
- Promotion of collective marketing of Minor Forest Produces (MFPs).
- Facilitating communities for development and management of Common Property Resources like Irrigation tanks, Ponds, Streams etc.
- Sensitizing tribal community to adopt soil and water conservation measures.
- Empowering the local community on sustainable management of forest resources through participatory forest management.

#### 8. Fisheries:

The fisheries & aquaculture sector is considered as a sunrise sector which has huge potential for greater contribution to the local economy. It is a significant employment generator. The district has the potentiality for the growth of inland fisheries. Fish production in the district mainly depends on Ponds/ Tanks, Rivers & Rivulets, Swamps & Water logged area. During the year 2018-19, fish production in the district was 25421 MT.

**Table – 14**  
**Production of Fish in Kalahandi District in 2018-19**

2018-19	Production ( in MT)
Fresh Water	25421
Brackish Water	0
<b>Total</b>	<b>25421</b>

*Source: O/o Directorate of Fisheries, Cuttack*

#### Suggestions:

The following suggestions, if implemented, may further lead to development of this sector in the district.

- Create and promote investment in infrastructure to support the development of fisheries and diversification of fish varieties.

- Distillation and de-weeding of tanks, biological and manual control methods to address infiltration of tanks and making them suitable for promoting inland fishing.
- Renovation of all Gram Panchayat Tanks and construction of additional Farm ponds for use of Pisciculture activities in the district.
- Lease of major tanks and water bodies for longer terms for commercial fishing for 5 to 10 years.
- Construction of captive nursery tank both in government and private sector for production and supply of fingerlings/yearlings to fish farmers and establishing fish-seed hatcheries in the district.
- Revival of all existing fish farmers' development societies and establishing linkages with banks and other micro financial institutions for accessing credit at par with agriculture.
- Establishing extension services and disease diagnostic centers in major production centers.
- Public awareness and education programmes in promoting better breeds.
- Establishing hygienic market facilities including cold storages and promoting retail sales of fish products.
- Modern processing methods like filleting, boneless meat and developing linkages with retail markets.
- Promoting the welfare of the district's fish farmers through investments in housing, education, health and social security.
- Capacity building of Fish farmers through training on Scientific Pisciculture practices.

### **Government Initiatives**

#### **(a) Odisha Fishery Policy, 2015:**

The Government issued the latest Odisha Fishery Policy in 2015, which offers great opportunities for development of fresh water, brackish water and marine fisheries in the State.

#### **(b) Matsya Pokhari Yojana**

The scheme was introduced in 2017-18 for taking up fresh water fish production creating new water bodies with unit cost of Rs 8.50 lakh/ ha with 50% subsidy assistance.

#### **(c) Matsyajibi Unnayan Yojana**

The scheme envisages providing awards to meritorious children of fishermen community and financial assistance to fisherwomen SHGs.

### **9. Animal Husbandry:**

Kalahandi district is having a very good scope for development of Animal Husbandry Sector. In view of the large number of small size land holdings, the animal husbandry sector is considered ideal for generating employment opportunities both as main and supplementary enterprise for small and marginal farmers, women and land less agricultural labourers in the district. The district has tremendous potential for promotion of sheep/ goat and pig farming due to its agro climatic conditions and topography. The increasing demand for meat makes sheep/ goat rearing a highly lucrative profession.

Diary is another important source of income for small/marginal farmers and agricultural labourers. Cattles and Buffaloes are the main assets of agriculture and their contribution to the agricultural economy is very substantial. Milk is an important source of animal protein and is known for its nutritional value. Vitamins and minerals present in milk, together-with carbohydrate and fat make it a wholesome food for human beings.

The tables below show the livestock population, milk & egg production & number of Veterinary Institutions available in the district.

**Table – 15**  
**Livestock Population in Kalahandi District as Per 2012 Census**

Sl. No.	Category of Livestock Population& Poultry	Number
1.	Cattles	310875
2.	Buffalo	43765
3.	Sheep	79939
4.	Goat	216924
5.	Pig	3727
6.	<b>Poultry</b>	584055

Source: Livestock Census 2012

**Table - 16**  
**Milk, Egg & Meat Production in Kalahandi District**

Sl.No	2017-18			2018-19		
	Milk (000'MT)	Egg (Lakh No)	Meat (000'MT)	Milk (000'MT)	Egg (Lakh No)	Meat (000'MT)
1.	55.22	458.23	3.03	62.68	681.48	3.28

Source: DES, Odisha

**Table – 17**  
**Number of Veterinary Institutions in Kalahandi District  
(2018-19)**

Sl.No.	Name of Veterinary Institutions	Number
1.	Hospitals & Dispensaries	21
2.	Livestock Aid Centres (LACs)	137

Source: Directorate of Animal Husbandry & Veterinary Services, Odisha

**Suggestions:** The following suggestions, if implemented, may further lead to development of this sector in the district.

- Improving the productivity of livestock resources by provisioning better feed practices & by extending animal care services and breeding facility.
- Provision of Artificial Insemination service and upgrading indigenous cows/ buffaloes per year and increasing the cross breed buffaloes and cows.
- Provision of veterinary extension services at the door steps of farmers. Promotion of health camps and fodder supply camps and establishment of stock points for fodder for lean periods/ drought periods.

- Supply of more cows/ buffaloes per year to the farmers through various dairy development schemes.
- Establishment of fodder seed farm in all blocks.
- Tripling the milk production from the present level of 62.68 (000'MT) to 188.04 (000'MT).
- Establishment of cold storage facility in various blocks.
- Strengthening the existing network of milk collection networks connecting rural areas to milk chilling centres for direct access of market to rural producers and better price to milk products.
- Promoting and encouraging farmers to increase poultry farms and increasing the number of poultry birds.
- Doubling the egg production from the present level of 681.48 (Lakh.No.) to 1362.96 (Lakh. No.)
- Doubling the meat production from the present level of 3.28 (000'MT) to 6.56 (000'MT).
- Promote farmers to grow maize, jowar and other millets in degraded land and link them to poultry as feed.
- Increasing the infrastructural facilities like cold storages, cleaning, grading and packing of eggs for both internal and external markets.
- Encourage farmers to undertake sheep/ goat/ pig farming on commercial basis and double the meat production.
- Establish cold storage facility in all major production centres for providing storage facility for meat and meat products.

#### **Government initiatives for Livestock:**

- **Mobile Veterinary Unit (MVU):**

MVUs are operational in all the blocks of the State. The MVUs are operating for 20 days in a month and conduct one camp covering at least two villages per day from Monday to Saturday.

- **Genetic Improvement of Cattle and Buffalo:**

State government has given priority to this scheme for enhancement of income of farmers through artificial insemination for genetic improvement of indigenous cattle and buffalo.

- **Mukhya Mantri Krushi Udyog Yojana (MKUY)**

Under this scheme, a beneficiary can apply for minimum 10,000 bird capacity for layer farming or 4000 bird capacity for broiler farming. This is a simple transparent online method. In this scheme, a General category farmer can avail subsidy up to 40% and Women SC/ST farmers can avail subsidy up to 50% subject to maximum of Rs. 50 lakhs for any project.

#### **10. Food & Agro Processing:**

Post-harvest technology & management plays a very crucial role in value addition to agriculture & has been identified as a thrust area by Govt. of India. Processing is necessary in order to increase the shelf life of perishable commodities so as to make them available through the seasons. Processing also facilitates value addition. Therefore, the agro processing industry/projects assume a lot of importance. The state government has recognised Food & Agro Processing sector as one of the



focus sectors for sustainable growth of industries and the economy of the state. This sector is labour intensive in nature and can generate large employment opportunities in the State. The main food processing industries in the district of Kalahandi are Rice, Oil and Dal processing. In view of the availability of plenty of raw-materials in the district, there is high potential for processing of agro & food products.

### 11. Mines & Minerals:

A great variety of major minerals like Bauxite, Graphite, Galena, Precious Stone (Ruby), Semi-precious stone (Lolite) and specified minor minerals like Quartz, Feldspar & Decorative Stones (Granite) are available in the district. Graphite has been commercially exploited.

**District Mineral Foundation (DMF):** The Odisha District Mineral Foundations Rules, 2015 have been framed and notified by the State Government and was last amended on 20th September 2018. District Mineral Foundations came into existence w.e.f. 12th January 2015. The guidelines on 'Pradhan Mantri Khanij Kshetra Kalyan Yojana' (PMKKKY) were incorporated into the DMF Rules with the objective to work for the interest and benefit of persons and areas affected by mining related operations. Accordingly, District Mineral Foundation Trusts have been constituted in all 30 districts with the Collector as the Chairperson of the Trust and with other designated members.

### 12. Tourism:

The sector has rich potential of employment – direct and indirect, as also income generation, foreign exchange earnings and value addition to the State economy. By an estimate, tourism sector creates 89 jobs as against 45 jobs in primary sector and 13 jobs in secondary sector for an investment of one million. There are various historical places to be visited in Kalahandi. The important tourist spots of the district are as follow:

**Table- 18**

Sl. No	Name of the Tourist Spot	Importance of the Spot
1	Ampani	Scenic spot-hill and forest
2	Asurgarh	Historical sites, ancient fort
3	Belkhandi	Religious centre of God Shiva
4	Gudahandi	Waterfall, ancient inscription, hill and forest
5	Karlapat	Wildlife sanctuary
6	Junagarh	Historical sites, ancient town
7	Phurlijharan	Waterfall and scenic beauty
8	Thuamul Rampur	scenic beauty forest
9	Bhawanipatna	Ancient town & cultural centers
10	Amatgarh	Ancient Forest
11	Dharmagarh	Historical sites
12	Jakam	Wildlife sanctuary
13	Mardiguda	Religious centre and scenic beauty
14	Rabandarh	Waterfall and scenic beauty
15	Sapagaranda	Religious centre
16	Tagud	Religious centre
17	Kusurla	Religious centre
18	Churapahada	Waterfall and scenic centre
19	Yogmayapitha	Religious centre

Source: DES

**Suggestions:**

The following suggestions, if implemented, will promote tourism industry in the district.

- Tourism industry is generating large scale employment. The labour to capital ratio in the tourism services is one of the highest i.e., each million rupee invested creates jobs for at least 48 people compared to 45 in agriculture and 13 in manufacturing industry. Therefore, large scale investment in the sector is required.
- Thrust should be given to business avenues like transportation, hospitality services, retail and mobile markets etc. as tourism creates business opportunities in these areas. It also helps in generating employment in micro & small service enterprises like Hiring of vehicles, tourist guide services, hotels and eateries.
- Tourism will also boost the sale of art forms and handicrafts etc. Therefore, local artisans need to be motivated through suitable incentives.
- For promoting tourism in the district, there is need to provide conveniences, information and security to tourists and develop ancillary services.
- Grooming local tribal youth as tourist guides and establishing eco-friendly tourism and adventure sports like trekking etc.

## Chapter – VI

### Infrastructure Available for Industrial Development

Attainment of a strong industrial growth is an essential pre-requisite for sustained economic development. A large share to the industrial growth could be contributed from natural resources, manpower, favourable geographical and agro-climatic features available. However, availability of basic infrastructure like industrial accommodation, power, communication and social infrastructure etc. are pre-requisite for industrial development. In the absence of such facilities industrialization suffers heavily. Human development primarily consists of the removal of those conditions of social deprivation and discrimination that restrict capabilities of and deny opportunities for participating in nominal economic and social activities. It is needless to emphasize that infrastructure plays an important role in ensuring better human development index. Infrastructural facilities such as power, telecommunications, piped water supply, sanitation and sewerage, solid waste collection and disposal, piped gas, public works, roads & major dams and canal works for irrigation and drainage, other transport sectors i.e. urban and inter-urban railways, urban transport, ports and waterways and airports are required for industrial development. The infrastructure available in the district is divided into both physical & social which are discussed below:

#### **(A) Physical Infrastructure:**

**1. Land:** Land is a primary factor for setting up of industrial units. The availability of land can be assessed from the land utilization pattern in the district. The yield from high land and medium land are very low due to non-adoption of suitable technology, cropping pattern and continuation with traditional method of cultivation. The land can be utilized for industrial purposes and managed with application of modern scientific technology i.e. 'dry land technology'. There is enough vacant land available which can be used for industrial purposes.

