



सत्यमेव जयते
Government of India
Ministry of MSME

ANNUAL REPORT for the 1st year (2008-09)

READYMADE GARMENT CLUSTER, JAIPUR, RAJASTHAN

under
Micro & Small Enterprises Cluster Development Programme (MSE-CDP)



सूक्ष्म, लघु एवं मध्यम उद्यम
MICRO, SMALL & MEDIUM ENTERPRISES

Carried out by

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Location:

The readymade garment Cluster concentrated in a radius of 15

Kms. in Jaipur, as per the details indicated below:

Name of the area	No. of units
Madarover Industrial Area	62
Saipur Industrial Area	45
Vishwakarma Industrial Area	30

1. INTRODUCTION

- ❖ Ready made garment is a highly growth oriented product. India is having the largest acreage under cotton cultivation and low labor cost which makes it in advantageous position in comparison to other countries. Jaipur is the prominent garment exporting centre in the country having important products being manufactured by the garment exporting Jaipur Cluster units i.e. ladies wear, casual wear, made-up kids wear, shirts, trousers, shorts, Bermudas made of woven fabrics dyed/printed/yarn dyed. Garments and made-ups like towels, robes and dungries, suites, industrial clothings and bed linen. The garments of woven fabrics have enjoyed in major share in both domestic and export market.
- ❖ The tradition of weaving, dyeing and printing of cotton goes back to pre-historic times. The dyers of Rajasthan have highly developed colour sense and handle material effectively. The highly developed skills of these artisans have brought Jaipur on the world map for printing.

Location:

The readymade garment Cluster concentrated in a radius of 15 Kms. in Jaipur, as per the details indicated below:

Name of the area	No. of units
Mansarovar Industrial Area	62
Sitapura Industrial Area	45
Vishwakarma Industrial Area	20

Malviya Nagar Industrial Area	55
Jhotwara Industrial Area	13
Adarsh Nagar, Rajapark, Shastri Nagar	
Ajmer Road etc	55
Total no. of units in Jaipur	250 (approx.)

2. Cluster scenario and history of Cluster

- ❖ The world apparel trade is divided into four segments according to their end uses. Firstly, about half of the total demands stem from the classical garment composed of men's shirts, suits and women's wears. The second important group is industrial garment which include military and civil uniforms, industrial workers clothing & hospital and other institutional linen, the third sector is high fashion ready to wear outer clothing. The fourth sector is sports wear which includes undergarment, knitted hosiery , other fancy & leisure wear. The Indian exporters at present hardly touch the second & third sector which constitutes a vast potential market. The growth of the industry especially exports has been phenomenal.
- ❖ Historical findings indicate that India was producing colorful printed fabrics in 14th and 15th century which was exported to Europe and African countries. The 18th century printed head gears, safas and pagris at Sanganer can be seen preserved in private and public collections. The readymade garment industry in its present form started in late sixties at Jaipur in the year 1964-65. M/s. Advani

started the choice fashions at Bani Park, Jaipur for manufacturing Hand Block printed ladies garments for exports. Thereafter M/s. Goyal Fashions, M/s. Saraf Textile Mills and Mr. K.K. Export set up garment manufacturing units and exported their product to European countries.

- ❖ Upto 1980 there used to be Hand block printed fabrics for making of Garments, cutting was done manually, Sanganer & Bagru prints were in vogue but due to heavy demand screen printed fabrics was also introduced.
- ❖ Jaipur is the largest center of Rajasthan for trading of textile and cloth, the easy availability of raw material at competitive price also facilitated development of RMG industries. The trained skilled man power for hand block printing, screen printing, tailoring, designing etc. available in large number have mushroomed it Jaipur in the recent past. The focus of the Govt. for providing labor intensive mfg. activity also led to the formation of the Cluster at Jaipur.
- ❖ The Ready made Garment Cluster; Jaipur has been identified and selected as a potential Cluster by the Development- Commissioner (MSME), Ministry of MSME, Govt. of India, New Delhi. As per approved action plan for the 1st year i.e. 2008-09, specific activities were organized under the soft and hard intervention.

