CHAPTER-10
INDUSTRY AND EMPLOYMENT

10.1 Industry & Employment

The Madhya Pradesh has abundance of natural resources and eleven agro-climatic zones. Therefore it has enormous potential for industrial development. The industry sector absorbs nearly 8% of the state's work force but contributes 23% to GDP. The rate of industrial growth in MP has varied between 4% to 6% in recent past.

Presently the State's contribution to National GDP has not been commensurate with it's rich and abundant natural resources. To bring the state at par to industrially advanced states, there is an urgent need to accelerate the pace of industrialization is in the state. This would, in turn, require huge investments in building infrastructure, setting up skill development/training institutes and for industrial promotion. Only then Madhya Pradesh can raise its contribution to the National GDP significantly.

Main activities of the industries departments to support the growth of small medium, and large industries of the state by developing industrial infrastructure and industrial areas, estates and industrial growth centers.

For promotion of small and ancillary units the department is implementing various schemes for SSI units in the state. The department is also implementing PMRY Central sector scheme and Ranidurgavadi sahayada yojana for SC/ST youth and Deendayal swarojgar yojana.

2.0 Tenth Five Year Plan 2002-07
The Tenth Plan for industrial sector, is proposed at Rs. 87.41 crores be financed through State Budget (Rs.53.83 crores for SSI and Rs. 33.58 crores for LMI) further finances are also anticipated from by other sources viz. corporations own fund and loan, Government of India's assistance and private participation. The outlay for Annual Plan 2002-03 is proposed at Rs.17.40 (Rs. 11.22 crores for SSI and Rs. 6.18 crores for LMI). As per the M. P. new Economic Development policy 2001, sustainable solutions to Industries Development shall be solved keeping in view the strength of the state. Cluster Development around sectors, strategic advantage to M.P. such as food and agri processing Textiles and Garments, Minerals, Gems and Jewelry, Information Technology, life sciences and Tourism.
During the 10th Plan, the industrial sector came across various challenges such as economic liberalization measures at Central/State level which were conducive for industrial growth but they also put developing state like Madhya Pradesh in a disadvantageous position. The State, however, took various policy initiatives (Launching of the new Industrial Promotion Policy 2004 and Action Plan) to consolidate the progress made by the industry sector and also to open up the new avenues to promote further development. This policy initiative also stressed the need to connect industrial development to the overall economic development by exploring and leveraging linkages and opportunities with other economic sectors.

CMIE Report for August 2006 states- The 2006 July quarter began with 488 projects with investments worth Rs.96,467 crores entailing an investment of Rs.44,480 crore were under implementation.

The State's achievements to strengthen industrial infrastructure during 10th plan is also noteworthy. Various industrial parks such as food parks, Stone Park, and readymade Garment complex along with Integrated Infrastructure Development Centres (IIDC) were established. Inland Container Depot (ICD) became operational at Mandideep. 20 projects under ASIDE scheme were also undertaken to strengthen core infrastructure facilitating exports. Phase-1 of SEZ, Indore was also completed.

2.1 The expenditure during first four years are as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Large and Medium</th>
<th>Small Scale</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002-03</td>
<td>1,173.16</td>
<td>1,365.22</td>
<td>2,538.38</td>
</tr>
<tr>
<td>2003-04</td>
<td>415.37</td>
<td>1,208.08</td>
<td>1,623.45</td>
</tr>
<tr>
<td>2004-05</td>
<td>436.64</td>
<td>1,607.90</td>
<td>2,044.54</td>
</tr>
<tr>
<td>2005-06</td>
<td>10,514.91</td>
<td>2,351.19</td>
<td>12,866.10</td>
</tr>
</tbody>
</table>

The outlay approved for Annual Plan 2006-07 and anticipated expenditure is as under:

<table>
<thead>
<tr>
<th></th>
<th>(Rs. in lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large and Medium</td>
<td>1,498.31 2,951.35 (Anticipated)</td>
</tr>
<tr>
<td>Small Scale</td>
<td>3,000.51 3,095.41 (Anticipated)</td>
</tr>
</tbody>
</table>
3.0 Eleventh Five Year Plan 2007-12 and Annual Plan 2007-08

During the Eleventh Plan state's priority will be to complete development works of SEZs at Indore and Gwalior, IT park Indore, Bhopal, Gwalior, Gems and Jewellery park part of Crystal Park at Indore, Power loom park at Bhuranpur and Ujjain. Development works in Engineering and Auto Clusters at Govindpura and Pithampur. Prestigious project of Automobile testing track near Indore will also become operational during 11th plan.