**2. Water:** Tel is the longest and most important river of the district. The tributaries of river Tel are Moter, Hati, Sagada, Uttei, Udanti which are also the other important rivers in the district. With the commissioning of Indravati Water Project, second biggest in the state, the landscape of southern Kalahandi has changed leading to two crops in a year.

**3. Railways:** The district has the total railway route length of 92.73 km and there are 10 railway stations in the district.

**4. Roads:** The district has a better road length which comprises National Highway of 266 km, State Highway (241 km), Major District Roads (188 km), Other District Roads (712 km), Rural Roads (1395 km) & Forest Roads (311 km). The details of major roads are given in the table below:

**Table – 1**  
**Categories of Roads in Kalahandi District during 2018-19**

Sl.No.	Name of Road	Distance (in Km.)
1.	National Highway	265.87
2.	State Highway	240.57
3.	Major District Roads	187.74
4.	Other District Roads	711.68
5.	Rural Roads	1394.99
6.	Inter Village Roads	5589.55
7.	Intra Village Roads	2957.85
8.	Forest Road	311

Source: DES, Odisha

### 5. Electricity:

Electricity is one of the prime inputs for both the economic development as well as overall wellbeing of the people. It has cascading effect on all sectors leading to increased growth particularly in industry, agriculture and other ancillary trade and business activities. The number of villages electrified in Kalahandi district is 2116.

### 6. Post Offices:

There are **307** post offices in the district which include one Head Post Office located in the District Headquarters.

### (B) Social Infrastructure:

#### 1. Education:

The existing educational institutions in Kalahandi district are as follows:

**Table – 2**  
**Existing Educational Institution in Kalahandi District in 2018-19**

Sl.No.	Type of Educational Institution	Number of Institutions
1.	<u>Primary School</u> a) Number b) Enrolment (no.) c) Pupil- Teacher Ratio	1571 64830 16.78
2.	<u>Upper Primary School</u> a) Number b) Enrolment (no.) c) Pupil- Teacher Ratio	783 117097 24.01
3.	<u>Secondary School</u> a) Number b) Enrolment (no.) c) Pupil- Teacher Ratio	362 101960 30.91
4.	Colleges	101

Source: DES, Odisha

**Table – 3****Existing Technical Institution in Kalahandi District in 2018-19**

SI.No.	Type of Institution	No. of Institutions
1.	Degree College (Govt.)	1
2.	Degree College (Pvt.)	0
3.	Diploma School (Government)	1
4.	Diploma School (Private)	1
5.	ITI (Government)	1
6.	ITI (Private)	10

Source: SCTEVT, Odisha & AICTE

**2. Health:**

Health is one of the key indicators of human development. Hence, providing equitable, affordable & quality health care services to the people is a major challenge. There has been a shortage of health infrastructure facilities in the district considering the needs of the people. The following table presents the number of medical institutions available in the district.

**Table-4****No. of Medical Institutions in Kalahandi District with Beds in 2018**

Medical College/ Dist. Hqrs. Hospital	CHC	PHC	Sub- Divisional & Other hospitals	MHU	Beds	Ayurvedic Hospitals & Dispensaries	Homeopathic Hospitals & Dispensaries
1	17	44	3	19	589	20	18

Source: DES

**3. Banking Activities:**

The commercial banks play an important role in the economic development of an economy. They help in the progress of capital information which is the basis of economic growth. The District has a banking network comprising of **153** Commercial Banks. Per branch population services is worked out at 10306. Thus, there is a need to open more banking outlets in rural areas particularly at block level. **State Bank of India** is the Lead Bank in the District. It has one RSETI centre in the district. The key indicators of the District are shown in the following tables:

**3.1** The District Wise Branch Network as on 31.03.2020 is given below:

**Table-5****Bank Branches in District Kalahandi**

SI.No	District	Urban	Semi-Urban	Rural	Total
1.	Kalahandi	04	58	91	153

Source: SLBC, Odisha

3.2 The District Wise position of ATMs as on 31.03.2020 is given below:

**Table-6**

**No. of ATMs in District Kalahandi**

District	Total No. of Off Site ATMs				Total No. of On Site ATMs				Grand Total
	Rural	Semi-Urban	Urban	Total	Rural	Semi-Urban	Urban	Total	
Kalahandi	31	41	2	74	24	46	0	70	<b>144</b>

Source: SLBC, Odisha

3.3 The Credit Deposit (CD) Ratio in the district has declined from 54.92% in March'2019 to 53.48% in March'2020. This is below the benchmark of 60%.The C.D Ratio (%) during the above period in the District of Kalahandi is as under:

**Table-7**

**C.D Ratio (%) in District Kalahandi**

District	As on 31.03.2019 (Amount in Crores)			As on 31.03.2020 ( Amount in Crores)		
	Deposit	Advance	CD Ratio	Deposit	Advance	CD Ratio
Kalahandi	4097.07	2252.08	<b>54.97</b>	4476.27	2393.69	<b>53.48</b>

Source: SLBC, Odisha

3.4 Financing to MSME under Annual Credit Plan (ACP) in Kalahandi District for the quarter ended March, 2020 is as under:

**Table-8**

**MSME under Annual Credit Plan (ACP)**

(Amount in Crores)

Sector/ Segment	Target	Achievement	%
Micro- Manufacturing	54.81	63.9	116.76
Micro- Services	46.16	274.23	594.15
Small- Manufacturing	40.39	77.56	19.04
Small- Services	49.04	187.95	383.25
Medium- Manufacturing	20.77	6.33	30.46
Medium- Services	31.16	4.54	14.56
Khadi& Village Industries	14.45	1.57	10.91
Others under MSME	31.73	0.56	1.75
<b>Total MSME</b>	<b>288.47</b>	<b>616.72</b>	<b>213.79</b>

Source: SLBC, Odisha

3.5 Performance of Various Financing Schemes in Kalahandi District.

**3.5.1 Pradhan Mantri Mudra Yojana (PMMY)**

The performance of Pradhan Mantri Mudra Yojana (PMMY) in Kalahandi District under different categories from 01.04.2019 to 31.03.2020 is as follow:

**Table-9**  
**Loan Disbursement in PMMY**

(Amount in Crores)

SI. NO	Sishu			Kishore			Tarun			Total		
	No. of A/Cs	Sanct. Amt.	Dis.Amt.	No. of A/Cs	Sanct. Amt.	Dis.Amt.	No. of A/Cs	Sanct. Amt.	Dis. Amt.	No. of A/Cs	Sanct. Amt.	Dis.Amt.
1.	89840	251.24	250.19	4511	51.23	48.80	426	33.2	32.01	<b>94777</b>	<b>336.09</b>	<b>331</b>

Source: SLBC, Odisha

### 3.5.2 Credit Guarantee Fund Trust for Micro & Small Enterprises (CGTMSE)

The performance of CGTMSE scheme in Kalahandi District from 01.04.2019 to 31.03.2020 is as follow:

**Table-10**  
**Approved Amount in CGTMSE**

SI. No	District	Approvals	Approved Amount ( in Rs. Lakhs)
1.	Kalahandi	297	1699.86

Source: SLBC, Odisha

### 3.5.3 Stand up India:

The performance under Stand up India in Kalahandi District under different categories during 2019-20 is as follow:

**Table-11**  
**Loan Disbursement in Stand up India**

(Amount in Crores)

SI. NO	SC			ST			Women ( General)			Total		
	No. of A/Cs	Sanct. Amt.	Dis.Amt.	No. of A/Cs	Sanct. Amt.	Dis. Amt.	No. of A/Cs	Sanct. Amt.	Dis. Amt.	No. of A/Cs	Sanct. Amt.	Dis.Amt.
1.	03	0.53	0.00	01	0.20	0.00	08	1.67	0.61	12	2.40	0.61

Source: SLBC, Odisha

### 3.5.4 PMEGP:

The performance under PMEGP in Kalahandi District for the year 2019-20 as on 31.03.2020 is as under:

**Table-12**  
**PMEGP Achievement in District Kalahandi**

District	Target for new set up		Achievement		% in Achievement	
	No. of Projects	Margin Money ( Rs. in Lakh)	No. of Projects	Margin Money ( Rs. in Lakh)	No. of Projects	Margin Money ( Rs. in Lakh)
Kalahandi	124	371.97	61	178.46	49.19	47.98

Source: SLBC, Odisha

### C. Incentives:

Incentives play an important role in boosting the industrial activity in an area. It speeds up the process of industrialization. Incentives provided through various schemes run by Ministry of MSME to MSMEs are discussed below.

## **Incentives for MSMEs by Ministry of MSME, Govt. of India**

### **1. Credit Linked Capital Subsidy & Technology Up-gradation Scheme (CLCS-TUS)**

The Government of India has announced CLCS-TUS to support the Micro, Small and Medium Enterprises (MSMEs). This scheme aims at improving the competitiveness & productivity of MSMEs & nurturing new ideas through incubation. The components of these Schemes are as follow:

**i) Credit Linked Capital Subsidy (CLCS):** The objective of this component is to facilitate technology up gradation in Micro and Small Enterprises by providing 15% capital subsidy ( limited to maximum of Rs.15.00 lakhs) on institutional finance availed by them for induction of well established and improved technology in the specified sub-sectors/products approved under the scheme. The maximum limit of eligible loan for calculation of subsidy under the scheme is Rs.1 Crore.

**ii) Digital MSME:** The objectives of “Digital MSME” are promotion of Information & Communication Technology (ICT) in MSME Sector and to motivate MSMEs to adopt ICT tools and applications in their business processes. This component is revolving around Cloud Computing which is emerging as a cost effective and viable alternative in comparison to in-house IT infrastructure installed by MSMEs.

**iii) Lean Manufacturing Competitiveness:** The objective of this component is to increase the competitiveness of the MSME Sector through the adoption of LM techniques with the objective of reducing waste, increasing productivity, introducing innovative practices for improving overall competitiveness, inculcating good management system and imbibing a culture of continuous improvement.

**iv) Design Expertise to Manufacturing MSME Sector:** The main objective of this component is to bring the MSME Sector and design expertise on a common platform, to provide expert advice and solutions on real time design problems resulting in continuous improvement and value addition for existing products.

**v) Building Awareness on Intellectual Property Rights (IPR):** The objective of this component is to enhance the awareness of MSMEs about Intellectual Property Rights (IPR) to take measure for protecting their ideas and business strategies. Effective utilization of IPR tools like patents, trademarks, copy rights, GI etc. by MSMEs would also assist them in technology up gradation and enhancing competitiveness.

**vi) Support for Entrepreneurial and Managerial Development of MSMEs through Incubators:** The main objective of this component is to assist incubation of innovative business ideas that could be commercialized in a short period of time resulting in the formation of MSMEs that have distinctive presence in the market. The scheme is implemented in a PPP mode.

**vii) Zero Defect Zero Effect:** This scheme component is an extensive drive to create proper awareness in MSMEs about ZED manufacturing and motivate them for assessment of their enterprise for ZED and support them. The objective is to drive manufacturing with adoption of Zero Defect production processes without impacting the environment (Zero Effect).

**2. Procurement & Marketing Support Scheme:** This scheme aims at enhancing the marketability of products & services in the MSME sector in the Domestic as well as International market by improving



their techniques and technologies, promotion of exports and creating more awareness about trade fairs, digital advertising, e-marketing platform, GST, GeM portal & other related topics etc. The scheme has the following key components.