- Vision Institute of Designing, Jaipur
- National Institute of Designing, Jaipur
- Lok Shiksha Sansthan, Jaipur
- Mahila Vikas Prashikshan Kendra, Jaipur

- **No. of units** : 250
- **Employment** : Direct 20000 Approx
Indirect 80000 Approx
- **Turnover** : Rs. 7.50 billion
- **Investment** : Rs. 2.00 billion
- **Export** : Rs. 1000 crore
- **Export oriented-**

Product range :

Ladies wear- Skirts, Blouses, Churidars, Peticocats, Lehnga, Ghaghara,
Chunni set, Long frocks, Jackets, Casual wears, Ladies dresses
Gents wear- Shirts, T-Shirts, Trousers, Coats, Jackets, Sports wear, night
wear/ shorts.

3. Cluster actors

A- Institutions-

- Apparel Export Promotion Council (AEPC), Jaipur
- Apparel Training & Design Centre (ATDC), Jaipur
- Arch Institute of Fashion & Designing, Bani Park, Jaipur
- Indian Institute of Craft & Designing, Jaipur
- Institute of Designing, Jaipur
- Vision Institute of Designing, Jaipur
- National Institute of Designing, Jaipur
- Lok Shikshan Sansthan, Jaipur
- Mahila Vikas Prashikshan Kendra, Jaipur

- Purnima Varma's Inst. Of Designing, Jaipur
- Textile Committee
- Industrial Training Institute
- Regional Vocational Training Institute
- Women Polytechnic

B- Association

- Garment Exporter Association of Rajasthan (GEAR)
- CII- Confederation of Indian industry, Jaipur
- RCCI, Jaipur

C- Govt. Departments

- Micro, Small and Medium Enterprises-Development Institute, Baiss Godam, Jaipur.
- Department of Industries (DIC), Govt. of Rajasthan, Jaipur
- Small Industries Development Bank of India (SIDBI), Jaipur

D- The firms

- Manufacturers (Approx. 250 units)
- Fabricators (Approx. 480 units)
- Group of bleaching/ dyeing/washing of the fabric garments (62 units approx.)
- Suppliers of machinery and packaging materials
- Machine embroidery group (Approx. 25 units employing 1500 workers)
- Skilled artisans doing hand embroidery and other work (Approx. 200 units employing 2000 mostly women workers)
- Dealers, merchants, traders and agents (Approx. 200 nos.)
- Exporters (Approx. 100 units)

4. Vision & objectives

VISION

- ✓ The Readymade garment cluster of Jaipur would be made competitive by adopting global best practices, strengthening of existing mature cluster units and simulating high technology start up SMEs.
- ✓ Our aim is to upgrade the cluster as an important outsourcing hub for high value added garment by inculcating innovation driven competitiveness and sustained growth.

OBJECTIVES

- Networking among Cluster units and business development service providers for trust building.
- Technology Upgradation for including efficiency innovation driven competitiveness
- Capacity building for sustained growth
- Forward linkages, Flow of useful information for domestic and export market development
- To make exposure visits for bench marking practices.
- To create awareness on Govt. policies & day to day changes in business environment.
- Availability of the basic infrastructure
- Better source of Raw material for high value products
- Identification of destination markets
- To improve and maintenance of consistent quality.
- To promote exports.
- Facilitate credit flow to the cluster units.

(B) Hiring of Networking Development Agent services.
(C) Proposal of Hard Interventions.

5. 1st meeting of Cluster Development Committee held at MSME-DI, Jaipur

The meeting/discussion was convened under the Chairpersonship of Shri G. M. Ambhore, Director, MSME-DI, Jaipur at times and reviewed for implementation of the action plan activities to be carried out during 2008-09. He welcomed all the delegates highlighted the importance of Micro and Small Enterprises Cluster Development Programme (MSE-CDP) and Soft as well as hard interventions thereof.

Shri M.C. Mathur, Cluster Development Executive briefed the profile of Ready made garment cluster. He also informed about the sanction for the Soft interventions received from O/o DC (MSME), New Delhi, in respect of the action plan activities to be carried out during 2008-09. He also informed that Govt. of India's grant will be upto 90% of the expenditure and balance 10% will be borne by Association/ Stake holders. Then the discussion was started as per the agenda.