State is likely to attract additional investment of more than Rs.50,000 crores in large and medium industries during the plan 50,000 new manufacturing SS Enterprises are targeted to be set up during this period. These units will provide employment opportunities to nearly 2,00,000 people. Further 1,00,000 persons are supposed to be benefited through micro sector enterprises.

3.1 An outlay of Rs.36,040.00 lakh for large and medium industries and small industries is proposed for Eleventh Five year plan and Rs.5,722.54 lakh for 2007-08.

Employment Services

In the present scenario, the number of opportunities of placements for unemployed youths is decreasing day by day in government sector. Whereas there are numerous opportunities in Private sector in large companies in Service and technical segment on the local, national and international level. At present, the data of registered candidates of Employment Exchanges is not computerized. Therefore it is not possible to make accessible the information of un-employed to the large companies of national and international repute serving in the job sector. The large data of unemployed is lying unutilized which can be made useful both for candidates & employers.

Therefore the need arises to computerize all the District Employment Exchanges of Madhya Pradesh so that a large data base of the eligible candidates can be made available to employers for their selection. So that candidates can get a chance to serve globally and locally they both with interact with each other as per the demand of the industry and job sector. Employer can get desired candidates and candidates their desired jobs through a common platform of internet portal. Hence the steps are being taken to make use of IT and computerized all the Employment Exchanges.

2.0 Eleventh Five Year Plan 2007-12 and Annual Plan 2007-08

An outlay of Rs.174.00 lakh for Eleventh Five Year Plan and Rs.144.46 lakh are proposed.
10.2 Handloom

Department of Rural Industries has been established in 1990 with the aim to promote handloom, power loom and small industrial co-operatives to provide employment to the people. The strategy for development in the handloom sector comprises expansion of handloom industry, training of weavers and non-weavers for skill up-gradation, improving the quality and design of handloom cloth, providing modernized handlooms and ensuring development of entrepreneurship in the weaver community. Welfare schemes were also taken up to uplift the living standard of weavers. To increase the productivity the weavers need a congenial environment and suitable infrastructure. Considering the problems faced by weavers it is essential to take necessary steps to provide better workplace and security.

The present department have State level Head of the Department office along, 14 District offices, Ttraining centers at Maheshwar, Chanderi and Indore.

In order to support the Handloom Industry, Handloom cloth is being used in government departments. Supply of cloth for use in govt. departments.

Integrated handloom training programme, assistance to Cooperatives, SHG for margin money, strengthening managerial base, rehabilitation, and marketing activity are being taken up.

2.0 Tenth Five Year Plan 2002-07.

2.1 The outlay approved is Rs.2,943 lakh for the tenth plan.

2.2 Expenditure incurred during four years of tenth plan are 2002-03 Rs.510.86 lakh, 2003-04 was Rs.655.82 lakh 2004-05 was Rs.1097.35 lakh, 2005-06 Rs.435.82 lakh.

2.3 For Annual Plan 2006-07 the approved outlay is Rs.695.00 lakh which will be fully utilized.

2.4 During the Tenth plan period under handloom sector Welfare package has given to 6,010 beneficiaries, 4,260 project package and training and tolls to 2,278 weavers were assisted. Under power loom sector Capital loan assistance was given to 157 beneficiaries alongwith assistance for infrastructure produced to 66
persons, Group insurance to 2,432 weavers/ under industrial cooperatives 240 societies were supported for management reorganization assistance, 72 societies were given assistance for infrastructure production and assistance for working capital for 173 societies.

3.0 **Eleventh Five Year Plan 2007-12 and Annual Plan 2007-08**

3.1 The main goal is to strengthen, improve and increase livelihood opportunities for the weavers and craftsmen for increasing existing income levels.

3.2 To achieve the above objectives Institutional strengthening to support to weavers, strengthen technical resource support for product development, strengthen market support to weavers improvement of physical environment of work cites, improvement of social services like functional literacy basic health. Training and documentation is being taken up.

3.4 The outlay proposed for the eleventh plan is Rs.3,354.00 lakh and for Annual Plan 2007-08 Rs.559.00 lakh.
10.3 Khadi & Village Industries

M.P. Khadi & Village Industries Board had been established to promote village industries in the rural areas and to create new avenues of employment. Broadly main objectives of the Board are as under:-

(i) To promote the growth of Khadi and village industries sector.
(ii) To render assistance for the marketing of the Khadi & Village Industries production.
(iii) To organise training for artisans
(iv) To assist in the supply of improved implements and raw materials.

