

Brief Industrial Profile of RAICHUR <u>District</u>



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

Carried out by

MSME-Development Institute

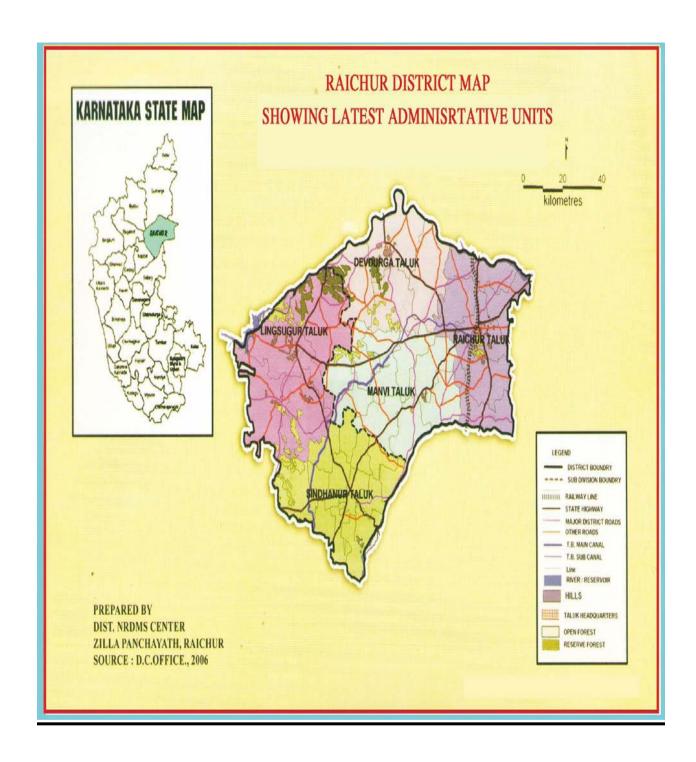
(Ministry of MSME, Govt. of India,)
Phone: 0836 2330389, 2332334,2335634
Fax: 0836-2330389

e-mail: msmedihubli@dataone.in

Web-

Contents

| S. No. | Topic | Page No. |
|--------|--|----------|
| 1. | General Characteristics of the District | 3 |
| 1.1 | Location & Geographical Area | 3 |
| 1.2 | Topography | 3 |
| 1.3 | Availability of Minerals. | 3 |
| 1.4 | Forest | 4 |
| 1.5 | Administrative set up | 4 |
| 2. | District at a glance | 4,5,6 |
| 2.1 | Existing Status of Industrial Area in the District Raichur | 7 |
| 3. | Industrial Scenario Of Raichur District | 8 |
| 3.1 | Industry at a Glance | 8 |
| 3.2 | Year Wise Trend Of Units Registered | 8 |
| 3.3 | Details Of Existing Micro & Small Enterprises & Artisan Units In | 9 |
| | The District | |
| 3.4 | Large Scale Industries / Public Sector undertakings | 10 |
| 3.5 | Major Exportable Item | 10 |
| 3.6 | Growth Trend | 10 |
| 3.7 | Vendorisation / Ancillarisation of the Industry | 11 |
| 3.8 | Medium Scale Enterprises | 12 |
| 3.8.1 | List of the units in Raichur & near by Area | 12 |
| 3.8.2 | Major Exportable Item | 12 |
| 3.9 | Service Enterprises | 12 |
| 3.9.1 | Coaching Industry | Nil |
| 3.9.2 | Potentials areas for service industry | 12 |
| 3.10 | Potential for new MSMEs | |
| 4. | Existing Clusters of Micro & Small Enterprise | 12 |
| 4.1 | Detail Of Major Clusters | 12 |
| 4.1.1 | Manufacturing Sector | 12 |
| 4.1.2 | Service Sector | 12 |
| 4.2 | Details of Identified cluster | 13 |
| 5. | General issues raised by industry association during the course of meeting | 13 |
| 6 | Steps to set up MSMEs | 14-15-16 |



Brief Industrial Profile of RAICHUR District

General Characteristics of the District

It is the second largest District in the state in terms of Area.All the five talukas of the district are very well irrigated, with water from the Tungabhadra Dam on the Tungabhadra River, and Narayanpura Dam on the Krishna River. Raichur is known for its paddy fields and its <u>rice</u> is of extremely superior quality. Raichur has numerous rice mills which export high quality rice to different countries. It also has a good trading market in cotton industry.