- (1) Programme on Cluster Awareness,
- (2) Seminar on Consortia Approach and SPV formation,
- (3) Seminar on Quality Awareness and ISO-9000,
- (4) Workshop on Negotiation skills, Sales and Marketing Techniques,
- (5) Exposure visit to Cochin, Trichur, Coimbtore,
- (6) Preparation of Cluster Broucher,
- (7) Hosting of Website for the Cluster,

- (8) Hiring of Networking Development Agent services,
- (9) Proposal of Hard Interventions,
- (10) Cluster Tech Mart-2009.

The chairman appealed to all the members to extend their maximum cooperation and support to make the total Cluster Development Programme a grand success.

The meeting was over with the vote of thanks to all the members.

Shri H.S. Meena, IAS, Joint Development Commissioner, O/o DC (MSME), New Delhi was the chief guest of programme.

The programme started with inaugural address of Shri H.S. Meena, IAS, JDC, O/o DC (MSME), New Delhi. He stressed the following topics in his inaugural address:-

- Detail of MSE-CDP scheme.
- Result oriented Soft & Hard intervention proposals for Cluster Development.
- Formation of Special Purpose Vehicle (SPV)
- Need-based proposals for Soft & Hard interventions under MSE-CDP scheme.

Shri G.M. Ambhore, Director, MSME-Development Institute, Jaipur briefed the progress of Cluster Development Programme & Cluster

6. Awareness Programme on Cluster Development under MSE- CDP at Jaipur on 03.01.09

The Awareness programme on Cluster Development for promotion of MSMEs was organized for benefit of Cluster units situated in VKI Area and other Industrial Areas of the city, BDS providers, stake holders of this Cluster on 03.01.09 at Vishwakarma Industrial Association Hall, Jaipur. The objective of this programme was to create awareness on Cluster Development Programme and to develop trust building amongst the Cluster members, BDS providers and Stake holders pertaining to the Readymade Garment Cluster, Jaipur.

Shri H.S. Meena, IAS, Joint Development Commissioner, O/o DC (MSME), New Delhi was the chief guest of programme.

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- Formation of Special Purpose Vehicle (SPV)
- Need-based proposals for Soft & Hard interventions under MSE-CDP scheme.

Shri G.M. Ambhore, Director, MSME-Development Institute, Jaipur briefed the progress of Cluster Development Programme & Cluster

Profile, Govt. Schemes like as MSE-CDP, CLCSS, MDA, NMCP, National awards, ISO-9000 etc.

Shri Ghanshyam Kanoongo, General Secretary, Vishwakarma Industrial Association, Jaipur gave the welcome address along with a brief industrial scenario of Jaipur.

Shri Rajaram Kandoi, General Secretary, GEAR sought some clarifications on CFC, and also informed to the participants that GEAR has already purchased land for CFC, and till 31st march, 2009, SPV will submit a proposal of Rs. 40 crores including Rs. 10 crore of GOI contribution for Cluster Development on account of CFC.

In the afternoon, some trees were planted in the premises of VKI Association hall by the Chief Guest Shri H.S. Meena, JDC, o/o DC (MSME), New Delhi, Shri G.M. Ambhore, Director, MSME-Development Institute and other dignitaries. More than 75 participants belonging to the Cluster units, BDS providers, Financial Institutions, stake holders and officials associated to the Cluster, participated in this event.

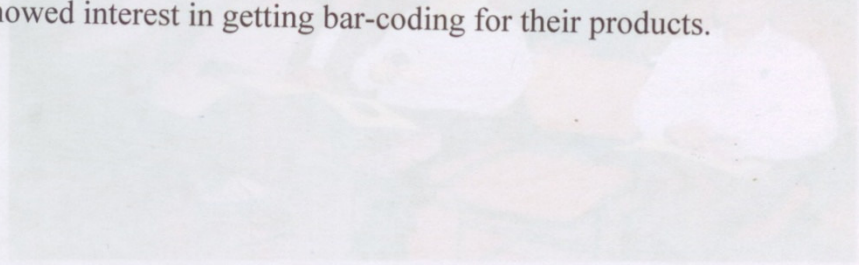
Shri G.D. Kanoongo, Secretary, VKI Association, welcoming the Chief Guest of programme Shri H.S. Meena, IAS, JDC, DC (MSME), New Delhi

