

## CHAPTER – VI

### INDUSTRIES & MINERALS

#### 6.1. VILLAGE & SMALL INDUSTRIES

6.1.1. **The Tenth Plan proposed Outlay for this Sector is Rs.2000.00 lakhs and the outlay proposed for 2002-03 is Rs. 250.00 lakhs.** As against the total Ninth Plan approved outlay of Rs.1600.00 lakhs, the anticipated expenditure is Rs.967.86 lakhs. The expenditure during 1997-98,1998-99,1999-2000 and 2000-01 being Rs.145,45 lakhs, Rs.198.26 lakhs, Rs.228.62 lakhs and Rs.195.53 lakhs respectively and the approved outlay during 2001-02 being Rs.200.00 lakhs.

#### 6.1.2 Programmes for the Tenth Plan & for 2002-03:-

(i) Most of the schemes/programmes under this Sector are continuing in nature and are being continued from year to year for which an amount of Rs.448.00 lakhs is kept for the Tenth Plan and Rs.40.00 lakhs for the Annual Plan 2002-03.

(ii) The 4(four) DIC at Williamnagar, Nongstoin, Baghmara and Nongpoh are implementing all the development and promotional schemes for the Industries Sector, which also includes implementation of the Training Programmes and Awareness Programmes to motivate and enable the youths of the State to set up their own little ventures for self-employment and also to take up other Industrial activities, are being continued. An amount of Rs.502.00 Lakhs is proposed for the Tenth Plan and Rs.100.00 Lakhs for 2002-03.

(iii) **Small Scale Industries:-** Under this scheme various developmental activities relating to Small Scale sector are taken up. The DIC besides looking after the development of Small Scale Industries in the State also conducts Entrepreneur Development Programmes and hold exhibition in different parts of the state for the benefit of the Entrepreneurs so as to enable them to market their products. Besides these programmes, financial assistance is also given to the Industrial Units/Entrepreneurs and others in the form of grant-in-aid and package scheme of Incentives. An amount of Rs.395.00 lakhs has been earmarked for the Tenth Plan and Rs.29.00 lakhs for 2002-03.

(iv) The MIDC is also looking after the implementation of the Industrial Estates set up in Jaintia Hills, Williamnagar, Tura, Nongstoin and provision of Rs.25.00 lakhs is kept for the Tenth Plan and Rs.7.00 lakhs for 2002-03.

(v) Financial Assistance is also given to the Khadi & Village Industries Board (KVIB) to meet the establishment costs and other related activities of the Board. During the Tenth Plan period an amount of Rs.200.00 lakhs is proposed and Rs.45.00 lakhs for the Annual Plan 2002-03.

(vi) **Handicraft:-** For development of handicraft sector in the State, the State Government assist the MHHDC in the form of Share Capital contribution. The scheme of Master Crafts Training is being implemented by the Board. It is proposed to allocate Rs 60.00 Lakhs for the Tenth Plan and 10.00 Lakhs for the Annual plan.

## **6.1.2. New Schemes of the Tenth Plan & Annual Plan 2002-03:-**

1. **Youth Development Fund Scheme (YDFS):-** As a supplement to the ongoing National Scheme of the Prime Minister's Rogzari Yojana (PMRY), the State Government proposes to introduce a new scheme, in line with PMRY, by creating a corpus fund to be placed with the State Directorate of Industries.

Under the above scheme of YDFS, Educated Unemployed Youths between the age group of 21-40 years, having completed a Degree, Diploma or , an ITI Certificate, could avail a composite loan upto Rs. 5.00 lakhs for starting any Industrial projects. The promoter's contribution would be to the extent of 5% of the total project cost, ceiling upto Rs.10.00 lakhs.

The scheme will be implemented by the DICs to be finally appraised and funded by the DICs.

An amount of Rs.160.00 lakhs has been proposed for the Tenth Plan (2002-07) for implementation of the above scheme, and the requirement for the Annual Plan 2002-03 is estimated at Rs.8.00 lakhs.

2. **State's Interest Subsidy Scheme (SISS):-** To relieve the cost and time over-run and the financial burden thereof, the State Government proposes to introduce a new scheme, to be called the State's Interest Subsidy Scheme (SISS). This will be in addition to the scheme already in existence under the Package Scheme of Incentives, as provided under the Industrial Policy, 1991. Such a step is likely to encourage the entrepreneurs for regular and timely payment of the principal and interest to the Banks or, the financial institutions.

This benefit will be available to new units, as per the criteria laid down by the Department. The quantum of subsidy will be available to a unit for a period of 5 years at the rate clearly indicated thereof. The Scheme will be operated from the corpus extended by the Government to the MIDC.

