



GOVERNMENT OF KARNATAKA

DEPARTMENT OF
COMMERCE AND INDUSTRIES

ವಾಣಿಜ್ಯ ಮತ್ತು ಉದ್ಯಮ

ANNUAL
REPORT
1995-96

DEPARTMENT OF INDUSTRIES AND COMMERCE
ANNUAL REPORT FOR THE YEAR 1995 - 96

INTRODUCTION:

Karnataka is one of the progressive States in the forefront of industrial development. State Government has been pursuing a progressive industrial policy. It is the endeavour of the State Government to improve its position in the industrial map of the Country and become one of the foremost industrialised States by the turn of the Century.

2. The State currently has 759 Large and Medium Industries with an investment of Rs.6693.00 Crores and employing 2.97 lakh workers. The State also has 1,70,364 Small Scale Industries with an investment of over Rs. 2141.00 Crores employing 11.21 lakh workers. The State has 67 Industrial Areas with 20000 acres of developed Industrial Plots and 123 Industrial Estates with more than 4942 sheds.

3. In tune with the liberalised New Industrial, Economic and Trade Policy measures announced by Government of India since July 1991, the Government of Karnataka have announced its New Industrial Policy and Package of Incentives and Concessions 1993. The highlights are:

a) State has been classified into 3 Zones i.e., Zone-I (developed area - 2 taluks), Zone - II (developing area 173 taluks) & Zone-III (Growth Centres Hassan / Dharwar / Raichur).

b) Special attention is given for promotion of Mega Projects with investment of Rs. 100 Crores and above and having scope for development of ancillaries, down stream industries and special scale of incentives and concessions are considered on merits.

c) State Investment Subsidy at 25% & 30% is offered to Tiny / Small Industrial Units.

d) Sales Tax concessions in the form of Exemption / Deferral for period ranging from 4 to 9 years is offered for tiny / small / medium and large scale industries, with option exercisable by the entrepreneurs

e) Emphasis is laid on improving and strengthening infrastructural facilities.

f) Stamp Duty for registration of land and sheds, allotted by the KSSIDC., KIADB., and KEONICS., chargeable on the original allotment price.

g) Ceiling under Land Reforms Act, for purchase of agricultural land for industrial use, enhanced to 10 units.

h) Single Window Agency (SWA) mechanism strengthened. Karnataka Udyoga Mitra (KUM) to acts as the Secretariat for SWA.

i) District Level SWAs., headed by Deputy Commissioners and are empowered to sanction incentives and concessions as also infrastructural facilities for the tiny and small scale industries.

j) Emphasis laid on voluntary compliance in the matter of various legislations applicable to industries. Inspection would be rendered to bare minimum.

k) Only non-polluting and environmentally friendly industries i.e. electronics, Tele-Communication, Informatics, Readymade Garments including leather garments (but excluding tanneries) and precision tooling / tool room industries encouraged in Bangalore Urban Agglomeration Area and North and South taluks.

l) Industries Associations and Groups encouraged to manage and further develop training institutions set up by the Government.

m) An Export Promotion Industrial Park (EPIP) being set up near Bangalore.

n) Additional investment subsidy at 5% to special category entrepreneurs viz., SC/ST., Minorities, Women, Physically Handicapped and Ex-Servicemen.

o) Incentives available for 100% Export Oriented Units as Thrust Sector would also be available for other export oriented units, who are exporting a minimum of 50% of their turnover.

p) Thrust Sector Industries, Electronics, Telecommunication, Informatics (Software), Agro Food Processing, Agro based Industries, Leather and Leather products, Readymade Garments, Silk reeling twisting,

Weaving and processing, Spinning, Weaving Powerloom, Knitting and Textile processing, Cutting, Polishing and Processing of semi precious stones, Pharmaceutical Industry, Sugar Industry and others.

These measures have resulted in substantially increase in the industries investment in the State, as under.

HIGH LEVEL COMMITTEE:

The projects approved by the State High Level Committee during 1995-96 with investments more than Rs.50.00 Crores are as under:

S1.	Projects	Invest-	Employ-	Power
No. Year	approved	ment in	ment	snctd.
		crores	Nos.	M.V.A.

1995-96				
upto				
Dec. 95	22	24391.94	49912	831.48

The details are :-

<u>1 9 9 5 - 9 6</u>			
Project & Location	Investment in Crores	Employment	Power MVA
1. M/s.BAGF India Ltd. Mangalore (Metal Complex dyes & dispersions) Mangalore	102.70	130	1.00
2. M/s. Grasim Inds. Ltd., (Pharaxlene & TPA project) Mangalore.	2325.00	500	41.00
3. M/s.Bellary Steels & Alloys Ltd., (3.78 lakh TPA Steel Project) Bellary.	687.00	700	40.00
4. M/s.Sathvahana Ispet Ltd.(1 million TPA Pig Iron project) Raichur dist.	850.00	2800	39.00
5. M/s.Bhuwarka Steels Ltd., (2.50 lakh TPA Steel billets), Hospet, Bellary.	313.00	350	7.25
6. M/s.S.Kumars Synfabs, Ltd. (Worsted Yarn/ fabrics/textile processing) Thandia IA, Mysore.	110.00	470	7.00

7. M/s. Usha Iron & Ferro 4800.00 7000 282.00
Metals Corpn. Ltd.,
(2 Million TPA steel
Plant. Brahmavar,
Mangalore.
8. M/s Kirloskar Toyoda 64.30 830 1.50
Textile Machinery Ltd.
(Mfr. of Tex. m/c.
Jigini IA 2nd Phase,
Bangalore.
9. M/s Paper Packaging 304.76 600 41.00
Pvt. Ltd., (2 million
TPA Cement) Bagalkot
Bijapur.
10. M/s. Warner Lambert (I) 102.00 400 3.00
Ltd., Bombay (Pharma-
ceutical project)
Jodi Hanumanpalya
village, Nelamangala Tq.
Bangalore Dist.
11. M/s. Vasavadatta Cement 244.84 120 12.00
Expn. from 5 to 12 lakh
TPA Cement. Sedam
Bulbarga dist.
12. M/s. BPL India Ltd., 50.29 485 1.98
Expn. from 1.2 to 9 lakh
pcs. of CTV, Old Madras
Road, Bangalore.
13. M/s. Mittal Steel 410.00 1000 33.00
Ltd., (7 lakh TPA
Special/alloy steel
project), Ginigera,
Koppal Tq. Raichur Dt.

14.M/s.Kap Steel Ltd. (5 Lakh TPA Pig Iron/ steel project), Bellary)	687.00	3000	25.00
15.M/s Raunaq Inds. Corpn.Ltd. (1 million TPA of Hot rolled coils), Hassan.	1792.00	1925	130.00
16.M/s. Kanishk Steel Inds.Ltd. (3 Lakh TPA steel billets mfr.) Koppal tq. Raichur dist.	655.50	3000	25.00
17.M/s.HMP Cements Ltd. (Expansion to 2.5 lkh. TPA of cement), Shabad, Gulbarga Dist.	450.00	1400	53.00
18.M/s. Mukund Vijayanagar Steel Ltd.(1.4 MTA to be expanddable to 5 MTA Integrated Steel Plant) Torangallu, Bellary dt.	8079.02	4082	45 MW & 8 MW Const. Power only
19.M/s.National Engg.Co. (1.4 lakhs TPA -Steel Rolled products) Ginigere, Koppal Tq. Raichur Dt.	175.00	1000	1.5 MVA Const. Powe only.
20.M/s.Overseas Quartz & Minerals Inds. Ltd., (500 TDP-Superfine Quartz),Kanchikere Harapanahally,Bellary Dt.	100.00	900	0.5 MVA

21.M/s.Karnataka Float Glass (450 TPD-Float Glas (Grade I & II) Kanchikere, Harapanahally, Bellary dist.	500.00 1200 1.25 MVA
22.M/s.Information Technology Park Whitefield, Bangalore.	1187.33 16000 38.00

	24391.94 47912 831.48

SINGLE WINDOW AGENCY.

The State Level Single Window Agency under the Chairmanship of pr. Secretary, Commerce and Industries Department provides Infrastructure and other assistance to projects upto Rs. 50.00 crores.

During the year 1995-96 (upto end of December 1995), the State Level Single Windo Agency (SWA) has cleared 117 new projects bringing in an additional investment of Rs.1140.00 Crores with employment opportunities to 19937 persons. The Karnataka Udyog Mitra (KUM) set up during 1992-93, provides escort services for the Large and Medium Industries Project cleared in the State Level Single Window Agency for speedy implementation of the projects.

The district level Single Window Agency has been converted into District Level Empowered Committee in order to expedite the process of granting concessions and hearing grievances. The Single Windo Agency has been reconstituted at the District Level.

Incentives and Concessions:- (State Subsidy)

Under the package of incentives and concessions for Industrial units set up in the backward area, state investment subsidy is provided on the investment made on the fixed assets i.e, land, building, plant and machinery.

During year 1995-96, provision of Rs. 45.30 crores has been made under the state subsidy. Out of which a sum of Rs. 40.00 crores has been released upto December 1995 for 2740 units.

SMALL SCALE INDUSTRIES:

During year 1995-96, upto the end of December 1995, 7816 Small Scale Industries have been set up in the State with an investment of Rs. 233.02 Crores providing employment to 49655. At the District level, the District Industries Centre functions as the "NODAL AGENCY" to assist in the starting of Tiny and Small Scale Industrial Units.

A Computer Data Bank has been created in respect of the Small Scale Industries in the State. Computerised information of the SSIs are available at the District Head-Quarters as well as at the State level.

The procedure for issue of PRC and PMTs has been simplified. The PRCs are being issued across the State, as soon as an application is received for issue of PRC. PMT Certificate is also issued within a time limit. The issue of PRC/PMTs has been

computerised in the Bangalore Urban District & other districts are being taken up in a phased manner

In order to ensure that there is upgradation of Technology to adjust to the changed market conditions, the State has already taken action to set up the Research and Quality Testing Centre for Ceramics and Tiles at Suratkal. This Centre is being set up at a cost of Rs.58.50 lakhs in association with the Tiles Manufacturing Association and the Karnataka Regional Engineering College, Suratkal.