7. Seminar on International Marketing & Risk Management

A seminar on International Marketing and Risk Management was organized on 6.02.09 at Hotel Las Vegas, Jaipur in association with Garment Export Association of Rajasthan (GEAR). The objective of the seminar was to give an exposure to the readymade garment cluster units about international Marketing and also make them aware on management of the risks of global marketing. A technical presentation on international marketing was made by Shri D.M. Rao from Export Credit Guarantee Corporation. Another technical paper was presented by Shri Rishiraj Saxena on Bar- coding. Shri Saxena also explained how to decode and read Bar-coding.

The seminar was also addressed by Shri G.M. Ambhore, Director, MSME-DI, Jaipur, who gave a brief note on various schemes of Govt. for the benefit of SSI units. He also explained various provisions of MSE-Cluster Development Programme under which various soft intervention programmes such as seminars, workshops etc. are being organized by the institute. The seminar was presided over by Shri Gyan Prakash Mittal, President, GEAR who stressed on the need of Cluster for the Garment manufacturing units.

As a result of the seminar, the Cluster member units got their problems solved, which they were facing in export marketing. They also showed interest in getting bar-coding for their products.



View of participants during the programme

8. Programme on Skill based Development and Latest Technology in Garment industry held on 12 to 28th March 2009

The training programme was inaugurated by Shri Rajaram Kandoi, General Secretary of Garment Export Association of Rajasthan (GEAR). In this programme there were 30 nos. of participants and got successful training and following topics have been covered during the programme.

1. Introduction to Garment Industry
2. Raw Material Procurement
3. Latest Technology in Raw material Procurement
4. Basics of Apparel Cutting department.
5. Latest technology in Marketing
6. Latest technology in Spreading
7. Latest technology in Cutting
8. Basics of Apparel Production
9. Types of Seam
10. Types of Stitch
11. Types of Needle
12. Types of Thread
13. Types of feed
14. Works aids and attachments
15. Latest Technology used in Apparel Production
16. Technology used in manufacturing a garment
17. Introduction to finishing and packaging
18. Latest technology finishing and packaging department
19. Latest technology used in value addition process of garment
20. Latest technology used in printing and other finishing process
21. Apparel production Management
22. Technology used in export communication
23. Introduction to work study and its application
24. Introduction to garment engineering and its application
25. Merchandising and latest technology application
26. Application of technology in buyer correspondence and sampling
27. Practical sessions
28. Introduction to specialized machines
29. Threading on specialized machines
30. Practical on specialized machines
31. Using specialized machines in garments

9. Seminar on Consortia Approach and SPV formation

Held on 25.03.09 at Jaipur

A Seminar on Consortia Approach was organized by MSME-DI, Jaipur in association with Garment Export Association of Rajasthan under MSE-CDP on 25.03.2009.

The main objective of this seminar was to create awareness among Readymade garments cluster units on the the benefit of Consortia Approach.

Shri P.R. Sharma, Dy. Director O/o Commissioner of Industries, Rajasthan and Shri Rishraj Saxena delivered lectures on the benefit of Consortia Approach and bar coding respectively. Shri G.M. Ambhore, Director, MSME-DI, Jaipur talked on various schemes of the Govt. for the benefit of SSI sector. He stressed upon the importance of Cluster approach while explaining about the various provisions of Cluster Development Programme. Shri Gyan Prakash Mittal, President, GEAR welcomed the guests and participants and hoped that seminar will prove to be beneficial to the Garment manufacturing units. The seminar deliberated on the following issues:-

1. Consortia Approach will facilitate the member units to market their products under single banner.
2. Besides product Consortia, process consortia will also benefit the member units.
3. Adoption and sharing of latest technology will also benefit the units in reducing the cost of production.

4. Consortia can be formed with minimum 5 members and other will subsequently join it.
5. It is necessary that likeminded person come together to form a consortia.
6. Consortia Approach will enable the units to get their demand or package accepted by the Govt.
7. It will be beneficial for the units to adopt Bar-coding for their products.

