Enhancing Livelihood Options in Bolangir, Odisha



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Abbreviations Used in the Report

DAO	District Agriculture Officer
DC	District Commissioner
DDA	Deputy Director Agriculture
DHO	District Horticulture Officer
DIC	District Industries Centre
DM	District Magistrate
DRDA	District Rural Development Authority
DTO	District Textile Officer
GM	General Manager
HYV	High Yielding Variety
KBK	Kalahandi, Bolangir, Koraput
LPD	Litres per day
MLA	Member of Legislative Assembly
MP	Member of Parliament
MSME	Micro, Small, Medium Enterprises
MT	Metric Tonne
NRLM	National Rural Livelihoods Mission
OLM	Orissa Livelihood Mission
OMFED	Orissa State Cooperative Milk Producers' Federation Ltd.
ORMAS	Orissa Rural Development and Marketing Society
PCY	Per capita income
SC	Scheduled Classes
ST	Scheduled Tribes

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Executive Summary

The Swaniti Initiative and Mr Kalikesh Singh Deo initiated a project in Bolangir to assess initiatives that de-bottleneck the economy and create livelihood options in the constituency comprising the Bolangir and Sonepur districts of Orissa. Tasked with this objective Swaniti Fellows spent a month in Bolangir to understand the constituency, its needs and the aspirations of the people and how to bring these realities together with the challenge of creating livelihood options.

Bolangir is an economy characterized by high economic output from agriculture (75%), one primary crop per year since only 4% of the arable land is irrigated and low industrial investment. This economic base makes new initiatives in agriculture conducive. It also provides a platform to slowly scale industries that have an existing investment base.

Through an iterative process the team focused on evaluating options that were low on investment, employed a high number of constituents and created value that could be increased in scale over time. The goal was to recommend options that could be implemented soon after or towards the end of the period of research.

This report traces the path and selection criteria of the initial sample of industries, the criteria used to make the first round of selections and the eventual reason four focus areas were picked to evaluate business plans that could be implemented in Bolangir.

The incoming team's focus is to pick up this research and implement business plans beneficial to the Bolangir constituency.

Introduction

The parliamentary constituency of Bolangir covers the districts of Bolangir and Sonepur in Western Orissa with a combined total area of approximately 8,912 square kilometres. Close to 90% of the 23,00,681 constituents (Census, 2011) live in rural areas. 17.73% of the population across the constituency comprises scheduled cast and scheduled tribes. At approximately 85% Sonepur has higher literacy rates than Bolangir. However, both districts collectively have a 75% rate of literacy with female literacy around 60% (aggregate across the constituency, Census 2011).



Figure 1: District Map of Odisha

70% of the economic activity in the constituency comprises agriculture. Rice (paddy) is the primary agricultural crop with most cultivation during the monsoon planting season (Rabi). Only 4% of the cultivated area is supported by irrigation making the winter harvest (Kharif) much lower in output. The districts also produce significant amounts of cotton, oilseeds, potato, onion, chillies, garlic and fibres such as jute, mesta and hemp (refer Annexure for details).

Collectively Bolangir and Sonepur employ 36,502 workers in large and small scale industries (District Plan Report, Bolangir & Sonepur).

Small scale industry	Bolangir			Sonepur		
	Units	I (lakh)	Emp	Units	I (lakh)	Emp
Agro based industry	1,344	5,362	6,334	200	3,292	1,473
Textile based industry	473	1,325	5,886	86	347	564
Large Scale Industry						
Ordance factory	1	5,44,400	2,400			
GKW Piomex Steel, Ttlgrh	1	8,724	551			
Rashabh Mining	1	808	51			

Table 1: Employment in Industry - Bolangir & Sonepur

Source: MSME Development Institute, Cuttack 2012 - Subarnapur and Bolangir reports. I = investment, Emp = Employment

Clearly, the district economies produce a significant amount of raw agricultural output but investment in processing happens outside the districts in neighbouring states or districts. For example, Bolangir and Sonepur produce amongst the best cotton in the country but the cotton is only ginned (cleaned) in Bolangir. Conversion to thread (spinning) or yarn (making of cloth) happens in West Bengal, Gujarat or Ludhiana.

With this background the Swaniti team set about delving into areas of economic activity and to see what initiatives had the potential for maximum impact to de bottleneck the economy and create livelihood options in the constituency. This exercise was carried out in three stages. First, an initial evaluation of sectors to pick selected initiatives that could be scaled or introduced. Second, the team collected information on the potential of these areas to impact the economy and identified common bottlenecks across them. Third actionable steps to kick off introduction of these initiatives in the economy.

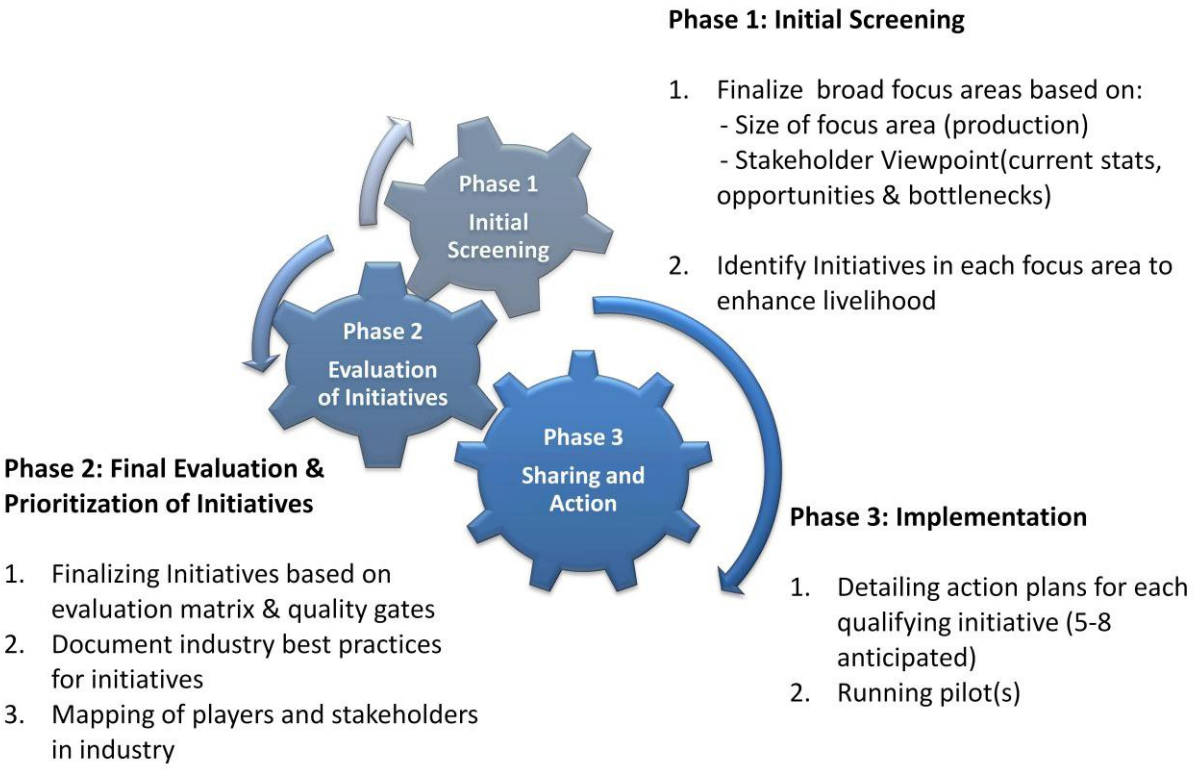


Figure 2: Phase wise selection approach of economic areas

After examining 24 areas of economic output the team has concluded that five areas – apiculture or bee keeping, marketing linkages and sericulture for the handloom sector, food processing especially in rice bran oil, introduction of High Yielding Variety of cattle for the dairy sector and clusters in terracotta can be introduced or scaled.

This report serves as an overall view of the study. The incoming Swaniti team will work with the district administration, local stakeholders and business to start and scale these initiatives.

Guiding Principles of the Study

The creation of livelihood avenues and the sustainability of the process of livelihood creation is dependent on a number of factors. The following were kept in mind during the on ground and secondary research for creating livelihood options in Bolangir and Sonepur.

Growth and potential for employment: Availability of avenues, the potential they hold and further growth in the same are important for creating employment avenues that are sustainable. Creating a large impact or creating an impact which can touch a large number of people; both create livelihood. Given the state of Bolangir, the essence was to find a right balance between the two aspects and create employable opportunities

Availability of skills and labour: Creation of opportunities demand both unskilled and skilled labour; the lack of which effects the viability of the opportunity.

While the problem of creating livelihood in bolangir, on the face of it might mean that a lot of labour does exist but so wasn't the case. The long existing problem of unemployment had ingrained migration to an extent that the entrepreneurs faced dearth of available labour. Diverting the migrants towards employment in Bolangir is now a process which might take its own time.

Similary, there needs to be a balance between the opportunities that can be created and sustained in a place and the available skill sets. If the opportunities that can be created are constrained by factors of the place, a parallel process of creating the right skill sets needs to be generated and started

Aspirations – income levels and type of work: The aspirations of people for the work they wish to do has become extremely important in today's world not simply because people look forward to happiness in the work they do but because of the associations the work can create for them and whether the associations fit their ego, image, status and is above the threshold that they have created in the mind

Young adults are more keen on being involved in work that uses the mind that the power. A lady isn't keen on training his son as a weaver because in her mind its not a male oriented job. The aspirations of the people can't be ignored while enabling opportunities for employment

Policies in the region: The policies of a state and central government impact the development of an opportunity because it not only acts as an enabler in many cases but can impacts the competitiveness of the opportunity in a given place.

