

**RIICO and its role in
Industrial Development with
special reference to
Agro/Food processing sector**

RIICO

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graph TD; RIICO([RIICO]) --> GOAL([GOAL]); GOAL --> Description[Industrial promotion including promotion of new industries and consolidation / growth of existing industries];
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GOAL

Industrial promotion including promotion of new industries and consolidation / growth of existing industries

**RIICO
Activities**

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graph TD; A([RIICO Activities]) --> B([Infrastructure Development]); A --> C([Industrial & Investment Promotion]); A --> D([Financial Assistance]);
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**Infrastructure
Development**

**Industrial &
Investment
Promotion**

**Financial
Assistance**

RIICO - at a Glance

- Authorised capital Rs. 210.00 Crores
- Paid up capital Rs. 205.70 Crores
- **Net Profits**
 - 2001-02** Rs. 4.48 Crores
 - 2002-03** Rs. 3.42 Crores
 - 2003-04** Rs. 5.75 Crores
 - 2004-05** Rs. 29.58 Crores
 - 2005-06** Rs. 62.15 crores

RIICO - at a Glance (cont..)

- **Man Power** : Over 1150 persons

- **Office Network**

In Rajasthan: 26 offices

In Delhi: One

- **Financial Assistance(Term Loan & Equity)**

Assistance sanctioned

Rs. 1734 crores

Projects assisted

961

Investment Catalysed

Rs 5519.80 crores

Employment Generated

94873

RIICO - at a Glance (cont..)

Land Acquired	54089 Acre
Land Developed	35801 Acre
No. of Industrial Areas	307
Growth/Mini Growth Centers	9
Plots Allotted	47781
Industries in Industrial Areas	21065

Infrastructure

Developed 307 Industrial Areas

96 areas on National Highways

Provides social infrastructure like educational institutions, parks, post offices, banks, shopping complexes, housing, etc.