As an outcome of the seminar, the Cluster units understood the benefits of forming a consortium, and decided to put forth their problems at the forum of the consortium. They also got their problems sorted out in forming an SPV for Readymade garments. Some of the units also approached the consultant to get Bar-coding for their products.



Shri Gyan Prakash Mittal, President GEAR, addressing to the participants

10. Seminar on Quality Awareness and ISO-9000 held on 27.03.09 at Jaipur

A Seminar on Quality Awareness and ISO-9000 in Garment manufacturing units was organized by MSME-DI, Jaipur in association with Garment Export Association of Rajasthan on 27 March 2009 at Apparel Training & Design Centre (ATDC), Malviya Nagar, Jaipur under MSE-Cluster Development Programme. This seminar was organized to create awareness about quality amongst the prospective entrepreneurs of garment industry.

The seminar was inaugurated by Smt. Nisha Bhatra, a successful woman entrepreneur of Rajasthan engaged in Garment export. In her address, she stressed on the importance of quality products especially in garment manufacturing. Prior to this Smt. Allika Gupta, Principal, ATDC welcomed the guests and the participants. Shri G.M Ambhore, Director, MSME-Development Institute, Jaipur presided over the function explaining the various schemes and programmes of the Govt. Shri Ambhore suggested that the units should avail of the benefit of these schemes and programmes. He also stressed on the importance of adopting ISO-9000 for which Govt. reimburses 75% of the cost.

After this, in technical session, Shri Vashistha and Shri B. Singh, the visiting faculties of ATDC gave Power Point presentations on ISO-9000 and its importance. They also explained about various IS specifications used in Readymade Garment mfg. Shri Sunil Kumar, faculty, ATDC proposed vote of thanks. 55 prospective

12 entrepreneurs participated in the seminar. The seminar was quite beneficial to the participants and they showed interest in getting ISO-9000 for their units after getting exposed to advantages of the quality used in Readymade garment manufacturing. Shri Sunil Kumar faculty, ATDC proposed vote of thanks 55 prospective entrepreneurs participated in the seminar.

11. Workshop on Negotiation skills, Sales and Marketing Techniques held on 31.03.09 at Jaipur

A workshop on Negotiation skills, Sales and Marketing Techniques was organized by MSME-DI, Jaipur in association with Garment Export Association of Rajasthan (GEAR) on 31.03.09 at Mansarovar Industrial Area under MSE-Cluster Development Programme. The main objective of the programme was to bring awareness among the prospective and existing entrepreneurs about the sales and Marketing technologies especially in context of sale and marketing of Readymade garments. Shri Rajaram Kandoi, General Secretary, GEAR told that an effective marketing is also necessary along with manufacturing of garments or other products. Shri L.N.Sharma, consultant on Export marketing, gave a technical presentation on various aspects of Sales and Marketing techniques. He explained the importance of quality products which would make the sale of product easier. More than 50 participants from various Garment manufacturing units took the benefit from this workshop. The participants came to know various tactics and techniques of sales prevailing in the market.

**12. Exposure visit to Cochin, Trichur, Coimbtore, Salen,
Erode held on 9 Feb. to 15 Feb. 2009.**

Proceeded to Cochin from Jaipur by Air flight and reached New Delhi at 12:30 PM. From Delhi to Cochin reached at Cochin at 7:30 PM. Stayed at hotel dated 10.02.2009. I along with 3 members of cluster visited Ernakulum Home furnishing cluster. M/s. Kerala Furniture Consortium Pvt. Ltd. (SPV). Manager Mr. Paulore has given the complete information regarding SPV formation. He also visited CFC centre at Cochin.

Next cluster CARE keralam, Mr. P.R. Krishna Kumar. We visited CARE Keralam and got following information:-

Total CFC value- 17.88 Crore, the share of bank is 3.08, 12 director's share- 1.20 crore and that of remaining members of cluster is 41 lakhs.

Area covered- 5 Ekads and Govt. equity is 1.1 crore, Total unit covered- 520 units, Employment (Direct & Indirect)- 100 Nos., Total machinery Cost- 11 crore.

This cluster will be based for SSC group for collecting raw material from the Jungles.

