



Confederation of Indian Industry

Rajasthan Vision 2047

"Change For Responsible Vision"

Rajasthan@100



Message from Chairman



Mr Abhinav Banthia

Chairman

Rajasthan State Council 2023-24

Rajasthan 'Land of Kings' or 'Land of Kingdom' is India's largest state by area and continues to be a nurturing ground for cultural and intellectual brilliance. Occupying an area of 3.43 lakh square km and covering 10.4% of the total landmass of the country, Rajasthan is inarguably the largest and perhaps one of the most vibrant States of India. It has an unusual diversity in its entire form – people, customs, culture, music, dialects, cuisines, and physiography. The State has not only meaningfully contributed to India's heritage and cultural identity but has also positioned itself as an attractive investment destination.

Rajasthan is offering a favourable ecosystem for growth and entrepreneurship. It is renowned for embodying and celebrating the country's different cultures and co-existence. The state located on northwest part of country and is a home of cultural diversity, supportive of industrial development by providing an enabling policy framework and opportunities to invest in the state, along with active leadership and robust infrastructure. The state government's commitment to improving the people's quality of life by providing better job opportunities, education and skill development is also noteworthy. The objective of Rajasthan@100 report is to cover the inputs from various sections of society, namely the government, industry professionals and civilians, to give their valuable insights on multiple sectors of the state and the significant advancements that can be made to make the state more vibrant & economically progressive.

Furthermore, this report aims to help one understand and set realistic long-term goals for the state's future and to urge the concerned authorities to take action on it. This vision report of Rajasthan attempts to capture the true essence and need of all sections of the society. Achieving this vision for Rajasthan@100 can be made possible by evaluating the aspirations, considering multiple aspects of a realistic development strategy, and working consistently to achieve the numerous goals set for the future.

Therefore, I sincerely hope that this report which is a depiction of the state's long-term vision for the future, substantially benefits every residing citizen and lays down a sustainable and efficient pathway for the overall development of the state.

Message from Vice Chairman



Mr Arun Misra

Vice Chairman

Rajasthan State Council 2023-24

To bring the Vision of Rajasthan@100 to life, CII approached various eminent industrialists, professionals in respective fields to express their opinions, contribute to the study and help us curate the vision document.

Rajasthan is a natural corridor between the wealthy northern and the prosperous western states, making it an important trade and commerce centre as also an important part of the Delhi Mumbai Industrial Corridor. The natural resources, policy incentives, strategic location and infrastructure in the state are favourably suited for investments in sectors such as cement, tourism, agriculture and allied industries, mineral and mineral processing industries.

Further, Rajasthan ranks fifth in the country in terms of industrial output which accounts for 26.8% of the State's GSDP. The five major industries in the State from the perspective of industrial output are metals, minerals, food products, textiles and chemicals.

Industrial development and inflow of investments have gained momentum in Rajasthan. Apart from industry friendly policies, the State's prime focus has been to create world class industrial infrastructure. The State Government has been rapidly transforming the industrial landscape of Rajasthan with pro-business policy interventions to attract fresh investments.

We received tremendous support from the Industry. I would like to thank everyone who participated and those who curated the document to achieve the holistic, long-term goal for Rajasthan. To be able to make a change, one must work hard to strive towards it. Now that the vision document is coming to life, I hope that this will help the state achieve realistic goals and help Rajasthan achieve new heights in the economy, including social and industrial development.

Roadmap for Growth of Rajasthan: 10 Point Agenda for Growth and to achieve a GSDP of US\$ 300 billion by 2024-25 and US\$ One Trillion by 2047

Introduction

Rajasthan, the largest (area-wise) state in India, is in the north-western part of the subcontinent. It borders six major states in the northern, western, and central parts of India. Rajasthan is a natural corridor between the wealthy northern and the prosperous western states, making it an important trade and commerce centre.