Khadi and Village Industries provide various facilities to the artisans/entrepreneurs for the development and promotion of village industries and to bring qualitative improvement in the traditional crafts and providing facilities as under:
Subsidy to spinners
Subsidy on khadi production
Assistance to family-oriented units.
Marketing Assistance
Assistance for Raw material

2.0 Tenth Five Year Plan 2002-07

For implementing the above schemes an outlay of Rs 1,700 lakh is approved for the tenth five year Plan. During the four years i.e. 2002-06 the expenditure incurred is Rs. 322.02 lakh, Rs. 305.13 lakh, Rs. 412.71 lakh, Rs. 510.70 lakh respectively.

2.1 The Approved outlay for Annual Plan 2006-07 is Rs. 660.61 which will be fully utilised.

2.2 Some important physical achievements are rebate on Khadi production to 5,636 against target of 22,500. Add to spinners 5,000 against target of 40,000. training was given 3,442 artisans against target of 1,500. Than under assistants to individuals for F.O.R. 10,838 beneficiary were assisted against target of 7,250. Raw material assistance was given to 8,335 persons against target of 5,500. Similarly marketing assistant were given to 1,480 persons against target of 2,000.
3.0 **Eleventh Five Year Plan 2007-12 and Annual Plan 2007-08**

All the ongoing activities of earlier plan will be continued viz. subsidy on Khadi production, subsidy to spinners, publicity and exhibitions, training to various staff, assistance for establishment of family oriented units, assistance of raw material, marketing assistance, Promotion and documentations, infrastructure etc. would be carried out.

3.1 The outlay proposed for Eleventh Five Year Plan is Rs.4,226.19 lakh and Rs. 880.88 lakh for Annual Plan 2007-08

3.2 Physical target during Eleventh Five Year Plan –

Rebate on Khadi production 23,740 units, spinning aid to 14,560 spinners, Training to 366 persons, Training to 6,566 artisans, Marketing assistance 8,280 persons, and raw material assistance to 1,620 persons, assistance to 21,360 individuals for FOR are proposed.

During the Annual Plan 2007-08 assistance to 3,500 individuals raw materials 200, marketing assistance to 1,360 persons, 1,452 artisans Assistance to spinning aid 2,390 spinners are proposed.
10.4 Handicraft

Handicrafts sector has played a significant & important role in our country's economy not only in providing employment to vast segment of crafts persons in rural & semi urban areas but also in terms of generating substantial foreign exchange for the country besides preserving our cultural heritage.

Handicrafts are mostly defined as "Items made by hand, often with the use of simple tools and are generally artistic and/or traditional in nature. They are also objects of utility and objects of decoration, which include Gift & souvenir articles, tableware, kitchenware, gardenware, toys, office-ware furniture and furnishings, accessories, decorative items, wall decor floor covering and carpet, interiors etc.

The development of craft activities and promotion of trade in crafts are also important for providing substantial employment opportunities and income particularly in the rural areas thereby alleviating poverty and stemming migration to cities. Traditionally, crafts people are ideal vehicles for promoting ecological friendly economic growth. Crafts have been contributing to fostering tourism and to increasing foreign exchange inflows for the producing countries.

In this era of trade liberalization, globalization of trade and increased economic relations worldwide, new markets are opening up, creating new opportunities as well as increased competition.

The M.P. Hast Shilp vikas Nigam Ltd. is implementing programmes with the financial assistance of the state govt. and the various undertakings Development-cum-Collection centers are run at regional level for providing designs, technical help/guidance, raw material, job work training, marketing aid etc. the Nigam is also organizing exhibitions at state and national levels.

2.0 Tenth Five year Plan 2002-07

2.1 For the Tenth Five Year Plan period the proposal outlay is Rs. 2,233.00 lakh

2.2 The Expenditure incurred during the various years for the tenth plan are: 2002-03 Rs 443.93. lakh, 2003-04 Rs.507.47 lakh, 2004-05 Rs.533.15 lakh, 2005-06 Rs. 661.35 lakh.
2.3 The outlay approved for Annual Plan 2006-07 is Rs.798.47 lakh which will be fully utilised.

During Tenth Plan period 13,180 beneficiaries were benefited, Grant in aid for Training to 4,925 Handicraftsmen workers, Grant in aid to 4,112 Handicraftsmen for tools and workshop, 165 exhibitions organized for making of Handicraft products. Financial assistance to 4 societies will be provided. In addition to these, 13,180 Craftsmen would be benefited under various schemes.