11-02-09

Natural Rubber and Fiber products mfg. Consortium Pvt. Ltd., Building No- 501/X, i.e. Industrial Estate- Changanerry, Kottayan Distt- Kerala, India. They have formed the CFC. Total value of CFC is – 2.6 Crore, Grant received- 90%

12-02-09 proceed to Coimbatore and visited branch MSME-DI, Coimbatore and discussed with the two officers Shri Ramakrishna Asst.

Director (Mech.) and Shri Vijay Kumar Asst. Director (Mech.). During visit we have discussed regarding CFC formation in Coimbatore and success story of CFC in this area. And same day we went to tripur. In Tripur on 13th we visited following units:-

1. Keshari Nandan KNIT fabrics Pvt. Ltd., Mudalipalayam, shade No-108, SIIDCO, Tripur.
2. International Trading Co., 139, SIIDCO, Mudalipalayam, Tirpur
3. Dhanasree Dyeing, Tirpur
4. Indian Stichers, 139, Netaji Apparels Park, New Tirpur
5. Shri Vigneswara screen Prints, Om shakti Koil Street, Tirpur.
6. Sai Knit Compactors, Om Shakthi Koil Street, Tirpur
7. Marudhar Apparels, No. 16/17, VOC Nagar, Rangnathpuram, Kongu Main Road, Tirpur.

On same day we visited Netaji Apparel Park at New Tirpur, one of the greatest park in Tirpur. More than 300 units of readymade garments are there. As a result of the visit, the delegates came to know about the latest technologies prevailing in the garment manufacturing. They also came to know various aspects of forming CFC for their cluster at Jaipur. The visit encouraged and inspired the delegates to go ahead in forming CFC at the earliest.

Preparation of Common Cluster Brochure:- A Cluster brochure has been prepared for the development of Readymade Garment Cluster, Jaipur

13. Report on Cluster Techmart-2009 and Participation of Readymade Garment Cluster, Jaipur

A Programme on National Vendor Development Programme cum Exhibition & Cluster Techmart-2009 was organized at B.M. Birla Auditorium, Jaipur on 3-4 March 2009, in association with Commissioner of Industries, SIDBI, NSIC, KVIC, RIICO and VKIA & other Associations.

An Exhibition comprising 100-120 stalls for Micro Small & Medium enterprises to show their capabilities by displaying their products on one hand and large PSUs like North- Western Railway, telecom industries JVVNL, BSNL, and Central & State Govt. Departments such as PHED, NSIC etc. gave Technical information on requirement and Procurement policy of their organization and Large Private Corporate Bodies to select their vendors by displaying their requirement on the other hand. **Ms. Rukmini Haldiya, IAS, Add. Chief Secretary, Small Scale Industries, Govt. of Rajasthan** inaugurated the function.

A Concurrent Technical Seminar was also organized, to focus on Vendor registration procedure Energy saving potential in various clusters, global bench marking, manufacturing competitiveness, front line technology, outsourcing practices, recent trends and tomorrow's

challenges for the benefit of participants. During the technical session talks were delivered on the following topics:-

- Rate contract policy- by DGS&D, Jaipur
- Trade possibilities in Reliance Industry- by Reliance
- SME Banking – by HSBC, Jaipur
- Role of Insulation in Energy conservation- Lloyd insulation
- Energy saving possibilities in Induction Furnace- Electotherm, Jaipur
- Services provided by CIPET- CIPET, Jaipur

Final session was oriented on Interaction meet of Cluster Stake Holders. In this session Cluster members discussed about problems and their solutions in developing of Cluster Development Programme. The valedictory function was organized in the evening 4th march 09. Shri Damodar Sharma, CEO, Jaipur Nagar Nigam distributed certificate to the participating units.



