

# **Draft District Export Action Plan: Chamrajanagar**

**October 2021**

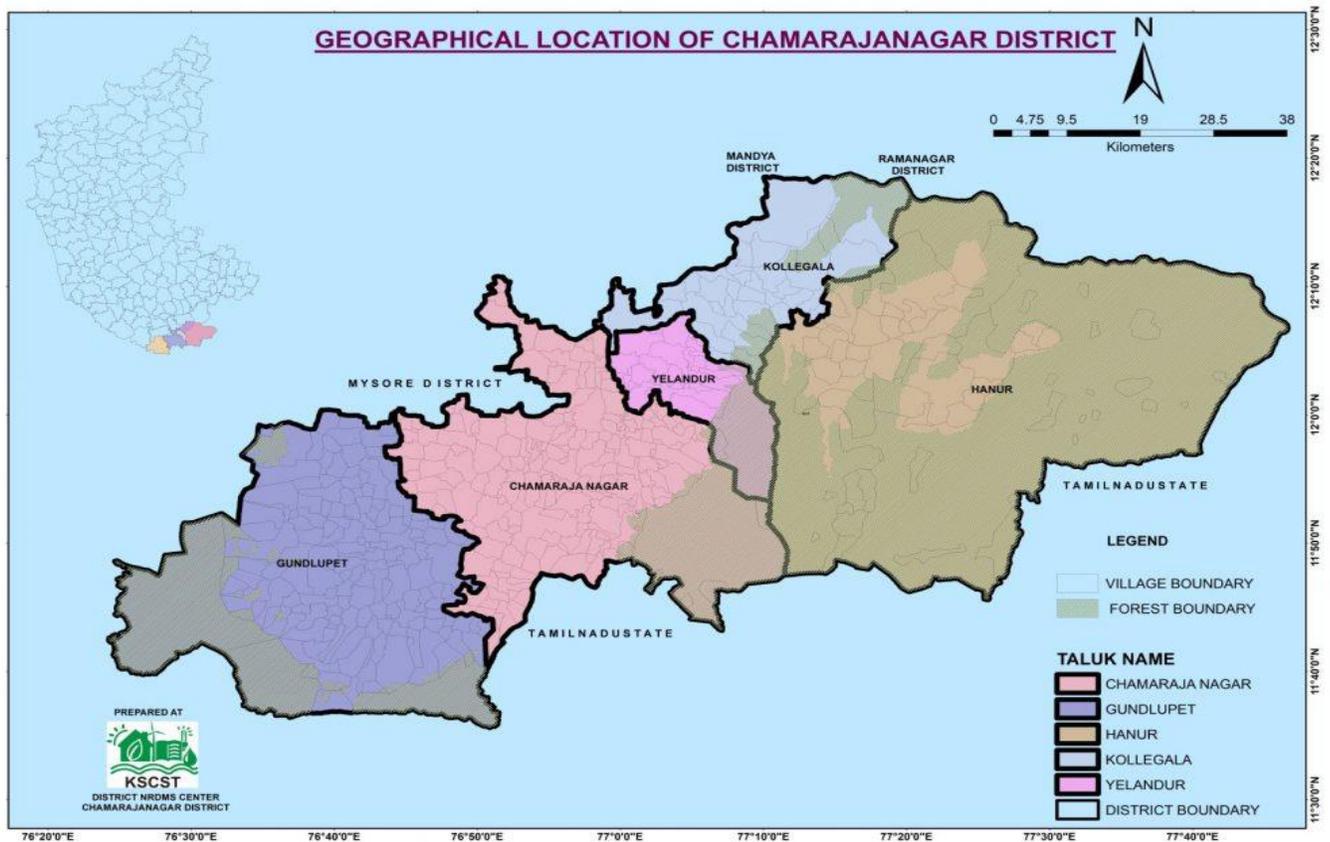
## Contents

|   |           |
|---|-----------|
| <b>1. Introduction</b>                                | <b>3</b>  |
| <b>2. District Profile</b>                            | <b>4</b>  |
| 2.1 Geography   | 4         |
| 2.2 Flora and Fauna                                   | 4         |
| 2.3 Natural Resources of the District                 | 5         |
| 2.4 Demography  | 6         |
| <b>3 Tourism</b>                                      | <b>6</b>  |
| <b>4 Economic Indicators of the District</b>          | <b>9</b>  |
| <b>5 Industrial Profile</b>                           | <b>11</b> |
| 5.1 Infrastructure                                    | 11        |
| 5.2 Industry  | 11        |
| 5.3 Key Players                                       | 12        |
| <b>6 Industrial Areas/ Estates</b>                    | <b>12</b> |
| 6.1 Industrial Areas                                  | 12        |
| 6.2 Industrial Estates                                | 13        |
| <b>7 SWOT Analysis of Chamrajanagar</b>               | <b>14</b> |
| <b>8 District as an Export Hub</b>                    | <b>15</b> |
| <b>9 Institutional Mechanism &amp; Responsibility</b> | <b>15</b> |
| <b>10. Export Scenario</b>                            | <b>17</b> |
| 10.1 State Exports                                    | 17        |
| 10.2 District Exports                                 | 18        |
| 10.3 One District One Product (ODOP)                  | 19        |
| 10.4 Identification of District Export Basket         | 20        |
| 10.5 Product Export Promotion Strategy                | 21        |
| <b>11 Promising Sector</b>                            | <b>21</b> |
| <b>12 Potential Investment Opportunities</b>          | <b>22</b> |
| 12.1 Ground Nut and Value-Added products              | 22        |
| 12.3 Opportunities in Chilli                          | 22        |
| 12.4 Opportunities in Mangoes                         | 22        |
| 12.5 Opportunities in Turmeric                        | 23        |
| 12.6 Opportunities in Sericulture                     | 23        |
| <b>13 Strategy and Action Plan</b>                    | <b>24</b> |

## 1. Introduction

Chamarajanagar was named after Chamaraja Wodeyar, the Wodeyar king of Mysuru, who was born here. The Vijaya Parsvanath Basadi, a holy Jain shrine was constructed by Punisadandanayaka, the commander of the Hoysala king Gangaraja in the year 1117 AD. The district has been carved out from the Mysuru district in the year 1998. It's the third least populous district in Karnataka, after Kodagu and Bengaluru Rural.

