

VI INDUSTRY & MINERALS

The total amount provided for Industry & Minerals in the Eleventh Five Year Plan is Rs. 1138.10 crore and in Annual Plan 2007-08, Rs. 107.30 crore is provided. For the Annual Plan 2008-09, an amount of Rs.221.00 crore is proposed for implementing various schemes under Industry and minerals, which includes Rs. 19.00 crore as one time Additional Central Assistance and Rs. 5.00 crores under RIDF of NABARD. The sub sector-wise details are given below:

Amount provided for Annual Plan 2008-09

(Rs. Crores)

Sl. No.	Sector/ Sub sector	Eleventh Plan (2007-12)	Annual Plan 2007-08	Annual Plan 2008-09
1.	Village & Small Industries			
i.	Small-scale Industries	144.18	6.14	29.00
ii.	Commerce	0.00	0.00	1.00
iii.	Handicrafts	15.80	1.00	9.00
iv.	Handloom & Powerloom	137.66	25.16	39.70
v.	Coir Industry	217.76	32.01	36.40
vi.	Khadi & Village Industries	41.50	5.00	6.15
vii.	Sericulture	16.29	2.50	3.00
viii.	Beedi Industry	8.95	0.50	0.50
ix.	Cashew Industry	44.00	8.00	28.50
	Subtotal: VSI	626.14	80.31	153.25
2.	Other Industries	506.96	26.59	66.75
3.	Mining	5.00	0.40	1.00
	Total: Industry & Mining	1138.10	107.30	221.00

Details of programmes/ schemes included in each sub sector are given below:

6.1. VILLAGE & SMALL INDUSTRIES

1. Small Scale Industries

1. Seed Capital loan to Small Scale Entrepreneurs

(Outlay Rs. 300.00 lakh)

The scheme is for assisting micro and small enterprises by way of margin money loan to new enterprises started by new entrepreneurs. Margin money loan assistance to new industrial units is limited to 50% of the margin money or 20% of the project cost for extending term loans and working capital loan subject to a maximum amount of Rs. 2.50 lakh and the limit for NRIs is Rs.5.00 lakh. Besides Margin money loan and start up expenses under 'Sick Units Rehabilitation Programme' margin money loan to units in clusters subject to a maximum of Rs. 2.50 lakhs towards matching contribution based on contribution of members of the cluster to support their equity in the cluster activities and

80% of the project cost subject to a maximum of Rs.80000 as loan to individuals/families for starting selected units in rural areas are also to be given from this scheme.

An outlay of Rs.300 lakh is provided for the Annual Plan 2008-09 to assist 125 units.

2. Industrial Co-operative Societies

(Outlay Rs.25.00 lakh)

The scheme is intended to provide share capital contribution and machinery grant to Industrial Primary Cooperative Societies. It is proposed to be restricted to assist societies of special groups like women, SC/ST and the disabled. The assistance is limited to a maximum amount of Rs.3.50 lakh per co-operative. The societies would be selected based on a transparent set of criteria against viable project proposals. An amount of Rs.25.00 lakh is provided for the Annual Plan 2008-09 under the scheme.

3. Infrastructure Development

(Outlay Rs.400.00 lakh)

a. Modernisation of Existing Functional Industrial Estates.

An amount of Rs.70.00 Lakh is provided for the modernisation of the existing Common Facility Service Centres at Changanacherry and Manjeri during 2008-09.

b. Development Works in Development Plots/Areas

The balance amount of Rs.330.00 lakh is provided for the development of land including power and water facilities, solid and liquid waste management system and other common facilities, completion of works already taken up in the existing DAs/DPs and payment of arrears of land acquisition cost during the year 2008-09.

4. State Investment Subsidy

(Outlay Rs.800.00 lakh)

An outlay of Rs.800.00 lakh is provided for the Annual Plan 2008-09 for giving the following assistance as per Government Rules on Investment Subsidy.

- i. Subsidy on fixed capital investment to micro and small enterprises for undertaking expansion / modernization/ diversification
- ii. 1/3rd subsidy subject to a maximum of Rs.15000 for loan linked Rural Industrial Development Projects / rural industrial units/ rural micro and small enterprises
- iii. Assistance for acquiring modern equipment for self employment subject to a maximum of Rs.2000/ per beneficiary
- iv. Assistance exclusively for micro and small enterprises started by weaker section - Women and SC/ST - for project up to Rs.10.00 lakh. The assistance shall be 50% of project cost as subsidy
- v. Subsidy for pollution Control devices for existing units

- vi. A special incentive by way of 25% of the capital investment for setting up of Common Effluent Treatment Plant jointly by a group of units having the similar effluent subject to maximum of Rs.20.00 lakh
- vii. 25% additional subsidy to the fixed capital investment for the units investing for the production of organic food subject to a maximum of Rs.10.00 lakh
- viii. 10% additional subsidy to the fixed capital investment for the units/enterprises exclusively engaged in the production of Ethnic Food and exports subject to a maximum of Rs.10.00 lakh
- ix. A special incentive to the tune of 5% of the total capital investment in addition to the State investment subsidy to the unit which provide maximum permanent employment under SSI sector subject to a maximum of Rs.1.00 lakh
- x. Rs.25000 as special incentive to those units for conducting feasibility study through organizations with National / International repute.

5. Intensive Industrialization Support Programme

(Outlay Rs.200.00 lakh)

The main objectives of the scheme are strengthening the facilities for information management in the Directorate, District Industries Centres and Taluk Industries Offices by ensuring speedy clearance of applications, undertaking promotional activities to conduct industry related surveys, studies and publication of promotional literature. An outlay of Rs. 200.00 lakh is provided for the Annual Plan 2008-09. The outlay includes expenses towards the Preparation of detailed project report, continuing the ongoing computerization programme and for acquiring ISO certification for Head office and sub offices. The outlay is also meant for meeting the expenses of the Single Window Clearance Board, the expenses of the entrepreneurship development programme, awareness programmes, seminars and training programmes aimed at new entrepreneurial ventures, Participation in trade fairs and exhibition inside and outside the State, awards to entrepreneurs of SSI units, expenses on capacity building of officers of the department, the expenses of K-BIP in connection with acquisition of technology, grant to SSI units for acquiring HACCP/ISO certification, preparation of project profiles and conducting potential survey, the expenses of the Industry Facilitation Council, providing export incentive to outstanding exporters, setting up entrepreneurship development clubs in more institutions in the state and strengthening of the existing ones and setting up of specialized library in documentation centre. Expenses of the Industries resource locator, setting up of industry interface cell, revival of sick units and implementation of women industries programme are also to be met under this scheme. Of the outlay of Rs.200.00 lakh provided for 2008-09, Rs.20.00 lakh each is for Industries resource locator and setting up / strengthening of industry interface cell and revival of sick units and an amount of Rs.50.00 lakh is for the innovative activities to develop entrepreneurship in the State through Kerala Institute of Entrepreneurship Development (KIED).

6. Kerala State Small Industries Development Corporation (SIDCO)

(Outlay Rs.30.00 lakh)

The main objective of SIDCO is to promote finance and operative schemes for the over all development of small-scale industrial sector by providing infrastructure and marketing assistance.

An outlay of Rs.30.00 lakh is provided for supply of raw materials to small scale industrial units, building up common brands, supporting quality management practices in SSI units, marketing the products of SSI units and implementing factoring services.

7. Technology and Modernisation Programme

(Outlay Rs.50.00 lakh)

An outlay of Rs.50.00 lakh provided for the linkages of industry with research institutions by setting up testing centres and other common facility centres with the involvement of engineering colleges/research laboratories and other major R&D centres, purchase of required equipment in these centres, providing training to entrepreneurs/stakeholders, identifying market opportunities and promotion of new entrepreneurial ventures by availing the technical and managerial capabilities of academic institutions. The amount proposed is for implementing industry incubators scheme, Industry research linkage and for capital subsidy scheme under TUF for the benefit of micro and small enterprises in the State.

8. Marketing Development Scheme

(Outlay Rs.25.00 lakh)

An outlay of Rs.25.00 lakh is provided for assisting NGOs/ agencies/ Women Industrial Co-operative Societies/ individuals marketing SSI products of the State during 2008-09. Assistance is provided up to 15 percent of margin money loan on working capital with a ceiling of Rs.5.00 lakh and 15% investment subsidy on fixed capital investment up to a limit of Rs.10 lakh.