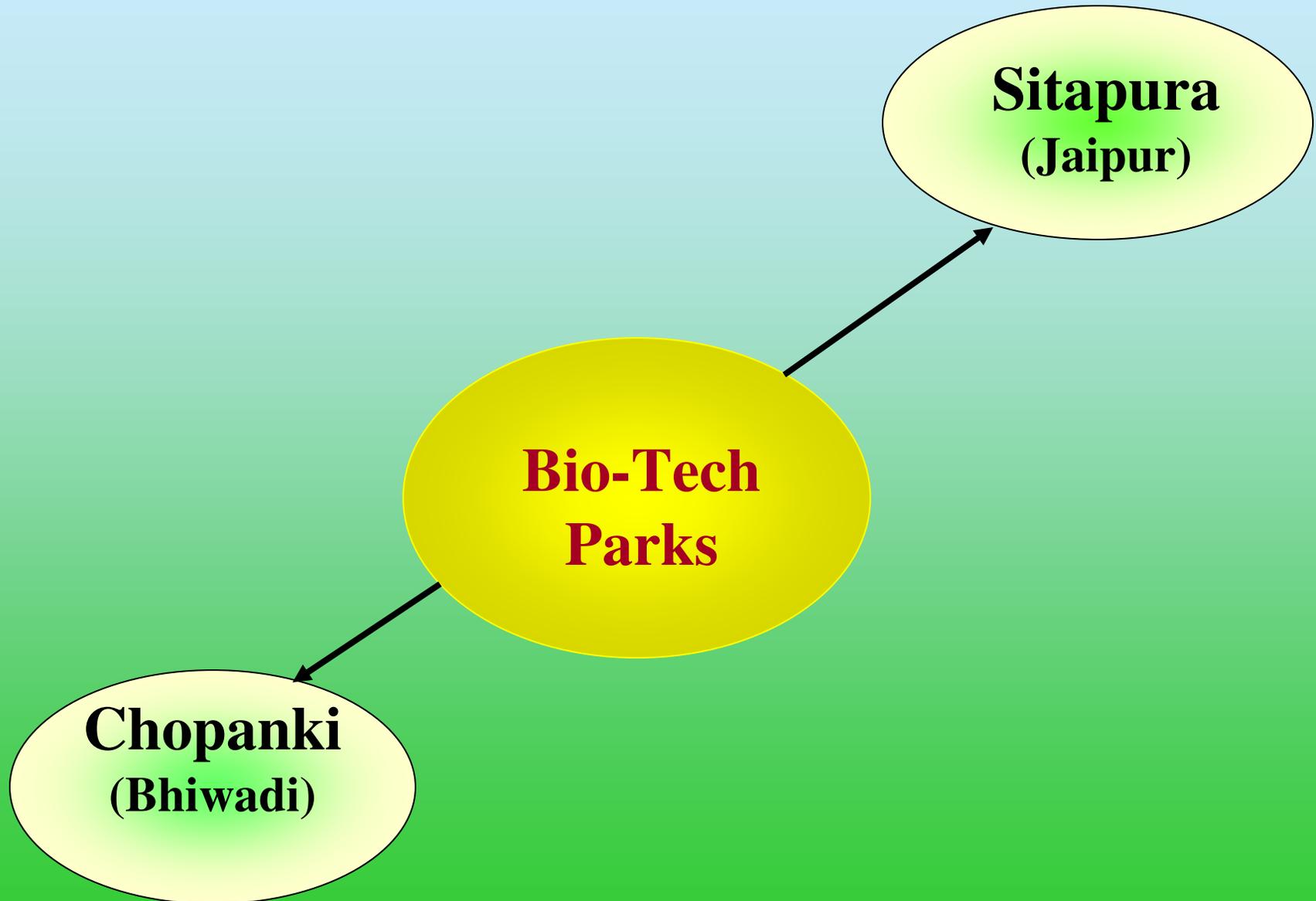
Loans

- Financial assistance by way of term loan for industrial, infrastructure and commercial projects.
 - Rate of Interest:
 - 12.0 % per annum
 - 11.0 % per annum (for good borrowers)
- * *After timely payment rebate of 1.5%*

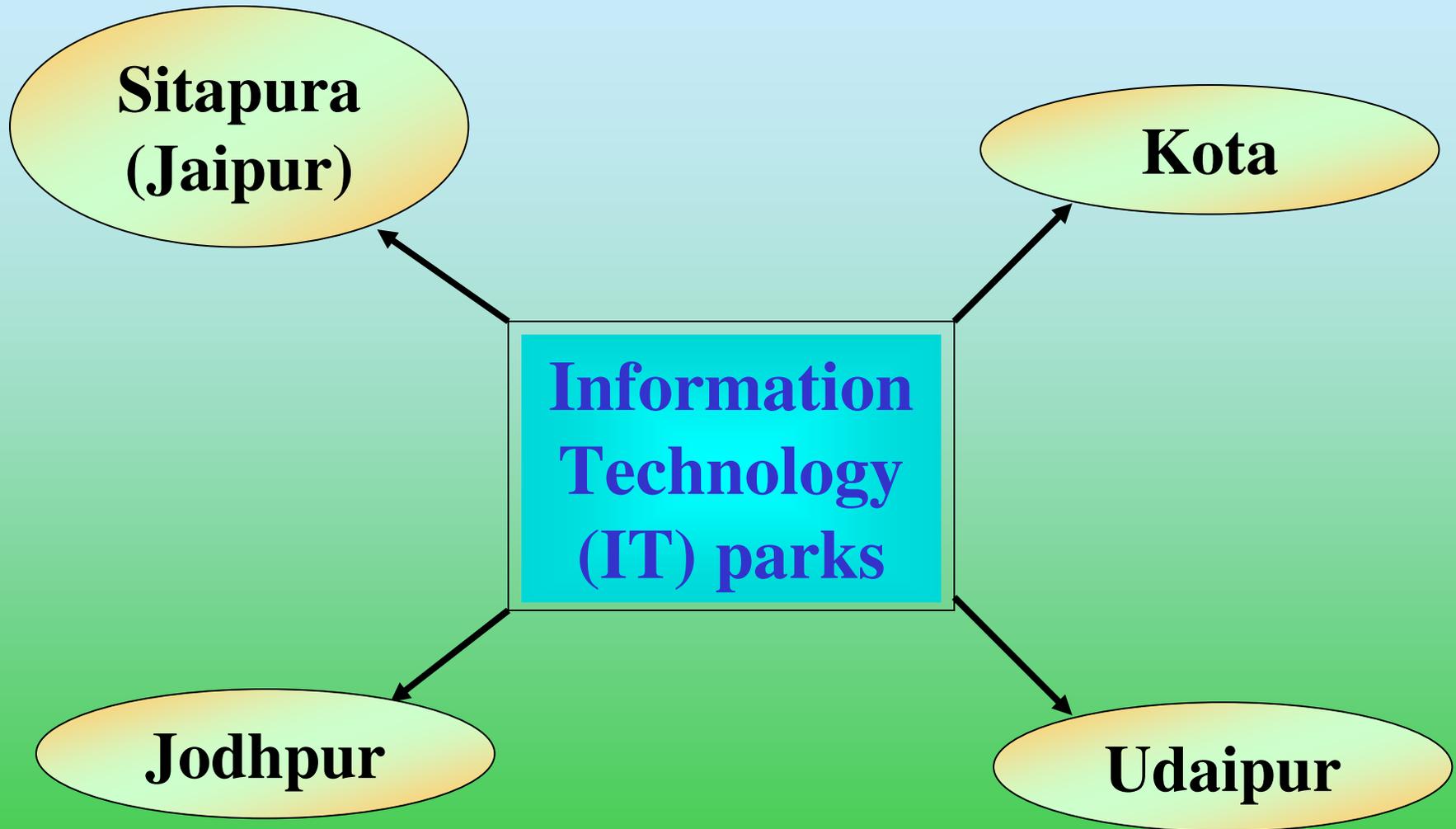
Infrastructure Development - RIICO's Approach