3.0 Eleventh Five Year Plan 2007-12 and Annual Plan 2007-08

Vision
Save, nurture and promote nationally and internationally the unique heritage of inspired crafts and craftsmanship of the heartland of India, Madhya Pradesh.

Provide craftspersons the tools, technology, infrastructure support and an enabled environment with which they can continue to practice their crafts with profit and dignity carrying forward their historical legacy and tradition

Strategy
Protect the interests of crafts persons by ensuring that they stay tuned to the changing times, technology and tastes through upgrading skills, increasing awareness of market and best practices in other regions and adopting processes which enhance value addition, productivity and profitability in the practice of their crafts.

Ensure infrastructural, financial, raw material, designing and quality-control support to craftsperson, so that they continue to survive and grow.

Create an enabling environment where the traditional crafts help in sustaining livelihoods and alleviate poverty of ever increasing number of crafts persons, the focus at all times being on women and the backward and economically disadvantaged sections of the society.

To create a network which facilitates master crafts persons to showcase and market their creations to art connoisseurs and persons appreciating traditional aesthetic appeal in utility items.
Document the history, traditions and practice of the crafts of the state with the objectives to save, nurture and promote the unique living heritage.

3.1 An Outlay of Rs. 4,835.00 lakh for Eleventh Five Year Plan and Rs. 770.00 lakh for Annual Plan 2007-08 are proposed for taking up various programmes.

3.2 The schemes proposed for implementation during the Eleventh Plan are as under:-
1. Training to artisans
2. Tools subsidy to craftsmen/Subsidy for work shed.
3. State award for artistic creations.
4. Organization of workshop for technical and design guidance
5. Study tour (Craft clusters and Metro markets).
6. Sample production to train artisans in new designs.
7. Jobwork/Procurement to help members of SC/ST community in producing craft as per market demand.
10. Maintenance of Building.
11. Marketing Promotion Scheme..
12. Management of Development Centre Other Developmental/ Promotional schemes.

3.3 The Physical targets proposed are:-

Table No. 10.2

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Scheme</th>
<th>Unit</th>
<th>Physical Target</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>2007-12</td>
</tr>
<tr>
<td>1.</td>
<td>Development Scheme</td>
<td>Craftsmen</td>
<td>35,116</td>
</tr>
<tr>
<td>2.</td>
<td>SME/SHG/NGO</td>
<td>Subsidy to SME/SHG</td>
<td>250</td>
</tr>
<tr>
<td>3.</td>
<td>Promotion and Documentation</td>
<td>Craftsmen</td>
<td>4</td>
</tr>
<tr>
<td>4.</td>
<td>Special Project</td>
<td>Craftsmen</td>
<td>10</td>
</tr>
<tr>
<td>5.</td>
<td>Grant to Languishing Craft</td>
<td>Craftsmen</td>
<td>16</td>
</tr>
<tr>
<td>6.</td>
<td>Research and Development</td>
<td></td>
<td>132</td>
</tr>
<tr>
<td>7.</td>
<td>Craft Museum</td>
<td></td>
<td>5</td>
</tr>
</tbody>
</table>
10.5 Sericulture

Sericulture is a gainful land use activity with agro-forestry base, which generate avenues of employment in rural areas. Its organizational set-up is industrial in nature, leading to the promotion of many subsidiary cottage and village industries which provide supplementary employment in the rural areas during the lean agriculture period. The two activities under sericulture include forest base tasar cocoon production from Saja & Arjuna trees and agro-based mulberry cocoons production.

2.0 Tenth Five Year Plan 2002-07

2.1 The approved outlay for tenth plan is Rs. 1,406 lakh. During 2002-03 an expenditure of Rs. 258.35 lakh, 2003-04 Rs.226.89 lakh, 2004-05 Rs. 244.85 lakh and 2005-06 Rs. 658.23 lakh incurred.

2.2 Outlay approved for Annual Plan 2006-07 is Rs. 1,537.99 lakh which will be fully utilised.

2.3 During the Tenth Plan period target 600.00 lakh tasar cocoon 8.72 lakh kg. mulberry cocoon production is expected. Resulting in employment with benefit to about 25 thousand families, eri plantation in 2,886 acres will be achieved against the target of 3,940 acres.

3.0 Eleventh Five Year Plan 2007-12 and Annual Plan 2007-08

3.1 During the Plan period programme taken up during 10th Plan along with training and research, information technology, assistance to self help groups and non-government institutions and entrepreneurs integrated sericulture development and extension and special programme SGSY.