The natural resources, policy incentives, strategic location and infrastructure in the state are favourably suited for investments in sectors such as cement, tourism, agriculture and allied industries, mineral and mineral processing industries. The state has an agricultural economy with nine agro-climatic zones and various types of soil that help during the cultivation of crops. Food grain production is estimated to have reached 22.80 million tonnes in 2018-19.

The Government of India (GoI) has announced ambitious target of making India a US\$ 5 trillion economy by 2024-25. If achieved, India will become a global economic powerhouse moving from the present 5th position to 3rd position in terms of current dollar exchange rate. According to World Population Review, a US based think tank, India's economy now is the fifth largest in the world with a GDP of US\$ 2.9 trillion, overtaking the UK and France in 2019 to take the fifth spot. In purchasing power parity terms, India's GDP is around US\$ 10.5 trillion, exceeding the GDP of Japan and Germany.

Rajasthan has numerous unique strengths such as abundance of natural resources, availability of skilled labour, growing infrastructure, Renewable Energy, continuous government support, rising consumer demand backed by increasing purchasing power. Based on the aforementioned strengths coupled with right policies, **Rajasthan has the potential of achieving a GSDP from US\$ 130.2 billion to US\$ 300 billion by 2024-25.**

The tertiary sector has been the fastest-growing sector and the largest contributor to Rajasthan's economy in 2020-21, with a 45.43% share in the state's GSVA. The growth was driven by storage, communication & services related to broadcasting, financial services and public administration.

KEY INDICATORS OF ECONOMIC DEVELOPMENT

S. No.	Particular	Unit	2016-17	2017-18	2018-19	2019-20	2020-21
1	2	3	4	5	6	7	8
1.	Gross State Domestic Product at (a) Constant (2011-12) Prices (b) Current Prices	`Crore	596746 760587	624831 828661	655713 921789	688714 998999	643222 957912
2.	Growth Rate as per GSDP at (a) Constant (2011-12) Prices (b) Current Prices	Per cent	5.93 11.61	4.71 8.95	4.94 11.24	5.03 8.38	- 6.61 - 4.11
3.	Sectoral Contribution in GSVA at Constant (2011-12) Prices of (a) Agriculture (b) Industry (c) Services	Per cent	26.42 33.17 40.41	25.33 32.70 41.97	25.61 29.49 44.90	26.73 28.57 44.70	29.45 28.15 42.40
4.	Sectoral Contribution in GSVA at Current Prices of (a) Agriculture (b) Industry (c) Services	Per cent	28.02 29.46 42.52	26.26 29.37 44.37	25.69 27.27 47.04	26.80 26.03 47.17	29.77 24.80 45.43
5.	Net State Domestic Product at (a) Constant (2011-12) Prices (b) Current Prices	`Crore	529650 682626	554429 744622	580594 829068	610292 899143	570143 862633
6.	Per Capita Income at (a) Constant (2011-12) Prices (b) Current Prices	`	71324 91924	73109 98188	75555 107890	78390 115492	72297 109386

Note: Source: Economic Review 2020-21, Dept of Statistics, Govt of Rajasthan. For the Year 2018-19 Revised Estimates II, Year 2019-20 Revised Estimates I and Year 2020-21 Advance Estimates (AE), GSVA: Gross State Value Added

To accelerate the economic growth of the state and to achieve **a GSDP from US\$ 130.2 billion to US\$ 300 billion by 2024-25 and US\$ One Trillion by 2047**, CII has identified key intervention areas as part of the '**Roadmap for Growth of Rajasthan: 10 Point Agenda for Growth**'.