- ✓ Infrastructure support:-Developed industrial areas and Townships.
- ✓ Developed :-307
- ✓ industrial areas with good infrastructure.
- ✓ Development of social and industrial infrastructure
- ✓ Social infrastructure :- Educational Institutions, Parks, Hospitals / Nursing Homes, Post Offices, Banks, Shopping Complexes, Housing, etc.
- ✓ Residential colonies in selected Industrial Areas.
- ✓ Around 96 industrial areas located on :- **Golden Quadrilateral Corridor** or on **East - West Corridor** or on **North - South Corridor** or on **National Highways**.

SPECIAL PARKS



SPECIAL PARKS



SPECIAL PARKS

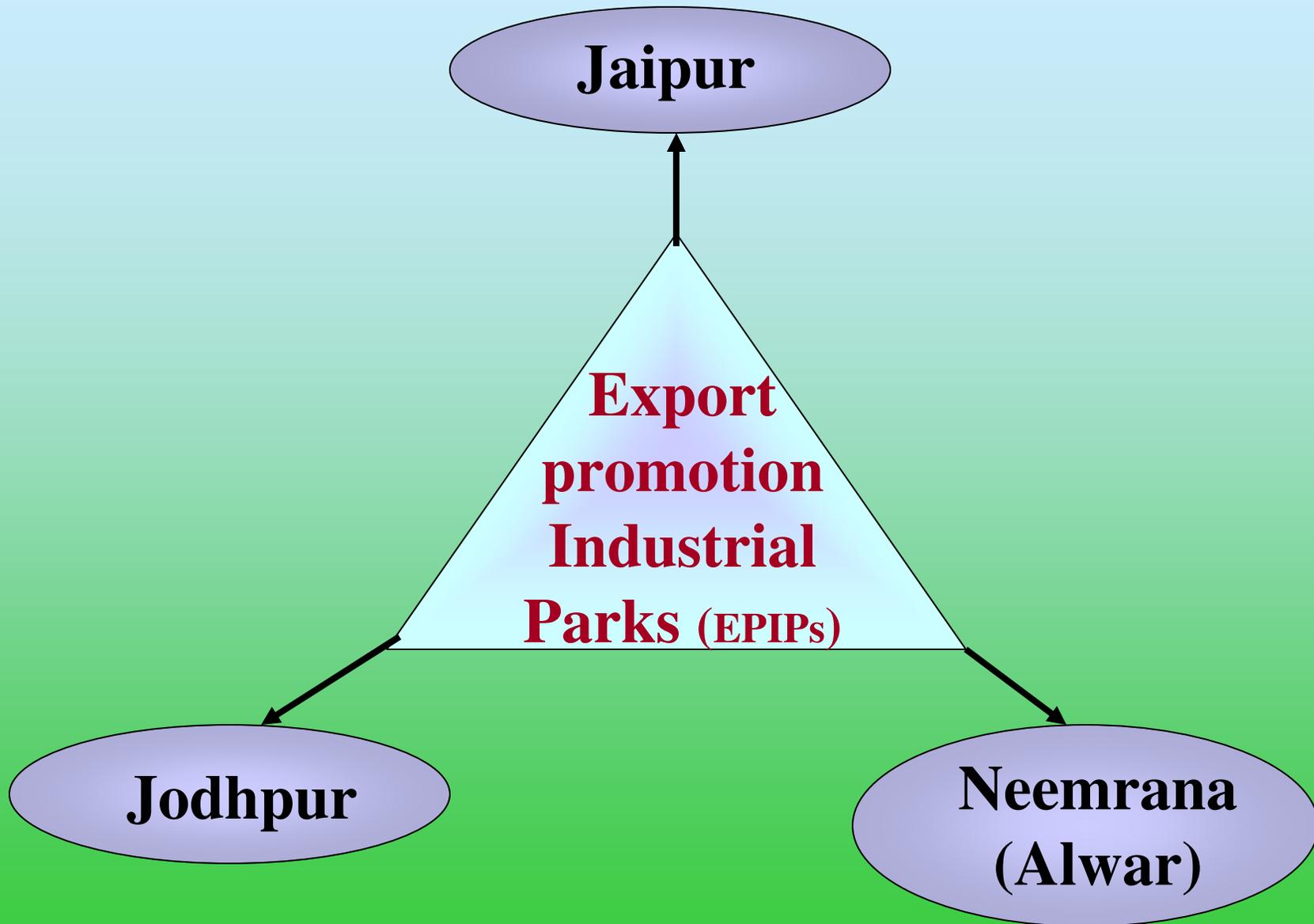
Special Economic Zones

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graph TD; A[Special Economic Zones] --> B[For Gem & Jewellery  
Sitapura ( Jaipur)  
Phase - I & II]; A --> C[For Handicraft  
Boranada (Jodhpur)];
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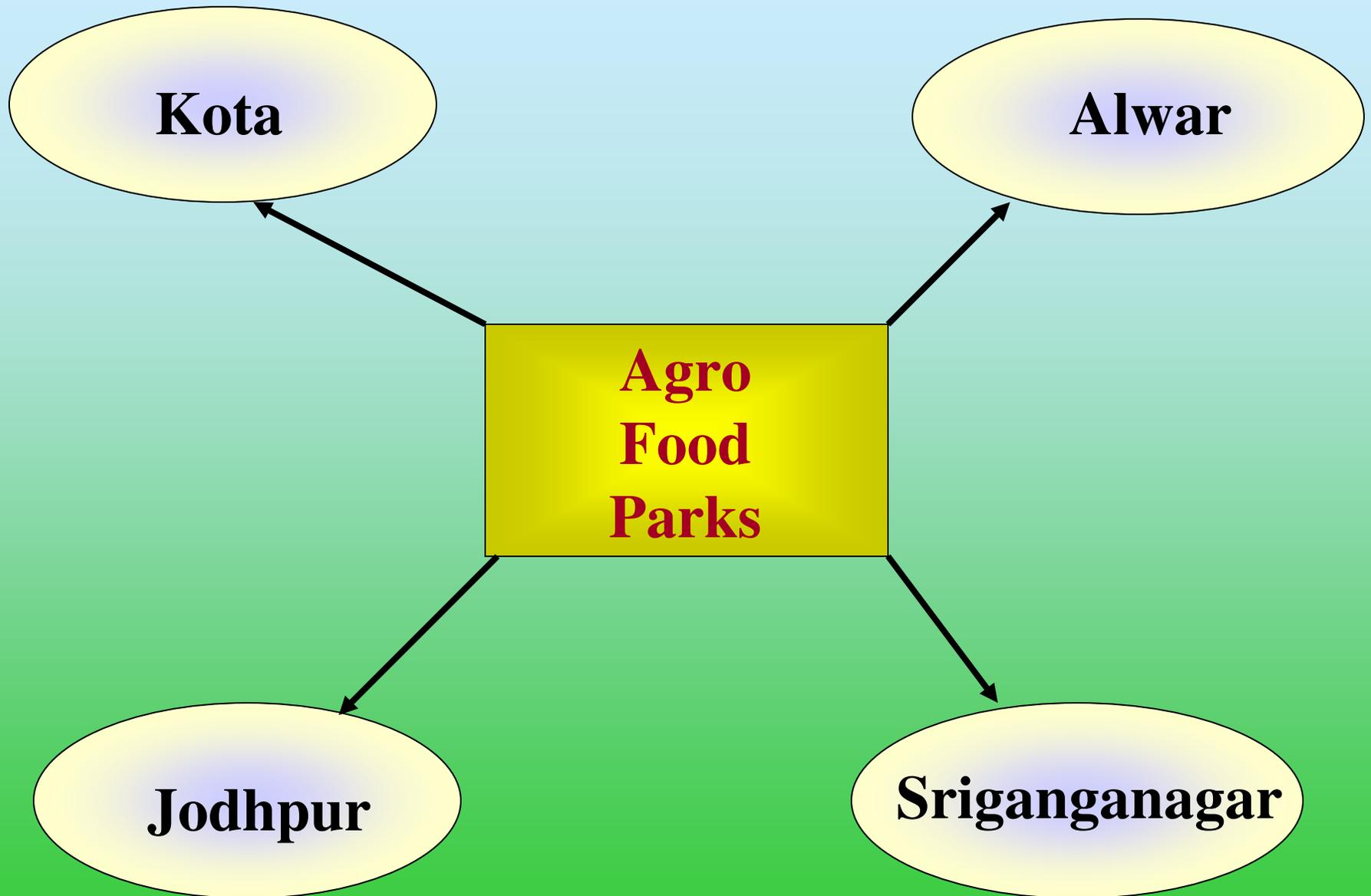
**For
Gem & Jewellery
Sitapura (Jaipur)
Phase - I & II**

