

## **CHAPTER – 6**

### **INDUSTRIES**

As a general phenomenon what is observed in most of urban economies, the major contribution of income in Delhi is from the service sector. The analysis of sector-wise growth in the Gross State Domestic Product also clearly reveals this fact. Delhi's Economy has a predominant service sector with its share of contribution to Gross State Value Added (GSVA) at current prices at in 2016-17 was 82.26% followed by contribution of secondary and agriculture sectors. Delhi's Economy is expected to grow at the rates of 8.26% during 2016-17 compared to 7.1% growth at national level.

GSVA at current prices exhibits that contribution of Secondary Sector (comprising of Manufacturing, Electricity, Gas, Water Supply & Other Utility Services and Construction) in the economy has increased from 13.09% during the base year 2011-12 to 14.40% and 14.84% and at constant prices it has increased to 14.30% and 14.89% in the years 2015-16 (1st Revised Estimates) and 2016-17 (Advance Estimates) respectively

#### **The New Industrial Policy of Delhi 2010 – 2021**

The new Industrial Policy of Delhi 2010 – 2021 focuses on promotion of knowledge based industries with priority for skill development and its vision is to make Delhi a hub of clean, high-technology & skilled economic activities by 2021 by adopting the following strategy:

- Infrastructure Development through better Operation & Maintenance of industrial assets.
- Facilitating business by simplification & e-enabling measures.
- Support skill development and other promotional measures like allowing Knowledge-based Industries in industrial area among others.
- Decongesting industrial areas through redevelopment schemes.
- Promoting cluster development of high-technology and skilled industries in new industrial areas through public private partnerships.
- Discourage polluting industries through higher infrastructure development fee.

To make special provision securing the orderly establishment of industrial areas / estates and their management, operation and maintenance in the NCT of Delhi, the legislative assembly has enacted the Delhi Industrial Development, Operation and Maintenance Act, 2010 to place all industrial areas under DSIIDC, notified on 8<sup>th</sup> June'2010 has come in to force with effect from 28<sup>th</sup> March'2011. The DSIIDC has created industrial development, operation and maintenance fund with ₹74 crore of seed capital for the discharge of its function under the Act.

Govt. of NCT of Delhi through DSIIDC has decided to launch a mega green field industrial development project in the form of a multi level Manufacturing Hub at Ranikhera in North West Delhi spread over an area of 147 acre. This project will create 1.5 lakh direct employment and about 5 lakh indirect employment. A knowledge based Industrial Park is to be set up for Information Technology and Knowledge based industries in an area of approximately 77 acres at Baprola. The total estimated project cost is about ₹2100 crore. A world class Incubation Centre for high tech & knowledge based industries may be set up in the Knowledge Park. The project is expected to provide direct employment of one lakh persons and indirect employment to one lakh seventy thousand persons. About 1000 acres land is to be developed for planned and futuristic industrialization and knowledge based industries at Kanjhawala.

Government has taken up the programme to simplify procedure for setting up of new business units in Delhi through a number of new initiatives. Under the e- Biz Project for Ease of Doing Business, steps are proposed to simplify the process of getting license and other clearances hassle free for starting business.

## **I SMALL SCALE INDUSTRIES**

### **1. PROMOTION, MARKETING, EXHIBITION AND PUBLICITY**

Budget Allocation 2017-18 : ₹ 200 Lakh

Under this scheme, the Govt. of Delhi organizes Trade Fairs and Exhibitions through DSIIDC. Basically, the major component of the outlay is spent on participating in India International Trade Fair at Pragati Maidan, held every year from 14<sup>th</sup> to 27<sup>th</sup> November. The Department of Govt. of NCT of Delhi set up stalls for publicity of various schemes and their performances. During the trade fair Delhi Day is celebrated. 15 Departments of GNCT of Delhi participated and showcased their achievement in the Trade fair organized during 2016.

Govt. of NCT of Delhi participates in Pravasi Bhartiya Divas through DSIIDC. Other Departments also participate in the mega event organized by Ministry of Overseas Indian Affairs, GOI to encourage the NRI to invest in industries.

