CHAPTER-IV

CONTRIBUTION OF SRI.MALLIKARJUN.M.KHARGE IN THE FIELD OF CO-OPERATION AND INDUSTRIAL DEVELOPMENT AS A CABINET MINISTER

4.1 Sri.Mallikarjun.M.Kharge’s Contribution in the Field of Co-Operation

India is primarily a land of agriculture. Agriculture is the most traditional sector of Indian Economy. Nearly 80% of the Indian population depends on agriculture. Development of India means basically rural development. Every plan or programme either of central Government or state Government is directed to words achieving an over-all rural development. The whole destiny or fate of India lies in rural development. Moreover, the dream of the Father of our national i.e. (Mahatma Gandhi, was to strengthen and establish rural or decentralised democracy. That is why, he gave a call to the youth of the Nation to serve first rural India, which was nothing but real India, Indian agriculture, has been facing so many problems, since the inception of planning in India, after independence. The five year plan’s have been launched and are big implemented, so as to increase agricultural production.

Despite plans, our farmers have been facing, some other problems of credit facilities, the farmers have to purchase seeds, machines, agricultural tools, fertiliser etc. to increase their agricultural production. In that direction, to improve the conditions of rural farmers, and to facilitate them to get credit facilities, the need for cooperation has been felt long age by our leaders like Mahatma Gandhi, Pundit Nehru, Dr. Ambedkar, Moraji Desai, Mrs. Indira
Gandhi and host of others. Cooperation is an activity, which is as old as man himself. According to sociologists, Co-operation like, friendship, love and other values has been divinely bestowed upon man. Co-operation is the need of the hour. Modern man is badly in need of it right from the village to the globe. The need for it is felt, in the event of division and disharmony. The leaders of mankind always have been trying to foster the spirit of fellowship and cooperation.

“Cooperation is primarily a defensive shield for the socio-economically weaker sections from external exploitation”.1

Co-operation serves as a boon for weaker sections and stimulates social cohesion. Rendering maximum service with minimum cost is the value on the basic of which, the principle of co-operation operates is man’s or society’s life even Aristotle said “Man is a social animal Rouxeaus, felt the need for the Principle of Co-operation. No, man or no country is self-reliant and self sufficient, That is why “Co-operation transforms human life from a conflict of class-struggle of opposite interests to a fair rivalry in the pursuit of the common good of all.”2 According to A.E. Emerson:

“Co-operation has acted more powerfully towards the development of man than the bitter competitive struggle for existence”.3

As an instrument of creation, co-operation brings peoples and nations together, facilitating peaceful co-existence.

According to Gandhi : “Co-operation should be an organ of life, should be our breathing organ, then only confidence is echoed in the principle of co-
operation and its practice. Pundit Nehru also argued in favour of the principle of co-operation as a means for improving the life of common man. Dr. Ambedkar emphasized the importance of “economic self-reliance” which really improves the life of common man.

“The co-operative movement offers a ray of hope for the economically weak to live in better conditions of life. Cooperation has been used.

1. As an instrument to establish social harmony.
2. As a means of countering the exploitation of weaker sections by conferring on them, a better economic status.
3. As a means to raise the ethical values of society.

The co-operative movement in India is nearly 90 years old. It has been the objective of the movement to realize the hopes and aspirations of the people living in rural areas by increasing agricultural production and its equitable distribution, so that a common man is benefited from the same.

Here the definition of cooperation given by Herrick is worth mentioning. According to him “Co is the act of poor person voluntarily united for utilizing reciprocally their own force, resources or both, under their mutual management to their common profit or loss”.

By and large, the following are the values on the basis of which the principle of cooperation operates or cherishes.

(1) Service (2) Equality (3) Social justice (4) Eliminates capitalism (5) prosperity of the whole community (6) to raise economic status of the poor (7) to abolish social inequalities (8) to develop corporate life, Towards achieving
such goals and objectives of Sri Mallikarjun M.Kharge, devoted and dedicated his entire life mission, when he was made the minister for cooperation under the Ministry of Sri M.Veerappa Moily (from 1992-94).

Before, Sri Kharge assumed the office as cooperative minister, the department of Co-operation in Karnataka, was the most neglected and the most unwanted one. It was considered the most unimportant on, the ground, it had no any work to do. None gave any importance to the department.

But fortunately, for the first time, in the history of Karnataka, the department was totally, revolutionized and changed, by the dynamic leadership of Sri Kharge, when he became the minister for co-operation. He took any thing as a challenge and faced it boldly. To create some thing new and to do some thing unique, and concrete, in the interests of the people, were the guiding principles of Sri Kharge. The total transformation of the department of Cooperation, spoke of the timely leadership provided by Sri Kharge. Perhaps, he was the first to give a new life and new hope to the department of cooperation. He considered such occasions, as the rare but real opportunities, to serve the poor farmers. His way of approaching the problems dealing with the people, created a confidence in the people. He proved his ability and capacity, to convert impossible into possible one.

Even Sri Veerappa Moily, the then Chief Minister, was badly in need of dynamic person like Sri, Kharge, to strengthen and transform the department.

Due to central Governments policies of Privatisation, Liberalisation and Globalisation, the cooperative movement in Karnataka, received a new spirit
and new momentum, to face the new challenges, Such challenges were timely met with due to the dynamic leadership of Sri Kharge, During a very short period of 11 months, Sri Kharge created wonders by bringing about tremendous progress and change in the field of Co-operation. Here, some of the notable and distinctive achievements in the field of co-operation made by Sri Kharge are worth mentioning.

1) There are more than 26 thousand Registered cooperative societies. These are classified as commercial cooperative banks, Rural co-operative banks, District central co-operative banks and Primary agricultural co-operative banks.

2) All these banks have been providing or lending short term, middle term and long-term loans to the farmers.

3) In the year 1990, agricultural and rural credit was given to the farmers. “From 1982-83 to 1992-93, the government of Karnataka sanctioned a sum of Rs, 280.09 crores as credit facility and interest on loan”.

But unfortunately, the progressive functioning of the cooperative societies was hampered as a result of non repayment of loans advanced from the government Because, the farmers had the wrong notion that the government was there to waive the rate of interest of the loan. Therefore such misconception, made the farmers, not repay the loan and interest on it.

In such situation, when the co-operative banks were facing the serious financial crisis, Sri Kharge came to their rescue in time and started making a through investigation of the balance sheet of the societies. He was convinced of
the lapses on the part of societies. Then, he took physical survey of all the villages, by paying his personal visits to the farmers. During such visits, he requested and made an appeal to the farmers to clear off the outstanding loan including rate of interest on it. The repayment and recovery of the loans from the farmers became compulsory.

He placed before the farmers, the entire picture of the statistics regarding the recovery of short term and long-term loans as follows.

Table – 1

**Short – Term Loan Recovery**

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Years</th>
<th>Loan recovery amount</th>
</tr>
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<tbody>
<tr>
<td>1.</td>
<td>1989</td>
<td>56.80 Crores</td>
</tr>
<tr>
<td>2.</td>
<td>1990</td>
<td>17.33 Crores</td>
</tr>
<tr>
<td>3.</td>
<td>1991</td>
<td>36.46 Crores</td>
</tr>
<tr>
<td>4.</td>
<td>1992</td>
<td>48.59 Crores</td>
</tr>
<tr>
<td>5.</td>
<td>1993</td>
<td>50.01 Crores</td>
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Table – 2

**Long – Term Loan Recovery**

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Years</th>
<th>Loan recovery amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>1990-91</td>
<td>34.19 Crores</td>
</tr>
<tr>
<td>2.</td>
<td>1991-92</td>
<td>38.24 Crores</td>
</tr>
<tr>
<td>3.</td>
<td>1992-93</td>
<td>32.36 Crores</td>
</tr>
<tr>
<td>4.</td>
<td>1993-94</td>
<td>07.52 Crores</td>
</tr>
</tbody>
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The figures show or indicate a very low percentage of the recovery of loans. In the same way, from 1989 to 1992, the recovery from different banks is as follows.

