

# CHAPTER 9

## INDUSTRY AND EXPORT PROMOTION

### INDUSTRY

9.01 With its abundant mineral resources, long coastline, plentiful inland waters, diverse forest wealth, Orissa have potential to become an industry-rich State. The State Government has reaffirmed its commitment for transforming Orissa into a vibrant industrial State and has therefore reformulated the Industrial Policy in December'2001. The new Industrial Policy 2001 aims :

- F To create a business climate conducive to accelerate investment in industry and infrastructure projects.
- F To raise income, employment resulting in economic growth in the State.
- F To reduce regional disparities in economic development.
- F To ensure balance utilization of the natural resources for sustainable development.

9.02 To achieve objectives set in the Industrial Policy 2001, the State Government intends to :

- i. Encourage private initiative and restrict Government intervention in such areas where the former enjoys a distinct comparative advantage,
- ii. Invite private investment for development and operation of quality infrastructure,
- iii. Promote the image of Orissa as an attractive destination for investment and tourism,
- iv. Assume a proactive role in selected sectors such as mineral-based industries, craft-based products, agro and marine-based industries,

industries based on medicinal herbs and minor forest produce, tourism, electronics, information technology and biotechnology,

- v. Encourage the creation of Small Scale Industries (SSI) clusters in similar lines of business,
- vi. Proceed more decisively with the restructuring and consolidation of sick industrial units,
- vii. Leverage the potential in Special Economic Zones (SEZs) to build concentration of technologically advanced manufacturing industries.

9.03 The contact point like “Shilpa Jyoti in IPICOL for large and medium projects” and “ Shilpa Sathi” in the Directorate of Industries, Orissa and DICs for tiny and small units will be created. Escort services will also be provided by these contact points for interaction with the various agencies and authorities. Keeping in view the priorities laid down in the industrial policy, establishment of growth centers at Duburi , Chhatrapur, Kalinga Nagar in Bhubaneswar, Jharsuguda and Kesinga already sanctioned by Government of India and also establishment of specialized industrial park are being accorded high priority. EPIP has been setup at Bhubaneswar to promote export oriented industrial units with Central Government assistance. This has been renamed as INFOCITY and earmarked for establishment of all I.T industries. Functioning of the key promotional institutions, namely, IPICOL and OSFC will be strengthened. IPICOL will continue to be the nodal agency for promotion of large and medium industries and provide necessary escort services for facilitating implementation of mega projects which are in pipeline and OSFC will promote establishment of SSIs including ancillary and downstream industries.

9.04 The net value added by manufacture and the share of the manufacturing sector in NSDP in the State have shown an erratic trend over the years. The net value added by manufacture in the State in the revised series at constant prices (1993-94) was Rs.1,168.90 crore during 1993-94 which after showing an increasing trend till 1995-96 declined to Rs.1,003.71 crore in 1997-98. However, it has again increased to Rs.1,227.68 crore in 2003-04(Q). The share of the manufacturing sector in the NSDP was 7.22% in 1993-94, 5.31% in 1997-98 and 4.99% in 2003-04 (Q).

### ***LARGE AND MEDIUM SCALE INDUSTRIES***

9.05 Industrial Promotion and Investment Corporation of Orissa Ltd. (IPICOL), Industrial Development Corporation of Orissa Ltd. (IDCOL), and Orissa State Electronics Development Corporation (OSEDG) are three nodal agencies for promotion of large and medium scale industries in the State. A number of mega industrial projects in sectors like steel, alumina / aluminium, oil refining, fertilisers etc. involving large investment are in the pipeline. The emphasis during the Tenth Plan would be on sustaining the momentum already generated and providing all necessary support to facilitate early grounding of these projects. In the Tenth Plan, the provision under the large and medium industry sector has been kept at Rs.27.68 crore for operation of different schemes. During 2003-04, 4 large and medium industries with projects cost of Rs.18.49 crore have been sanctioned and 3 industries whose project cost is Rs. 12.15 crore have gone in to production and created employment for 107 person. Table 9.1 indicates the development of large and medium industries in the State.

**Table 9.1****Large and Medium Industries in Orissa**

Sl. No	Year	No of units gone into production	Investment (Rs. in crore)	Employment generated (number)
1	2	3	4	5
1	By the end of 8 <sup>th</sup> Plan (1996-97)	305	1616.96	78593
2	By the end of 9 <sup>th</sup> Plan(2001-02)	352	3550.63	85369
During the year				
3	1997-98	14	167.47	1769
4	1998-99	16	85.39	1203
5	1999-00	4	156.54	963
6	2000-01	3	31.93	1226
7	2001-02	10	1492.34	1615
8	2002-03 *	6	34.08	408
9	2003-04 *	3	12.15	107

\* Relates to IPICOL only

P : Provisional

Source : 1. Industrial Promotion and Investment Corporation Ltd., Bhubaneswar.

2. Orissa State Electronics Development Corporation, Bhubaneswar

3. Industrial Development Corporation Ltd., Bhubaneswar.

9.06 In addition to the units indicated in Table 9.1, nine large and medium industries namely, Hindustan Aeronautics Ltd. unit at Sunabeda, Rourkela Steel Plant at Rourkela, Indian Rare Earth Ltd. at Chhatrapur, Carriage Repair Work Shop at Anugul,

Fertiliser Corporation of India (FCI) unit at Talcher, Heavy Water Project at Talcher, National Aluminium Company units at Angul and Damanjodi have been set up in the State in the central sector. All these units were established prior to 1990-91.

9.07 After economic liberalisation (1991) and adoption of the Industrial Policy (1996) there has been a surge in investment proposals for establishment of medium and large scale industries in alumina and aluminium, sponge iron, granite cutting and polishing, telecom cable, steel, petrochemicals, fertiliser, power, chemical and pharmaceuticals, telecom etc. With promulgation of Industrial Policy 2001, it is expected that there would be greater impetus in more diverse areas for establishment of medium and large industries.

9.08 For rapid industrialisation in the State, emphasis has been laid on infrastructure development through private and foreign investment. Notable initiatives taken in this regard include proposals for development of Dhamara and Gopalpur ports, an industrial park at Paradeep and major road links in the State. Government of India, in the Ministry of Commerce have approved establishment of Special Economic Zones (SEZ) at Paradeep and Gopalpur. Intention for facilitating establishment of physical and social infrastructures through public-private partnership as laid down in the Industrial Policy 2001, will go a long way in encouraging private and foreign investors for their operational involvement in this sector.

### ***INDUSTRIAL PROMOTION AND INVESTMENT CORPORATION OF ORISSA LIMITED (IPICOL)***

9.09 IPICOL was set up in 1973 as the nodal agency with the main objective of accelerating the pace of industrial development of the State by promoting large and medium scale industries. Besides promotional activities, IPICOL provides low cost consultancy services from the time of conceptualization till final commissioning of industry. It also provides escort services, electricity duty loans and sales tax loans to major industrial ventures. It operates the State incentive schemes to large and medium industries in accordance with the Industrial Policy. At present IPICOL is monitoring the progress of several large projects at various stages of implementation in sectors like Steel, Petroleum Refinery, Aluminium, Sugar, Chemicals, Telecom etc.