## **II INDUSTRIAL ESTATE**

### **1. UP-GRADATION AND IMPROVEMENT OF CIVIC SERVICES OF INDUSTRIAL ESTATES / FLATTED FACTORY COMPLEXES – By PWD**

Budget Allocation 2017-18 : ₹ 10 Lakh (Capital)

Under the scheme, maintenance of buildings, sewer lines, internal roads, , repair and maintenance of electrical fittings and installation etc. of the following two weaver colonies are being carried out through PWD.

#### **a. Weavers Colony at Bharat Nagar**

Department of Industries has set up a Weavers Colony at Bharat Nagar in 1976 on an area of 4.84 acres of land where 28 work sheds were got constructed out of which 20 sheds have been allotted to Handloom Weavers Cooperative Societies and Cooperative Bank, on rental basis. 8 work sheds have been transferred and allotted to Weavers Service Centre, Govt. of India, Ministry of Textiles, Office of D.C. (Handlooms), Delhi.

**b. Weavers Colony at Nand Nagri**

Department of Industries has also set up a Weavers Colony at Nand Nagri in 1983 on an area of 1.58 acres of land where 8 work sheds were got constructed out of which 5½ sheds were allotted to Handloom Weavers Cooperative Societies and ½ Shed to Office purpose and Design Cell, ½ shed to Delhi State Cooperative Bank and 1½ sheds to Society for Self Employment on rental basis.

**2. UP-GRADATION AND IMPROVEMENT OF CIVIC SERVICES OF INDUSTRIAL ESTATES/FLATTED FACTORY COMPLEXES – By DSIIDC**

Budget Allocation 2017-18 : ₹ 2000 Lakh (Loan)

1. Industrial Areas/Estates, Flatted Factory Complexes have been developed by various agencies namely Delhi State Industrial & Infrastructure Development Corporation Limited (DSIIDC), Delhi Development Authority and Industrial Cooperative Societies in the past. The maintenance of these Industrial Areas / Estates, Flatted Factory Complexes had been with the respective development agency.
2. There are 29 planned industrial areas/estates and five flatted factory complexes in Delhi. The overall condition of industrial areas/estates though is deplorable.
3. DSIIDC has been assigned with the responsibility for Development, Operation and Maintenance of the industrial clusters in Delhi. To empower DSIIDC and to make special provision for securing the orderly establishment of industrial areas/estates and their management, operation and maintenance in the NCT of Delhi, the Legislative Assembly had enacted the Delhi Industrial Development, Operational and Maintenance (DIDOM) Act 2010. This legislation meets the need for Institutionalizing legal arrangement for development and maintenance of industrial infrastructure in Delhi. The DSIIDC had created Industrial Development, Operation and Maintenance Fund with ₹ 74 crore of seed capital for the discharge of its function under the Act. Rules under the Delhi Industrial Development, Operation and Maintenance Act 2010 have been notified on 11<sup>th</sup> November 2011.
4. The DSIIDC has created a subsidiary company called DSIIDC Maintenance Services Ltd for maintenance of entire industrial clusters in Delhi to keep

the Industrial Estates in good working condition in terms of quality and service level standards.

5. Govt. had approved redevelopment and upgradation of roads & drains in 10 industrial areas namely Wazirpur, Badli, Jhilmil, G.T. Karnal, Lawrance Road, Kirti Nagar, Mayapuri Phase-II, Udyog Nagar, Mangolpuri Phase-I and Moti Nagar Industrial Area at a cost of about ₹ 169 crore during 2014-15. Against this about, ₹ 157 crore was released to DSIIDC till 2015-16.

### **III DELHI KHADI & VILLAGE INDUSTRIES BOARD (DKVIB)**

#### **1. GRANT-IN-AID TO DELHI KHADI & VILLAGE INDUSTRIES BOARD**

Budget Allocation 2017-18	:	₹ 510 Lakh
Revenue	:	₹ 470 Lakh
Capital	:	₹ 40 Lakh

Delhi Khadi & Village Industries Board was established in 1983. The main aim of the Board is to promote and popularize Khadi & Village products and create awareness among the masses and also to generate employment. The Board act as implementing agency of Khadi & Village Industries Commission (KVIC), Govt. of India schemes in Delhi. Board organize exhibitions, fairs, seminars and public education pogrammes to promote schemes and the sale of Khadi's and village industries products. The Board is implementing 02 employment generation schemes (i) Rajiv Gandhi Swavlamban Rozgar Yojana (RGSRY) and (ii) Prime Minister Employment Generation Programme (PMEGP). During 2016-17, the Board has disbursed a loan of ₹ 55.07 lakh to 21 units against the target of 15 units under RGSRY. ₹ 61.90 lakh has been disbursed as Margin Money to 41 units under PMEGP.