**(i) Participation of Individual MSEs in Domestic Trade Fairs/ Exhibitions across the country:**

**(ii) Organising/participation in trade fairs/exhibitions by the Ministry/Office of DC (MSME)/**

**Government Organisations:** Events like UDYAM SAMAAGAM are organized by MSME Development Institutes to provide MSME units market linkages.

**(iii) Vendor Development Programme (VDP):** VDPs are being organized by MSME Development Institutes to provide common platform to PSEs/Large Scale Enterprises both in public and private sector as buyers and MSME units as sellers in order to facilitate market linkages for effective implementation Public Procurement Policy for MSEs Order, 2012 and to promote business tie-ups between them for mutual benefit.

**(iv) Awareness Programmes:** MSME Development Institutes organize Programmes to create overall awareness about trade fairs, digital advertising, e-marketing platform, GST, GeM portal & other related topics etc.

**3. International Cooperation Scheme:** The Ministry of Micro, Small and Medium Enterprises (MSME) is implementing International Cooperation (IC) Scheme with the objective of enhancing the competency of MSMEs, capturing new markets for their products, exploring new technologies for improving manufacturing capacity, etc. Financial assistance is provided under the Scheme on reimbursement basis to the eligible State /Central Government Organisations, Registered Industry Associations and Societies/Trusts associated with the promotion and development of MSME sector to visit/participate in international exhibitions /trade fairs/buyer-seller meet etc. abroad and also for holding International conferences/seminars/workshops in India which are in the interest of MSME sector.

**4. National Awards:** The Ministry of Micro, Small & Medium Enterprises (MSMEs), Government of India with a view to recognize the efforts and contribution of MSMEs confers Awards annually to selected enterprises under the Scheme of National Award. The awards are given for various categories such as Innovation, outstanding Entrepreneurship (Manufacturing and Service), Lean Manufacturing, Quality Products, export award and outstanding performance awards to states.

**5. Credit & Financial Assistance to MSMEs:**

(a) **CGTMSE:** The objective of the scheme is to provide funding to MSMEs without collateral security and /or third party guarantee. The credit facility is up to Rs.2.00 Crore per borrowing unit. SIDBI and NABARD are the implementing agencies. All financial institutions, Member Lending Institutions (MLIs) are eligible to finance the MSEs.

(b) **Interest Subvention Scheme for MSMEs, 2018:** The Scheme aims at encouraging both manufacturing and service enterprises to increase productivity and provides incentives to MSMEs for on boarding in GST platform which helps in formalization of economy, while reducing the cost of credit. All MSMEs having a valid UAN & GSTN Number can avail a 2% interest subvention on fresh or

incremental loans. The Scheme will be in operation for a period of two financial years FY2019 and FY2020.

(c) **PMEGP:** The objective of the scheme is (i) to generate employment opportunities through self-employment through establishment of micro-enterprises in non-farm sector. (ii) to arrest migration of rural youths to urban areas; and (iii) to increase the wage earning capacity of artisans. KVIC is the nodal implementing agency at the national level. KVIB & DIC are the implementing agencies at the state level.

**6. National SC/ST Hub:** The National SC/ST Hub was launched by the Hon'ble Prime Minister of India on 18.10.2016 at Ludhiana, Punjab. The objective of the Hub is to provide professional support to SC/ST entrepreneurs to fulfill the obligations under the Central Government Public Procurement Policy for Micro & Small Enterprises Order 2012, adopt applicable business practices and leverage the Standup India initiative.

#### **7. Recent Initiatives for Promotion and Development of MSMEs:-**

a) **Udyog Aadhaar Memorandum (UAM):** A one-page simple registration form for filing of UAM has been introduced which replaces the filing of EM Part I & II. This office provides handholding support for online registration of running MSME units under UAM. The details could be viewed at <https://udyogaadhaar.gov.in>.

b) **MSME SAMADHAAN:** The Ministry of MSME has taken an initiative by launching MSME SAMADHAAN Portal for filing online application by the supplier MSE unit against the buyer of goods/services before the concerned MSEFC of his/her State/UT. These will be viewed by MSEFC Council for their actions. These will be also visible to the Concerned Central Ministries, Departments, CPSEs, State Government, etc. for pro-active actions. The details could be viewed at <https://samadhaan.msme.gov.in>.

c) **MSME SAMBANDH:** A Public Procurement Portal called 'MSME SAMBANDH' was launched by M/o MSME. The objective of the portal is to monitor the implementation of the Public Procurement from MSEs by Central Public Sector Enterprises. The details could be viewed at <https://sambandh.msme.gov.in>.

d) **UdyamSakhi:** On the occasion of International Women's Day on 8<sup>th</sup> March'2018, the Ministry of Micro, Small and Medium Enterprises (MSME) launched a portal for women entrepreneurs of India called UdyamSakhi. The portal is a network for nurturing entrepreneurship and creating business models for low cost products and services in order to empower women and make them self-reliant and self-sufficient. The details could be viewed at [www.udyamsakhi.org](http://www.udyamsakhi.org).

e) **MSME Sampark:** The MSME Sampark portal is a digital platform, wherein, jobseekers (passed out trainees / students of MSME Technology Centres) and recruiters (various reputed national & multinational companies) register themselves for getting employment and getting right kind of manpower respectively.

## **8. Micro and Small Enterprises - Cluster Development Programme (MSE-CDP):**

The Ministry of Micro, Small and Medium Enterprises (MSME), Government of India (GoI) has adopted the cluster development approach as a key strategy for enhancing the productivity and competitiveness as well as capacity building of Micro and Small Enterprises (MSEs) and their collectives in the country. The Micro and Small Enterprises - Cluster Development Programme (MSE-CDP) is being implemented by Development Commissioner (MSME) all over the country through its branch offices viz. MSME-Development Institute.

### **Objectives of the Scheme**

- i. To support the sustainability and growth of MSEs by addressing common issues such as improvement of technology, skills and quality, market access, etc.
- ii. To set up common facility centers (for testing, training centre, raw material depot, effluent treatment, complementing production processes, etc).
- iii. To create & upgrade infrastructural facilities in new /existing Industrial Areas/ Clusters of MSEs.
- iv. Promotion of Green & sustainable manufacturing technology for the clusters.

The scheme has the following components.

**(A) Common Facility Centres (CFCs):** This component consists of creation of tangible “assets” as Common Facility Centres like Common Production / Processing Centres, Design Centres, Testing Facilities, Training Centre, Raw Material Depot, Effluent Treatment Plant, Plug & Play Facilities etc that can support the marketing systems, development of new product designs, skill up gradation of the cluster, diversification of activities etc.

**(B) Infrastructure Development:** This component covers development of land, provision of water supply, drainage, Power distribution, non- conventional sources of Energy for common captive use, construction of roads, common facilities such as First Aid Centre, Canteen, other need based infrastructural facilities in new industrial (multi- product) areas/estates or existing Industrial Areas/Estates/Clusters.

### **Incentives for MSMEs by Government of Odisha**

The Government of Odisha is also providing various incentives on location basis to create positive motivation and encourage the entrepreneurs to set up the industrial units as it plays an important role in boosting industrial activities in an area. Various organizations & Corporations of the State Government are involved in the development of MSMEs. The role of these institutions are given at **Annexure – A**. Different policies of the State Government like Odisha Industrial Policy Resolution – 2015, Odisha MSME Development Policy - 2016 ,Odisha Procurement Preference Policy for Micro & Small Enterprises - 2015, Odisha Export Policy- 2014, Odisha Food Processing Policy- 2016, Odisha Startup Policy-2016 have been implemented with the mission to create a business climate conducive to accelerate investment in industry and infrastructure projects, raise income, employment and economic growth in the state and reduce regional disparities. The details of the schemes may be seen at the **Annexure B, C, D, E, F & G**.

## Chapter- VII

### Present Industrial Structure

Except a few large industries, there is no major industry in this district. The current employment in industrial sector is also very low. In order to achieve gainful employment to all, we have to assess the potential for various sectors including Agriculture, Food Processing, MSME, Tourism and Service for providing employment. One of the major challenges before the district during the coming years is to expand the employment opportunities for the growing unemployed and raising their living standards. The vision for the district is **dynamic and with a vibrant network of micro, small and medium enterprises in the district, diversified and sustainable employment opportunities for all eligible people of the district can be created.** In order to realize the vision of employment to all, it is important to develop the industrial scenario of the district. One of the constraints facing the district is the lack of entrepreneurial motivation among the people. There is high potential to develop employment opportunities in the areas like construction works, developing rural infrastructure, MSMEs etc. The development goals with respect to each of these sectors are provided in the following sections.

#### 1. Industrial Estates/ Areas Available & Land Rate in Kalahandi District :

IDCO is the Nodal Agency for providing industrial infrastructure in the State of Odisha. Establishment of Industrial Areas, Industrial Estates, Functional Industrial Estates, Growth Centers etc. at different strategic locations is the prime function of the Corporation. The land details of the existing Industrial Estates in the district area as follow:

**Table-1**

Name of the IE/IA	Land Details ( in Acre)				Unit Details (in No.)					Land Rate Per Acre (Rs. in Lakhs)
	Total Area	Common Utility	Allotted	Available for Allotment	Total Units	Units Working	Units Closed	Units Under Pipeline	Vacant	
<b>Borba IE</b>	5.000	1.000	0.000	0.000	0	0	0	0	0	3
<b>Dakabahali I.A</b>	5.500	1.100	2.528	1.872	4	3	0	0	1	15
<b>Kesinga (Kurlapada) Growth Centre</b>	116.720	23.344	12.260	81.116	2	1	0	0	1	15
<b>Kesinga I.E</b>	18.500	3.700	12.104	2.696	21	8	0	11	0	15

Source: IDCO, Odisha

#### 2. Micro, Small and Medium Enterprises:

- Considering the agriculture base of the district, there is potential for setting up of micro and small enterprises in areas of food processing, fruit processing etc. Fruit processing also offers opportunities for packaging, distribution and marketing can generate off-farm job.

- Another potential is in animal husbandry related enterprises. The livestock economy of the district reveals that a large number of populations keep cattle, goat, sheep. Goat and sheep constitute another source of employment to the people.
- Modern agro and forest based industries need to be encouraged in the district.
- Promotion of various MSMEs like Rice bran oil, dal processing, cane/bamboo or wooden furniture, terracotta, embroidery, soft toys etc.
- Single window approach for facilitating registration, provision of BDS services, bank linkages etc for newly starting MSMEs.
- Promotion of NTFP based enterprises. Major share of the district is covered by forest. In general the tribal livelihood is closely associated with forest and forest produces. The district has the potential for collection and marketing of Non Timber Forest Produces (NTFPs) and Minor Forest Produces (MFPs).