It is one of the five districts in Karnataka currently receiving funds from the Backward Regions Grant Fund Programme

1.1 Location & Geographical Area.

It is located in the northeast part of the state and is bounded by <u>Yadgir district</u> in the north, <u>Bijapur</u> and <u>Bagalkot district</u> in the northwest, <u>Koppal district</u> in the west, <u>Bellary district</u> in the south, <u>Mahabubnagar</u> and <u>Kurnool districts</u> of <u>Andhra Pradesh</u> in the east.

1.2 Topography

Situated at an altitude of 400 Mtrs above Mean Sea Level, the district is endowed with good water sources in perennial rivers the Krishna & the Tungabhadra

1.3 Availability of Minerals.

Raichur District is one of few places in India with <u>gold</u> resources. <u>Hatti Gold Mines</u> are situated in Raichur District, around 90 km away from Raichur city has a avg. production of 3 tons per annum.

PRODUCTION OF MINERAL 2010-11

| S.NO. | NAME OF MINERAL | PRODUCTION in tones 2007-2008 |
|-------|---------------------------------------|----------------------------------|
| MAJOR | MINERAL | |
| 1. | Gold | N.A |
| MINOR | | |
| 1. | Copper, Iron, Feldspar | N.A |
| 2. | Granite, Sandstone, Limestone, Quartz | N.A |

SOURCE:- DEPT. OF MINES & GEOLOGY.,

1.4 FOREST:

District consists of a mere 18,167 hectares of forests with any significant forest produce worth mentioning.

1.5 Administrative set up:-

The district is headed by the Deputy Commissioner and the Zilla Panchayat. It has Five Talukas and the respective Panchayats are governed & administered by their respective Boards & CEOs.

2. <u>District at a glance</u>

| S.No | Particular | Year | Unit | Statistics | | | |
|------|------------------------|------|-----------|-------------------|--|--|--|
| 1 | Geographical features | | | | | | |
| (A) | Geographical Data | | | 16.2; 77.37 Coord | | | |
| | i) Latitude | | | 16°12′N 16.2°N | | | |
| | ii) Longitude | | | 77.22°E /77.37°E | | | |
| | iii) Geographical Area | | На | 8,38,600 | | | |
| (B) | Administrative Units | | | | | | |
| | i) Sub divisions | 01 | | | | | |
| | ii) Tehsils | 05 | | | | | |
| | iii) Sub-Tehsil | - | | | | | |
| | iv) Patwar Circle | - | | | | | |
| | v) Panchayat Simitis | 37 | | | | | |
| | vi)Nagar nigam | 00 | | | | | |
| | vii) Nagar Palika | 80 | | | | | |
| | viii) Gram Panchayat | 164 | | | | | |
| | xi) Revenue villages | 883 | | | | | |
| | x) Assembly Area | 80 | | | | | |
| 2. | Population | 2011 | Prov | 19,24,773 | | | |
| (A) | (Sex-wise) | 2001 | Total Nos | 16,69,762 | | | |
| | i) Male | 2001 | Nos | 8,41,840 | | | |
| | ii) Female | 2001 | Nos | 8,27,922 | | | |
| (B) | Rural Population | 2011 | Nos | 12,48,925 | | | |

| 3. | Agriculture | | | |
|----|------------------------------|---------|---------------------|----------|
| Α. | Land utilization | | | |
| | i) Total Area | 2010-11 | Hectare | 8,38,600 |
| | ii) Forest cover | 2010-11 | " | 18,167 |
| | iii) Non Agriculture Land | 2010-11 | " | 20,563 |
| | v) Cultivable Barren | 2010-11 | 66 | 20,084 |
| 4. | Forest | | | |
| | (i) Forest | 2010-11 | Ha. | 18,167 |
| 5. | Livestock & Poultry | | | |
| Α. | Cattle | | | |
| | i) Cows | 2007 | Nos. | 4,04,930 |
| | ii) Buffaloes | 2007 | Nos. | 2,15,276 |
| B. | Other livestock | | | |
| | i) Sheep | 2007 | Nos | 5,50,865 |
| | ii) Goats | | | 3,79,270 |
| | ii) Pigs | 2007 | Nos. | 16,309 |
| | iii) Dogs & Bitches | 2007 | Nos. | 53,946 |
| | iv) Railways | | | |
| | i) Length of rail line | 2010-11 | Kms | 51 |
| | V) Roads | Total | Kms | |
| | (a) National Highway | 2010-11 | Kms | -0- |
| | (b) State Highway | 2010-11 | Kms | 1,006.32 |
| | (c) Main District Highway | 2010-11 | Kms | 1,485.14 |
| | (d) Other dist & Rural Roads | 2010-11 | Kms | NA |
| | (e) Rural road/ Ag Mark. | 2010-11 | Kms | 1964.62 |
| | Board Roads | | | |
| | (f) Kachcha Road | 2010-11 | Kms | 804 |
| | (VI) Communication | | | |
| | (a) Telephone | 2010-11 | | 36425 |
| | connection | | | |
| | (b) Post offices | 2010-11 | Nos. | 290 |
| | (c) Telephone center | 2010-11 | Nos. | 72 |
| | (d)Density of Telephone | 2010-11 | Nos./1000 person | 45/1000 |
| | (e) Density of Telephone | 2010-11 | No. per km | 4/KM |
| | (f) PCO Rural | 2010-11 | No. | NA |
| | (g) PCO STD | 2010-11 | No. | NA |
| | (h) Mobile | 2010-11 | No. | - |

