CHAPTER - 6

ROLE OF GOVERNMENT AGENCIES IN THE DEVELOPMENT OF FRUIT AND VEGETABLE INDUSTRY OF ASSAM.

- SCHEMES OF THE CENTRAL AND THE STATE GOVERNMENT.

- NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPORATION (NERAMAC)

- ASSAM SMALL INDUSTRIES DEVELOPMENT CORPORATION LIMITED (ASIDC)

- ASSAM FINANCIAL CORPORATION (AFC).

- AGRICULTURAL AND PROCESSED FOOD PRODUCTS EXPORT DEVELOPMENT AUTHORITY (APEDA)
SMALL INDUSTRIES SERVICE INSTITUTE (SISI)

DISTRICT INDUSTRIES CENTRE (DIC)

NATIONAL SMALL INDUSTRIES CORPORATION LIMITED (NSIC)

INDIAN INSTITUTE OF ENTREPRENEURSHIP (IIE)

SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA (SIDBI)

NATIONAL HORTICULTURE BOARD (NHB)

NORTH EASTERN INDUSTRIAL AND TECHNICAL CONSULTANCY ORGANISATION LIMITED (NEITCO)
Both the central and state government have launched many schemes for the development of the fruit and vegetable industry during the eight five year plan. The central government have sanctioned over Rs.21.41 crores for various food processing industries including the fruit and vegetable processing industry in the seven north eastern states during the eight five year plan.  

Assam has received the highest amount for the development of the food processing industry under the eighth five year plan allocation which is Rs. 11,84,78,000 followed by the other North eastern states.

Further during the ninth plan too many incentives and facilities were given to the food processing industry both by the central and the state government.

The Government of Assam has also provided many assistance for the development of the fruit and vegetable processing industry of the state. The budget for the year 2001-2002 has given its much awaited excise duty exemption to fruit and vegetable processing industry which will make Jams, Jellies, Sauces, ketchup, Soups and fruit based beverages.

much cheaper.30

'The state government have increased the subsidy upto 35% on investment in all food processing industries. Moreover, in order to increase the capacity utilisation of fruit and vegetable processing industries by ensuring a regular supply of raw materials and to establish a direct link between the farmer and the processor, the Government has provided incentives in the form of reimbursement upt0 5% of the total purchase made by the processor in a given year, limited upt0 Rs.10 lakhs per year for a maximum period of 3 years.31 But the condition to such reimbursement is that the processing companies will be required to supply high quality seeds, fertilizers, pesticides and technology to the contracted farmers along with necessary extension work at a reasonable charge.

Moreover, the government in order to build awareness among consumers about the advantages of processed foods and their quality assurance, have introduced the scheme of generic advertisement. The scheme is a two fold one. Firstly, Generic advertisement and publicity and secondly, market promotion campaign for new product mix and brand name support.

31. Office of the Directorate of Industries, Govt. of Assam.
The pattern of assistance are as follows,

(i) In case of central or state Government Organisation, 50% of the cost of campaign up to Rs. 10 lakhs.

(ii) In case of NGO's and co-operatives, 50% of the cost of campaign up to Rs. 10 lakhs per annum for a period of 2 years.

(iii) In case of private industry, assistance is given only for generic advertisement. It consists of 90% of the project cost in the first 2 years, 80% of the cost for the next two years and 70% for the last year of the Ninth plan.  

All these assistance are in the form of grants.

Besides this, the government also provide assistance to the fruit and vegetable based units for participating in national and international fairs. All kinds of expenditure are borne by the government in connection with publication of literature, holding seminars, space rentals etc. The quantum of financial assistance depends upon the merits of the proposal. Furthermore, for strengthening the directorate of fruit and vegetable processing including computerisation, compilation of information on different aspects of technology, machinery, packaging etc, the pattern of assistance provided is in the form of 100% grant to both government organisation.

32. Office of the Directorate of Industries, Govt. of Assam
and private sector 33

'The government also provide assistance for the development of rural entrepreneurship and transfer of technology for processing of food products by utilising locally grown raw materials and providing 'hands on' experience at such production cum training centres; priority being given to SC/ST/OBC and women. The pattern of assistance is in the form of grants upto Rs. 2 lakhs for fixed capital and Rs. 1 lakh for working capital in case of single products line centre. In case of multi product line centre the grant is upto Rs. 750 lakhs for fixed capital and Rs. 2 lakhs for working capital. For training the trainers at recognised institutes such as CFTRI (Central Food Technology Research Institute, Mysore) the grant is upto Rs. 50,000 one time assistance 34

'Besides, the government also provide assistance for setting up mobile fruit and vegetable processing units to take the facility of processing units to the door steps of the farmers. The pattern of assistance of 50% of the project cost (excluding pre-operative expenses and margin money for working capital) upto Rs. 40 lakhs in general areas and Rs. 60 lakhs in difficult areas 35 Besides, the government also

33 Office of the Directorate of Industries, Govt. of Assam
34 Office of the Directorate of Industries, Govt. of Assam.
35 Office of the Directorate of Industries, Govt. of Assam.
provide facilities for the establishment of food processing
industrial estate/ parks with common processing facilities such
as analytical and quality control laboratories, cold storage/
modified atmosphere cold storage warehousing facilities,
production control facilities etc. The pattern of assistance is
in the form of grant upto Rs. 4 crores for creation of common
facilities. Moreover, govt also give annual awards to the most
outstanding units for the achievement in the food processing
sector and for augmenting efficiency through a healthy
competition.

Besides the direct government assistance, various
government and semi government agencies also have schemes
for providing various assistance for production and marketing
of finished products, imparting training to entrepreneurs of
the fruit and vegetable industry, providing financial assistance
and also for exporting the finished products outside the
country.

NORTH EASTERN REGIONAL AGRICULTURAL
MARKETING CORPORATION LIMITED (NERAMAC):

The North Eastern Regional Agricultural Marketing
Corporation Limited (NERAMAC) was established on 31st

36 Office of the Directorate of Industries, Govt. of Assam.
March, 1982 by Ministry of Food Processing Industries, Government of India, New Delhi in collaboration with North Eastern Council, Shillong as its promoter. The activities of the corporation include marketing of processed fruit products both in the domestic and international market. The corporation provide regular and systematic marketing facilities to the food processing units of this region to get remunerative prices for their finished products. Moreover, the marketing of ginger from Mizoram and citronella oil from Assam and Nagaland is also being arranged. Further NERAMAC have also arranged export of canned pineapple outside the country. It has also taken up various schemes for export of processed fruit products of the small scale industries of the region thereby ensuring capacity utilisation with commitment of marketing export of agricultural inputs like True potato seeds has also created market for North east origin products in the global market. Furthermore, Neramac has commissioned a fruit juice concentration plan in Tripura to market the low volume high valued products of the region. In order to harness the potentiality of cashew cultivation of the region, Neramac has also established a cashew processing unit in Tripura. Further establishment of some more units is on the anvil in other cashew growing areas of the region like Meghalaya.