**Commercial Bank**

- 1989 - 40 crores
- 1990 - 32 crores
- 1991 - 48 crores
- 1992 - 41.5 crores

**Rural Credit Co-Operative Societies**

- 1989 - 59 crores
- 1990 - 40 crores
- 1991 - 40 crores
- 1992 - 51 crores

**Central District Co-Operative Banks**

- 1989 - 57 crores
- 1990 - 17 crores
- 1991 - 36.5 crores
- 1992 - 48.6 crores

**Primary Agricultural co-operatives**

- 1989 - 49.2 crores
- 1990 - 46.7 crores
- 1991 - 34.2 crores
- 1992 - 38.00 crores
Low-recovery of the loans from the farmers, placing before them, showed that only a few families were provided with loan facilities but majority of them were denied such facility. So as to facilitate such families to get the loans, Sri Kharge insisted on the compulsory recovery of the loans from the farmers.

According to the regulations of NABARD, the co-operative societies are entitled to get the loans if the conditions like “recovery of the loan, to the loan of 40% “ is full filled, otherwise, NABARD has every power, not to provide loans to the societies. Such regulations of the NABARD were ‘made known to the farmers by Sri Kharge’. He justified the recovery of the loans on the ground that “the loans benefited only 4.5% of the entire population”. In other words only 10% of the people were benefited from such loans and the rest of the people were denied such credit facility.

Therefore, the recovery of loans facilitated many farmers to avail such facility when it was made compulsory. It also paved the way for “an over all development of the state and then nation in terms of exchequer. Thus Sri, Kharge launched a new movement in the field of co-operation, in the interests of the farmers of the entire Karnataka. He was responsible for reviving and reorganising the whole set-up of cooperative movement in Karnataka.

He played a very crucial role in issuing the governmental order, on 9.3.1994, providing for “those who availed the credit facility during 1.7.1993 to 31.03.1994, and repaid, the same, were declared eligible to claim exemption from the payment of rate of interest on such credit”.6
Such order of the Government helped so many farmers, to understand the importance of co-operative societies and felt the value of their obligation to repay the loans to the Government in time.

Another important landmark brought about by Sri Kharge, in the development of Co-operative movement, relates to “the laws of the Government providing for active participation of women in co-operative societies”. Since so many days and years, women’s representation in the co-operative societies was very low. They were all dominated by men. Women were not encouraged to participate or involve in the cooperative societies. So, to make women, active and self-reliant economically and to involve them in national productive programs, Sri Kharge took the initiative and decision, to extend enrolling the membership of the women to women, He was responsible for strengthening women’s participation in the functioning of co-operative societies. The following steps and measures were undertaken, to strengthen women’s participation.

(a) In the year 1992, for the socio-economic and educational development of women “a state women cooperative Maha Mandal was registered”. It was one of pioneering efforts of Sri Kharge that such Mandal was registered.

(b) To facilitate women to undertake and start developmental programs for every district, a separate women co-operative urban bank was set-up by the Government.

(c) To encourage women to enroll themselves as members of the co-operative societies, Government announced a programme of paying membership fee of
women, which women were not required to pay. Such concession resulted in nearly 25000 women enrolling themselves as members of the societies and costing nearly Rs. 10 lakh being membership fee born by the Government.

Another boon to provide to the farmers was concerned with compensating the loss of the crops caused by the natural calamities. The Government took a decision to convert short-term credit facility into mid-term credit facility, to facilitate the farmers to have sufficient time to repay the loan. To that effect, NABARD was requested, including state’ co-operative credit societies, Apex bank and District Co-operative Banks to give grants as 60%, 15% 10% and 15% and the remaining grant of Ps. 75 lakhs was released by the Department.

Further, to help the farmers, to dig borewells and wells to irrigate their lands, to increase agricultural yield, Sri Kharge persuaded the Government to sanction loan to the farmers through the state co-operative agricultural and rural Development banks. But the failure of wells resulted in the waiving of such loans by the Government. “The government repaid such loan to the tune of Rs.40.00 lakh and the remaining amount of Rs.5.55 lakh was also sanctioned. Totally 469 cases of farmers were benefited from such facility”.

Even Sri Kharge took utmost care regarding the extension of membership of the co-operative societies to SC and ST people. The people did not require to pay membership fee as it was borne by the Government, So to help SC and ST people the Government in 1992-93 mobilised such people to enroll themselves as members of the societies and as a result, nearly 253958 SC
and ST people were able to become members and their share money to the tune of Rs.71.78 lakhs was borne by the Government. Such action increased the representation of SC and ST people in the co-operative societies. In the budget of 1993-94, the Government of Karnataka reserved a sum of Rs. 60.93 lakh to enable nearly 74655, SC and ST people to become members of the co-operative society. Such process went on increasing day by day with great encouragement and enthusiasm, enabling SC and ST people to get the loans for productive purposes and their membership was confined to Agricultural credit cooperative societies and Dairy Milk producers co-operative societies and sugar co-operative societies”.11

To restructure and to revive the working of cooperative societies in Karnataka, Sri Kharge made the pioneering efforts to make amendments to the “Karnataka Co-operative Act”. Karnataka Co-operative Society Act came into force in 1959. But unfortunately, from 1959 to 1994, the role of co-operative movement has been the most damaging and degrading. The movement did not move with the changing conditions and times. It became totally irrelevant exhibiting a “dismal picture”. Therefore, it was Sri Kharge, who for the first time, gave a new leadership and life to the movement, to bring about radical changes in the matters like election of members their duties and responsibilities. He made the co-operative sector a living and active one. The revival and revitalization of the movement spoke of the dynamism of Sri Kharge. That is why, he, in the year 1994, of the IXth Karnataka legislative
Assembly of 12th Session, moved the following amendments to the Karnataka co-operatives society Act of 1959 and the same have been effected.

1. Article 63 of the Act was amended and Articles from 100 to 129 A were added to the Act of 1959. The main purpose of the new Amendment Act of 1994 of pp.46 was stated as follows (By Sri Kharge and Secretary of the department Sri Muhalgen: “Keeping in mind, the recommendations of Sri K.H.Patil, the president of the committee and other two committees, and the suggestions made by the Officers of the department, the amendment to the Act 1959 was made and the following became clear from the same.”

1. The meaning and definitions of the terms used for banks were made clear as to designate the following as “PRIMARY SOCIETY, MIDDLE SOCIETY, JOINT SOCIETY AND APEX SOCIETIES.”

2. To prohibit the members of the same family to register themselves as members of the one or a cooperative society.

3. To register society, the time stipulated being 3 months, from the date of the receipt of the application, the Registrar or the Sub-Registrar, either to grant registration or to reject the same, if unable to do so, should report the same to the next higher authorities.

4. To provide reservation to the SC and ST people in the case of the membership to be accorded to primary society membership.

5. Any member, failing to discharge his duties, according to the rules continuously for 3 years is liable to lose his membership.
6. A member, who is proved as a defaulter ceases to be a voter in the elections of society.

7. To give powers to the Registrar or the Government, to constitute a committee of Society to go into the matter of deciding the fate of society, which gets registered itself should bear its share amount, not less than 25%.

8. To fix the minimum and maximum limits of the total membership of a primary society, Middle society, joint society and Apex society, so as to provide reservation to SC & ST and other backward classes in the membership of the committee.