Stage One – Areas with potential for growth

At the outset of the project the team used reports from the Micro, Small and Medium Enterprises (MSME) department, the Directorate of Industries, secondary economic research to make an exhaustive list of **24** areas of output that comprise the economy of Bolangir and Sonepur.

Cotton	Groundnut	Bamboo products
Rice	Mahua processing	Apiary
Solar Power	Spices	Medicinal Plants and Herbs
Handloom – Cotton	Bananas and Citrus Fruits	Paper making
Handloom – Silk	Chilli	Handicraft – Terracotta
Tomato	Flowers	Handicraft - Bamboo
Mango	Pisciculture	
Onion	Bauxite	
Dairy	Graphite	

Table 2: Initial list of Economic Areas - Bolangir & Sonepur

The team focused on the current output in these areas to assess whether they had a raw material surplus so that they could be processed or there was potential for expansion of raw material output to a high level so as to increase income or create jobs.

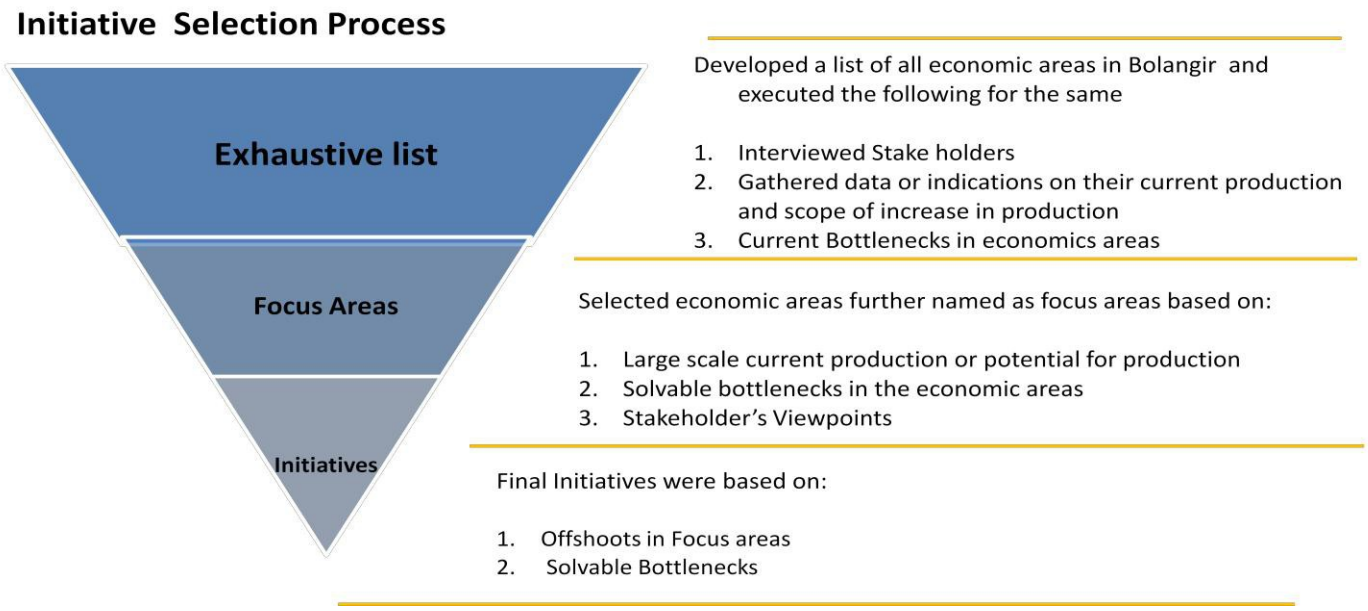


Figure 3: How initiatives were selected

Areas such as mango have a healthy level of raw production but need significant ramp up in case processing is to be undertaken locally (see box for story). This process of elimination based on levels of output of projection in increasing was followed; in conjunction with stakeholder viewpoints.

Interaction with Mr. Ranjan Das Mahaptra, District Horticulture Officer - Bolangir

The DHO, Mr. Mahaptra sees a lot of potential in growing fruits in Bolangir especially Mango and Banana. The production of mango can be increased further but the present focus is on marketing the products.

Floriculture doesn't flourish in Bolangir because of lack in marketing and transportations costs and because the farmers prefer growing fruits, vegetables and cereals rather than flowers. Distress selling happens for onions and tomatoes due to lack of cold storage in Bolangir. There is tremendous capacity to increase the production of vegetables.

At present the farmers don't get the complete benefit for their produce because the trader can store the produce and sell it at a later date to take advantage of a higher price in the market. He emphasised on creating different marketing channels and enablers to ensure maximum benefit to farmers.

In the solar energy space Bolangir and Sonepur are the highest potential districts in Orissa for installation of solar power. The state government had also set a 2012- 13 goal of an installed base capacity of 50 MW via solar power. Orissa has 12.5 MW installed capacity with about 8 MW concentrated in Bolangir and Sonepur. Given the potential for growth, favourable policy and enthusiasm by industry to setup solar power plants it was selected as a potential area of focus in stage two.

Production data of the various sectors (table below) also helped identify bottlenecks across these areas. Key solvable bottlenecks emerged across the areas. The production data and the bottlenecks together helped select areas where more data was needed to understand if scaling the business or starting a new initiative was possible.

Interaction with Mr. Nag, Additional Director Textiles – Patnagarh Sub Division

Mr. Nag is keen to develop the potential of handlooms in Bolangir by using government schemes, creating marketing linkages, training weavers, spreading awareness on creating weaver societies.

The biggest challenge for them, he emphasises is marketing of the handloom products. There is immense room to increase production of handloom but lack of marketing has gradually led to reduction of weavers engaged in the handlooms across Orissa. He agrees to the fact that quality can be improved.

The department is trying to create market linkages by developing better quality products and attracting big retailers.

Focus Area	Present Production – Scale/Yr	People Employed	Increase in Production Projected (if Any)

Cotton	2000 MT (S), 54,572 MT (B)	70% of Population	8000 MT
Rice	4, 72, 000 MT(B), 208763 MT (S)	70% of Population	-
Solar	8 MW	30	50 MW in'12 – '13 Odisha goal
Handloom	6.3 lakh m sq (Only B)	10 K (B), 50K (S)	-
Tomato	57,892 MT	70% of Population	Yes
Mango	24, 356 MT	100	Yes – mostly amrapalli variety
Onion	1,23,262 MT(B), 14465 MT (S)	70% of Population	Yes
Diary	26,000l/day	9,50,000 Cattle	24,000l/day
Handicraft	2 producer groups	10 – 12 families	50 – 60 producer groups
Apiary	500 MT		120 million Bee Colonies
Groundnut	16, 598 MT(B), 11711 MT (S)		-
Mahua	2-3 Qts/Tree (yield, total output not calculated)		-
Spices	1733 MT	-	-
Banan & Citrus Fruits	29524, 6968 MT	-	-
Chilli	1983 MT	-	-
Flowers	7357 MT	-	-
Pisciculture		-	-
Bauxite	1 processing unit	-	-

Table 3: Indicative Data - Output of various focus areas

Inferences from Stage 1

The examination of output in the areas of focus gave rise to an interesting set of trends that could be observed for the economy of Bolangir and Sonepur. Each economic area had weaknesses or opportunities. These weaknesses or opportunities "bottlenecks" were similar across areas of focus. We identified three common threads that emerged.

Firstly, **consistently excellent raw output** to be a market winner was an issue. Although cotton and onion from Bolangir are at par with the best cotton and onion in the national market, other sectors such as terracotta, mango and tomato, cotton durry production competed with equal quality produce from other states.

Secondly, **avenues for processing output** into a value added commodity is low. Processing usually happens in neighbhouring districts (Sambalpur for dairy) or states (Bihar – Mahua, West Bengal / Gujarat – cotton). A lot of enabler for processing; cold storage or chilling plants, investment etc is missing in the district. Any long term economic policy needs to build these enablers alongside business operations

Thirdly**, access to market linkages or market information** can be poor even in sectors with high quality output. Production of silk merchandize from local yarns is focused on *saris* although profits may lie in *kurtis, payjamas* or other articles of clothing more popular in urban markets.

Focus Area	Major Bottlenecks identified
Cotton	Lack of processing – oil extraction from seeds or spinning etc within district
Rice	Lack of processing – oil extraction from seeds , husk power within district
Solar	Large Investment required
Handloom	Market Linkages and Merchandizing, Low wages to weavers,
Tomato	Lack of cold storage (goes to Raipur)
Mango	Lack of Cold Storage, poor marketing beyond Odisha
Onion	Lack of cold storage (goes to Raipur)
Diary	Lack of cold storage (chilling plants), high cost of fodder
Mahua Flower	Lack of cold storage (goes to Raipur)
Apiary	Requires setup from scratch and professional marketing and management
Banana	Requires immense Water

Table 4: Major Bottlenecks in certain area of focus

As a result of these trends and output data the following initiatives were chosen for evaluation for possible areas of economic growth and development.