### 3. Industrial Scenario of Kalahandi District

#### 3.1 Industry at a Glance in 2018-19:

**Table-2**

SL. No	Head	Unit	Particulars
1.	No. of MSMEs set up	No.	1639
2.	Total Investment	Lakh	13440.55
3.	Total Employment Generation	No.	8416

Source: Directorate of Industries, Cuttack

#### 3.2 YEAR WISE TREND OF UNITS REGISTERED:

Year	No. of Registered Units	Employment (In No.)	Investment (Lakh Rs.)
Up to1984-85	414	1891	148.63
1985-86	66	465	45.76
1986-87	12	165	33.72
1987-88	26	183	44.25
1988-89	18	125	26.45
1989-90	17	359	44.50
1990-91	26	371	279.02
1991-92	22	233	86.27
1992-93	21	220	14.64
1993-94	77	626	64.02
1994-95	45	357	65.94
1995-96	30	209	22.61
1996-97	44	274	146.67
1997-98	54	325	130.94
1998-99	46	304	134.34
1999-2000	52	720	156.82
2000-01	62	611	68.50
2001-02	58	220	26.59
2002-03	59	455	27.26
2003-04	49	607	79.51
2004-05	47	363	88.63
2005-06	57	649	129.10
2006-07	48	467	86.11
2007-08	52	335	927.00

2008-09	50	898	165.55
2009-10	51	1267	265.17
2010-11	44	449	165.92
2011-12	62	1485	664.73
2012-13	71	1262	440.04
2013-14	195	1805	1779
2014-15	874	3097	5563.22
2015-16	1930	7198	11775.48
2016-17	2201	7014	9723.65
2017-18	1771	5378	7794.53
2018-19	1639	8416	13440.55
<b>Total</b>	<b>10290</b>	<b>48803</b>	<b>54655.12</b>

Source: Directorate of Industries, Odisha & District at a glance 2020, DES, Odisha

During 2018-19, a total of 1639 units went into production with a total capital investment of Rs.13440.55 lakhs & employment generation of 8416.

### 3.3 Udyog Aadhaar Memorandum (UAM)

Udyog Aadhaar Memorandum (UAM) was introduced on 18.09.2015 for online registration of MSMEs in the country which replaces the filing of EM Part I & II. The filing of UAM is done online at [www.udyogaadhaar.gov.in](http://www.udyogaadhaar.gov.in). A total of 997 MSME units were registered in Kalahandi District till March'2020 which is as follow:

**Table- 3**

#### **Number of MSMEs registered in the district under UAM till March'2020**

Sl. No	District Name	Total MSMEs	Micro	Small	Medium
1.	Kalahandi	997	807	181	9

Source: UAM Portal

### 3.4 Udyog Aadhaar Registered MSMEs with 2 Digit NIC Code:

#### 3.4.1 Manufacturing Enterprises with 2 Digit NIC Code

Code	Description of Activity	No. of Units
01	Crop and animal production, hunting and related service activities	25
05	Mining and quarrying	1
06	Extraction of crude petroleum and natural gas	1
07	Mining of metal ores	1
08	Other mining and quarrying	13
09	Mining support service activities	0
10	Manufacture of food products	151
11	Manufacture of beverages	13
12	Manufacture of tobacco products	5
13	Manufacture of textiles	20
14	Manufacture of wearing apparel	15
15	Manufacture of leather and related products	7
16	Manufacture of wood and products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	10
17	Manufacture of paper and paper products	12
18	Printing and reproduction of recorded media	15
19	Manufacture of coke and refined petroleum products	0
20	Manufacture of chemicals and chemical products	26
21	Manufacture of pharmaceuticals, medicinal chemical and botanical products	2

22	Manufacture of rubber and plastics products	7
23	Manufacture of other non-metallic mineral products	49
24	Manufacture of basic metals	7
25	Manufacture of fabricated metal products, except machinery and equipment	38
26	Manufacture of computer, electronic and optical products	3
27	Manufacture of electrical equipment	17
28	Manufacture of machinery and equipment n.e.c.	15
29	Manufacture of motor vehicles, trailers and semi-trailers	6
30	Manufacture of other transport equipment	0
31	Manufacture of furniture	3
32	Other manufacturing	78
33	Repair and installation of machinery and equipment	6
35	Electricity, gas, steam and air conditioning supply	7
36	Water collection, treatment and supply	1
37	Sewerage	0
38	Waste collection, treatment and disposal activities; materials recovery	1
39	Remediation activities and other waste management services	1
41	Construction of building	4
42	Civil Engineering	4
43	Specialized construction activities	12

Source: UAM web portal as on 31.03.2020

### 3.4.2 Service Enterprises with 2 Digit NIC Code

Code	Description of Activity	No. of Units
49	Land transport and transport via pipelines	30
50	Water transport	0
51	Air Transport	0
52	Warehousing and support activities for transportation	6
53	Postal and courier activities	2
55	Accommodation	4
56	Food and beverage service activities	67
58	Publishing activities	9
59	Motion picture, video and television programme production, sound recording and music publishing activities	12
60	Broadcasting and programming activities	1
61	Telecommunications	19
62	Computer programming, consultancy and related activities	75
63	Information service activities	30
64	Financial service activities, except insurance and pension funding	8
65	Insurance, reinsurance and pension funding, except compulsory social security	4
66	Other financial activities	13
68	Real estate activities	5
69	Legal and accounting activities	2
70	Activities of head offices; management consultancy activities	1
71	Architecture and engineering activities; technical testing and analysis	7
72	Scientific research and development	1
73	Advertising and market research	4
74	Other professional, scientific and technical activities	63
75	Veterinary activities	5
77	Rental and leasing activities	11
78	Employment activities	4
79	Travel agency, tour operator and other reservation service activities	17

80	Security and investigation activities	0
81	Services to buildings and landscape activities	12
82	Office administrative, office support and other business support activities	43
84	Public administration and defence; compulsory social security	1
85	Education	20
86	Human health activities	11
87	Residential care activities	4
88	Social work activities without accommodation	1
90	Creative, arts and entertainment activities	1
91	Libraries, archives, museums and other cultural activities	0
92	Gambling and betting activities	0
93	Sports activities and amusement and recreation activities	0
94	Activities of membership organizations	0
95	Repair of computers and personal and household goods	39
96	Other personal service activities	52

Source: UAM web portal as on 31.03.2020

### 3.5 Medium Enterprises:

Sl. No.	Name and address of the unit
1.	M/s. Hotel Amrapali Classic (A Unit of SKGG Hotels Pvt. Ltd.), Khata No-134/499, Plot No.147/878, Duarsani, Hilltown, Bhawanipatna, Kalahandi
2.	M/s. Hotel Amrapali Classic, Phurlijharan Road, Hilltown, Bhawanipatna, Kalahandi
3.	Rajgopal Mishra, (Service Enterprise), Kandhbandopala, Po- Risigaon, Bhawanipatna, Kalahandi
4.	M/s. SMUND Construction Private Limited, Main Road, Jaipatna, Kalahandi,
5.	Sumanta Sahu, ( Manufacturing Enterprise), Bankel, Kalahandi
6.	M/s. Dhanmindra Agro India Pvt. Ltd., At/Po Kesinga, Kalahandi
7.	M/s. Bikash Electricals, At/Po- Medinipur, Bhawanipatna, Kalahandi
8.	M/s. Pabitra Electrical Work Shop, Chudiharipada, Bhawanipatna, Kalahandi
9.	M/s. Gayatri Agro Oil Food Products, Podkham , Sirol , Kesinga, Kalahandi

Source: UAM web portal as on 31.03.2020.

### 4. Large Scale Industries/Public Sector undertakings:

List of the units in Kalahandi & nearby area:

1. M/s. Vedanta Alumina (P) Ltd., Lanjigarh
2. M/s. Konark Cotton Growers, Kesinga

#### Aluminium industries:

Odisha is the highest producer of aluminium in the country today. Both public sector units & private industries are enhancing the production of aluminium. M/s. Vedanta Alumina (P) Ltd., Lanjigarh is expanding its alumina refinery capacity by 5 MMTPA at Kalahandi.

### 5. Growth Trend:

There is a positive growth of Aluminium and Cotton Yarn items pertaining to MSME sector in the district. The growth trend of registered units in the district from the year 1984-85 to 2010-11 is asymmetrical. But the number of registered units from 2011-12 to 2018-19 is continuously increasing. This indicates that there is a positive growth trend of the registered units.



## 6. Vendorisation / Ancillarisation of the Industries:

M/s. Vedanta Aluminum Pvt. Ltd., Lanjigarh, Kalahandi which is functioning in the district provides ample scope for promotion of few ancillary and downstream industries including service based industries. The following products have been identified as ancillary products in the district such as: (1) Caustic Soda, (2) Burnt Lime, (3) Grinding media, (4) Flocculants, (5) Resins, (6) Filter Cloth, (7) Chlorine Plant, (8) Fly Ash Bricks, (9) Red Mud Tiles/Bricks, (10) Mini Cement Plant, (11) Alum, (12) Iron Extraction from red mud, (13) Engg. Workshop etc.

## 7. Major Exportable Items- Cotton Yarn & Aluminum.

## 8. Service Enterprises:

1. Photo copier
2. Courier Services
3. Transport Services
4. Hotels and Restaurants
5. Dry Wash/Laundry Services
6. Beauty Parlour/Health club
7. Emergency Medical services centre/Nursing homes
8. Security services

## 9. Clusters of Micro & Small Enterprises:

### 9.1 Details of Potential/Ongoing/Existing Clusters

SI No	Name of the Cluster (Product)	Location	District	No. of MSMEs In the Cluster (approx.)	Any intervention undertaken in the Cluster	Cluster is suitable for which Scheme	Nodal Agency ( DIC/ Association/ NGO etc.)
1	Handloom	Sinapalli	Kalahandi	154	Director Handicraft/Textile Odisha, Ongoing	Ongoing	Director Handicraft/ Textile Odisha, DIC Kalahandi
2	Bamboo craft	Bhabanipatna	Kalahandi	500	SFURTI	Ongoing	IED Odisha
3	Woodwork	Dharamgarh	Kalahandi	60	Identified	DC Handicrafts/ SFURTI	DC Handicraft/ DIC, Kalahandi
4	Woodcraft	Goolamunda	Kalahandi	56	Identified	DC Handicrafts	DC Handicraft/ DIC, Kalahandi
5	Woodcarving	Khairapada	Kalahandi	26	Identified	DC Handicrafts	DC Handicraft/ DIC, Kalahandi
6	Stone carving	Popsara	Kalahandi	30	Identified	DC Handicrafts	DC Handicraft/ DIC, Kalahandi
07	Pattchitra Painting	Mathura	Kalahandi	20	Identified	DC Handicrafts	DC Handicraft/ DIC, Kalahandi
08	Brass and Bell Metal	Mathura	Kalahandi	29	Identified	DC Handicrafts	DC Handicraft/ DIC, Kalahandi
09	Cane and Bamboo	Narla	Kalahandi	75	Identified	DC Handicrafts	DC Handicraft/ DIC, Kalahandi
10	Rice Mill	Kesinga	Kalahandi	25	DPR Submitted with Bolangir to SLSC	MSE-CDP	MSME-DI, Cuttack
11	Stone Carving	Ampani	Kalahandi	40	Identified	DC Handicrafts	DC Handicraft/ DIC, Kalahandi
12	Fly Ash	Bhabanipatna	Kalahandi	30	Identified	DIC Kalahandi	DIC Kalahandi

## **10. Handicraft Sector:**

The district of Kalahandi is having a rich tradition of crafts. A large number of artisans are engaged in activities like Wood Craft, Terracotta, Stone Carving, Bamboo Craft etc.

### **(a) Wood Craft:**

Kalahandi is famous for its unique wood craft which combine the harmony of both folk and classical forms. The deft hands of our artisans breathe life into carefully selected pieces of teak wood and transform them into beautiful objected arts. The skilfully crafted exquisite items come in varying styles and with different designs thereby creating a blend of traditional and modernity. Teak wood is the basic raw material and products like statue of Sri Ganesh, Laxmi, Rhinoceros, Bull fighting, Elephant and tribal arts, utility items etc can be customized in respect of shape, size and design as per requirement. The carving work is done manually by highly skilled artisans of Khairpadar, Dharmagarh, Rengalpalli, Jaipatna and Bhawanipatna.

### **(b)Terracotta:**

Terracotta is manufacture from carefully selected clays combined with water and verifying ingredients. The traditional artisans still practice this one of the oldest craft of the district. Traditional motifs as well as modern designs are used to produce a high range of products including utility items.