9. In the committee of Apex Society, or joint society Primary and Middle society, if the Government sanctions a loan of Rs. 50 lakh, in such situation, the Government has the power to nominate three Officers, to be included in that committee. But however, the officers do not have the voting rights in the election of the president and Vice-President of the society (Committee).

10. To provide for the appointment of Chief Secretary, his powers and functions.

11. To appoint administrator in case of lack of quorum necessary for conducting the proceedings of the committee.

So, as a result of the above amendments to the Act of 1959, the Government began to be vested with the following powers:

i) The inclusion of 29 a new case facilitated the Government to fill any vacancy in the Office of the Committee, caused as a result of any accidental death.
ii) It enabled the Government to conduct elections, to the members of the committee through Government rules, as a result of the inclusion of 3rd sub case of case 39.

iii) It also enabled the Government to complete the process of enquiry within the stipulated time as a result of 3A sub case of 64 case.

iv) To determine the mode of appointment of election of Officers and polling Officers to the election of Office bearers of the society and of members and to decide their responsibilities and duties.

v) To determine the salary and allowances to the Officers appointed by the committee in case of termination or liquidation of a committee by Registrar.

vi) The Government has the power to enforce the provision of giving reservation to SC and ST and other backward Classes and women in the Committee of Co-operative Society.

vii) To decide the terms and conditions and educational qualifications to appoint the Government servants to the co-operative societies.

In this way, Sri. Kharge, with his strong determined bent of mind we to the extent of transforming the whole gumut of the co-operative movement in Karnataka. Perhaps, he is the first, to do so. The dead again became alive due to the dynamic leadership of Sri Kharge.

Sri Kharge as a leader of the rural masses, tried to focus the attention of the people in a desired direction. Any progress or prosperity of any movement depends, to a large extent, the type of leaders, that the region has Sri Kharge commanded and commands the backing of a large number of members for his
actions. He was able to succeed in his endeavor to bring about revolutionary change in the co-operative movement, due to leadership qualities, like, good character, intelligence, patience, courage, dedication, broader and secular vision, clear understanding, knowledge, sympathy, common sense and above all, compassion for the whole human race: As a leader, he believed in initiating, encouraging, suggesting and implementing the programs for the welfare of the rural masses.

There can be no movement or organization without leadership. So it is aptly remarked that “co-operatives are like dog-teams—they can only work if there are leaders.”

Undoubtedly, Sri Kharge played his key-role as the leader of the masses, for the progress and welfare of the people, such successes in any field adds to the legitimacy of a leader. Because, a leader always tries to legitimise his work or actions, through serving the people. Such a leader does not, live in ivory tower but lie is always in the hearts of the people. The same is true of Sri Kharge.
4.2 Contribution of Sri Mallikarjun M.Kharge in the Field Of Industrial Development

After having served as minister for co-operation, successfully and effectively to the expectations of the people of Karnataka, Sri Kharge was entrusted with the job to look after the problems of Industries in Karnataka and hence he was appointed as a minister for medium and large scale industries by then Chief Minister Veerappa Moily, (from March 1994 to November 1994).

Sri Kharge never hesitated to meet any challenge and the same he met and faced successfully, even he did not care for any portfolio, whether major or minor, but all the way, he used timely delivery of the goods to the people. He exhibited the same sense of devotion and commitment, to get the things done in the interests of the people. The portfolios were immaterial but the service was, all the way most important to Sri Kharge, Agriculture and Industry are the nerve centers of the process of development. Production in the agricultural and industrial sectors, is the key to economic progress and development. But however, industrial development is all the way, quite essential, today, to divide the fate of progress of any country, in the modern days.

Industrial development in one of the world crusades of our times. It is an effort in which the underdeveloped countries find a proper place to find solution to their problems of poverty, insecurity, over population, unemployment and so on. The belief of the under developed world was expressed by pundit Nehru, when he said “Real progress must ultimately depend on industrialization”. Throughout the world, Industrialisation has
become the magic word. But particularly, industrial development plays a important role in India’s Development strategy. The Indian Economic development, to a greater extent depends on the process of industrialisation. Economic regeneration of India depends basically on the process of industrialisation. Prof. Gunnar Myrdal has brought out the relationship of Industrialisation to economic development as an answer to economic problems. Industrialisation is regarded as a means of accelerated development. “ The process of industrialisation is associated with the development of mechanical knowledge, attitudes and skills of industrial work, with experience of industrial management and with other attributes of a modern society, which intern are beneficial to the growth of productivity in agriculture, trade distribution and other related sectors of economy14.

So, the industrial development depends on higher income and means of higher productivity and the rate of capital formation. Therefore, after launching planning in India, after independence, under the dynamic leadership of Pundit Nehru, the Second Five year plan gave priority to industrial production, deeming its aim as high industrial production would enable to realise the dream of ‘building socialistic pattern of Society”. But unfortunately, “ The process of industrialisation has not generated sufficient growth potential either in terms of contribution of output or in terms of employment and what is really serious is that the rate of growth of industrialisation has’ been declining with every decade”15.
The same is true of Karnataka, But still, the efforts have been made by stalwarts like Sri Kharge to increase industrial production, per-capita income, to raise the living standard of the people and to provide employment opportunities to the rural unemployed.

Sr.M.Vishweshwaraiah, initiated and aroused the country’s interest in industrialisation. Regarding the importance of industrialisation, he observed’ in his book” Planned Economy for India:” No country, which aspires to be reasonable self-supporting can do without agriculture. At the same time, no nation in modern times has grown rich through agriculture alone. With the growth of civilisation and the multiplication of human wants, the occupations associated with industries and manufactures have increased in importance and are found to be more remunerative than agriculture; and industrialisation has come to be regarded as a necessity and more or less as synonymous with civilisation”.

It has been remarked that Karnataka is one of the progressive states in the forefront of industrial development. State Government has been pursing a progressive industrial policy. It is the endeavor of the State Government to improve its ranking in the industrial map of the country and become one of the foremost industrialised States by the turn of the century. The State currently has 746 Large and Medium industries with an investment of Rs. 6298.202 crores and employed 2.80 lakh workers. The state also has 1,50,021 Small Scale Industries with an investment of over Rs. 1671.53 crores employing
10,03 lakh workers. The State has 60 Industrial Estates with more than 4100 sheds.

On 24.7.1991 Govt. of India announced a New Industrial Policy drastically liberalising the industrial licensing procedures. Industrial Licensing has been abolished except for 18 specified categories of industries and units being set up within the 25 KM radius from the periphery of cities of more than 1 Million population. Also the definition of Small Scale Industries/Tiny Sector Industry have been revised.

Before Sri Kharge assumed the Office as industrial Minister the following were the industries setup in Karnataka. The same has been listed as follows:

During Sri Kharge’S regime, so many industrial firms were set-up so as to increase industrial production. The same has been listed as follows:

**SMALL SCALE INDUSTRIES**

(a) Units with an investment of Rs.60 lakhs and below in plant and machinery are defined as Small Scale Industries.

(b) In respect of Industrial undertaking referred to in (a) above which undertakes to export at least 30% of its annual production by the end of third year from the date of it’s commencing production, the limit for investment in plant and machinery shall be Rs. 75 lakhs.
ANCILLARY INDUSTRIAL UNDERTAKINGS

Units with an investment of Rs. 75 lakhs and below plant and machinery and engaged in manufacture of production of parts/sub-assemblies/components or production/services as the case may be to one or more other industrial undertakings.

TINY SECTOR UNITS

Industrial units where in investment plant and machinery is Rs. 5.00 1 lakhs or below (irrespective of the location of the unit ) are defined as Tiny Sector Units.