Apart from marketing of processed fruit products
the corporation has undertaken marketing of fresh fruit and vegetables also. Moreover, the corporation is also involved in marketing of agro horticultural inputs, pesticides, seeds, agricultural tools and equipments for agro- horticultural development of the region. The corporation has also taken up marketing of cashewnut, cereal products, spices and minor forest produces of the North east region.

**Assam Small Industries Development Corporation Limited (ASIDC):**

Assam Small Industries Development Corporation Limited (ASIDC) was established in the year 1962 as a promotional agency of the government of Assam engaged in development and growth of small industries in the state.

ASIDC has taken up various schemes for providing assistance to the entrepreneurs. These include distribution of raw materials, marketing support, construction and supply of factory sheds, training of workers and supervisory personnels, seed money loan, equity participation, special incentive schemes for scheduled tribe, scheduled caste and women.

ASIDC provides raw materials and various strategic
commodities such as paraffin wax, plastic resins, palm fatty acid, non ferrous materials, iron and steel materials, cement, billets etc are made available to SSI units at most reasonable prices. Apart from this ASIDC participates in marketing and tendering of SSI products required by the government departments and agencies. Moreover, factory sheds are provided on nominal rent at various fully equipped industrial areas of the corporation. Such industrial areas are located at Bamunimaidan, Bonda and Jyotinagar around Guwahati and at Sibsagar. Developed lands as per their availability are also provided on lease or sale on hire purchase or on outright basis for construction of factory sheds.

Seed money is given as long term loan to enable the entrepreneurs to meet a part of the margin money called upon by the banks while they extend medium term as well as working capital loan. Besides this, stipendiary training in different trades for personnel to be employed by SSI units are arranged regularly. In case of fruit and vegetable processing units no special type of scheme is adopted by the corporation. The general schemes applicable to all the SSI units are also applied in case of fruit and vegetable processing units.
ASSAM FINANCIAL CORPORATION (AFC):

The Assam Financial Corporation was set up in the year 1954 under the State Financial Corporation Act 1951 with equity contribution from the government. The aim of the corporation is to provide financial assistance to different production units by way of various schemes.

The area of operation of the Assam Financial Corporation includes four states which are Assam, Meghalaya, Manipur, Tripura. However, the share capital has been contributed only by the Assam, Manipur and Tripura government. The corporation has three regional offices at Tinsukia, Tezpur and Bongaigaon. It has branches at Agartala, Imphal, Shillong, Jorhat, Nagaon, Silchar, Dibrugarh, Sibsagar, North Lakhimpur, Nalbari and Dhubri.

The various schemes of the corporation are the transport loan schemes, Composite loan schemes, Schemes for technocrats and medical Graduates, Schemes for Scheduled caste/ scheduled tribe entrepreneurs, Schemes for hospital and Nursing home, Schemes for printing press, small loan, Special capital assistance, Equipment finance, modernisation and expansion scheme.
Different schemes have different terms and conditions along with different rate of interest. The above mentioned schemes were in existence prior to 1993. But from 1994 onwards due to financial crisis, lack of recovery of the loan components and withdrawal of share capital contribution by the government the Assam Financial Corporation have suffered a lot. Therefore from 1994 onwards the various schemes of the corporation were abolished. At present, the corporation have only one master scheme for financing all the production units. Moreover, they strictly observe the viability of the unit before extending any kind of financial assistance to it. The various aspect which the corporation observes before granting any loan are the financial viability of the unit, the marketing aspect, quality production and above all the background of the promoter which includes his/her qualifications, sense of business interest etc.

At present the terms and conditions of granting loans to the production units are as follows:

'For loan upto 10 lakhs the debt equity ratio is 3:1. Above 10 lakhs the debt equity ratio is 2:1'.

On need basis the corporation is also providing

working capital to the extent of Rs. 10,00,000 under single window scheme. For all types of loan the rate of interest above Rs. 2,00,000 is 16% and below that, the rate of interest is 12% to 13% which is divided by the corporation after scrutinizing the various document along with the project report of the said unit. 25% security margin is to be maintained which may include mortgages of properties, some amount of liquid asset etc. However, in case of financing those items in which the rate of obsolescence or depreciation is very high security margin of 50% is insisted.

The Corporation at present does not have any separate scheme for financing the fruit and vegetable processing units. However, in the past years the corporation had financed many fruit and vegetable units but the rate of recovery from such units is very poor. Today the Corporation have only one master scheme of financing all the units which also includes the fruit and vegetable processing units. However the management of the corporation strictly see to the viability in the existence and development of the said unit which is to be financed.

38 Office of the Assam Financial Corporation, Paltanbazar, Guwahati
AGRICULTURAL AND PROCESSED FOOD PRODUCTS EXPORT DEVELOPMENT AUTHORITY (APEDA):

The Agricultural And Processed Food Products Export Development Authority (APEDA) was established by an act of parliament passed in December 1985 with its headquarter at New Delhi. The objective of the organisation is to promote and develop the exports of various processed products including the fruits and vegetables (fresh and processed) and their products.

APEDA plays a very important role in promotions of agricultural commodities export from the country. It acts as a facilitator and catalyst between exporters and various government agencies and the importers. It helps in product and market development. It provides all information to both exporters and importers, suggest suitable partners for joint ventures, tries to identify new products where India would have competitive advantages.

In its inception year i.e. 1986, 450 exporters from all corners of the country got themselves registered with APEDA.

39 Office of the Agricultural and Processed Food Products Export Development Authority (APEDA), Assam Industrial Development Corporation Ltd (AIDC) Campus, R.G Barnali Road, Guwahati.
increased to 10,000+ in 1996. Over the years, APEDA has developed a wide database on its scheduled products. The information provided to the registered numbers helps them to decide the line of action in the respective export plans. Moreover, APEDA also acts as a facilitator and takes proactive steps to solve various day to day problems of exports. APEDA also maintains inter government liaison with various ministries viz, civil aviation, agriculture, commerce and also liaison with various nodal agencies e.g State Agro Industries Corporation, Export inspection agencies, customers, Central Board of Excise and Customs etc., for resolving issues pertaining to these areas. APEDA helps the exporters by identifying new markets and products. During the year 1990-91 to 1994-95 Indian agricultural products captured many destinations in the export market. These destinations include UAE, Malaysia, Bangladesh, Indonesia, Russia, Germany, Sri Lanka, Netherlands, Phillippines and Oman as well. The exports include many agro based products. By 1994-95 a further range of products got added which included dehydrated and processed vegetables, mango pulp, processed fruits and vegetables, cereal preparations, walnuts, sheep and goat meat.

Since products like fruit and vegetable, meat,
mushrooms and floriculture are highly perishable, proper infrastructure is needed to ensure safety of quality of the product.

APEDA has established cold storage facilities at Delhi, Bombay, Bangalore, Calcutta, Madras and Thiruvananthapuram Airports. Efforts are also been made to establish cold storage facilities at the Gopinath Bordoloi Airport, Borjar, Guwahati.