Similarly Centre is under establishment at Bangalore in association with the All India Agarabathi Manufacturers association for Research and Development & Testing of Agarabathies. The approximate cost of the First Phase is estimated to be Rs.100.00 lakhs. This Centre is being set up with contribution from Government of Karnataka and the All India Agarabathi Manufacturers Association.

REVIVAL OF SICK INDUSTRIES;

In all 114 Medium and Large units have been registered with BIFR. The High Level Committee for rehabilitation of sick Medium and Large units (BIFR cases) has so far rehabilitated 42 units. Various concessions/relief have been granted on the basis of BIFR approved rehabilitation package.

DISTRICT INDUSTRIES CENTRES: (DICs)

District Industries Centres have been established in all the districts with the assistance of the Government of India. The DICs study the industrial potential of the districts & prepare Action Plan to promote rapid industrialisation. Adequate powers have been given to the Managers of District Industries Centres to implement various schemes of the Government. The Single Window Agency at the District Level caters to the needs of enterprises in terms of allotment of land, power and shed. Construction of DIC Buildings in all the districts have been completed except Bangalore Rural and Urban for which plan is being prepared.

SPECIAL COMPONENT PLAN: (SCP)

Under the scheme allotment of Industrial sheds and plots at subsidised rates to SC/ST entrepreneurs, the KSSIDC have allotted 25 sheds and 25 plots to SC/ST entrepreneurs during the period April 1993 to February, 1996. Similarly the KIADB has allotted 24 Industrial plots to SC/ST entrepreneurs at subsidised rates during period April 1995 to December, 1995.

For the year 1995-96 upto end of December 1995, a sum of Rs. 26.08 lakhs expenditure has been incurred benefitting 1488 SC artisans under District Sector Scheme. A Budget provision of Rs. 186.06 lakhs has been made for 1995-96.

TRIBAL SUB-PLAN.

Under the Tribal Sub-Plan for the years 1995-96 upto end of December - 1995 an amount of Rs. 28.19 lakhs have been spent towards training in various crafts under the District Scheme covering 126 beneficiaries. Training in crafts like Carpentry, Bakery, Cane and Bamboo, Tailoring, Coir, Leather, Fancy articles etc., have been imparted. The Department has been assisting Zilla Panchayats in supplying Tool Kits after the Training. A sum of Rs. 64.40 lakhs is provided to the scheme during 1995-96.

APICULTURE:

It is estimated that Karnataka could produce around 20 lakhs Kgs., of Honey if available resources are fully tapped. Bee-Keeping development programmes in Karnataka is in the hands of several agencies Viz., Department of Industries and Commerce, Khadi and Village Industries Commission, Khadi & Village Industries Board and the Bee-Keeper's Co-operative Societies. The steps are being taken to control the Thaisac Brood Disease.

A sum of Rs.21.51 lakhs is provided for this scheme during 1995-96. Out of this an amount of Rs. 3.40 lakhs has been spent upto end of December 95, covering 185 beneficiaries.

TRAINING:

At present, there are 21 Artisan Training Institutes with 8 Branches. In addition, we have the Rural Industrial Development Centre at Hunsur, Chamarajendra Technical Institute at Mysore and the Industrial Training Centre in Bangalore run by the Department at N. P. Kendra.

These institutes enable the craftsmen to adopt modern methods of production and become self employed in rural areas.

The proposal of having District Industries Training Centres has been approved by Government of India as part of TRYSEM INFRASTRUCTURE. This has been taken up in up in two phases. In the first phase, the following 9 districts have been selected and the construction of building have been also completed.

- 1) Bangalore, 2) Belgaum, 3) Bellary,
- 4) Chickmagalur, 5) Dharwar, 6) Mysore
(Hunsur) 7) Mangalore (Moodbidri),
- 8) Tumkur & 9) Hassan.

Government of India have sanctioned a sum of Rs.102.68 lakhs for the 1st Phase, for implementation of District Industries Training Centres (DITCs) programme and the sanctioned amount has already been released towards construction of buildings and purchase of machinery, tools and equipments. The training programme in the above centres have started from 1-4-1992 through the concerned Zilla Parishads.

In the Second Phase, 7 more District Industries Training Centres have been sanctioned by Government in the following districts:-

1) Bijapur, 2) Bidar, 3) Chickmagalur,
4) Gulbarga, 5) Mandya, 6) Kolar & 7) Raichur.

The construction of District Industries Training Centres Building at Gulbarga, Raichur, Bidar, Mandya and Kolar have been completed.

A sum of Rs.113.294 lakhs has been sanctioned by Government for II Phase, for the above 7 District Industries Training Centres.

V I S H W A P R O G R A M M E .

Vishwa Programme aims at providing continuous Rural Productive Employment. The programme is structured to strengthen the rural economy by providing continuous rural employment by supply of raw materials and sale of products.

In the current year, it is targetted to cover 71,500 beneficiaries. Upto the end of December 1995, 39942 beneficiaries are covered both under training and production in Unorganised & Organised Sectors.

During the year Rs.1535.00 lakhs has been provided for implementation of the programme, out of which an amount of Rs.418.08 has been spent on training & production activity.

Out of construction of 800 Common Workshops have been taken up, 789 sheds have been completed and handed over to user agencies.

KARNATAKA STATE KHADI AND VILLAGE INDUSTRIES
BOARD (KVIB)

KVIB channels the funds provided by the Khadi & Village Industries Commission (KVIC), Bombay for the development of various Khadi and Village Industries in the State. The Board, assists in establishing the Khadi & Village Industries in remote parts of the State. The main objectives of the Board is to establish Khadi and Village Industries in rural areas.

The Board provides financial assistance to individuals, co-operative societies and registered institutions. The State Government is providing financial assistance to meet the administrative expenditure of the Board. Rebate on sale of products manufactured in Khadi & Village Industries is also provided by the State Government. During the year 1975-76 a sum of Rs.400.00. lakhs is provided towards the above schemes.

During the current year 1975-76, "the S.D.I. has introduced a new scheme Consortium Bank Credit for KVI Sector under which a provision of Rs. 76.63 crores has been earmarked for Karnataka. Also the prevailing "pattern based assistance" has been modified as "project based assistance" to suit financing of individual projects on merits. The State Government has also extended Govt.

guarantee for this purpose and implementation of the programme is expected to provide employment opportunities to approximately 29,900 persons.

GOVERNMENT TOOL ROOM AND TRAINING CENTRE -
G. T. T. C.

Government Tool Room and Training Centre has twin objectives of manufacturing quality tools and providing training in tool making. It serves as a technical infrastructural facility for the growth and development of tool room industry in the State. The Institute is well established in Bangalore.

Sub-centre of GTTC have been established at Mysore, Mangalore, Hassan, Belgaum and Sulbarga. Two new sub-centres at Hospet in Bellary District and Dandeli in Karwar District have been opened, during the current year 1995-96.

PRIME MINISTER ROJGAR YOJANA:

Under the "PRIME MINISTERS ROJGAR YOJANA", scheme introduced by the Government of India, educated un-employed youths in the age group of 18 to 35 years are eligible to avail loan upto Rs.1.00 lakh, from Commercial Banks for setting up Self Employment ventures in the area of industry, service and business. During the year 1995-96 upto the end of December 95 an amount of Rs. 4118.87 lakhs has been sanctioned as loan to 9312 beneficiaries. Also Interest Subsidy of Rs.103.00 lakhs has been sanctioned by the State Government to these beneficiaries under the "Udyog Jyothi" scheme.

T E C S O K:

TECSOK (Technical Consultancy Services Organisation of Karnataka) was promoted by Government of Karnataka with the assistance from other State Level financial institutions & developmental Corporations as a Registered Society in 1976. The objective of promoting TECSOK was mainly to provide reliable consultancy services at reasonable costs to entrepreneurs who want to set up tiny, small & medium scale industries. The consultancy services provided by TECSOK to entrepreneurs extend from identification of projects to implementation at a nominal cost.

TECSOK over the years of its existence has developed necessary expertise to provide consultancy services in various fields. Presently, TECSOK has a Team of Young and Experienced Professionals in various disciplines: viz., Chemicals, food electrical, Electronics, Mechanical, Drugs and Pharmaceuticals, Metallurgy, Textiles, Energy Conservation and Audit, Pollution Control and Environment, Marketing and Statistics.

C E D O K:

The Centre for Entrepreneurship Development of Karnataka (CEDOK) has been established in Dharwad. This Centre has helped rural entrepreneurs in establishing Small and Tiny industries. During 1995-96, upto December 1995, 21 training programmes have been completed and 25 programmes are

under progress. A sum of Rs.100.00 lakhs is earmarked as Grant from Government to this Centre during the year 1995-96.

KARNATAKA INDUSTRIAL AREAS DEVELOPMENT BOARD.

KIADB is the main Agency of the Government to develop industrial areas by acquiring land and providing the necessary infrastructural facilities.

During the year 1995-96, a provision of Rs. 1410 lakhs is made for the Board for providing industrial infrastructure and and establishing Export Oriented Industrial Zone at Bangalore & Growth Centres at Hassan, Dharwad and Raichur.

KARNATAKA STATE INDUSTRIAL INVESTMENT AND DEVELOPMENT CORPORATION LIMITED (KSIIDC).

KSIIDC is the Agency for promotion of Large and Medium Industries in the State. During 1995-96, (upto December 1995) Term Loan assistance of Rs. 193.54 crores for 127 units and Equity Capital of Rs.21.40 crores to 28 projects have been sanctioned. The KSIIDC is the Nodal Agency for providing assistance to Non-Resident Indians to establish industrial projects in the State.

KARNATAKA STATE FINANCIAL CORPORATION
(KSFC)

KSFC., assists the entrepreneurs by providing Term Loan and Soft Loans. During the year 1995-96, (upto December, 1995) the Corporation has sanctioned loans amounting to Rs.428.00 crores to 9628 cases and disbursed Rs.297 crores. The Corporation has been provided with Equity support of Rs.500 lakhs from the Government during 1995-96

KEONICS.