9. Agro based and Food Processing Industries

(Outlay Rs.100.00 lakh)

Food Processing Industry has been recognized as a major thrust sector in the State. For the development of Agro-based and Food Processing Industries, setting up of Food Park at Ayyankunnu, setting up common marketing centre at Puzhakkal Padam, setting up of ethnic food based industrial clusters, conducting entrepreneurship development programmes in food processing, developing new products in the sector, creating awareness in new packaging techniques, setting up of Common Facility Service Centre in Food Parks and market research and publicity are the programmes envisaged under the scheme for which an amount of Rs.100.00 lakh is provided for Annual Plan 2008-09.

10. Promotion of Production of Ancillaries for Industrial Enterprises (Flagship Programme)

(Outlay Rs.70.00 lakh)

An amount of Rs.70.00 lakh is provided in the Annual Plan 2008-09 under Flagship Programme for the promotion of production of ancillaries for existing and newly emerging industrial enterprises.

New Schemes

11. Small Industry Cluster Development Programme (20% SS)

(Outlay Rs. 500.00 lakh)

The scheme is assisted by Government of India which involves activities like bulk sourcing of raw material, mutual credit guarantee for sourcing loans, common brand creation, marketing, setting up of CFSC, training, quality testing etc. Eight proposals were submitted to GoI, of which three proposals are sanctioned with a state share of Rs.165.78 lakh and other proposals are awaiting sanction. Hence an amount of Rs.500.00 lakh is provided as state share for the year 2008-09, of which an amount of Rs.165.78 lakh is for the three sanctioned consortia.

12. Upgradation of DA/DP/Industrial Estates/ CFSCs (one time ACA)

(Outlay Rs. 400.00 lakh)

An amount of Rs.400.00 lakh is provided as one time Additional Central Assistance for upgrading the industrial estates including Mini Industrial Estates, DA/ DP, sheds in these estates and areas, CFSCs etc. This outlay can also be utilized to develop the land under the control of Director of Industries and Commerce and local bodies.

2. Commerce

1. Development of Commerce

(Outlay Rs.100.00 lakh)

The activities of Industries and Commerce Department are mainly confined to Industry sector and commerce has not yet been positioned appropriately. The Department proposes to work as a catalyst so as to enable to enhance employment opportunities, increase economic activity, and increases the taxes to government and to develop commerce infrastructure. The peculiarity of the sector is that jobs created in the sector are beneficial to moderate educated people particularly young women, mostly from Kerala. The activities proposed under the scheme in the Annual Plan 2008-09 are given below.

1. Conducting detailed studies for the development of the sector
2. Commissioning of appropriate research study for the growth of commerce sector

3. Identification of bottleneck in infrastructure and preparation of project proposals for the development of infrastructure
4. Evolving long term policy frame work for sustained growth of commerce.

3. Handicrafts

1. Share Capital Contribution to Handicrafts Primary Co-operative Societies

(Outlay Rs.20.00 lakh)

An outlay of Rs.20.00 lakh provided for Annual Plan 2008-09 is for extending share capital assistance to five Handicrafts Primary Co-operative Societies for strengthening their equity base.

2. Assistance to Apex Organisations in the Handicrafts Sector

(Outlay Rs.75.00 lakh)

An outlay of Rs.75.00 lakh is provided for extending assistance (not as untied grant) to the following apex organizations in the handicrafts sector during 2008-09.

- ~~///~~ Handicrafts Apex Co-operative Society (SURABHI)
- ~~///~~ Kerala State Bamboo Corporation
- ~~///~~ Kerala Artisans Development Corporation
- ~~///~~ Handicrafts Development Corporation

Assistance will be given for viable projects after approval.

3. Entrepreneur Assistance Scheme in Handicrafts/Artisan Sector

(Outlay Rs.30.00 lakh)

The National Backward Classes Finance and Development Corporation (NBCFDC) and National Minorities Finance and Development Corporation (NMFDC) have schemes to promote economic development activities of the Backward Classes and Minorities with special priority to women. There are two schemes under operation. The first scheme is term loan, which is available up to Rs.5 lakh covering 85 per cent of the project cost by financing agencies and 10% by State channelising agencies and 5% by beneficiary. A sum of Rs.18.00 lakh is provided for the scheme in the Annual Plan 2008-09.

The second scheme is the margin money loan where 40 per cent of the project cost is financed by NBCFDC and NMFDC and 50 per cent of the cost has to be raised by the beneficiary from the bank and 5 per cent each is the contribution expected of the channelising agency and the beneficiary; the maximum amount of margin money loan is Rs.2.00 lakh. The outlay Rs.8.00 lakh is provided for this scheme during 2008-09.

For those beneficiaries not belonging to backward classes or minorities, but who are below poverty line and are artisans, an amount of Rs.4.00 lakh is provided for the

year 2008-09 to provide term loan on the same terms and conditions as given by the NBCFDC and NMFDC.

4. Development of Bamboo

(Outlay Rs. 5.00 lakh)

An outlay of Rs.5.00 lakh is provided for conducting skill upgradation training programmes for artisans and craftsmen in making diversified and value added products of Bamboo.

5. Establishment of Common Facility Service Centres for Handicrafts (Flagship Programme)

(Outlay Rs.70.00 lakh)

Establishment of Common Facility Service Centres for Handicrafts products in selected crafts / areas is essential for giving training in handicrafts, quality testing, machine based job works, dyeing, polishing and printing works.

An amount of Rs.70.00 lakh provided for the Annual Plan 2008-09 under Flagship Project, is for modernization of handicrafts units, development and promotion of new designs and establishment and modernization of CFSCs.

New Scheme

6. Kerala State Bamboo Corporation (One time ACA Scheme)

(Outlay Rs.700.00 lakh)

The scheme envisages primary processing at different locations to produce bamboo blinds and strips which will be processed into different end products. It is also envisaged to utilize the waste coming out of the primary processing to produce bamboo charcoal. A portion of the strips will be converted into bamboo flooring, a unit to be established at existing factory premises of Kerala State Bamboo Corporation. Detailed project report will be submitted by KSBC for availing the financial assistance under one time ACA.

4. Handloom and Powerloom Industries

Handloom Industry

1. Development of Handloom through Primary Handloom Weavers' Co-operative Societies

(i) Government Share Participation in PHWCS

(Outlay Rs.500.00 lakh)

The scheme is meant for enhancing the Net Disposable Resources position of the societies and for meeting a part of their immediate working capital requirements without any interest. The share participation by Government is provided in cottage type, factory type, SC/ST societies @ to 2, 3 and 5 times of the share taken by members respectively.

The maximum amount of share participation is Rs.5.00 lakh per society per annum. An outlay of Rs.500.00 lakh is provided in the Annual Plan 2008-09 for the scheme.

(ii) *Marketing and Export Promotion Scheme*

(Outlay Rs.200.00 lakh)

Under the scheme, grant is proposed to be extended to the societies; Hantex and Hanveev as export incentive @ 20% of the export turn over subject to a maximum limit of Rs.20.00 lakh, assistance of Rs.60.00 lakh is for conducting 20 exhibitions each by Hantex / Hanveev, assistance of Rs.40.00 lakh is for conducting 200 exhibitions by PHWCS, assistance of Rs.40.00 lakh is for conducting five Regional Handloom Expos by the Directorate during festival periods, assistance of Rs.50.00 lakh to Hantex / Hanveev / PHWCS to participate in national and international fairs / exhibitions in the year 2008-09. An amount of Rs.10.00 lakh is provided for giving special assistance for design studio provided to be set up by HEPC with assistance from Ministry of Commerce, Government of India.

An amount of Rs.200.00 lakh is provided for the scheme during the year 2008-09.

(iii) *Training and Skill Development Programme*

(Outlay Rs.80.00 lakh)

The objective of the scheme is to provide grant for training to staff and workers in PHWCS for developing their skills and diversification of products. An amount of Rs.12.00 lakh is provided for the payment of stipend to the students of the textile technology course sponsored by Govt. of India, Rs.20.00 lakh is as grant for meeting the training expenses for the Institute of Handloom Textile Technology, Kannur and Rs.14.00 lakh for meeting the full costs of short term training programme on handloom technology for the departmental staff involved in handloom development, Rs.14.00 lakh for Industry Institution Linkage Programme and Rs.20.00 lakh for imparting training to 100 staff and 1000 weavers in PHWCS. An outlay of Rs.80.00 lakh is provided for the Annual Plan 2008-09 under the scheme.