APEDA has also developed standards of marketing for processed products. The importing countries have certain packaging standards which are to be followed by the exporting country while exporting their products. For this APEDA along with the Indian Institute Of Packaging has developed international quality of marketing and exporters using such packaging are provided the benefit of using 'Produce of India' label which serves as a guarantee of packaging to the international importers. A branch office of APEDA is situated at Guwahati which cater the needs of the fruit and vegetable processing units of the entire North east region. Through APEDA many local products of the fruit and vegetable processed units of the North east region which are its registered numbers are exported to various countries. Moreover, APEDA has also organised tours in which local
entrepreneurs are taken to the other advanced states outside the north east to get information about the latest techniques of processing fruits and vegetables.

Through APEDA the products are also taken to national and international fairs and exhibitions. It also arranges many seminars and conferences where experts are invited to address the local entrepreneurs regarding the processing of fruits and vegetables and their exports.

**SMALL INDUSTRIES SERVICE INSTITUTE (S.I.S.I.):**

The Small Industries Service Institute (S.I.S.I.) Guwahati was set up in the year 1951 by the government of India to supplement the activities of the state government for promotion/development of the small scale industries. The Network of the Small Industries Service Institute in the states of Assam, Meghalaya and Arunachal pradesh is the part of the national network under the Small Industries Development Organisation (SIDO) which is an apex body administered by the Ministry of Industry.

The institute provides assistance and renders various extension services for the growth and development of small scale ventures in the states of Assam, Meghalaya and
Arunachal Pradesh in the North eastern region of India. The wide range of services offered by the institute are as follows.

**Technical Consultancy Services:**

The institute provides technical consultancy services to existing industries and new entrepreneurs in the fields of mechanical engineering, chemical engineering, electrical engineering, glass and ceramics, leather footwears and allied products, food technology and processing, market information etc. The institute also assists entrepreneurs in product selection, choices of technology, selection of machinery etc.

**Preparation of Project Report:**

The institute prepares feasible and viable project report on various items on subsidised charges fixed by the government of India.

**Management Development Services:**

The Small Industries Service Institute renders management consultancy services in important areas like general management, personnel management, financial management, book keeping and accounts, marketing
management, book keeping and accounts, marketing management, cost reduction, quality controls, inventory management, work study and productivity.

**Economic Information Services :**

The economic investigation division conducts studies on economic aspects of small industries for the benefit of existing and prospective entrepreneurs. The studies relate to industrial potentiality of the districts, industrial prospects of products, market surveys, feasibility studies, products reserved for development in small scale sector, feasibility study of industrial estates, monitoring about the SSI units, periodical census surveys of SSI units.

**Marketing Services :**

The Small Industries Service Institute under central government, stores purchase programmes and assists the National Small Industries Corporation Limited to enlist small scale industries for supply of different commodities to government.

**Sub Contract Exchange :**

The institute provides information, enlists and assists small units in obtaining contracts for medium and large
scale units for parts/ components/ sub assemblies etc.

Ancillary Development:

Modernisation of selected small scale industries is also covered within the objectives of Small Industries Service Institute. The objective of modernisation programme is to strengthen the small scale units by improving quality and reducing cost. Inplant studies are conducted by SISI with the help of specialised professional consultants to draw up modernisation programmes for selected small scale units.

Revival of Sick Units:

The Small Industries Service Institute conducts diagnostic inplant studies of sick units for suggesting ways and means for their revival through the state level co-ordination committee for sick/ closed SSI units.

Training Service:

Training facilities are provided to upgrade the skills and quality for personnel engaged in the small scale industries. The institutes organises and conducts the specialised courses on financial management and accounting, production
management, marketing management, export management, packaging, quality control, inventory management etc. Various courses are also conducted with a view to identify, motivate and train prospective entrepreneurs to set up industries. Moreover, the institute also provides training to industrial workers and artisans to upgrade their skills.

Like in every sector, the SISI also provides its helping hand in the development of the fruit and vegetable processing units of the state. In this context, the SISI provides technical consultancy services and also prepares project reports for the fruit and vegetable processing units.

The small industries mostly provides training facilities to the entrepreneurs of the fruit and vegetable processing units. The SISI conducts EDP programmes in all fields including fruit and vegetable processing. In such programmes, they impart training for producing processed fruit and vegetable products in a most hygienic way. The training is imparted by experts called from the Food and Nutrition Department, Government of India.

They also work as an economic analyst. Analyses are made regarding the potentiality of a particular area for setting up manufacturing units making a particular product and
provide such information to the entrepreneurs when required.

DISTRICT INDUSTRIES CENTRE (DIC):

The District Industries Centre was started in the year 1979-80 under Department of Industries, Government of Assam. Since then the centre has been working for setting up and developing of the local industries. Initially there were altogether five district industries centre in the whole of Assam. These were at Guwahati, Dibrugarh, Silchar, Nagaon and Sibsagar. At present all the 23 districts of Assam has a District Industries Centre. The respective District Industries Centres provide various financial assistance to the units located in the respective districts.

Each district industries centre has a General manager as its head, followed by financial manager and project manager, assistant manager, extension officer and the office staff.

The District Industries Centre is not a financial institution. It does not provide financial assistance directly to the units but recommend the units to the bank for providing finance after studying their viability.

The centre provides assistance to the SSI units, Tiny
units, small scale service and business enterprises (SSSBE’s), sick units / relief undertakings subject to a maximum period of 3 years, unit set up by women entrepreneurs, large and medium units, export oriented units, units undergoing expansion, diversification, modernisation.

The various incentives provided are as follows:

**Power subsidy:**

'50% power subsidy is granted upto 1 Mega watt, the maximum ceiling of which is Rs. 5 lakhs per industrial unit per year. The amount of subsidy is 30% above 1 mega watt and upto 5 mega watt the ceiling of subsidy being Rs. 15 lakhs per industrial unit per year. Again the amount of subsidy is 20% above 5 mega watt the ceiling of subsidy being Rs. 30 lakhs per industrial unit per year.'

The power subsidy is available for a period of five years from the date of commercial production. This subsidy is made available in the form of reimbursement of fully paid power bills.

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41. Office of the District Industries Centre, Kamrup, Assam.
Interest Subsidy On Working Capital:

'5 % interest subsidy is provided to the SSI units with an investment upto Rs. 60 lakhs on interest in working capital loan obtained from the banks and financial institutions. This benefit is provided for a period of 3 years from the date of commercial production and the maximum benefit is Rs. 3 lakhs per year per unit.'

State Capital Investment Subsidy:

'A special state capital investment subsidy at the rate of 30 % of the capital investment on land, building and plant and machinery etc subject to a ceiling of Rs. 10 lakhs is provided to the industries under this policy.'