MEDIUM AND LARGE UNITS

1. Industrial unit which is not a Tiny/SSI/Ancillary unit and having investment of more than Rs. 60-00 lakhs in Plant and machinery is treated as Medium and Large Industry.

2. In tune with the liberalised New Industrial/Economic and Trade Policy measures announced by Government of India since July 1991, the Government of Karnataka have announced it’s New Industrial Policy and Package of Incentives and concessions 1993. The highlights are

NEW INDUSTRIAL POLICY RESOLUTION - 1993:

a) State has been classified into 3 zones i.e., Zone-I (Developed area - 2 taluks), Zone - II (Developing area - 173 taluks) and Zone - III (Growth Centers Hassan/Dharwar/Raichur).

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

c) State investment subsidy at 25% and 30% is offered to tiny/SSI units,
d) Sales Tax concessions in the form of Exemption/Deferral for period ranging from 4 to 8 years is offered for tiny/small/medium and large scale industries, with option exercisable by the entrepreneurs.
e) Emphasis laid on improving and strengthening infrastructural facilities. Nodal Authority being set up to manage and maintain industrial areas/estates.
f) Stamp duty for registration of land and sheds, allotted by the KSSIDC, KIADB and KEONICS, chargeable on the original allotment price.
g) Conversion of agricultural land to industrial land in identified industrial zones of the respective municipal/Town Planning Authorities need to prior approval of the Government.
h) Procedure for obtaining exemption under the Urban Land Ceiling Act respect of land allotted by State infrastructural agencies simplified.
i) Ceiling under Land Reforms Act, for purchase of agricultural land for industrial use, enhanced to 10 units.
j) Single Window Agency (SWA) mechanism strengthened. Karnataka Udyoga Mitra (KUM) to act as the Secretariat for SWA.
k) District level SWAS to be headed by Deputy Commissioners and would be empowered committees to sanction incentives and concessions as also infrastructural facilities for the tiny and small scale industries.
l) Emphasis laid on voluntary compliance in the matter of various legislations applicable to industries. Inspections would be reduced to bare minimum.

m) Only non-polluting and environmentally friendly industries in Electronics, Tele-communication, Informatics, Ready made Garments including leather garments. (but excluding tanneries) and precision tooling/tool room industries to be encouraged in Bangalore Urban Agglomeration Area and North and South talukas.

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

o) Private transport operators would be permitted to operate point-to point’ transportation facilities between industrial areas/estates and the nearby urban centers/towns.

p) An Export Promotion industrial Park (EPIP) to be set up near Bangalore.

q) Additional investment subsidy at 5% to special category entrepreneurs viz., SC/ST, Minorities, women, Physically handicapped and Ex-servicemen.

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

s) Thrust Sector industries Electronics, Telecommunication, Informatics (Software), Agro Telecommunication, Informatics (Software), Agro Food Processing, based industries, Leather and Leather Products, Ready-made Garments, Silk reeling, twisting, weaving and processing, Spinning, Weaving, Power Loom, Knitting and Textile Processing, Cutting, Polishing and
Processing of semi precious stones, Pharmaceutical Industry, Sugar Industry and others.

**MARGALORE REFINERY AND PETROCHEMICAL PROJECT**

Karnataka’s first oil refinery and petro-chemical complex, is fast taking shape near Mangalore. The Mangalore refineries and petrochemicals Ltd (MRPL) being implemented in the Joint Sector by M/s Hindustan Petroleum Ltd (GOI undertaking and the Birla Group.

Apart from the I phase project with a capacity of 3 million TPA fuel refinery (which has already been implementation) with an investment of Rs. 2900 crores, the Co. has also taken up II phase expansion project for additional capacity of 6 million tonnes and petrochemical complex with an additional investment of Rs.3250 crores, for which GOI has also issued Letter of Intent. In addition MRPL is also proposing establishment of a “Aromatic Complex” in Mangalore and also proposes to enhance the capacity of captive power plant to 500 MW.

Establishment of this refinery is expected to put Mangalore in the Petrochemical industry map of India and contribute for future growth of downstream petrochemical industries in the area.

**VIJAYANAGAR STEEL PLANT**

The Govt. of India, in it’s report on potential locations for establishment of integrated steel plant in various parts of the country, have identified the Hospet-Bellary region as a promising location, keeping in view the high quality iron-ore available in the area.
The GOK has selected the Jindal Group for establishment of the first integrated steel plant of 1 million tonne capacity (with provision for upgradation to 3 million tonnes), with an investment of Rs.3,200 crores and work has already commenced at site and I phase of Hot- strip Mill is expected to go on stream by 1996. Several firms have shown interest to set up another major plant in the area. Action is being taken to select competent firm for the second plant.

INTEGRATED STEEL PLANT AT MANGALORE:

The ministry of steel and mines, Govt. of India have also identified Mangalore as an ideal location for establishment of Port-based Steel plant. Accordingly the State Govt. has assisted M/s Jai Prakash Engineering and Steel Co. Ltd., (JESCO) in setting up of a 1 million tonne capacity integrated steel plant at Mangalore. This project has now been taken over by Nagarjuna Group and the project’s scope is also being enhanced. Nagarjuna Group are now proposing to set up a 2 million TPA capacity hot-rolled coil project with an investment of Rs.1650 crores along with a 1000 Mw capacity Thermal Power plant with an investment of Rs3500 crores.

BAGALORE INFORMATION TECHNOLOGY PARK:

VISHWA PROGRAMME

Vishwa scheme basically aims at building up and strengthening of economic base of rural areas by providing continuous productive employment, through creation of appropriate linkages for supply of inputs and marketing facilities. The programme is implemented in the un-organised sector, through
DICs and also in the organised sector through various Boards/Corporations. In order to strengthen supply of raw materials and finished goods in the, unorganised sector, District Supply and Marketing Societies (DSMS) has been established in each district. The Scheme provides 100% training expenditure for selected beneficiaries and also 25% margin money for working capital and 50% margin money for infrastructural development. The remaining amount is raised through loans from financial institutions.

**FOREIGN UNIVESTMENT IN NEW LARGE AND MEDIUM INDUSTRIAL PROJECTS IN KARNATAKA**

(Post New Industrial Policy/Liberalisation period i.e. after 25.7.1991)

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Year</th>
<th>Units</th>
<th>Beneficiaries</th>
<th>Expenditure (Rs.Crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Trained</td>
<td>Under Production</td>
</tr>
<tr>
<td>1.</td>
<td>1991-92</td>
<td>2631</td>
<td>6161</td>
<td>6726</td>
</tr>
<tr>
<td>2.</td>
<td>1992-93</td>
<td>40936</td>
<td>40936</td>
<td>35866</td>
</tr>
<tr>
<td>3.</td>
<td>1993-94</td>
<td>8012</td>
<td>24564</td>
<td>36890</td>
</tr>
<tr>
<td>4.</td>
<td>1994-95*</td>
<td>6351</td>
<td>14405</td>
<td>22636</td>
</tr>
</tbody>
</table>

(Upto October 1994)

Consequent to the liberalised industrial, economic and trade policies announced by the Government of India w.e.f. 25.7.1991, there has been substantial increase in the flow of new industrial investments in the State including Projects being taken up with foreign collaboration (financial and technical).
FOREIGN COLLABORATION CASES APPROVED