| (VII) Public Health | | | |
|--------------------------|---------|------|------|
| (a) Allopathic Hospital | 2010-11 | No. | 05 |
| (b)Beds in Allopathic | | No. | |
| hospitals | | | 850 |
| (c) Ayurvedic Hospital | | No. | 3 |
| (d)Beds in Ayurvedic | | No. | |
| hospitals | | | 31 |
| (e)Unani hospitals | | No. | |
| (f) Community health | | No. | 6 |
| centers | | | |
| (g)Primary health | | No. | 52 |
| centers | | | |
| (h)Dispensaries | | No. | 29 |
| (i) Sub Health | | No. | |
| Centers (FW) | | No. | - |
| (j) Private hospitals | | | 181 |
| (VIII) Banking | | | |
| commercial | | | |
| (a) Commercial Bank | | Nos. | 92 |
| (b) Rural Bank Products | | Nos. | 53 |
| (c) Co-OpBank products | | Nos. | 05 |
| (d) PLDB Branches | | Nos. | 05 |
| (IX) Education | | | |
| (a) Primary school | | Nos. | 1806 |
| (b) Middle schools | | Nos. | 307 |
| (c) Secondary & senior | | Nos. | 100 |
| secondary schools | | | |
| (d) Colleges | | Nos. | 12 |
| (e) Technical University | | Nos. | 07 |

Source : DSO, Raichur

2.1 Existing Status of Industrial Areas in the District: Raichur

KIADB Industrial Area: There are Five Industrial Areas in the District.

- **1. Raichur Industrial Area :** An extent of 153 acres of land has been developed.
- **2. Industrial Growth Centre at Shakthinagar, Raichur:** Total Land available is 2000 Acres out of which an extent of 450 Acres has been developed.
- **3. Industrial Area, Devasugur, Raichur :** Total land available is 214.86 Acres out of which an extent of 82.62 Acres has been developed.
- **4. Industrial Area, Devdurga, Raichur (Under progress) :** An extent of 59 acres and 29 guntas of land was acquired for formation of Industrial Area.
- **5. Industrial Area, Manvi, Raichur (Under Progress) :** In Manvi, an extent of 59 acres and 29 guntas of land was acquired for formation of Industrial Area.

2.2 Existing Status of Industrial Estates in the District: Raichur

Following is the brief details of land developed into Industrial Estates by KSSIDC for small scale industries.

| SI. No. | Industrial Estate Established | TOTAL EXTENT OF LAND ACQUIRED IN ACRES | NO. OF SHEDS CONSTD. | SHEDS ALLOTTED ON HP. | SHEDS ALLOTTED ON RENT | SHEDS VACANT | PLOTS DEVELOPED | PLOTS ALLOTTED |
|------------|-------------------------------------|--|----------------------------|-----------------------------|------------------------------|-----------------|--------------------|-------------------|
| 1 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| | RAICHUR | 25.00 | 52 | 49 | 5 | 3 | 68 | 65 |
| | YARMARSU | 10.00 | 4 | 4 | 0 | 0 | 45 | 43 |
| | LINGASAGUR | 5.00 | 4 | 3 | 0 | 1 | 21 | 10 |
| | SINDHANUR | 22.00 | 0 | 0 | 0 | 0 | 96 | 26 |
| | | 62.00 | 60 | 56 | 5 | 4 | 230 | 144 |

SOURCE:- KSSIDC, RAICHUR.,

3. INDUSTRIAL SCENARIO OF Raichur Dt.

3.1 Industry at a Glance

There are more than Seven thousand small scale and Tiny scale units registered in the District.

| SNo | Taluk | No. of Units | Investment (Rs.Lakhs) | Employment |
|-----|------------|-----------------|--------------------------|------------|
| 1 | Raichur | 2894 | 6405.07 | 12435 |
| 2 | Deodurga | 509 | 1120.88 | 2176 |
| 3 | Lingsugur | 1302 | 2882.28 | 5596 |
| 4 | Manvi | 1085 | 2401.90 | 4663 |
| 5 | Sindhanoor | 1447 | 3202.53 | 6218 |
| | Total | 7237 | 16012.66 | 31088 |