9.10 Upto the end of Eighth Plan (1996-97), 237 units promoted by IPICOL went into production with a total project cost of Rs.1283.56 crore and generation of employment

for 30,903 persons. During Ninth Plan (1997-02), IPICOL has promoted 26 units with an investment of Rs.1, 648.14 crore and created employment for 3,391 persons. During 2003-04, IPICOL has sanctioned 4 projects with project cost of Rs.18.49 crore, out of which three projects with project cost of Rs.12.15 crore has gone in to production. Achievement of IPICOL from its inception till 2003-04 has been presented in Table-9.2.

**Table 9.2**

***Large and Medium Industries promoted by IPICOL***

Sl. No.	Year	No. of units gone into production	Project cost (Rs. in crore)	Employment generated
1	2	4	5	6
1	By the end of Eighth Plan(1996-97)	237	1283.56	30,903
2	By the end of Ninth Plan (2001-02)	263	2931.70	34,294
During the Year				
3	1997-98	5	55.54	768
4	1998-99	7	22.52	378
5	1999-00	3	9.30	423
6	2000-01	3	20.23	155
7	2001-02	8	1540.55	1,667
8	2002-03	6	34.08	408
9.	2003-04	3	12.15	107

Source : *Industrial Promotion and Investment Corporation Ltd., Bhubaneswar*

9.11 During the financial year 2003-04, IPICOL has sanctioned loan of Rs.1,990.00 lakh to 14 unit including 4 new units viz (i) Jaganath sponge (P) Ltd., at Kuarmunda in Sundargarh, ORES ISPAT Ltd. at Banei of Sundargarh district, Jyote Ferrous Ltd. at Jharsuguda and MINDSLOT(P) Ltd. at Bhubaneswar of Khurda district with total investment of Rs.1848.18 lakh and employment generation for 145 persons. IPICOL has disbursed loan amounting to Rs.933.62 lakh to 11 units loan during 2003-04. It has played a significant role in dispersal of industries into backward areas. Orissa is emerging as the leading State in production of Sponge Iron at the National level. These resource based projects are labour intensive and based on local resources. IPICOL is also acting as "Single Window Contact" for all information related to setting up of large and medium industries in the State. It is providing escort services to the large scale projects coming up in the State. 25 such projects are under implementation as on 31<sup>st</sup> March 2004. Total investment

envisaged for these proposals are above Rs.33,446 crore. Steel sector has the major chunk of projects under implementation. Seven MOUs for setting up steel projects has been signed with the State Government.

### ***INDUSTRIAL DEVELOPMENT CORPORATION OF ORISSA LIMITED (IDCOL)***

9.12 IDCOL was incorporated as a company in the year 1962 wholly owned by Government of Orissa to promote large and medium scale industry in the State. The Corporation, since its inception has setup 15 industrial units in sectors like cement, ferrochrome, pig iron, spun pipe etc. under direct and subsidy management and in joint sector/joint venture. From 1<sup>st</sup> April, 2002, IDCOL is functioning as the holding company, after the three directly managed industrial units such as Kalinga Iron Works, Ferrochrome plant and IDCOL Rolling Mill were separated as a wholly owned subsidiary companies. At present, IDCOL has 10 subsidiary units under its control and 2 units are managed under joint sector/joint venture and two are the assisted units working under it. IDCOL has stepped up mining activities in the chromite ore mines at Tailangi in Jajpur district and iron-ore mines at Roida-c in Keonjhar district and has exported 29,600 MT of chrome ore valued at Rs. 8.13 crore during 2003-04. IDCOL's shareholding in its cement subsidiary company i.e. IDCOL Cement Ltd. was disinvested in favour of M/s ACC Ltd. during December, 2003.

### ***ORISSA STATE ELECTRONICS DEVELOPMENT CORPORATION (OSED)***

9.13 OSED was established in 1991 for promotion of electronic hardware and software industries. By the end of Ninth Plan i.e. 2001-02, the Corporation has promoted 30 industrial units with total project cost of Rs.201.57 crore. Employment opportunity has been created for 1,858 persons in these units. During 2001-02, two units namely Centre for IT Education and Aztek Systems Pvt. Ltd. have been promoted by OSED. The project cost of these units was Rs.3.76 crore with employment generation for 76 persons.

### ***ORISSA INDUSTRIAL INFRASTRUCTURE DEVELOPMENT CORPORATION (IDCO)***

9.14 Orissa Industrial Infrastructure Development Corporation (IDCO) has been established in the year 1981 with the objective of creating infrastructure facilities in the identified Industrial Estate/ Areas for rapidly and orderly establishment and growth of

industries, trade and commerce. Consistent with this objective, IDCO has established 86 Industrial Estate/Areas all over the State. Besides, acquisition and allotment of land to the industries in medium and large sector and assisting them in infrastructure development has been another prime function of this corporation. In addition to the above work, it takes various construction activities entrusted by State and Central Government Departments and other State owned corporations on agency or contract basis. It provides escort services to investors/ developers for implementation of mega projects in the State in the infrastructure sector. IDCO is the only State Government PSU which has bagged 1S0-9001 and 1S0-14001 certificate for providing infrastructure and services of high order and maintaining modern Environment Management system. IDCO was declared as the nodal agency for development of Biotechnology sector and implementation of the TSDF project at Rourkela with the co-operation of OPCB and Government of India. The corporation has made a turnover of Rs.55.01 crore in 2003-04 against the turn over of Rs.57.67 crore during the previous year.

9.15 During 2003-04, the corporation proposed an investment of Rs.15.28 crore in different infrastructure projects under plan scheme. Under Diversified activities, there was a programme to execute work worth of Rs.40.18 crore on agency/contract basis. Besides, investment in land acquisition for major projects was also envisaged for Rs.25.00 crore at places like Lanjigarh in Kalahandi, Lapanga and Rengali in Sambalpur, Puri, Ghantikhal( Athagarh) in Cuttack etc. Thus the total turnover of the cooperation for the year was estimated at Rs.80.46 crore. During 2003-04, the achievement of IDCO was as follows.

- F The urban Haat project has been established over Ac 5.00 of land in Unit-III, Exhibition Ground, Bhubaneswar.
- F Software Building called the “ FORTUNE TOWERS” has been completed.
- F Development of food processing park at Khurda is under progress and allotment of land has been started.
- F Development works in IID centers at Khurda and Rayagada have made substantial progress.