1. Employment and Employability

Creating 20 Million Jobs in Rajasthan by 2047

High unemployment rate is detrimental to the growth of the state, which in turn creates a vicious cycle of low income, low purchasing power, low demand, low economic activity, thus impacting growth and revenues of the state. The Unemployment rate in Rajasthan was 12.3 per cent in November 2018, whereas the All India level was 6.6 per cent¹. Hence, the state must focus on increasing the avenues for employment as well as employability of the workforce. In this regard, CII suggests:

- According to estimates, each 1 per cent increase in manufacturing growth creates 20-30 million additional jobs directly or indirectly. Special focus on labour intensive sectors can generate additional employment of 15–20 million for every additional percentage point of growth.
- There should be less dependability on Government jobs. Efforts must be made to create jobs in Private sector, hence, both manufacturing and Service Sector should be encouraged and developed.
- Further liberalization of labour laws and easing of Doing Business environment.
- Encouraging self-employment and added thrust on Start-ups.

2. Education and Skill Development

Making Rajasthan the Skilling Hub of India and taking effective Literacy rate to 80 percent

It is important to improve employment generation in the state given the fact that 64 per cent of the population falls under the working age category. Therefore, skilling the youth of Rajasthan and making them industry ready will help in overall development of the state. To deal with this challenge, CII suggests:

- Upgrading and training teachers in ITIs through Private partnerships.
 - Compulsory education up to 10th standard with vocational courses.
 - Setting up of world class skill development institutes on the lines of Institute of Technical Education, Singapore which provides pre-employment training to secondary school leavers and continuing education and training to working adults. This would be a game changer in the skill scenario in the state.
 - Designing need based trades in ITIs certified by Government of Rajasthan and Rajasthan Council for Voluntary Education & Training (RCVET).
-

- Developing Special Education Zones, wherein large number of Schools can come at one location with common facilities.
- Leveraging technology to address the issue of quality of education in schools and for reaching out to remote locations.

3. Research and Innovation

Positioning Rajasthan as a Hub of Startup and Innovation

The state of Rajasthan has attracted investments in a diverse mix of sectors such as Auto & Engineering, Renewable Energy, Tourism, Electronics System Design and Manufacturing (ESDM), Mines & Minerals. Sectors such as Information Technology (IT) and Information Technology Enabled Services (ITeS) are gaining momentum in the state because of abundance of skilled workforce, policy incentives and dedicated IT parks. With the evolving startup ecosystem, the state has been persistent in its efforts to offer tailor-made platforms to promote the startup ecosystem. In order to ignite the spirit of entrepreneurship and innovation for people in the state and converting ideas into potential businesses, the State Government, in 2015, outlined the 'Rajasthan Startup Policy 2015'. The policy sets the tone for building and developing solutions for various unique challenges faced by the state in areas of water availability, arid land, agriculture, rural healthcare, food processing and efficient food supply chains.

Effective implementation of innovative & new ideas in business and social services will benefit its people and create wealth in the country. Government of Rajasthan can envision creating a platform for innovation through collaboration between the many excellent research institutions based in the State (IIT, MNIT, IIIT BISR, CEERI etc) and the industry. These platforms can be an initiative that can unlock the national treasure created by the top scientific research institutions in Rajasthan, and to actively facilitate the process of taking their research to market. This platform will link research institutions, academia and industry along with venture capitalists, angel investors and incubation funds. This initiative can cover:

- Protecting the Intellectual Property (IP) created from research, and create mechanisms to license the IP
- Assisting with the Initial evaluations of technical, market, legal and economic feasibility of taking the research to market
- Identifying options for scaling up
- Coordinating training inputs in design thinking, business management, and project execution, for scientists and entrepreneurs
- Identifying and document the best practices, from across the world, for rapid commercialization of research and innovations
- Setting up of a Start-up Hub (similar to T-Hub of Telangana), on a public / private partnership mode between the Government of Rajasthan and key industry present in the state
- Initiating a state level Start-up policy
- One stop shop clearances for Start ups in a timebound manner