The Karnataka State Electronics Development Corporation (KEONICS), is a State undertaking, which is engaged in promotion and development of electronic industries in the State. Various activities undertaken by the Corporation to fulfil its objectives are:

- 1) Promotion of Joint Ventures,
- 2) Electronic City at Bangalore.
- 3) Training programmes in consumer electronic goods and computer related field.
- 4) Guidance to entrepreneurs and escort services
- 5) Marketing of electronic products and display of high tech electronic goods.
- 6) Export Software.

KEONICS is in the process of commissioning the Software Technology Park (STPs) at Mysore and Dharwar shortly.

A sum of Rs.540.00 lakhs has been provided in the Budget for the year 1995-96 for implementation of the various schemes of KEONICS.

HIGHTECH IN BANGALORE:

(a) BANGALORE INFORMATION TECHNOLOGY PARK.

A comprehensively planned and designed technology park providing integrated services and facilitating the setting up of Hitech Industries, is under construction at Whitefield, Bangalore. This project has been jointly promoted by the Government of Karnataka - (KIADS), the TATAs and consortium of Singapore Cos. This park would provide integrated services and amenities and compatibility between residential, commercial business and industrial operations therein.

Work on the Rs.574 crores first phase project is progressing satisfactorily and is expected to receive its first occupant by March 1997.

(b) 3 SE CENTRE:

The European Community along with Government of India and Government of Karnataka have setup the "Software Service Support and Education Centre" at Bangalore for imparting skills to the Software industries in Bangalore and focus on Software exports to Europe. The Rs.2.00 Crores centre has since become operational.

KARNATAKA STATE SMALL INDUSTRIES DEVELOPMENT CORPORATION LTD., (KSSIDC)

KSSIDC., is the Nodal Agency of the Government of Karnataka to take up construction, maintenance and manage industrial sheds in the State. The Corporation also provides raw-materials like Iron, Steel Coke, Coal, Pig Iron, Paraffin Wax, Fatty Acid, Titanium Dio-Oxide etc., required for SSI units.

During 1995-96, the Corporation has taken up construction of 173 sheds. Upto end of December 1995, 127 sheds have been completed and the Corporation has supplied raw materials worth Rs.47.586 Crores. The Corporation provides raw materials like Iron, Steel, Coal, Coke, Pig Iron, Paraffin Wax, Fatty Acid, Titanium Dio-Oxide etc., required for SSI Units.

A budget provision of Rs. 200.00 lakhs has been made towards equity support.

KARNATAKA SMALL INDUSTRIES MARKETING CORPORATION LTD., (KSIMC)

KSIMC provides marketing assistance to SSI units under different schemes such as Rate Contract, Market Assistance programme, Bill discounting, Hire Purchase and Exhibition. SSI units registered with KSIMC can avail advance payment against the supplies upto 75% of the invoice value. Upto end of December 1995, 3590 units have been registered. For the year upto end of December 1995 turnover of Rs. 42.82 crores has been made.

KARNATAKA STATE LEATHER INDUSTRIES DEVELOPMENT CORPORATION LTD., (KLIDCO) - LIDKAR

The LIDKAR) is the promotional organisation for leather base industries in the State. The corporation has the following activities:

- 1) Establishment of Leather Craft Complex.
- 2) Raw material supply to Leather craft artisans.
- 3) Marketing support to Leather artisans through its Emporiums.
- 4) Effluent Treatment Plant to tannery.
- 5) Training of Leather artisans and conducting of Diploma course in leather technology.
- 6) Providing of way side cabins and Tool Kits for Leather Artisans.

During the 1995-96, the Corporation has supplied 502 way side cabins, upto the end of December 1995.

A sum of Rs.162.00 lakhs has been provided for LIDKAR during 1995-96.

KARNATAKA STATE HANDICRAFTS DEVELOPMENT CORPORATION LTD., (KSHDC.)

KSHDC encourages handicrafts artisans through the following facilities:

1. Craft Complexes,
2. Raw materials depots,
3. Marketing assistance through net-work of show rooms.
4. Purchase of finished goods.

5. Supply of improved tools and
6. Credit facility through Banks.

During the year 1995-96 the Corporation has procured finished goods worth of Rs.200.87 lakhs from the craft persons and sold goods worth of Rs.1000.00 lakhs through its emporias upto end of December 1995. The Corporation has exported items worth of Rs. 70.00 lakhs.

During the above period, the Corporation has covered 800 beneficiaries of which 75 belong to S.C. Community.

A sum of Rs.198.00 lakhs is provided in the budget during 1995-96.

KARNATAKA STATE COIR DEVELOPMENT CORPORATION
(KSCDC).

KSCDC has been established with a view to promote and develop Coir based industries in the State. The Corporation encourages production of Coir Fibre, manufacture of coir products and marketing of coir products. The Corporation has the following activities:-

- 1) Establishment of Coir Complex.
- 2) Exploration of Coir Fibres for manufacturing activities.
- 3) Marketing.
- 4) Training of skilled man power and establishing of Coir based industry.

During the year 1995-96, upto end of December, 1995, the Corporation has assisted

setting up of 60 Coir Centres for weaving, matting, and Spinning and provided training to 569 persons in coir products manufacture under different schemes.

A sum of Rs.143.00 lakhs is provided in the budget for Coir Sector during 1995-96.

= = = = 0 = = = =

- 225 -

DEPARTMENT OF MINES AND GEOLOGYANNUAL REPORT FOR 95 - 96

1. The Department of Mines and Geology being an important scientific and technical organisation has the following prime function in the field of mineral and groundwater investigation.

Mineral Administration:-

a. The objective is to regulate and control the mining and quarrying activities keeping in view the mineral conservation and scientific mining/quarrying. The officers are engaged in periodical inspection of leased areas to control movements of mineral (Major and Minor). Regulating the areas by granting mining and quarrying leases as per rules - and checking of unauthorised transportation of minerals.

b. Revenue collection due from mining and quarrying activities

c. Prevention of unauthorised mining and quarrying activities and consequent loss of revenue to the State Exchequer.

d. Exploration and Development of mineral resource of State.

e. Mineral exploration and development employing modern technology and concepts, categorising the resources in terms of grade and industrial utility, identifying scope for development of mineral based industries and export potential. ✓

f. Survey and development and groundwater management using modern concepts and techniques such as Remote Sensing and Geophysics in water balance studies.

g. Establishing by drilling groundwater and mineral resources identified by using surface techniques.

h. Mineral beneficiation studies to build up potential ore and mineral deposits for development.

i. Special Geological investigation such as structural Geology, impact on environment due to mining and quarrying etc., in co-ordination with other national Research Institutes and Universities.

j. Special studies on groundwater under of Project BRGM, France.

The activities under the mineral and groundwater development are described in detail later in this report.

2. BUDGET

The total budget allotted to the Department is Rs.1171.03 lakhs for 95 - 96. The budget outlay pertains to both Mineral Wing and Groundwater of the Department. The plan and non-plan components of this allocation in respect of Groundwater and Mineral Wing is as follows:

	<u>Non-plan</u> <u>in lakhs</u>	<u>Plan</u> <u>in lakhs</u>
1. Groundwater unit	356.12	454.20
2. Mineral Wing	333.33	71.00

The details of allocation under different Heads of Account with expenditure details from April 95 to January 96 are as follows:

	<u>Non-plan</u> <u>in lakhs</u>	<u>Plan</u> <u>in lakhs</u>
1. Groundwater Unit	248.90	19.73
2. Mineral Wing	224.70	16.70

3. MINERAL ADMINISTRATION AND REVENUE

3.1 During the recent times, Mineral administration has become priority function of the Department and the activities under this wing are related to sanction of mineral concessions, inspections

25

etc., During April 95 to January 96 the following work has been carried out.

1. Inspection of areas applied for M.L	...	291
2. Inspection of areas applied for Q.L	...	682
3. Audit inspection of M.L	...	240
4. Audit inspection of Q.L	...	590
5. No. of cases booked for violation of mining and quarrying rules	...	30

3.2 The collection of revenue due from minerals forms one of the important responsibility of the Department. This revenue comprises of royalties on minerals exploited, rents and cess on mineral concessions, penalty for unauthorised transportation of minerals, groundwater fee etc.,

The details of revenue realisation from minerals which constitutes a bulk of the revenue is as follows, for the period April 1995 to December 1995.

	Royalty in lakhs	
	Target (in lakhs)	Achievement (in lakhs)
1. Major Mineral	3,350.00	5,028.050
2. Minor Mineral	2,500.00	2,633.960
Total	5,850.00	7.662.010

3.3. At present there are 573 mining leases and 5930 quarry leases for different minerals. The district-wise position is given in table-2 for the past three years.

4. MINERAL EXPLORATION

4.1. The Plan Monitoring Wing of the Department is mainly involved in the investigations of different valuable minerals and ores of economical value. The investigation and exploration for

the occurrences gold, copper, nickle, limestone, kyanite, sillimanite, magnetite, titaniferous magnatita, precious and semi-precious stones, ornaamental stones etc. have been proposed for the field programmes 1995-96. These explorations programmes have been carried out under the following six ongoing non-plan scheme.

- (i) Survey and Assessment of Ferrous Minerals.
- (ii) Exploration of Sulphide Zones.
- (iii) Investigations of Limestone Deposits.
- (iv) ~~Assessment~~ of Refractory Raw Material.
- (v) Investigation of Ornaamental Deposits.
- (vi) Exploration of Precious and Semi-precious Stones.

4.2. Each Scheme comprises of regional survey for locating mineral deposits and tracing their continuities on 1:50,000 scale. Large scale mapping for preparing the actual plan of the deposit on 1:1,000 or 1:500 scale. Systematic grid-wise sampling for determining the grades of ores/minerals and diamond drilling for establishing depth persistence and grade variation and reserve availability of different mineral deposit.