2. Development of Handloom through Hantex, Hanveev and Raw Material Bank

i) *Quality Raw material for Weavers*

(Outlay Rs.350.00 lakh)

The scheme is for ensuring timely supply of quality raw materials at reasonable cost to weavers. Hank yarn subsidy to Hantex, Hanveev and yarn banks, subsidy @ 10% of the purchase price of dyes and chemicals to Hantex, Hanveev and yarn banks and margin money loan for working capital to Raw Material Banks are the programmes envisaged. At present hank yarn subsidy is being given at the rate of Rs.15.00 per kg. An amount of Rs.250.00 lakh is provided as grant and Rs.100.00 lakh as loan for the annual plan 2008-09.

ii) Share Participation to HANTEX & HANVEEV

(Outlay Rs.200.00 lakh)

Under the scheme, share participation is provided to Hantex and Hanveev in the ratio 3:2 every year for strengthening their capital base and making them eligible for more cash credit facilities from financial institutions.

Research and development, design inputs, skill upgradation programmes, 50 per cent of the cost of commercialization of brand equity, design development with the help of NIFT, NID & TPDC, Balaramapuram, margin money up to 25 percent of working capital and grant for meeting 50% of the cost of marketing research are the programmes envisaged under the scheme. An amount of Rs.200.00 lakh is provided in the Annual Plan 2008-09 for the above activities.

3. Contributory Thrift Fund Scheme

(Outlay Rs.50.00 lakh)

Under this scheme assistance is provided for meeting medical expenses of the subscriber or his family members, expenses on marriage and children's education, expenses towards taking share in the society, purchase of house site, construction/ purchase/ alteration/ repairs of their houses etc. This scheme, a 50 % Centrally Sponsored Scheme during 2007-08, will be discontinued from the year 2008-09. But, this can be continued as a State scheme during 2008-09, for which an outlay of Rs. 50.00 lakh is provided.

4. Upgradation to Powerloom/Modernisation of Factory Type Societies

(Outlay Rs.200.00 lakh)

The objectives of the scheme are modernization of handlooms for producing value added products and creating additional facilities for powerloom. Under this scheme, assistance is provided as grant for renovation of the factory building including electrification, margin money grant of 15 percent of value for purchase of new automatic/ semi automatic powerlooms, grant for product/ design development with a ceiling of 2 percent of the goods produced, margin money grant equivalent to 25 percent of expenditure (with ceiling of Rs.2.00 lakh) for setting up showrooms to be owned by the consortium of at least three factory type societies, margin money loan corresponding to 25 percent of working capital, creating pre-loom processing facility for dyeing, warping and sizing and assistance for upgradation of looms to produce value – added products.

An outlay of Rs.150.00 lakh is provided as grant and Rs.50.00 lakh as loan for the implementation of the above programmes during 2008-09.

5. Development of Exportable Products & Marketing Scheme (Handloom Export Scheme) (25% State Share)

(Outlay Rs.20.00 lakh)

Under the scheme, grant is provided to be given for development of exportable products and marketing subject to conditions fixed by Government of India. Of the project cost, 25 per cent is provided as the State share to beneficiary co-operative societies as grant and 75% by Government of India. The assistance is extended for product development, brand development, participation in international trade events, setting up of units for value addition and setting up of quality testing laboratories. An amount of Rs.20.00 lakh provided is towards state share of the scheme in the Annual Plan 2008-09.

6. Establishment of Mini – Pre-loom Process Centres (warping and sizing units)

(Outlay Rs. 105.00 lakh)

It is proposed to establish Mini Pre-loom Process Centres suited to the factory type Handloom Weavers Co-operative Society. The estimated cost for establishing such a centre is Rs.5.00 lakh. Government will extend special share participation for meeting 60% of the project cost of a centre subject to a maximum of Rs.3.00 lakh and the balance of 40% is to be raised by the society through their own fund or from bank finance. In the case of the entrepreneurs (other than co-operative societies), 25% of the project cost, subject to a maximum of Rs.1.25 lakh will be extended as special grant for the creation of machinery and equipment. The balance amount will be raised by the entrepreneur. The factory type societies and other societies having workshed/ own land are eligible under the scheme and in the case of entrepreneurs, they should have their own land. For giving grant to five entrepreneurs an amount of Rs.5.00 lakh is provided and for special share participation to societies an amount of Rs.100.00 lakh is provided for the Annual Plan 2008-09.

7. Technology Upgradation and Transfer of new Technologies to Handloom weavers/workers

(Outlay Rs. 25.00 lakh)

In the handloom sector, technology upgradation is needed for quality production in areas such as improvement in looms, upgradation in dyeing and sizing, upgradation in processing and printing, modernisation of warping and yarn sizing facilities, application of IT in marketing, quality development, brand creation for improved products and technology build up for value addition.

National and International technologies will be collected and disseminated at reasonable values. An amount of Rs.25.00 lakh is provided for the year 2008-09 for the scheme.

8. Revitalisation and Strengthening of Handloom Co-operatives and Apex Societies and Handloom Corporation (Flagship Programme)

(Outlay Rs.500.00 lakh)

Of the total amount of Rs.500.00 lakh provided under Flagship Programme in Annual Plan 2008-09, Rs.300.00 lakh is for revitalization and strengthening of PHWCS and Rs.10.00 lakh each is for the Apex Co-operatives Handloom Development Corporation.

9. Promotion of Master Weavers to set up Production Units (Flagship Programme)

(Outlay Rs.10.00 lakh)

An outlay of Rs.10.00 lakh provided under Flagship Programme is for training of master weavers and master dyers to set up production units.

10. Development of Regional Brand in Handloom Industry (Flagship Programme)

(Outlay Rs.10.00 lakh)

An amount of Rs.10.00 lakh is provided for the scheme under Flagship Programme in the Annual Plan 2008-09 for the development of unique handloom products of the State and to develop local brand for these products and market them.

11. Establishment of Weavers Service Centres for Skill Upgradation Training for Handloom Weavers (Flagship Programme)

(Outlay Rs.25.00 lakh)

The objective of the scheme is the establishment of weavers service centres for developing inherent artistic skills of the traditional weavers for bringing out unique designs and imperative value added and diversified handloom products. It is envisaged to impart three months' training to 50 talented weavers selected from different parts of the State to develop new designs. Of the total outlay of Rs.25.00 lakh provided for the scheme in the Annual Plan 2008-09 under Flagship Project, Rs.1.00 lakh is for purchase of raw material and weaving accessories.

New Schemes

12. Partial Mechanisation of Preloom Processing

(Outlay Rs.100.00 lakh)

The scheme is intended for giving assistance to Handloom Weavers Co-operative Societies in the form of 100% grant for mechanization of preloom processing such as winding, warping, sizing etc. Maximum assistance eligible for a society is Rs.1.00 lakh.

An amount of Rs.100.00 lakh is provided for giving assistance to 100 societies in the Annual Plan 2008-09.

13. Establishment of IIHT

(Outlay Rs.100.00 lakh)

An amount of Rs. 100.00 lakh is provided for the establishment of Indian Institute of Handloom Technology at Thiruvananthapuram, similar to IIHT, Salem with the assistance of Government of India during 2008-09.

14. Training, study and propaganda for encouraging the use of Handloom cloths

(Outlay Rs.25.00 lakh)

An amount of Rs. 25.00 lakh is provided for the preparation of project proposals, training to staff, conducting seminars and workshops in association with Handlooms Export Promotion Council and Textile Committee, assisting Government in policy formation, purchase of office equipment and software development. The scheme also proposes to give assistance to agencies undertaking Government of India assisted projects such as Thanima, Krithika, Prathibha etc.

15. Establishment of Hank Yarn Production Centres at Kollam, Thrissur and Kannur

(Outlay Rs.200.00 lakh)

The yarn produced in the co-operative spinning mills are to be converted as hank yarn for the use of PHWCS for the production of traditional clothes. For the production of 3000 Kg hank yarn per day, three units will be established at Kollam, Thrissur and Kannur. The scheme can be implemented through Kudumbashree units/ PHWCS under the supervision of Texfed. An amount of Rs.200.00 lakh is provided for the scheme during 2008-09.

16. Revitalisation of spinning mills under TEXTFED

(Outlay Rs.200.00 lakh)

The scheme envisages urgent renovation of plant and machinery of Quilon and Kannur Co-operative Spinning Mills under Texfed. Since periodic maintenance was not carried out, present condition of their machinery is very poor. The scheme also proposes to supply sufficient hank yarn to the handloom societies. To turn around the mills, a revival package is to be implemented. An amount of Rs.200.00 lakh is provided for the scheme in the Annual Plan 2008-09.