For the tenth Plan (2002-07), an amount of Rs.100.00 lakhs has been proposed for the said scheme, out of which Rs.5.00 lakhs is earmarked for the Annual Plan 2002-03.

3. **Integrated Infrastructure Development Scheme (IIDS):-** In order to promote and strengthen the Small, Tiny and Village Industries and to facilitate location of Industries in rural areas and also to promote stronger linkages between Agriculture and Industries, the scheme of Integrated Infrastructure Development, is introduced. It envisages development land with road, water, power, telecom, banks, facilities for raw materials, storage and effluent treatment plant to the units located in it.

Under the above scheme of IID, the State Government is to provide land and the central funding will be for the creation of the other infrastructural facilities.

During the Tenth Five Year Plan (2002-07) an outlay of Rs.50.00 lakhs is proposed for implementation of the scheme, and Rs. 3.00 lakhs for the Annual Plan 2002-03.

4. **Up-gradation of the Industrial Estates:-** Land at the Industrial Estate, Shillong, East Khasi Hills District, has been almost fully occupied. Looking into the increasing demand for Industrial plots, it is proposed to upgrade the existing Industrial Estate by constructing multi-storied Industrial sheds so the available plinth area could be multiplied. The total 10<sup>th</sup> Plan outlay (2002-07) has been kept at Rs.50.00 lakhs and the Annual Plan Outlay 2002-03 at Rs.3.00 lakhs.

## 6.2 SERICULTURE AND WEAVING

6.2.1 **The Tenth plan (2002-2007) proposed outlay for this Sector is Rs. 1600.00 lakhs against which the Annual Plan 2002-03 proposed Outlay is Rs. 250.00 lakhs.** Against the Ninth Plan approved outlay of Rs.1600.00 lakhs, the expenditure for 1997-98, 1998-99, 1999-2000, 2000-01 were Rs.148.07 lakhs, Rs.164.33 lakhs, Rs.157.76 lakhs and Rs.161.16 lakhs respectively and the approved outlay for 2001-02 is Rs.115.00 lakhs.As such, the total anticipated expenditure for the Ninth Plan is Rs.746.32 lakhs.

### 6.2.2 **Present Status-**

Sericulture and Weaving are the two rural based cottage Industries of the State and practised by a sizeable number of people comprising mostly from weaker section(s). Rearing of Fri. and Muga is traditionally practiced in the past and presently by the rural people as a subsidiary Cottage Industry. The Muga silk yarn has a unique permanent natural golden colour and now world wide known as "Golden Fibre" This rare commodity found no where else in the world except Meghalaya and Assam. Hence, export potential.

However, inspite of enormous export potential, the sector could not make much progress due to numerous constrains which attributed to slow pace development. The pressing problems leading to stagnation of development are highlighted below:-

#### (A) **Sericulture Sector:**

- (i) The practice of old mulberry silks worm seeds of low yielder which is susceptible to diseases for production of seed cocoon/reeling cocoons is still continued and practised today.
- (ii) The mulberry plantation have become too old and cannot sustain to produce sufficient leaves requirement.
- (iii) Shortage of leaves lo feed the silk worms in absence of regular systematic plantation at beneficiary level.
- (iv) Lack of seed organisation system coupled with inadequate supply of Eri and Muga seeds.
- (v) Absence of organised marketing support system.
- (vi) Non-adoption of reeling/spining activities at the private level.
- (vii) Sericulture village rearers being small and marginal farmers with poor and weak financial resources cannot procure the required inputs and construct a separate rearing house.

(viii) The rundown in-frastructural facilities support of the farms/centres is also one of the main reason attributed to low performance.

**(B) Handloom Sector:**

(i) Non-availability of good quality yarn at reasonable prices as and when required coupled with shortage of yarn is one of the major problems leading to slow pace development.

(ii) Dearth of weaving shed or separate space for weaving activities is also one of the reasons that limited the production of fabrics.

(iii) The shortage and lack of suitable improved looms in the state.

(iv) The handloom weavers being small and marginal weavers and poor cannot construct a separate weaving shed of their own resources.

(v) Marketing of handloom products are generally confined for domestics consumption and continues to remain as part time occupation.

(vi) The run-down infrastructural facilities support of the handloom production centres /pilot handloom weaving centres and other centres is also one of the factors leading to the low performance.