3.2 YEAR WISE TREND OF UNITS REGISTERED

| YEAR | NUMBER OF | EMPLOYMENT | INVESTMENT |
|---------|------------|----------------|------------|
| | REGISTERED | | (lakh Rs.) |
| | UNITS | | |
| Up to | | Not available. | |
| 2006-07 | | | |
| 2007-08 | 318 | 1187 | 1552.695 |
| 2008-09 | 297 | 1203 | 1401.27 |
| 2009-10 | 325 | 1243 | 2982.25 |
| 2010-11 | 327 | 1273 | 2469.47 |
| 2011-12 | 310 | 1700 | 3734.02 |

Source: DIC Raichur

The year-wise growth trend in establishment of new units in MSME sector didn't witness any major change with regard to the numbers but the level of investment has doubled in the last 3 years & growing steadily. In addition it enabled employment to more & more no of people in this sector.

3.3 DETAILS OF EXISTING MICRO & SMALL ENTERPRISES AND ARTISAN UNITS IN THE DISTRICT

| NIC CODE NO. | TYPE OF INDUSTRY | NUMBER | INVESTMENT | EMPLOYMENT |
|-----------------|----------------------------------|----------|------------|------------|
| NO. | | OF UNITS | (Lakh Rs.) | |
| 20 | Agro & Food based | 1050 | - | 4,873 |
| 22 | Soda water | - | - | - |
| 23 | Cotton textile | 1626 | - | 6,029 |
| 24. | Woolen, silk & artificial Thread | - | - | - |
| | based clothes. | | | |
| 25. | Jute & Jute based | - | - | - |
| 26. | Ready-made garments & | - | - | - |
| | embroidery | | | |
| 27. | Wood/wooden based furniture | 1015 | - | 4,202 |
| 28. | Paper & Printing products | 330 | - | 1,399 |
| 29. | Leather based | 258 | - | 860 |
| 31. | Chemical/Chemical based | 33 | - | 224 |
| 30. | Rubber, Plastic & petro based | 33 | - | 154 |
| 32. | Mineral based | - | - | - |
| 33. | Metal based (Steel Fab.) | - | - | - |
| 35. | Engineering units | 416 | | 1,835 |
| 36. | Electrical and Electronics | 265 | - | 1,081 |
| 97. | Repairing & servicing | 1660 | - | 6,934 |
| 01. | Others | 1578 | - | 7,121 |
| | Kachori Making | - | - | - |
| L | | | | |

Source: DIC & AD Factories, Raichur.

3.4 Large Scale Industries / Public Sector undertakings

| SNo | Name & Address of the Unit | Product | Employment |
|-----|--|--------------------------|------------|
| 1 | M/s Hutti Gold Mine Company, Hutti, Lingsugur Taluk, Raichur (Dt). | Gold Mine | 4018 |
| 2 | M/s Karnataka Power Corporation Ltd., Shakthinagar, Raichur (Dt) | Power Generation | 2412 |
| 3 | Raichur Solvent, Raichur | Solvent Extraction | 68 |
| 4 | General Oil Seeds Grower Co- operative Society Ltd., Raichur | Oil Seeds | 74 |
| 5 | Farooq Anwar Company Raichur | Oil Refining | 99 |
| 6 | Mysore Petro Chemical Ltd., Post Box No. 34, Raichur | Petro Chemical products | 156 |
| 7 | Vishal Cotspin Ltd., Devasugur Industrial Area, Raichur | Cotton Spinning | 228 |
| 8 | Surana Industries Ltd, Raichur | Steel Re- rolling | -N.A- |
| 9 | Surana Power Ltd., Raichur | Thermal Power Generation | -N.A- |
| 10 | Shilpa Medicare, Raichur | Spl. Drug Exports | 137 |

SOURCE:- DEPT. OF Industries & Commerce.,

3.5 Major Exportable Item

Nil

3.6 Growth Trend

Incresing

3.7 Vendorisation / Ancillarisation of the Industry

A state level Vendor Development Program was organized by the Branch Micro, Small & Medium Enterprises- Development Institute, Gulbarga in March 2012.

3.8. Medium Scale Enterprises

3.8.1 Sovereign Distilleries Limited, in Sindhanur Taluka is the only Medium Scale Enterprise with an Investment of 909 lakh rupees. It is engaged in production of Rectified Spirit and provides employment to about 137 people.