<table>
<thead>
<tr>
<th>Year</th>
<th>Financial No. (Rs.Crs)</th>
<th>Technical No.</th>
<th>Design and Drawings (No)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990-91</td>
<td>16</td>
<td>18</td>
<td>10</td>
<td>44</td>
</tr>
<tr>
<td>1991-92</td>
<td>21</td>
<td>20</td>
<td>05</td>
<td>46</td>
</tr>
<tr>
<td>1992-93</td>
<td>45</td>
<td>33</td>
<td>-</td>
<td>78</td>
</tr>
<tr>
<td>1993-95</td>
<td>62(65.08)</td>
<td>42</td>
<td>-</td>
<td>104</td>
</tr>
<tr>
<td>1994-95*</td>
<td>34(103.00)</td>
<td>36</td>
<td>-</td>
<td>70</td>
</tr>
</tbody>
</table>

(Upto September 94)

The State Government is projecting Karnataka as a centre for high-tech industries especially in the area of Computers Hardware, Software, Electronics, Instrumentation; Tele-communication, Bio-technology Precision engineering/Tooling and allied areas. The State has successful in attracting several multi-national companies in the area of high-technology viz., Texas Instruments, Motorola, IBM, Bosch, Bull.S.A. AT&T, Moog controls, Ventura, 3 Tech, USA, Buhler S.A., Poupon Reitzal S.A., Sanyo, Japan, CPC International, USA, Mylex Corporation, USA, Widia, Gmbh, Asea Brown Boveri, Krone A.G. Hewlett Packard, GE Med. Systems, Friz Werner, Germany, Siemens,AG and a host of other leading multi-nationals from all over world.
# Financial Assistance Sanctioned by All India Financial Institutions in Karnataka

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>IDB</td>
<td>349.80</td>
<td>416.00</td>
<td>319.00</td>
<td>351.00</td>
<td>568.30</td>
<td>3818.80</td>
</tr>
<tr>
<td>IFCI</td>
<td>49.40</td>
<td>43.00</td>
<td>109.70</td>
<td>75.40</td>
<td>164.40</td>
<td>719.60</td>
</tr>
<tr>
<td>ICICI</td>
<td>55.00</td>
<td>55.30</td>
<td>158.00</td>
<td>300.00</td>
<td>457.30</td>
<td>1879.70</td>
</tr>
<tr>
<td>IRBI</td>
<td>4.70</td>
<td>1.10</td>
<td>6.10</td>
<td>22.80</td>
<td>17.50</td>
<td>65.20</td>
</tr>
<tr>
<td>SCICI</td>
<td>5.10</td>
<td>0.50</td>
<td>1.20</td>
<td>2.00</td>
<td>1.20</td>
<td>9.90</td>
</tr>
<tr>
<td>RCTC</td>
<td>0.40</td>
<td>0.20</td>
<td>1.20</td>
<td>--</td>
<td>1.50</td>
<td>4.90</td>
</tr>
<tr>
<td>IDICI</td>
<td>1.70</td>
<td>3.40</td>
<td>1.80</td>
<td>3.30</td>
<td>5.40</td>
<td>15.60</td>
</tr>
<tr>
<td>LIC</td>
<td>15.70</td>
<td>3.30</td>
<td>11.40</td>
<td>103.50</td>
<td>13.30</td>
<td>289.50</td>
</tr>
<tr>
<td>UTI</td>
<td>28.60</td>
<td>8.80</td>
<td>30.80</td>
<td>44.80</td>
<td>111.40</td>
<td>435.60</td>
</tr>
<tr>
<td>GIC</td>
<td>3.50</td>
<td>2.10</td>
<td>4.00</td>
<td>75.80</td>
<td>9.50</td>
<td>94.90</td>
</tr>
<tr>
<td>EXIM BANK</td>
<td>3.20</td>
<td>4.30</td>
<td>1.00</td>
<td>1.10</td>
<td>18.50</td>
<td>27.50</td>
</tr>
<tr>
<td>KSFC</td>
<td>142.20</td>
<td>183.60</td>
<td>246.50</td>
<td>328.60</td>
<td>330.00</td>
<td>1746.50</td>
</tr>
<tr>
<td>KSIID</td>
<td>58.60</td>
<td>69.70</td>
<td>73.40</td>
<td>76.70</td>
<td>75.80</td>
<td>560.60</td>
</tr>
<tr>
<td>Total</td>
<td>718.70</td>
<td>792.10</td>
<td>965.50</td>
<td>1385.30</td>
<td>1774.10</td>
<td>9668.40</td>
</tr>
</tbody>
</table>
# ANNEXURE-I

## DETAILS OF PROJECTS APPROVED BY HIGH LEVEL COMMITTEE

### 1991-92

<table>
<thead>
<tr>
<th>Project</th>
<th>Location</th>
<th>Investment Rs. Crores</th>
<th>Employment MVA</th>
<th>Power MVA</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Total Information system Ltd., IBM-Tata Project Computer hardware &amp; Software</td>
<td>Bangalore</td>
<td>100</td>
<td>100</td>
<td>0.50</td>
</tr>
<tr>
<td>2. Kirloskar Ferrous Inds. Ltd. (Pig.Iron)</td>
<td>Basavanahally, Koppal Ta. Raichur</td>
<td>126</td>
<td>552</td>
<td>17.00</td>
</tr>
</tbody>
</table>

### 1992-93

<table>
<thead>
<tr>
<th>Name of the Unit location</th>
<th>Invs. (Rs. Crs)</th>
<th>Emp</th>
<th>PWR (MVA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. M/s. Canara Steels Ltd (Steel / Rolled products)</td>
<td>600</td>
<td>250</td>
<td>30.00</td>
</tr>
</tbody>
</table>

### 1993-94

<table>
<thead>
<tr>
<th>Name of the Unit location</th>
<th>Invs. (Rs. Crs)</th>
<th>Emp</th>
<th>PWR (MVA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. M/s. AT &amp; T Switching Bangalore Systems India Pvt Ltd., (Digital Switching Systems)</td>
<td>110.00</td>
<td>500</td>
<td>4.00</td>
</tr>
<tr>
<td>2. M/s. Khoday Synthetics hassan ltd (Polyester Filament growth centre yarn)</td>
<td>75.00</td>
<td>135</td>
<td>3.00</td>
</tr>
<tr>
<td>No.</td>
<td>Company Name</td>
<td>Location</td>
<td>Investment (Crore)</td>
</tr>
<tr>
<td>-----</td>
<td>--------------------------------------</td>
<td>--------------</td>
<td>--------------------</td>
</tr>
<tr>
<td>3.</td>
<td>M/s. RPG Telecom Ltd., Mysore (Fibre Optic Cable + Expansion of Jelly filled cables)</td>
<td>Mysore</td>
<td>61.00</td>
</tr>
<tr>
<td>4.</td>
<td>M/s. West Coast Paper Mills Ltd., (Modernisation / Bags Pulp).</td>
<td>Dandelli</td>
<td>129.00</td>
</tr>
<tr>
<td>5.</td>
<td>M/s. RPG Inds. Ltd., (Automotive Aluminium Alloy wheels)</td>
<td>Mysore</td>
<td>140.00</td>
</tr>
<tr>
<td>6.</td>
<td>M/s. Rajashree Cement Malkhed Rd, (A Divn., of Indian Rayon Ltd) Expansion of Capacity by 1.20 million tones</td>
<td>Malkhed Rd</td>
<td>400.00</td>
</tr>
<tr>
<td>7.</td>
<td>M/s. Mangalore Refiner Mangalore petrochemical ltd (3 million tonne oil refinery)</td>
<td>Mangalore</td>
<td>2090.00</td>
</tr>
<tr>
<td>8.</td>
<td>M/s. Venlon Polyester Films Ltd., (Polyester Films and PETP chips)</td>
<td>Mysore</td>
<td>125.00</td>
</tr>
<tr>
<td>9.</td>
<td>M/s. Warren Tea Ltd., Gulbarga (2 million TPA Cement Plant)</td>
<td>Gulbarga</td>
<td>650.00</td>
</tr>
<tr>
<td>10.</td>
<td>M/s. Arvind Mills (1 Million TPA Cement Plant)</td>
<td>Gulbarga</td>
<td>324.00</td>
</tr>
<tr>
<td>11.</td>
<td>The Raymond Woollen Gulbarga Mills Ltd., (2 Cement Plant)</td>
<td>Gulbarga</td>
<td>594.10</td>
</tr>
<tr>
<td>12.</td>
<td>Jindal Vijayanagar Thornagallu, Steel Ltd., Bellary (12.5 million TPA Integrated steel plant)</td>
<td>Thornagallua Bellary</td>
<td>3200.00</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td><strong>7898.36</strong></td>
</tr>
</tbody>
</table>
## ANNEXURE –I