**6.2.3. TENTH PLAN TARGETS:-**

**A. SERICULTURE SECTOR:**

Sl. No.	Tenth Plan Physical Target (2002-2007)	Annual Plan Physical Target (2002-03)	Tenth Plan (Financial Target (2002-2007)	Annual Plan Financial Target (2002-03)
i.	Coverage of addl. 300 ha under Mulberry plantation and improve 333 hectares of productive hectarage	127 ha		
ii.	Increase addl. Coverage of 2400 ha Eri plantation and improve 131 ha productive hectarage	493 ha		
iii.	Increase addl. Coverage of 282 hectares under Muga plantation and improve 113 ha of productive hectarage	79 ha		
iv.	Produce 46MT of Mulberry Raw Silk	1.54 MT	Rs.793.00	Rs.150.00
v.	Produce 120MT of Eri Spun Yarn	23.97 MT		
vi.	Produce 5MT of Muga Raw Silk	0.862 MT		
vii.	Impart technical and magerial to 100 educated Entrepreneurs	20 nos.		
viii.	Organised training programme to 8205 farmers/ Reelers/ Spinners etc.	1641 nos.		

**B. HANDLOOM SECTOR :**

i.	Increase production of 360.00 lakh sq.meters of handloom fabrics	72.00 lakh sq.m		
ii.	Impart technical and managerial training to 100 handloom educated entrepreneurs	20 nos.	Rs. 807.00	Rs. 100.00
iii.	Intensify silk training to 1680 silk weavers	336 nos.		
iv.	Impart training on latest weaving technology to 1000 progressive weavers	200 nos.		

**C. Generate Addl. Employment**

a	Sericulture = 8,205 families	1666 Nos.		
b	<u>Handloom = 7,680 families</u>	<u>556 Nos.</u>	<u>2222</u>	
	Total = 15,885 families	Nos.		

**D. Generate Income Generation (proposed)**

a	Sericulture =Rs. 50.39 crores	Rs. 1.78 crores		
b	<u>Handloom =Rs. 108.00 crores</u>	<u>Rs. 4.32 crores</u>		
	<u>Total =Rs. 158.39 crores</u>	<u>Rs. 6.10 crores</u>		

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<b>Total</b>	<b>Rs. 1600.00</b>	<b>Rs. 250.00</b>
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**6.2.4. Productivity in per unit area :**

**I. Sericulture Sector :-**

Under Mulberry, the raw silk production in per unit area will be increased from present level of 25.7 kg/hectare to 214kg/hectare against 290 of National norms average.

In respect of Eri, the spun yarn production will be increased from negligible present level production to 64kg/hectare.

The production of Reeling cocoon in per unit area in case of Mulberry will be increased from the present level of 360kgs/ hectare.

Under Eri, the spun yarn production will increased from the present level of negligible production to 40 kgs/hectare.

In respect of Muga the reeling cocoon will be increased from the present level of 10,260 Nos./acre to 30,000 Nos. acre.

## **II. Handloom sector :**

The proposed programme for Handloom Weaving in the coming Xth. period sought to intensify 80% of the total production of handloom fabric will be on silk weaving production of handloom fabric will be on Silk Weaving

The productivity per loom per day on silk weaving is sought to increase from 1sq.m/day/loom to 2sq.m/day/loom whereas on cotton fabric etc. productivity will increase from 2 sq.m/loom/day to 5 sq.m/loom/day on National average.

### **6.2.5. Recommendation of Working groups :**

The draft action plan of the xth five year plan has been drawn up on the basis of the Recommendation of the field level working group consisting of the expert panel of District Officer assisted by the grass root field functionaries.

Besides, the recommendation of the above field level working group, the recommendation of the duly constituted state level working committee under the chairmanship of the Director, N.E. Central Silk Board, Guwahati Assam consisting of the Senior officials of the Department and the Central Silk Board is also being incorporated in the Xth Plan.

### **6.2.6. Strategy and Policy initiative**

In spite of grim situation, the fact remains that silk is a rare commodity and other fibres cannot match the image of the queen of textiles.

The Xth Plan proposal has been drawn up by incorporating the recommendations of the working groups to overcome the confronting problems and constraints. The following are the plan of action adopted in the coming Xth Five year plan.

i) Motivate and encourage the sericulture farmers to grow more silkworm host plant plantation and also to Introduce the vegetative fencing in their individual plantation so as to protect the plantation from cattle menace.

Initiate to provide rearing house/shed to mulberry cocoon growers on joint sharing basis with the Central Silk Board the Department and the beneficiary on 50:50 ratio.

ii) At Departmental Mulberry Seed Farms, to replace the old exotic Mulberry silkworm races by CSR Bivoltine Hybrids and also to procure latest equipments of eco-friendly for maintaining optimum temperature and humidity in the seed rearing house of the Department including establishment of model grainage at Foreign Race Seed Station; Moodymmai.