Sales Tax Exemption:

'Sales tax exemption is granted to all new and existing units going in for expansion, diversification and modernisation for sale of finished products and purchase of raw materials. For new units set up under the small scale, Tiny and the small scale service and business entreprise (SSSBEs) sector sales

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42. Office of the District Industries Centre, Kamrup, Assam.
43. Office of the District Industries Centre, Kamrup, Assam.
tax exemption is granted upto 7 years subject to maximum of 150% of fixed capital investment. For new units in the medium and large scale sector it is granted upto 7 years subject to maximum of 100% of fixed capital investment. For expansion, diversification and modernisation of the SSI, tiny & SSSBEs units sales tax exemption upto 7 years subject to maximum of 100% of additional fixed capital investment. For expansion, diversification and modernisation of the Medium and large scale units exemption is given upto 7 years to maximum of 90% of additional fixed capital investment.44

For the SSI, Tiny and SSSBE'S units which are sick sales tax exemption granted upto 3 years subject to maximum of 100% of additional investment made for rehabilitation. In case of large and medium scale units such exemption is granted upto 3 years subject to maximum of 100% of additional investment made for rehabilitation. In case of Electronic industries the tax benefit is upto 250 % of fixed capital investment spread over a maximum period of 7 years in view of low fixed capital investment. The period of exemption is limited to 7 years which is proposed to be extended upto 10 years synchronising with the North East Policy.45

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44 Office of the District Industries Centre, Kamrup, Assam.
45 Office of the District Industries Centre, Kamrup, Assam
Subsidy On Generating Set:

'The subsidy on the generating set including non-conventional energy generating sets is given at the rate of 50% of the cost of the generator subject to a ceiling of Rs. 10 lakhs per industrial unit.46

Contribution To Feasibility Study Cost:

For large and medium scale units the cost of feasibility report prepared by agencies approved by Udyog Sahayak of AIDC / Directorate of industries will be subsidised to the extent of 90% subject to a ceiling amount of Rs.2 lakhs in each case. The contribution will be treated as interest free loan for a period of five years from the date of commercial production or from the date of disbursement of the loan which ever is later. If the project is not implemented within the prescribed period, the feasibility report shall be the property of AIDC/Directorate of industries and the entrepreneur shall be liable to pay back the entire amount to AIDC within a prescribed time limit. For small scale units the cost of the feasibility report prepared by an agency approved by the Udyog Sahayak will be subsidised to the extent of 100% in case of projects whose total project cost is within

46 Office of the District Industries Centre, Kamrup, Assam
Rs. 10 lakhs and 90% in case of projects above 10 lakhs, the ceiling on subsidy being Rs. 50,000 in each case. The feasibility report will become the property of the government if the project is not implemented within the prescribed time.

**Subsidy on Infrastructure Facilities:**

In appropriate cases the centre allots land on hire purchase basis to the entrepreneurs. The cost of the land including cost of development and cost of creation of infrastructural facilities like power, water and approach road will be recovered in annual instalments over 15 years from the date of handing over of the land with a moratorium of five years. Such land will be permitted to be utilised by the unit for mortgage and hypothecation for obtaining loans from banks and financial institutions. In case of developed land not available for allotment the entrepreneurs are allotted undeveloped lands. In such situation actual land development cost is provided on interest free loan to the eligible units subject to certain ceilings. If the cost of the project is upto Rs. 2 crores the limit of interest free loan is 3% of the project cost the maximum limit of such interest free loan is Rs. 5 lakhs.

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47. Office of the District Industries Centre, Kamrup, Assam.
48 Office of the District Industries Centre, Kamrup, Assam.
For project cost above Rs. 2 crores and upto Rs. 5 crores the interest free loan is 2% of the project cost, the maximum limit of such loan is Rs. 7.50 lakhs. For project cost above Rs. 5 crores and upto Rs. 10 crores the interest free loan is 2% of the project cost, the maximum ceiling of such loan is Rs. 15 lakhs. In case of projects the cost of which is above 10 crores and upto Rs. 50 crores the interest free loan is 1.5% of the project cost, the maximum limit of such interest free loan is 50 lakhs. In case of project above Rs. 50 crores the interest free loan is 1% of the project cost, the maximum limit of such loan is Rs. 100 lakhs.49

Manpower Subsidy:

Moreover subsidy on manpower development is also provided in respect of local persons trained and employed in the industrial units. For managerial category the amount on training is Rs. 10,000 per person, for supervisory category the amount spent on training is Rs. 7,500 per person, for skilled category the amount spent on training is Rs. 5,000 per person and in case of unskilled person the amount spent on trainings Rs. 2,000 per person.50

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49. Office of the District Industries Centre, Kamrup, Assam.
For unit with investment upto Rs. 2 crores the total ceiling of the amount spent on training is Rs. 1 lakh. For units with investment above Rs. 2 crores and upto Rs. 5 crores the total ceiling is Rs. 2 lakhs. Above Rs. 5 crores and upto Rs. 10 crores it is Rs. 5 lakhs and above Rs. 10 crores the total ceiling is Rs. 7 lakhs.\(^{31}\)

Special Incentives To The Pioneer Unit:

'In case of pioneer unit the centre gives an additional state capital investment subsidy of 5% of fixed capital investment subject to a ceiling of Rs. 10 lakhs. Such units will also be given power subsidy for an additional period of 2 years at the same rate in addition to power subsidy at 5 :1.\(^{52}\)

Special Incentives For Export Oriented Units (EOU’S):

'The centre provides special incentives for 100% export oriented units. It provides additional state capital investment subsidy of 10% subject to a ceiling of Rs. 10 lakhs. Moreover, it also provides additional 20% subsidy on purchase of testing equipment for obtaining ISO 9000/BIS 14000 series registration subject to a ceiling of Rs. 2 lakhs.

\(^{31}\) Office of the District Industries Centre, Kamrup, Assam.
\(^{52}\) Office of the District Industries Centre, Kamrup, Assam.
Further the centre provides a subsidy on the purchase of testing equipment for obtaining ISO 9000/BIS 14000 series registration at the rate of 30% of the cost of the equipment subject to a ceiling of Rs. 5 lakhs.53

Special Incentives For Women Entrepreneurs:

'Special incentive are granted to women Entrepreneurs by the centre. This includes additional state capital investment subsidy of Rs. 5 lakhs where women constitute more than 50% of the workforce in the industry. Moreover, additional subsidy on working capital is given having interest 2% for a period of three years from the date of going into commercial production subject to a ceiling of Rs. 1 lakh per annum. Further, factory sheds are allotted to women entrepreneurs on priority basis on a subsidised rent at the rate of 75% of the economic rent for a period of five years from the date of going into commercial production.54

Special Incentive For Physically Handicapped Person:

'Special incentive are provided to physically handicapped person which includes additional 5% state

capital investment subsidy subject to a ceiling of Rs. 5 lakhs. Moreover, additional 2 % investment subsidy on working capital for a period of three years from the date of commercial production subject to a ceiling of Rs. 1 lakh per annum\textsuperscript{55}

**Special Incentives For Handicraft Industries :**

'The centre provides special incentives for handicraft industries. It provides additional 10% special capital investment subsidy subject to a ceiling of Rs. 2 lakhs, and additional 2 % interest subsidy on working capital for a period of three years from the date of going into commercial production subject to a ceiling of Rs. 1 lakh per annum\textsuperscript{56}

**Miscellaneous Subsidy :**

'The centre also provides certain miscellaneous subsidy to the eligible units. This includes 20 % of the cost payable to Assam State Electricity Board for drawal of High transformer / Low transformer line up to the premises of the unit and installation, of transformer for power supply to the unit subject to a ceiling of Rs. 1 lakh, 50 % of the fees (excluding recurring loyalty) paid for procurement of know

\textsuperscript{55} Office of the District Industries Centre, Kamrup, Assam
\textsuperscript{56} Office of the District Industries Centre, Kamrup, Assam.
how from national research and development corporation or other agency recognised by Udyog Sahayak subject to a ceiling of Rs. 1 lakh. Moreover, 50% of the cost of pollution control and monitoring equipment subject to a ceiling of Rs. 2 lakhs. Further, the centre also provides 50% of the cost of quality equipment subject to a ceiling of Rs. 1 lakh. The miscellaneous subsidy shall be released only after actual expenditure is made by the unit. These incentives are applicable to all sectors of industries where the fixed capital investment does not exceed Rs. 5 crores.  