Cotton Spinning Mill	Food Processing – Mango, Tomato
Paper Mill – Using Cotton Stems	Milk Processing
Oil Extraction Plant – Rice Bran, Sunflower	Terracotta & Bamboo
Power Plant – Rice Husk	Apiary Plants
Establish Solar Plants	Groundnut Processing
Handloom – Marketing	Mahua Processing
Handloom – Sericulture	Cold Storages – Tomato, Onion

Table 5: Focus Areas - Stage Two

Stage Two – What areas can have the maximum impact in Bolangir & Sonepur?

The focus areas selected from stage one needed a stringent evaluation for maximum impact in the constituency before business plans could be finalized for starting a new initiative, growing current avenues for employment or addressing bottlenecks in the economy. The focus of the evaluation was emerging with options that could be implemented within a timeframe of two to six weeks and scaled gradually over time depending on the pace of their adoption and success.

The Evaluation Framework

Seven different parameters were used to evaluate the 14 selected focus areas. Each focus area was scored on the parameters to calculate a total score for that particular focus area.

The seven parameters were Availability of Input, Investment from Business, Investment and Support from Government, Competition, Demand of Product, Skills Availability (*refer table 4*)

Evaluation scale	(1/5)	(2/5)	(3/5)	(4/5)	(5/5)
Employment /Total Increase in Income (Extrapolated)	<100/ < INR 10k	<= 200 < INR 2 lakh	<=500 < INR 5 lakh	<700 < INR 10 lakh	> 700 >= INR 15 lakh
Investment From Business (for 1 Unit)	> 25 crore	< = 25 crore	< = 10 crore (M) < = 5 crore (S)	< = 5 crore (M) <= 2 crore (S)	< 25 lakh (M) < 10 lakh (S)
Investment & Support from Government	Subsidy from central and state govt: Nil Initiatives by local authorities: Nil	Subsidy from central and state govt <= 15% Initiatives by local authorities: Low	Subsidy from central and state govt: <= 35% Initiatives by local authorities: Medium	Subsidy from central and state govt: <50% Initiatives by local authorities: High	Subsidy from central and state govt: >= 50% Initiatives by local authorities: V.High
Competition	- Large number of players at all levels - High level of substitution risk - Oversupply in economy in foreseeable timeframe	- Large number of players (> 6 players) with market dominated by 2 to 3 players - Established Brands	- Between 4 to 6 mid-to large size domestic players - Identifiable demand-supply gaps in Indian market - Unfavourable Govt Regulations	- No. of players < 3 and market is not dominated by one player - Opportunity to establish presence in the market	- No. Of Players <2 - Favourable Govt Regulations
Demand of Product	Existing product or substitute not sold in local market	Low Demand in national market	High national and local demand	- High Local Demand Demand Supply gap nationally (Price Fluctuation)	- Country imports products - High export potential
Skills Availability	Highly Skilled Labour with tertiary education (PG)	Highly skilled labour with college degree	Skilled labour with school education	Semi skilled labour with some vocational skills	Unskilled Labour
Availability of input	Not produced within constituency / district	Produced but used for raw consumption, deficit	Produced locally no deficit	Easily available can create better pricing by usage in different areas	Easily available, surplus in local market, prone to distress selling

Table 4: Evaluation Framework for focus areas in Bolangir & Sonepur

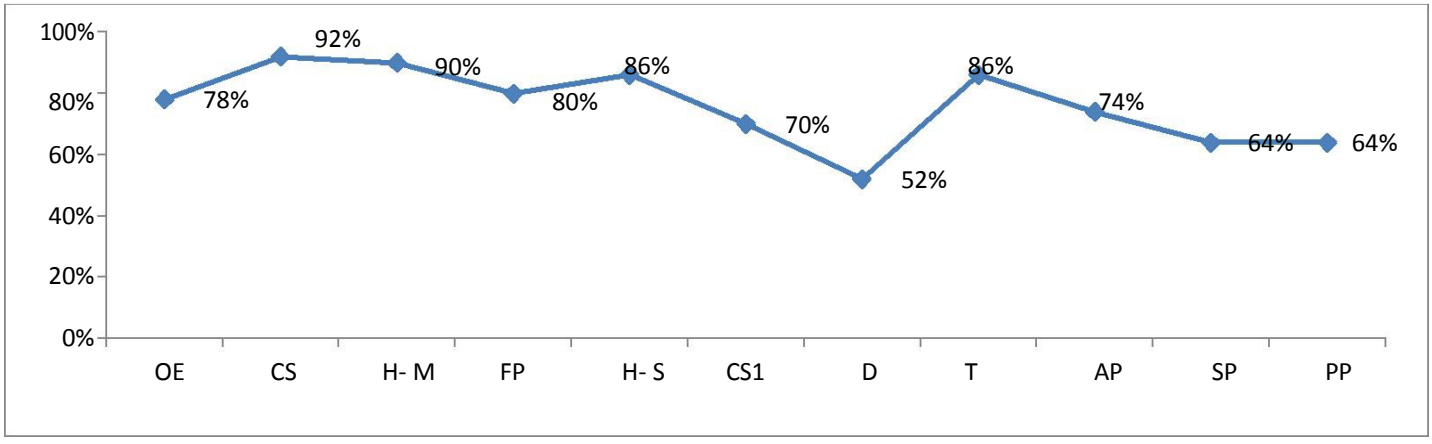
The scores for the various initiatives as per the parameters decided in the evaluation framework was calculated as below.

	Investment from Business	Investment & Support from Government	Market Demand	Competition	Skills Availability	Availability of Input	Employment/ Increase in Income	Total Score
Oil Extraction (Rice Bran, Sunflower, Cotton Seeds)	4	4	5	3	5	4	3	28
Food Processing (Mango, Tomato)	4	3	4	4	3	5	5	26
Handloom – Marketing	4	4	5	4	5	5	5	32
Handloom – Sericulture	3	4	5	5	5	4	5	31
Cotton Spinning	4	2	4	4	4	3	4	25
Dairy	2	3	5	5	5	2	2	23
Teracotta, Bamboo	5	4	5	4	5	3	4	30
Apiary	5	2	4	5	5	3	3	27
Solar Plants	1	5	5	5	3	5	1	25
Cold Storage(Onion, Tomato)	4	5	5	4	4	5	5	32
Paper Plant (I/P – Cotton Stems)	2	1	3	5	5	3	5	24

For Groundnut Processing & Mahua Processing – Concrete data couldn't be explored For Husk Power: 80-95% of Husk used in Rice Mills and Rice Bran Oil itself for power

Table 5: Scoring of Initiatives

The scoring for each initiative was scaled to a weighted percentage index with 20% weight to Investment from Business, Investment & Support from Government and Employment/Increase in Income . Rest of the parameters were assigned a weight of 10% each. Based on the percentages obtained, the final selection of focus areas was done.



OE: Oil Extraction, CS: Cold Storage, H-M: Handloom-Marketing FP: Food Processing, H-S: Handloom -Sericulture, CS1: Cotton Spinning, D: Dairy, T – Teracotta, Bamboo, AP: Apiary Plants, SP: Solar Plants, PP: Paper Plants

Figure 3: Weighted Percentage to the initiatives

High Scoring Areas: 85% and above Low Investment from Business Strong Government Support High – Employment/Income Generation	• handloom - marketing and sericulture • Terracotta and Bamboo clusters • Cold Storage
Medium Scoring Areas: 70 - 84 % Low Investment from Business Medium/Low Government Support Medium – Employment/Income Generation	• Oil Extraction (Rice Bran, Sunflower, Cotton) • Apiculture • Food Processing • Cotton Spinning
Low Scoring Areas: Below 70% High Investment from Business Low Government Support Low – Employment/Income Generation	• Solar Plants • Dairy :Chilling Plant • Paper Mills (Cotton Stem based)

On the basis of the above; Handloom, Handicraft, Food Processing(Oil extraction & processing of fruits& veg), Apiary were the clear focus areas. Although the impact the cold storages could create was immense but research showed immense operational challenges and hence wasn't taken further. The lack of availability of raw input- i.e milk, deterred dairy processing plant as a focus area. But the fact that large number of people were involved in dairy and it had a huge potential, the focus was shifted to increasing milk production by bringing high yielding variety cows and hence Dairy remained a focus area

The following sections provide the details on the seven criteria for the areas that were selected and have been shown above.