4.3. The physical progress achieved under different non-plan schemes is as follows (progress from April 1995 to February 1996):

Sl. No.	Scheme	Sample	R.S. (Sq.kms.)	L.S. (Hects)	Drilling (mm)
1.	Ferrous	207	731	100	606
2.	Sulphide	254	315	141	889
3.	Ornaamental	250	4910	-	-
4.	Limestone	196	687	-	1298
5.	Refractory	110	850	70	-
6.	Precious Stone	206	1097	55	-
Total		1223	8590	366	2793

4.4. The salient features of the various investigations carried out under different schemes are:

4.4.1. Ferrous Scheme

Exploration has been carried for titaniferous magnetite and manganese ore deposits in parts of Chickmagalur, Chitradurga and Shimoga Districts. In all six investigations have been carried out during 1994-95 and six investigations are proposed for the year 1995-96, in parts of North Kanara, Shimoga and Chitradurga Districts.

4.4.2. Sulphide Scheme

Exploration carried out under this scheme has proved the depth persistence and strike continuity of copper ore investigations at Ingaldhal, Chitradurga, Bhadigund Shimoga Districts and gold investigations were carried in Naganangala schist belt of Mandya District. All two investigations have been carried out during 1994-95 and six investigation programmes are included for the year 1995-96 in parts of North Kanara, Shimoga, Chitradurga, Hassan, Bellary and Mysore Districts.

4.4.3. Ornamental Stone Scheme

Under this scheme the survey has been carried out for locating pink granite, grey granite, multicolour granite and dolerite dyke deposits in part of Mandya, Kolar and Tumkur District. In all three investigations have been carried out from 1994-95 and four items of survey work are proposed during 1995-96, in parts of Kolar and Tumkur Districts.

4.4.4. Limestone Scheme

Exploration for limestone has been carried out in parts of Bellary, Belgaum and Bijapur Districts, during 1994-95, completing four investigations. Five investigations are proposed for 1995-96, in parts of Chitradurga, Dharwad and Gulbarga Districts.

4.4.5. Refractory Scheme

Survey for various Refractory group of minerals like kyanite, quartz, steatite has been carried out in parts of Kolar, Mandya Districts. In all five investigations have been included for 1995-96, in parts of Dakshina Kannada, Hassan, Tumkur, Chitradurga and Kolar Districts.

4.4.6. Precious and Semi-precious Scheme:

Exploration for Precious and Semi-precious like corundum and agate minerals have been carried out in parts of Bellary, Chitradurga, Hassan. In all five investigations have been carried out during 1994-95. In all six items of investigations, have been proposed for the year 1995-96, in parts of Hassan, Bellary, Mandya and Gulbarga Districts.

4.4.4. During field season 1995-96 the Department has programmed to carry out, detail investigations for iron, manganese ore, copper, gold, ornamental stone, limestone, kyanite, sillimanite, refractory grade ultramafites, quartz, feldspar and corundum. These investigations are spread out in parts of Chicknagalur, Chitradurga, Bellary, Shimoga, Mandya, Kolar, Tumkur, Belgaum, Bijapur, Hassan and Mysore Districts. The proposed physical targets are as follows:

Regional Survey	-	4884 sq. kms.
Large scale Mapping	-	410 hectares
Pitting Trenching	-	170 cu.m.
Drilling	-	3300 mts.

4.5. Besides the above six non-plan schemes connected with the Mineral Wing, Department, also has the following on-going plan schemes namely:

1. Strengthening of Department of Mines and Geology, (Mineral).
2. Training of Officers and Staff of the Department.
3. Establishment of Publication Wing in the Department.

4. Environment Geological Wing of the Department.
5. Creation of Mineral Conservation Cell in the Department.

4.5.1. Effective control, regulations of mining and quarrying activities, transportation of minerals and realisation of higher revenues from minerals.

4.5.2. Three officers have been sent to attend a symposium organised by SISI, IBM, Bangalore, and a paper was presented at the workshop.

As a result of technical investigations a large volume of data has been generated over the last few years. These data are to be published as reports under publication wing. About 26 reports have been published during 1995-96.

4.5.3. Under the scheme environmental Geological Wing the studies on the impact of mining and quarrying on the environment and ecology has been proposed and two project works viz. effect of quarrying on environment around Bettahalsur area, Bangalore North Taluk and effect of manganese mining around Joida - Kusbarawada, North Kanara District, have been proposed. This work is entrusted to Bangalore University, Environmental Science Department. The work has already been taken up by the University and the work will be completed during this year.

Further a collaborative programme of detailed studies on structural mapping, stratigraphy and economical mineral assemblage has been proposed and taken up alongwith Dr. Chadwick of Exeter University, U.K. A part of Kolar schist belt has been surveyed during this year and this collaborative studies is also continued during the coming year.

4.5.4. The scheme has been approved by the Government and orders issued during the third quarter of the year. For implementing the scheme the Department needs to take up computerisation of the data related to quarrying and mining leases, royalty collections, D.C.B. preparation of lease sketches and maps which are very important and facilitate recording, storing and

retrieval of data, maps whenever they are required. Further, the conservation of precious and non-renewable mineral resources of the State and investigation of such mineral conservation works will be taken up in co-ordination with Public/Private Organisations/ Departmental Organisations.

5. GROUNDWATER MINING (STATE SECTOR)

The activities included under the State Sector are microwater shed investigations, application of Remote sensing techniques for groundwater targetting, study of groundwater quality, rendering of technical advices for various well sinking programmes, conducting yield tests of borewells and rendering necessary advice to the public for the installation of suitable pumpsets etc.

The microwater shed investigations which includes intensive field survey, geohydrological mapping, inventory of wells, study of cropping pattern and estimations of groundwater resource position would help for assessing the stage of groundwater development in the area under study. The application of Remote Sensing Techniques through interpretation of TM-IRS satellite imagery of 1:50,000 scale has immensely helped for structural mapping of the area and to identify the blocks which have no proven data to study further for groundwater viability or otherwise. The data interpreted are normally further followed with intensive groundtruth verifications by Geohydrological, Geophysical observations and drilling of exploratory borewells. There are four fast rigs which are deployed for exploratory drilling of borewells and also observation borewells for monitoring the water level fluctuation. Works like cleaning and rejuvenation of sick borewells, revitalisation of existing dugwells, entrication of pumps from the bore wells etc. are being attended with the help of 15 slow rigs. In addition there are 19 yield testing units which are engaged for testing of bore well yield, development of borewells etc. through which suitable advices for the type and capacity of pumps to be installed are rendered to the General Public. The groundwater quality to study the suitability for agriculture, domestic and industrial

usage are being determined by chemically analysing the groundwater samples collected during the course of investigations through six laboratories attached to the division offices and one main laboratory attached to Head Office in Bangalore. The works on geophysical investigations in the divisional and Zilla Panchayat Sectors are being supervised and monitored by the Chief Geophysicist at Head Office. Proving of Lineaments through geophysical survey has been carried out at Jagalur taluk, Chitradurga district.

5.1 ZILLA PANCHAYATH SECTOR (NON-PLAN)

Each district office head by the Geologist with his supporting staff coming under the administrative control of the respective zilla Panchayaths carry out the technical works under the guidance and supervision of the Department of Mines and Geology. The important works carried out under Zilla Panchayath sector are micrometer shed investigations on similar lines as explained earlier, artificial recharge studies, recording of water levels from observations wells, rendering technical advices to the general public and Government agencies for various well sinking programmes, yield testing of bore wells etc.

The concept behind the artificial recharge studies is to identify the areas where such of the structures like nalla bunds, Check dams, Percolation tanks etc. Could be provided to arrest the surface run-off and there by the augment the groundwater recharge. Based on conducting the yield test of borewells suitable advices are given for the installation of suitable pumpsets and it also provides cleaning of borewells, thus rejuvenating the existing borewells. The recording of water levels would enable to study the water level fluctuation and groundwater recharge estimations.

The physical progress achieved under State sector and Zilla Panchayat sectors are furnished in table-3 and 4.

74-11-5

G10VJ20
n96
04135



5.2 BRIEF DESCRIPTION OF THE PLAN PROGRAMMES DURING THE YEAR 1995-96

5.2.1 Drilling:

This is an ongoing plan programme and continued for 1995-96 also. Under this scheme it is proposed to drill observation wells for monitoring long term, groundwater levels on regular basis and also to drill exploratory bore wells to prove the occurrence of groundwater at the sites selected after an intensive surveys. 15 slow rigs are engaged for drilling, cleaning and rejuvenation of sick borewells and extrication of pumps from borewells. There are 19 yield testing units engaged for development and testing of borewells and render suitable advice for the installation of pumps. During the year upto December 6055 mtrs. has been drilled and conducted yield test in 3511 borewells.

5.2.2 Special Component Plan:

The scheme envisaged drilling of borewells in the lands belonging to schedule caste people with a nominal cost of Rs.2,500/- per borewell and conducting yield test in borewells free of cost. During the year 2 borewells have been drilled and conducted yield test in 98 bore wells.

5.2.3 Groundwater Development by Remote Sensing Techniques

The scheme envisages adopting Remote Sensing data obtained through satellites for groundwater scarcity areas through ground truth verifications by hydrogeological and geophysical investigations also followed by experimental drilling on selected lineaments to prove the aquifers. During the year an area of 2550 sq.kms. has been surveyed and 9 bore wells has been completed.

5.2.4 Establishment of Groundwater Research and Development Unit and Training Cell:

The scheme envisaged groundwater status evaluation through data gathering, carrying out studies on groundwater occurrence, management, quality etc. in different hydro-geological units of the State. The studies are mainly aimed to reduce the failure of wells, rejuvenating groundwater levels in over developed areas by identifying suitable zones/structures for artificial recharge, planning for a proper resource development on a scientific basis and public awareness programme through audio visual aids. This also encompasses training and updating exploratory knowledge among the staff of the Department by imparting necessary training in collaboration with other allied organisations. During the year studies on construction of artificial recharge structures has been taken up and 3 training classes has been conducted on the construction of artificial recharge structures in the twelve districts by inviting experts in the relevant fields.

5.2.5 B.R.G.M. Project (external aided project)

Under the agreement executed between the Department of Mines and Geology and B.R.G.M. (France), the Department has taken up collaborated project works with B.R.G.M. of France. It is a time bound project being carried out to 1) Study the causes of decline in water table in the Palar basin and 2) to evaluate resource estimations in the Arkavathy and Palar Basins.

