

# **PREPARATION OF PROJECT PROFILES FOR RURAL INDUSTRIES FOR KVIC**



**2000**

**SUBMITTED BY:**

**PROFESSIONAL MANAGEMENT NETWORK, GUWAHATI**

# **EXECUTIVE SUMMARY**

## **TITLE OF THE STUDY**

### **PREPARATION OF PROJECT PROFILES FOR RURAL INDUSTRIES FOR KVIC**

#### **KAMRUP DISTRICT**

Rural Industry plays an important role in the overall economic development of the country. Being an industrially backward region, it is very important to give more emphasis for the growth and development of rural industries in the North Eastern Region. There is no dearth of local resources in the North Eastern Region but the resources are not used productively. To make optimum utilization of local resources, at the instance of Ministry of Small Scale Industries (SSI), Government of India, North Eastern Development Finance Corporation Limited (NEDFi) initiated a perspective plan to promote Rural Industries in the N. E. Region. Under the proposed scheme NEDFi is going to finance the potential rural industries under the specific list of KVIC and those of non-farming activities that can be taken up under NABARD for the prospective rural entrepreneurs.

The prospective entrepreneurs /beneficiaries of those Government sponsored schemes normally prepare their individual scheme by considering only the upper financial limit of the schemes. It is observed that neither the beneficiaries nor the implementing agencies consider the economic viability of the proposed projects. The concerned financial institution gets limited scope to appraise the projects to suit their prescribed norms. As a result in the present practice, majority of Government sponsored schemes have failed measurably. Considering the importance of the problems and also to have a clear picture of the viability of a project, NEDFi through its official communication TEDF/F-14/No.464 dated July 13, 2001 assigned Professional Management Network (PMN) to prepare 20 (twenty) PROJECT PROFILES 10 for each district of Kamrup and Nagaon, Assam. This report contains only the project profiles of Nagaon district. The projects profiles were prepared with an objective to give only a guideline to NEDFi at the time of appraising a project for finance. One should not consider these projects as detailed project report (DPR). Respective beneficiary will have to collect latest information regarding market, technology, raw materials, manpower infrastructure etc. at time of preparing their individual project report.

Kamrup district is industrially developed than any other districts of Assam. The kamrup district is known as the gateway of the Northeastern Region and most of the commercial activities of Assam controlled by the district . The district has 51 large and medium sector industries as on 1/01/2001 and 11230 nos registered SSI units .

## Large and medium industries in Kamrup district

( as on 1<sup>st</sup> January 1999)

SI No	Name & address	Item of production	Present status
<b>Central PSUs</b>			
1	Indian oil corporation, Guwahati Refinery Noonmati	Oil refinery	
2	National textile corporation Ltd Chandrapur, Guwahati	Cotton yarn	Sick
3	NEHHDC Dye House project Garchuk Charily	Yarn dyeing	Closed
4	HMT ltd (Miniature Battery project) patgaon, Guwahati	Miniature battery	Closed
<b>State public Sector</b>			
1	Assam tubes and conductors Ltd Bamunimaidan, Ghy-21	AAC/ACSR conductors	Sick
2	Assam state Chemical and Fertilizer Corporation Ltd , Chandrapur Guwahati	Sulphuric acid	Sick
3	Fertichem Ltd Bonda, Narengi, Ghy	NPK mixture	Closed
<b>State Cooperative sector</b>			
1	State Fed Vanaspati Plant, Tiptinagar, Ghy-21	Vanaspati ghee	
2	West Assam milk supply co-operative society Ltd	Cattle feed	

	Assam Polyster co-operative society Ltd , Tulshibari	PV yarn/fabric /processing	
<b>Private sector</b>			
	Kumar Iron and steel ltd , RG Road Ghy-24	MS rod & Tor steel	
	Assam flour mills GS Road Ghy	Wheat floor	
	Build worth (p) Ltd GS Road Ghy	PS tank /oil tankers etc	
	The Industrial gases ltd , Noonmati	Oxygen gas /AA glass	
	India carbon ltd, Noonmati Ghy	CPC, ECP & cut flower	