Areas Selected with Reasons

Food Processing:

With large production of cereals, vegetables and fruits; processing of the same is the next logical step. Processing can not only add new job opportunities but also enhance the income of farmers by creating markets for their produce which at present also goes into distress selling.

a. Oil Extraction (Rice Bran, Sunflower Seeds, Cotton Seeds)

Availability of Input(Paddy)	Paddy - 6, 80, 763 MT Sunflower- 688 MT Cotton- 56,572 MT	Current production in Bolangir + Sonepur
Investment from Business (1 Unit)	Rs. 4 Crs	Plant capacity – 150 Tonnes Land required – 5 Acres
Investment & Support From Govt	Yes	a. Rice Cluster Program in Bolangir aimed to bring 44 mil owners. Open to focus on export, oil extraction, marketing b. State Food Processing Policy: Supply Chain Infra, Food Clusters & Food Parks, Fiscal & Non-Fiscal Incentives - Capital Invest Subsidy :25% . For KBK, SC/ST women: 33%
Skills Availability	Yes	Unskilled labour is required
Demand for Product	Market growth rate in India – 15% Significant imports – 11mn tonne	Present market for rice bran oil in India : 4000 Cr, Expected at end of Year 2013: 4600 Cr ; India imports 11 mn tonne per year
Market Competitiveness	4% tax on Raw material in Orissa	Tax decreases competitiveness since raw material price increases. Currently 4-5 Oil Extraction Units are operating in Orissa
Jobs Created/Increase in Income	100 jobs/plant Rs. 10 lacs. per annum	Wages : 6000 – Rs 13000 per month (avg. Rs. 10000) ; 100 employees per plant (80% Unskilled Labour , 20% - Skilled)

The same plant is used to extract all the Oils

b. Processing of Mango and Tomato

Availability of Input	Tomato – 57,892 MT Mango – 24,356 MT	Raw tomato is being transported to Raipur due to lack of storage in Bolangir Orissa produces 6% of country's tomatoes. Only 0.7% of the food is processed
Investment from Business (1 Unit)	Rs 1.5 Crs	Plant Capacity(1 Lakh l Mango Juice & 50,000 kg tomato sauce) Land - 0.5 acres
Investment & Support From Govt	Yes	State Food Processing Policy: Supply Chain Infra, Food Clusters & Food Parks, Fiscal & Non-Fiscal Incentives - Capital Invest Subsidy :25% for KBK, SC/ST women: 33%
Skills Availability		Skilled/Semi-skilled labour is required
Demand for Product	growth– 30%	1000 cr – Size of sauce market in India,

Market Competitiveness	1 Plant in titlagarh	Though Orissa accounts for only .6% of tomato sauce

		industry, products of 6-7 players available in the market
Jobs Created/Income	75 people in one plant	Using half of current produce of mango and tomato, 15 plants can work generating ~ 1125 jobs

Interactions in the Food Processing Space

Mr. Agarwal: Entreprenuer – Owner Rice Bran Oil Extraction Plant, Kalahandi

Believes there is huge potential of rice bran oil extraction in Orissa. At present the traders from nearby states procure the rice bran from Orissa for further processing. 4-5 rice bran oil extraction units running in Orissa; all outside Bolangir. Also, oil extraction process is less competitive as compared to Chattisgarh because of 4% additional tax on rice bran by the Orissa government.

Mr. Praful Meher: Entreprenuer – Food Processing Plant (Mango, Tomato, Amla) in Titlagarh

It is the only food processing (Mango, Tomato, Amla) unit in Bolangir. At present a medium scale unit, is working to expand the same. Markets the products under his own brand name. The procurement of mango pulp is done from Andhra Pradesh as Bolangir produces large quantity of Amrapali mangoes which are less juicy and hence less cost effective. Lack of colds storage in Bolangir forces the prices of tomato to increase in the long run and hence has to procure tomato too from outside Bolangir.

Handloom

The complete handloom cycle consists of three things:

- **Producing high quality yarn:** Sericulture & reeling of silk fibre
- **Weaving :** Large number of handloom weavers but they lack support in designing of the products
- **Marketing the products:** Marketing of handlooms happens in an unorganized manner with master weavers or traders buying from weavers and selling it to retailers and exporting the same. The benefit to the weavers is extremely reduced. Strengthening the weaver clusters, providing them with one time WC and linking them with the market is required

With a large weaver community, linking & developing the complete value chain will benefit to a large extent

a. Creating Market Linkages

Availability of Input	~ 5800 looms	At an average 4 people work on each loom
Investment from Business	26 lacs	Avg WC per loom – Rs 6000 No. of looms in a cluster - 500
Investment & Support From Govt	Yes	One time lump sum assistance consisting 5-10 looms for developing samples
Skills Availability	Yes	Large Traditional Community
Demand for Product		Handloom Cloth production growth rate – 5%
Market Competitiveness	Orissa – 3.5% of total looms in India	Percentage of looms > 15% in Tamil Nadu, Uttar Pradesh, Andhra Pradesh.
Jobs Created/Increase in	1.2 Crs	Each household will earn 2k-3k more per product piece

Income		sold. For 5800 looms, the increase in income would be ~ 1.2 crs

b. Production of Yarn

Availability of Input	Yes	Land Available for Mulberry Plantation Cocoons Required
Investment from Business	Rs 6 crs	For 4800 kg of yarn, Land – 60 acres
Investment & Support From Govt	Yes	60% of the investment made by Govt under various schemes of mulberry plantation, reeling, training, marketing
Skills Availability	Yes	Unskilled labour is required
Demand for Product	Huge Demand Supply Gap	Demand Supply Gap of 10,000 MT
Market Competitiveness	Nil	
Jobs Created/Increase in Income	380 – Pilot Phase 15000 – on 1250 acres	

Anecdotes in the Handloom sector

Entrepreneurial Initiatives in Handloom

A group of entrepreneurs from varied domains (textile engineer, CA, farming) firmly believe in capitalizing on and helping the existing large weaver community in Sonepur. They understand the problems at each step in the value chain of handlooms beginning from yarn to marketing fabric.

This team has started with the process of production of silk yarn and aim to make it a “Soil to Shop” project thus building the complete value chain for handlooms in Sonepur. 40% of the capital comes through the government schemes. The project started on a 60 acre land with the potential to extend to 1250 acres. Silk rearing on 1250 acres is just about 50% of the silk needed to create yarn to fulfil the needs of handloom weavers in Bolangir. Truly a blue ocean market to counter the current ‘import’ of silk from Karnataka.

The view of established spinning and yarn units - Nahar and Vardhman Group of firms:

Interested to expand textile mills but cautious about the lack of supply of irrigated water in Bolangir which can impact the growth of cotton and hence the smooth running of mills. Large groups are also sensitive to policies and incentives in textiles to consider expanding to Orissa. States like Maharashtra, Gujarat, HP provide avenues for expansion and consistent incentives for growth. *Study of policies reveal lack of incentives in textile by Orissa government as compared to other states. An example of best practice policies as provided by other states is given in the annexure)*

Handicraft (Teracotta)

Terracotta has traditionally been practiced by the *kumar* community in Bolangir. It is also a focus under the ORMAS producer groups that have been setup by the DRDA, the DSMS and other agencies such as the DIC. Terracotta article production is at an inflexion point where increasing the capacity for output can lead to an increased source of income for many families.

Availability of Input	Many *kumars* live and work in the blocks of Punitala and Madhekela	Terracotta is produced at a fair scale across Bolangir in different pockets. Clustering will help meet orders worth 2,00,00,000 INR
Investment from Business (1 Unit)	5,00,000 – 10,00,000 INR per cluster	Kiln and setup costs for a common facility centre
Investment & Support From Govt	Land, power, water	
Skills Availability	Yes	kumar community around the district
Demand for Product	large scale orders available up	
Market Competitiveness	local and national demand	
Jobs Created/Income	200 / 4000 – 30,000	earning for artisans is skill based

Dairy

Bolangir and the surrounding districts have a strong history of rearing milch cattle for milk production and sale. Constituents know how to rear cattle and take care of them. The fluctuations in the acquisition of milk by OMFED has led to decrease in rearing of cattle over time.

Except for the months of June and July where Orissa generates a significant milk surplus of one lakh litres per day the state is milk deficient. It is relatively easy to increase the supply of milk by introducing high yielding cows. The significant challenge emerges overtime to chill, treat and retail milk outside OMFED's supply chain.

Availability of Input		low yielding livestock, can be replaced with HYV variety DCCB funding for livestock pays itself off in 18 months
Investment from Business (1 Unit)	4 crore INR for a dairy processing plant / 18,000 – 35,000 for a HYV cow	
Investment & Support From Govt	coherent push for HYV cattle via dept of animal husbandry	Regulate price of milk to farmer encourage private dairy investment in district
Skills Availability	Yes	people used to rearing livestock
Demand for Product	180 MT dd by 2022, currently 129 MT	significant national and local demand
Market Competitiveness	local and national demand	
Jobs Created/Increase in Income	1200 – 1500 per cow per month	high earning possible with introductions of HYV cattle

Apiary

Bee keeping and rearing is a local industry followed by tribes for generations. The demand for raw and processed honey is huge nationally and internationally. It is a scalable industry with many ancillary offshoots and benefit. Apiculture helps with pollination of plants and flowers, can help create a secondary industry in creating equipment for bee keeping industry and has quick investment recovery.