The old mulberry plantations in the mulberry seed farms to be replaced by high yielding variety of the Central Silk Board and also to popularise and promote of Kissan Nurseries at farmers level for raising of high yielding varieties including Eri and Muga Nurseries for self employment.

iii) Under non-mulberry sector to organise Private grainers for production of diseased free seeds.

iv) Establishment of Reeling and Spinning units at Private level for production of silk yarn for meeting the silk yarn demand under handloom sector.

Besides modernization of silk reeling units at Ummulong and Dilma for training purposes.

v) Modernize the Eri spinning centres and Muga Reeling units by latest motorised /pedal Eri spinning wheel and pedal/motorised Muga Reeling cum Twisting machine for training purposes.

vi) In view of growing demand of Muga Industry in Garo Hills, establish and convert the pilot extension centre Samanda, East Garo Hills into Muga P2 Seed farm for increase of production of Muga seeds.

vii) Intensify the training of progressive farmers/Weavers, Reelers, spinners educated and uneducated youth of both the sector for self job employment and provide assistance by way of credit support from financial institutions.

viii) The Departmental Silk Reeling (Mulberry and Muga) including Eri Spinning centres will intensify for imparting of training instead of raw silk production. However, during the non-training period, the reeling spinning unit will initiate the raw silk production at the minimum.

ix) The existing productive acreage for both mulberry and non mulberry including new schemes should have a plan programme/ schemes on similar pattern of UNDP sub-assisted programme which can yield faster and better production output, and also upgrade and support the run down infrastructural facilities of both the sector in a phase manner.

x) Organization of Marketing support mechanism at community level to initiate from the IIIrd. year of the Xth plan by providing marketing infrastructures etc and also strengthen the on-going schemes of both the sector to yield faster and better results. Avail credit support from NABARD for both the sector.

xi) Upgrade latest knowledge on Reeling and Spinning technology and depute technical staff for training to central Silk Technological Training and Research Institute, Central Silk Board Bangalore.

Depute technical staff to undergo capsule training programme on seed technology, Rearing Management, Disease and control etc. at Central Silk Board Training Institution.

Upgrade the Technical qualification by deputing candidates for M.Sc (Sericulture) and post graduate in Sericulture Management to Central Sericultural Training and Research Institute, Central Silk Board, Mysore, besides Post Graduate Diploma Sericulture Training Programme at Central Silk Board Training Institution, Herhampore/ Mysore/ Ranchi/ Jorhat

xii) Encourage the formation of self-help group for both Sericultural farmers and Weavers.

xiii) Intensify and promote silk weaving in a phase manner with introduction of new designs for silk and cotton and engage Designer consultant/Master Designer.

The old loom to be replaced with more efficient ones for better output and the existing infrastructure under Handloom production center and other demonstration centers etc. should confine to Handloom Technology Transfer unit cum-sale and service center and also close down Demonstration centres which are redundant.

xiv) Initiate marketing of silk fabrics through Private/Public retail outlets including setting up of handloom hats for promotion of sales of handloom fabrics.

xv) Set up mini dyeing and printing unit in a phase manner in every District Headquarters.

Encourage the use of vegetable dyes for improving the market ability of the product in the International markets.

xvi) To continue imparting training to certificate course holders including training of Entrepreneurs for self employment at H.T.I. Mendipathar and S.T.I. Ummulong.

Initiate to set up separate branch of mini handloom training school in the State capital on the IIIrd. year of the Xth Plan.

Decentralized training programme of the progressive Weavers of Khasi and Jaintia from Handloom Training Institute Mendipathar, to Weaving Training Classes of this area. and also intensify on Silk Weaving Technology training to Weavers.

Depute the handloom technical officials for training on Refresher courses outside the State for new technology application.

Upgrade the technical qualification of Handloom sector by deputation of fresh candidates for the Degree course "Bachelor of Textiles."

Arrange study tour and exposures of Sericultural farmers and Handloom Weavers outside the State.

xvii) Initiate assistance for external aided project of both the sectors.

xviii) Explore export potential of handloom silk fabrics and raw silk yarn.

### **6.3 . LARGE AND MEDIUM INDUSTRIES**

6.3.1. **The proposed Outlay for the Tenth Plan Period is Rs.10,000.00 lakhs and the amount proposed for the Annual Plan is 2002-2003 is Rs.1900.00 lakhs.** As against the approved Outlay of Rs.5800.00 lakhs for the Ninth Plan Period the total anticipated expenditure at current prices is Rs. 5967.00 Lakhs. The expenditure during 1997-98, 1998-99, 1999-2000 and 2000-2001 being Rs.302.67 Lakhs, Rs.571.00 Lakhs, Rs.790.00 Lakhs and Rs.2403.33 Lakhs respectively and the approved outlay during 2001-2002 being Rs.1900.00 Lakhs.