Prime Minister's Rozgar Yojana:

'Prime Minister's Rozgar Yojana popularly known as PMRY is another loan scheme of the government of India for providing self employment to unemployed youth which is operated through the district industries centre. The loan is available for ventures whose total project cost is within Rs. 2 lakhs for industry and other activities and Rs. 1 lakh for business in case of individuals. The entrepreneurs are required to contribute 5% to 12.5% of the project cost. The repayment schedule ranges from 3 to 7 years after initial moratorium of 6 to 18 months.  

57. Office of the District Industries Centre, Kamrup, Assam.  
The district industries centre is the implementing agency for PMRY. The centre in consultation with the banks of the respective areas are responsible for the formulation of self employment plans, their implementation and monitoring under the overall guidance of the district PMRY committee. A district level task force committee is also constituted which comprise officials from SISI, Banks, employment exchange which are responsible for motivation and selection of beneficiaries, identification and preparation of the schemes. The task force recommends loan applications to the banks for getting speedy clearance.

**Assistance Given To The Fruit And Vegetable Processing Industry:**

There is no separate scheme for providing assistance to the fruit and vegetable processing industries. The general schemes which apply to all the other industries are also applicable to the fruit and vegetable processing industries including the PMRY scheme. However, in case of agro and food processing industries an additional state capital investment subsidy of 5% subject to a ceiling of Rs. 5 lakhs is provided. Moreover, 50% of the cost payable for getting FPO licences/ Agmark/ Trade mark for the products for food
processing industries subject to a ceiling of Rs. 1 lakh is also provided.\footnote{Office of the District Industries Centre, Kamrup, Assam.}

**NATIONAL SMALL INDUSTRIES CORPORATION LIMITED (NSIC):**

The National Small Industries Corporation was established in the year 1955 by the government of India with a view to promote and foster the growth of small industries in the country. NSIC remains the forefront of industrial development throughout the country with its various programmes and projects to assist the small scale sector in the country. The small scale sector continues to remain an important instrument for entreprise building, dispersal of industries for even regional development and employment generation. NSIC has been successfully able to play its assigned role in this endeavour. Due to the changed industrial scenario and gradual globalisation of the economy small scale sector has to face a stiff competition, NSIC enable the small scale sector to meet this challenge by initiating various steps. The National Small Industries Corporation provides diversified support by providing several assistance to the small scale sector. Basically the corporation provides equipment and marketing to the SSI units by hire and purchase and equipment leasing.
scheme. The quantum of finance is minimum 1 lakh rupees and maximum 1 crore rupees. However, in case of women entrepreneurs the minimum amount of finance is fifty thousand rupees. The rate of interest is 14% and the payment should be made quarterly in 20 equal instalments within a period of five years. The gestation period is 6 months. The supplier from whom the machinery is procured can be selected by the entrepreneur himself provided the former is registered with the NSIC. Besides this NSIC also provides raw material assistance upto ten thousand rupees at a time. Moreover, NSIC also helps the small scale units to sell their goods and services to the government departments and agencies through single point registration scheme. The NSIC enlists small scale units as competent to undertake supply of various items to the government. The single point registration scheme is to avoid multiplicity of registration with various government agencies and to ensure that the units registered with NSIC are considered at par with those registered directly with the purchasing agency. Bonafide small scale units registered with the Directorate of Industries/ District Industries Centres are enlisted under this scheme. Furthermore, the NSIC has provided various marketing support programmes by setting up marketing development centres which provides marketing outlets and serve as a common marketing facility for a number of small scale units. NSIC has recently started an integrated
marketing support programme in which bills pertaining to supplies made by small scale units to eligible purchases are discounted by NSIC up to certain specified limit. The scheme has been introduced with a view to mitigate the problem of delayed payment by buyers against supplies made by small scale units. NSIC has helped the SSI units in technology upgradation by providing proper guidance and latest information in connection with technology upgradation and dissemination among the other small and large scale enterprises spread all over India and abroad. Further NSIC is also engaged in exporting a number of items manufactured by SSI units. The corporation provides a complete package of export assistance, testing facilities, pre shipment, credit facility, export incentives etc., apart from exposure to the products of small scale units in trade fairs, buyers and sellers meet etc. In addition to this, NSIC also helps the units in procurement of samples, development of counter samples and in negotiations for first business deals with foreign buyers.

**Assistance To The Fruit And Vegetable Units Of Assam:**

Though NSIC provides many assistance for procuring of machinery and equipment, but regarding fruit and vegetable processing units the corporation has not yet provided assistance to any such unit in the state because as the fruit
and vegetable units are mostly unorganised the NSIC hesitates to grant loan to such units out of the fear that the loan shall not be refunded. Moreover, since the units are mostly unorganised with very little own contribution they could not fulfil the strict criteria of the NSIC for granting loan.

Further, in case of assistance with regard to supply of raw materials the NSIC finds quite difficult in providing raw material assistance to the units because the payment of such supply is made on the name of the supplier who supplies the raw materials and who should be a registered one with the NSIC. This is not possible in case of fruit and vegetable units because there is no organised supply or supplier of raw materials in this sector. Moreover the prices of raw materials fluctuate frequently.

**INDIAN INSTITUTE OF ENTREPRENEURSHIP (IIE):**

The Indian Institute Of Entrepreneurship (IIE) was established in the year 1993 by the ministry of Industry, Government of India with its headquarter at Guwahati. The institute was registered on March 1993 under the societies registration act 1860. In April 1994 it took over the North East Regional Centre of NISIET, Hyderabad and started its activities from its premises. The management of the institute
is in the hands of a Board of management appointed by the government of India. The president of the institute is the chairman of the North Eastern Council. The institute undertakes training, research and consultancy activities in the field of small scale industry and the entrepreneurship. The activities of the institute include identification of training needs, designing and organising training programmes both for development functionaries and entrepreneurship, evolving effective training strategy and methodology for different target groups and locations, organising seminars, workshop and conferences for providing forum for interaction and exchange of views by various agencies and entrepreneurs, undertaking research on entrepreneurship development, documenting and dissemination of information needed for policy formulation and implementation on self-employment and entrepreneurship.