17. Integrated Handloom Development Scheme (IHDS) (State Share)

Integrated Handloom Development Scheme has been formulated as a Centrally Sponsored Scheme by merging the components, with and without modifications, of four schemes implemented during the 10th Plan. It is necessary to facilitate handloom weavers to meet the challenges of a globalised environment and to empower them to chart out a sustainable path for growth and diversification in line with the emerging market trends. Integrated Handlooms Development Scheme (IHDS) is an attempt to facilitate the sustainable development of handloom weavers located in and out side identified handloom clusters in to a cohesive self managing and competitive socio – economic unit. The components of IHDS included in the Annual Plan 2008-09 are given below.

A) Development of Clusters having Loom-age 300 – 500

(Outlay Rs.80.84 lakh)

Clusters having Handlooms in the range of 300-500 are eligible for financial assistance under this component and 20 clusters have been identified in the state for claiming financial assistance during 2008-09. The sub components included for financial assistance are baseline survey (100% Central Share), formation of consortium (100% Central Share), raw material support (100% Central Share), design development (50% State Share) etc.

Assistance for individual weavers for the sub components basic input (70% - GoI, 20% - State, 10% - Implementing Agency/ Beneficiary) and construction of work-shed (0.25 lakh for a work-shed of 20 sq. meter, balance by the State Govt. / beneficiary) can also be availed in a cluster having loom-age of 300 -500.

An outlay of Rs.80.84 lakh is provided as State share for these components of the scheme.

B. Group Approach for Development of Handlooms

(Outlay Rs.63.00 lakh)

Handloom Weavers which are not covered by clusters will be benefited by a Group Approach. A Group should have preferably 10 weavers, which can be in the form of SHG, PWCS and other independent / individual weavers in groups. Assistance to such a group of weavers will be given for the sub components basic inputs, skill upgradation, construction of work-shed etc. 50 groups are identified in the State for getting benefits under the group approach for development of handlooms and an amount of Rs.63.00 lakh is provided as State share towards this component.

Basic Inputs: It is proposed to give one time assistance to individual weavers for basic inputs like new looms – Rs.6000, doobby –Rs.4000, jacquard – Rs.6000, and accessories – Rs.2000. An assistance of Rs.6000 per weaver towards margin money is also proposed for those handloom weavers who have got credit linkages established with banks either on their own or through PHWCS, SHGs or master weavers. Of the total assistance of Rs.26000 per weaver, 70% will be met by Government of India, 20% by State Government and 10% by the weaver. An amount of Rs.13 lakh is provided as State share for assisting 250 weavers for basic inputs.

Construction of work-shed: Of the total amount for constructing a work-shed, Rs.25000 will be met by Government of India and the balance is proposed to be borne by State Government. An amount of Rs.50 lakh is provided as the State Share for constructing about 250 work-sheds in the Annual Plan 2008-09.

Assistance for skill upgradation to individual weavers is 100% GoI assistance and the funds will be released directly to the Weaving Service Centres.

C. Financial assistance to Handloom Organisations (State Share)

(i) Marketing incentive (50% State Share)

(Outlay Rs.600.00 lakh)

Marketing incentive is given to the handloom agencies for preparing conditions, which are conducive to marketing of handloom products. State Handloom Corporation, Apex Co-operative Societies, PHWCS and National Handloom Organizations are eligible for assistance towards Marketing Incentive. The quantum of assistance proposed for the handloom organization is 10% of the average sales turnover of the last three years. An amount of Rs.600.00 lakh is provided as 50% State Share for this component.

(ii) Strengthening of Handloom Organizations (Hantex & Hanveev)

(Outlay Rs.277.16 lakh)

This would include assistance towards financial restructuring of Nation Level and State Level Handloom Organizations with a view to making them viable by enhancing their credit limit / working capital. Financial assistance will be given as per the proposal and an amount of Rs.277.16 lakh is provided as 50% State Share for this component.

18. Handloom Weavers Comprehensive Welfare Scheme (State Share)

a) Group Insurance Scheme for Handloom Weavers (Mahatma Gandhi Bunkar Bima Yojana)

(Outlay Rs.8.00 lakh)

Under the new insurance scheme “Mahatma Gandhi Bunkar Bima Yojana”, out of the total premium of Rs.330 per weaver, Government of India contribution is Rs.150, contribution of LIC of India is Rs.100, and weavers contribution is Rs.80. The Central Government share of the premium will be released directly to the LIC of India. It is proposed that the weaver’s contribution of the scheme to be borne by the State Government. An amount of Rs.8.00 lakh is provided in the Annual Plan 2008-09 to cover 10000 weavers under the insurance scheme.

b) Health Insurance Scheme

(Outlay Rs.9.00 lakh)

ICICI Lombard is implementing the Health Insurance Scheme and the premium for one weaver’s family will be Rs.781.60. Out of this, the Government of India share will be 80% of the premium (Rs.642.47), and weaver’s contribution is 20% of the total premium (Rs.139.13). It has now been decided by Government of India that in case the weaver finds difficulty in making full payment of his contribution, he will have to pay at least Rs.50/- and the balance of Rs.89.13 can be met by the State Government.

An amount of Rs.9.00 lakh is provided in the Annual Plan 2008-09 to cover 10,000 weavers in the State.

Powerloom Industry

1. Development of Powerloom Industry

(i) Upgradation of facilities for training in Powerloom

(Outlay Rs.10.00 lakh)

Of the total outlay of Rs.10.00 lakh, Rs.2.00 lakh is provided for upgradation of facilities in the Demonstration-cum-Training Centre, Thiruvananthapuram and Rs.8.00 lakh is for imparting training in weaving, designing etc. to the members of the Handloom and Powerloom Societies and private entrepreneurs.

ii) Share Participation for Modernisation of Powerloom Co-operative Societies

(Outlay Rs.20.00 lakh)

The scheme is meant for providing share capital as margin money for working capital and for modernization of the Powerloom Co-operative societies for availing loans from financial institutions for technology upgradation under TUF Scheme

An outlay of Rs.20.00 lakh is provided for the scheme in the Annual Plan 2008-09.

2. Group Insurance Scheme for Powerloom Weavers (50% State Share)

(Outlay Rs.2.00 lakh)

This is a 50% centrally assisted scheme, which provides insurance coverage to the workers in the powerloom sector. The annual premium of Rs.120/- under the group insurance scheme has to be shared equally by the Central Government, State Government and powerloom weaver. An outlay of Rs 2.00 lakh is provided as State Share towards this scheme in the Annual Plan 2008-09.

5. Coir Industry

1. Marketing, Publicity Propaganda, Trade Exhibitions and Assistance for Setting up of Showrooms

(Outlay Rs.50.00 lakh)

The outlay provided is for attending trade fairs / exhibitions and to set up showrooms to develop the market for coir products. Kerala State Coir Marketing Federation(Coifed), Kerala State Coir Corporation and Foam Matting(India) Ltd. (FOMIL) would be eligible for reimbursement of 50% of the cost of their expenses towards participation in trade fairs/exhibitions, publicity through media like TV, Radio and Newspapers, publishing of catalogues etc. subject to an annual monetary limit. Similarly, grant assistance up to Rs.1.00 lakh is also available for these institutions for setting up show rooms in places approved by the Director of Coir Development. Participation of the Coir Development

Department in trade fairs / exhibitions organising Buyer Seller Meet, Coir Mart and release of advertisements are also envisaged. Coir Mats & Matting Co-operative Societies are also eligible for assistance under this scheme for participating exhibitions within Kerala. The outlay can also be used for meeting the expenses for seminars/awareness camps, printing of pamphlet and release of advertisements in print media/electronic media to sustain brand image of “Kerala Coir-Golden Yarn of God’s own Country”. It is proposed to assist the two Public Sector Undertakings in Coir Sector, the Apex Society and Mats & Matting Co-operative Societies.

An amount of Rs.50.00 lakh is provided for the above activities of the scheme in the Annual Plan 2008-09.

2. Market Development Assistance for the sale of Coir and Coir Products (50% SS)

(Outlay Rs.200.00 lakh)

The Government of India substituted Rebate scheme with MDA, at the rate of ten percent of annual sales turnover (an average of 3 years). The expected amount of sales turnover of societies and apex organisation on an average for the 11th Plan period is Rs.16800.00 lakh. The MDA at 10% will be Rs.1680.00 lakh of which 50% is state share and 50% Central Share. The provision will be utilized to promote sales of Coir and Coir products, identify new markets and uses of coir and to make the marketing professional and result oriented. 40 Co-operative Societies, other institutions like Coirfed, and two PSUs are expected to get benefit of the scheme.

An outlay of Rs 200.00 lakh is provided as the 50% state share for the implementation of the scheme during the 2008 – 09.