### **(c)Stone Carving:**

The stone carving is one of the major handicraft of Kalahandi. The artisans of Kandhagarh , a small cluster having about 60 trained artisans, practice this art for quite some time and produce decorative items like statue of God and Goddess, Devdashi and utility items like table lamp stand, pen stand, table bowl, flower-vase etc. Both traditional motifs as well as modern designs are used to produce a high range of products including utility items.

### **(d) Bamboo Craft:**

The natural and durable bamboos not only make strong and durable mats and baskets but also eco-friendly and trendy handicrafts expressing the artistic life of artisans particularly in Narla and Karlapat forest regions.

## **11. Women Self Help Groups (SHGs):**

Mission Shakti has become a silent revolution in the district transforming the lives of women and creating a lot of employment opportunities. The no. of Women SHGs formed in the district during 2017-18 was 8336. The cumulative no. of Women SHGs formed in the district stands at 17900. These SHGs are provided financial assistance for digital empowerment.

## **12. General issues raised by Industry Association during Interactions:**

- (i) Lack of Skilled Work Force
- (ii) Lack of credit facilities
- (iii) Lack of raw material
- (iv) Sub-standard Infrastructure

## **Chapter – VIII**

### **Prospects of Industrial Development**

Kalahandi district is endowed with surplus natural resources which remain untapped. This district has advantage in different sectors like agriculture, horticulture, forest, animal husbandry and bauxite & lime minerals. On the other hand, with the increase of trade & commerce, huge construction activities are taking place. The consumption pattern of the people in the district & demand for quality products has undergone a considerable change with the increase in their income.

Keeping in view the above factors, there is ample scope for value addition in agricultural products and establishing more MSME units to give a further push to the economic activities & to solve the problem of unemployment. The following enterprises in MSME sector have been identified for promotion & growth in the district under the following heads.

#### **A. Agro & Food processing Enterprises**

1. Spices Grinding
2. Potato Chips, Bhujia, Mixture etc.
3. Packaged Drinking Water
4. Dehydration of Vegetables& Fruits
5. Tamarind Concentrate
6. Mushroom
7. Dairy Products
8. Vermicelli & Noodles
9. Bread
10. Biscuits, Cakes
11. Tomato products
12. Mango, Amla& other fruits pickle
13. Chilli Pickles/ Sauce
14. Papads
15. Rice Mill
16. Dal Mill
17. Flour Mill
18. Oil Mill
19. Cold Storage
20. Rice Bran oil
21. Cattle & Poultry Feed

**B. Mineral Based Industries**

- 22. Stone Crusher
- 23. Fly Ash Bricks
- 24. Cement Bricks & Products
- 25. Lime
- 26. Glazed flooring & wall tiles
- 27. Granite Polishing
- 28. Lime stone Chip

**C. Chemical & Allied Industries**

- 29. Agarbati
- 30. Reclamation of used lubricants
- 31. Ayurvedic & Herbal products
- 32. Carbon paper
- 33. Paper rolls
- 34. Phenyl
- 35. Sanitary Napkins
- 36. Exercise Books
- 37. Paper Cups & Plate
- 38. PVC pipes& Fittings
- 39. Tyre Retreading
- 40. Plastic Disposable Cups
- 41. School Bag/ Carry Bag
- 42. PVC Footwear
- 43. Printing& Binding works
- 44. Paints

**D. Mechanical / Metallurgical Industries**

- 45. Agricultural Implements
- 46. Aluminum Utensils
- 47. Steel Almirah & Furniture
- 48. Structural Fabrication
- 49. General Engineering Workshop
- 50. Bell & Brass Metal Utensils
- 51. Machining jobs
- 52. Cutting tools
- 53. Automobile leaf spring

**E. Electrical/ Electronic Industries**

- 54. Mobile Recharger
- 55. Electrical Cables

- 56. Electrical Switches
- 57. HRC Fuses
- 58. Electrical Insulator
- 59. Sockets
- 60. Amplifier Circuit Board
- 61. Power Supply Module
- 62. Low Level Signal Converter
- 63. Voltage Stabilizer
- 64. Electronic Horn
- 65. Emergency Light

**F. Textile Industries**

- 66. Handloom Textile
- 67. Cotton Yarn
- 68. Cotton Wicks
- 69. Readymade Garments
- 70. Hosiery Items
- 71. Mulberry silk products
- 72. Cotton Shocks
- 73. School Uniform
- 74. Sanitary Towels
- 75. Surgical Bandage

**G. Forest Based Items**

- 76. Wooden furniture
- 77. Leaf Cups & Plate
- 78. Paper Cups/ Plates
- 79. Cane & Bamboo Products
- 80. Envelopes
- 81. Bidi Making
- 82. Rope Making

**H. Service Enterprises**

- 83. Hotel/Restaurant
- 84. Fast food centers
- 85. Fruit juice centres
- 86. Mobile Repairing
- 87. Tent House
- 88. Dry Cleaning/ Laundry
- 89. Beauty Parlour
- 90. Fitness Club

91. Digital Photo Labs
92. Electrical Motor winding
93. Repairing of Cycle/Four wheeler/Auto Rickshaw
94. Photocopy Service
95. Internet Cafes
96. Software Installation
97. DTH Installation
98. DTP/ Job work
99. Repairing of Electrical Items
100. Gas Welding & Spray Painting
101. Watch/Clock Repairing
102. Nursing Home/Clinic
103. Repairing of TV/Radio/Camera
104. Diagnostic centre
105. X-Ray Clinic
106. Academic Coaching Centers
107. Road Freight Transport
108. Books Stall

**I. Ancillary & Miscellaneous Enterprises**

109. Tax & Legal Consultancy
110. Event Management
111. Catering Services
112. Common Utility Centers
113. Advertisement Agencies
114. Renting of Private Cars
115. School Bus Services
116. Courier Centers

## **Chapter – IX**

### **Plan of Action for Promoting Industrial Development in the District**

The district of Kalahandi is yet to achieve the desired level of growth including in industry sector despite having huge potential for development of this sector. The most important problem in our society is the problem of unemployment and stagnation in growth. Promotion and development of MSMEs is a better solution of problem of ever rising unemployment and giving a push to economic growth. So the following action plan is suggested for the promotion and development of MSMEs in this district.

#### **i) Industrial Motivational Campaign (IMC)**

Industrial Motivational Campaigns need to be organized at the Block levels to motivate the educated unemployed youths of the area to take up MSME activities based on resources available, skill and demand factor etc. to make them self-employed besides creating employment opportunities for others. The facilities and opportunities available should also be told to the educated unemployed to utilize these for their ventures.

#### **ii) Entrepreneurship-cum-Skill Development Programmes (ESDP)**

As it has been observed that the youths of different areas are taking mind set and management skills of entrepreneurship so there is need of organizing intensive ESDPs in different parts of the district. The persons before taking of any enterprise should be aware of the basics of the art of entrepreneurship and also the risk taking ability through systematic training. The promotional agencies of the district as well as the state level and financial institutions should speed up their efforts in organizing the ESDPs as well as making follow up to get the desired results in this direction.

#### **iii) Seminars/Workshops**

Different seminars/workshops highlighting the need of MSME sector should be organized at the various schools and colleges to inculcate the attitude of entrepreneurship in the minds of the students and youths of the district and to motivate them to take to self-employment ventures particularly in MSMEs as means of livelihood to face the challenge of unemployment.

#### **iv) Development of Infrastructure**

More and more industrial estates should be constructed in the district to facilitate the entrepreneurs to get the land and sheds easily. The industrial estates should be equipped with all requisite infrastructural facilities for smooth running of the MSMEs. Further steps should be taken to select suitable areas for development of industries in the district. Besides the road, electricity, telecommunication etc. needs to be strengthened for smooth functioning of the unit.

## v) Study Tours

The existing as well as prospective entrepreneurs of the district should be taken to various industrial units/clusters in the state and outside for study tour to have on the spot exposure on information about the running enterprises. The local DIC as well as promotional agencies & banks should take initiatives in this regard.

## vi) Industrial Exhibitions

In the District Hqrs. and other urban centres of the district Industrial Exhibitions, showcasing of the manufactured products should be conducted at regular intervals for the information of the people who are the ultimate buyers besides development taking place in industrial fields like technology, quality etc. should be displayed.

## vii) Setting up of Large Industries

In the present liberalized and globalized era, steps need to be taken to invite the entrepreneurs from outside to set up the large scale industry inside the district. This in turn will give a boost to the morale of the local entrepreneurs to set up ancillary and downstream MSMEs basing on the requirements of the large-scale industries.

## viii) Interventions by MSME-Development Institute:

Functioning as field level office of DC (MSME), MSME-DI is actively involved in educating and promoting entrepreneurship across all enthusiastic entrepreneurs in the district. The district has many natural and forest resources which can be exploited by way of cluster development scheme for the economic prosperity of the local people.

MSME- Development Institute, Cuttack proposes to carry out the following action plan in Kalahandi District during 2020-21.

### (a) Action Plan for Training programmes during 2020-21

Sl. No.	Name of the programme	Subject	No of proposed programme to be conducted
1	ESDP	As per the local demand	1
2	MDP	-	-
3	EAP	General EAP topics	2
4	IMC	Motivation	2

(These have been proposed and would be conducted subject to availability of sanction.)

### (b) Action plan for MSME Schemes during 2020-21

Sl. No.	Name of the Scheme	Proposed activity on the scheme
1.	MSE-CDP	1 Cluster to be taken up.
2.	Procurement & Marketing Support Scheme	
2.1	Domestic Trade Fairs	2 MSEs for domestic trade fair to be motivated.
2.2	VDP	1 SVDP to be organized.
2.3	Awareness on GeM	1 programme to be organized
3.	Capacity Building & strengthening	-



	of data base	
4.	International Cooperation	1 unit for international trade fair to be motivated.
5.	National Awards	2 MSMEs to be motivated for the award.
6.	Credit Linked Capital Subsidy & Technology Up-gradation Scheme (CLCS- TUS)	
6.1	Credit Linked Capital Subsidy	2 units to be motivated for availing the Scheme
6.2	ZED Certification	5 units to be motivated for ZED Certification.
6.3	Lean Manufacturing	-
6.4	Design Expertise to manufacturing MSME sector	-
6.5	Digital MSME	2 units to be motivated for availing the Scheme.
6.6	Building IPR	-
6.7	Support for Entrepreneurial & Managerial Development of SMEs through Incubators	1 Host Institution to be set up.

(These have been proposed and would be conducted subject to availability of sanction.)

## Chapter- X

### Steps to set up MSMEs

Before going for setting up of any enterprise, the entrepreneur should move in a systematic way in order to get his desired level of output. At various levels, different agencies are functioning to provide different types of assistance to the entrepreneurs for setting up of MSMEs. So, following are the brief description of different agencies for rendering assistance to the entrepreneurs.