As per of the Indo-French Co-operation programme on water resources management agreements have been signed between the Department of Mines and Geology, Government of Karnataka and BRGM, France to take up the following projects.

Project 1: Study of the water decline in Palar basin, setting up a groundwater data base management system at DMS and Training.

Project 2: Evaluation of recharge in the Arkavathy and Palar basins and satellite spot imagery processing.

Two data base system for hydrogeological and meteorological data were developed; one for the time dependent and one for time independent data. Amongst others water level monitoring data of the DMS net work and meteorological data from 1970 onwards as well as water obstruction data for Palar and Arkavathi Basins were stored data bases. Information stored in the data bases can be displayed in the form of diagrams and thematic maps created with S.I.S. coupled to data bases.

To determine characteristics of the groundwater reservoir pumping tests have been conducted in 3 well fields constructed by DMS in Palar Basin. Data gathered during long duration pumping tests were analysed with software developed by BREM.

Concurrently monthly groundwater level fluctuations and meteorological data for the 1970-1994 period were used to assess groundwater recharge at a large number of points with a computer model. Recharge variations within the basins were evaluated using soil, geomorphological and land use maps derived from high resolution spot satellite imagery.

All softwares and hardwares were supplied by BREM. Made automatic data loggers which enable recording of water levels at a given time step were supplied and installed in observation wells of the DMS net work. Officers of DMS were also trained in the installation and operation of these.

The use of State-of-the-art computer assisted analysis techniques in combination with the large amount of data gathered by the DMS during the past 25 years has resulted in a detailed analysis of the ~~variation~~ of groundwater recharge in space and

time. Insight was gained in the factors that control recharge and in the potential scope for artificial recharge.

Maps were prepared showing the distribution of recharge under different climatological conditions, indicating the amount of groundwater available for irrigation and drinking water. This type of work has not been done any where in India. This information is essential for future planning and can be used in the elaboration of a comprehensive groundwater management policy.

6. Chemical Laboratory:

The chemical laboratory of the Department is one of the important wing of the Department. This laboratory is engaged in analysing both mineral and water samples collected by the Department investigation units as well as from the private agencies on part basis. The main laboratory attached to the Head Office at Bangalore has minor units attached to the Divisional Offices and are engaged in analysing both water and mineral samples. During the year 3273 water samples has been collected in different parts of the State and analysed 3055 water samples. Similarly 635 mineral and ore samples collected from various part of the State were analysed and 2748 constituents were determined.

BUDGET AND EXPENDITURE FOR 1995-96

TABLE - 1

Sl. No.	Sub-Head	Budget allocation Rupees in lakhs	Expenditure upto end of December 1995
---------	----------	--------------------------------------	---

Plan - 2702

1.	2702-02-005-0-02 Drilling	36.00	5,70,517
2.	2702-02-005-0-04 SCP	30.00	29,200
3.	2702-02-005-0-11 RST	40.00	11,79,239
4.	2702-02-005-0-13 R & D Scheme	110.00	1,94,630
5.	2702-02-005-0-14 BRSM	238.00	-
Total		454.00	19,73,606

Non-Plan

1.	2702-02-005-0-01 Survey	166.19	1,26,63,240
2.	2702-02-005-0-03 Phase-I	72.12	47,65,600
3.	2702-02-005-0-04-SCP	0.53	7,328
4.	2702-02-005-0-05 Phase-II	117.28	74,53,195
Total		356.12	2,49,89,363

Table contd..

Plan -2853

1. 2853-02-102-07	45.00	16,67,710
2. 2853-02-102-10	1.50	1,500
3. 2853-02-102-11	4.00	-
4. 2853-02-102-15	4.00	-
5. 2853-02-102-14	18.50	-
<hr/> Total		16,69,210

Non-Plan

1. 2853-02-001-01	247.54	1,73,49,964
2. 2853-02-102-01	14.51	6,97,243
3. 2853-02-1-2-02	17.09	10,84,498
4. 2853-02-102-03	10.88	7,19,210
5. 2853-02-102-04	11.08	7,11,657
6. 2853-02-102-05	10.28	5,96,192
7. 2853-02-102-06	12.39	8,12,038
8. 2853-02-102-07	1.83	1,000
9. 2853-02-102-08	7.93	4,97,275
<hr/> Total		224,69,077

STATEMENT SHOWING DISTRICTWISE NUMBER OF LEASES FOR THE LAST
THREE YEARS

TABLE - 2

Sl. Districts No.	No. of Mining leases			No. of Quarry Leases		
	1993	1994	1995	1993	1994	1995
1. Bangalore South	10	01	-	547	710	710
2. Bangalore North	11	-	01	671	786	786
3. Bellary	87	04	03	251	322	322
4. Belgaum	50	-	-	329	588	588
5. Bijapur	43	01	01	166	248	248
6. Bidar	-	-	-	19	3	3
7. Chitradurga	62	02	01	141	203	203
8. Chickmagalur	5	-	-	108	115	115
9. Coorg	-	-	-	52	50	50
10. Dharwar	27	01	-	138	186	196
11. Gulbarga	27	01	-	289	79	79
12. Hassan	17	-	-	137	156	156
13. Kolar	18	-	-	167	176	176
14. Mysore	22	-	-	151	201	201
15. Mandya	10	-	-	271	318	318
16. North Kanara	71	-	-	230	318	318
17. Raichur	6	-	-	73	79	79
18. South Kanara	19	-	03	833	855	855
19. Shimoga	18	-	-	257	277	277
20. Tumkur	50	-	01	184	259	259
Total	553	10	10	4974	5930	5930

PHYSICAL PROGRESS FOR THE YEAR 1995-96 (UP TO DECEMBER '95)
(STATE SECTOR)

TABLE - 3

Sl. No.	Name of the Scheme	Unit	Target	Achievement
1.	Micro Watershed Survey	Km ²	660	350
2.	<u>Drilline</u>			
	a) Depth	Mtrs.	11500	6055
	b) Yield test	No.	1205	3511
3.	<u>Special Component Plan</u>			
	a) Borewell	No.	50	2
	b) Yield test	No.	500	98
4.	<u>Remote Sensing Studies</u>			
	a) Ground Truth Survey	Km ²	2000	2650
	b) Proving of Lineaments	No.	50	9
	c) VES	No.	600	98
	d) Drilling of Borewells	No.	60	9
5.	<u>Technical Advises</u>			
	a) Geo-hydrological Method	No.	-	176
	b) Geophysical Method	No.	-	127
	c) Water sample collection	No.	5000	3273
6.	Water Sample Analysis	No.	5000	3035
7.	<u>R & D Training Cell</u>			
	a) Construction of Artificial Recharge Structures	No.	10	-
	b) Training Classes	No.	10	3

40

PHYSICAL TARGETS AND ACHIEVEMENTS OF GROUNDWATER UNITS, ZILLA
PANCHAYAT, SECTOR DURING THE YEAR 1995-96 UPTO END OF 31-12-1995

TABLE - 4

Sl. No.	Programme	Unit	Target	Progress from 1.4.95 upto end of 31.12.96
1.	Micro Watershed Survey	Sq.kms.	2936	2204
2.	Artificial Recharge Studies	Sq.kms.	-	58
3.	Study of Springs	No.	-	70
4.	Observation Well Recordings.	No.	18352	14190
5.	<u>Technical Advices</u>			
	a) Geohydrological method	No.	-	10076
	b) Geophysical method	No.	-	2932
	c) Deepening of wells	No.	-	249
	d) Failed Well Inspection	No.	-	2169
6.	Water Sample collection	No.	3696	3206
7.	Yield Tests	No.	-	1206

NOTE: As and when the applications received will be attended.

ks73966NW

GOVERNMENT OF KARNATAKA
(1995-96)
ANNUAL REPORT FOR 1995-96 OF THE
DEPARTMENT OF HANDLOOMS AND TEXTILES

The Government of Karnataka ^{has}~~have~~ established a separate Directorate for Handlooms and Textiles vide their Order No.CI 285 ICS 86 dated 2-6-1988.

The Commissioner for Textiles, being the head of the department, is responsible for implementation of various schemes sponsored by the Central and State Governments under the Handloom, Powerloom and Textile Mill Sector.

The Deputy Directors and Assistant Directors of Handlooms and Textiles along with ministerial staff have been posted at the district level to implement various schemes under the supervision of the respective Zilla Panchayaths to provide continuous employment to the weavers and mill workers in general and to the traditional weavers in particular, so as to upgrade their skills and to improve their socio economic conditions through the Corporate and Co-operative Sectors.

Package of Welfare Schemes:-

The handloom weavers are assisted under

various welfare schemes of the State and Central Government, so as to improve their living condition, to provide better working condition and to increase productivity by strengthening infrastructural facilities. Some of the important welfare schemes implemented during the current year are Thrift Fund Scheme covering 9,000 handloom weavers both in the corporate and cooperative sectors; Group Savings Linked Insurance Scheme intended to cover nearly 25,000 Handloom Weavers; Health Package Scheme for the benefit of 5,000 Weavers; Workshed scheme for construction of 1,700 Worksheds; Special Component Plan and Tribal Sub-Plan schemes to cover 300 weavers' Nekarana Asha Jyothi Schemes for the benefit of 500 weavers; and loom modernisation scheme to increase the level of productivity of weavers. These package of welfare schemes are aimed at improving the health and the working conditions of the handloom weavers and to help them to increase their production and income.

Establishment of Training Institutions:

~~The~~ To impart Advanced training and to upgrade the skills of the handloom weavers, the Government ~~has~~ issued orders for setting up ~~an~~ an Advanced Training Institute at Jhamakhandi, in

Bijapur District. ~~The said Institute would start functioning during the current financial year.~~ Similarly, the Government have established the Handloom Technology Institute at Gadag-Betageri in Dharwad District to provide technical education to the educated unemployed youths and to give them Diploma certificates on completion of 3 year course on Handloom Technology under A.I.C.T.E. Scheme. A Governing Council under the Chairmanship of the Commissioner for Textiles for close supervision and monitoring the functioning of the Institute has been constituted.