**For
Handicraft
Boranada (Jodhpur)**

SPECIAL PARKS



SPECIAL PARKS



TYPE OF FACILITIES BEING CREATED UNDER GOI SCHEME IN THE AGRO FOOD PARK

- Well developed industrial infrastructure.
- Power & Water Supply in the area
- Cold Storage
- Warehousing
- Mini Market yards at Kota and Alwar
- Quality Control and Testing Laboratory
- Common Effluent Treatment plant
- Solid Waste Disposal facilities

IMPORTANCE OF AGRICULTURE SECTOR IN THE COUNTRY

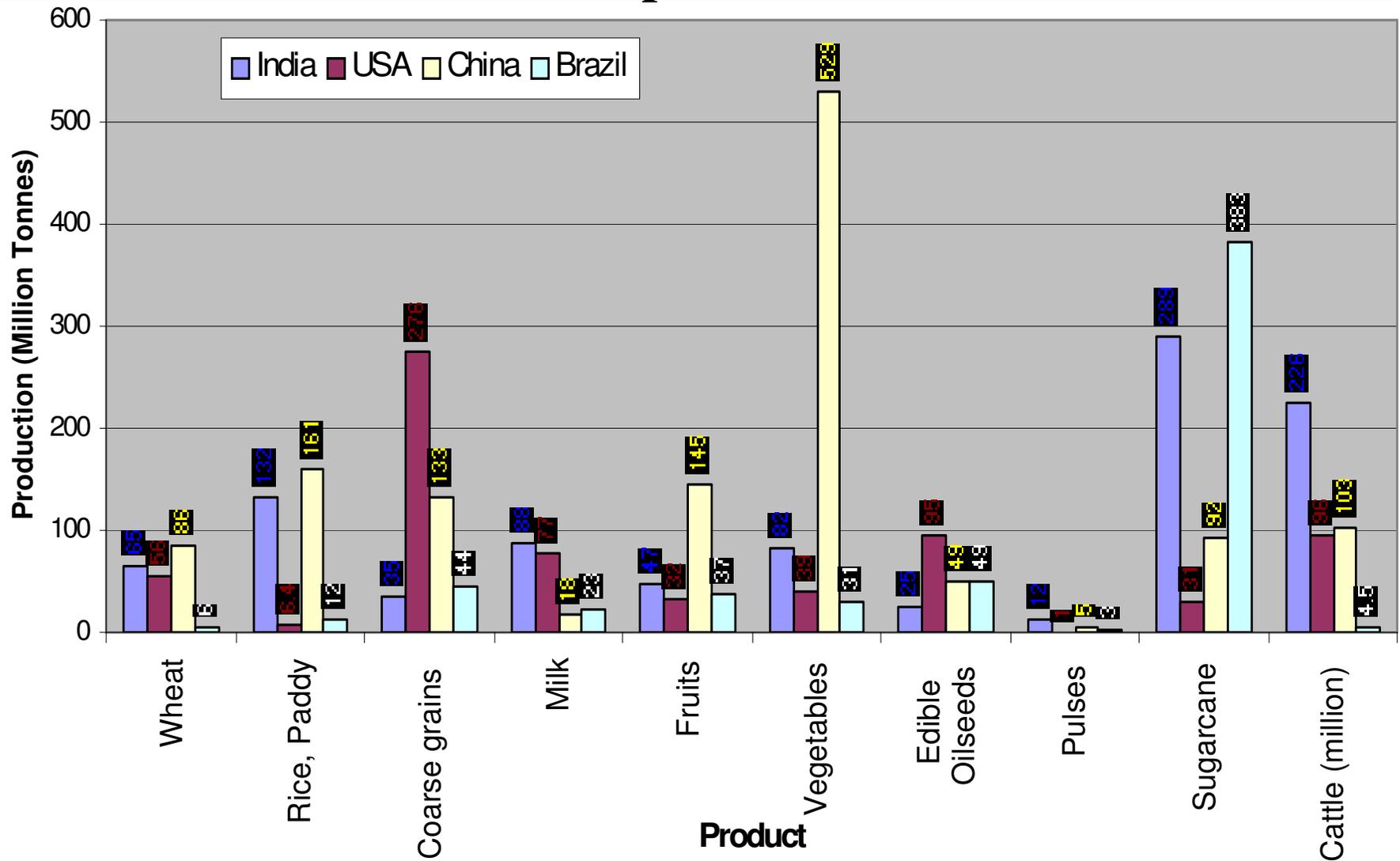
- Accounts for almost 27% of GDP.
- Provides employment to around 65% of the total work force.
- Contributes 21% of total exports.
- Provides raw material to several industries.