4. Improving the linkage between Agriculture & Processing Industry

Taking Agriculture growth from 3.3 per cent to 6 per cent

Agriculture sector contributed close to 29% to Rajasthan's GDP in 2020-21. Rajasthan is the second largest producer of pulses, oilseeds, and the largest producer of coarse cereals, as of FY19. Rajasthan, with its diverse agro-climatic conditions is richly endowed with the cultivation of a variety of crops & offers tremendous opportunities in the areas of organic and contract farming as well as in infrastructure developments related to agriculture. Rajasthan is the largest producer of rapeseed, bajra and mustard. It is the second largest producer of oilseeds and spices and third largest producer of soya bean and coarse cereals in India. The state may work towards bringing in the second phase of green revolution, in order to take agriculture to the next phase of growth. In this regard, CII recommends the following:

- Crop Diversification based on the quality of soil
- Crop Zones on the basis of availability of water
- Use of Precision farming and latest technology such as ICT, Artificial Intelligence etc
- Promoting organic farming
- Export policy including agri produce
- Ensuring simplification of the procedures for through Single Window System for setting up of Food Processing units
- Establishing Food Parks and Mega Food Parks in the identified zones
- Developing quality infrastructure like storage facilities etc
- Promoting Farmer- Industry interaction
- Creating employment avenues in rural areas as alternative to cultivation

5. Tourism

Positioning Rajasthan amongst the top 3 tourist destinations of India

For next few months, State will not be able to get National and International Tourists, hence tourism will be a big challenge. But it is also a high time when Rajasthan can take advantage of its monuments and villages and promote Village Tourism and City Festival for local people this year which will be promoted to National and International Tourists next year.

Many activities can be planned during night looking to the heat of summer months which lasts for usually 9 months in a year. In this aspect, Jaipur by Nite and Night Tourism can be promoted. We can involve markets and create programmes within the markets in the evening, promoting local art and culture, music, old stories of Jaipur city, street food, involvement of children, youth, senior citizens, etc. This festival can involve all and become like Dubai/ Goa festivals

The state attracted about 54 mn tourists including foreign tourists in 2019.

Capitalising on the already present Rajasthan's popularity amongst both domestic and international tourists, the State Government may aim to position Rajasthan India's most attractive and safe tourist destination. Tourism sector, if its potential is properly leveraged, can create substantial employment avenues of thousands of Rajasthanis.

- Promoting alternate tourism such as night tourism, niche tourism, monsoon tourism, salt tourism, Night Bazars etc
- As Rajasthan offers one of the best medical facilities in India, Medical Tourism can be promoted which will lead to increase in revenue to state exchequer and employment
- Promoting Rajasthan as MICE centre; creating seamless travel within circuits
- Promoting development of tourism infrastructure; attracting private investment in development of tourism infrastructure
- Human resource development through provision of additional training institutes, enhancing capacity of existing ones along with introduction of short term courses providing specific skills directed at hospitality and travel trade sector employees may be required for catering to the increased manpower and skill requirements
- Encouraging PPPs for investing in development and maintenance of the heritage properties
- Setting up of Rajasthan Tourism Board to oversee the tourism sector in the state

6. MSMEs

Making MSMEs the Frontrunner of Growth

The MSME sector has significant presence in Rajasthan, both in terms of value addition and also in creating employment opportunities. To enhance competitiveness of the MSMEs in Rajasthan, CII suggests developing a holistic strategy encompassing infrastructure development, providing common facilities, promoting technology up-gradation, and building skills through properly conceiving and designing industrial clusters so as to help these industries to become globally competitive. In this regard, CII suggests:

- Govt of Rajasthan to promote MSMEs by investing in R & D. As of now the expenditure on R & D is even less than .1%. Looking to increase in competition through the world, expense in innovation, Research , Development and Technology needs to be increased
- Platforms for interaction with International delegates, missions should be created which will help in learning, sharing of experiences, increasing productivity so that exports can be increased and imports reduced
- Govt should participate in all the important International expositions by taking bigger spaces and providing smaller stalls to MSMEs within the Rajasthan State Pavilion. It will help in publicizing Rajasthan as also provide a good platform to MSMEs who may not dare to take stalls by paying hefty amounts for bigger stalls.