### DETAILS OF PROJECTS APPROVED BY HIGH LEVEL COMMITTEE

### 1991-92

<table>
<thead>
<tr>
<th>Project</th>
<th>Location</th>
<th>Investment Rs. Crores</th>
<th>Employment</th>
<th>Power MVA</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Total information system Ltd., IBM-TATA Project Computer Hardware &amp; Software</td>
<td>Bangalore</td>
<td>100</td>
<td>1000</td>
<td>0.50</td>
</tr>
<tr>
<td>2. Kirloskar Ferrous Inds. Ltd., (Pig.Iron)</td>
<td>Bevanahally, Koppal Ta. Raichur</td>
<td>126</td>
<td>552</td>
<td>17.00</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>336</td>
<td>2452</td>
<td>21.00</td>
</tr>
</tbody>
</table>
# ANNEXURE –I

## DETAILS OF PROJECTS APPROVED BY HIGH LEVEL COMMITTEE

### 1992-93

<table>
<thead>
<tr>
<th>Project</th>
<th>Location</th>
<th>Investment Rs. Crores</th>
<th>Employment</th>
<th>Power MVA</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. M/s. Canara Steels Ltd (steel / rolled products)</td>
<td>Baikampady Indil. Area, Mangalore</td>
<td>600</td>
<td>250</td>
<td>30.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>Total</strong></td>
<td>2954</td>
<td>2625</td>
<td>118.00</td>
</tr>
</tbody>
</table>
### ANNEXURE-I

#### DETAILS OF PROJECTS APPROVED BY HIGH LEVEL COMMITTEE

#### 1993-94

<table>
<thead>
<tr>
<th>Project</th>
<th>Location</th>
<th>Investment Rs. Crore</th>
<th>Employment</th>
<th>Power MVA</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. M/s. At &amp; T Switching Systems India Pvt Ltd., (Digital Switching Systems)</td>
<td>Bangalore</td>
<td>110.00</td>
<td>500</td>
<td>4.00</td>
</tr>
<tr>
<td>2. M/s. Khoday Synthetics Ltd. (Polyester Fila-Growth Centrement yarn)</td>
<td>Hassan</td>
<td>75.00</td>
<td>135</td>
<td>3.00</td>
</tr>
<tr>
<td>3. M/s. RPG Telecom Ltd., (Fibre Optic Cable + expansion of jelly filled cables)</td>
<td>Mysore</td>
<td>61.00</td>
<td>130</td>
<td>1.45</td>
</tr>
<tr>
<td>5. M/s. RPG Inds. Ltd., (Automotive Aluminium Alloy wheels)</td>
<td>Mysore</td>
<td>140.00</td>
<td>340</td>
<td>10.00</td>
</tr>
<tr>
<td>6. M/s. Rajashree Cement (A Division Of Indian Rayon Ltd., Expansion of capacity by 1.20 million tones)</td>
<td>Malkhed Rd</td>
<td>400.00</td>
<td>300</td>
<td>22.00</td>
</tr>
<tr>
<td></td>
<td>Company Name</td>
<td>City</td>
<td>Output Capacity</td>
<td>Rate</td>
</tr>
<tr>
<td>---</td>
<td>------------------------------------</td>
<td>------------</td>
<td>-----------------</td>
<td>------</td>
</tr>
<tr>
<td>7.</td>
<td>M/s. Mangalore Refiner Mangalore Petrochemical ltd., (3 million tonne oil refinery)</td>
<td>Mangalore</td>
<td>2090.00</td>
<td>600</td>
</tr>
<tr>
<td>8.</td>
<td>M/s. Venlon Polyester Films Ltd., (Polyester Films &amp; PETP Chips)</td>
<td>Mysore</td>
<td>125.00</td>
<td>450</td>
</tr>
<tr>
<td>9.</td>
<td>M/s. Warren Tea Ltd., Gulbarga (2 Million TPA Cement Plant)</td>
<td>Gulbarga</td>
<td>650.00</td>
<td>1000</td>
</tr>
<tr>
<td>10.</td>
<td>M/s. Arvind Mills (1 Million TPA Cement Plant)</td>
<td>Gulbarga</td>
<td>324.00</td>
<td>700</td>
</tr>
<tr>
<td>11.</td>
<td>The Raymond Woollen Gulbarga Mills Ltd., (2 Cement Plant)</td>
<td>Gulbarga</td>
<td>594.10</td>
<td>600</td>
</tr>
<tr>
<td>12.</td>
<td>Jindal Vijaynagar * Steel Ltd., (1.25 million TPA integrated Steel Plant)</td>
<td>Thornagallu Bellary</td>
<td>3200.00</td>
<td>5000</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td>7898.36</td>
<td>9955</td>
</tr>
</tbody>
</table>
**ANNEXURE-I**
**DETAILS OF PROJECTS APPROVED BY HIGH LEVEL COMMITTEE**
**1994-95**

<table>
<thead>
<tr>
<th>Project</th>
<th>Location</th>
<th>Investment Rs. Crore</th>
<th>Employment</th>
<th>Power MVA</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. M/s. Mysore Cements Ltd., (1.40 Million TPA Cement Plant)</td>
<td>Gulbarga</td>
<td>500.00</td>
<td>600</td>
<td>45.00</td>
</tr>
<tr>
<td>4. M/s. BPL Limited (1.50 million nos colours TV. Set p.a)</td>
<td>Dobespet IA Tumkur dist</td>
<td>125.00</td>
<td>3000</td>
<td>6.00</td>
</tr>
<tr>
<td>5. M/s. BPL group (1 Million pcs of colour picture rube p.a)</td>
<td>Dobespet IA</td>
<td>250.00</td>
<td>1000</td>
<td>6.00</td>
</tr>
<tr>
<td>6. M/s. Kalyani Steel Ltd., (Pig. Iron / Engg. &amp; Alloy Steels 2.25 lakhs TPA)</td>
<td>Ginigera Koppal Tq. Raichur dt.</td>
<td>313.00</td>
<td>750.00</td>
<td>27.00</td>
</tr>
<tr>
<td>7. M/s. BPL Group (Battery Project)</td>
<td>Dobesept IA Tumkur dist</td>
<td>500.00</td>
<td>--</td>
<td>165</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>2348.96</td>
<td>7528</td>
<td>115</td>
</tr>
</tbody>
</table>

(Note: List comprise of projects implemented and under implementatic)
### ANNEXURE – II

**DETAILS OF PROJECT UNDER CONSIDERATION**

Projects considered by the Screening committee and to be taken before High Level Committee