The institute also acts as a catalyst for entrepreneurship development by creating an environment for entrepreneurship in the support system, developing new entrepreneurship, helping in the growth of existing entrepreneurs, encouraging the educated sons and daughters of artisans to take up their family business and also by taking up programmes on entrepreneurial education. The institute takes up these activities for creating an entrepreneurial culture in the society. Most of the programmes organised by the institute are
sponsored by the Government of India, North Eastern Council, SlDBI (Small Industries Development Bank of India) and also by international agencies.

The institute has been organising general, target group oriented, product specific and location specific entrepreneurship development programmes (EDP's) for creating new entrepreneurs. There are EDP's for women entrepreneurs, rural entrepreneurs, product specific EDP's for food processing industries, jute products and other agro products.

The institute have also taken effort to create interest among the educated sons and daughters of the artisans particularly in the handicraft sector to save these units from getting out of existence.

Moreover in order to orient and sensitise the environment for entrepreneurship, the institute has been organising training programmes, workshops and seminars. It organises entrepreneurs and appraising projects in the SSI sector in collaboration with EDI, Ahmedabad and combined programmes both for bankers, DIC functionaries and also development functionaries. Besides this, it also organises a member of district, state and regional level workshops on
sharing experience on implementation of PMRY.

The institute also imparts a three month's certificate course on Entrepreneurship and a Entrepreneurial awareness camp for school students.

The institute also organises seminars and workshops for sharing experiences on implementation of programmes of self employment and entrepreneurship. Such workshops and seminars creates awareness about the prospects of developing entrepreneurship in certain line of activity such as handmade paper industry, food processing industry etc.

Therefore the training, research and the consultancy activities carried on by the Indian Institute of Entrepreneurship in the field of small industry and entrepreneurship helps in the growth and development of many local industrial units, including the fruit and vegetable processing units.

The IIE conducts many training programmes, conferences and seminars which help the entrepreneurs of the local fruit and vegetable processing units for developing their technology, marketing, quality improvement etc. These training programmes have also helped in creating new entrepreneurs for fruit and vegetable processing units in the state of Assam.
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA (SIDBI):

Small Industries Development Bank Of India (SIDBI) was set up by an act of parliament as an apex institution for promotion, financing and development of industries in the small scale sector and for co-ordinating the functions of other institutions engaged in similar activities. SIDBI is a wholly owned subsidiary of Industrial Development Bank Of India (IDBI). It commenced its operations on April 2, 1990 by taking over the outstanding portfolio and activities of IDBI pertaining to the small scale sector. SIDBI is operating through its head office at Lucknow and a network of 5 Regional offices and 28 branch offices in all the states.

SIDBI under the charter has been assigned the task of being the main surveyor of term finance to the small scale sector in the country. Small scale industrial units, artisans, village and cottage industrial units in the tiny sector and small road transport operators are extended financial assistance mainly by way of refinance through primary lending institutions (PLIs) i.e the State Financial Corporation (SFCs), State Industrial Development Corporation's/ State Industrial Investment Corporations (SIDCs/ SIICs) and banks which have a wide network of branches. Term loans extended by
the primary lending institutions to small scale industrial projects, irrespective of location and form of organisation of the units are eligible for refinance assistance.

With a view to encouraging bills culture and helping the SSI units realise their sale proceeds of capital goods/equipment and components/sub assemblies/intermediates, SIDBI directly discounts bills arising out of these transactions and also rediscounts those bills that are discounted by the banks. In addition, SIDBI has also introduced direct finance schemes for specialised marketing agencies, sub contracting/ancillary units and infrastructure development agencies so as to fill the gaps in these areas in the existing credit delivery mechanism. SIDBI has been providing assistance to well run companies on a selective basis for acquiring machinery and equipment both indigenous and imported for modernisation, expansion, diversification, balancing scheme etc under equipment finance scheme (EFS). Project loans are also considered on a selective basis. SIDBI operates a venture capital fund for support to ventures in the small scale sector which have special features in terms of technology, market prospects, return on investment or entrepreneurial profile.

All projects in the small scale sector are normally eligible for assistance. There is no separate scheme for
providing assistance to the fruit and vegetable processing units. All schemes applicable to other small scale units are also applicable to the fruit and vegetable processing units provided the terms of the schemes suits the project of the unit. Various schemes of SIDBI can be broadly classified into four categories. They are direct assistance scheme, indirect assistance schemes, refinance scheme and bill discounting schemes. Under the direct assistance scheme, finance is provided for setting up of new units and expansion, diversification, modernisation of existing units. The project cost should not be less than 75 lakhs. The various schemes under the direct assistance are project finance scheme, Venture capital scheme, scheme for financing activities relating to marketing of SSI projects, scheme for ancillary units, schemes for development of industrial areas for SSI sector, Equipment finance scheme, scheme for integrated infrastructural development, ISO 9000 scheme, scheme of assistance for savings cum credit Groups (Micro credit scheme), scheme for foreign currency term loans to SSI units, PCFC loans to small scale industries, scheme for opening of foreign letters of credit, Technology development and modernisation fund scheme.

Indirect assistance is provided through the banks, SFCs and SIDCs. There is no minimum loan limit for such
finance. In case of refinance there are several schemes like the general scheme for setting up of new units and expansion, modernisation and diversification of existing units, schemes for cottage and village industries, equipment refinance scheme, schemes for small road transport operators, schemes for qualified professionals in management, accountancy, medicine, architecture, engineering etc, schemes for tourism related activities, schemes for hotel and restaurant projects, schemes for infrastructure development, equity type assistance scheme to meet the gap in minimum promoters contribution and in equity, schemes for women entrepreneurs, special schemes for assistance to ex servicemen, single window scheme, refinance scheme for technology development and modernisation, refinance scheme for acquisition of ISO 9000 series certification by SSI units.

The last category of schemes are the bills schemes which include the bills rediscounting scheme and the direct discounting scheme. The minimum amount of project cost varies according to schemes. The minimum promoter's contribution prescribed under the schemes generally varies between 10% and 25%. The debt equity ratio upto 3:1 is normally applicable under all refinance schemes in respect of loan amount upto Rs. 10 lakhs and upto 2:1 above Rs. 10 lakhs. Interest rate for most activities is related to the size of
loan under various schemes of assistance. Repayment period for the term loan is fixed after taking into account the profitability and debt servicing capacity of the project.  

NATIONAL HORTICULTURE BOARD (NHB):

National Horticulture Board (NHB) was set up by the Government of India in 1984 as an autonomous society under the societies registration Act, 1860 with a mandate to promote integrated development of horticulture, to help in co-ordinating, stimulating and sustaining the production and processing of fruits and vegetables and to establish a sound infrastructure in the field of producing, processing and marketing with a focus on post harvest losses. The head office of NHB is at Gurgaon, Harayana. At present there are 33 offices of NHB functioning throughout the country. The organisational structure of NHB consist of Board of Directors, Managing Committee and principal executive.

The broad objectives of NHB are as follows.

1. Develop high quality horticultural farms in identified belts and make such areas vibrant with horticulture activity which in turn will act as rules for developing commercial horticulture.

60. Regional Office of the Small Industries Development Bank of India (SIDBI). G. S. Road Guwahati.
2. Develop post harvest management infrastructure.