7. Robust Growth of Manufacturing Sector

Accelerating Growth Rate of Industry from 4.7 per cent² to 8 per cent

Rajasthan ranks #1 in Export Preparedness Index 2020 under Landlocked states category. Moreover, it has a vast network of national highways and railways, which provides excellent connectivity to major cities and ports of Gujarat and Maharashtra. The state's total road length is approximately 264,244 km, while the railway length stands at 5,937km.

Rajasthan has the presence of over 150 auto-component manufacturing units with Bhiwadi, Neemrana, Pathredi and Alwar being host to them. Approximately 40 per cent of passenger car and motor cycle production of India is concentrated within 200 km radius in Alwar district in Rajasthan. Capitalizing on the existing strength, Rajasthan should now aim for inviting investments in the Hi- tech manufacturing sector such as Defence and Aerospace, Electronic Equipment manufacturing, E-Vehicles etc. In this regard, CII recommends the following:

- Attracting bigger investments into Electric Vehicles segment and incentivising R&D facilities related thereto
- Promoting Industry 4.0 and Artificial Intelligence, taking auto manufacturing sector to the next phase of growth through Additive manufacturing/ 3D Printing, Autonomous robots, Agile product development, digital manufacturing etc
- Strengthening supply chain
- Creating and maintaining all the requisite support infrastructure
- Setting up of a dedicated Park for Hi- Tech manufacturing along Delhi Mumbai Industrial Corridor (DMIC)
- Establishing Electronic Manufacturing Clusters/ ESDM parks in the state and creating more innovative and competitive business zones based on knowledge, people-led innovation, and global networking; providing seamless connectivity, state of the art infrastructure, Logistics hub etc
- Making state number one on the Ease Of Doing Business parameters

8. Renewable Energy

Realising the Solar Energy Potential by using 100 % Renewable Energy by 2047

Rajasthan has a huge potential of solar energy, the climatic conditions of state makes it ideal for capturing the solar rays in sufficiency. The climate of Rajasthan is semi-arid; the desert of Thar spreads on the 66.66 % of total area of state. These climatic specialties makes it suitable to receive almost 300- 325 sunny days in a year and 6-6.4kwh/m² / sun radiation per day, which is second highest amount of sun radiation all over the world. The average temperature of western cities of Rajasthan is between 35-40 degree, and in summer, it reaches above 45 degree. The

availability of solar energy in Rajasthan is 6 to 7 kw/km², which provides the potential of 100000 MW electricity yearly, out of which only 442.25 MW is currently being produced.

Rajasthan has around 208,110 Sq.km of desert land. The direct normal isolation over Rajasthan varies from 1800Kwh/m² to 600Kwh/m². The state has the solar potential of 142 GW, highest among Indian states, and wind potential of 1,27,750 MW.

The state has immense potential for power generation through renewable energy sources such as solar, wind and biomass. At present, out of the total installed capacity (in MW) of power utilities, over 32.3 percent comes from renewable energy sources. Rajasthan should now make renewable energy, especially solar as the main source of power and aim to create an enabling environment for producing and using 100% of power through Renewable Energy Resources. In this regard, CII recommends the following:

- Envisaging a Centre of Excellence (CoE) on solar that would work towards applied research and commercialisation of nascent technologies
- To replicate best practices in RE from countries like Denmark who are using 100% RE
- Promoting use of solar and clean energy amongst domestic consumers
- Creating dedicated Single Window System for the solar power projects
- Setting up of Solar Power Plants in Rajasthan for sale to DISCOMs of Rajasthan
- Utility Grid Power Projects for Captive use / sale to 3rd Party / states other than Rajasthan through Open Access
- Setting up of Rooftop PV Solar Power Plants connected to LT Grid
- Promoting and decentralised and off-grid solar applications, including hybrid system as per guidelines issued by MNRE

9. Industry and Investment

Making Rajasthan India's most Preferred Investment Destination and Making it no. 1 in Ease of Doing Business