Establishment of State Powerloom Development Corporation

In order to convert the Cotton grown in the State into yarn for production of fabrics out of the yarn so produced and also to sell the same in India and abroad, the State Government ~~have~~ ^{has} emphasised the need for the growth of the Textile Industry in the State. So far as the powerloom sector is concerned, the State Government ~~have~~ ^{has} incorporated a separate corporation for the development

44

of powerloom sector in the State and accorded sanction for establishment of the Karnataka State Powerloom Development Corporation as a company fully owned by the State Government with an authorised share capital of Rs.5.00 crores. There is a budgetary provision of Rs.50.00 lakhs for the purpose of investment in the said Corporation during the current year.

Establishment of Fashion Technology Institute.

The State Government has decided to establish a Fashion Technology Institute at Bangalore with the assistance of Central Government on the lines of N.I.F.T., New-Delhi. A project report has been sent to Govt. of India for obtaining financial assistance from the Govt. of India. The K.I.A.D.B. has agreed in principle to provide 5 acres of land for the said purpose at whitefield near Bangalore.

Establishment of Textile Town:

Having identified the potential of Textile Industry in Karnataka State, the State Government have decided to establish ~~at~~ Textile Township at Mulli, Dharwad District to cater the needs of the Textile industry.

In order to implement the Project expeditiously, K.I.A.D.B. has been entrusted with the execution of the project vide G.O.No. CI 223 GTH 94 dated 1.3.1996.

45

GOVERNMENT OF KARNATAKA
Department of Sericulture

ANNUAL REPORT 1995-96
(Upto end of Dec. 1995)

Sericulture is a labour-intensive, export-oriented cottage industry. It has proved to be the best tool in the task of successfully combating the rural and urban poverty and is eminently suited to the conditions prevailing in the country in offering a helping hand towards the socio-economic development of the people. Sericulture requires low investment and once the mulberry plantation is established it will continue to yield the leaf for 12 to 15 years with little expenditure and maintenance on the part of the sericulturist.

2.0 Plan Outlay

The Annual Plan Outlay for the year 1995-96 is Rs.3150.49 lakhs. Details are furnished in Annexure-I Expenditure incurred upto end of December 1995 is Rs.1302.35 lakhs.

3.0 Physical Target

The annual target for production of Raw Silk for the year 1995-96 is 9500 tonnes. The production of Raw Silk upto end of December 1995 is 6359 tonnes of

which Bivoltine Silk is 249 tonnes. Cocoon production in Mysore Seed Area is 133.12 crores and in Bivoltine Seed Area cocoons produced is 33.64 crores.

4.0 Infrastructure

During the year under report upto end of December 1995, 95 government Silk Farms, 85 Government Grainages and 824 private grainages were functioning. All put together have produced 15.31 crore layings till the end of December 1995 and supplied to sericulturists .

246 Technical service centres and 17 Reeling Technical service centres were functioning to provide technical knowledge to farmers. In addition to these, 20 Model chawki rearing centres functioned in the State , 888 Private chawki rearing centres were also functioning. Transitory assistance is given to the centres which fulfilled the norms under National Sericulture project.

4.2 Six Sericultural Training Schools established at Channapatna, Kuderu, Hassan, Tholahunse, K.R.Pet and Rayapura have imparted training to 1280 farmers, 1342 farm women and staff of the Department of Sericulture.

4.3 Marketing

The functions of the cocoon markets in the State are distinct in nature. The sericulturists sell their cocoons and

reelers buy them in open auction. Fair weightment and payment is ensured here.

(a) During the year under report 61 Government cocoon markets functioned. Upto end of Dec. 1995 a quantity of 36,632 tonnes of cocoons was transacted of which 780 tonnes are Bivoltine cocoons. The value of cocoons transacted and market fee collected during this period is Rs.40,068.00 lakhs and Rs.802.48 lakhs respectively.

(b) Silk Exchanges

During the year under report 1362.93 tonnes of Raw Silk was transacted in the Silk Exchange. The Market Fee collected is Rs.280.21 lakhs. In the State there are nine Silk exchanges.

5.0 Karnataka State Sericulture Research Development Institute

The State has established Karnataka State Sericulture Research and Development Institute to undertake developmental research in the Sericulture particularly on the field problems in Karnataka. The Institute has two sub-stations: one at Thirthahalli to serve Malnad region and another at Kadaganchi of Gulbarga District which serves the arid zone. The Institute has a sub-station established at Ooty, a Germ-plasm bank for maintenance of mulberry varieties and silkworm races. A research advisory committee has been constituted

to monitor research programme. During 1995-96 an amount of Rs.59.00 lakhs under Plan and Rs.190.21 lakhs under Non-Plan has been provided. Upto end of Dec.95 a total amount of 183.08 ^{1.44} has been spent.

6.0 National Sericulture Project (KSP-II)

This project with an outlay of Rs.132.03 crores assisted by World Bank and Swiss Development co-operation is under implementation in Karnataka from April 1989. Out of this for credit to farmers, reelers, twistors and weavers Rs.54.20 crores is provided. Outlay provided for departmental infrastructure is Rs.77.83 crores. During 1995-96 an outlay of Rs.1780.00 lakhs has been provided. Expenditure incurred till the end of December 1995 is Rs.710.28 lakhs. During the year under the report 1084 hectares of areas has been brought under cultivation as against a target of 4295 hectares.

The credit sanctioned to the farmers for plantation, equipment, and rearing houses is as follows.

Sl. No.	Item	Achievement upto end of Dec.1995		
		No. of beneficiaries	Physical (Nos)	Financial (Rs. Lakhs)
01.	Plantation	975	1149	41.78
02.	Equipment	1440	1663	154.92
03.	Rearing houses.	1600	1600	481.21
04.	Wells	80	80	35.48
Total		4095	4492	713.39

Loans sanctioned for establishment of New charakas and cottage basins is as follows.

Sl. No.	Item	No. of Beneficiaries	No. of Units	Loans sanctioned (Rs./Lakhs)
01.	Charaka	60	130	16.58
02.	Cottage Basin	42	98	34.46
03.	Private licensed seed preparers	-	-	-
04.	Multi-end	2	7	13.75
Total		104	235	64.79

7.0 Price Stabilisation Fund Authority

Under this Head the outlay is Rs.14.28 crores. An expenditure of Rs.1.12 crore has been made upto end of December 1995.

8.0 Western Ghats Scheme

Under this an outlay of Rs.50.00 lakhs has been allotted out of which an expenditure of Rs.14.54 lakhs has been made to provide facilities for mulberry cultivation and silkworm rearing to the farmers of the area.

9.0 Special Component Plan

(a) State Sector

During the year 1995-96 the State sector outlay budgetted is Rs.214.00 lakhs for construction of rearing houses to help rear silkworms in hygenic environment. Expenditure incurred till end of December 1995 is Rs.29.67 lakhs benefitting 237 scheduled caste sericulturists.

(b) State Assistance to district Sector

Apart from the above, an amount of Rs.31.27 lakhs has been spent upto end of December 1995 against an outlay of Rs.87.56 lakhs by Zilla panchayats. This has benefitted 682 sericulturists.

51

(c) Central Assistance to District sector

An amount of Rs.78.34 lakhs has been provided during 1995-96 of which Rs.20.74 lakhs has been spent benefitting 1489 sericulturists.

10.0 Tribal sub-plan

(a) An outlay of Rs.34.00 lakhs has been provided under State sector with a target — of — benefitting 1078 sericulturists, upto end of December 1995. Rs.6.65 lakhs has been spent and 494 sericulturists has been benefitted.

(b) State Assistance to district sector

Till the end of December 1995 an amount of Rs.4.75 lakhs has been spent against an outlay of Rs.21.05 lakhs benefitting 106 sericulturists.

(c) Central Assistance to district sector

Rs.39.18 lakhs has been provided out of which Rs.4.10 lakhs has been spent benefitting 153 sericulturists by Zilla Panchayats.

11.0 Programme for 1996-97

Physical Target

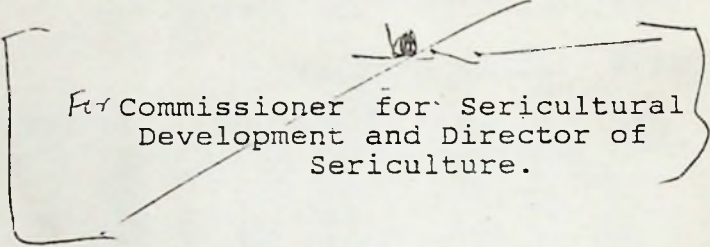
During the year 1995-96 it is targetted to bring an additional area of

G70V-120
N96

04135



4870 hectares under Mulberry cultivation and to produce 10,600 tonnes of Raw Silk of which 450 tonnes will be of Bivoltine Silk.



For Commissioner for Sericultural
Development and Director of
Sericulture.

53

Annexure-I
Annual Plan 1995-96
Proposed Budget Estimates

Sl.No.	S c h e m e s	(Rs./ Lakhs)
I. <u>State Sector</u>		
01.	Silk Farms	25-00
02.	Control of diseases and pests(Uzi fly)	20-00
03.	Incentive for Bivoltine rearers & reelers.	117-00
04.	Buildings - minor works	30-00
05.	Capital works under sericulture industry	20-00
06.	Publicity, Exhibition, study tours, books and periodicals	30-00
07.	Bonus to cocoons produced in Mysore Seed Area.	190-00
08.	Loans for sericultural co-operative filature factory (N C D C)	10.00

09. National Sericulture Project

(K.S.P. / W.B.A Phase-II)

(a) Salaries, operational cost and equipments	900-00
(b) Civil Works.	850-00
(c) Special conveyance advance.	30-00
10. Grant-in-aid to K.S.S.R.D.I.	59-00
11. Maintenance of cold storage plants.	25-00
12. S.C.P. assistance to sericulturists.	214-00
13. Tribal sub-plan.	34-00
14. Strengthening of silk filature.	30-00

	2584-00

15. Z.P. sector (inclusive of S.C.P./T.S.P)	572-49

Total	3156-49

II. Central Assistance to S.C.P. scheme	78.34
Central Assistance to T.S.P.	39-18

For Commissioner for Sericultural
Development and Director of
Sericulture.

