



## The Energy and Resources Institute

...towards global sustainable development



**Supported Under :**  
MSME Financing & Development Project  
(MSMEFDP)

### Workshop on Promoting Energy Efficiency in Rajkot Cluster

Date: 30th September, 2010

Venue: Conference Hall, REA, Rajkot

A workshop on promoting energy efficiency in the Rajkot cluster was organized on 30th September 2010 and attended by 21 participants. Mr. Kamlesh Sakariya, Cluster Network Expert of TERI introduced the faculty members during his welcome address.

Mr. M.S.Javia, former head of NSIC Technology Centre stressed the need for industries in Rajkot to think beyond routine requirements and include innovative practices in their business framework. He described energy conservation as a key practice that is not only beneficial to the environment, but also provides significant cost saving opportunities at the plant level. The concept of carbon credits was explained to the participants as an incentive tool for saving costs by reducing emissions during manufacturing operations.

Mr. Jay Mavani, a leading

industrialist explained the concept of energy efficiency as an input-output model where reductions in input of energy result in cost savings. He elaborated that the usage of improved/modern technologies such as CNC machines offers greater scope for energy efficiency, and that upgradation to such technologies is a beneficial investment. Furthermore, such technologies offer attractive payback on investment and are low in risk. He cited the example of a 5HP gear drive always being more efficient than a 5HP belt driving system.

Mr. Dolphy D'Mello, DGM of SIDBI Rajkot, explained the mechanism of financial flows for globally relevant issues such as energy efficiency. He mentioned that large international agencies provide funds for energy efficiency through the Government of India. Around 600 crores have been sanctioned for energy efficient instruments over the past few

years. The Government of India further channels these funds to national-level banks such as SIDBI. Through such schemes, SIDBI can offer finance at interest rates of around 9.75%, instead of the standard 12 to 13% rates. He encouraged units to utilize such schemes while investing in energy conservation measures.

Mr. Prosanto Pal, TERI apprised the units on detailed energy audit studies that are subsidized for the cluster under the project and encouraged them to utilize this opportunity. He explained the principles of energy management, mentioning that it depends on energy conservation in both production and distribution. It also depends on good house keeping practices such as switching off lights when not in use, proper insulation etc.



**Workshop on Promoting Energy Efficiency in progress**

Savings can be achieved through modification in existing processes or by converting to new processes.

Presentations were made by Mr R.S Thakar of Bhavani Electrical and by Mr. Rahul Acharya. Mr. Thakar highlighted a case study on energy saving potential in a metal manufacturing industry and Mr. Acharya outlined the scope of energy efficiency in MSMEs. Thereafter, a brainstorming and interaction session was held between the faculty and the participants. After a series of discussions, there was sound understanding of the potential benefits of energy conservation and the units expressed strong commitment towards promoting the practice within their manufacturing processes.

Mr. Bharat Davda, cluster manager concluded the workshop by thanking all faculty and participants for their valuable thoughts and inputs on the subject.

### Participation of MSME units at the Rajkot Machine Tools Show-2010

The Machine Tools Manufacturers Association in Rajkot organized Rajkot, Machine Tools Show 2010, a national level exhibition from 25 to 28

November 2010 at the Race Course grounds in Rajkot. Over 120 stalls were set up and around 20,000 people attended the exhibition, which received an overwhelming response. The TERISIDBI

project supported 20 foundries, pump and machine tool units to market their products at the exhibition. This event provided an excellent platform for interaction and business between the Rajkot entrepreneurs and buyers of castings, pump sets and machine tools from industries across India.

The project engaged the services of Mr. Bhavin Parekh from Rudram Consultants a BDS provider to assist units in preparing promotional material, interacting with buyers during the exhibition and following up with potential clients. Since the majority of the supported units were participating for the first time in such an event, a pre-event orientation session was conducted for the units to provide training on various soft skills in preparation for the exhibition.

All the supported participating units generated good business from the event, and



**Project Supported MSME Participants in exhibition RMTS-2010.**

developed strong leads with good potential for long-term association. Orders worth .61 lakh rupees have been confirmed and completed, while another 97 lakh rupees worth are under execution and a further 2 crore rupees worth are under negotiation. The units expressed appreciation for the project support and enquired about similar events in the near future; they have expressed keen interest in participating in such platforms on a regular basis.

### 3rd Cluster Coordination Committee meeting

Venue: REA Conference Hall, Rajkot

Mr Kamlesh Sakriya, Cluster Networking Expert, TERI, updated participants on the outcomes and status of activities in the third quarter of 2010-11. The following key areas were highlighted are,

**SPV formation:** A Company Secretary has been appointed to form the SPV under section 25 as an initial step towards the establishment of the Common Facility Centre. Sixty entrepreneurs have joined and contributed funds and land has been allocated by REA. The DPR for the testing facility is in its final stage of preparation.