### Important industries

Some of the important industries in the district is shown below:

SI No	Type of industry
1	Flour mills
2	Biscuits
3	Soft drink
4	Vanaspati
5	Welding electrodes
6	CPC
7	Carbon block
8	LAMC/ Bee hive coke
9	GI sheet
10	AC sheet
11	LPG cylinder
12	Aluminum based industries
13	H.B wire
14	Wire nails
15	M/s Ignot & rolling mills
16	GI pipes
17	Vessels and burgess
18	Oil tanker
19	Jute mills
20	Leather
21	Cement
22	Floor titles

23	Hume pipes
24	Cotton yarn
25	Power loom
26	Polyster loom
27	Acrylic yarn
28	Electric transformer
29	Computer assembling
30	Paper
31	Computer paper
32	Tougher glass
33	Carbon paper
34	PVC pipes
35	Cables & conductors
36	Multiplayer plastic film
37	Rot moulded plastic tank
38	Plastic moulded products
39	Medicine
40	Saline
41	Caffeine
42	Rice bran oil
43	Industrial gases
44	Bleaching powder
45	Match splint
46	Hard board

The availability of resources in an area determines the importance of that area from the economic point of view. Based on the available resources, the economic commercial and industrial activities grow and developed. The level of development of these activities determines the socio-economic status of the people or in the other words indicates the level of the prosperity of the people. Natural resources both human and material resources and their proper utilization are paramount importance to an under developed economy.

The existing forests explored mineral deposits, lakes rivers and climate, the topography and the fertility and suitability of the land or soil of different agricultural uses. Some resources may be used for direct consumption such as fish, meat, milk food crops fruits etc., while some resources are converted into an number of end products through a chain of manufacturing activities.

## 10 YEARS PROJECTION FOR FUTURE DEVELOPMENT IN KAMRUPDISTRICT.

Sl.NO	Name of the Product	Sector	Development effect	Industrial status	Future scope
1	Cattle & Poultry feed	Agro based	Utilisation of local resource. Utilisation of Agro by product.	Few units	Few units' location wise can be promoted.
2	Fruit Processing	Agro based	Utilisation of seasonal agricultural product.	Few home scale units, The quality mark is very important.	More scope due to increase of domestic and export market.
3	Bee-Keeping & honey processing	Agro based	Extra income for rural population with less investment.	Few unit	More units can be promoted in rural semi urban areas.
4	Hand loom & Accessories	Resource based	Utilization of bamboo and season wood for textile sector.	Few units	Few unit locations wise can be promoted for the requirement of private Govt sector
5	Handloom textile	Skill based	skill of rural women can be utilized. Demand of export market can be explored.	Few commercial units	More scope with various type of design & colour combination. Scope for export promotion.
6	Mushroom Processing	Food based	The production of fresh mushroom can be utilized. Mush		
			agriculturist will be motivated.		

7	Spice packaging	Food based	Spice should be preserved in packed form. Few packaging unit can be encouraged Foreign earnings.	Few small units	More scope to develop quality base spice product
8	Jute bags	Demand based	Yarn making have to be encouraged.	Few units	More units with diversified product, jute shopping bags, there is a future scope due to environmental factor.
9	File Cover & File Board, Exercise Book, Book Binding.	Demand based	Paper from wastage. Paper Board from agro waste. Hand made paper industry may come up. Printing units may get more jobs.		
10	Cane & Bamboo	Skill based	There will be employment generation. Export potential	More unit	There is a scope for set up of few units as demand of Cane & bamboo product is increasing. It is treated as fashionable item.
11	Handmade paper	Resource based	Scope to utilize raw jute. Agriculture wastage.		