<table>
<thead>
<tr>
<th>Project</th>
<th>Location</th>
<th>Investment Rs. Crore</th>
<th>Employment</th>
<th>Power MVA</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. M/s. Sanghi Polyesters (2.50 lakh TPA Pure DK dist. Terephthalic acid (PTA))</td>
<td>Mangalore / DK dist</td>
<td>700.00</td>
<td>150</td>
<td>17.70</td>
</tr>
<tr>
<td>2. M/s. Sri Sai Lakshmi Pvt Ltd., (Spinning, Weaving and processing Project)</td>
<td>Whitefied Bangalore</td>
<td>140.00</td>
<td>550</td>
<td>3.00</td>
</tr>
<tr>
<td>3. M/s. ARM Ltd., (Steel Divn) (0.40 million TPA Pig Iron Project)</td>
<td>Bagalkot</td>
<td>155.20</td>
<td>450</td>
<td>7.50</td>
</tr>
<tr>
<td>4. M/s. Kanoria Ltd., Bagalkot, Bijapur Dt. (Expansion of Capacity from 3.30 to 6.95 lakh TPA)</td>
<td>Bagalkot</td>
<td>155.20</td>
<td>450</td>
<td>7.50</td>
</tr>
<tr>
<td>5. M/s. Himatsingka Seide Ltd natural Silk Fabrics</td>
<td>Doddaballapur</td>
<td>125.00</td>
<td>560</td>
<td>0.30</td>
</tr>
<tr>
<td>6. M/s. Himatsingka (I) Pvt ltd., (Laminated Packaging tubes)</td>
<td>To be finalized</td>
<td>110.40</td>
<td>40</td>
<td>2.00</td>
</tr>
<tr>
<td>7. M/s. Sathvanaha Ispat Ltd (1 Million TPA Pig Iron Project)</td>
<td>Raichur dist</td>
<td>550.00</td>
<td>5500</td>
<td>110.00</td>
</tr>
<tr>
<td>8. M/s. Dalton Steels Ltd., (0.21 million (TPA Pig Iron) Project</td>
<td>Bellary dist.</td>
<td>251.60</td>
<td>718</td>
<td>8.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>2527.20</td>
<td>9875.00</td>
<td>182.00</td>
</tr>
</tbody>
</table>
During a very short period of time Sri Kharge created wonders in the Industrial sector of Karnataka economy.

He took the initiative to deal with the problem of industrial development of Gulbarga division, with special interest, and care. Because, the division, especially Gulbarga district according to him, was the most backward in terms of industrial development. So, as to create awareness’ about the industrial production and development’, Sri Kharge noted the idea of arranging on industrial exhibition in Gulbarga and the same was arranged 20-07-1994 to 10-08-1994 for two weeks the main objectives to arrange or hold such exhibition were: as follows:

1) Gulbarga division consisting of Raichur, Bellary, Bidar district in the most backward industrially. Because, the private industries are not in a position to come forward to establish or open industrial centers. Moreover, the citizens have the fear of facing the risks of loss in starting the same.

2. The people of the area suffering acutely from the problem of unemployment and poverty, should be encouraged through such exhibitions, so that they store establishing industrial firs, to solve their problems.

3. To encourage private industrialists to open their industries. That is why, encouraged by such exhibitions the private companies like BIFI BPLJ etc. came forward to start industries like power, cement, Petroleum, Chemical etc.

In this way, the exhibition hold or arranged, was very successful in inspiring
and encouraging the enterprising people to start new industries, and to solve their problems of poverty and unemployment. Arrangement of such exhibition due to the initiative of Sri Kharge, really was a milestone is generating an awareness among the people of Hyderabad Karnataka Area, to come forward to start new industries. Such industries newly setup, created new avenues of employment to the unemployed people of the area.

Despite such achievements, during the region of Sri Kharge, due to his bold step and initiative, many government orders were made to issue so as to implement and realise many socialistic and welfare schemes and measures for the development and improvement. If living conditions of the people of Karnataka.

Some of the most and important Government orders issued during the regime of Sri Kharge, are mentioned as follows:

1. PROCEEDINGS OF THE GOVERNMENT OF KARNATAKA

SUBJECT: 551 Units Subsidy for allotment of Industrial Plots/Sheds to SCs/STs - Revision of Scheme - Reg.

READ

Government Order No. CI 18 CSC 94, dt. 31.3.94

PREAMBLE:

A scheme for providing subsidy to SC/ST entrepreneurs in the allotment of Industrial Plots/Sheds has been sanctioned by the Government in the order cited above. In order to make the scheme attractive enough for SCs/STs, the
scheme sanctioned vide G.O. dated 31.3.1994, is required’to be revised as
detailed in this order.

ORDER NO CI 49 CSC 94, BANGALORE DATED THE 31ST AUG.1994
Sanction is accorded for the revision of the scheme as detailed below:

I. SCOPE OF THE SCHEME:

1. This scheme shall be applicable only to SSI Units in respect of land/sheds
provided by Governmental agencies.

2. The maximum plot or land which could be covered by this scheme shall be 2
acres and industrial shed having a built up area of 1501 Sq. mtrs. and less.

3. The eligibility shall be in respect of the following categories of SSI units.
   a) Proprietorship were the proprietor belongs to SCs/STS.
   b) Pare partnership firms in which all the partners are SCS/STs,
   c) Private Limited company in which all the shares are held by the person
      belonging to SCs/STs
      (wherein transfer of shares to any person not belonging to SC/STs is
      prohibited).

      Provided that participation by State Financial Institution and
      Nationalised Banks in the share holding of the company will not be a bar to
      availing the benefits under this scheme.
II. THE CONDITION OF NON-ALIENATION OF THE LAND/SHED AND VARIATION IN THE COMPOSITION OF THE UNITS COVERED UNDER THE SCHEME:

The land/shed covered under the scheme shall not be transferred by the allotted for a period of 10 years and in case the allotted is a partnership firm or a private limited company then its composition shall not be altered without the prior approval of the Director of Industries and commerce and such approval shall not be grant if the conditions mentioned in Clause I (3) relating to the eligible partnership/private limited company is not fulfilled.

Provided that the allotted can mortgage the land in favor of the State Financial Institutions and the Nationlised Banks for the purpose of securing loans.

III. INCENTIVES AND CONCESSIONS:

1. The maximum amount of subsidy which could be provided under the scheme out of special component plan funds would be 40% of the price of land/shed.

2. The beneficiaries would also be eligible to claim the-subsidy provided as per the Industrial Policy of the State which means that the total subsidy available to the entrepreneur under this scheme would be 40% of the original price of land/shed and in addition to this 25% to 30%- (depending upon the location) on 60%- of the value. The 5% extra subsidy for SC/ST beneficiaries shall not be available as the same is covered in(1) above. However,, the total subsidy available under all Government Schemes for land/shed provided by the Governmental agencies, shall not exceed 60% of the price of the land/shed.
Note: The beneficiary shall be eligible for incentives and concessions in respect of all other items of project cost as provided for in the industrial incentive package, without prejudice to the limitation of the maximum subsidy for land/shed.

3. In determining the investment in fixed assets for the purpose of sales tax concession. The original cost of the land/shed shall be the basis.

4. For all other items of Project cost incentives and concessions available under the provisions of the Industrial Incentive Packages would be applicable.

IV. OTHER TERMS AND CONDITIONS:

They shall be as already detailed in the Government Order Read above.

V. TARGET FOR THE YEAR 1994-95:

Target for the year is 100 sheds and 100 plots.

VI. PROVISIONS FOR MEETING THE EXPENDITURE:

Sanction is accorded to incur an expenditure of 150 (one hundred and fifty lakhs towards this scheme during the current year under the head of account 2851-00-102-0-29- special components plan for corporations and companies.


By order and in the name of the Government of Karnataka
2. PROCEEDINGS OF GOVERNMENT OF KARNATAKA

Sub: Scheme for imparting Professional and Entrepreneurial skills to SC/ST candidates in reputed Training Institutions.