Dignitaries during Cluster Tech Mart-2009

Summary of CFC Report

Executive summary:

1. Awareness Programme on Cluster Development under MSE- CDP at Jaipur on 03.01.09.
2. A seminar conducted among the cluster member for international Marketing and Risk management.
3. Exposure visit to Cochin, Trichur, Coimbatore, Salen, Erode held on 9 Feb. to 15 Feb. 2009.
4. Skill Development Programme for ready made garment workers conducted from 12-03-09 to 28-03-09
5. Seminar on Consortia Approach and SPV formation held on 25.03.2009
6. Seminar on Quality Awareness and ISO-9000 held on 27.03.09
7. Workshop on Negotiation skills, Sales and Marketing Techniques held on 31.03.2009

Summary of CFC Report

- (a) The primary objective of the CFC proposed in this report is to meet the gaps in obtaining quality processed fabric by the Jaipur Garment Cluster, and enable it to improve its quality, efficiencies and productivity. The CFC would have a processing capacity of about 60,000 metres / day of woven fabric, both for narrow and wider width fabrics
- (b) The proposed CFC envisages investment in processing machines like Continuous Bleaching Range, Soft Flow and Jet Dyeing Machines, Stenter, Mercerizing, Rotary and Flat Bed Printing Machines and Drying Range with facilities for processing of wider width and narrow width fabric. The CFC would have the capability from pre-treatment stage (before dyeing) to Finishing Stage. It would also have facilities for testing of dyes, chemicals and fabric parameters as also would encourage R&D effort as and when required
- (c) The CFC would become a centralized place for marketing, technology transfer, and up gradation of skills and provide training to create new workforce. It would act as a self sustaining centre with fair trade practices providing services to the cluster member at justified rates. Not only would the services be available at fair rates there would be direct savings by way of no transportation and damages therein
- (d) A unique feature of the proposed CFC would be a skill development component. This would include facilities for training of manpower in garment activities and would have courses sewing machine operations and garment finishing. As the cluster grows in capacity, it would need skilled manpower to meet the requirements. Garmenting being a labour intensive sector, would need large number of skilled manpower to support the expansion plans of the units
- (e) The diagnostic report of the study conducted by the Jaipur Office of the Ministry of MSME has concluded with the requirement of improved infrastructure in the cluster by way of "a modern processing and finishing

house to be set up in Jaipur” as also “a well equipped laboratory for testing raw material to finished goods, consumables & packing material of international standard.”

Thus the need for setting up of modern facilities for dyeing and printing in or around Jaipur that would give a huge impetus to the garment trade of the cluster is an established fact, as very rightly documented in the diagnostic study conducted by the Office of MSME, Jaipur. The diagnostics has considered the lack of a processing CFC as a major constraint in the growth of the cluster

(6) **The SPV**

- (a) The Garment Exporters Association of Rajasthan (GEAR), the apex body of the garment manufacturers in the state, has been actively associated with the Ministry of MSME for holistic development of this important sector. It has facilitated the conducting of the diagnostic study by the Jaipur Office of the MSME pertaining to the cluster of garment manufacturing at Jaipur. The study has clearly identified a modern CFC at Jaipur as a grave requirement to bridge a crucial gap in the value chain of garment manufacturing in the cluster
- (b) Based on the diagnostic study, some prominent members of GEAR have taken the initiative by forming an SPV, Pinkcity Apparel & Texpark Private Limited. There would be 30 core members of the SPV, the list of whom is appended
- (c) The SPV has procured land of about 8.90 acres at Village Chillpilli, about 70 km from Jaipur on NH 11A (Dausa – Manoharpur). 1
- (d) The incorporation details of the SPV are as under:

Date of Incorporation	18 th June 2008
Place of Registration	Jaipur, Rajasthan
Board of Directors	1. Om Prakash Miyabajas 2. Naresh K. Jain 3. Anoop Saraf 4. Anil Sharma 5. Raja Ram Kandoi 6. Gyan Prakash Mittal 7. Subhash Gupta

(c) Shri Gyan Prakash Mittal and Shri Raja Ram Kandoi are presently President and General Secretary respectively of GEAR. A brief introduction of the directors is given as follows:

- Shri Naresh Kumar Jain, partner of M/s Ratan Textiles, Jaipur a well established Exporter of Home Furnishing and Garments
- Shri Rajaram Kandoi, Partner of M/s Avon Creation, Jaipur a well known Garments Exporter
- Shri Om Prakesh Miyanbazaz, partner of M/s Miyanbazaz Exports. Jaipur a well known Exporter of Readymade Garments
- Shri Gyan Prakesh Mittal partner of M/s Kanhayalal Kalyan Mai Jaipur a well known Exporter of Readymade Garments
- Shri Subhash Gupta Partner of M/S Kiran Modes, Jaipur a well known Exporter of Readymade Garments
- Shri Anil Sharma Proprietor of M/S Art & Crafts Exclusives Jaipur a well known Exporter of Readymade Garments
- Shri Anoop Saraf Director of M/S Major Exports Ltd, Jaipur a well known

(f) All the Promoters have state of the art manufacturing facilities in Jaipur for manufacturing woven and knitted garments and home furnishing made-ups. These facilities not only meet the quality norms as per ISO 9001 standards, but also adhere to stringent compliance norms set by major international buyers.

(7) **Project Cost and Means of Finance**

(a) The project cost is estimated at Rs 45.17 crores, which includes cost of land, civil works, plant & machinery, training equipment, and pre-operative expenses, as detailed below:

S No	Heads	Total Cost (Rs lacs)
1	Land including Ground Development & Compound Wall	198.00
2	Technical Civil Work	
a	Sheds and Factory Buildings	814.00
i)	Sheds - Process House	671.00
ii)	Sheds - Administrative	75.00
iii)	Sheds - Services	36.00
iv)	Sheds - Training	32.00
b	Infrastructure	955.00
i)	Boundary	23.00
iii)	Internal Road and Parking	53.00
iv)	Water supply including UGR	157.00
v)	Effluent Treatment Plant	640.00
v)	sewerage with Septic Tank	2.00
vi)	Electrification including HT Line & transformer / substation (LS)	55.00
vii)	Landscaping / Parking (LS)	25.00
3	Equipments, Machinery and Handtools	2226.00
a	Process Equipments - Machinery	1941.00
b	Process Equipments - Utilities	260.00
c	Training Equipments - Machines	25.00
4	Soft Interventions	10.00
5	Margin Money - 30% of Working Capital Requirement	62.00
6	Preliminary Expenses written off (4%),	201.00
7	Interest during construction period	51.00
	Total Project Cost	4517.00

- (b) The project is proposed to be funded by mix of equity, grants under MSMECDP and TUFs and term loans, as detailed below:

S No	Sources	Rs lacs
1	Equity Capital	800.00
2	Grant from MSME (incl Training & Soft Skills)	1000.00
3	Grant under TUFs	284.00
4	Term Loans	2433.00
	Total	4517.00

(8) **Conclusions**

- (a) The CFC would be the first such facility in the Jaipur Garment Cluster and thus would be developmental in nature. However it is envisaged that the CFC would be self sustainable in meeting its operational expenses through levy of user charges, so that it is expected to generate surplus

14. Annual progress of Self Interventions for 1st year (2008-09)

from the first year onwards of its operation. Thus despite not being a commercial project in actual sense, its technical feasibility and overall economics are satisfactory

- (b) The proposed CFC would be first step in creating a comprehensive infrastructure facility for garment and knitwear industry in the region, which may include, besides a modern CFC, land for warehousing facilities, access to in land container depots, exhibition centres, market places and land for factories etc

S. No.	Particulars	2008-09	2009-10	2010-11
1.	Land	0.00	0.00	0.00
2.	Construction	0.00	0.00	0.00
3.	Market Development	0.50	0.50	0.50
4.	Technology Upgradation	0.50	0.50	0.50
5.	Hiring of NDA services or Other Expenses	0.25	0.25	0.25
6.	Purchase of stationary	0.00	0.00	0.00
	Total	1.25	1.25	1.25

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14. Annual progress of Soft interventions for 1st year (2008-09)

S. No.	Category	Total fund utilized (Rs. In lakhs)	Source of Fund (Rs. in lakhs)	
			DC (MSME)	Stake holders
1.	Trust Building	0.00	--	0.00
2	Capacity building	1.45	1.30	0.15
3	Market Development	0.90	0.80	0.10
4	Technology Upgradation	0.60	0.50	0.10
4	Hiring of NDA services or Other Expenses	0.25	0.25	--
5	Purchase of stationary	0.00	0.00	0.00
Total		3.20	2.85	0.35