6.3.2. The Meghalaya Industrial Development Corporation (MIDC) of the State is implementing various schemes of this sector which are highlighted below :-



**1. Equity Participation To Projects:** In order to encourage setting up of industrial units, the Corporation actively participates in Equity Capital of new as well as existing industrial units depending on their merit. The quantum of participation, either in joint or, in private sector, vary from project to project, according to the size. The MIDC also participate in projects approved by the Single Window Agency. For the 10<sup>th</sup> Plan Period , a total of Rs.2500.00 lakhs is proposed, out of which the Annual Plan 2002-2003 proposed Outlay is Rs. 500.00 lakhs.

**2. Financial Operation :** The MIDC in its dual role as an Industrial Development Corporation (IDC) and the State Financial Institution (SFC) has been assisting entrepreneurs financially for setting up of economically viable projects and provides support assistance by way of term loan to the Industrial units of all categories. These term loans are again refinanced to the Corporation by the IDBI/SIDBI to the extent of 65 % of the disbursed amount and the balance are to be met from MIDC,s own resources. During 2000-01, the Corporation has disbursed term loans to 99 Nos. units amounting to Rs. 1010.17 lakhs, and against the above amount, SIDBI has refinanced only Rs. 500.00 lakhs. Upto 30.09.01, SIDBI has refinanced Rs. 200.00 lakhs only and the application pending is for Rs. 1500.00 lakhs per annum. As such , the total Plan Outlay proposed for the 10<sup>th</sup> Plan would be 1500.00 lakhs and for 2002-03 is Rs. 300.00 lakhs.

**3. Office Accommodation :** The MIDC has two Branch Offices at Tura and Jowai, in West Garo Hills and Jaintia Hills Districts respectively. Both these Branch Offices has been functioning in rented building s. It is , therefore ,to acquire lands at both these places and have permanent Office Buildings The 10<sup>th</sup> Plan Outlay for this purpose is proposed at Rs.250.00 lakhs and for Annual Plan Outlay it is proposed at Rs. 50.00 lakhs.

**4. Development Of Industrial Areas:** The MIDC , in its role of Agency functioness, takes up repair and maintenance\upgradation of infrastructures of Industrial Areas. The total area of the Industrial Area ,Barapani is 200 acres. Fund requires for various developmental works is estimated to be around Rs300.00 lakhs, of which the Annual Plan 2002-03 is Rs. 65.00 lakhs.

**5. Entrepreneurship Development Programme (EDP):-** Various programmes are being conducted under the scheme every year, the cost of each being between Rs.1.50 lakhs to Rs. 2.00lakhs. The Corporation has trained 650 Nos. of Entrepreneurs, out of which 45 have set up their Industrial Units. An amount of Rs.25.00 lakhs is provided for the 10<sup>th</sup> Plan and the amount proposed for 2002 – 03 is Rs.4.00 lakhs.

**6. Man-Power Training Scheme :** The Corporation implements this Scheme under two areas, viz, I) Stipendiary Support ii) Inplant Training.

**Stipendiary Support:** Stipend @Rs.500.00 p.m. per student is given to undertake studies in specialized field, like Engineering, Computer Science, and Chartered Accountant and Management Course , etc.

**Inplant Training :** In order to support the local industrial units with trained man-power like Burners, Chemist of Cement Plants, High Pressure Welding, etc. the Corporation sponsors local youths for undergoing inplant training. The fund requirement for the Tenth Plan is Rs. 30.00lakhs and Rs.6.00 lakhs for the Annual plan 2002-03.

**7. Preparation Of Project Feasibility Reports:** The MIDC has taking up identification and preparation of Project/Feasibility Reports, in identified thrust areas so as to encourage local entrepreneurs to set up viable industrial project .The total 10<sup>th</sup> Plan Outlay is proposed at Rs.50.00 lakhs with the Annual Plan 2002-2003 Outlay proposed at Rs.10.00lakhs.

**8. Industrial Growth Centre :** The Govt. has approved setting up of the Industrial Growth Centre, at Mendipathar, in East Garo Hills district, covering an area of 182 hectares. Funds to the extent of Rs.405.00 lakhs inclusive of Rs.50.00 lakhs from the Govt. of India was placed with the MIDC. An amount of Rs.29.51 lakhs have been incurred for contour survey, sub-soil investigation, advance for land acquisition , preparation of project reports, etc. leaving a balance of Rs,375.49 lakhs. The Garo Hills Autonomous District Council had estimated the land acquisition cost at Rs 353.00 lakhs, thereby escalating the project cost by a further amount ofRs.805.00 lakhs. As such, the revised project cost of Rs.2,605.00 lakhs stands against the original cost of Rs.1,800.00 Lakhs. An amount of Rs.500.00 lakhs is proposed for the 10<sup>th</sup> Five Year Plan, of which the Annual Plan outlay for 2002-2003 is Rs.50.00 lakhs.