3. I.C.D.P Scheme -Grant for motorized Coir Spinning Units/Defibering Mills for improvement and modernization:

(Outlay Rs.25.00 lakh)

As part of modernization of the coir industry, the Government has been implementing an Integrated Coir Development Project (ICDP) which involves setting up of mechanized coir spinning and defibering units in the Co-operative sector. A good number of the units under ICDP are now defunct due to various reasons like defective machinery, lack of allied machinery, lack of infrastructure facilities, non availability of power and huge arrears of electricity charges, minimum guarantee, lack of working capital etc. The outlay proposed is for giving grant to coir societies that have set up motorised coir spinning units and defibering mills. Cost for purchase of allied machines like willowing machine, screener for baby fibre, conveyor system etc., repairing ratts/replacing ratts with good quality spinning ratts and providing infrastructure facilities like shed, drying yard, tank, pith yard, well etc. are also to be met from this provision. The provision can also be utilised for giving assistance to meet the over due arrears towards electricity, subject to a maximum of 50% of such arrears. An outlay Rs. 25.00 lakh is provided for the scheme in 2008-09 to assist 25 Spinning Units and 5 defibering Co-operative Societies.

4. Coir Geo-textiles Development Programme:

(Outlay Rs.25.00 lakh)

The comprehensive coir Geo-textiles programme is aimed at implementing pilot projects, inclusion of Geo-textile as a standard engineering material, strengthening of R&D and marketing efforts with product specified MDA packages. The assistance can be given to Coirfed, Kerala State Coir Corporation, FOMIL, NCRMI, PWD, Irrigation, KSEB and other Government Institutions. Organizing decentralized geo-textile units in to cluster type centre is also contemplated. An amount of Rs. 25.00 lakh is provided for the scheme during 2008-09.

5. Grant for Centres of Research and Development in Coir Technology

(Outlay Rs.160.00 lakh)

An amount of Rs.160.00 lakh is provided during 2008 – 09 for R&D activities for improving the coir processing machinery, to increase productivity in the sector and for production of diversified coir products with high value addition. Construction of building and other infrastructure development for the Centre already commenced are to be completed. Expenses of other infrastructure like purchase of machinery and equipment, setting up of testing laboratories, training centres etc will also be met from this outlay.

6. Margin Money Loan to Entrepreneurs

(Outlay Rs.10.00 lakh)

Small Scale producers in coir sector are proposed to be assisted by providing margin money loan up to 50%, so as to avail margin for financial assistance from banks / financial institutions, for establishing new industrial units or expansion/ diversification of existing industrial units. The scheme is proposed to attract private entrepreneurs for production of value added products in the coir sector. The ceiling is to be limited to Rs.2.5 lakh per unit.

It is also proposes to organise Raw Material and Marketing Consortia of Small Scale Producers, Mats and Matting Co-operative Societies and SHGs under cluster development programme. The provision under this head is also for meeting the Margin Money Loan requirement of the Consortia.

An outlay Rs.10.00 lakh is provided for the scheme during 2008 – 09.

7. Technology for Pith Utilization, Production of Energy and Pollution Control.

(Outlay Rs.10.00 lakh)

Major research activities are underway for technology for the better utilization of coir pith, and pollution control projects. This scheme proposes to assist agencies or entrepreneurs who undertake projects for the utilization of coir pith by paying special investment subsidy @ 30% on the cost of fixed capital investments of the project

approved by the financial institutions. An amount of Rs.10.00 lakh is provided for the implementation of the scheme during 2008 – 09.

8. Direct Welfare Assistance to Coir Workers.

(Outlay Rs.25.00 lakh)

An outlay of Rs.25.00 lakh is provided for the construction/renovation of residential buildings for improvement of living standards of Coir Workers during 2008-09. A portion of the outlay can be utilized for electrification of house, construction of latrine, providing drinking water facility, medical reimbursement, and educational assistance to the children of coir workers etc. For the Annual Plan 2008-09, an outlay of Rs.25.00 lakh is provided for the scheme to assist 200 coir workers.

9. Common Facility Service Centres for coir products of small-scale producers.

(Outlay Rs.200.00 lakh)

The scheme is for establishing new common facility service centres like Dyeing/bleaching plant, shearing & stenciling plant, where potential exists. Installation and modification of the existing effluent treatment plants, modernisation of dye house, repairing of machinery etc. in product manufacturing societies and public sector undertakings will also be met from this provision. An outlay of Rs.200.00 lakh is provided for the scheme during 2008-09 and 10 Co-operative societies are expected to get benefit of the scheme.

10. Regulated Mechanization of Coir Industry:

(Outlay Rs.50.00 lakh)

To meet the global demand for coir products of superior quality and to withstand the price competition from other fibers. It is essential to modernize the Coir Industry and enhance productivity. Creation of new computer aided designs for better response to market trends etc. are also envisaged. Coir Board has developed 1 m width semi automatic loom to weave coir door mats (Anupam loom) costing around Rs.1.5 lakh. This is to be commercially popularized to modernise coir industry. For this, it is necessary to provide assistance @ 50% subsidy to the Co-operative societies and Private individuals, Public Sector Undertakings in the Coir Sector, who modernise their factory subject to a maximum of Rs 4.00 lakh for fixed capital investment necessary for acquiring high productivity semi automatic looms. Assistance will be given for procuring computer with appropriate software for computer aided designs. Expenses for imparting training to the workers and supervisory staff in the coir sector to take advantage of the innovations, will also be met from this outlay. Provision under this head can also be utilized to organise EDP training to start Coir Industries. A provision of Rs 2.00 lakh is intended for paying project report preparation charges, if any, for preparation of projects for submission to Government of India/other agencies.

In view of the acute shortage of coir fibre, being experienced by the coir manufacturing units and to increase utilization of Green husk, it is proposed to give

special investment subsidy to mechanised defibering mills established in the private sector @ 50% of the fixed capital investment, subject to maximum Rs10.00 lakh.

An amount of Rs.50.00 lakh is provided for the scheme during 2008 – 09 for regulated mechanization.

11. Training and Management Improvement

(Outlay Rs.25.00 lakh)

The scheme is to provide training to the staff of Coir Development Department in the latest development / Research and Development innovations in the Coir Sector. Advanced training and skill upgradation to the staff, modernisation of the Department by completing computerisation, adding software, setting up website etc. are envisaged in the scheme. Giving professional training for society functionaries for the betterment of the management of the societies is also contemplated under the scheme. An outlay of Rs.25.00 lakh is provided for the scheme during 2008 – 09.

12. Infrastructure Development for Co-operatives

(Outlay Rs.25.00 lakh)

The scheme is to provide financial support to co-operatives for developing their infrastructure facilities for attracting coir industries. The coir co-operatives/ Public Sector Undertakings having sufficient land can be supported with financial assistance under this scheme. An outlay of Rs.25.00 lakh is provided for giving assistance to 10 Co-operative societies during 2008-09.

13. Production and Marketing Incentive (PMI)

(Outlay Rs.50.00 lakh)

An outlay of Rs.50.00 lakh is provided for giving incentives by way of financial assistance to promote the production and marketing of coir and coir products including rubberised coir products and Geo-textile by the primary Co-operative Societies (including spinning and small scale producers), Mats and Matting Co-operative Societies, Apex Society and Public Sector Undertakings namely, Kerala State Coir Corporation and Foam Mattings (India) Ltd., to encourage sustained production, to facilitate sale in Coir Sector and thereby to generate more employment opportunities in the Coir Sector during 2008-09. 300 Co-operatives and other institutions are expected to get benefit of the scheme.

14. Mahila Coir Yojana: (25% SS)

(Outlay Rs.25.00 lakh)

An outlay of Rs.25.00 lakh is provided as 25% State share for the scheme during 2008-09. Coir Board is implementing the scheme “Mahila Coir Yojana” with a view to provide self employment opportunity to rural women workers in the coir producing areas. As per the scheme, Coir Board will give training and supply ratts with 75% subsidy. Coir Board has been requested to include Geotextile looms also under the scheme. The

provision is for meeting 25% of the expenditure on the cost of ratts/looms. The scheme envisages distribution of traditional motorised ratts for spinning coir yarn and looms for weaving Coir Geotextiles, to women workers after giving them necessary training.

15. Assistance to KSCC,FOMIL and Coirfed:

(Outlay Rs.50.00 lakh)

The scheme is for strengthening the production and marketing activities of Public Sector Undertakings in coir sector viz. Kerala State Coir Corporation, Foam Mattings (India) Ltd. and the Apex Society – Coirfed by way of strengthening their share capital base. An outlay of Rs.50.00 lakh is provided for the purpose during 2008-09.