**Energy efficient DBC:** Two DBCs have been fabricated by Devkrupa Industries, a local fabricator trained under the project and are ready for installation. Another three DBCs are at the design stage. The project has prepared a brochure in Gujarati highlighting the benefits of DBC such as 30% overall coke saving and increase in production output

**Skills development:** Darshan Institute of Engineering and Technology (DIET) has been engaged for training workers/supervisors of industry. Six industry need-based training modules have been designed and classes have commenced with a batch of 21 students. The project is identifying more workers for training and industry is encouraged to utilize this opportunity.

**Market development:** The project supported 20 units for

participating in the Rajkot Machine Tools Show 2010; the units benefited greatly from the event.

**BEE star labeling:** Mr Shailesh Goswami, a local BDS provider who was trained under the project, has provided consultancy services on BEE star rating to more than 20 pump set units. With the assistance of his services, a remarkable 98 pump models have been awarded star ratings by BEE for energy efficiency.

**Financial linkages:** Mr R.V Somaiya, a financial consultant, who was engaged by the project to create understanding among the industry on proper book keeping practices and SME loan schemes, has assisted several units in obtaining funding from SIDBI and other financial institutions.

Mr Sakriya then highlighted the ongoing and planned activities for the fourth quarter:

- Finalization of DPR for testing facility
- Common stall to showcase the capabilities of Rajkot foundries at the next Indian Foundry Congress
- Pump marketing study for availing government schemes

- Detailed energy efficiency studies in units
- Export promotion workshops and assistance for exporting
- Supporting safety materials for awareness.
- Promotion of DBC among local foundries
- Establishment of an 'Energy Management Cell' with DIET

During the discussions that followed, Mr Dolphy D'Mello, Deputy General Manager, SIDBI praised the efforts undertaken during the quarter and encouraged participants to be active in the forthcoming initiatives.

### **Participants**

#### **CCC members**

1. Mr Dolphy D'Mello, Deputy General Manager, SIDBI
2. Mr Dhiraj Bhatt, Ex. Secretary, REA

#### **Invitees**

1. Mr Venkatraman Sr. Consultant-MSME Foundation
2. Mr V. M. Jha, MSME-DI Rajkot

#### **Project Team**

1. Mr Sachin Kumar, TERI
2. Mr Sahil Malhotra, TERI
3. Mr Kamlesh Sakariya, Networking Expert, Rajkot cluster team

### Skills development: DIET introduces training modules

Business development is critically dependent on skills upgradation of workers and entrepreneurs. Despite the presence of several reputed technical training institutes and engineering colleges in Rajkot, there are weak linkages between the industry and these academic institutions. Besides, there is a need for these institutions to evolve training programs that are geared towards the specific needs of the local industry. During the previous CCC meeting, Darshan Institute of Engineering and Technology (DIET), a Rajkot-based engineering college, expressed keen interest in collaborating with the project. A visit to the DIET campus was arranged where TERI team members met with senior faculty and assessed the capacity and infrastructure of the institute.

Subsequently, the project introduced DIET to the cluster and facilitated dialogue between the industry association, MSME entrepreneurs and DIET so as to assist in designing industry-focused

training modules for workers / supervisors of MSMEs and thereby strengthen the industry-academic institution linkages as well.

Following extensive consultations and discussions, six 20-hour modules have been designed for local industry personnel by DIET on the following topics:

1. Engineering drawing and metrology
2. Basics of electricity safety and metering
3. O & M of electrical equipments
4. CADD
5. AutoCAD electrical
6. Machine design

The first batch of 21 students has already been trained on the subject of engineering drawing and metrology. Training of new batches will commence soon.



**Skill Development Program Inauguration at DIET.**

### Training for Rajkot engineering cluster SMEs/Engineers in association with Darshan Institute of Engineering and Technology (DIET) classes starting January, 2011

TERI-SIDBI project is supporting training of employees from SME units operating/Engineers in the Rajkot engineering cluster. The training will offer a range of courses on engineering drawing, machine drawing, CADD, O&M of electrical equipments, AutoCAD electrical and basics of electricity safety and metering. The cost of each course is Rs. 2250/- per trainee however, with the support of the project it will be subsidized to only Rs. 675/- per Trainee & remaining Rs. 1575/- will be paid by project. The cost also includes bus travel from REA office to the institute and back. The training offers a unique opportunity to acquire advanced skills in industry-focused topics and SMEs are encouraged to motivate their workers in utilizing this platform.

For further details, please contact the project office.

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