3.8.2 Major Exportable Item

Rice

3.9 Service Enterprises

3.9.2 Potential areas for service industry

List of Potential activities enclosed.

3.10 Potential for New MSMEs

List of Potential activities enclosed.

4. Existing Clusters of Micro & Small Enterprise

4.1 DETAIL OF MAJOR CLUSTERS

Rice Mills in Raichur & Sindhanur talukas are the only Clusters in the District. These are engaged both in Manufacture & Service by milling on job work basis

4.1.1 Manufacturing Sector

Rice Mills in Raichur & Sindhanur talukas are the only Clusters in the District.

4.1.2 Service Sector

Rice Mills in Raichur & Sindhanur talukas are the only Clusters in the District.

4.2 <u>Details for Identified cluster</u>

Rice Mills in Raichur & Sindhanur talukas are the only Clusters in the District

Present status of the cluster :-

Though there is a scope for intervention in the Rice Mills cluster

<u>5. General issues raised by industry association during the course of meetings.</u>

Non-availability of & delay in release of Bank Finance, Investment Subsidy General Backwardness of Industrial Infrastructure etc;

*. STEPS TO SET UP MSMEs

Following are the brief description of different agencies for rendering assistance to the entrepreneurs.

| S.No | Type of assistance | Name and address of agencies |
|------|---|--|
| 1. | Provisional Registration Certificate (EM-1) & Permanent Registration Certificate (EM-II) | District Industries Centre, Indl. Estate, Hyderabad Road, Raichur |
| 2. | Identification of Project Profiles, techno- economic and managerial consultancy services, market survey and economic survey reports. | Branch MSME-DI, C-1&2 Industrial Estate, MSK Mill Road, Gulbarga-02 |
| 3. | Land and Industrial shed | Manager, KSSIDC, I.E., Raichur - 584102 |
| 4. | Financial Assistance | Nationalized Bank, PGB, DCRB, Raichur |
| 5. | For raw materials under Govt. Supply | NSIC, Bangalore KSSIDC Raichur . |
| 6. | Plant and machinery under hire / purchase basis. | |
| 7. | Power/ Electricity | GESCOM, Raichur |
| 8. | Technical Know –how. | Branch MSME-DI, C-1&2 Industrial Estate, MSK Mill Road, Gulbarga-02 |
| 9. | Quality & Standard | _ |
| 10. | Marketing /Export Assistance | Branch MSME-DI, C-1&2 Industrial Estate, MSK Mill Road, Gulbarga-02 |
| 11. | Other Promotional Agencies | Lead Bank, NABARD, DIC, KSSIDC, CEDOK. Raichur |

POTENTIAL SECTORS CONCEIVED FOR THE DISTRICT

1. Manufacturing & Process:

Based on resources:

Fly Ash Bricks & Blocks

Rice Milling

Poha & Murmura out of Paddy

Dal Milling

Dal products by further processing and value addition

Oil milling

Edible oil extraction

Cement Industries

Clinker Grinding

Cement based products, Poles, Pipes Sleepers,

Bricks, Blocks, &

Precast Cement products etc;

Cement paints

Stone cutting polishing

Stone crushing

Cotton Ginning

Cotton Yarn

Power looms

Woolen products

Leather Tanneries

Leather products

Paper & Paper products

Fuel Briquettes

2. MODERN & INNOVATIVE FIELDS OF ACTIVITY:

Bio technology based Manures

Mushroom cultivation & products

Plant tissue culture

Organic farming

Horticulture

Medical & Aromatic plant & Extracts

Bio fuels like Zatropa & Zozobha

Sweet Sorghum

Dairy Farming on Scientific methods

Poultry farms

Sheep rearing & Goat rearing

Handmade Paper

3. BASED ON DEMAND

Oil Expellers

Ready Made Garments

Packaged Drinking Water

Food Products

Specialty foods for marketing elsewhere

Plastic & packaging material

Building Materials

Builders Hardware

Paints & Varnishes

Sanitary ware

PVC pipes (For conduit & Water supply)

Earthen pipes.

G.I. Pipes

Bio degradable carries bags, & shopping bags

Corrugated board & paper board

Cement particle boards

Ply wood board

Flush Doors

Hosiery products

Wooden furniture

Wrought Iron furniture

Fiber Glass products & furniture

Electrical Fixtures & Appliances

Cables for electrical usage

Cold Storage

4. INFORMATION & TECHNOLGOY

Electronic Data processing

Software development

E- Tutoring

Medical transcription

Legal services data processing

Web design & hosting

O & M support for enterprises

Demand analysis & forecasting

Enterprise resource planning

Business Process Out-sourcing