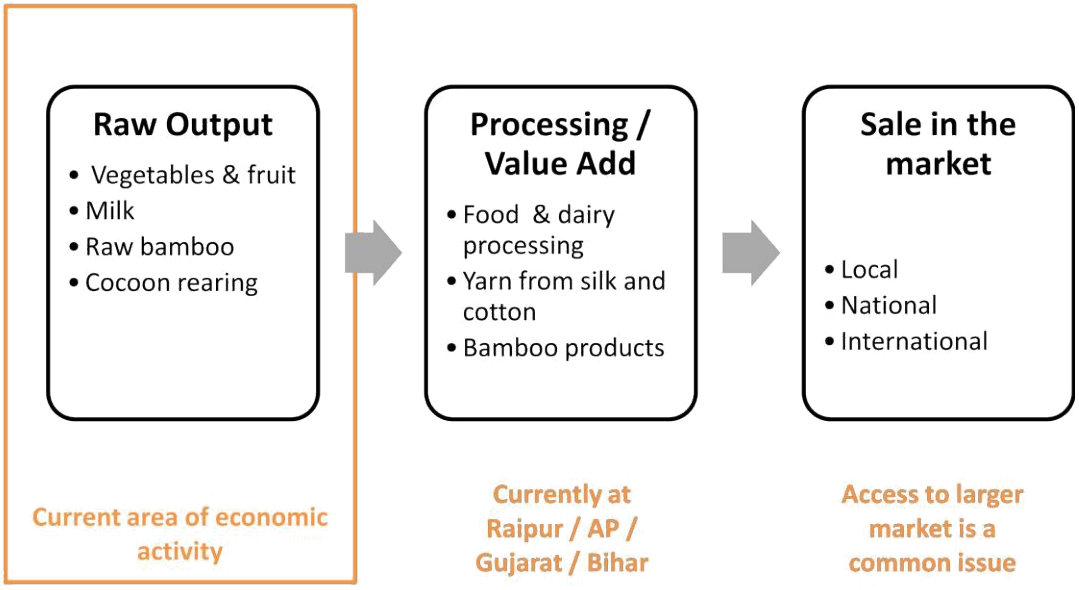
Availability of Input (forest / arable land / processed honey)	Bolangir is highly suited to bee rearing	
Investment from Business (1 Unit)	Rs. 8 – 16 lakhs	Processing plant capacity, 200 kg / day – 4.0 lakhs (shared by cooperative) Bottling plant – 2.5 lakhs Bees and eqpt – 5.5 lakhs or 5500 / colony
Investment & Support From Govt	Release of funding from NHM under DRDA	1 acre land needed
Skills Availability	Yes	Training is needed, will be given by equipment provider
Demand for Product	Intl growth 7% '06 – '11, import values rose 102%	50:50 domestic export ratio Market demand can accommodate 120 mn bee colonies, India has 1mn Global import values rose 102% '06 – '11 India prospective N. America + EU partner Source: APITCO, fintrac.com
Market Competitiveness		Processing plant in Jashipur, Mayurbhanja regulated by OFDC
Jobs Created/Increase in Income	2 per family / 2200 – 6000 per month for worker / 14% profit on revenue for entrepreneur	Wages : 1500 - 6000 (avg. Rs. 2500) ; 5 per plant (40% Unskilled Labour , 40% - Skilled, 20% entrepreneur)

As the team arrived at details within the focus areas in the economy a set of conclusions that form the roadmap of the solutions going forward emerged. These inferences are described below.

Inferences – Principles for successful expansion in Bolangir & Sonepur

1. Cluster Approach

Swaniti research and interactions with people across Bolangir and Sonepur helped the Swaniti team form a clearer macro picture for a focused evaluation of businesses that can run in Bolangir. Currently the economy is primarily driven by raw output and low levels of processing. This focus on the primary industry results in a per capita income of around 14,000 INR for both Bolangir and Sonepur.



- PCY = 15,981 INR (13th, Bolangir) 12,667 INR (26th, Sonepur)
- MSME = 12th in state, 4366 million INR invested (Bolangir)
- Worker population = 690,094 (Bolangir) 285,209 (Sonepur)

Figure 4: Current economic make up - Bolangir & Sonepur

Expanding the economy to move towards processing and value addition for access to bigger markets is a key area of focus and will absorb the 267,047 (Bolangir) 101,846 (Sonepur) incremental positions that are going to be created by 2016 (Ernst & Young Skill Gap report for NSDC, 2011). To move towards the processing value chain absorbs people and creates higher value jobs.

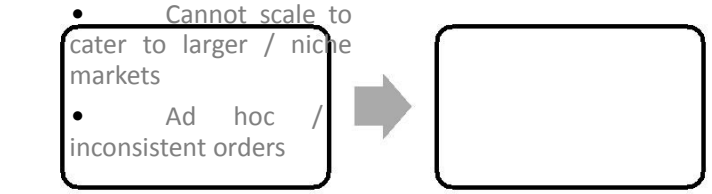
However, the focus on growth is not only around creating opportunities for processing. Negotiation is concentrated in the hands of producers only if they can aggregate raw output, find ways to process the same en masse and then develop market linkages for sale. The aggregation across raw output, processing and sale also gives procurers the chance to procure goods in bulk for their markets across the country or the world.

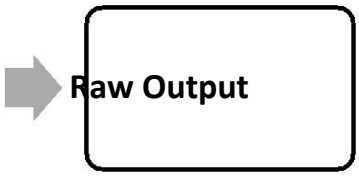
scenario Pre cluster

- low / fragmented output
- Disparate quality
- no back up capital to expand operations

- No viable processing
- Cannot scale to cater to larger / niche markets
- Ad hoc / inconsistent orders

- No viable processing
- Cannot scale to cater to larger / niche markets
- Ad hoc / inconsistent orders





Processing / Value Add

scenario Post cluster

- Can cater to a larger market
- Expand niche

Figure 5: Advantages of clusters in Bolangir's economic context

Clusters give the producers an advantage to aggregate supply or demand for products and provide the basis for formation of cooperatives that can be scaled in operation over time. The proposals for focus areas in Bolangir are around clusters for raw material output, processing or development of market linkages.

Clustering output – raw or processed is also supported by various policies under the state (OLM) and central (NRLM) livelihood missions by projects to provide skills to sets of people in wage or self employment and enabling them to setup enterprises that can scale over time.

Vikrant Abrol: Self Employment and Clustering

Vikrant's firm Unifiers works with naxal affected districts in up-skilling and self employment opportunity creation. Vikrant is a former VP with IL&FS and now works with eight states in India.

In states such as Uttar Pradesh though skill training for wage employment is popular, creating self employment options is more successful in the long term. Creating a business leads to increase in skills, increase in wages and is also automatically market oriented since it caters to a gap in the current supply chain. These businesses can be scaled up by forming raw material and processing clusters. Aggregating raw material lends bargaining power to small or marginal producers. Collective processing reduces overhead costs and enables investment.

Bolangir is conducive to setting up clusters for terracotta and bamboo. Unifiers can help bring businesses into this space.

2. Mapping to Government Schemes

The government schemes from both Centre and State across various economic areas can be mapped to be used for the best benefit by the various stakeholders. The Swaniti research team looked into a range of schemes range under the various focus areas that can accessed for creating assets in businesses or give access to working capital. Schemes also support entrepreneurs for training across private and state institutions.

Working with the government schemes assists in long term sustainability, setup of good structures and access to loans which enable consistent growth. A list of these schemes is provided alongside this report for ready reference.

3. Local Awareness

To exploit the potential in Bolangir, awareness needs to be generated amongst people of all classes and on different matters

- Entrepreneurs need awareness on different opportunities they can enter and grow in. Processing of raw materials (cotton seeds, cotton stems, rice bran etc) are unexplored opportunities that can provide large benefits with low costs.

- Right information and awareness is the key to reducing barriers in trying new things, develops confidence and reduces risk averseness amongst people. Awareness on technology, market, best practices in different focus areas will help in the development of the same

- Awareness of the power of government schemes can go a long way in increasing the entrepreneurial culture in Bolangir

Stage Three – Business Proposals in final focus areas

After reaching a conclusion on five areas of focus for Bolangir & Sonepur the team put together an action plan for how to implement initiatives in these areas. These action plans give the incoming team a chance to get to work on the processes and systems of setting up a business and ensuring rapid progress towards getting new initiatives to power employment in Bolangir. The action plan is summarized in the table below.

Vanamali: The case for businesses in Bolangir

Vanamali Khamari is a businessman with interests in mango cultivation, mahua and spices. The Swaniti team visited Belpada block with him.

As an established businessman, Mr Khamari was of the opinion that there is enough local capital that can be deployed to start new businesses. However, awareness of what can sell in the larger Orissa market, the ability to take risk to start a new business and local talent to back ideas is scarce. Youth turning to business as a source of employment is scarce and local youth should be encouraged to take up businesses.

These initiatives will be guided and mentored by the RN Singh Deo foundation and will become business initiatives as corporations under their own right.

Apiculture - Start a cooperative and scale slowly via cluster - Raw honey sale for year one - Processed honey year two onwards Key benefits - Immediate employment to 11 people - Long term sustainable - Potential to employ 5,000 people	**Dairy** - 1000 families HYV cows - Reach 20,000 LPD - Bring in processing Key benefits - Strong source of secondary income - Access to bank linkages - Sustainable without processing

Handloom Handloom Marketing – Merchandising consulting - Strengthen existing clusters of handloom - Create market linkages - Train women for stitching end products Key benefits - Continuous work & increased income to weavers - Sustainable model - Increased livelihood – new job creation **Terracotta clusters** - Aggregate producers into a key location for production of terracotta products Key Benefits - Firms can place large orders with the new cluster - Producers can avail loans and benefits through the DIC and ORMAS - Enhance earning capability of artisans	**Food Processing** - Educate rice mill owners/entrepreneurs on Oil Extraction process, benefits and technology - Recommend policy changes for making the Oil extraction business as competitive as in neighboring states Key benefits - Potential employment to 500-800 people

Table 6: Actions in Areas of focus

The incoming team will begin implementing the apiculture business using a business case and dossier immediately and focus on other initiatives alongside.

Conclusion

Bolangir has a strong base for progress on multiple avenues for economic growth. The five focus areas chosen here are a subset of many options available. Progress in these areas has the potential to serve as strong proofs of concept that can power the entrance of different forms of industry into the two districts. The Swaniti Initiatives initial expectation to conclude with focus areas was successful and the incoming team has the chance to work on these conclusions to create actual change in the economy.

Swaniti thanks Mr Deo, the administration of Bolangir and Sonepur and the local people for their unstinted cooperation and effort to work with us to make this conclusion a reality. We collectively look forward to operationalizing initiatives in these areas and building on this research.