Sl. No.	Type of assistance	Name and address of agencies/ website
1.	UAM Registration	<a href="http://www.udyogaadhar.gov.in">www.udyogaadhar.gov.in</a>
2.	Identification of project profiles, techno-economic and managerial consultancy services, market survey and economic survey reports	MSME Development Institute, VikashSadan, College Square, Cuttack & District Industries Centre, Kalahandi
3.	Land and Industrial shed	<ul style="list-style-type: none"> <li>• IDCO, IPICOL House, Janpath, Bhubaneswar</li> </ul>
4.	Financial Assistance	<ul style="list-style-type: none"> <li>• All Nationalized Banks</li> <li>• MD, IPICOL, Bhubaneswar</li> <li>• Director, KVIC, Bhubaneswar</li> <li>• Secretary, KVIB, Bhubaneswar</li> <li>• General Manager, NABARD, Bhubaneswar</li> <li>• General Manager, SIDBI, Bhubaneswar</li> </ul>
5.	For raw materials under Govt. supply	<ul style="list-style-type: none"> <li>• M.D, OSIC, Cuttack</li> <li>• NSIC, Bhubaneswar</li> </ul>
6.	Plant and machinery under hire/purchase basis	<ul style="list-style-type: none"> <li>• NSIC, Bhubaneswar</li> </ul>
7.	Power/Electricity	<ul style="list-style-type: none"> <li>• O/o. the SDO, SOUTHCO, Kalahandi</li> </ul>
8.	Technical Know-how	<ul style="list-style-type: none"> <li>• Director, MSME Development Institute, VikashSadan, College Square, Cuttack-753003</li> </ul>
9.	Quality & Standard	<ul style="list-style-type: none"> <li>• Bureau of Indian Standards (BIS), Ministry of Consumer Affairs &amp; Public Distribution, Govt. of India, 62/63, Ganganagar, Bhubaneswar</li> <li>• Director, National Productivity Council, A/7, Surya Nagar, Bhubaneswar</li> <li>• Director, MSME Development Institute, Vikash Sadan, College Square, Cuttack-753003</li> </ul>

10.	Marketing/Export assistance	<ul style="list-style-type: none"> <li>• Director, MSME Development Institute, VikashSadan, College Square, Cuttack -753003</li> <li>• Export Credit Guarantee Corporation,A-77, Saheed Nagar, Bhubaneswar.</li> <li>• Director, EP&amp;M, Ashoka Market, Master Canteen, Bhubaneswar</li> <li>• NSIC, Bhubaneswar</li> </ul>
11.	Other Promotional Agencies	<ul style="list-style-type: none"> <li>• MD, APICOL, Bhubaneswar</li> <li>• Director, Horticulture, UdyanBhavan, Nayapalli, Bhubaneswar</li> <li>• Director, Animal Husbandry &amp; Veterinary Services, Mangalabag, Cuttack&amp; CDVO, Kalahandi</li> <li>• Director, Handicraft &amp; Cottage Industries, Saheed Nagar, Bhubaneswar</li> <li>• Directorate of Fisheries, Jobra, Cuttack</li> <li>• Director of Textiles, Satya Nagar, Bhubaneswar</li> <li>• Coconut Development Board, Nayapalli, Bhubaneswar</li> <li>• Coir Board, Jagamara, Bhubaneswar</li> <li>• Principal Chief Conservator of Forest, AranyaBhavan, Chandrasekharapur, Bhubaneswar &amp; DFO, Kalahandi</li> </ul>

## Chapter- XI

### Conclusion

Kalahandi district is endowed with rich natural resources which remain untapped and offer scope for employment generation including wage employment. The potential for industrial development is an inter-play of factors such as natural resources, infrastructure, entrepreneurial skill, market demand, government policies etc. The district has ample potential for development in various sectors like agriculture & allied, horticulture, pisciculture, animal husbandry & poultry, handloom & cottage industries, sericulture, forests, rural & urban sectors, wage employment and development of SC/ST and minorities in the district. The importance of non-farm sector activities has assumed a great significance as this sector can provide ample scope for gainful employment opportunities to the vast rural poor. The socio-economic condition of people of Kalahandi district is well suited for the development of non-farm sector activities since a large section of labour force is engaged in this sector without any noticeable improvement.

The vocational training programmes can be imparted in the district for self-employment, wage-employment and job opportunities in small business sector. A lot of work is to be done to provide basic infrastructure facilities like improvement of land, water, power, communication & credit institutions.

In order to create awareness among the people and to sensitize them to go for entrepreneurship, various Industrial Motivational Campaigns (IMCs), Entrepreneurship-cum-Skill Development Programmes (ESDPs), Entrepreneurship Awareness Programmes (EAPs), seminars, exhibitions, study tours etc. can be conducted in the district extensively. MSME Development Institute, Cuttack is playing an active role in this direction by conducting such programmes in the remotest corners of the district for the benefit of the educated unemployed youths to go for self-employment ventures. The promotional agencies like banks & financial institutions, NGOs & SHGs are supposed to have a holistic approach by their co-ordinated efforts to remove the missing link and to sensitize the people to take up ventures in the MSME sector. These efforts would definitely yield the results in flourishing the industrial activities in the district.

Further, to make the governance more people centric, the state government has taken an initiative for operationalization of “Five Ts: i.e. Technology, Teamwork, Transparency, Time leading to Transformation” and “Mo Sarkar” which envisions effective and transparent service delivery to the citizens on government services through ICT and is being implemented by most of the departments including MSME.

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## **STATE GOVERNMENT ORGANISATION AND CORPORATION INVOLVED IN PROMOTION OF INDUSTRIES**

### **DIRECTORATE OF INDUSTRIES, ODISHA:**

The main objective of the Directorate of Industries is to promote and facilitate the growth of the MSMEs in the State for which 31 District Industries Centres (DICs) have been established in different parts of the State. The Directorate of Industries administers the various provisions for the industrial policy and allows the various incentives and facilitates under IP in respect of different categories of industries.

The State Government has formulated a format for setting up of new industrial units and this directorate monitors that the various clearance/approvals are issued by the various State Govt. agencies in a time bound manner. In case of any problem in grounding of industrial projects, the State Level Empowered Committee under the Chairmanship of the Secretary, Industries with representatives of the concerned departments sorts out inter-departmental problems. As regards sick but viable MSE units, assistance like margin money, soft loan and IP benefits whenever required are provided for revival on a case to case basis.

The Directorate of Industries also maintains an updated industrial data bank and undertakes project identification on a continuous basis so that a shelf of projects with latest information and data is available to the entrepreneurs. Services of reputed consultants are hired for preparing project reports and project profiles. Besides, Entrepreneurship Development Programmes and Industrial Campaigns are organized in various parts of the State by the Directorate. This office is located at Killa Maidan, Bauxi Bazar, Cuttack with Phone: 0671-2301892, 2301856, 2301474(PBX), Fax: 2301227, 2307331& [www.diodisha.nic.in](http://www.diodisha.nic.in).

### **DISTRICT INDUSTRIES CENTRE (DIC):**

There are 31 DICs functioning in the State for promotion of industries. The objectives of the DICs are as below:

- ✓ To identify prospective entrepreneurs to take up viable projects.
- ✓ To identify viable projects and make demand survey on the available resources of the district and plan for promotion of viable industries in the area.
- ✓ To prepare viable and feasible project reports.
- ✓ To strengthen the guidance cell to solve the problems of the entrepreneurs.
- ✓ To maintain up-to-date data on MSE sector.
- ✓ To recommend financial proposals to Odisha State Financial Corporation/ Financial Institutions/Banks etc.
- ✓ To allot Govt. land /shed in Industrial Estates.
- ✓ To recommend for power connection.

- ✓ To arrange EDP/ESDP training.
- ✓ To arrange exhibition, fair, publicity and visit of industrialists to trade fairs and different industrial estates of other states.
- ✓ To solve the problems of the industrial units at the district level.
- ✓ To monitor the health of the existing MSE units and the progress of those in the pipe line.
- ✓ To recommend different incentives as per the industrial policy of the State Government.
- ✓ To provide necessary marketing assistance.
- ✓ To monitor the implementation of the Prime Minister's Employment Generation Programme.
- ✓ To assist revival of sick MSE units.

#### **INDUSTRIAL DEVELOPMENT CORPORATION OF ODISHA LTD. (IDCOL):**

The principal objective of the State Industrial Development Investment Corporation is the promotion of large and medium scale industries of the State. The Head office of IDCO is located at Bhubaneswar. Major functions of the Corporation are:

- ✓ Identification of large and medium scale industries.
- ✓ Promotion of industries in joint sector and joint venture in the state of Odisha by way of equity participation.
- ✓ Investment in loans.

#### **ODISHA STATE FINANCIAL CORPORATION (OSFC):**

Odisha State Financial Corporation was established in March 1956 and started its commercial operation since 1957-58. The Corporation provides financial assistance for establishment of micro, small and medium scale industries, hotels, nursing homes, acquisition of transport vehicles, etc. in the state. Besides, the corporation is also providing financial assistance for modernization and renovation of sick industrial units.

Term loan are provided to hotels, nursing homes and clinics, transport operators, quality control equipment, pollution control equipment, for modernization, diversification and rehabilitation of existing industries. The corporation assists ex-military persons under SEMFEX schemes. It also gives assistance to women entrepreneurs under "MahilaUdyam Nigam" scheme. It provides assistance under National Equity Funds for project cost up to Rs.50 lakhs and extends assistance under factoring services. The Head Office of OSFC is located at OMP Square, Cuttack, Ph-(0671)-2443659, 2443623, Fax: 2443437. It has also Regional Offices, Branches in different parts of the State.

#### **ODISHA SMALL INDUSTRIES CORPORATION (OSIC), CUTTACK:**

The Odisha Small Industries Corporation plays a vital role for promotion of micro and small scale industries in the state. It provides marketing assistance and raw material assistance. It deals with quality raw materials like iron and steel, aluminum, wax, rubber, plastics, coal, bitumen etc. OSIC also imports scarce raw materials to meet the requirement of micro and small scale industries. The OSIC has been granted the status of a recognized export house by the Govt. of India.

It extends finance for purchase of raw material credit scheme and also factors the bills of MSE units. It also obtains bulk orders for projects and products and off loads the same to the competent local MSE units.

The detail address of OSIC is Industrial Estate, Khapuria, Cuttack-10, Ph-(0671)-2344068, 2343084, 2341458, Fax-(0671)-2341879& website- [www.osicltd.in](http://www.osicltd.in).

#### **AGRICULTURAL PROMOTION & INVESTMENT CORPORATION OF ODISHA LTD. (APICOL):**

APICOL, a Government of Odisha undertaking provides assistance to agricultural enterprises in the state. It provides opportunities to investors and farmers either to set up, expand or modernize these enterprises. It also provides necessary guidance for Project formulation, business counseling, enterprise development and technical assistance in project implementation, especially in Agro Industries in the state.

APICOL intends to take up special campaigns for entrepreneurship development in agriculture, set up Agri. Park and common infrastructure for commercial agriculture and render assistance to agro industrial enterprises for obtaining improvised management, technical and administrative services. It further intends to liaison and tie-up with established agricultural houses for higher value, commercial agriculture including agri-marketing as well as correspond with reputed houses (in agri-business), foreign exports and collaboration. Besides, it provides opportunities for high income and employment generation.

The detail address of APICOL is Baramunda, Bhubaneswar, Phone-(0674)2461525, 2461203, 2461874, Fax-(0674) 2463306& website-.<http://www.apicol.co.in>.

#### **INSTITUTE OF ENTREPRENEURSHIP DEVELOPMENT (IED):**

This is one of the agencies involved in the field of development of entrepreneurship in the MSE sector in the state. This organization provides training, counseling and consultancy services to micro and small and medium entrepreneurs. The Government of Odisha has also declared this agency as the nodal agency for the Entrepreneurship Development of the state.

The organization also seeks alliance with universities and institute in the areas of forming panel to enroll the faculty members for interaction, planning and finalizing course curriculum and some other programmes relevant to the entrepreneur's development along with the Radio Programmes in Entrepreneurship (RPE). The location of the office is Plot-123, Sec-A, Zone-A, Mancheswar I.E., Bhubaneswar, Ph-(0674)-2485609, 2485985, 2487176 &Fax(0674)- 2485609.