3. Strengthen market information system and horticulture database.

4. Assist research and development programmes to develop products suited for specific varieties with improved methods and horticulture technology.

5. Provide training and education to farmers and processing industry personnel for improving agronomic practices and new technologies.

6. Promote consumption of fruits and vegetables in fresh and processed form.

The various schemes of NHB are as follows:

A) Development of commercial horticulture through production and post harvest management.

This scheme is of two components.

a) Production related

b) Post harvest management/Processing related.
The pattern of assistance is in the form of back ended capital investment subsidy not exceeding 20% of the total project cost with a maximum limit of Rs. 25 lakh per project. For north eastern/ Tribal /Hilly areas maximum limit of subsidy is Rs. 30 lakhs per project. Subsidy would be sanctioned and released through participating banks and financial institutions. 50% of the subsidy would be released to the leading participating financial institutions / NABARD/ Bank/Financial institution after the loan is sanctioned and 50% of the loan is disbursed and remaining 50% on completion of the projects. The financial institution and banks shall include NABARD, IDBI, SIDBI, ICICI, state financial corporation, State Industrial Development Corporation other designated loaning institution of the states/Union/ Commercial/ Coopertive banks etc.

B) Capital investment subsidy for construction/ Expansion/ Modernisation of cold storage/ storages for horticulture produce.

The aim of this scheme is to promote the setting up of cold storages in the country for reducing post harvest losses. The cold storage include controlled atmosphere (CA) and Modified atmosphere (MA) stores, precooling units and

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61. Office of the National Horticulture Board (NHB), Guwahati 28.
other storage for onion etc.

'The pattern of assistance includes 25 % promoter's contribution, 50 % term loan by bank and 25 % back ended capital investment subsidy by NHB'.

C) Technology development and transfer for production of horticulture.

The main aim of this scheme is to popularize new technologies, tools and technologies for commercialisation, introduction of new concepts to improve farming system, upgradation of skills by exchange of technical know how, identification and popularisation of indigenous crops with emphasis on domestic and export promotion.

The eligibility and pattern of assistance is different for different components.

For introduction of new technologies, grant upto 100% of the cost is provided under this scheme. However, this is restricted upto Rs. 10 lakhs in case of pilot project based on high quality commercial production, compact area development approach for popularizing new and modern

62. Office of the National Horticulture Board (NHB), Guwahati 28.
scientific concepts in horticulture and Rs. 25 lakhs for project falling under post harvest management, primary processing, Biotechnology and introduction of new equipment and machinery and research and development project. Moreover in case of national visit of progressive farmers financial assistance in the form of grant in aid shall be provided for organising such visit or training upto a period of 10 days (Excluding the journey). The assistance also includes second class rail fare plus boarding charges @ Rs.100 for state level participation, Rs. 5 lakhs for national level participation and upto Rs.10 lakhs per event for international participation.63

'The duration of the seminar for the above mentioned assistance should be 3 to 5 days. In case of short duration that is 1 to 2 days financial assistance upto Rs. 1 lakhs for state level participation, Rs. 2 lakh for international event NHB also provides assistance for publication and preparation of films relating to horticulture. Besides this, NHB also organises study tours for its officers to give exposure to the officers about horticulture industry in advanced countries. Further a grant upto Rs. 20,000 for one expert for a group of upto 5 experts per project is provided with a ceiling of Rs. 1 lakhs per project for honorarium to scientist for facilitating effective transfer of technology as per the details of schemes

63 Office of the National Horticulture Board (NHB). Guwahati 28
covered under development of high quality commercial horticulture and transfer of technology.\textsuperscript{64}

D) Establishment of Nutritional Gardens in Rural Areas:

The main object of this scheme is to improve nutritional status of the rural masses and to increase the per capital availability of fruits & vegetables. Moreover, it also insists in making the availability of fresh fruits and vegetables throughout the year and preservation of horticultural produce. Under this scheme NHB provides 100% grant in aid.

E) Market Information Service For Horticulture Crops:

NHB also provides latest information about the daily price of horticulture crops throughout the country. At present there are 33 Market information centre which collects the information on prices and arrivals in their respective markets and communicate it to the Central Coordinating cell of NHB Head quarter at Gurgaon which complies and analyses the prevailing prices and arrivals of selected horticulture commodities of commercial importance.

\textsuperscript{64} Office of the National Horticulture Board (NHB), Guwahati 28.
F) Horticulture Promotion Service:

This scheme relates to the review of the present situation of horticulture development in particular area/state. It includes the development of primary and secondary data of various aspects on horticulture. The scheme further includes identification of constraints and suggest their remedial measures, development of short term and long term strategies for systematic development of horticulture and providing for consultancy services in pursuance there of. The pattern of assistance includes 100% cost of study to be borne by the board.

The eligible promoters under the above schemes shall include NGO'S, Association of growers, Individuals, Partnership, Proprietory firms, Companies, Corporations, Cooperatives, Agricultural produce Marketing Committees, Marketing Boards/Committees, Municipal corporations/Committees, Agro industries Corporation and other connected Research and Development organisation. However, individuals and other research and development organisations are not eligible for the cold storage capital subsidy scheme.
NORTH EASTERN INDUSTRIAL AND TECHNICAL CONSULTANCY ORGANISATION LIMITED. (NETICO):

North Eastern Industrial And Technical Consultancy organisation limited (NEITCO) is a consultancy organisation sponsored by Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI) Industrial Credit and Investment Corporation of India (ICICI), Nationalised Bank and State level development and financial corporations. NEITCO is one amongst a family of seventeen (17) Technical Consultancy Organisations (TCO's) set up in the country by the financial institutions to provide complete consultancy and escort services to tiny, cottage, small scale and medium scale industries.

NEITCO is the second TCO to be set up in the country in 1973 with its headquarter at Guwahati and branch offices in other states. NEITCO is a limited Government company registered under this Companies Act 1956, and headed by a chairman (Non executive) with the day to day affairs being administered by a Managing Director. NEITCO comprises of a band of professionals from various disciplines like MBA's, Economists, Trainors, Finance and Computer professionals. With its band of professionals NEITCO carries various activities like project formulation, motivational training project implementation and market survey. Apart from the head office at Guwahati there are two branch offices
one each at Shillong and Itanagar which were established in August 1988 and June 1989 respectively.

**Main Objectives:**

The main objectives of NEITCO are as follows.

1. To identify industrial potential through surveys and otherwise.

2. To prepare project profiles, feasibility reports and pre-investment studies in respect of specific industries.

3. To identify potential entrepreneurs for implementation project and provide technical and administrative assistance to them for promotion and management of industries.

4. To undertake techno-economic appraisal of projects.

5. To undertake market research and surveys for specific products.

6. To act generally as an industrial management and financial consultant.

7. To undertake project supervision and where necessary render technical and administrative assistance for improving the working of industrial concerns.
8. To undertake any type of research and service in order to promote the objectives of the company for evaluating or dealing with marketing or investments and to undertake and carry on techno-economic or other studies or surveys in connection with the development of industries.