Annexures

Indicative list of people met and spoken to – Bolangir & Sonepur

Name	Designation	Identifier	Location
Lotus Sarangi	Convenor, Bolangir Business Committeee	Business	Bolangir
Kishore Sahu	Lecturer	Titlagarh	
Abhi Sahu			Titlagarh
Viveka Mahana		Business Owner	Sonepur
Vanamali Khamari		Business Owner	Belpara
Vasudev Das	Student Leader	Education	Bolangir
Sangram Das	Partner at OPNHS	Industry	Bhub
Sanjib Nayak	Regional Head - Odisha	Industry	Bhub
Sudhir Mishra	Correspondent - The Pioneer	Media	Bolangir
Sanjaya Kumar Mishra	Dist Correspondent, Bolangir	Media	Bolangir
Shri Ignace Hasda	Project Director	DRDA	Sonepur
Mrs S Patnaik	Additional Project Director Training	DRDA	Sonepur
Madhavi Panda		Industry	Delhi
Vikrant Kindo	Chief District Medical Officer	Distt. Admin	Bolangir
	Distt Labour Officer	Distt. Admin	Bolangir
Dalai	Textile Director Sonepur	Distt. Admin	Sonepur
Swapna Sucharita	PMRDF	Distt. Admin	Bolangir
Gangadhar Puala	PMRDF	Distt. Admin	Bolangir
Raj Gupta	PMRDF	Distt. Admin	Bolangir
Sunil Ranjan	PMRDF	Distt. Admin	Sonepur
Prakash Ranjan Babu	APD - Fin, DRDA	Distt. Admin	Sonepur
Kamalendu Paul	CEO – DSMS	Distt. Admin	Bolangir
Mr Nag	AD – Textiles		Patnagarh
Rajesh Mishro	APD Credit	Distt. Admin	Sonepur
Durvha Jued	Fruit Trader		Bolangir
Mr Mullick	Deputy Director Agriculture		Bolangir
	District Agricultural Officer		Patnagarh
Jayanti Pradhan	Mushroom expert		Puintala
Gowrana Chandra	Terracotta plant owner	Business	Bolangir
Ranjan KU Das Mohapatra	Asst Director Horticulture	Distt. Admin	Bolangir
Pramath Raj Sinha	Board Member - ABP - BiLT		Delhi

RC Sahu	Industries Promotion Officer	Distt.	Titlagarh

		Admin	
AakashShah	Director - NIPHA India	Business	Kolkatta
Rajesh Meher		Business	Titlagarh
Mr Garuda Bag	GM DIC - Bolangir	Distt. Admin	
Mr Nandalal		Business	Loisinga
Mr Ramaranjan		Business	Titlagarh
Reshma Anand	Founder – Earthy Goods		Delhi
Goonj	Student Body		Bolangir
Praful Meher	Food Processing Entrepreneur	Business	Titlagarh
Jaswant Singh	Owner - Tiwana Bee farms	Business	Ludhiana
Srikumar Misra	Founder, Managing Director – Milkmantra		Bhubhaneshwar

Summary – Central and State Schemes across Focus Areas

Focus areas	Centrally sponsored schemes	Policies and Schemes in Odisha
Oil Extraction (Rice Bran, Sunflower, Cotton Seeds)	**1: Technology Mission On Oilseeds and Pulses** (Oilseeds Production Programme)	SCHEME OF OIL PALM DEVELOPMENT PROGRAMME (OPDP), ISOPOM, AND OIL PALM AREA EXPANSION (OPAE)
Handloom	See Next Table	See Next Table
Food Processing (Mango, Tomato, chillies,)	**NATIONAL MISSION ON FOOD PROCESSING:** http://mofpi.nic.in/Schemes_MOFPI/NMFP_FPI/NMFP_Guidelines290812.pdf	**ODISHA FOOD PROCESSING POLICY:** A bid to attract entrepreneurs to set up mega food parks and sea food parksThe policy was envisaged with a motto to increase the present percentage of processed food (0.7%of total produce) to 25% by 2025. http://www.orissa.gov.in/samachar/2013/May/data/30-05-2013/FOOD_300513E.pdf http://as1.ori.nic.in/msme/help_dir/odisha_gazette.pdf
Dairy	1: RKVY (Financial plan to the tune of Rs 200 crore) http://www.dahd.nic.in/dahd/reports/compendium-of-schemes/intensive-dairy-development-programme.aspx	Government of Orissa will extend financial assistance in shape of Capital Investment Subsidy (CIS) up to 33% of the capital cost (excluding cost of land) subject to a maximum limit of Rs. 25.00 Lakhs against each Commercial Agri Enterprise
Teracotta and Bamboo	**1: DEVELOPMENT OF EXPORTABLE PRODUCTS AND THEIR MARKETING SCHEME (DEPM)**	**SHILPI SAMRIDDHI YOJANA (SSY)**
Solar Plants	**Jawaharlal Nehru National Solar Mission:** **http://www.mnre.gov.in/file-manager/UserFiles/jnnsm_gridconnected_25072010.pdf** **Subsidy for solar power generators for homes** The Union government will provide 30% subsidy for installing home solar power generation systems. For one kilowatt power plant the capital cost was Rs. 2.5 lakh and the consumer's cost is Rs. 1.7 lakh after the subsidy of Rs 80,000.	**ODISHA SOLAR POLICY:** **1: T**hese plants will not be liable to pay Electricity duty. 2: Government land earmarked for Industry under the "Land Bank" scheme and other Government land wherever applicable will be allotted for units generating power from Nonconventional Sources. 3: No transmission charges shall be levied for CPP or NRSE maintenance for a period of 5 years SOURCE: http://panchabuta.com/2011/02/23/solar-odisha-a-vision-draft-solar-policy-for-orissa-proposed-target-of-5000mw-by-2020/ http://oredaodisha.com/pdf/policy-guidelines.pdf

Details : Textile and Handloom Schemes

SCHEME	ELIGIBILITY	SPECIFIC FINANCIAL BENEFITS IN CONTEXT OF BOLANGIR	BENEFITS MEANT FOR SC/ST GROUPS OR WOMEN GROUPS IN PRECISE
MAHATMA GANDHI BUNAKAR BIMA YOJANA	The weaver should be earning at least 50% of his income from handloom weaving.All weavers, whether male or female, between the age group of 18 and 59 years are eligible to be covered under the scheme, including minorities, women weavers and weavers belonging to NER. PREMIUM: The annual premium of Rs. 330/- per member will be shared as under: GOI contribution Rs 150/- Weavers' contribution Rs 80/- LIC's contribution Rs 100/-	. (i) Natural Death . (ii) Accidental Death Total . (iii) Disability Rs 1,50,000/- Partial Disability . (iv) Rs 75,000/- The "Mahatma Gandhi Bunkar Bima Yojana" also provides scholarship to the children of parents who are covered under it under "Shiksha Sahyog Yojana".A scholarship of Rs. 600/- per six month per child is to be paid to students studying is standard IX to XII for a maximum period of four years or till they complete XII standard, whichever event occurs earlier.	NO SUCH BENEFIT MEANT FOR SC/ST

	Total Premium Rs 330/-		
PROMTION OF HANDLOOM INDUSTRIES	1.The CFC/Go-down shall be established on the land of viable PWCS/ SHG/ NGO available in weaver concentration areas as per the proposal/ recommendation of zonal ADT. CFC: Common Facility Center The PWCS/Federation of SHGs should have its own dyeing unit dyeing on an average of at lest 1⁄2 bale of yarn per day. It shall make the unit available for any workshop/ training programme organized in association with the zone. All categories of weavers in the	In order to provide pre and post weaving facilities like winding warping and sizing etc. to the weaver in a Handloom concentration area, it has been proposed to construct CFC. Similarly Go-Down shall be constructed to keep the Raw materials, finished stocks and other valuable of the WCS in safe condition. It has been proposed to renovate the existing dyeing units in handloom clusters with some modern machinery with proposed investment of 0.50 lakh each. Introduction of modern looms/ weaving accessories, and diversification of designs is linked to skill / technology / wage earning of weavers, which shall be upgraded through i) organization of training, workshop etc. ii) exposure visit of weavers to progressive handloom clusters	. 22.5% of total target of ESDPs/EDPs are conducted exclusively for SC, ST, Women and Physically Challenged persons. No fee is charged from SC/ST, women and physically handicapped. Soft loan from D.I.C for general categories 20%

	trade in a cluster shall be eligible. Workshop shall be organized by the concerned zonal ADT WORK SHED CUM HOUSING: . Member of the Weavers Co-operative Society/ Weavers Self Help Group. . Having at least 50 % wage earning during a year from the weaving profession. . Having a land in the name of the weavers where the construction and weaving shall be taken up. . He should not have a RCC roofing work shed. Have been assisted with any assistance under Housing scheme during the last three years. i) The weaver must have been residing and working in the village	in/ outside of the state. An improved work shed/ housing cum work shed provides hygienic environment through better ventilation/lighting, more work space easier to take up pre weaving processes, enables installation of improved looms including Broad loom and safe guard the belongings from natural hazards like rain and fire. This will facilitate a weaver to devote more time for the weaving activities in an affective manner and higher earning. **Weavers' Welfare Fund:**	upto Rs.40,000/- and 30% for r the SC/ST category upto Rs.60,000/- against the project cost approved by the Financial Institutions.