16. Grant to Kerala Coir Workers Welfare Fund Board for Welfare Measures (Flagship Programme)

(Outlay Rs.800.00 lakh)

An outlay of Rs.800.00 lakh is provided for the scheme as grant to enable the Kerala Coir Workers Welfare Fund Board to implement various welfare schemes and to give matching grant, pension etc. Of the total outlay, Rs.200.00 lakh is provided for matching grant and Rs.600.00 lakh for old age pension. Around 45000 coir workers are expected to get benefit of the scheme.

17. Establishment of Defibering Mills at Hinterlands:

(Outlay Rs.150.00 lakh)

An important objective of the organizational strategy in the coir industry is to ensure processing of at least 50% of the coconut produced in Kerala into fibre. For this purpose it is proposed to establish raw husk defibering mills outside the traditional area of coir belt. The mills will be set up by workers Co-operatives / Kudumbasree units with plan assistance. Bank finance is also to be made available. The mills shall make fibre available to the spinning co-operatives at regulated price. An outlay of Rs.150.00 lakh is provided during 2008 - 09 for the purpose.

18. Revitalization of Coir Co-operative Societies.

(Outlay Rs.400.00 lakh)

An outlay of Rs 400.00 lakh is provided for strengthening Coir-Co-operative Societies, Mats & Matting Societies, Small Scale Producers Co-operatives and DF Mill Co-operatives. The scheme envisages enabling the co-operatives to wipe out its losses and providing working capital support. The Selection of Co-operatives and the quantum of assistance will be based on the revival report submitted by the societies. The fund required for giving awards to best performing societies (yarn sector, product sector, fibre sector) best worker, best Coir Society President etc. would also be met from this provision. In the Annual Plan 2008-09, an outlay of Rs.400.00 lakh is provided for the scheme.

19. Purchase Price Stabilisation Scheme (Flagship Programme)

(Outlay Rs.510 lakh)

The scheme is for eliminating depot owners and to strengthen the small-scale coir manufacturing co-operative societies by setting up common facility centres as an alternative to existing depot system. This is implementing through KSCC and Coirfed so as to benefit genuine coir producers in Coir Yarn and product manufacturing sector. The outlay is for strengthening the activities such as transport subsidy, rent for processing centre, overhead expenses (75% of actual), setting up of CFC, working fund etc. 20 Mats and Matting Societies, 10 SSPCS will be benefited directly and 350 Coir Co-operative Societies producing yarn will also get benefit indirectly under the scheme. An outlay of Rs.510.00 lakh is provided for the scheme during 2008 – 09.

20. Incentive for export of 100% Handloom Made Coir Products and Price Compensation Incentive (Flagship Programme)

(Outlay Rs.50.00 lakh)

An amount of Rs.50.00 lakh is provided under Flagship Programme in the Annual Plan 2008 – 09 for the following activities.

a) Export Incentive.

This is to give export incentive to 100% handloom made Coir Products to boost the export of the same. It is proposed to give subsidy of 20% on the FOB value of export of 100% handloom made Coir Products produced and exported from the State by giving agreed wages/CIRC wages and benefits to the workers subject to maximum of Rs.10.00 lakh / year.

b) Price Compensation Incentive

This is for providing support to the producers by way of subsidy to compensate the loss incurred to the extent of the difference in the manufacturing cost and selling price. This will help majority of coir co-operatives.

It is proposed to give assistance to 10 units under export incentive and 100 Coir Co-operatives under price compensation incentive.

21. Reorganization of PSUs / Restructuring of Coirfed (Flagship Programme)

(Outlay Rs.200.00 lakh)

Reorganisation of PSUs / restructuring of Coirfed is being considered by Government to make them profitable and self-sustaining. The measures include closure of loans availed from District Co-operative Banks by one time settlement and introduction of Voluntary retirement scheme in these organisations and such other cost

reduction mechanisms. An outlay of Rs.200.00 lakh is provided for the scheme under Flagship Programme during 2008 – 09.

**22. Establishment of New Factory for the Production of Jute-Coir Blended Yarn
(Flagship Programme)**

(Outlay Rs.50.00 lakh)

It is proposed to set up a modern mechanized jute-coir blended yarn manufacturing factory under Public Sector at Kanichukulangara Coir Park (where land is available) from where the yarn can be made available to the exporters. The factory is proposed to be established with assistance of Government of India, State Government and Institutional Finance. An outlay of Rs.50.00 lakh is provided for establishing the factory during 2008-09.

**23. Establishment of New Factory for Manufacture of Coir Composite Boards
(Flagship Programme)**

(Outlay Rs.50.00 lakh)

An outlay of Rs.50.00 lakh is provided under Flagship Programme to set up a factory for production of composite board using Coir Mattings. The factory is proposed to be established with the assistance of State Government, Central Government and Institutional Finance.

New Scheme

24. Modernisation of Coir Industry (One time ACA)

(Outlay Rs.500.00 lakh)

The scheme envisages modernisation of machinery and equipment in coir sector, establishment of CFSC, design centre for coir products, raw material bank, and storage for finished products, R & D works, and market development activities with special focus on domestic market. An amount of Rs.500.00 lakh is provided as one time ACA for 2008-09.

6. Khadi and Village Industries

1) Construction of work sheds for departmental Khadi production centres

(Outlay Rs.20.00 lakh)

The work-sheds of departmental production centres are very old and many of them continuously need renovation. Hence sufficient number of work-sheds and boiling sheds are to be constructed and the existing sheds to be renovated. An amount of Rs.20.00 lakh is provided for the following activities under the scheme during 2008-09.

1. Construction of boiling sheds in weaving and spinning units.

2. Construction of new work-sheds for starting the spinning and weaving units at various districts

2) Infrastructure Development of Departmental Village Industries units

(Outlay Rs.25.00 lakh)

During 2008-09, the following activities are proposed to be undertaken for the development of Village Industry Units.

- a) Hand Made Paper unit at Elanthur, Pathanamthitta
- b) Development of Pottery manufacturing unit
- c) Strengthening of hand made paper units, village oil units, soap units, note book manufacturing units, honey processing units, and ready made garment units
- d) Training and guidance for the benefit of Village Industries

An amount of Rs.25.00 lakh is provided in the Annual Plan 2008-09 for the above activities.

3) Revitalization of Departmental Khadi Production Centres

(Outlay Rs.25.00 lakh)

Khadi production centres need revitalization for creating better working conditions to the workers. The scheme is for revitalisation of spinning units and weaving units of the departmental production units, introduction of new charkas and installation of new looms and repair of charkas and looms. It also includes provision for facilities like drinking water, latrine, toilets, electrification, fencing of walls etc. An amount of Rs 25.00 lakhs is provided for the above activities during 2008-09.

4. Information, Publicity and Training

(Outlay Rs.5.00 lakh)

To create a general awareness about the products, extensive market promotion activities are necessary. Mass media like Television, Newspaper, Internet etc. can be used to propagate quality and eco-friendly products of the Kerala Khadi Board. The export potential of Khadi and Village Industries products should be tapped to increase sales substantially. An amount of Rs.5.00 lakh is provided for the above activities including market survey to analyse the potentialities of Khadi products during 2008-09.

5. Computerisation of Khadi Board

(Outlay Rs.10.00 lakh)

The scheme proposes to complete the computerization process in the Board office and its 14 district offices including Payyannur Khadi Centre. The scheme is also aimed at improving technical competence of the staff in the Board. The proposed system will have a web server located at Thiruvananthapuram, where all the software applications

will be run and the database will be maintained. The head office and other units of Khadi and Village Industries Board will access the system through the Internet. An outlay of Rs.10.00 lakh is provided for the above activities during 2008-09.

6. Development of Bee-keeping Industry

(Outlay Rs.10.00 lakh)

It is proposed to impart training on a large scale so as to motivate the bee keepers and to supply bee boxes at subsidized rates. This will give an additional income to farmers and house wives. Therefore it is proposed to

- (a) Establish a new honey processing centre at Nilambur, Malappuram
- (b) Conduct training programme in Bee Keeping and
- © Provide subsidy for bee boxes to bee keepers

An amount of Rs10.00 lakh is provided for the scheme during 2008-09.

7. Strengthening of Weaving Sector including Production Incentive to Spinners and Weavers and Establishment of Silk Production Centres (Flagship Programme)

(Outlay Rs.50.00 lakh)

It is envisaged to provide production incentive to spinners and weavers and also to impart training to artisans during 2008-09. An amount of Rs.50.00 lakh is provided in the Annual Plan 2008-09 for these purposes.