NEITCO has four main division,

1. Consultancy Division
2. EDP Division
3. Project Division
4. Rural development division

Consultancy division:

The consultancy division is responsible for providing technical and management consultancy services. It provides various assignments such as project identification / project profiles, Market surveys, diagnostic studies, Industrial potential surveys and planning of industrial areas, Growth centres. The above assignments cover a range of industrial sectors such as cement, Textiles, Food processing Electrical / Electronics and chemicals.
EDP Division:

Entrepreneur Development Programme (EDP) activities commenced on a regular basis in 1984. Four types of EDP'S are being conducted which are General EDP'S, science and technology (S & T) EDP'S, women EDP'S and rural EDP'S. These EDP'S differ mainly with regard to the target groups. The science and technology EDP'S are meant for science and technology graduates / diploma holders, the women candidates and rural EDP'S are oriented towards candidates in rural areas. Over 2000 candidates have been trained and motivated during the last seven years and of these over 700 entrepreneurs have successfully set up and are operating their units.

Project Division:

The project division has been involved in implementing projects from concept to completion. The projects implemented include cement plants, Dye- houses, Tantalum capacitor project and a fruit juice concentration plant.

Rural Development Division:

NEITCO has also carried out employment generation programmes targeted at those with minimal education such as
school, college drop outs. Such candidates are given training in technical trades, such as plumbing, masonry, automobile, repair, electrical wiring as also in areas like weaving, poultry/piggery farming, fishery, mushroom cultivation. After training, necessary assistance are given which includes tie up for finance from institutions, banks to enable them to be self employed or tie up with establishment where wage employment is available. Moreover, block adaption programmes are carried on to identify need biased income generating activities that would catalase economic development of the village in a specific block.

**ROLE OF NEITCO IN THE FRUIT AND VEGETABLE PROCESSING SECTOR:**

As stated earlier the central activity of NEITCO is to draft project reports, carry out market survey, location survey, availability of raw material survey in a particular area etc upon which the viability of a particular business in that area depends.

With regard to these NEITCO performs the same type of activities in the field of fruit and vegetable processing also. These activities include drafting of project report, survey of horticultural products, market surveys and also EDP's on food processing etc.

Though the Governmental and Semi Governmental
institutions have taken up many schemes for the upliftment of the local fruit and vegetable based units yet according to the entrepreneurs practically such assistance are not fully implemented and are not satisfactory. This is proved by the hypothesis no. 2 which states that the existing Governmental support to the fruit and vegetable based units are not up to the mark. The hypothesis is proved through the opinion of the entrepreneurs which is secured by the distribution of questionnaire among them. The information gathered is shown in the table 6.1 in the form of number and percentage.

Hypothesis No. 2
That the existing governmental support to the fruit and vegetables based units are not up to the mark.

Table showing government assistance to the fruit and vegetable units.

<table>
<thead>
<tr>
<th>Opinion of entrepreneurs relating to receipt of government assistance.</th>
<th>OPINION OF ENTREPRENEURS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td>NUMBER</td>
</tr>
<tr>
<td>1. SHED ALLOTED BY THE GOVERNMENT</td>
<td>4</td>
</tr>
<tr>
<td>2. GOVERNMENT HELP IN PROMOTING SALES</td>
<td>12</td>
</tr>
<tr>
<td>3. GOVERNMENT FACILITIES FOR PRESERVATION OF RAW MATERIALS AND FINISHED PRODUCTS</td>
<td>43</td>
</tr>
<tr>
<td>4. GOVERNMENT ASSISTANCE</td>
<td></td>
</tr>
<tr>
<td>FOR PACKING OF THE FINISHED PRODUCTS.</td>
<td></td>
</tr>
<tr>
<td>--------------------------------------</td>
<td></td>
</tr>
<tr>
<td>43</td>
<td></td>
</tr>
<tr>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>

5. GOVERNMENT ASSISTANCE FOR EXPORTING OF THE LOCAL PRODUCTS

<table>
<thead>
<tr>
<th>4</th>
<th>9%</th>
<th>39</th>
<th>91%</th>
</tr>
</thead>
</table>

6. WHETHER RECEIVED ANY BENEFIT FROM THE TRAINING PROGRAMMES CONDUCTED BY THE GOVERNMENT

<table>
<thead>
<tr>
<th>19</th>
<th>45%</th>
<th>24</th>
<th>55%</th>
</tr>
</thead>
</table>

SOURCE: FIELD STUDY.

The table no 6.1 shows the information gathered from the survey work conducted among the entrepreneurs of the fruit and vegetable processing industry about the existing government support received by the units. Out of the 87 units registered with the Directorate of Industries, only 50% of such were covered during the field study. This is because some of the units are closed down and location of some units could not be traced.

The Government support as per the table is not sufficient enough. Out of the units surveyed only 9% have been provided with sheds by the government. But according to the entrepreneurs of those units provided with government sheds the space area of such sheds are not sufficient to carry out the production and other activities. This is shown in table 6.2
Table 6.2
Table showing Opinion of entrepreneurs in percentage regarding space allotted to the units by government.

<table>
<thead>
<tr>
<th>Space allotted by Government</th>
<th>Opinion of entrepreneurs.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sufficient</td>
</tr>
<tr>
<td>Nil</td>
<td></td>
</tr>
</tbody>
</table>

Source: Field study.

Moreover, Government assistance for promoting sales have been received by only 27% of the units surveyed of which as per table 6.3 majority have regarded Government assistance for promoting sales as profitable but most of them cannot avail it due to the strict and hard criteria which has to be fulfilled for getting such assistance.

Table 6.3
Table showing Opinion of entrepreneurs in percentage regarding the sale of products through Government assistance.

<table>
<thead>
<tr>
<th>Sales through Government assistance</th>
<th>Opinion of entrepreneurs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Profitable</td>
</tr>
<tr>
<td></td>
<td>66%</td>
</tr>
</tbody>
</table>

Source: Field study.

Again as per table 6.1 none of the units surveyed have
received government assistance for preservation of raw material and finished products nor any of them have received any assistance for packing of the finished products. Further as per table 6.1, only 9% of the units surveyed have received government assistance for exporting their products. Out of them majority are of the opinion that such assistance is not sufficient. This is shown in table 6.4

Table 6.4

Table showing opinion entrepreneurs in percentage regarding the Government assistance given for export of products.

<table>
<thead>
<tr>
<th>Government assistance for exporting of products.</th>
<th>Opinion of entrepreneurs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sufficient</td>
</tr>
<tr>
<td></td>
<td>25%</td>
</tr>
</tbody>
</table>

Source: Field Study

Furthermore, though majority of the units surveyed have received financial assistance from the Government yet all of them are of the view that such assistance is unsatisfactory. This is shown in table 6.5
Table 6.5
Table showing opinion of entrepreneurs in percentage regarding financial assistance received from Government.

<table>
<thead>
<tr>
<th>Financial assistance received from Government</th>
<th>Opinion of Entrepreneurs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Satisfactory</td>
</tr>
<tr>
<td></td>
<td>Nil</td>
</tr>
</tbody>
</table>

Source: - Field study.

So from the above findings the hypothesis that the existing government support to the fruit and vegetable processing units are not up to the mark can be accepted.