9.16 Besides the above, IDCO is the “NODAL AGENCY” for identifying and acquiring land from both Government and private parties at strategic locations. During 2003-04, land measuring Ac. 2633.88 has been allotted to 7 companies for establishment of major industrial units ( i.e. steel, coal, alumina) ect. Besides, World Bank assisted project of H&FW Department, Utkal Univeersity and North Orissa University works, water supply work at Kolab

for OHPC , OSDMA works etc. are some of the major construction programmes which were under execution by the corporation during 2003-04. Six new projects including Urban Haat at Puri, IID centre at Somanathpur have also been taken up by the corporation during 2003-04.

### ***Programme for 2004-05***

9.17 IDCO has drawn up an ambitious programme for infrastructure development in the State under the Plan scheme. It is programmed to complete land acquisition and take up infrastructure development works of growth centers at Duburi, Jharsuguda and Kesinga. Works of IID Centre at Khurda and Rayagada will be completed. Development of the Food Processing Park at Khurda will be expedited. Setting up of the Special Economic Zone, Paradeep at Duburi, development of Steel & Metallurgical Cluster at Duburi, establishment of Common Treatment. Storage and Disposal Facility (TSDF) at Rourkela will be some of the major activities during 2004-05. Promotional activities will be strengthened to attract IT investors to the EPIP Bhubaneswar (INFOCITY) and Fortune Towers. Various ongoing projects under construction programme will be completed as per approved schedules.

### ***AGRICULTURAL PROMOTION AND INVESTMENT CORPORATION OF ORISSA LTD. (APICOL)***

9.18 Agricultural Promotion and Investment Corporation of Orissa Ltd. (APICOL) was established in March 1996 as a wholly owned Government corporation with a view to strengthening the rural economy by providing financial support for promotion and development of agro-based and food processing industries including commercial agriculture and horticulture activities. By the end of 2003-04, it has promoted 59 agro and food processing units with an investment of Rs.97.94 crore including one unit with investment cost of Rs.0.28 crore during 2003-04. Besides, APICOL has also promoted 444 Agri-Enterprises by the end of 2003-04 with an investment of Rs.135.39 crore out of which 4 units with investment of Rs.0.20 crore have been set up during 2003-04. APICOL has also provided incentives to the tune of Rs.9.17 lakh towards subsidy to 7 agro and food processing units and Rs.100.46 lakh to 50 agri-enterprises during 2003-04.



***ORISSA STATE FINANCIAL CORPORATION (OSFC)***

9.19 Orissa State Financial Corporation has been providing term loans for establishment of small and medium scale industries in the State since its inception in 1956. It also provides financial assistance for ventures in areas like transport, hotels, nursing homes, clinics, and for acquisition of mining and road construction equipment etc. The Corporation receives financial assistance from the State Government and Central Government and provides soft loans and margin money for rehabilitation of sick industrial units.

9.20 By the end of 2003-04, OSFC has sanctioned loan amounting to Rs.1431.47 crore in favour of 46,802 units, out of which Rs.10.86 crore has been sanctioned in favour of 83 units during 2003-04. Similarly, Rs.1,302.92 crore has been disbursed to 28,140 units by the end of 2003-04, out of which Rs.10.47 crore has been disbursed to 68 units during 2003-04.

***ORISSA PISCICULTURE DEVELOPMENT CORPORATION LTD. (OPDC)***

9.21 Two Corporations, namely, Orissa Maritime and Chilika Area Development Corporation (OMCAD) and Orissa Fish Seed Development Corporation (OFSDC) were brought under one Corporation namely Orissa Pisciculture Development Corporation Ltd. (OPDC) and are now functioning as two separate divisions under OPDC. The OMCAD division has launched several projects which include a fish-net manufacturing unit at Mancheswar, supply of fuel to mechanised fishing trawlers from the diesel outlets located at marine fishing bases at Paradeep, Chandipur, Kasafal, Dhamara and Gopalpur, and supply of high speed diesel to deep sea fishing trawlers and vessels from its diesel outlets at Paradeep. The OFSD division produces fish seed for sale to farmers. During 2003-04, fish seed division of OPDC has produced 5012 lakh fish seeds against the target of 5400 lakh in five hatcheries under its control comprising an area of 87 acres.

9.22 During 2003-04, the OMCAD division has produced 30.24 MT of fish-net in the manufacturing unit at Mancheswar against the target of 40.00 MT and supplied these to fishermen at reasonable price. It also sold 10,843 kl. of high speed diesel and 17,496 ltrs of lubricants to fishermen at subsidised rates against the target of 17,000 kl. of HSD and 28,900 ltrs. of lubricant.

### ***ORISSA FILM DEVELOPMENT CORPORATION (OFDC)***

9.23 Orissa Film Development Corporation (OFDC) has been functioning as the nodal agency for the growth and development of the film industries in the State. By the end of 2003-04, OFDC has sanctioned loan amounting to Rs.49.25 lakh for construction of 52 Rural/Janata cinema halls and Rs.61.48 lakh to 34 cinema halls for renovation purpose. Besides, OFDC is also extending financial assistance i.e. term loan and soft loan for production of Oriya feature film/documentary film. By the end of 2003-04, OFDC has sanctioned Rs.476.18 lakh for 136 projects out of which Rs.317.78 lakh has been disbursed for 100 projects by the end of 2003-04 and 94 oriya feature films/documentary films have been released. Besides the above, OFDC has released subsidy amounting to Rs.305.32 lakh to 247 films and Rs.7.76 lakh to 5 new cinema halls by the end of 2003-04. OFDC has earned a profit of Rs.2.43 lakh during the year 2003-04 as against Rs.0.03 lakh during 2002-03. Here it may be mentioned that OFDC is a promotional agency for growth and development of Oriya film industry and has no commercial activities. It has been proposed to provide Rs.15.71 lakh to OFDC during 2004-05 to wards managerial grant and subsidy for production of Oriya films.

### ***SMALL SCALE INDUSTRIES (SSI)***

9.24 Development of small scale industries has been emphasised in the Industrial Policy of the State adopted from time to time. In the new organisational and structural set up, the District Industries Centres (DICs) will operate as nodal agencies for development of small scale industries and for recommending grant of various incentives.

9.25 By the end of 2003-04 , 78,564 small scale units were set up in the State out of which 4,431 were setup in 2003-04 with an investment of Rs.170.13 crore and employment opportunities for 20,547 persons including 2,666 SC, 3,408 ST and 2,060 women were created.

### ***SICK UNITS***

9.26 By the end of 2003-04, 78,564 small scale industries have gone in to production in the State, out of which 1,535 SSI units were identified as sick by OSFC. The position in regard to small scale units set up in Orissa and number of sick units identified by OSFC is presented in Table 9.3.