8. Renovation & Computerisation of Existing Sales Outlets and Modernisation of Godowns of Khadi Board (Flagship Programme)

(Outlay Rs.50.00 lakh)

In order to increase the marketing capabilities of Khadi the following activities are proposed during 2008-09.:

- a) Renovation of existing sales outlets
- b) Computerisation of Sales Outlets of KHadi Board
- c) Direct Marketing System
- d) Modernisation of Godowns
- e) Establishment of new marketing outlets

An amount of Rs. 50.00 lakh is provided for the scheme during 2008-09.

9. Revitalisation of Khadi Co-operatives (Flagship Programme)

(Outlay Rs.20.00 lakh)

Many of the Khadi Co-operative Societies are working as sick industrial units. The main cause attributable to this situation is lack of working capital, very old charkas,

looms etc. An amount of Rs 20.00 lakh is provided for the revitalisation of Khadi Co-operatives in the State during 2008-09.

10. Financial Assistance to Other Khadi Institutions (Flagship Programme)

(Outlay Rs.25.00 lakh)

An outlay of Rs.25.00 lakh is provided as financial assistance to other Khadi Institutions during 2008-09. The assistance is in the form of grant for purchase of Charkkas and other accessories. Sarvodaya Sangh institutions at Kozhikode, Palakkad, Alappuzha, Kannur and Thiruvananthapuram are the beneficiaries under the scheme.

11. Special Employment Generation Programme (Flagship Programme)

(Outlay Rs.75.00 lakh)

It is proposed to assist Khadi and Village Industries units each in every grama panchayat with a minimum project cost of Rs.10000/- and maximum project cost of Rs.50,000/-. 30% of the project cost is proposed as margin money assistance from the State Government. Each unit is expected to give employment to two persons. Technical assistance, training and marketing assistance can be given by the Khadi and Village Industries Board to traditional industrial units for processing cereals, pulses, cashew etc. Other small industrial units such as chips makings, pickle making, agarbathi, cycle workshop, barbar shop, dhobi industry, candle industry etc will also get the benefits under the scheme. An outlay of Rs 75.00 lakh is provided for the scheme during 2008-09.

12. Kerala State Palmyrah Products Development and Workers' Welfare Corporation Limited (KELPALM) (Flagship Programme)

(Outlay Rs.65.00 lakh)

The following activities are provided to be implemented during 2008-09.

- a. Comprehensive Welfare Programme for Palmyrah workers
- b. Launching of new food products.
- c. Promotion of palm leaf articles.
- d. Revival of the fiber processing unit in Palakkad.
- e. Establishment of a Palmyrah Research Institute.
- f. Launching of the concessional loan scheme under NBCFDC
- g. Social Palmyrah forestry project and palm cultivation
- h. Introduction and popularization of health and medicinal products

An amount of Rs 15.00 lakh is provided for the above activities.

The balance amount of Rs. 50 lakh is provided under the RIDF scheme of NABARD for the following activities during 2008-09.

i. Palm Fibre Godown at Kalleppully

Palmyrah trees are available in plenty all over the Palakkad Districts and near by Pollachi area of Tamil Nadu. Lack of storage facility for storing the palm fibre hinders its further activities. Construction of godowns can boost the production of value added products from palm fibres and provide employment to more persons in and around the factory.

ii. Godown for Palm Leaf

Kelpalm is developing handicrafts Clusters in Parasala (Thiruvananthapuram) and Kizhakanchery (Palakkad) for the supply of palm leaf handicrafts with the support of Development Commissioner (Handicrafts), Government of India. To provide adequate palm leaf regularly the same has to be collected from various parts of the State and stored in a centre place for effective distribution for which Kelpalm proposes to set up a Godown at Kottamam facility Centre for the same.

iii. Palm cultivation Scheme

The scheme envisages Palmyrah plantation in Thiruvananthapuram and Palakkad Districts during 2008-09.

New Schemes

13. Revitalization Grant to Sick / Defunct Village Industries Co-operative Societies

(Outlay Rs.35.00 lakh)

The Board has financed 1870 co-operative societies and 2077 charitable institutions. Most of these units are now defunct.

Such co-operative societies / charitable institutions who got financial assistance from financial institutions for restarting the industry will be eligible to receive 50% of such release of funds as grant limiting to Rs.2.00 lakh at the maximum.

During the plan period the Board proposes to revive 50 cooperative societies / registered institutions. An amount of Rs. 35.00 lakh is provided for the above activities during 2008-09.

14. Establishing Khadi Cluster at Payyannur and Revitalizing Departmental Khadi Centres and Aided Khadi Institutions (One time ACA)

(Outlay Rs.200.00 lakh)

Kerala Khadi and Village Industries Board, in its Golden Jubilee year 2007, proposes a scheme to establish a Khadi Cluster at Payyanur and to revitalize its Departmental Khadi Centres and aided Khadi Institutions including Khadi Co-operative Societies under ACA Scheme. The scheme includes establishing Khadi Cluster,

construction and maintenance of work-sheds, repairing of charka and looms, establishing readymade warping unit, supply of tables and stools to spinners etc. An amount of Rs.200.00 lakh is provided as One time ACA for the scheme during 2008-09. A detailed project report should be prepared and submitted to the Government of India with the approval of State Planning Board.

7. Sericulture

1. Serifed

(Outlay Rs.300.00 lakh)

Kerala State Sericulture Co-operative Federation (Serifed) was established as a nodal agency for implementing sericulture activities in the State. Sericulture in Kerala has small-holdings, low investment, family labor oriented; moderate income generating and a subsidy oriented one. Promotion of new mulberry varieties suitable for Kerala conditions, cluster approach of sericulture development of potential areas, active involvement of local self Government institutions, development of 100% Bivoltine sericulture, implementation of women empowerment scheme etc are the major strategies of Serifed during 2008-09. It is desirable to convert the Serifed into a Silk Board as in other states and urgent steps may be taken in this direction. Following are the major activities proposed for the period.

1. Support for mulberry cultivation and silkworm rearing
2. National Programme for Rural Industrialization (NPRI)
3. Crop Insurance support
4. Support for Vermi compost shed
5. Design support system
6. Establishing dupion silk reeling
7. Development of Sericulture Complex
8. Serisree project
9. Soil to silk project

An amount of Rs. 300.00 lakh is provided for the above activities.

8. Cashew Industry

1. Rejuvenation of cashew Industry

(Outlay Rs.1600.00 lakh)

The Kerala State Cashew Development Corporation and Cashew Workers Apex Industrial Cooperative Society (Capex) play vital role in stabilizing the wages and labour conditions in the cashew industry. Of the total outlay Rs.1600.00 lakh provided for 2008-09, an amount of Rs.500.00 lakh is for starting five procurement centres by KSCDC and Rs. 300.00 lakh is for starting three procurement centres by CAPEX.

An amount of Rs. 600.00 lakh is provided for replacing old Bormas, Roasting machines and Chimneys of 30 factories of KSCDC and an amount of Rs.200.00 lakh is for replacing roasting machines and chimneys of 10 factories of CAPEX.

2. Upgradation of Facilities and Modernisation of Cashew Factories (Flagship Programme)

(Outlay Rs.300.00 lakh)

An amount of Rs. 300.00 lakh is provided for upgrading and modernizing the factories of KSCDC and CAPEX to meet International standards and increase efficiency and cost effectiveness during 2008-09. The provision also includes computerization and networking of factories under CAPEX.

3. Modernisation of Cashew Factory Sheds (Flagship Programme)

(Outlay Rs.400.00 lakh)

The amount of Rs.400.00 lakh is provided in the Annual Plan 2008-09 under Flagship Project is for providing grant to reconstruct, repair and maintain and modernise old dilapidated cashew factory sheds under KSCDC and CAPEX.

4. Cultivation of Organic Cashew and Establishment of a Raw-nut Bank (Flagship Programme)

(Outlay Rs.100.00 lakh)

An amount of Rs.100.00 lakh provided in the Annual Plan 2008-09 under Flagship Programme is for the cultivation of cashew on available land.

New Scheme

5. Financial Assistance under RIDF of NABARD for Cashew Godowns and Cashew plantation

(Outlay Rs.450.00 lakh)

The scheme proposes to encourage cashew plantation as a movement and to provide essential godown proximity to cultivation areas and processing centres for economic development of sustained income for cashew workers and increase the export turnover of cashew kernels.

An outlay of Rs. 450 lakh is provided for the establishment of Cashew Plantation (300 ha of land) and construction of cashew godowns (14 nos) and expansion of planned godown at Chambala.