On the Ease of Doing Business Ranking of Govt of India, Rajasthan has been ranked 8th implementing 96.43 per cent of the reforms. However, the State Government can bring in a whole gamut of reforms, in order to become the most preferred investment destination. In this regard, CII suggests the following:

- Setting up a Mechanism of speedy dispute resolution by drafting a suitable One Time Settlement (OTS) policy to revive the ailing industry
- Unlocking the potential of vacant industrial plots through bringing in a transparent policy to re-allot the same to some other prospective buyer without any hassle
- Setting up a dedicated industrial safety bureau to address the critical issue of obtaining safety
- Creating a dedicated fund for upgradation of the Infrastructure in existing Industrial areas
- Developing new Industrial areas with all the amenities and also the existing industrial areas should be maintained and upgraded
- To initiate investment in defence production, a Defence Production Zone may be created, which will bring huge investment and employment

- Making Ease of Change in Land Use (CLU) time bound and easier
- Promoting Green Buildings, Green factories, Green hospitals, schools
- Showcase & position the state as 'Preferred Investment Destination' and reach out to larger investor community by way Roadshows, Investor Summit through an Independent body reporting directly to Hon'ble CM

10. Enabling Infrastructure

Last Mile Connectivity & Improving the Connectivity with other Regions

Infrastructure being the backbone of any economy has a multiplier effect on the economic growth. Being a landlocked state, the State Government places great emphasis on interstate and intrastate road connectivity. As on 31st March 2017, the total road length of the State was 2,68,854 kms with a road density of 66.3 km per sq. km.³ Some of CII suggestions include:

- Undertaking City Beautification Projects in phased manner– The State Government should come up with a financially sustainable model wherein a private developer is entrusted the task of beautifying prominent cities
- Developing new airports in all districts of Rajasthan to connect all the regions of the state with the rest of the country through private participation
- Making all public transport electric and pollution free
- Developing high speed train connectivity between Jaipur and rest parts of India

.....



Confederation of Indian Industry

The Confederation of Indian Industry (CII) works to create and sustain an environment conducive to the development of India, partnering Industry, Government and civil society, through advisory and consultative processes.

For more than 125 years, CII has been engaged in shaping India's development journey and works proactively on transforming Indian Industry's engagement in national development. CII charts change by working closely with Government on policy issues, interfacing with thought leaders, and enhancing efficiency, competitiveness and business opportunities for industry through a range of specialized services and strategic global linkages. It also provides a platform for consensus-building and networking on key issues.

As India strategizes for the next 25 years to India@100, Indian industry must scale the competitiveness ladder to drive growth. It must also internalize the tenets of sustainability and climate action and accelerate its globalisation journey for leadership in a changing world. The role played by Indian industry will be central to the country's progress and success as a nation. CII, with the Theme for 2023-24 as 'Towards a Competitive and Sustainable India@100: Growth, Inclusiveness, Globalisation, Building Trust' has prioritized 6 action themes that will catalyze the journey of the country towards the vision of India@100.

With 65 offices, including 10 Centres of Excellence, in India, and 8 overseas offices in Australia, Egypt, Germany, Indonesia, Singapore, UAE, UK, and USA, as well as institutional partnerships with 350 counterpart organizations in 133 countries, CII serves as a reference point for Indian industry and the international business community.

Confederation of Indian Industry The Mantosh Sondhi Centre 23, Institutional Area, Lodi Road, New Delhi – 110 003 (India) T: 91 11 45771000 E: info@cii.in • W: www.cii.in	Confederation of Indian Industry Northern Region Block No. 3, Dakshin Marg, Sector 31-A Chandigarh-160030 Chandigarh, India Phone : 91-172-5022522, 2607228 E: ciinr@cii.in • W: www.cii.in	Confederation of Indian Industry Rajasthan State Office 3, Shivaji Nagar, Civil Lines, Jaipur (Rajasthan)– 302006 T: 91 0141 2221442 E: ciirajasthan@cii.in • W: www.cii.in
--	---	---



Reach us via CII Membership Helpline Number: 1800-103-1244