WHY AGRO FOOD VENTURE

- As per one of the estimates, agro commodities of more than Rs. 50,000 crores is wasted every year in the country and same can be put to use through processing ventures.
- Improve self-life
- Improve flavour and make the product palatable
- Efficient utilization of resources (raw material)
- Reduce wastage
- Better economic gains to farmers in terms of their price
- Large employment generation



Production of Agro Products in Leading countries as compared to India



SHARE OF INDIA IN SOME OF THE CROPS

Share of the **INDIA** in production of some of the crops in the **WORLD** are as under:

- 41% of mangoes.
- 30% of cauliflower.
- 28% of tea.
- 23% of banana.
- 24% of cashew nuts.
- 36% of green peas.
- 10% of onion.



AGRO SECTOR IN RAJASTHAN

Area under cultivation - 193 lakh hectares
Irrigated area - 56 lakh hectares

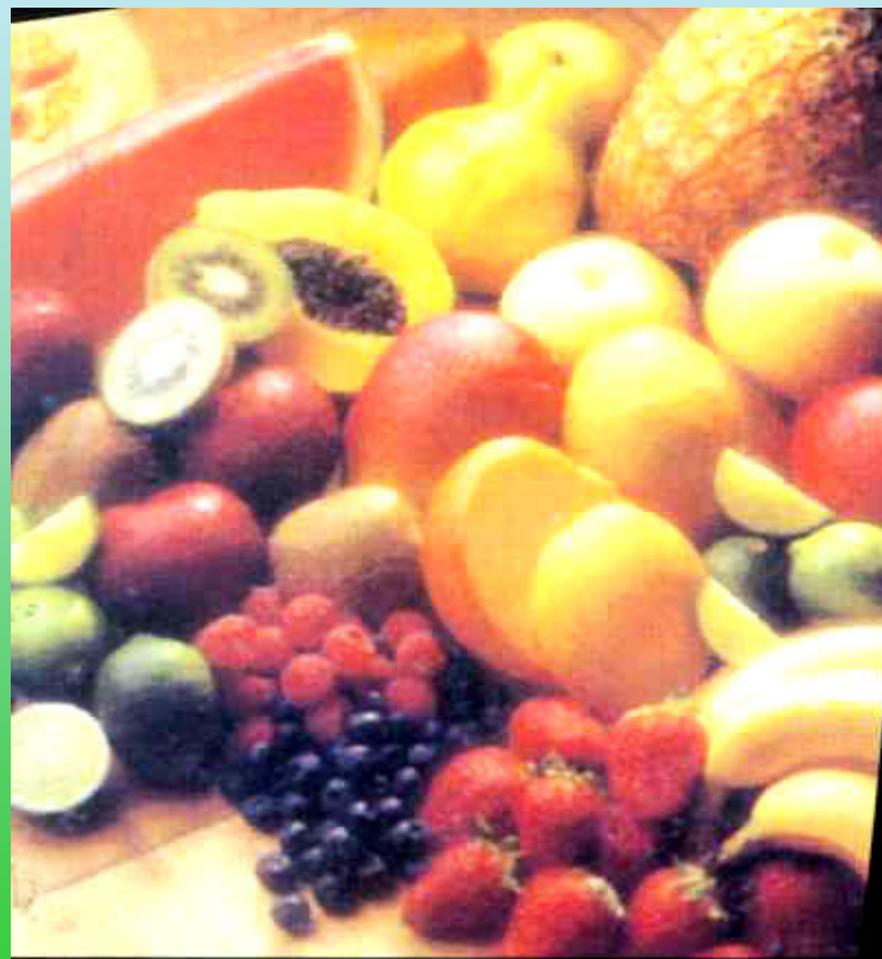
- **IGNP is one of the most gigantic projects in the world aiming to transform desert into agriculturally productive area. (Main canal - 445 km, distributaries & minors - 9,180 km)**
- **The IGNP to irrigate 1,517 thousand hectares of land and likely to generate agriculture production worth Rs. 2200 crore**