	located in a Handloom Cluster for last 10 years. ii) He must be earning 50% of his income from weaving activities.	(i) Provide emergent relief to indigent weavers (those enrolled HIS of GoI) in case of Health Problems by release of assistance, pending settlement of Health Insurance Claim. (ii) Provide a part of weaver's share of Insurance premium as State Govt's participation.	
SKILL UP-GRADATION TRAINING UNDER SELF-EMPLOYMENT PROGRAMME IN HANDLOOM SECTOR **(CAPACITY BUILDING HANDLOOM SECTOR THROUGH TRAINING & TECHNOLOGY INTERVENTION)**	District level Monitoring Committee (DLMC) will finalise selection of trainees and submit report to the DT&HL(O)	. The accessories/ equipments required for training on weaving with Jalla/Dobby and Weaving on Tie and Dye (except the Auto peg winding machine) shall be procured locally the implementing PWCS with direct involvement of the trainee weavers. . Implementing PWCS shall arrange pre-training preparation like manufacture of looms locally procurement of training accessories, action plan for training programme, product	http://www.rtiorissa.gov.in/write readdata/documents/Documents-396.pdf Total beneficiaries proposed to be covered in the plan period shall be 6600. Approximate SC beneficiaries - 2000 Approximate OBC beneficiaries - 4600 **SCHEME SPECIFICALLY MEANT FOR WEAKER

		selection etc and communicate the progress to this Directorate for sponsoring the name of MCM/ Master dyers. . In Orissa, at present there are about more than 2.00 lakh weavers engaged in the production of handloom fabrics. Due to constraint in funds, it is proposed to cover 6600 weavers & 190 officials under the scheme during the XIth Plan period with a total financial outlay of Rs. 1800.00 lakh. In the 1st year of the XIth plan i.e. 2007-08, 1100 Weavers, 50 Officials and 30 Trainers will be covered under this scheme with a total expenditure of Rs. 301.65 lakh as per the detail given hereunder.	SECTIONS AND WOMEN GROUPS**

TECHNOLOGY UP GRADATION SCHEME	. (a) Existing unit with or without expansion, having at least 10 handlooms under a common workshed. . (b) New units with at least 10 handlooms under a common workshed must set up their entire facilities only with appropriate eligible technology. . (c) Existing unit can modernize/expand with appropriate eligible technology at one place under a common workshed	. 5% interest reimbursement of the normal interest charged by the lending agency on RTL, or . 5% exchange fluctuation (interest & repayment) from the base rate on FCL, or . 15% credit linked capital subsidy for SSI sector, or . 20% credit linked capital subsidy for powerloom sector (An option for 'front ended' subsidy provided w.e.f. 1st October, 2005), or . 5% interest reimbursement plus 10% capital subsidy for specified processing machinery.	The value of Plant & Machinery should not be more than Rs.2.lakhs.Soft loan is admissible @ 4% interest p.a
WORKSHED-CUM-HOUSING SCHEME	//INCLUDED ABOVE IN PROMOTION OF HANDLOOM INDUSTRIES		
Swarojgar Credit Card Scheme (SCC Scheme)	Self Help Groups (SHGs) can also be issued cards in their name and they will be liable jointly and severally for repayment.	The beneficiaries under the scheme will be issued with a laminated credit card and a pass book as per specimen enclosed (Appendix). This will serve as an identity card as well as facilitate recording of the transactions on an ongoing basis. . The banks will have absolute freedom to select the clients for the card. . There will be no subsidy from the Government under this Scheme. . The borrower can avail the credit facility as per his/her requirements i.e. other term loan or working capital loan or a combination of both.	. There will be no subsidy from the Government under this Scheme.
INTERGRADED HANDLOOM TRAINING PROJECT (IHTP)	All categories of skilled and semi-skilled weavers in batches of 20 at a time.	Duration: The duration of the training period shall be for 2 months. However, for training in wool, it shall be a composite training covering weaving, designing and dyeing over a period of 90 days. StipendThe stipend will be @ Rs. 100/-	Special attention shall be paid to involvement of SC/ST weavers at all stages of the project. Attempts should be made to ensure that at least 50% of the persons involved in pre-loom, weaving and post-loom

		per day per trainee Master Trainer: Master Trainer should be able to impart proper training to semiskilled and skilled weavers. He should be conversant with the operation of different types of looms and with the use of jacquard/ Dobby /other attachments.	activities are from SC/ST.
DEVELOPMENT OF EXPORTABLE PRODUCTS AND THEIR MARKETING **SCHEME (DEPM).**	The financial assistance under the scheme is extended to the National and State Level Handloom Corporations, Apex Cooperative Societies, Primary Weavers Cooperative Societies and to Handloom Cooperative Societies affiliated to/registered with and sponsored by councils/corporations like Handloom Export Promotion Council, Association of Corporations and Apex Societies of Handlooms, Handicrafts and Handlooms Export Corporations, Indian Silk Export Promotion Council, National Handloom Development Corporation etc., Private Handloom Exporters shall be assisted through HEPC.	FUNDING PATTERN :- Rs in Lakhs GOI (75%) State(25%) Product Dev. 9.75 clusters/units for Publicity&Marketing11.25 3.75 A Pilot Demonstration Centre may be set up, if required, consisting about 5-10 looms for the purpose of developing Exportable samples. Onetime lump-sum assistance shall be provided to cover the cost of looms, raw materials, training, loss of wages etc. Running the Centre thereafter continuously will be the responsibility of the implementing agency. Endeavour of the implementing agency should be to associate HEPC and WSCs, as far as possible, for the purpose of running the Centre. 1. Pavillion/stall/space charges upto	SSC supported by the office of the DC (MSME) will identify and approve manufacturing MSME participating in State/ District level local exhibitions/Trade Fairs on the basis of the responses received through the MSME-DIs, Industries Associations, and NGOs. . (c) For SC/ST/Women/ Physically Handicapped entrepreneurs the assistance will be up to 80% for the items (1) & (2) in the benefits section.

		6.0 sq. mtr. – 50% cost will be reimbursed by GoI. 2. To and fro actual fare by shortest distance/direct train (limited to AC II tier class) from the nearest railway station/bus fare to the place of exhibition for one person-50% of fare will be reimbursed by GoI.	. (d) The total reimbursement will be max. Rs. 30,000/- per unit for the SC/ST/Women/ Physically Handicapped entrepreneurs, while for the other units the max. limit will be Rs. 20,000/- per unit. **MORE DETAILS IN

			TABLE-1
SHILPI SAMRIDDHI YOJANA (SSY)	Under the SSY, loans are provided to Scheduled Castes Artisans possessing Artisan Identity Card issued by the Development Commissioner (Handicrafts), Ministry of Textile, Govt. of India or State Government.	However, under the Central-Sector Scheme of Special Central Assistance to Scheduled Castes Sub Plan, Below Poverty Line (BPL) beneficiaries are eligible for subsidy @ Rs 10,000/- or 50% of unit cost, whichever is less.	ONLY MEANT FOR SC Artisans

Schemes in Textiles by States like Gujarat, Maharastra, HP

Based on the feedback from Industry on Textile, the policies of other states were studied and policies which can help attract firms identified. A list of the same is as:

Scheme - 1 : Interest Subsidy

Financial assistance by way of credit linked Interest Subsidy in Ginning & Pressing, Cotton Spinning, Weaving, Dyeing & Processing, Knitting, Garment/Made-ups, Machine Carpeting, Machine Embroidery

.

a. interest subsidy will be at the rate of 5% per annum. (7% for spinning unit and garment/made-ups unit)

b. Support to Spinning units by way of Special concession in Power tariff & assured supply of Lignite: Power tariff subsidy @ RS.1per unit in the billed amount for 5 years

c. VAT concession on raw materials

Scheme 2: Support to Technical Textiles

Technical Textiles are defined as textile materials and products used primarily for their technical performance and functional properties rather than their aesthetic or decorative characteristics. Depending on the product characteristics, functional requirements and end

Interest rate subsidy at 6%

Scheme - 3 Assistance for Technology acquisition and upgradation

Acquisition of technology and collaboration can be in any form, including purchase of drawing and design and technology development through engaging experts/ R&D institution and/or technical consultancy firm. Mere import of Machinery or Technology will not be considered as Technology Acquisition.