**9. Package Scheme Of Incentives :-** As announced in the Industrial Policy,1997, a Package Scheme of Incentives have been declared for both the Small Scale and Large & Medium Scale Sectors. Such incentives, no doubt, encourages the local industrial units by way of relieving them from financial burden to a great extent. Accordingly, an amount of Rs.1500.00 lakhs is proposed for this Scheme for the 10<sup>th</sup> Five Year Plan (2002-2007) and an outlay of Rs.310.00 Lakhs is proposed for the Annual Plan: 2002-2003.

**10. Publication And Publicity :** The fund requirement under this scheme is for meeting the expenses pertaining to publication of booklets, pamphlets, advertisements and other promotional activities relating to industrial development in the State. It also includes expenses on visits of dignitaries, holding of meetings and conferences, etc. from time to time. An amount of Rs.40.00 lakhs is proposed for the 10<sup>th</sup> Five Year Plan (2002-2007), out of which Rs 5.00 lakhs is the outlay for 2002-2003.

**11. Export Promotion Industrial Park (EPIP) :** The management of the Export Promotion Industrial Park (EPIP) has been with the Meghalaya Industrial Development Corporation (MIDC) with effect from 31-03-2001. The total developed area in the EPIP, so far, is 64.47 acres. Due to increase in demand of plots, a number of units have been allotted plots in the undeveloped areas at Narbong. This has necessitated construction of approach roads, etc. Also, since parts of the E.P.I.P. is low lying areas, contour drains have to be provided to drain out water through the sluice-gates. An outlay of Rs.255.00 Lakhs is proposed for the 10<sup>th</sup> Plan (2002-2007) and an outlay of Rs.50.00 Lakhs is proposed for the Annual Plan 2002-2003.

**12. Maintenance Of Sub-Sidiary Units :** The MIDC has three Sub-Sidiary Companies, viz.-

- (i) Meghalaya Bamboo Chips Ltd.
- (ii) Meghalaya Watches Ltd. and
- (iii) Meghalaya Electronics Development Corporation Ltd.

All the above three units are sick, having the problems of their own. The status of each is given below :

(i) **Meghalaya Bamboo Chips Ltd.:** The unit was closed for a number of years. But, it has been rehabilitated. With the restoration of regular power supply, the unit is expected to function satisfactorily. The total financial involvement is estimated at Rs.108.00 lakhs, for revival of the unit.

(ii) **Meghalaya Electronics Development Corporation Ltd.:** This Company presently, is negotiating with some parties for a joint venture project, for assembling of telephones from bought out components. A number of offer for repairs and supply have already been received from the Deptt. Of Telecommunication, Govt. of India the Director General of Assam Regimental Centre and others. A sum of Rs.64.00 lakhs is proposed for the 10<sup>th</sup> Plan Period.

(iii) **Meghalaya Watches Ltd.:** The Company has been closed for the past 7 years. The MIDC has been providing the Company With financial assistance of Rs.4.00 Lakh per month or, Rs.48.00 lakhs per annum, which is required to sustain the Company till such time as the final decision on the future of the Company is taken up. The proposed outlay for this scheme during the Tenth Plan (2002-2007) is Rs.250.00 lakhs and the proposed outlay for the Annual Plan 2002-2003 is Rs.50.00 Lakhs.

### 6.3.3. **New Schemes/Projects for the Tenth Plan (2002-2007):-**

1. **Special Economic Zone, Lumshnong, Jaintia Hills District:** Economic liberalization has brought about a significant shift in the policy of the Central Government towards the North Eastern Region. In order to foster a balanced economic growth, the industrial sector has been accorded special thrust. To encourage commerce with the neighbouring South Asian and South East Asian countries through industrial activities in this region, a Scheme under the Special Economic Zone has been formulated. The facilities granted under the Scheme for setting up of industrial unit in the Special Economic Zone are much more liberalized and conducive for attracting investments.

It is, therefore, proposed to have a Special Economic Zone at Lumshnong in the Jaintia Hills District, which is situated by the side of the NH-44 and is 100 kms. from the District Headquarter of Jowai, and covers an area of 200 acres (approximately). The proposed outlay for the Tenth Plan(2002-2007) is Rs.2000.00 Lakhs and the proposed outlay for the Annual Plan Outlay ( 2002-2003) is Rs.300.00 lakhs.