OFFICE OF THE COMMISSIONER FOR CANE DEVELOPMENT & DIRECTOR
OF SUGAR IN KARNATAKA, BANGALORE.

ANNUAL REPORT FOR THE YEAR 1995-96 (As at 31.12.95):

(A) Brief description about the sugar industry in
Karnataka:

1) There are 30 sugar factories in the State, out of which 17 are in coop.sector, 2 in the public sector, 2 in the joint sector and 9 in the private sector.

2) The State Govt has received letter of intent for the establishment of 8 more sugar factories, out of which 7 are in the coop.sector and one in the private sector, of which 3 coop.sugar factories have got the letter of intent during 1988-89 and the remaining 4 sugar factories during 1994.

3) The total crushing capacity of the existing 30 sugar factories is 71950 MTs per day and the crushing capacity of proposed 8 new sugar factories is 20,000 MTs per day.

4) The total estimated area under sugarcane in the State during 1995-96 is 2.53 lakh hectares and the cane production is estimated to be 262.36 lakh MTs.

5) The existing 30 sugar factories would be able to crush around 124.90 lakh MTs in a season.

6) Establishment of new sugar factories as well as expansion of crushing capacity of existing sugar factories is found inevitable in order to crush surplus sugarcane grown in the State. The State Govt has recommended 43 proposals to Govt of India for sanction of letter of intent for establishment of new sugar factories and 14 proposals of the existing sugar factories for capacity expansion.

(B) Commissioning of new sugar factories:

1. The State Govt have received letter of intent for establishment of 8 more sugar factories out of which 2 sugar factories (i.e., one in coop. and one in private sector) have already started commissioning of plant and machinery and work of other sugar factories is held up due to non-sanctioning of loans by the Term Lending Institutions. The financing institutions are linking sanction of loan to

56

new sugar factories to the clearance of over dues of the existing two sugar factories. The State Govt has cleared the over dues of 2 sugar factories amounting to Rs. 918.64 lakh but still the Term Lending Institutions have linked sanction of new loan to the clearance of over due loans of existing 2 sugar factories. However, some new sugar factories have taken action to start construction work by borrowing loans from a consortium of commercial and cooperative Banks.

(2) Crushing performance of the sugar factories: (As on 31¹²/₉₆)

During the season 1995-96 all sugar factories (except Kampl CSF Ltd..) have started crushing operation. and have crushed 35.22 lakh MTs of sugarcane and produced 3.56 lakh MTs of sugar.

The sugar factories are expected to crush is estimated 120 lakh of MTs during 1995-96. During 1994-95 sugar factories has crush 118 lakh MTs of cane and have produced 12.75 lakh MTs of sugar and the recovery of sugar is 10.22

Crushing performance of the sugar factories in the State during the past 3 years is as follows:

Year.	No. of sugar factories worked.	Total cane crushed.	Total sugar production (in lakh MTs.)	Average sugar recovery.
1992-93	29	79.54	8.45	10.62
93-94	28	79.33	8.30	10.47
94-95	29	112.92	12.25	

Measures taken for disposal of surplus sugarcane ~~garant~~ during 1995-96 and to give some concession by the State Govt:

(1) Due to steep fallen in price of jaggery in the market during 1995-96 there has been less diversion of cane for manufacture of jaggery. This has resulted in excess cane and the sugar factories are not able to crush the entire excess cane. In order to overcome the problems faced by the farmers, Govt has taken certain steps as detailed below:

1) Restriction on movement of sugarcane from one

place to another has been removed.

2. To issue permit for lift sugarcane to outside the State.
3. Transport subsidy @ Rs.0.50 per tonne upto 250 Kms. on transportation of sugarcane from surplus area to deficit area has been sanctioned.
4. Advalorem system of purchase tax has been changed to specific tonnage basis.
5. Development of roads in the area of sugar factories.

d) Share capital requirement of new sugar factories:

The State Govt has received Letter of Intent for establishment of 7 new sugar factories of which 3 are during 1988-89 and 4 sugar factories during March 1994. The project cost of the sugar factories is estimated for Rs.42.00 crore per unit. The State Govt has to contribute 32.5% of the project cost as its share which amount to total of Rs.1365.50 lakh. The total share capital for all 7 sugar factories by the State Govt is worked out to Rs.9360 lakh of which the State Govt has already sanctioned Rs.1874.00 lakh. The balance amount of Rs.7536.00 lakh has to be sanctioned by the Govt. Rs.430.00 lakh was provided during 1995-96 budget, out of which Rs.200.00 lakh has been released to M/s. Shagya-Laxmi SSK Ltd., Khanapur. Proposal has been sent to Govt for release of balance amount for other 2 sugar factories.

e) Co-generation by sugar factories:

As there is shortage of power in the State, the sugar factories have been advised to take up ^{co-generation} and supply the excess electricity to the KEB. At present M/s. Malaprabha CSF Ltd., H.K. Hubli has taken up the co-generation plant at a cost of Rs.5532.00. This would produce 28 Megawatt of power. Govt of India has sanctioned subsidy of Rs.600/- lakh. The factory has taken action for raising loan from NCDQ and the same is under active consideration at NCDC level. Apart from this M/s. Mysore Sugar Co., & Ugar Sugar factories have already come up with the proposal of co-generation and remaining sugar factories which have proposed expansion of crushing capacity have been advised to set up co-generation plants. There is a proposal to take co-generation of power by

Raibag SSK with some alteration in the existing plant and machinery ~~own~~ cost of Rs.109/- lakh so that 1.5 Megavolt powers could be generated. State Govt is giving subsidy of Rs.25.00 lakh for co-generation plant.

f) Strengthening of the Directorate of Sugar:

A detailed proposal for strengthening of the Directorate of sugar has been submitted to Govt in Commerce & Industries Department which is under active consideration of Govt.

Some important statistics for sugar industry:

Sugarcane price for 1995-96:

1. Statutory minimum price fixed by Govt of India for 8.5% sugar recovery ... Rs.440/-
2. State Advisory price for 8.5% sugar recovery:
 - Sugar factories without distillery unit... ... Rs.580/-
 - Sugar factories with distillery unit ... Rs.640/-

h) Levy price fixed by Govt of India for 94-95 season:

- 1) 10 sugar factories located in north & west Zone (including harvesting charges) ... Rs.778.36
 2. 5 sugar factories located in North & west Zone (excluding harvesting charges) ... Rs.773.52
 3. Dakshina Kannada SSK, Dakshina Kannada Dist. ... Rs.792.53
 4. Remaining 7 factories (including harvesting charges) ... Rs.752.25
- i) 1. Stock of sugar position in the sugar factories as at 31.1.95 ... 665563.569 tonnes
 2. Sanction of share capital by the State Govt (as at 31.1.96) .. 200.00 lakh
 3. Total share capital contribution by the State Govt. 5274.41
 4. Total loan given by the State Govt. to Coop. Sugar Factories. 3224.45

5. Loan outstanding to Term ::

Lending Institutions by
the 3 sugar factories
ie., Nandi, Sri Srirama
& Aland)

Principal..	1414.28	lakh
Int.due....	45.66	"
Total..	1459.95	"

6. Cultivation cost on sugarcane per acre during 1995-96 ..Rs.18172.00 "
(based on Agri.Deptt.)
7. Total conversion cost of sugar(per Qtl.)during 95-96 .. Rs.162/- to 402/-
(conversion cost differs from factory to factory)
8. Total #.of Khandasari Units in the State .. 64
9. Total #.Of working Khandasari Units. .. 20

j) Profit & Loss position of sugar factories:

The profit & loss position of sugar factories for 94-95 season is still not available.

So far as 1993-94 is concerned, the position of Profit & Loss is as follows:

Total #.of coop.sugar factories ...	17
Total #.of sugar factories which have made profit ...	10
Total #.of sugar factories which incurred loss ...	7

PERFORMANCE BUDGET OF THE COMMISSIONER FOR CANE DEVELOPMENT
& DIRECTOR OF SUGAR DURING 1995-96.

During 1995-96, provision of Rs.430/- lakh has been made under Budget Head "4860-Capital Outlay - of consumer Industries-04-Sugar-190-Investment-03-Coop. Sugar Mills" towards sanction of share capital assistance to new coop.sugar factories. Out of which Rs.200/- lakh has been released to Bhagyalaxmi SSK Ltd., Khanapur, Belgaum Dist and remaining Rs.230/- lakh letter has been sent to Govt in Cooperation Department to release to the following other sugar factories.

1. Ryathara SSK Ltd., Mudhol, Bijapur Dist.	..	Rs.100/- lakh
2. Bheemashankar SSK Ltd., Bijapur	..	Rs.130/- "

Total..		Rs.230/-


Government of Karnataka
Stores Purchase Department

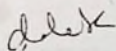
EXPENDITURE

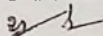
2057 Supplies & Disposals

Rs. in lakhs

2057-101-1-01	1994-95 estimate	1994-95 revised estimate	1995-96 actual expenditure (upto 31.12.95)
11) Salary Allowances	46.35	44.27	42.60
22) Travel expenses	0.15	0.15	0.21
33) Office expenses	3.30	3.30	1.79
44) Rent and taxes	4.79	4.79	1.93
55) Advertisement and Sales and publicity	0.78	0.78	-
Total	55.37	53.79	46.53


Director,
Stores Purchase Department.






62 27
Government of Karnataka
Stores Purchase Department

EXPENDITURE

2067 Supplies & Disposals

Rs. in lakhs

2067-101-1-01	1994-95 estimate	1994-95 revised estimate	1995-96 actual expenditure (upto 31.12.95)
1) Salary Allowances	46.35	42.27	42.60
2) Travel expenses	0.15	0.15	0.21
3) Office expenses	3.30	3.30	1.79
4) Rent and taxes	4.79	4.79	1.33
5) Advertisement and Sales and publicity	0.79	0.78	-
Total	55.37	53.79	46.62


Director,
Stores Purchase Department.