#### **INDUSTRIAL PROMOTION & INVESTMENT CORPORATION OF ODISHA LTD., (IPICOL):**

The Industrial promotional and Investment Corporation of Odisha Ltd. has been established with the principal objective of promoting large and medium scale industries in the State. IPICOL through the Industrial Coordination Bureau provides assistance and guidance to entrepreneurs in project identification, project finance, preparation of project reports, getting registration and license, obtaining clearance from various authorities and statutory bodies and removal of operational

constraints for medium and large scale units. It promotes industries in joint sector by way of equity participation. It provides financial and managerial support for revival of sick units. The Foreign Investment Division of IPICOL is the single contact point for the NRIs and the foreign investors desirous of making investment in industrial projects. The location of the office at Bhubaneswar is IPICOL Building, Bhubaneswar, Ph-(0674) – 2543679, 2543461, Fax: 0674-2543766 E-mail- [ipicol@sancharnet.in](mailto:ipicol@sancharnet.in), Website: [www.ipicolorissa.com](http://www.ipicolorissa.com) & [www.investodisha.org](http://www.investodisha.org).

### **INDUSTRIAL INFRASTRUCTURE DEVELOPMENT CORPORATION OF ODISHA (IIDCO):**

The Industrial Infrastructure Development Corporation of Odisha (IIDCO) is the nodal agency for providing industrial infrastructure needs to the entrepreneurs intending to establish industrial ventures in Odisha.

#### **Services rendered by IDCO:**

- a) Establishment of Industrial Areas, Industrial Estates, Functional Estates, Growth Centers etc.
- b) Allotment of developed plots and built up sheds to entrepreneurs on long term lease hold basis
- c) Allotment of commercial shops
- d) Creation, improvement and maintenance of infrastructural facilities
- e) For the projects in large and medium sectors which cannot be set up within the existing Estates, IIDCO helps them in identifying and acquiring private land for the industry.

Industrial Growth Centers of about 1000 acres each are being established at Duburi, Chhatrapur, Jharsuguda and Kesinga. Three Mini Growth Centers are also being established at Khurda, Rayagada and Paradeep under the Integrated Infrastructure Development Scheme of Government of India. 100 acres of land will be developed for each growth centre. Export Promotion Industrial Park of about 205 acres of land with necessary infrastructure is being set up at Bhubaneswar under EPIP scheme of Ministry of Commerce, Government of India. An Industrial Park is being set up at Paradeep as joint venture with M/s. Bang Pekong, Thailand with state of the art technology/facilities. A Software Complex is being set up at Bhubaneswar for development of electronic projects with about 200000 sq. ft. area to accommodate different Software Companies. A Petro-Chemical Complex at Paradeep over 3000 acres has been developed close to the proposed refineries of IOC & Nippon Denro. IDCO has been declared as the Nodal Agency for implementation of the two Special Economic Zone of Paradeep and Gopalpur approved by Government of India. It is the only state Government PSO which has obtained ISO-9001 and ISO-14001 certificate for providing infrastructure and services of high order and maintaining modern environment management system. The detail address of IIDCO is IDCO Tower, Janpath, Bhubaneswar-751002, Ph-(0674)-2542784, 2540043, 2530476, 2540820, Fax-(0674)-2542956 E-mail [cmdidco@dte.vsnl.net.in](mailto:cmdidco@dte.vsnl.net.in) & Website: [www.idco.in](http://www.idco.in).



## **DIRECTORATE OF EXPORT PROMOTION AND MARKETING:**

Directorate of Export Promotion and Marketing has been set up to promote export of goods from the State of Odisha and to provide marketing assistance to MSE units of the State. It disseminates market intelligence and overseas tender/trade enquiries among the existing and potential exporters/entrepreneurs of Odisha for their active participation. It renders guidance in export processing, pricing of export items and on availability of different incentives for exports, granted by Govt. of India. It endeavors to establish infrastructure including establishment of Export Promotion Industrial Park etc. This Directorate registers MSE units and concludes rate contract for purchases by Govt. Deptt. and undertakings.

### **Other Institutions which are engaged in Industrial Development are:**

1. Odisha Forest Development Corporation Ltd., A-84, Kharvel Nagar, Bhubaneswar.
2. Odisha Remote Sensing Application Centre, Surya Kiran Building Complex, Sahid Nagar, Bhubaneswar.
3. Odisha Renewable Energy Development Agency (OREDA), Mancheswar Industrial Estate, Bhubaneswar.
4. Odisha State Pollution Control Board, A/118, Nilakhantha Nagar, Bhubaneswar.
5. Odisha Film Development Corporation Ltd., Buxi Bazar, Bhubaneswar.
6. Tribal Development Cooperative Corporation of Odisha Ltd, Rupali Square, Bhubaneswar.
7. Odisha State Cooperative Handicrafts Corporation, Rasulgarh, Bhubaneswar.
8. Odisha State Export Development Corporation (OEDC), Bhubaneswar.
9. Odisha Khadi & Village Industries Board (KVIB), Kharavela Nagar, Bhubaneswar.
10. Odisha Mining Corporation Ltd., Bhubaneswar.
11. Directorate of Technical Education and Training, Killa Maidan, Cuttack.
12. Odisha Agro-Industries Corporation, Satya Nagar, Bhubaneswar.

## Highlights of Fiscal Incentives for MSMEs in Industrial Policy Resolution 2015, Govt. of Odisha:

### 1. Land at Concessional Rate:

- Ground rent @ 1% of the land Value.
- 10 % of the land for large projects limiting to 300Acre shall be earmarked for Ancillary & Downstream Industrial Park.

### 2. Exemption of Premium on Conversion of Agricultural Land for Industrial Use:

- New Industrial units and existing industrial units taking up E/M/D.

➤ Micro & Small Sector	100% up to 5 Acres
➤ Medium Sector	75% up to 25 Acres
➤ Priority Sector	100% up to 100 Acres & 50% for balance Area

### 3. Interest Subsidy:

- New MSME @ 5% per annum on term loan for Five years and same for Seven years for Industrially Backward Districts limiting to-

Micro Enterprise-Rs.10 Lakh	Small Enterprise- Rs. 20 Lakh	Medium Enterprise -Rs. 40Lakh
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### 4. Stamp Duty Exemption :

- No stamp duty for land allotted by the Govt. to IDCO or Govt. /IDCO to Private Indl. Estate Developers.

➤ Transfer of land/shed by Govt./IDCO/Private Indl. Estate Developers to new units and existing units acquiring fresh land for E/M/D	• Micro & Small Sector	75% of Stamp duty
	• Medium Sector	50% of Stamp duty
	• Priority Sector	100% of Stamp duty

- Stamp Duty exemption on transfer of management/ conversion to Company/ reconstruction & amalgamation of Companies/ execution of loan deed / credit deed / hypothecation deeds.

### 5. Energy :

A. Exemption of Electricity Duty for 5 years	New MSMEs New units in the Priority Sector	Up to Contract demand of 500 KVA Up to Contract demand of 5 MVA
	New & Existing industrial units setting up Captive Power Plant with non-conventional sources & bio-fuel as Green	

	Energy Subsidy.	
B. Seasonal Units such as food processing, sugar, salt and cotton ginning & pressing unit shall be allowed for temporary surrender of a part of their contract demand as per norms of OERC.		
C. One-time reimbursement of cost of Energy Audits for achieving energy efficiency up to		
Micro Enterprise-Rs. 1 lakh	Small Enterprise – Rs. 2 lakh	Medium Enterprise – Rs. 3 lakh

#### 6. VAT Reimbursement – in a tapered manner

New MSMEs	75% of net VAT paid for 5 years	Limited to 100% of cost of plant & M/C
New units in Priority Sector	100% of net VAT paid for 7 years	Limited to 200% of cost of Plant & M/C
Existing MSMEs taking up E/M/D	75% of net VAT paid on increased production for 7 years	Limited to 200% of additional cost of Plant & M/c for E/M/D
New Pioneer Units	100% of net VAT paid for 9 years	Limited to 200% of cost of Plant & M/c
Anchor Tenant in Indl park	100% of net VAT paid for 9 years	Limited to 200% of cost of Plant & M/c
❖ Above provision will be suitably replaced / modified after GST is introduced		

#### 7. Reimbursement of Entry Tax:

Plant & Machinery	New MSMEs & Priority Sector Units	100% of Entry Tax paid on plant & M/c
	Existing MSMEs & Priority Sector units taking up E/M/D	100% of Entry Tax paid for 5 years limited to 100% of cost of plant & M/c
Raw Materials	New MSMEs & Priority Sector Units	100% of Entry Tax paid for 5 years limited to 100% of cost of plant & M/c
	Existing MSMEs & Priority Sector units taking up E/M/D	100% of Entry Tax paid on additional raw materials for 5 years limited to 100% of cost of additional Plant and machinery.
	New Pioneer Units under each Priority Sector	
❖ The above provision will be suitably replaced/ modified after GST is introduced.		

### 8. Reimbursement of Entertainment Tax (ET)

I.	New Multiplex Cinema Hall of at least 3 screens with minimum capital investment of Rs. 3.00 Crores	100% of ET paid for 5 years
II.	Existing cinema hall upgrades to a multiplex and modernized with minimum investment of rupees one crore	100% ET paid for 5 years
❖ The above provision will be suitably replaced / modified after GST is introduced		

### 9. Employment Cost Subsidy- for employing skilled & semi-skilled workers of domicile of Odisha as regular employees.

New & Existing units taking up E/M/D in Micro & Small Sector.	Male workers -75% of ESI & EPF contribution for 5 years Female workers-100% of ESI & EPF contribution for 5 years
New and existing units taking up E/M/D in Medium sector	Male workers-50% of ESI & EPF contribution for 3 years Female workers- 100% of ESI & EPF contribution for 3 years
New and existing units taking up E/M/D in MSME and Priority Sector-displaced for the establishment of the said Indl. unit.	100% of ESI & EPF contribution for 3 years
New and existing Industrial units taking up E/M/D in MSME and Priority Sector – with Disabilities	100% of ESI & EPF contribution for 5 years
Employment Cost Subsidy- for additional period of 2 year of Industrially Backward Districts.	

### 10. Patent Registration:

New units and Existing units in MSME & Priority Sector taking up Expansion / Modernization / Diversification	100% of the registration cost limited to Rs. 10 Lakh
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### 11. Quality Certification & its renewal for next consecutive two years:

New and Existing units in MSME & Priority sector taking up E/M/D	100% of quality certification charges limited to Rs. 3 Lakh
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## 12. ASSISTANCE FOR TECHNICAL KNOW-HOW

New units in MSME & Priority sector	Indigenous tech. 100% of cost up to Rs. 1 Lakh
	Imported tech. 100% of cost up to Rs. 5 Lakh

## 13. Entrepreneurship Development Subsidy:

- ❖ 75% of course fee limited to Rs.50, 000/- per course to budding entrepreneurs to undergo Management Development Training in reputed national level institution.

## 14. Environmental Protection Infrastructure Subsidy:

- ❖ Rs. 20 Lakh or 20% of capital cost whichever is less for adopting Zero Effluent / ZLD & Setting – up of Effluent Treatment Plant by MSMEs.

## 15. Capital Grant To Support Quality Infrastructure:

Industrial parks/Cluster parks promoted by private sector / Ind. Association/ User Units in cluster format.	50% of the infrastructure cost up-to 10 crore / park or cluster.
Up-gradation of the existing parks/clusters provided the park / estate / cluster is User-managed	50% of total cost up-to Rs. 5 crore

## 16. Anchor Tenant Subsidy:

- ❖ 25% subsidy on cost of land.
- ❖ Vat Reimbursement for additional 2 years subject to the overall limit.

## 17. Marketing Assistance To Industries Associations:

- ❖ Assistance @ 50% of total rent limiting to Rs. 10 Lakh of participation of minimum 5 units in Odisha Pavilion in International Trade fairs abroad.

## 18. Film Industry:

- ❖ All Feature films produced fully or partly in Odisha exempted from entertainment Tax.
- ❖ Producers of films utilize Kalinga Studio Limited, Film & Television Institute of Odisha and Kalinga Prasad Colour Laboratory shall avail incentives as per terms and conditions of OFDC.
- ❖ Soft loan assistance at a nominal rate of interest decided by OFDC.
- ❖ Multiplexes / Cinema Halls shall get Govt. land/IDCO land at concessional Indl. rate.