2. **Food Park :** Meghalaya is predominantly an agricultural State where more than 85 % of its population in the rural areas depends on agriculture for livelihood. Food Processing Industries offers a significantly potential for growth and development considering the vast agricultural, horticultural and animal based industrial products that is in demand.

It is, therefore, proposed to set up a separate Industrial Area strictly for the Food Processing Sector for the Storage, Preservation ,Processing and Packaging and Allied Industrial Units would be allowed to be set up. The Total Project Cost is estimated to be Rs.2,341.00 lakhs, including the cost involvement for land acquisition @ Rs.6.53 lakhs per acre for 100 acres amounting to Rs.653.00 lakhs. The proposed outlay for the 10<sup>th</sup> Plan (2002-2007) is Rs.800.00 Lakhs and the proposed outlay for the Annual Plan 2002-2003 is Rs.200.00 Lakhs.

## 6.4. MINING AND GEOLOGY

6.4.1. **The proposed outlay for the Mining & Geology Sector for the Tenth Plan (2002-07) is Rs. 800.00 Lakhs and the proposed outlay for the Annual Plan 2002-2003 is Rs. 160.00 Lakhs.** As against the Ninth Plan approved outlay of Rs. 1200.00 Lakhs for this sector, the total anticipated expenditure is Rs. 600.82 Lakhs. The expenditure during 1997-98, 1998-99, 1999-2000 and 2000-2001 being Rs.104.06 Lakhs, Rs.100.22 Lakhs, Rs.131.47 Lakhs and Rs.123.07 Lakhs respectively and the approved outlay during 2001-2002 being Rs.142.00 Lakhs.

6.4.2. **Mineral and Geological Status:-** The State have a rich deposits of various minerals like Industries, Coal, Koalin, Sillimanite, Clay, Fire-clay, glass-sand, quartz, feldspar and granite. Extensive exploration of these mineral resources is being taken up. In order to assess the potentiality of such deposits detailed survey and drilling are taken up. With a view to facilitate belting up of mineral based Industries, Geological/feasibility Reports are being prepared. Such geological data have helped in the growth of several mining activities in the State. Besides the exploration of Mineral Resources, it is also proposed to continue to explore the ground water potentiality in the problem villages for drinking and irrigation purposes and also continue to study the geo-technical problem such as land slide and dam construction, bridge construction etc.

6.4.2. **Strategy for the Tenth Plan (2002-2007):-**During the Tenth Plan period, the entire existing on-going scheme will be continued. More infrastructures will be created to accelerate these Mining activities in the State. While formulating the Tenth Plan (2002-2007) proposal, care has been taken to reflect the national priorities such as employment generation, strengthening of infrastructure facilities, effective decentralization and resource mobilization. Emphasis will also be given for speedy evaluation of minerals deposits into proved category, potentiality of ground water and for solving the geo-technical problem of the State etc.

In addition to these, administration of mines and minerals and collecting royalty and cess on major minerals are also being taken up. It is proposed to take over the administration of minor minerals also during the Tenth Plan period on finalization of the State Minor Mineral Concession Rules with a view to avoid multiplicity and confusion in the administration of mineral of both categories i.e. major and minor minerals. More emphasis will be given on resource mobilization on mineral revenue by creating additional infrastructure during the Tenth Plan period.

6.4.4. The proposed outlays for the continuing schemes during the Tenth Plan (2002-2007) and Annual Plan (2002-2003) are detailed below:-

1. **Direction & Administration, Computerization etc:-** There are 2(two) components under this (i) General administration (ii) Administration of mines and minerals and collection of revenue on major minerals of the State. There are 5 (five) nos. of unit under this scheme and these are - (a). Geology & Mining Establishment, (b). Branch Office at Tura, (c). Divisional Mining Office at Nongstoin, (d). Divisional Mining Office at Jowai, (e). Divisional Mining Office at Williamnagar.

During the Tenth Plan period it is proposed to finalize the State Minor Mineral Concession Rule, with a view to avoid multiplicity and confusion in the administration of mineral of both categories i.e. major and minor minerals. It is also proposed to create additional infrastructures, such as, installation of additional check-gates and computerization system. This computerization system will help in monitoring the collection of revenue, prevention of loss of revenue due to possible duplication of transit challans, loss of revenue due to over-loading of mineral carrying trucks and also reduce the discrepancies in the figures of collection of revenue of the Directorate and those of Accountant General Office. An outlay of Rs.320.00 Lakhs is proposed for the Tenth Plan and Rs.60.00 Lakhs for the Annual Plan 2002-03.