12	Packaging unit.		Re-cycle of old used paper. For packaging of tea spices etc. Demand for various products may be met through proper packaging.		Few units may be set up keeping in view of small packing.
13	Jute handicraft	Demand based	Handicraft items for various types commonly used in day-to-day life.	Few units	Few units may be promoted.
14	Bell metal	Skill based	Design & modernization of bell metal product should be encouraged.	Few units	Few units may be promoted with modernization with new product idea.
15	Fish meal	Agro based	As pisciculture is growing up, there is an ample scope for such types unit.	No units	Few units may be encouraged.
16	Ayurvedic medicine	Resource based	Natural grown herbals may be utilized for commercial use.	Few units	There is scope for developing few units' location wise.
17	Bakery	Food based	Dew to growth of demand for ready items in semi-urban areas.	Many units	Still there is scope keeping in view of the increase of consumption habit.



18	Envelop making & paper bags.	Demand based	Due to non-bio degradable and non-polluting effect.	Few units	Consumption is increasing due to environmental factor.
19	Reel unit	Demand based	Reel for handloom sector is increasing. There is scope for making reel of jute yam etc.	Few units	Few units can be promoted keeping in view of increasing of handloom product.
20	Potato chips	Food based	Consumption of potato chops is increasing.		Few units may be promoted.
21	Pottery	Skill based	Few units can be set up in rural areas nearby city especially for the alternative of plastic disposable glass, in tea stalls of cities. For requirement of flower tab etc.	Few units	Few units location wise can be set up.
22	Areca nut processing	Food based	Few units can be set in rural areas due to its	Few units	Few units can be set up location wise.
			good demand in outside the state as raw materials of.		

## NAGAON DISTRICT

Rural Industry plays an important role in the overall economic development of the country. Being an industrially backward region, it is very important to give more emphasis for the growth and development of rural industries in the North Eastern Region. There is no dearth of local resources in the North Eastern Region but the resources are not used productively. To make optimum utilization of local resources, at the instance of Ministry of Small Scale Industries (SSI), Government of India, North Eastern Development Finance Corporation Limited (NEDFi) initiated a perspective plan to promote Rural Industries in the N. E. Region. Under the proposed scheme NEDFi is going to finance the potential rural industries under the specific list of KVIC and those of non-farming activities that can be taken up under NABARD for the prospective rural entrepreneurs.

The prospective entrepreneurs /beneficiaries of those Government sponsored schemes normally prepare their individual scheme by considering only the upper financial limit of the schemes. It is observed that neither the beneficiaries nor the implementing agencies consider the economic viability of the proposed projects. The concerned financial institution gets limited scope to appraise the projects to suit their prescribed norms. As a result in the present practice, majority of Government sponsored schemes have failed measurably. Considering the importance of the problems and also to have a clear picture of the viability of a project, NEDFi through its official communication TEDF/F-14/No.464 dated July 13, 2001 assigned Professional Management Network (PMN) to prepare 20 (twenty) PROJECT PROFILES 10 for each district of Kamrup and Nagaon, Assam. This report contains only the project profiles of Nagaon district. The projects profiles were prepared with an objective to give only a guideline to NEDFi at the time of appraising a project for finance. One should not consider these projects as detailed project report (DPR). Respective beneficiary will have to collect latest information regarding market, technology, raw materials, manpower infrastructure etc. at time of preparing their individual project report.

Nagaon district is industrially quite gloomy. The industrial thinking in the district is very recent one . the district's economy is basically dependent on agriculture. Approximately 85% of the total population depend on agriculture and allied activities. The existing SSI units functioning in the district is mostly traditional type. There are two medium scale industries in cooperative sector, in private sector one medium scale industry and 2516 registered small scale/tiny units in the district as on 31.12.97.