## 19. Non-Mineral based new Indl. Units in industrially backward districts with investment of Rs. 5.00 crore in Plant & M/c treated as Priority Sector unit & eligible for all incentives of Priority Sector.

**ODISHA MSME POLICY- 2016:**

**Gist of Fiscal Incentives Provided:**

**Capital Investment Subsidy to new Micro & Small Enterprises:**

- General category 25% of cost of Plant & Machinery limiting to Rs.1 crore.
- SC, ST, differently abled, women & technical (Degree/Diploma) Entrepreneurs @30% of cost of plant and machinery limiting to Rs.1.25 crore.
- Set up in industrially backward including KBK districts – additional 5% of cost of plant and machinery within limit of Rs.1 cr./Rs.1.25 crore as applicable as above.
- Enterprises engaged in recycling of E-waste, Hospital waste, Construction & demolition waste – additional 5% of cost of Plant & Machinery with upper limit of Rs.10 lakh over & above the limits prescribed as above.

**Seed Capital Assistance:**

- One time grant @10% of Term loan limiting to Rs.15 lakh to 1<sup>st</sup> generation women, SC, ST, differently abled entrepreneurs in industrially backward districts including KBK (Kalahandi, Bolangir&Koraput).

**Project Report Subsidy:**

- One time grant up to Rs.50, 000/- or 2% of the project cost, whichever is lower to new Micro Enterprises.

**Reimbursement of Audit Cost for Water Conservation:**

- One time reimbursement of 50% of audit cost limiting Rs.25, 000/- to new Micro, Small & Medium Enterprises undertaking water conservation measures.

**Assistance for raising Capital through SME Exchange:**

- One time grant @20% of expenditure incurred for raising of capital through SME Exchange up to maximum amount of Rs.10 lakh of new Small & Medium Enterprises.

**Trade Mark Assistance:**

- 50% of expenditure incurred in obtaining Trade Mark subject to maximum of Rs.25,000/- to new Micro, Small & Medium Enterprises.

**Reimbursement of Training Expenditure:**

- 50% of the cost training of local manpower limited to Rs.3, 000/- per person for a maximum of 10 persons in Micro and 20 persons in Small & Medium Enterprises. Additional training cost of Rs.1, 000/- shall be reimbursed per woman Micro, Small & Medium Enterprises.

**Award to MSME Entrepreneurs:**

- To encourage competition and efficiency amongst Micro, Small & Medium Enterprises.

**ODISHA PROCUREMENT PREFERENCE POLICY FOR MICRO & SMALL ENTERPRISES, 2015.****☐ Objectives:**

- To provide and ensure fair, transparent, consistent, equitable procurement of goods and services produced/provided by MSEs.
- State Govt. Departments and Agencies under its control shall procure from the MSEs.

**☐ Strategy:**

- Coordination among State Depts. and Agencies
- Involvement of Stakeholders.
- Emphasizing on Quality Production of Goods and Services provided.
- Enhancing competitiveness with cost reduction
- Emphasis on timely action.

- ☐ Director, EP&M, Odisha is the Nodal Agency for implementation of provision of the policy.
- ☐ Director, EP&M, or his nominee will be a member of the purchase committee above the District level.
- ☐ General Manager, RIC/DIC or his representative will be a member of the Purchase Committee above the district level.
- ☐ In Tenders, participating MSEs must have register under Odisha VAT or CST Act and must have VAT clearance certificate Form 612-A as prescribed under Section-99 of Odisha Value Added Tax Act 2004.
- ☐ Evaluation of tender papers of MSEs shall be made on basis price including price preference and other charges but excluding VAT, Taxes etc. as per the provision notified by Finance Dept., Govt. of Odisha from time to time.
- ☐ Out of 20% target of annual procurement from the MSEs a sub-target of 20% i.e. 4% out of 20% shall be earmarked for procurement from MSEs owned by SC, ST, Physically challenged, Women and technical (Degree/Diploma holders) enterprises.
- ☐ Special Vendor Development Programme or Buyer Seller Meet shall be conducted by OSIC Ltd., in consultation with State Govt. depts. and agencies and shall play pivot role in consortia formation.
- ☐ State Govt. Depts. and Agencies under its control and other agencies as specified in the policy shall prepare Annual Procurement Plan for purchase and upload the same on their official website.
- ☐ Price Preference exemption from payment of earnest money, payment of 25% of prescribed security deposit, adopting e-procurement.

▣ **Sanction of Departure:**

The administrative Depts. may sanction departure from the scheme in particular cases where such departure is in the interest of the State.

▣ **Miscellaneous:-**

This policy shall remain in force until substituted by another policy. The State Govt. may any time amend any provision of this Policy.

▣ Implementation of this Policy will be subject to issue of operational guidelines/statutory notification wherever necessary.



**Odisha Export Policy 2014 at a Glance:**

- ✓ The Odisha Export Policy 2014 aims at achieving the export turnover from the level of export of the State of Rs.12.246 crores during 2012-13 to Rs. 38.714 crores within a span of 10 years' time at a growth rate of 19% per annum. But due to proactive effort of Government of Odisha, the export turnover during 2016-17 has already reached a level of Rs.40.872 crores which registered 114% growth over the preceding year, 2015-16.
- ✓ Training Programmes and Workshops are organized at various levels by the DEP&M in collaboration with Export Promotion Council/FIEO to improve the efficiency of functionaries involved in the work of export promotion.
- ✓ DEP&M conducts interactive session from time to time with the Exporters and Bankers to facilitate Export Finance.
- ✓ For participation in International Trade Fairs in India and abroad, travel expenses in respect of not more than two persons from a firm shall be permitted, subject to 50% of the total travel expenses limited to Rs.50,000/-.
- ✓ The State Government is taking necessary steps to create container facilities in the ports located within the State.
- ✓ Visit of Foreign Trade delegations from different countries would be organized frequently with State Government participation to take them to industries at various locations in the State.
- ✓ "State Export Award" is being distributed annually among the exporters of Odisha for their outstanding export performances in the State under different product group.
- ✓ Setting up of Export Parks and Trade Centers in different locations of the State having export potentiality for Show Casing of MSME Product of the State in important cities of the country.
- ✓ The Directorate of Export Promotion and Marketing acts as the nodal Agency for undertaking all export promotion activities in the State.

**Salient Features of Odisha's Export:**

- ✓ During 2016-17, total export from Odisha was Rs.40.872 crore.
- ✓ Major items of exports are: Metallurgical products, Marine products, Software products, Engineering and Allied products.
- ✓ Odisha has a tremendous potential for export of products like: Handicrafts, Handlooms, Textiles, Agro-processed food products.
- ✓ Advantage for export of Odisha: 480 km of sea coast, number of ports like: Paradip, Dhamra, Gopalpur and many more upcoming ports.
- ✓ Major minerals available in the State: Iron ore, Manganese Ore, Bauxite, Chromite, Coal, Lime Stone etc.

- ✓ Air Cargo Complex at BijuPattnaik International Airport, Bhubaneswar with Cargo Customs Clearance Facility.
- ✓ Container Terminal Facility at Paradip Port with Plant Protection and Quarantine (PPQ) permission facility.
- ✓ Multi-modal Logistics Park at Jharsuguda&Balasore.
- ✓ Testing Laboratory for pre-shipment export inspection by EIA (Export Inspection Agency) and MPEDA (Marine Products Development Agency for multi-product and seafood products respectively).
- ✓ Exposure visit through participation in International Trade Fairs both inside India and abroad as per provisions of State Export Policy-2014.

**ODISHA FOOD PROCESSING POLICY, 2016**

Gist of Fiscal Incentives Provided:

**Capital Investment Subsidy:**

General Area	@ 25% of capital investment in Plant & Machinery limiting to Rs.2 crore to MSMEs including large industries
SC/ST/Women/KBK area	@ 33% of capital investment in plant & machinery limiting to Rs.3 crore to MSMEs including large industries
State-of-the Art NABL accredited Food Testing Laboratory	@ 50% of investment in Plant & Machinery limiting to Rs.4 crore.
Anchor Industry	@ 25% of investment in Plant & Machinery limiting to Rs.5 crore.
Cold Chain & Primary Processing Centre	@35% of capital investment in plant & machinery limiting Rs.5 crore
Assistance for Reefer Vehicle	@ 35% of the cost of standalone New Reefer Vehicle (s)/Mobile pre-cooling van (s) limiting to Rs.25.00 lakh
Modernization of Meat Shops through Urban Local Bodies-	<ul style="list-style-type: none"> <li>• General Area - @ 35% of the cost of machinery / equipment and technical civil works limiting to Rs.5.00 lakh.</li> <li>• Industrially backward districts including KBK districts - @ 50% of the cost of machinery/equipment and technical civil works limiting to Rs.5 lakh.</li> </ul>

**Assistance for Human Resource Development:** Creation of infrastructure facilities for running degree/diploma/certificate courses in food processing technology – one time grant @ 50% of the cost pilot projects, laboratory equipment, technical/academic books/journals, facilities of testing food items limiting to Rs.1.00 crore.

**Entrepreneurship Skill Development Programme (ESDP):** Support limiting to Rs.3 lakh per ESDP batch (of 25 to 30 trainees).

**Assistance for promotional activities:**

- Organising Seminar/Workshops – support limiting to Rs.2.00 lakh per event.
- Support to exhibitions/fairs – quantum of assistance as per approval of Govt.
- Domestic study tour/exposure visit - @ 50% of expenditure for a maximum of 2 batches (10-25 persons per batch) per annum limiting to Rs.2.00 lakh per batch.
- Conducting studies/surveys/feasibility report - @50% of the cost, limiting to Rs.4 lakh.

**Assistance for setting up Mega Food Park/Sea Food Park/State Food Park:**

- @20% of the project cost (excluding cost of land) as approved by Competent Authority limiting to Rs.15 crore to Special Purpose Vehicle (SPV) promoting Mega Food Park/Seafood park limiting to 75% of the Project Cost (excluding cost of land).

**ODISHA STARTUP POLICY-2016**

The Odisha Start up Policy'2016 envisages making Odisha among top 3 "Startup Hubs" in India by 2020.

- Criteria for entity to be considered as "Startup" include:
  - The date of incorporation/registration not prior to five years.
  - Turnover not to exceed Rs.25 crore for any preceding financial years.
  - Working towards innovation, development, deployment or commercialization of new products, processes or services driven by technology or intellectual property and makes it scalable to achieving commercial success.
- Policy provides incentives and exemptions over & above the Startup Policy of Government of India.
- Incentives for Startup Ecosystem:
  - One time grant of 50% of capital cost (excluding cost of building) limited to Rs.1.00 crore to set up incubator facilities in approved Universities/Educational Institutions.
  - Performance capital grant of Rs.5.00 lakh for each successful Startup to approved Universities/Educational Institutions; Incubators; & Industry groups/Industry House.
  - Reimbursement of Rs.1.00 lakh per year for 3 years to Institutions/Incubators/Industry towards internet, electricity & monitoring charges.
  - Creation of Startup Capital Infrastructure fund/Seed fund upto Rs.25.00 crore.
- Incentives for Startups:
  - Provision of Rs.10, 000 per month for one year to Startups already received seed round funding approved.
  - Reimbursement of marketing/publicity assistance up to Rs.5.00 lakh for introduction of innovated product in the market.
  - Reimbursement of VAT/CST as per Industrial Policy Resolution (IPR) - 2015.
  - Reimbursement of cost of filing and prosecution of patent application as per IPR 2015.
  - Mandatory 20% procurement by State Govt. Departments/PSUs from Startups.