***Table 9.3***

#### ***Small Scale Industries in Orissa***

Sl. No.	Year	Small Scale units set up (cumulative)	Small Scale units set up (during the year)	Investment (Rs. in crore)	Employment generated (number of persons)	No. of SSI units identified as sick by OSFC (cumulative)
1	2	3	4	5	6	7
1	1995-96	49,589	2,507	74.82	13,019	1,458
2	1996-97	52,687	3,098	104.53	15,629	1,464
3	1997-98	55,873	3,186	134.09	16,716	1,489
4	1998-99	59,057	3,184	190.06	16,776	1,493
5	1999-00	62,530	3,473	162.94	18,608	1,508
6	2000-01	66,206	3,676	153.18	18,115	1,519
7	2001-02	70,125	3,919	165.23	16,582	1,524
8	2002-03	74,133	4,008	155.14	16,320	1,527
9	2003-04	78,564	4,431	170.13	20,547	1,535

*Source : Directorate of Industries, Orissa.*

### ***PRIME MINISTER'S ROZGAR YOJANA (PMRY)***

9.27 The PMRY, a Central Plan Scheme, launched on 2nd October 1993 was originally targeted to provide self-employment opportunities to educated unemployed youths in urban areas only. From 1994-95, the scheme has been extended to rural areas also. Youths in the age group of 18 to 35 years with minimum educational qualifications of Class - VIII pass and having annual family income of Rs.40, 000 or less are eligible to avail loan assistance up-to Rs.2.00 lakh under the scheme. The beneficiaries are required to invest 5% to 16.25% of the project cost as margin money and can get subsidy to the tune of 15% of the project cost limited to Rs.7500/-. An amount of Rs.458.11 crore has been disbursed to 73,077 educated unemployed youth and 62,918 number of micro enterprises have been promoted till October 2004 since inception and 1,30,006 persons have been provided employment under the scheme. During 2003-04, an amount of Rs.63.84 crore has been disbursed to 10,554 beneficiaries under this scheme against Rs.95.19 crore sanctioned in favour of 13,868 beneficiaries. The performance of PMRY scheme during 1999-00 to 2003-04 is as follows.

**Table 9.4**  
**Achievement under PMRY Schemes in Orissa**

Sl. No.	Description	1999-00	2000-01	2001-02	2002-03	2003-04 (till Oct,04)
1	2	3	4	5	6	7
1	Target	12150	15000	12050	12850	16300
2	Application received	52146	69571	35776	47640	50061
3	cases sanctioned	9782	11743	9102	10409	13868
4	Amount sanctioned (Rs. In lakh)	7535.80	8525.77	6411.83	7314.84	9518.62
5	Cases disbursed	7770	8638	6556	7948	10554
6	Amount disbursed (Rs.in lakh)	5152.76	5435.25	4158.08	5048.64	6384.00
7	Employment generated (self + salaried)	14349	14624	10661	14836	18177

*Source : Directorate of Industries, Cuttack*

### **ANCILLARY AND DOWN STREAM INDUSTRIES.**

9.28 Directorate of Industries coordinates with large and medium industries for promotion of ancillary and downstream industries. The Central public sector under takings

(CPSUs) operating in the State have procured spares and consumables amounting to Rs.76.36 crore from local SSI units out of total purchase of Rs.111.22 crore during the year 2003-04. The information on grant of ancillary status /registered suppliers for five major PSUs is as follows.

Sl. No.	Name of the PSUs	Items identified	Number of SSI with Granted ANC .status	Number of SSI Units Granted registered suppliers status
1	2	3	4	5
1	Rourkela Steel Plant	665	25	226
2	NALCO	167	47	14
3	MCL	236	75	66
4	Hindusthan Acronautics Ltd.	9 (families of items	5	-
5	Indian Rare Earths Ltd(IRE)	17	-	28

Besides the above, for utilization of waste products of the large and medium units 18 activities have also been identified for promotion of downstream industries.

### ***TECHNICAL EDUCATION AND TRAINING***

9.29 The Industrial Policy of the State envisages a series of measures to improve the stock of technical manpower and upgrade the skills of local entrepreneurs. A new University named as Biju Pattanaik University of Technology (BPUT) has been set up in the State at Rourkela. The University has started functioning since 9<sup>th</sup> July, 2002 with an aim to bring about improvement in the quality of education through uniformity in course curriculum, curriculum development, research and conducting a uniform pattern of examination system for the whole State. Five Government Engineering Colleges, and 29 private Engineering Colleges are affiliated to this university with a total intake capacity of 9,945 students. The erstwhile Regional Engineering College, Rourkela with intake capacity of 360 students has been named as National Institute of Technology (NIT) with deemed university status under the control of MHRD, Government of India w.e.f. 1<sup>st</sup> April 2003.

9.30 Diploma courses are being conducted through 13 Government Engineering Schools including four polytechnic for women and 14 private Engineering Schools with total intake capacity of 5,550 students under the control of Council of Technical Education & Vocational Training. There is also one Film and Television Institute in which

the GRAMSAT programme has been introduced with the help of ISRO, Government of India. MHRD, New Delhi has also approved the proposal for upgrading three engineering schools/polytechnics to integrate the physically disabled in the main stream of technical and vocational education and an amount of Rs15.00 lakh has been provided for the purpose. Craftsmanship training is being imparted in 38 disciplines through 24 Government Industrial Training Institutes (ITIs) / ITCs with intake capacity of 3,488 students. Out of these institutes, 10 are meant exclusively for women. Besides, 152 ITIs under private management are functioning in the State with intake capacity of 9,648 students. There are also 48 colleges including 11 in Government sector in the State for MCA courses with intake capacity of 2,800.

### ***ORISSA SMALL INDUSTRIES CORPORATION (OSIC)***

9.31 Orissa Small Industries Corporation was established in April 1972 as a nodal promotional agency with an objective to assist, promote and nurture small scale industrial units in the State. The Corporation has been extending marketing support, financial assistance for purchase of raw materials, sub-contracting exchange, and rendering services to small scale units. The Corporation also administers certain incentives as per the Industrial Policy of Government. During 2003-04, the Corporation has supplied 45,236 MT of raw materials to small scale units valued at Rs.79,92 crore through its 12 raw material depots. The achievement of the Corporation from 2001-02 to 2003-04 has been presented in Table 9.5.