Financial assistance of upto 50% of the investment for technology acquisition /collaboration, with an upper cap

Scheme - 4: Assistance to Apparel Training Institutions and Trainees

assistance upto 85%, with ceiling of maximum of Rs 3 crore, of the project cost covering fixed capital investment in building, equipments and machinery (including installation cost), electrification, furniture and others

Scheme-5: Support for establishing Textile & Apparel Park

Scheme 6: Technology Upgradation Fund Scheme

Figure 6: Output in certain focus areas - Bolangir (B) and Sonepur (S)

Area, Productivity and Production 2010 – 11, Bolangir

Name of the crops	KHARIF			RABI			TOTAL		
	Area in Ha.	Productivity in Qtls/Ha.	Production in MT	Area	Productivity in Qtls/Ha.	Production in MT	Area in Ha.	Productivity in Qtls/Ha.	Production in MT
Hy. Rice	181294	17.75	321785	4312	25.91	11173	185606	17.94	333958
Local rice	5480	10.60	5809				5480	10.6	5809
Total rice	**186774**	**17.54**	**327594**	**4312**	**25.91**	**11173**	**191086**	**17.73**	**338767**
Wheat				1830	15.05	2755	1830	15.05	2755
Hy. Maize	4843	22.55	10919	498	17.27	860	5341	22.05	11779
Local maize	585	12.56	735				585	12.56	735
Total maize	**5428**	**21.47**	**11654**	**498**	**17.27**	**860**	**5926**	**21.12**	**12514**
Hy Jowar	213	6.43	137				213	6.43	137
Local Jowar	117	5.30	62				117	5.3	62
Total jowar	**330**	**6.03**	**199**	**0**		**0**	**330**	**6.03**	**199**
Ragi	751	5.67	426				751	5.67	426
Small millets	588	4.76	280				588	4.76	280
Total Millets	**7097**	**17.70**	**12559**	**498**	**17.27**	**860**	**7595**	**17.67**	**13419**
Total Cereals	**193871**	**17.55**	**340153**	**6640**	**22.27**	**14788**	**200511**	**17.7**	**354941**
Arhar	8721	9.51	8294				8721	9.51	8294
Moong	39331	5.10	20041	21885	4.17	9126	61216	4.76	29167

Biri	22285	3.27	7280	5158	3.72	1919	27443	3.35	9199
H.Gram				27644	3.54	9795	27644	3.54	9795
B. Gram				1387	8.03	1114	1387	8.03	1114
Cowpea	5369	7.32	3932	992	7.62	756	6361	7.37	4688
Field pea				1969	6.38	1256	1969	6.38	1256
Lentil				941	4.21	396	941	4.21	396
Other Pulses				10315	4.22	4355	10315	4.22	4355
Total pulses	**75706**	**5.22**	**39547**	**70291**	**4.09**	**28717**	**145997**	**4.68**	**68264**
Total Food Grain	**269577**	**14.09**	**379700**	**76931**	**5.66**	**43505**	**346508**	**12.21**	**423205**
G.Nut	8004	16.89	13521	2567	18.30	4697	10571	17.23	18218
Til	5428	4.86	2639	2016	3.51	707	7444	4.49	3346
Caster	55	4.55	25	130	4.69	61	185	4.65	86
Linseed				40	5.25	21	40	5.25	21
Saflower				32	3.75	12	32	3.75	12
Sun Flower	0	0.00	0	3989	12.85	5127	3989	12.85	5127
Mustard				3303	5.25	1734	3303	5.25	1734
Total oil seeds	**13487**	**12.00**	**16185**	**12077**	**10.23**	**12359**	**25564**	**11.17**	**28544**
Mesta	1191	6.68	795				1191	6.68	795
Sun hemp	1263	10.76	1359				1263	10.76	1359

Cotton	29240	18.66	54572				29240	18.66	54572
Total fibre	**31694**	**17.90**	**56726**	**0**		**0**	**31694**	**17.9**	**56726**
S. Patato	811	73.08	5927	473	70.25	3323	1284	72.04	9250
Other veg.	23342	85.97	200663	9721	89.85	87341	33063	87.11	288004
Patato				492	85.75	4219	492	85.75	4219
Onion				5739	85.50	49067	5739	85.5	49067
Total Veg.	**24153**	**85.53**	**206590**	**16425**	**87.64**	**143950**	**40578**	**86.39**	**350540**
Chilly	2375	10.10	2399	1342	10.00	1342	3717	10.06	3741
Garlic				402	28.56	1148	402	28.56	1148
Corrinder				586	3.91	229	586	3.91	229
Zinger	17	31.76	54				17	31.76	54
Tobaco				15	5.33	8	15	5.33	8
S.Cane	2346	839.62	196975				2346	839.62	196975
Total other	**4738**			**2345**			**7083**		**202155**
Hort. Crops		0.00	0						0

Source: Departments of Agriculture – Bolangir & Sonepur

Area, Productivity and Production 2010 – 11, Rabi – Sonepur

A:Area in Hect			P:Production in MT			Y: Yield /hect in Kgs.		
Name of the Crop	**Achievement during Rabi 2010-11**			**Achievement during Rabi 2011-12**			**Programme for Rabi 2012-13**		
	A	**P**	**Y**	**A**	**P**	**Y**	**A**	**P**	**Y**
Hy Paddy	23710	135858	5730	28290	186092	6578	28500	221246	7763
Wheat	475	983	2070	480	955	1990	500	1100	2200
Maize	220	405	1840	370	605	1636	400	842	2105
Total Cereals	**24405**	**137246**	**5623**	**29140**	**187652**	**6439**	**29400**	**223188**	**7592**
Moong	20200	11615	575	18297	9002	492	19000	14611	769
Biri	2300	1127	490	2527	1092	432	3000	1731	577
Horse Gram	1060	525	495	980	449	458	1000	550	550
Bengal Gram	1169	684	585	565	271	480	600	420	700
Cow Pea	345	295	855	535	446	834	600	631	1052
Field Pea	1333	1056	792	905	632	698	1000	1000	1000
Other Pulses	185	92	495	460	200	435	500	268	536
Total Pulses	**26592**	**15394**	**579**	**24269**	**12092**	**498**	**25700**	**19211**	**748**
Groundnut	3010	8609	2860	3165	8137	2571	3600	11711	3253
Til	1250	575	460	875	391	447	1000	575	575
Caster	60	35	575	28	17	608	50	46	920
Sunflower	285	3	12.2	510	531	1042	550	688	1250
Mustard	4750	2090	440	3860	1563	405	4600	2484	540
Total Oilseeds	**9355**	**11312**	**1209**	**8438**	**10639**	**1261**	**9800**	**15504**	**1512**
Potato	150	1140	7600	195	1398	7170	200	1661	8307
S.Potato	75	563	7500	87	766	8805	100	951	9514
Onion	1350	12150	9000	1525	12996	8522	1550	14465	9332
Other Veg	6660	58808	8830	6320	56027	8865	6482	58993	9101
Total Veg	**8235**	**72661**	**8823**	**8127**	**71187**	**8759**	**8332**	**76070**	**9130**
Garlic	225	788	3500	245	756	3086	250	887	3546
Chilly	995	1453	1460	1138	1435	1261	1150	1671	1453
Corriender	490	145	296	415	203	490	450	253	563
Total Spices	**1710**	**2386**	**1395**	**1798**	**2394**	**1331**	**1850**	**2811**	**1519**
Sugarcane	**260**			**482**			**500**	**3579**	**7050**

Source: Departments of Agriculture – Bolangir & Sonepur

Area, Productivity and Production 2011 – 12, Kharif – Sonepur

AREA, PRODUCTION AND PRODUCTIVITY OF CROPS FROM KHARIF 2010 TO 2011AND PROGRAMME FOR KHARIF 2012.

A:Area in Hect **P:Production in MT** **Y: Yield /hect in Kgs.**

Name of the Crop	Achievement during Kharif 2010			Achievement during Kharif 2011			Programme for Kharif 2012		
	A	P	Y	A	P	Y	A	P	Y
Hyv Paddy	96790	207518	2144	90597	168148	1856	81502	188125	2308
Hyb Paddy	-	-	-	481	1070	2225	5000	20025	4005
Local Paddy	1310	1192	910	550	468	850	550	613	1115
Total Paddy	**98100**	**208710**	**2128**	**91628**	**169686**	**1852**	**87052**	**208763**	**2398**
Hy Maize	203	345	1700	1206	1809	1500	2000	3240	1620
Local Maize	32	44	1375	34	43	1250	30	42	1400
Total Maize	**235**	**389**	**1655**	**1240**	**1852**	**1494**	**2030**	**3282**	**1617**
Local Jower	0	0	0	0	0	0	0	0	0
Ragi	10	5.5	550	15	7.5	500	15	12	800
Small Millets	27	13.5	500	15	7.5	500	15	9	600
Total Millets	**272**	**408**	1500	**1273**	**1867**	1467	**2060**	**3303**	**1603**
Total Cereals	**98607**	**209118**	2106	**92901**	**171553**	1847	**89112**	**212066**	**2380**
Arahar	3102	2287	737	5065	3738	738	6000	5488	915
Moong	7800	4095	525	10435	5510	528	12000	9090	758
Biri	3450	1983	575	5680	3141	553	6200	4389	708
C.Pea	750	525	700	760	540	710	900	723	803
Total Pulses	**15102**	**8890**	589	**21940**	**12929**		**25100**	**19690**	**784**
Groundnut	115	202	1757	760	1303	1715	1650	3077	1865
Til	1276	670	525	2515	1303	518	2000	1136	568
Caster	20	10	500	20	10	500	20	11	550
Sunflower	-	0	0	0	0	0	0	0	0
Total Oilseeds	**1411**	**882**	**625**	**3295**	**2616**		**3670**	**4224**	**1151**
Mesta	100	69.5	695	127	89	700	100	72	720
Sunhemp	0	0	0	0	0	0	0	0	0
Cotton	800	2000	2500	1860	2232	1200	5000	10000	2000
Total Fibres	**900**	**2069.5**	**2299**	**1987**	**2321**		**5100**	**10072**	**1975**
S.Potato	270	2329	8626	346	2980	8612	400	3526	8815
Other Veg	5920	50320	8500	5990	50765	8475	5250	46198	8800
Total Veg	**6190**	**52649**	8505	**6336**	**53745**		**5650**	**49720**	**8800**
Chilly	300	330	1100	583	642	1102	800	1001	1251
S.Cane	270	18900	70000	350	24570	70200	500	35250	70500
Total Others	**570**	**19230**	33737	**933**	**25212**		**1300**		
Total Crops	**122780**			**127392**			**129932**		
Horti. Plantation Crops	1800			260			293		

Source: Departments of Agriculture – Bolangir & Sonepur