The Board is getting 100% Grant-in-Aid from Govt. of Delhi to meet all its Admn. & Estt. expenditure..

#### **2. RAJIV GANDHI SWAVLAMBAN ROZGAR YOJNA**

Budget Allocation 2017-18	:	₹ 130 Lakh
Revenue	:	₹ 5 Lakh
Loan	:	₹ 125 Lakh

This loan scheme has been approved by Govt. of Delhi to be implemented by the Delhi Khadi and Village Industries Board from the year 2004-05. A financial assistance in the shape of loan upto ₹ 3.00 lakh is provided under this scheme for generation of sustainable self employment opportunities for new as well as exiting entrepreneurs for setting up or expansion of their trade/business. Govt. of Delhi would provide subsidy @ 15% of the project cost subject to ceiling of ₹ 7500/ per entrepreneurs to be adjusted to the borrowers loan account after a period of two years from the date of disbursement of loan. School/ College dropouts above the

age of 18 years, individual entrepreneurs, trade professionals, and artisan can avail loan under the scheme for eligible projects pertaining to secondary, tertiary sector. Under the scheme ₹55.07 lakh has been disbursed to 21 beneficiaries during 2016-17. Department has set a target to provide financial assistance to 50 units during 2017-18.

### **3. ORGANIZATION OF EXHIBITIONS**

Budget Allocation 2017-18 : ₹ 10 Lakh

To promote sale of Khadi & Village Industries products and to make them easy available at door steps of the consumers especially during festival season, the Board proposes to organize exhibitions at various strategic locations of Delhi. The duration of these exhibitions will be seven to ten days. The motive of the scheme to provide marketing platform to units financed either by Board or KVIC.

### **4. OPENING OF SHOPS**

Budget Allocation 2017-18 : ₹ 1 Lakh

Govt. of Delhi vide Cabinet Decision No.1883 dated 30-04-2012 has decided to allot 19 shops to Delhi Khadi & Village Industries Board located at Sub ways and Govt. colonies at nominal rent basis. The work related to renovation and furnishing of these shops including furniture, fixtures, fittings and other basic infrastructure etc is to be undertaken from this head. However, the shops have not been allotted by PWD till date. Presently, two shops are being run by the Board located at Delhi Secretariat and Udyog Sadan, Patparganj.

### **5. PUBLICITY PROGRAMME**

Budget Allocation 2017-18 : ₹ 10 Lakh

To popularize the loan schemes being implemented by the Board and to give boost sale of Khadi & Village Industries products and Marketing assistance to entrepreneurs, publicity is undertaken through advertisements in newspapers and display boards at different locations.

### **6. REBATE ON SALE OF KHADI**

Budget Allocation 2017-18 : ₹ 1 Lakh

This rebate is granted to Registered Khadi Institutions on sale of Khadi products by them in NCT of Delhi. The rebate is in addition to rebate being provided by KVIC, Govt. of India. The GNCTD has approved revised Marketing Development Assistance (MDA) scheme from 2011-12 onwards.

## IV HANDLOOM INDUSTRIES

### 1. PROMOTION OF HANDLOOM

Budget Allocation 2017-18 : ₹ 12 Lakh

Revenue : ₹ 10 Lakh

Loan : ₹ 2 Lakh

Under the scheme of promotion of handlooms, the following programs are being implemented:-

- **Financial Assistance to Delhi sponsored candidates for training at IIHT:-**

Financial assistance of ₹ 1000/-, 1100/- & 1200/- p.m. (tenable for 10 months) as stipend is given to 08 students of I, II & III year of Delhi State Sponsored Students studying for 3 year diploma in Handloom & Textile technology at Indian Institute of Handloom Technology, Jodhpur. The stipend is equally shared by Central & State Govt. on 50:50 matching basis. Besides this Delhi Govt. is giving ₹ 400/- per month as additional State stipend. ₹1000/- per year per student as education tour / project / books allowance for only IInd & IIIrd year.