***Table 9.5***

#### ***Activities of Orissa Small Industries Corporation (OSIC)***

(Quantity - in MT., Value - Rs. in lakh)

Sl. No.	Scheme	Achievement made during the year					
		2001-02		2002-03		2003-04	
		Quantity	Value	Quantity	Value	Quantity	Value
1	2	3	4	5	6	7	8
1	Raw materials supplied	69,875	4933.44	46,384	6934.12	45,236	6600.05
2	Marketing Assistance	-	1284.85	-	988.52	-	951.97
3	Sub-contracting exchange	-	410.01	-	495.58	-	410.13
4	SSI units assistance scheme (RMCS)		151.30	-	-	-	-

5	Others (consignment sale & ID Card)	9290	2927.65	-	24.16	-	30-20
<b>Total</b>		<b>79,165</b>	<b>9707.25</b>	<b>46,384</b>	<b>8442.38</b>	<b>45,236</b>	<b>7992.35</b>

*P : Provisional*

*Source : Orissa Small Industries Corporation, Cuttack.*

### **HANDICRAFT AND COTTAGE INDUSTRIES**

9.32 Orissa is known for its excellence in silver filigree, applique, stone carving, brass and bell-metal goods, horn carving, terracotta and patta painting etc. The Directorate of Handicrafts and Cottage Industries provides administrative, managerial and financial support for promotion, revival and diversification of these traditional industries through various schemes. During 2003-04, 23,287 cottage industries have been set up in the State with an investment of Rs.67.89 crore providing employment to 39,743 persons. Data on the growth of Cottage industries in the State over the years is presented in Table 9.6.

**Table 9.6**

#### **Growth of Cottage Industries in Orissa**

Sl. No.	Year	No. of units established	Investment (Rs. in lakh)	Employment generated (number of persons)
1	2	3	4	5
1	1998-99	50,607	5,869.00	92,822
2	1999-00	18,370	2,956.73	32,835
3	2000-01	22,431	4,064.68	37,641
4	2001-02	26,196	6,172.55	36,937
5	2002-03	25,041	6,133.67	39,528
6	2003-04 (P)	23,287	6,788.65	39,743

*P : Provisional*

*Source : Directorate of Handicrafts and Cottage Industries. Bhubaneswar.*

9.33 During 2003-04, 297 Handicrafts Co-operative Societies with a membership of 22,147 were actively functioning in the State. These societies provided employment to 6859 artisans and produced handicraft articles worth Rs.804.78 lakh during 2003-04 as against Rs.854.23 lakh in the previous year. During 2003-04, these Co-operative

societies have sold articles worth of Rs.852.96 lakh as against Rs.879.12 lakh during the previous year i.e.2002-03.

9.34 In order to strengthen the artisan based enterprises in the handicrafts sector, 21 Handicraft Training Centers are functioning in different districts of the State. During 2003-04, 256 persons were trained in these centers. Six woolen carpet weaving training centres are also functioning which provided training to 120 persons during 2003-04 in the State.

9.35 The Orissa State Co-operative Handicrafts Corporation is engaged in strengthening the production base, enlarging marketing opportunities, encouraging exporters, and introducing new design and technology in the handicrafts sector. The Corporation provides assistance to Primary Handicrafts Co-operative Societies, voluntary organisations and individual artisans for improving the marketability of their products. The Corporation procures a wide variety of handicraft products and undertakes marketing these both inside and outside the country through its sales outlets popularly known as "Utkalika". The Corporation is also running a Craft Development Centre at Jeypore for providing a package of services to a cluster of craftsmen under a single umbrella for development of handicrafts. The Corporation is implementing the Woolen Carpet Weaving Training Scheme through its six training centres. During 2003-04, the Corporation has procured handicraft goods worth Rs.235.33 lakh and the total sale was Rs.431.48 lakh.

## ***TEXTILE AND HANDLOOM INDUSTRIES***

### ***a. Handloom***

9.36 A number of State Plan, Central Plan and Centrally Sponsored Plan schemes are being implemented for extending support to this sector. The physical and financial achievements under different schemes during 2003-04 is as follows.

***Table 9.7***  
***Physical and Financial achievement under different schemes during 2003-04***

Sl. No.	Scheme/Projects	Construction of work (nos.)	Construction of godown (nos.)	Electrification/Modernisation of looms (nos.)	Total expenditure (Rs. In lakh)	Remarks
1	2	3	4	5	6	7



1	Integrated Handloom village Devp. Project.	-	3	30	11.15	Backlog
2	Marketing Dev. Asst.	-	-	-	268.18	Backlog
3	Group Insurance	-	-	-	7.95	Share backlog
4	Workshed-cum-Housing	118	-	-	5.86	Share backlog
5	Health Package	2	-	-	0.02	Share backlog

During the year 2003-04, 57,633 looms were functioning in the State, which produced 86.44 lakh sq.mts. of clothes with an investment of Rs.157.27 crore and providing employment to 1.15 lakh persons.

### ***b. Power looms***

9.37 Presently, there are 10 power loom units with 1,184 looms in the co-operative sector and 3,000 power looms outside the co-operative sector in the State. Due to lack of managerial ability and shortage of working capital, power looms under the cooperative sector have stopped functioning since 1995-96. Government have decided in principle to privatise these power loom units. During 2002-03, two power loom units out of 10 have been given to private traders on lease.

### ***c. Spinning mills***

9.38 There are 12 spinning mills in the State of which 7 mills are operating in the co-operative sector including one ginning unit, 3 mills under the Industrial Development Corporation of Orissa Limited (IDCOL) and one each under Orissa State Textile Corporation and National Textile Corporation. The spinning mills under Cooperative Fold provided employment to 2,617 persons with an investment of Rs.78.33 crore, during 2003-04. The Orissa State Co-operative Spinning Mills Federation has set up a Central Cotton Yarn Testing Laboratory at Bhubaneswar. Presently, 4 mills under the co-operative sector are not in operation and others are running on conversion basis. The co-operative mills have produced 17.77 MT of yarn during 2003-04 and earned Rs.552.29 lakh towards sale value/conversion charges. Since these mills are not able to meet their operating expenses and the losses are mounting, it has been decided to privatise them.

### ***d. Sericulture***

9.39 Sericulture industry deals with tassar, mulberry and eri and provides avenues for rural employment and income generation. Orissa State Tassar and Silk Co-operative Society is the apex body for providing financial assistance and working capital to primary societies. It also provides various services to cocoon producers and weavers, and marketing support for tassar, mulberry and eri fabrics.

### *i. Tassar*

9.40 For the development of tassar products, 62 Primary Tassar Rearers' Co-operative Societies are functioning in the State. During 2003-04, 9.29 lakh tassar worms were supplied to rearers and 37.00 MT of tassar yarn was produced providing employment to 8,113 persons. Rearers from 1,110 villages in the State are now actively involved in tassar rearing activities covering plantation area of 6,832 hectares.

### *ii. Mulberry*

9.41 Mulberry plantation and silkworm rearing have been taken up on a large scale in 33 blocks of the State. A total of 832 acres of land has been brought under mulberry culture involving 1470 farmers of 39 rearers' Co-operative Societies and 1.95 MT of mulberry yarn was produced with employment of 1,670 persons during 2003-04. A cold storage for preservation of mulberry eggs has been set up at Chandragiri and Mulberry rearing has also been introduced in 4 Mulberry Rearing Cooperative Societies as a preliminary venture to impart training.