PREAMBLE:

The commissioner for ID & Director of Industries and Commerce Bangalore has proposed a scheme for imparting Professional and Entrepreneurial skills for SC/ST candidates in reputed training institutions with a view to expire the SC/ST youths to various modern skills and technique and also to provide them with inputs on motivation and business development. The scheme would have the following objectives.

1. To upgrade the skills of SC/ST youth by providing in depth training in particular trades and skills by well known Technical Institutions:
2. To provide an opportunity for SC/ST youths to get employed in various establishments after obtaining this training.
3. The enable the participants to obtain necessary skills and managing ability and assist them in setting up their ventures with, proper perspective,

ORDER NO.CI 50 ITP 94, BANGALORE DATED 3.9.1994

Government is pleased to sanction the scheme for imparting Professional and Entrepreneurial skills to SC/ST candidates as detailed below:
1) Training would be provided to qualified candidates in the following Training Institutions:

a) Nature Technical Training Foundation (NTTF)
b) Central Institute for Plastic Engineering and Technology (CIPET).
c) Govt. Tool Room and Training Center (GTTC)

The total number of candidates to be trained in the year 1994-95 is 559.

2) Duration of the training would be 3 months depending upon the qualifications of the candidates and the requirements of the training.

3) The total cost of the training including Boarding and Lodging as well as training expenses would be borne by the Government provided the total expenses on boarding, lodging and training should not exceed Rs. 21,000/- per candidate;

4) The Target in the entire State should be divided into 4 Revenue Divisions proportionate to the population of SC/STs in these Divisions.

5) The selected candidates would be paid a stipend of Rs. 150/- per month and also second class train/bus fare from their native place to the training institutions and back.

6) Selection of the candidates would be done strictly on the basis of the marks obtained in the qualifying examinations.

7) TECSOK shall provide the inputs to the candidates providing managerial aid entrepreneurial skills and for this the expenditure per candidates shall not exceed Rs.3,000/- (This is including Rs.21,00/-) mentioned in the item 3 above).
8. An Implementation committee to work out further details of the program and supervise the operation of the scheme is contributed as follows:

1. Chairman for ID & Director of I & C

2. Representative of training Institutions CTPeT, NTTE & GTTC

3. Representative of TECSOK

4. Representative of Social Welfare Department.

5. Representative of KSFC.

6. Joint Director (AEP) Convener

The expenditure for the above scheme shall be met out of Head of Accounts: 2851-00-1020-29 Special Component Plan, as detailed below:

<table>
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<tr>
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<th>Cost of Training</th>
<th>Lodging and boarding</th>
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<tbody>
<tr>
<td>1</td>
<td></td>
<td>21,000 x 559</td>
</tr>
<tr>
<td>2</td>
<td>To and fro bus fare</td>
<td>100 x 559</td>
</tr>
<tr>
<td>3</td>
<td>Stipend</td>
<td>559 x 3 x 150</td>
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<tr>
<td></td>
<td>Total</td>
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The Commissioner for ID & Director of Industries Tries and Commerce, Bangalore is authorised to countersign the Bills submitted by CIPET, GTTC, NTTF for claiming the expenses.


By Order and in the name of the Governor of Karnataka
3. PROCEEDINGS OF THE GOVERNMENT OF KARNATAK.

Sub: Establishment of a sub-center of the Government tool Room and Training Center at Gulbarga Sanction reg.


PREAMBLE:

The Commissioner for Industrial Development and Director of Industries and Commerce, Bangalore in his letter read above has state that the Director of Government Tool Room and Training Centre, Bangalore has submitted a Project report for setting up of a Training Center for Tool Makers and Machinists in Gulbarga District. This is the Divisional Head Quarters of Gulbarga Division and is an industrially backward area. The center would take up following Training Programs.

Duration

a) Tool and Die-making 4 years
b) Advanced Machinist 2 years
C) Post Diploma in Tool Design 2 years
d) P.G. Course in Tool Design 2 years
e) C.N.C Machine Operator 4 months

Training

f) AUTO CAD 6 weeks
The center is proposed to be located in the existing building of District Industries Training Center (DITC). The cost of the total project is Rs.489.00 lakhs and the total funding required from the State Government over the 1st. four years is Rs.434.00 lakhs, year wise breakup of which are as follows:

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<tbody>
<tr>
<td></td>
<td>85.00</td>
<td>144.00</td>
<td>135.00</td>
<td>70.00</td>
<td>434.00</td>
</tr>
</tbody>
</table>

From the fourth year onwards the center would be self-sufficient. During the current year, a sum of Rs.276 lakhs have been provide under the head of Account 2851-00-200- under Vishwa Programme, as reserved under Special Programme for rural industrialisation Rs. 85.00 lakhs is requested to be released out of this sum. Accordingly the Director of Industries and Commerce, Bangalore has requested Government for opening of a sub-center of GTTC at Gulbargá with the funding pattern as shown above and also to grant approval for release of Rs.85.00 lakhs during the current financial year from the above.

**Read of Account.**

The proposals have been examined.
GOVERNMENT ORDER NO.CI 12 SGT 94, BANGALORE

DT.23.9.94

Government are pleased to agree to provide necessary assistance to Government Tool Room and Training Center in setting up of the Sub-center at Gulbarga. with the funding pattern as mentioned in the preamble.

2. Government are also pleased to agree for release of Rs.85.00 laks (Rupees Eighty five lakhs only available as savings, under the Head of Account 2851-00-200-0-09 Special Programme for rural industrialisation (Plan) during the current year by reappropriation. The commissioner for Industrial Development and Director of Industries and Commerce will send suitable proposals for reappropriation.

3. The Director of Government Tool Room and Training Center, Bangalore, is authorised to draw the amount on payees receipt duly Countersigned by the commissioner for Industrial Development and Director of Industries and Commerce, Bangalore,

4. This order issues with the concurrence of planning and Finance Departments vide their Note : PD 278 POP 94, dated 27.08.1994 and No.FD 1393 Exp/I:94 dtd. 16.09.1994 respectively.

By Order and in the name of the Government of Karnataka
To review and ‘encourage public undertakings, to function effectively and to produce more and more on par with private industries Sri Kharge played a very decisive role by visiting personally the public under takings and the employers and gave a stern warning to them and their Officials to see that the public undertaken could function effectively and produce more and more goods so as to achieve the goal of “economic development of the whole Karnataka State.”

In this way Sri kharge during the time of eight months, as a minister for industries, did a lot to the industrial development of Karnataka. He did not believe in wasting any time given to him, to accomplish his tasks. He fully utilized the time, opportunity and occasion to render service to the people of Karnataka. He took initiative to start many industries, as the list of industries started during this regime has been shown already. At the same time, he was able to implement many programs and schemes for over all development of the people of Karnataka by persuading Government orders’ to that effect. The orders are also mentioned in a very comprehensive way.

Such action of Kharge undoubtedly turns him as a great statesman who looks to the welfare of the next generation. Any thing that has been brought about, as a development in the industrial sector is the testimony of bold action taken by Sri Kharge.
NOTES AND REFERENCE

1. From a forward by Bhupinder Singh S. Mahalingam - Role of Co-operative organisation in Developing Tribal Economy-Mittal Publications, New Delhi/ pp.viii.


4. Sahakar in Kannada, (Weekly) Published by Government of Karnataka, Department of Co-operatives Bangalore1995, pp.05

5. Ibid pp.06


7. Sahakar Kannada (Weekly) Published by Department of Co-operatives Government’ of Karnataka Bangalore, 1993 pp.52

8. Ibid, pp.52.


15. Ibid, p.543.


17. Order No. Cl 49 CSC, 94 Bangalore dtd 31st Augu. 1994