3.2 An outlay of Rs. 7,000.00 lakh for Eleventh Five Year plan and Rs. 1,400.00 lakh for Annual 2007-08 are proposed.

3.2 Physical targets proposed are as follows:
<table>
<thead>
<tr>
<th>S. No.</th>
<th>Scheme</th>
<th>Activity</th>
<th>Unit</th>
<th>Physical Target</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>2007-08</td>
<td>2007-12</td>
</tr>
<tr>
<td>1.</td>
<td>Tsar Sericulture Extn and Development Programme</td>
<td>Cocoon Production Employment</td>
<td>No. in lakh</td>
<td>200.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>No. of families</td>
<td>9,800</td>
</tr>
<tr>
<td>2.</td>
<td>Mulberry sericulture Extn. and Development programme</td>
<td>Cocoon Production Employment Mulberry plantation</td>
<td>in lakh kg. No. of families In acre.</td>
<td>4.24</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>8,020</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>932</td>
</tr>
<tr>
<td>3.</td>
<td>Eri Sericulture Extn. and Development Programme</td>
<td>Eri plantation Employment</td>
<td>In acre</td>
<td>1,265</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>No. of families.</td>
<td>4,440</td>
</tr>
</tbody>
</table>

3.3 During 2007-08 Rs. 200.00 lakh Tasar cocoon production and 4.24 lakh kg Mulberry cocoon.
10.6 Mineral Resources

Minerals play an important role in the industrial and economic development of the nation/state. The state of Madhya Pradesh is richly endowed with rich mineral wealth reserves. The state rank fourth after Jharkand, Chhattisgarh, Orissa, intern of Mineral Production. The state is the sole producer of diamond in the country. Madhya Pradesh stands first in the production of Copper Ore, Pyrophyllite, Diaspore, and Slate. It is second in the production of Rock phosphate, Calcite, and Ochre. While stands thrid in producing the Limestone, Shale and Manganese Ore. The state is also leading in production of Coal, dolomite, Laterite and Fire clay. Presently 23 major and minor minerals are being produced in the State.

The primary objective of the plan schemes of mineral development has been to locate new mineral belts, improve process of exploitation of the existing mines and to encourage setting up mineral based industries.

Mineral Resources Department is engaged in pursue it exploration and development of mineral wealth of the State. The basic activities of the department are

a) Mineral exploration

b) Mineral Administration

2.0 Tenth Five Year Plan 2002-07

For carrying out above activities the approved outlay of the tenth plan is Rs. 3,215 lakh. During the first four years of tenth plan, an expenditure of Rs. 388.40 lakh in 2002-03, Rs. 369.73 lakh in 2003-04, Rs. 409.61 lakh in 2004-05, Rs. 360.04 lakh in 2005-06.

The approved outlay for Annual 2006-07 is Rs. 532.59 lakh against which Rs. 501.59 lakh will spent.

During the plan period Geological survey of 63,000 sq. kms., Pitting and trenching of 300 CMS, Drilling of 28,000 mtrs., and chemical analysis 27,000 samples would be carried.
3.0 **Eleventh Five Year Plan 2007-12 and Annual Plan 2007-08**

3.1 All the ongoing activities of Tenth Plan will be continued. The schemes to be taken up are Geological Survey, Coal, Lime Stone, Boxite, Dolomite, Granite base metal and Gold would be taken up.

District Mineral Inventory of Balaghat, Panna, Sagar, Ratlam, Indore, Bhind, and Bhopal districts will be taken up. Remote sensing work for demarcation of anomaly blocks for various minerals shall also be taken up. The Technical persons of the department would be deputed for undertaking training in various organizations, under information and technology 31 district offices would be equipped with Computers.

3.2 An outlay of Rs. 2,650.00 lakh for Eleventh Five Year Plan and Rs. 530.00 lakh for Annual Plan 2007-08 are proposed.

3.3 Under the scheme Geological Survey, following physical targets have been fixed for the Plan Year 2007-12.

Table No. 10.4

<table>
<thead>
<tr>
<th></th>
<th>Geological Survey and Mapping</th>
<th>Sq.km.</th>
<th>50,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Drilling</td>
<td>Metres</td>
<td>25,000</td>
</tr>
<tr>
<td>2</td>
<td>Sampling</td>
<td>No. of Radicals</td>
<td>25,000</td>
</tr>
</tbody>
</table>