2. **Training:-** Under this scheme, local students are sponsored by granting scholarship for prosecuting higher studies in Earth Sciences. Besides sponsoring the students, training facilities to the technical in service employed is also offered through this scheme. These activities will continue during the Tenth Plan. Further, it is also proposed to train up some local entrepreneurs who are operating mining of coal, limestone, quartz etc., in unorganized sector, to motivate to start their mining operation in organized sector to avoid further degradation of environment in the present system of mining. A provision of Rs. 2.00 lakhs has been proposed for the Tenth Plan period and Rs. 0.30 lakhs has been kept for Annual Plan 2002-2003.

3. **Research & Development:-** Chemical analysis and petrological studies of the rocks, minerals, water samples etc., are carried out through this scheme, for assessing the quality of minerals from various deposits for their possible utility. This activity will continue by creating additional infrastructure i.e. man-power and sophisticated machineries during the Tenth Plan period. A provision of Rs. 60.00 lakhs has been proposed during the Tenth Plan. A provision of Rs. 12.00 lakhs has been proposed for the Annual Plan 2002-2003.

4. **Survey & Mapping:-** The Survey and Mapping of various minerals deposits is the main objectives of this scheme. This activity will continue during the Tenth Plan by creating additional infrastructure on man-power and machineries. It is also proposed to guide the local coal miners for systematic mining through this scheme during the plan period. A fund provision of Rs. 65.00 lakhs and Rs. 12.10 lakhs have been proposed for the Tenth Plan and Annual Plan (2002-2003) respectively.

5. **Mineral Exploration:-** The main objectives of this scheme are- (a) Intensive Mineral Investigation, (b) Preparation of Feasibility Reports on mineral based Industries, (c) Development of Mining Industries, (d) Intensive Ground Water Investigation and (e) Geo-technical studies. These activities will continue by creating additional infrastructure such as man-power and machineries during the Tenth Plan period. More emphasis will be given to intensify the investigation programme to bring the existing probable / possible reserve of minerals into proved category. Emphasis also will be given on Granite Investigation as dimensional Stone and investigation on Ground Water for irrigation and drinking purposes. The Directorate is also proposed to provide technical assistance / investigation on isolated small deposits of coal in the coal mines operated by coal miners on consideration of the suggestion of the State Planning Board from time to time on this matter. It is also proposed to continue to contribute Grant-in-aid for Development of mining industries to the Meghalaya Mineral Development Corporation (MIDC) against their proposed project on limestone, coal,

clay etc. A provision of Rs.200.00 lakhs during the Tenth Plan period has been proposed. Accordingly an amount of Rs. 38.60 lakhs has been proposed during the Annual Plan 2002-2003.

6. **Construction of Residential Building** :- During the Tenth Plan period, it is proposed to complete the construction of Residential Complex / houses for the officer and staff of its Divisional Mining Office, Williamnagar taken up during the Ninth Plan period. A provision of Rs. 25.00 lakhs has been proposed during the Tenth Plan period and Rs 5.00 lakhs for 2002-2003 Annual Plan.

7. **Investment in Public Sectors** :- The main objectives of the scheme is to promote mineral industries by contributing Share Capital to the State Mineral Development Corporation. The Meghalaya Mineral Development Corporation has completed the scheme, "Establishment of a coal depot at Jorabat, Ri-Bhoi District" with a view to enter into Coal Trading activities during the Ninth Plan period. The depot is however, remain in-operational due to failure of the Leases to utilize the Depot. But, there is due repayment to HUDCO against loan for this Project. Moreover, there is a need of working capital to the Corporation for their proposed project / schemes such as Limestone Export Project, Granite Cutting & Polishing Project, another Coal Depot Project in Garo Hills.

Therefore a fund provision of Rs.65.00 lakhs for the Tenth Plan is proposed against this scheme and an amount of Rs. 13.00 lakhs is provided in the Annual Plan 2002-2003.

8. **Installation of Weigh Bridge at Check-gates**:- There is a need to install electronic weigh-bridge at Check-gate for proper weightage of mineral transported through the different outlet. There are 13 (thirteen) nos. of check-gates at present in different outlet of the State for checking the transportation of major mineral. The weighbridge at Gasuapara check-gate, Garo Hills has recently been installed and fund was provided by the Border Development Department. The installation of Weighbridge at Dawki Check-gate, Jaintia Hills is under process. There is an urgent need to install at least another 3(three) Weighbridges – one each at Dainadubi, Garo Hills, Umkiang, Jaintia Hills and at Byrnihat, Ri-Bhoi District during the Tenth Plan period for which an amount of Rs.23.00 Lakhs is proposed and an amount of Rs.4.00 Lakhs for the Annual Plan 2002-03.

9. **Non-Residential Buildings**: - An amount of Rs.40.00 lakhs for the Tenth Plan with provision of Rs.15.00 lakhs during 2002-2003 has been proposed for this purpose.