63

Government of Karnataka
Stores Purchase Department

0057 Supplies and Disposals

Rs.in lakhs

0057	1995-96 estimate	1995-96 revised estimate	1995-96 actual expenditure (upto 31.12.1995)
Stores Purchase Dept. 0057-00-800-1-01			
01-tender form sale- 0057 00-800-1-02	26.00	5.00	3.38
03-Registration and renewal charges 0057-00-800-2-03	3.00	1.60	1.27
Other charges	2.50	1.40	1.09
	31.50	8.00	5.74

Director,
Stores Purchase Department.

64
Government of Karnataka
Stores Purchase Department

0057 Supplies and Disposals

Rs.in lakhs

0057	1995-96 estimate	1995-96 revised estimate	1995-96 actual expenditure (upto 31.12.1995)
Stores Purchase Dept. 0057-00-800-1-01			
01-tender form sale- 0057 00-800-1-02	26.00	5.00	3.36
03-Registration and renewal charges 0057-00-800-2-03	3.00	1.60	1.27
other charges	2.50	1.40	1.09
	31.50	8.00	5.74

Director,
Stores Purchase Department.

ANNUAL REPORT OF STORES
PURCHASE DEPARTMENT FOR THE YEAR 1.4.95
TO 31.12.1995.

* * * * *

I) INTRODUCTION:-

1.1) Main objectives/responsibilities
of the Department:-

The main objective of Department is to arrange for purchase of materials required by the Govt. Departments at the right time of right quality at the right price and from the right sources.

1.2) Major regulatory function:-

- i) As a Central ~~XXXX~~ Purchase Organisation of the State, Stores Purchase Department concludes rate contracts and quantity purchase contracts for all stores required by State Indenting Departments except Leathers, Controlled Commodities, the requirements of stores of Health and Family Welfare Departments, Police, Fire Force, PHE, Animal Health Drugs and items transferred to KSIMC.
- ii) To advise on all matters connected with the purchase of stores on behalf of all the Departments of the State Government.

- iii) To arrange for inspection of goods ordered during the course of manufacture and delivery.
- iv) To serve as a co-ordinating agency *for* all purchasing departments as well as for inter departmental purchases.
- v) To watch the progress and performance of the contracts and to take such penal action for any contravention of the terms and conditions of the contract.

1.3) The SPD Manual lays down the procedure and guidelines

For fixation of rate contract and in the enforcement of terms and conditions of rate contract. The SPD also enforces the various provisions of the Indian Contract Act as amended from time to time as and when necessary.

1.4) Strategies for achieving the Departmental objectives:-

- i) Address inducting departments at the beginning of the year, to intimate their annual requirements of items.

- ii) Update specifications in consultation with ISI BIS LGS&D and the indenting Departments as well, before floating tender enquiry.
- iii) To ascertain from known testing agencies about testing facilities and to ensure that samples received in the tender are got tested expeditiously.

II) ADMINISTRATION:-

2.1) Organisational set up:-

- Heirachical set up of the Department from State Head Quarters down to lower level:-

The SPD is a single unit office with Head Quarters at Bangalore, the Director is the Head of the Department assisted by one Deputy Director, 2 Assistant Directors (purchase), one Assistant Director (Accounts) and 2 Technical Assistants.

68

Apart from these there is an Executive Committee consisting of the following:-

- 1) Commissioner for : Chairman
Industrial Development
and Director,
Industries and
Commerce.
 - 2) Director, Stores : Member/
Purchase Department Secretary/
Convenor.
 - 3) Secretary to Govt., : Member
Finance department
or his nominee.
 - 4) Additional Director : Member
(SSI), Department of
Industries and
Commerce, Bangalore
 - 5) Joint Director, : Member
KSP&E
 - 6) Director (Inspection) : special
o/o the DG&D invitee
- 2.2) Officers incharge during the
year: Head of Department

1) Smt. G. Kalpana, I.A.S. - 1-4-95 to
Director, Stores 4-4-95
Purchase Department.

2) Sri N. Shivashilam,
I.A.S. - 4-4-95 to
Director, S.P.D. 24-5-95.

3) T.Y. Nayaz Ahmed, -24-5-95 to
I.A.S. 31-12-95.

2.3) Additional Staff sanctioned
during the year. - NIL

2.4) Staff strength as at the end of year:

i) Sanctioned/filled : No fresh
sanction was
obtained
during the
year 1994-95.

ii) <u>By category:</u>	<u>Sanct- ioned.</u>	<u>Filled</u>
1) Director	1	1
2) Deputy Director	1	1
3) Assistant Directors (purchase)	2	2
4) Assistant Director (Accounts)	1	1
5) Assistant ^{Technical} Assistant Director (Technical)	2	2
6) Superintendents	12	12
7) First Dvn. Assts.,	26	25
8) Stenographers	2	2

9)Second Division		
Assistants	12	12
10)Typists	8	1
11)Daffedar	1	1
12)Attender	1	1
13)Dalayats	13	12
14)Driver	1	1
	<u>83</u>	<u>74</u>

iii)	<u>Male</u>	<u>Female</u>
1) Director	1	-
2) Dy-Director	1	-
3) Asst. Director	-	2
4) Asst. Director, (Accounts)	1	-
5) Asst. Director, (Technical)	2	-
6) Superintendents	7	5
7) Ist Dn. Assistants	19	6
8) IInd Dn. Assistants	8	4
9) Stenographers	-	2
10) Typists	1	-
11) Daffedar	1	-
12) Attender	1	-
13) Dalayaths	10	2
14) Driver	1	-

iv) Representation of SC/ST

	<u>SC</u>	<u>ST</u>
1) Director	-	-
2) Dy. Director	-	-
3) Asst. Director	-	-
4) Asst. Director, (Accounts)	-	-
5) Asst. Director, (Technical)	-	-
6) Superintendents	1	-
7) Ist Dn. Assistants	3	1
8) IInd Dn. Assistants	2	1
9) Stenographer	1	-
10) Typists	-	1
11) Daffedar	-	-
12) Attender	1	-
13) Dalayath	3	1
14) Driver	1	-

2.6) Training of Department staff:-

During 1995-96, 5 officials were deputed to District Training Institute, Bangalore for training.

2.7) Tours by Head of Department:-

Wherever it becomes necessary to inspect any industrial establishments supplying or intending to supply goods to Government Departments or to inspect the testing laboratories, tours are undertaken for purposes of verification.

III) FINANCIAL:-

3.1) Revenue/income during the year total and sourcewise and corresponding figures of last 2 years reasons are as follows:-

- 1) Tender form fee : Rs.3,38,222.00
- 2) Registration : Rs.1,26,805.00
fee
- 3) Penalty/others : Rs.1,09,312.00

Rs .5,74,339 .00

INCOME

<u>1994.95</u>	<u>1995.96</u>	<u>difference</u>
23,76,911.00	5,74,339.00	18,02,572.00

The difference is due to downword revision of tender forms cost on the basis of the directions of High Court of Karnataka

3.2) Annual expenditure of Department under Non-Plan only and with corresponding figures of last 2 years are as follows:-

1) Officer pay	:	2,04,000.00
2) Pay of the staff	:	15,27,000.00
3) D.A.	:	21,00,000.00
4) Other allowances	:	4,29,000.00
5) Office expenses	:	1,79,000.00
6) Travel allowances	:	21,000.00
7) Rent and revenue	:	1,93,000.00
8) Advertisement/ sale/publication	:	-

46,53,000.00

<u>1993.94</u>	<u>1994.95</u>	<u>1995.96</u>
Rs.	Rs.	Rs.
50,14,469.00	51,03,988.00	46,53,000.00

The difference is due to sanction of enhancement in the D.A. etc.

3.3) Major taxation charges and anticipated/actual additional yield during the year (in the case of Departments like Commercial tax)..NIL

74

IV) PROGRAMME:-

- i) As a Central Purchase Organisation procuring the stores on behalf of the Departments of Government of Karnataka on the basis of the indents received from them for the special items and also concluding rate contracts for the general items.
- ii) To ensure the supply of quality products instead of utilising the services of other inspection agencies it is proposed to create a Quality Assurance Cell in the Department and a proposal was submitted to Government.
- iii) To identify new items required by the Government Departments for fixation of rate contracts.
- iv) Registration of suppliers in the Department is one of the way to locate the suppliers for the product which are intended to purchase. A programme is being worked out to bring all the prospective tenderers under this.

PROGRESS:-

FOR THE FIRST TIME LIST OF RATE CONTRACTS OF VARIOUS STORES HAS BEEN COMPUTERISED AND IS LINKED TO NICNET AND THE RATE CONTRACTS DETAILS CAN BE ACCESSED BY ALL THE DEPARTMENTS OF THE STATE HAVING, COMPUTER FACILITIES.

SECONDLY WE ARE ALSO BRINGING OUT A BOOKLET OF RATE CONTRACT CONCLUDED BY THE DEPARTMENT IN ORDER TO FACILITATE THE INDENTING DEPARTMENTS FOR PROCUREMENT OF THEIR REQUIREMENTS.

NSC's WORTH Rs.25,09,500/- WERE COLLECTED UPTO THE END OF DECEMBER 1995.

V) SUMMARY CONCLUSION:-

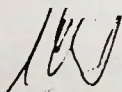
Although this department has been recognised as a major head of Department, still some state Govt. Enterprises, Govt. Boards, Corporations and Municipal Bodies etc. are functioning outside the purview of SPD in the matter of purchase of their requirements. It is necessary to widen the ambit of this department to cover all such purchases and also to strengthen the department further. For this purpose, proposals in this regard have been submitted to Government.

VI) STATISTICAL APPENDIX (not exceeding 20 pages):-

1) Tender enquiries pending as on 1.4.95	..	51
2) Tender enquiries issued from 1.4.95 to 31.12.95.	..	121

		172

3. Tender enquiries disposed
off from 1.4.95 to 31.12.95
by Executive Committees 114
4. Balance enquiries as
on 31.12.95 58
5. Value of local indent
order (quantity tender)
issued from 1.4.95
to 31.12.95 Rs.47,98,880.00
6. Material procured NIL
through DGS&D
7. Rate contract Rs.128,14,32,764.73
value from
1.4.95 to
31.12.95
8. Total value of
material
procured
through SPD
from 1.4.95 to
31.12.95. Rs.1,28,52,31,544.73



Director,
Stores Purchase Department