9. Beedi Industry

1. Rehabilitation of Beedi workers at Kannur

(Outlay Rs.30.00 lakh)

The scheme envisages rehabilitation of Beedi workers through diversification of production and strengthening of marketing. The outlay of Rs. 30.00 lakh provided for

2008-09, is for giving financial assistance to Dinesh Beedi Workers Co-Operative Society for rehabilitation / modernisation / diversification, expansion etc.

2. Strengthening of Beedi Workers Co-operatives (Flagship Programme)
(Outlay Rs.20.00 lakh)

An amount of Rs 20.00 lakh is provided under Flagship Project for strengthening beedi workers outside co-operative field to take up alternative avenues.

6.2 OTHER INDUSTRIES

1. Kerala State Industrial Development Corporation Limited (KSIDC)

(Outlay Rs.100.00 lakh)

The funds required for financing the various activities of the Corporation will be raised by share capital contribution and loans from State Government, refinance from SIDBI/IDBI, public borrowings etc. The Corporation has continued its efforts to promote and develop various mega projects in Kerala like Electronic Hub, Life Science Park, Health Care Park, Luxury train, Mega Power Project, Kasaragod Abattoir Project etc. An amount of Rs.100.00 lakh is provided for the Annual Plan 2008-09 towards the share capital contribution of the State Government to undertake its various programmes.

2. Centre for Management Development (CMD)

(Outlay Rs.10.00 lakh)

Centre for Management Development plans to strengthen the continuing activities and diversify into new areas and will continue its support to the schemes initiated by the Central, State and Local Governments. Evaluation, impact assessment and monitoring of various programmes of the Governments will also continue during the Plan Period.

An amount of Rs.10.00 lakh is provided in the Annual Plan 2008-09 for infrastructure development for capacity building of SLPEs and Local Self Governments, upgrading computer lab and library facilities of CMD and for conducting advanced managerial programmes for Government and public sector employees.

3. Kerala Industrial Infrastructure Development Corporation (KINFRA).

(Outlay Rs.1400.00 lakh)

Kerala Industrial Infrastructure Development Corporation is developing industrial parks based on the availability of raw materials and natural resources of the region. All KINFRA parks have facilities like developed land, dedicated power, continuous water supply, communication facilities etc. The main objective is to enable easy start up of industrial units with minimum time and cost providing readymade manufacturing environment. An amount of Rs.1400.00 lakh is provided for implementing the following schemes of KINFRA for the Annual Plan 2008-09.

1. KINFRA film & video park, Thiruvananthapuram - Development of Animation Centre
2. KINFRA Small Industries Park, Kunnathanam, Pattananthitta
3. IIDC, Kidangoor, Kottayam
4. Biotechnology Park, Thiruvananthapuram and Kochi
5. IIDC for Food Processing and Bio tech industries, Adoor, Pathanamthitta
6. Additional compensation for LAR cases at Palakkad, Kasaragode, Ernakulam, Thiruvananthapuram, Kannur and Pathanamthitta
7. Expansion of KINFRA International Apparel Park, Thiruvananthapuram under APES Scheme
8. KINFRA Textile Centre, Kannur under TCIDS
9. Print Village, Kochi under ASIDE Scheme
10. Integrated Textile Park, Palakkad
11. Approach road to Integrated Industrial Township, Palakkad under ASIDE Scheme
12. External Water Supply Scheme for Kinfra Small Industries Park, Kasaragode under ASIDE Scheme
13. Mega Food Park, Wayanad
14. Knowledge Cities in Thiruvananthapuram, Ernakulam, Kozhikode, Palakkad and Thrissur
15. SEZ- Thiruvananthapuram, Ernakulam, Kozhikode, Palakkad and Kasaragode
16. Industrial Water Supply Projects and Power Supply Projects
17. Land Bank
18. Spices Park, Idukki
19. Rubber Park, Ramni
20. Industrial Park, Mattannur, Kannur
21. Industrial Park, Kollam

4. Public Sector Restructuring and Internal Audit Board (RIAB)

(Outlay Rs.40.00 lakh)

RIAB is functioning under the Industries Department for carrying out the following activities.

- (i) Monitoring performance and status of audit completion in SLPEs under the Industries Department
- (ii) Conducting studies for PSU restructuring, preparation of packages and appraisal of proposals of PSU
- (iii) Management of fund flow to PSU and monitoring
- (iv) Performance auditing in SLEPs
- (v) Institution of systems for Good Corporate Governance
- (vi) Institution of PSU monitoring and benchmarking system

An amount of Rs.40.00 lakh is provided for the activities of RIAB during the Annual Plan 2008-09.

5. Bureau of Public Enterprises (BPE)

(Outlay Rs.25.00 lakh)

Bureau of Public Enterprises is establishing a close monitoring system of all PSUs covering various parameters of performance. The following are the thrust areas in the 11th Five Year Plan as part of strengthening PSUs.

- ?? Monthly Performance Monitoring
- ?? Development of infrastructure for providing refresher training programme to managerial/ supervisory personnel in corporate governance, emotional intelligence, corporate finance etc, Career Development of Managerial/ supervising personnel will be linked to the successful completion of the training
- ?? Preparation of analytical reports
- ?? Induction of Core Professional Team to strengthen BPE
- ?? Engagement of Professionals such as Chartered Accountants / Company Secretaries for verification of statutory compliance by PSUs
- ?? Identification of operational problems of PSUs, relating to marketing, finance, production etc

For undertaking the above activities an amount of Rs.25.00 lakh is provided for the year 2008-09.

6. Rejuvenation and Revival of Viable Public Sector Units

(Outlay Rs.5000.00 lakh)

For restructuring the viable public sector undertakings specific restructuring packages proposals are to be formulated and implemented on each SLPE with Government decision. For this an amount of Rs.5000.00 lakh is provided for 2008-09 as One Time Settlement with the financial institutions. An amount of Rs.1000.00 lakh is specifically committed for Travancore Titanium Products Limited for completion of the Pollution Control Project.

New Scheme

7. Centre for Training Professional Managers of PSUs (One time ACA)

(Outlay: Rs.100.00 lakh)

In the case of Government employees, there is a system of providing 0.50 % of the plan allocation for human resources development activities. But in the case of employees of State PSUs, no such system is presently available. Kerala State is having the largest number of PSUs among the Indian States, which come under the administrative control of 23 different departments. One of the major reasons for the unsatisfactory performance of PSUs is the lack of professional management. So in order to train the personnel in the State PSUs, it is proposed to establish a Centre for Training Professional Managers by Planning & Economic Affairs (BPE) Department, for which an amount of Rs.100.00 lakh is earmarked in the Budget for the year 2008-09 as one time Additional Central Assistance.

6.3. MINING

1. Mineral Investigation

(Outlay Rs. 75.00 lakh)

Directorate of Mining and Geology is the only Government level agency in the State responsible for conducting surveys and exploration activities in mineral sector. It is proposed to implement mineral investigation programmes giving priority to selected minerals such as high grade china clay, gold, Iron ore, Bauxite, other minerals, environmental Studies, Strengthening of drilling unit, purchase of Forier transform Infra – red (FT – IR) spectrometer for gem testing laboratory etc. to identify mineable reserves, to facilitate mineral development through mining there-by establishing mineral based industries in the State. In order to meet the requirement of exploration programmes, for providing necessary support facilities such as drilling, survey, environmental studies, strengthening of drilling units etc. An outlay of Rs.75.00 lakh is provided for the Annual Plan 2008-09.

2. Strengthening of Chemical, Mineralogical and Gem Testing Laboratories

(Outlay Rs.20.00 lakh)

The scheme is intended to modernise chemical and mineralogical laboratories with modern equipment in view of the changes in the exploration technology for developing low grade ores and continued exploration in a terrain marked by vegetation, weathered zones etc., and to modernize analytical techniques, precision equipment and facilities to analyse at PPM and PPb levels. The Department is also carrying out analysis on payment basis. It is proposed to procure distilled water unit, AAS lamps, UPS, Flame Photo Meter, other laboratory equipment and upgradation of AAS. An outlay of Rs.20.00 lakh is provided for the above activities to strengthen the Clinical Laboratory during 2008-09.

3. Setting up of Geo-technical and Environment Wing - Human Resource Development

(Outlay Rs.5.00 lakh)

In order to enhance the technical expertise of the scientific officers of the Department it is proposed to impart training by sending them to various institutions in and outside the country. It is also proposed to conduct seminars and workshops to improve the standards of the works of the Scientists and keep abreast of the recent developments in the field of mineral exploration and evaluation. In order to meet the expenses for the above activities an outlay of Rs5.00 lakh is provided in the Annual Plan 2008-09.