AGRICULTURE PRODUCTION IN RAJASTHAN

Rajasthan is leading producer of the following crops in the country :

	(Qty in lakh <u>Tonnes</u>)	<u>Rank in India</u>
1. Mustard	23.60	I
2. Guar	7.30	I
3. Isabgol	0.60	I
4. Coriander	1.80	I
5. Barley	3.90	II
6. Maize	8.10	IV
7. Soyabean	4.00	III
8. Wheat	54.90	V
9. Ground Nut	3.60	VI



OTHER IMPORTANT AGRO COMMODITIES

(for Value Addition)

- **Garlic**
- **Oranges**
- **Kinnoo**
- **Henna**
- **Amla**
- **Chillies**
- **Fennugreek (methi)**
- **Cummins**
- **Pomegranates**
- **Ker/Sangri**
- **Ber**
- **Safed Musli**
- **Guggal**
- **Asgandh Nagori**

AGRO BASED INDUSTRIES IN RAJASTHAN

- **Abundance of required local resources has led to spurt in the growth of agro based and food processing units in the State.**
- **41,835 units of small-scale level in the sector with an investment of more than Rs. 415 crores.**
- **77 large and medium scale units in the sector with an investment of more than Rs. 630 crores.**
- **Edible oil sector : 50 solvent extraction plants, 1300 Oil mills, 50 oil refineries and 15 Vanaspati plants, thousands of tiny oil seed crushing units**
- **Milk collection in the State 1225 lacs litres per day.**
- **10 dairy plants and 24 chilling plants.**
- **The scope for the development of agro and food processing industry in the State is ample.**

ADVANTAGE IN RAJASTHAN

Rajasthan is leading producers of following agro commodities:

- Rajasthan ranks first in production of mustard, bajra & guar.
- Produces more than 50% of country's production of fenugreek, coriander and cumin.
- Rajasthan ranks first in production of isabgol and henna (mehandi).
- Rajasthan ranks second in production of barley.
- Rajasthan ranks third in production soyabean, gram, total oil seeds, castor and rabi pulses.
- Rajasthan is one of the leading producer of oranges, kinnow, pomegranate, amla.
- Rajasthan also has prominent place in production of some of the herbs like guggal, ashwaganda, aloe-vera etc.
- Rajasthan also has place in production of onion, tomato, chilly, garlic.
- Ker and sangri are specialties of Rajasthan.
- Bikaneri bhujia and rasgulla are brand in themselves.
- Bikaner is also famous for papad and mangodi.

INCENTIVES AVAILABLE TO AGRO VENTURES IN AGRO FOOD PARKS

- Remission of stamp duty on sale and purchase of land and properties in Agro Food Parks.
- Remission of electricity duty to units in Agro Food Parks for five years.
- Set off of entry tax on raw material and capital goods.
- Set off of Rajasthan Sales Tax on capital goods.
- Mandi tax exemption up to 50%, interest subsidy, wage subsidy and other incentives under the Rajasthan Investment Policy-2003 to units as per the eligibility under this scheme.

Projects Identified based on available resources in Rajasthan

- **Rice Mill/ Poha Mill**
- **Grading & Grinding of Corriander**
- **Grading of Cummin, Fenmugrek**
- **Guargum**
- **Flour Mill, Suji, Maida**
- **Namkin, Bhujia & Papad**
- **Garlic Powder/Paste**
- **Maize processing**
- **Grain Grading & Packaging**
- **Sauces, Pickles, Chutni**
- **Solvent Extraction Plant, Oil Mill, Oleoresin & Soya products**
- **Milk & Milk Products**
- **Dal Mill, Besan**
- **Confectionery, Bakeries**
- **Cattle Feed**
- **Orange Juice, Jams, Jelly**
- **Readymix food, Idli, Dosa etc**
- **Barley Malt/ Beverages**
- **Frozen Fruits & vegetables and Herbal products**
- **Other Spices & Agro Products**