### *iii. Eri*

9.42 Eri-culture has been promoted as a subsidiary occupation in the undivided districts of Cuttack, Sundargarh, Kalahandi, Phulbani, Keonjhar, Sambalpur, Deogarh, Jagatsinghpur, Kendrapara and Koraput under one rearers' Co-op. Society. During 2003-04, eri-culture operation was done over an area of 215 acres. 16,530 DFLs were supplied to one rearers co-operative society and 0.20 MT of yarn was produced with employment generation for 255 persons.

## ***KHADI AND VILLAGE INDUSTRIES***

9.43 Khadi and village industries are being promoted in the State by the Orissa Khadi and Village Industries Board with financial support from the Khadi and Village

Industries Commission. Assistance is provided in the shape of grants and loans to the beneficiaries through co-operative societies operating at the block level. At present, 1,539 co-operative societies / institutions are functioning under the fold of khadi and village industries including one block level Artisan Industrial Multipurpose Co-operative Society in each block. These institutions monitor schemes under Khadi and Village Industries Programme such as bee keeping, carpentry, blacksmithy, pottery, manufacture of palm gur, leather goods, cane, bamboo goods, bell metal goods, and polyvastra etc. During 2003-04, goods worth of Rs.54.15 crore were produced and goods worth of Rs. 57.03 crore were sold by these societies providing fulltime employment to 21,105 persons and part time employment to 2,24,587 persons. Besides, 1,774 units were financed under Rural Employment Generation Programme (REGP) by the end of 2003-04. These units produced goods valued at Rs.3.09 crore and sold goods valued at Rs.3.74 crore with creation of full time employment for 643 persons and part time employment for 1165 persons during 2003-04.

### ***COIR INDUSTRIES***

9.44 Orissa Co-operative Coir Corporation is the apex co-operative organisation in the State dealing with marketing of coir and coir products produced by societies/individuals and its own production units. At present 54 Primary Coir Co-operative Societies are working in the State with enrolment of 3,800 artisans and the Coir goods worth Rs.20.00 lakh have been produced under co-operative fold. There are 5 coir industry training centres in the State. During 2002-03, 53 candidates have been imparted training through the District/State level training centers.

### ***SALT INDUSTRIES***

9.45 Around 4,500 acres of land are under salt cultivation in three coastal districts viz Ganjam, Puri and Balasore in the State. The five salt co-operative societies and 39 private licencees in the State are engaged in production of salt. Eight iodization plants with a capacity of 63,000 MT have been setup in the State.

### ***TOURISM***

9.46 Orissa has vast potential for development of tourism which has remained largely untapped. The main objective of the State Government in the tourism

sector is to attract maximum number of domestic and foreign tourists by developing tourism-related industries, services and information systems through Government as well as private participation. Emphasis has been laid on the following strategies for development of tourism during 2004-05.

- (i) Completion of the ongoing projects.
- (ii) Projecting Orissa in the domestic as well as overseas markets as a Tourism Destination through publicity and marketing.
- (iii) Coordinate with appropriate authority with State Government as well a Government of India for expanding tourism related projects.
- (iv) Creating appropriate ambience for attracting private sector investment in a big way by suitable policy initiatives and synergy of activities at Government level.

9.47 The growth of tourism is measured in terms of number of tourist arrivals. There were 292 Tourist Centres in the State in 2003-04. The arrival of tourists in the State during 2003-04 was reported to be 37.26 lakh of which 0.25 lakh were foreign tourists. The arrival of tourist to the State is showing an increasing trend since the year 1999. The arrival of foreign tourist has increased by 0.8% in 2002 and 8.6% in 2003. U.K. France, Germany and U.S.A. are the major tourist generating markets for Orissa. During 2003, out of total 25020 foreign tourist arrival, 3,079 tourists (12.3%) were from UK and 2562 tourists (10.2%) from France, followed by USA 2,015 (8.0%). Germany 2,186 (8.7%), Japan 1907 (7.6%), Italy 1,805 (7.2%) and Netherland 1439 (5.8%). Similarly out of total 37,01,250 domestic tourists who visited the State, 18,76,571 (50.7%) were from inside the State followed by 7,95,050 (21.5%) from West Bengal and 1,63,644 (4.4%) from Andhra Pradesh.

9.48 A Tourist Profile Survey was conducted by the Research and Statistics Cell of the Department during 1998 which indicated that, the average duration and spending of a domestic tourist is 5.2 days and Rs. 644.00 per day while that of the foreign tourist is 10.06 days and Rs. 1,119.00 per day. On the basis of this, it has been estimated that the inflow of money to the State through tourist spending including the spending by the tourists of Orissa during the year 2003 was Rs. 1269.15 crore.

9.49 The Tourism Department maintains 21 tourism units having accommodation facilities comprising of 12 Panthasalas, 3 Yatri Niwases, one Panthika and one Aranya Niwas and four other tourist units. In addition, the Orissa Tourism Development Corporation operates 12 Panthanivas with 426 beds and one Pantha Bhawan having 656 beds. During 2003-04, five tourism units based out to private entrepreneurs as against two units leased out in 2001-02.

9.50 During the year 2003-04, the Tourism Department organised and celebrated a number of festivals such as Konark Festival, Puri Beach Festival, Folk Dance Festival at Sambalpur, and tribal festivals at different districts. The Department participated in various tourism fairs at national and international level. Government have decided to encourage private entrepreneurs for development of tourism in the State.

**Table 9.8**

***Tourist Arrivals and Earnings from Tourism in Orissa***

Sl. No.	Year	Tourist arrivals (In nos.)			Estimated inflow of money through tourist expenditure ( Rs. in crore )		
		Domestic	Foreign	Total	Domestic	Foreign	Total
1	2	3	4	5	6	7	8
1	1999	26,91,840	25,758	27,17,598	901.44	30.55	931.99
2.	2000	28,88,392	23,723	29,12,115	967.26	28.14	995.40
3.	2001	31,00,316	22,854	31,23,170	1038.23	27.11	1065.34
4.	2002	34,13,352	23,034	34,36,386	1143.06	27.32	1170.38
5.	2003	37,01,250	25,020	37,26,270	1239.47	26.98	1269.15

Source : Department of Tourism & Culture (Tourism), Orissa, Bhubaneswar.

***HOTEL INDUSTRY***

9.51 Development of hotel industries is essential for growth of tourism. The hotel industry in Orissa has been making a steady progress in recent years. According to hotel tariff and the spending capacity of tourists, the existing hotels in Orissa have been broadly divided into three categories i.e. Low Spending Groups (LSG), Middle Spending Groups (M.S.G) and High Spending Groups (H.S.G.). Average tariff per room per day for

L.S.G. is less than Rs. 300/-, for MSG Rs. 300/- to Rs. 699/- and Rs. 700/- and above for H.S.G. During the year 2003, there were 860 hotels with 17,839 rooms and 33,907 beds functioning in the State which comprises of 69 H.S.G. category with 2,715 rooms and 5,514 beds, 171 nos. of MSG category with 4,364 rooms and 8,990 beds and 620 L.S.G. category with 10,760 rooms and 19,403 beds. Out of total 860 hotels, highest number of hotels were in Puri district (215 nos.) followed by Khurda (114 nos.) and Ganjam (69 nos.).