- **Comprehensive Handlooms Development scheme [CHDS]:-**

For promotion of marketing of handloom goods a marketing incentive @ 10% is given to Handloom Co-operative Societies under CHDS of cluster Development Programme in the ratio of 50:50 between Center and State Govt.

- **Loan- cum- grant for modernization of handloom in the cooperative societies**

For modernization of Handloom, loan cum grant of ₹50000/- is given per Handloom co-operative society for modernization, purchase/ renovation of looms as 2/3 loan and 1/3 grant.

- **Handloom Weavers Welfare Scheme:**

For implementation of Health Insurance scheme for weavers, it has been merged with Rashtriya Swasthya Bima Yojna (RSBY). The Health Insurance Coverage under the scheme is Rs. 37,500/- per family per year. Under Mahatma Gandhi Bunkar Bima Yojna, Pradhanmantri Jeevan Jyoti Bima Yojna and Pradhanmantri Suraksha Yojna, an insurance coverage of Rs. 60,000/- is given to Handloom weaver on his natural deaths. Both these schemes are Centrally Sector/ Sponsored Scheme

- **One time financial package for loan waiver :**

Under this scheme, for revival, restructuring and re-formulation of handloom co-operative societies, loan waived by Central and State Govt. Between 80:20 ratio on principal amount and interest over due.

## **V HANDICRAFT**

### **1. PROMOTION OF HANDICRAFTS**

Budget Allocation 2017-18 : ₹ 8 Lakh

To promote, preserve and encourage the handicraft artisan works and appreciate the outstanding work carried out by handicraft artisans, a scheme had been introduced to give State award to outstanding handicraft artisans of Delhi. The awards are being given every year to crafts persons in recognition of their outstanding contribution.

<b>S. No.</b>	<b>Category of Prize</b>	<b>No. of Awards</b>	<b>Rate of Award</b>
1.	State Awards	03	₹ 30,000/-each+ Angvastram and certificates
2.	Merit Awards	05	₹ 20,000/- each+ Angvastram and certificates

Besides this, GNCTD recommended every year approx. 10 craft persons for National Award and Shilp Guru Award for selection at National level and also craft person of Delhi are being recommended for participation in various exhibitions like Delhi Haat, Suraj Kund Mela etc..

### **CENTRALLY SPONSORED SCHEME**

#### **1. COLLECTION OF STATISTICS OF SMALL SCALE INDUSTRIES**

Budget Allocation 2017-18 : ₹ 1 Lakh

The plan scheme "Collection of Statistics of Micro, Small & Medium Enterprises (MSMEs)" formerly known as Collection of Statistics of Small Scale industries (SSI) is a 100% Centrally Sponsored Scheme being implemented in collaboration with Industries Department of GNCTD. The scheme was started during 5<sup>th</sup> FYP in 1975 with the objective to collect, compile and disseminate statistical data/information on small scale industrial sector. The fund under the scheme utilized for survey of Small Scale Industries and salary of Statistical staff engaged in the said survey.

The fund under the scheme has not been released by GOI since 2012-13.

## **2. REBATE ON SALE OF HANDLOOM CLOTH**

Under this scheme, 100% expenditure is met out by Central Govt. @ 10% rebate on sale of handloom cloth sold by handloom cooperative agencies. The scheme has been winded up by Central Govt. w.e.f. 1-04-2006. However, Central Govt. sanctioned pending arrear amount ₹ 1.93 crore to Delhi Govt. in the year 2011-12. But GOI had withheld the entire amount till finalization and outcome of enquiry report. Consequent upon clearance from CVC and Ministry of Textile, GOI, the fund has been released by Delhi Govt. to beneficiaries in 2015-16.