RIICO'S CONTRIBUTION IN DEVELOPMENT OF AGRO SECTOR IN RAJASTHAN

A. Support through financial assistance:

- Sanctioned financial assistance of Rs.39.79 crores to 54 no of oil/ solvent / vanaspati ghee manufacturing units in the state. Through this an investment of Rs.127 crores was catalysed.
- Sanctioned financial assistance of Rs.23.07 crores to 43 nos of agro processing ventures in the state. Through this an investment of Rs.108.26 crores was catalysed. This includes flour mill, malt industries, biscuit manufacturing units, oleo-resin units, colour sorting units, bake food units, beer, distillation units, non-alcoholic, beverage etc.

RIICO'S CONTRIBUTION IN DEVELOPMENT OF AGRO SECTOR IN RAJASTHAN

B. Support through infrastructure development:

- Agro processing ventures were allotted plots in different areas
- Developed specialized infrastructure for agro ventures in Agro Food Parks at Ranpur (Kota), Boranada (Jodhpur), Sriganganagar & MIA Alwar.



PRESENT STATUS OF AGRO PARKS IN THE STATE

AGRO FOOD PARK : KOTA

- **The development work of first phase of first agro park of State at Ranpur, Kota with estimated cost of Rs. 10.47 crores has almost completed. 2nd ph. is being taken up.**
- **GOI has sanctioned grant-in-aid of Rs. 284 lacs**
- **Total area of park is 139.80 acres in 1st ph. and 99.50 acres in 2nd ph.**
- **No of plots is 151 in 1st phase and 155 in 2nd phase**
- **RIICO has already allotted 133 plots out of which 4 units are in production and 133 are in construction.**
- **Employment for more than 450 persons has been done already.**

PRESENT STATUS OF AGRO PARKS IN THE STATE

AGRO FOOD PARK : Boranada, Jodhpur

- Second Agro Park is being promoted on 193.54 Acre in 1st phase and 66.24 acres in 2nd phase.
- Cost of Park has been estimated at Rs. 13.50 Crores.
- Govt. of India has sanctioned Rs 3.87 crores.
- Land has already been acquired.
- Implementation is in full swing.
- No. of plots planned are 233 in 1st phase and 78 in 2nd phase.

PRESENT STATUS OF AGRO PARKS IN THE STATE

AGRO FOOD PARK : Sriganganagar

- Third agro –park is being promoted on 81.14 acres at Sriganganagar.
- Cost of Park has been estimated at Rs. 9.12 Crores.
- Implementation is in full swing
- Plots: 77 planned, 64 allotted, 6 in production, 4 in construction as of June, 2007.
- Cost of park has been estimated at Rs. 14.0 crores
- Rate per sq. mtr. Rs 350/-

PRESENT STATUS OF AGRO PARKS IN THE STATE

AGRO FOOD PARK : Alwar

- Fourth agro –park is being promoted on 185.94 acres at MIA, Extension, Alwar.
- Cost of Park has been estimated at Rs. 17.13 Crores.
- GOI grant of Rs 351.98 lacs
- Implementation is in full swing
- Plots: 201 planned of sizes ranging between 1000 to 8000 sq.m., 182 allotted, 9 in construction.
- Rate per sq. mtr Rs 450/-

The Rajasthan Investment Promotion Scheme – 2003 (RIPS – 2003)

- In force upto 31st March, 2008.
- **Concessions available for 7 years under RIPS – 2003:**
 - ✓ Interest subsidy of 5% (6% to SC/ST entrepreneurs)
 - ✓ Wage / employment subsidy of 25% (30% in case investor is not availing interest subsidy)
 - ✓ 100% exemption of luxury tax
 - ✓ 50% exemption of entertainment tax
 - ✓ 50% exemption of electricity duty
 - ✓ 50% exemption from stamp duty
 - ✓ 50% exemption from conversion charge
 - ✓ 50% exemption from mandi tax

The Rajasthan Investment Promotion Scheme (RIPS) - 2003

- **Scheme applicable to all new Investments / Modernization / Expansion / Diversification, provided unit commences commercial production / operations during the operative period of the scheme.**
- **For details, please see website: <http://www.finance.rajasthan.gov.in> of Finance Department, Government of Rajasthan**

THANK YOU