### ***EMPLOYMENT GENERATION IN TOURISM***

9.52 Employment opportunity is one of the most remarkable benefits that tourism provides. Therefore a survey was conducted by Department of Tourism, Orissa in Nov' 2000 to find out the number of persons employed in different sector of tourism. It was assessed that 46,103 persons were directly employed in Tourism Sector.

### ***PUBLIC SECTOR ENTERPRISES (PSEs)***

9.53 The State Government, as part of the planned economic development programme have set up a number of undertakings in various sectors such as power transport, construction, forestry, fisheries etc. to harness local resources and to provide quality service to the public. There are 67 Government companies (only 33 working) and four working statutory corporations (all working) as on 31<sup>st</sup> March' 2003. The total investment in these 37 working PSUs was Rs.12218.88 crore (equity : Rs.2418.59 crore and term loan : Rs.9800.29 crore). The total investment in the remaining 34 non-working Government Companies was Rs.216.86 crore (equity : Rs.64.44 crore and term loan : Rs.152.42 crore). Out of 37 working PSUs, 15 PSUs were profit earning and 22 PSUs were incurring loss during 2002-03. Further, 2 PSUs were running under no profit/ no loss basis and accounts was not available in case of 5 PSUs.

9.54 Payment of dividend by any State Enterprise is one of the prime indicators of its sound financial performance. Only six state public sector under-takings had paid dividend to the State Government from 1996-97 to 2001-02. During 2002-03, dividend amounting to Rs.76.46 crore have been paid by these six PSUs against Rs.87.69 crore paid by them during 2001-02. During 2003-04, State Government have provided guarantees amounting to Rs.785.00 crore in favour of five PSUs for availing loan from various financing agencies. As on 31<sup>st</sup> March 2004, an amount of Rs.4385.57 crore guarantee was outstanding in respect of 19 PSUs.

9.55 Top priority is being given to reform public enterprises and improve their performance in view of the changed economic scenario in the country. The measures in this regard include disinvestments, financial restructuring and implementation of voluntary retirement schemes for the employees of PSEs. Accordingly, the State Government have constituted a Public and Co-operative Enterprises Restructuring Committee under the Chairmanship of Chief Secretary to consider the restructuring proposals of PSEs such as disinvestment, closure, privatization, rehabilitation etc. The State Government have also realised that the Restructuring/ Privatization programme can only be successful with implementation of manpower restructuring plan envisaged for each reformed enterprise. The State Government is extending financial assistance to State PSUs to implement their VR/VS scheme and also providing financial assistance to meet arrear dues, if any, under voluntary separation scheme.

9.56 Although the Government has initiated the reform process, the shortage of fund was a major hurdle as some of the PSEs had spent all their working capital and were unable to even pay salaries and wages to their employees. Hence, it is essential for the Government to provide financial assistance to State PSUs including Co-operative enterprises as the model employer. In this context, the State Government approached Department for International Development (DFID), UK, through Government of India. Accordingly, DFID has sanctioned assistance of £11.30 million, fully in shape of grant, to assist the enterprises covered under the Orissa Public Enterprises Reform Programme (OPERP) for rightsizing of their workforce through VRS. In the mean while, the State Government bought additional financial assistance to the tune of \$ 30.00 million from DFID for continuance of public Enterprises Return Programme. The State Government have made special provision in the Budget for rendering financial assistance to State Public Enterprises and Co-operative Enterprises to implement their VR/VS/Closure Compensation scheme. During 2003-04, Rs.120.48 crore was allocated in the State Budget out of which Rs.89.06 crore was utilised and 7,098 employees were assisted under the scheme. By the end of 31<sup>st</sup> March'2004, an amount of Rs.296.21 crore was paid to 27,525 employees under VRS/VSS/Closure Compensation scheme. The State Government in the mean while, sought additional financial assistance to the tune of \$ 30.00 million from DFID for continuance of Public Enterprises Reform Programme.

## **EXPORT PROMOTION**

9.57 Orissa has a rich export potential in mineral, marine and agro-forestry products so also in handloom products and handicrafts. The Industrial Policy, 2001 formulated by the Government of Orissa accords priority to export promotion.

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

9.58 The Directorate of Export Promotion and Marketing, Orissa is the nodal agency for providing marketing assistance through quality control to registered industrial units and rate contract holding industrial units and for rendering technical assistance for promoting export activities in the State. The Directorate provides overseas marketing information and maintains co-ordination with the Central Government, State Government and export promotion agencies. It provides incentives in the form of export awards to the best exporter. It organises workshops and seminars, conducts training programmes, and organises publicity drives every year. The Directorate also assists potential exporters by providing know-how. It also helps exporters by taking up their problems with Export Promotion Councils, Commodity Boards and other organisations of the Government of India. By the end of 2003-04 the Directorate has registered 2,110 small and medium scale units and concluded rate contracts in respect 805 small scale and 2 medium scale units. During 2003-04, 19 technical inspections were conducted and 5,763 samples were tested by the Directorate in its six testing laboratories with collection of Rs.5.20 lakh towards testing fee. During 2003-04, it has attended 124 State Level Purchase Committee Meetings.

9.59 There has been an appreciable increase in exports from the State during the last five years. Item wise value of goods exported from Orissa to Foreign Countries is indicated in Table 9.9.

***Table 9.9***

***Value of Goods Exported from Orissa to Foreign Countries***

(Rs. in lakh)

Sl. No.	Items	1999-00	2000-01	2001-02	2002-03	2003-04(P)
1	2	3	4	5	6	7
1	Metallurgical products	127868.97 (58.03)	158819.44 (59.67)	134969.19 (56.64)	166960.06 (57.24)	285730.05 (81.56)
2	Engineering, chemical and allied products	20446.85 (9.28)	11831.58 (4.45)	10235.22 (4.30)	13009.03 (4.46)	9898.54 (2.83)
3	Mineral products	28199.69	46938.57	36733.17	49572.01	15167.33



		(12.80)	(17.64)	(15.47)	(17.00)	(4.33)
4	Agriculture and forest products	968.68	580.94	243.14	157.99	144.52
		(0.44)	(0.22)	(0.10)	(0.05)	(0.04)
5	Marine products	32937.77	31312.89	33801.67(1	36516.00	7293.90
		(14.95)	(11.77)	4.19)	(12.52)	(2.08)
6	Handloom and textile products	1034.88	721.38	874.95	161.21	85.69
		(0.47)	(0.27)	(0.37)	(0.05)	(0.02)
7	Handicraft products	78.16	84.65	95.35	87.02	-
		(0.04)	(0.03)	(0.04)	(0.03)	
8	Others (Computer software, computer hardware electronic goods, etc.)	8803.16	15857.35	21330.76	25215.13	32005.94
		(3.99)	(5.96)	(8.95)	(8.64)	(9.14)
<b>Total</b>		<b>220338.16</b>	<b>266146.80</b>	<b>238283.45</b>	<b>291678.45</b>	<b>350325.97</b>
		<b>(100.00)</b>	<b>(100.00)</b>	<b>(100.00)</b>	<b>(100.00)</b>	<b>(100.00)</b>