## **3. PROMOTION OF HANDLOOMS FOR DEEN DAYAL HATHKARGHA PRO TSAHAN YOJNA**

Budget Allocation 2017-18 : ₹ 35 Lakh

Presently, Comprehensive Handlooms Development Scheme (CHDS) has been formulated by merging all the major components of the schemes namely Integrated Handlooms Development Schemes (IHDS), Marketing and Export Promotion Scheme (MEPS) and Diversified Handloom Development Scheme (DHDS) implemented during the 11th plan. Under the scheme marketing incentive is given to handloom co-operative societies @ 10% of the average sales turnover of the three previous years. The sharing pattern is 50:50 basis between Central and State Govt. The scheme is for the handloom cooperative society having handloom mark and yarn is purchased from NHDC.

Prior to CHDS and IHDS, the scheme was in operation during 2000-2007 in the name of “Deen Dayal Hathkargha Protsahan Yojana (DDHPY)” with the same objective and funding pattern for marketing incentive to the Handloom Cooperative agencies.

GOI had sanctioned ₹ 3.31 crore as its share towards marketing incentive component of “Promotion of Handloom for Deen Dayal Hathkargha Protsahan Yojana” payable to various primary handloom weavers cooperative societies and apex federation. The said amount has been withheld by CVC/ GOI till the outcome and finalization of enquiry report. Consequent upon clearance from CVC and Ministry of Textile, GOI, the fund has been released to the Industries Department for disbursement of the same to Handloom Cooperative Agencies as per procedure.

## **4. INTEGRATION OF SERVICES WITH eBiz PORTAL**

Budget Allocation 2017-18 : ₹171 Lakh

Government of India has been making efforts on several fronts to improve the investment climate in the country by simplifying the procedures for grant of approval, by reducing the delays by re-engineering the regulatory processes prescribed under various legislations etc., The Department of Industrial Policy and Promotion (DIPP), GOI has taken up e-Biz project, main purpose of which is to create one stop shop of convenient and efficient online G 2 B services to the business community. The e-Biz project addresses the business life cycle and aims to transform the business



environment by providing integrated online services of businesses across all levels of Government-Central, State and Local. This project has been conceptualized benchmarking with global best practices for similar initiatives in Canada, Singapore and Australia.

Initially the project has identified 24 services which will be provided through e-Biz portal. In first phase, Govt. of Delhi has given approval to implement 7 services comprising 3 Departments through Composite Application Form (CAF). Remaining 17 services shall be implemented in second phase.

An amount ₹ 172.06 lakh has been released by GOI during 2013-14.

## **5. NATIONAL MISSION ON FOOD PROCESSING (NMFP)**

Budget Allocation 2017-18 : ₹ 1 Lakh

Ministry of Food Processing Industries (MFPI) has launched a Centrally Sponsored Scheme “National Mission on Food Processing (NMFP)” during 12<sup>th</sup> FYP in 2012-13 for implementation through State/UTs. The NMFP contemplates establishment of a National Mission as well as Mission in the State and District level. Funding pattern of the scheme is in the ratio of 75:25 (Govt. of India and States) except for North Eastern States, where the ratio is 90:10. However, 100 % grant is being released to Delhi by GOI under this scheme. Organizations such as Govt./PSUs/Joint Ventures/NGOs/Cooperatives/SHGs/Private Sector apply for grant under the scheme.

### **Objectives of the Scheme:**

- To promote facilities for post-harvest operations including setting up of food processing industries.
- To undertake decentralization in the implementation of the schemes so far implemented by the MOFPI in order to take into account the requirements suitable to the local needs;
- To augment the capacity of food processors working to upscale their operations through capital infusion, technology transfer, skill Up gradation and handholding support;
- To support established self-help groups working in food processing sector to facilitate them to achieve SME status;
- Capacity development and skill upgradation through institutional training to ensure sustainable employment opportunities to the people and also to reduce the gap in requirement and availability of skilled manpower in food processing sector;
- To raise the standards of food safety and hygiene in order to meet the norms setup by FSSAI;

- To facilitate food processing industries to adopt HACCP and ISO certification norms;
- To augment farm gate infrastructure, supply chain logistics, storage and processing capacity;
- To provide better support system to organized food processing sector.

An amount of ₹ 2.05 crore was allocated and released during 2012-13 by GOI to GNCTD.