### Large and medium industries in Nagaon district

( as on 1<sup>st</sup> January 1999)

Sl No	Name & address	Item of production	Present status
<b>State cooperative sector</b>			
1	Assam Cooperative Jute Mil Ltd, Silghat Nagaon	Sacking bags & jute twine	In operation
2	Kamrup cooperative Sugar Mills Ltd, Karup, Nagaon	Sugar	-do-
<b>Private sector</b>			

1	Jyoti Flour Mills, Hibargaon, Nagaon	Wheat product	-do-
---	---	---------------	------

### Important industries

Some of the important industries in the district is shown below:

Distribution of registered factories in Nagaon district, 1997

SI No	Type of industry
1	Manufacture of food product
2	Manufacture of cotton textile
3	Manufacture of wool, silk and synthetic fibre
4	Manufacture of jute hemp and mesta textile
5	Manufacture of wooden product, furniture & fixture
6	Manufacture of leather and leather fur
7	Manufacture of non metallic mineral products
8	Manufacture of basic metal & alloy industry
9	Manufacture of metal product & parts
10	Electricity
11	Land transport
12	Storage & warehouse
13	Repair & service

### *Total no of small scale industries registered under the Directorate of Industries , Assam*

Name of district	Unit registered		Total registered unit
Nagaon	during the year 1996	during the year 1997	Up to 31/03/97
	126	127	2516

The availability of resources in an area determines the importance of that area from the economic point of view. Based on the available resources , the economic commercial and industrial activities grow and developed. The level of development of these activities determines the socio-economic status of the people or in the other words indicates the level of the prosperity of the people. Natural resources both human and material resources and their proper utilization are paramount importance to an under developed economy.

The existing forests explored mineral deposits , lakes rivers and climate, the topography and the fertility and suitability of the land or soil of different agricultural uses. Some resources may be used for direct consumption such as fish, meat, milk food crops fruits etc., while some resources are converted into an number of end products through a chain of manufacturing activities.

### *10 years projection for future development in Nagaon district*

Sl.NO	Name Product Of the Resource base	Development effect/down stream projects	Industrial status	Future scope
1	Rice	Bitter rice Puff rice Rice mill Straw board Hand made Rice bran oil	Few units Few units More units Nil Nil Nil Nil	Scope to develop few down stream industries based on paddy production
2	Rapsid/ Mustard oil	Oil mill Animal feed Mustard powder Fish mill	Few units Nil Nil Nil	Scope for establish location wise Scope for set up animal feed production unit
3	Sugar cane	Sugar Gur making plant	Nil Few home scale unit	Few units can be prompted in home scale within 50 km from production area
4	Jute /Mesta	Extraction of fibbre Gur bags	Nil	Can be promoted Few units can be
<b>Skill based</b>				
1	Pottery unit	Traditional skill	Pottery and handicrafts	Few units can be promoted
2	Weaving	-do-	Handicrafts and handloom	Few units can be promoted
3	Automobile works	Technical skill	Two, four wheeler garage, cycle repairing etc	There is scope for developing few units
4	Cane & bamboo	Traditional skill	Murha making, mat making , tarja making etc	Still scope for consumption
5	Jewelry	Traditional skill	Ornaments	Few units can be promoted
6	Agriculture implements	Traditional skill	Dao, kodali, belssa, making etc	Few units can be promoted
7	Electronics	Professional skill	TV, Radio selling and assembling	Few units can be promoted
8	Coconut	Extraction of fibber Sutli Carpet making	Nil Nil Nil	Few units can be promoted

9	Potato/banana	Chips making Powder	Few unit Nil	Few units can be promoted
10	Tomato	Sauce making Puric	Few unit Few unit	Few units can be promoted
11	Wheat	Atta chakki	Few unit	Few units can be promoted
12	Spices	Spine powder Genger oil Dehydration	Few unit Nil Very few unit	Few units can be promoted
13	Milk		More units	Few units can be promoted
<b>Demand based</b>				
1	Washing soap	Detergent powder Bath soap	Few unit	Few units can be promoted
2	Stationary items	Dost free chalk crayons Black board /duster File cover file board	Few unit	Few units can be promoted
3	Concrete items	Post well ring Garden pot	Few unit	Few units can be promoted