*P : Provisional*

*Source : Directorate of Export Promotion & Marketing Orissa, Bhubaneswar.*

*N.B. : Figures in bracket indicate percentage to total export value.*

9.60 The total value of goods exported from Orissa to foreign countries has increased every year till 2000-01. But the data presented in Table 9.9 shows that during 2001-02, the value of goods exported to foreign countries declined to Rs.2,382.83 crore which is 10.47% less than the value of goods exported during the previous year. But, again from the year 2002-03, it shows an increasing trend. During 2003-04, goods valued at about Rs.3503.26 crore have been exported to foreign countries showing an increase of about 20.11% over 2002-03.

9.61 During 1998-99, the value of goods exported from the country was Rs.1,39,752 crore out of which the contribution of Orissa was Rs.1,893 crore accounting for 1.35%. During 2003-04, the value of goods exported from Orissa to foreign country was Rs.3503.26 crore as against goods worth of Rs.2916.78 crore exported to foreign country during 2002-03.

9.62 Further the analysis reveals that during 2003-04, the value under metallurgical products has increased by 71.1% over the previous year. Computer software and hardware industry has enormous potential and its contribution to exports from the State

is expected to rise at a rapid pace in view of the considerable emphasis attached to this sector by the State Government.

### **EXPORT AND IMPORT THROUGH PARADEEP PORT**

9.63 Among the major ports in India, Paradeep is the only cargo handling port in the State through which minerals, metallurgical products and fertilisers are being imported and exported. The quantum of export and import through Paradeep port from 1999-2000 to 2003-04 is presented in Table 9.10. During 2003-04, 186.06 lakh MT of goods were exported through this port as against 169.10 lakh MT exported during 2002-03 registering an increase of 10.03 %. The table further reveals that the quantum of goods exported through Paradeep port is showing an increasing trend over the years. However, the quantum of goods imported through this port has declined from 69.91 lakh MT in 2002-03 to 67.05 lakh MT in 2003-04.

**Table 9.10**

#### **Quantum of Export and Import through Paradeep Port**

(in lakh MT)

Sl. No.	Year	Quantity Exported	Quantity Imported	Percentage of Import to Export
1	2	3	4	5
1	1999-00	88.60	47.76	53.91
2	2000-01	130.52	68.40	52.41
3	2001-02	144.69	66.62	46.04
4	2002-03	169.10	69.91	41.34
5	2003-04	186.06	67.05	36.04

Source : Paradeep Port Trust , Paradeep.

9.64 Table 9.11 presents commodity-wise export through Paradeep port from 1999-2000 to 2003-04. The table shows that the export of thermal coal and iron ore had a major share in total commodity exports. Out of the total export of 186.06 lakh MT, during 2003-04, the share of iron ore, thermal coal and chrome ore was 31.89%, 56.74% and 2.37% respectively.

**Table 9.11**

#### **Commoditywise Export through Paradeep Port**

(in lakh MT)

Sl.No	Name of the commodity	1999-00	2000-01	2001-02	2002-03	2003-04
-------	-----------------------	---------	---------	---------	---------	---------

1	2	3	4	5	6	7
1	Iron ore	10.25 (11.57)	29.92 (22.92)	35.46 (24.51)	46.79 (27.67)	59.34 (31.89)
2	Thermal coal	59.53 (67.19)	82.08 (62.89)	89.45 (61.84)	97.40 (57.60)	105.57 (56.74)
3	Chrome ore	3.78 (4.26)	4.22 (3.23)	3.38 (2.34)	4.67 (2.76)	4.40 (2.37)
4	Charge chrome / Chrome con	0.30 (0.34)	0.34 (0.26)	0.17 (0.12)	7.72 (4.57)	7.28 (3.91)
5	Others	14.74 (16.64)	13.96 (10.70)	16.19 (11.19)	12.52 (7.40)	9.47 (5.09)
<b>TOTAL</b>		<b>88.60</b> <b>(100.00)</b>	<b>130.52</b> <b>(100.00)</b>	<b>144.65</b> <b>(100.00)</b>	<b>169.10</b> <b>(100.00)</b>	<b>186.06</b> <b>(100.00)</b>

Source : Paradeep Port Trust, Paradeep.

N.B. Figures in bracket indicate percentage to total quantity of export.

## **OTHER PORTS**

9.65 The fair-weather port at Gopalpur in Ganjam district was opened to traffic with effect from 27th February 1987. During 2001-02, 17,671 MT illminite was exported through this port as against 1,34,000 MT during 2000-01. Though the port was opened to traffic, as a policy matter of the State, there was absolutely no cargo movement. The revenue earning as such has come down to Rs.31.32 lakh during 2003-04 as against Rs.39.64 lakh during 2002-03, representing Hire charges of storage space let out to M/s IREL.

9.66 Considering the requirements of port-based steel plants and other industries which are coming up near the port, it has been decided to develop Gopalpur port into an all-weather port through private investment. Accordingly, the State Government have signed the MOU with M/s Adani Group of Companies on 26th February, 2001.

9.67 Fishery Port at Dhamara in the district of Bhadrak is in operation as usual in the year 2003-04. The net revenue earning from this port was in the order of Rs.22.33 lakh during 2003-04. The State Government have decided to develop a "MEGA PORT" at Dhamara in Bhadrak district through private investment. Accordingly, an agreement has been signed with M/s International Sea Port Ltd. of Singapore in April, 1998. Apart from the above two ports, the State Government have declared six other "Minor Ports" along the 480 Kms long coastal line. Development of these six ports will be taken up in

phased manner. Keeping in view the overall economic development of the State and depending upon the availability of funds.

***EXPORT PROMOTION INDUSTRIAL PARK (EPIP)***

9.68 An EPIP has been set up with assistance from Government of India in the Ministry of Commerce over a patch of 205 acres at Chandaka, near Bhubaneswar with a project cost of Rs.25.50 crore of which the State share is Rs.15.50 crore including the cost of land to the extent of Rs.10.25 crore. Industrial Infrastructure Development Corporation (IDCO) was the implementing agency for the project. It was proposed to establish 155 export oriented industrial units in the proposed EPIP. But subsequently the Park has been renamed as INFOCITY and earmarked for establishment of IT industry only. The Park (INFOCITY) has been commissioned during August, 2000.

VVVVV