Figure 1 District Map of Chamarajanagar



Being the southernmost district of Karnataka, the district borders the state of Tamil Nadu and Kerala. It borders Mysuru district of Karnataka to the west and north, Mandya and Bengaluru districts of Karnataka to the north-east, Dharmapuri district of Tamil Nadu to the east, Salem and Erode districts of Tamil Nadu to the south-east, Nilgiri district of Tamil Nadu to the south and Wayanad district of Kerala to the south-west. Most of the district lies in the leeward region of the Nilgiris and consists of mainly semi- arid rain-dependent flatlands along with forested hills. Since 2000, the district has been subject to severe drought conditions resulting in poor labor migrating to the neighboring district such as Mysuru, Coorg and Kerala in search of seasonal employment opportunities.

## 2. District Profile

### 2.1 Geography

The geographical area of Chamarajanagar district is about 5,101 Km<sup>2</sup>. The district is in the southern tip of Karnataka state and lies between the North latitude 11°40'58" and 12°06'32" and East longitude 76°24'14" and 77°46'55". It falls in the southern dry zone. Topography is undulating and mountainous with north south trending hill ranges of eastern ghats.

#### *Latitude and Longitude of the Taluks*

| S. No. | Taluks         | Latitude | Longitude |
|--------|----------------|----------|-----------|
| 1      | Yelandur       | 12.04° N | 77.03° E  |
| 2      | Gundlupet      | 11.80° N | 76.69° E  |
| 3      | Hanur          | 12.08° N | 77.30° E  |
| 4      | Chamarajanagar | 11.92° N | 76.94° E  |
| 5      | Kollegal       | 12.15° N | 77.11° E  |

*Source: Google maps*

### 2.2 Flora and Fauna

Chamarajanagar has several good timber trees. Nandi (*Lagerstroemia microcarpa*), teak (*Tectona grandis*) and matti (*Terminalia alata*) dominate in some places.

Especially prominent during the dry period are the white flowers of Konana Kombu (Radermachera xylocarpa) and the red flowers of Kempuvaniija (Erythrina indica) and bilisulige (Pterocarpus marsupium). The composition and frequency of the canopy of trees vary depending on soil and rainfall. Gante mara (Schrebera Swietenioides) is much more frequent in the moist deciduous forests of the Biligirirangana hill.

Chamarajanagar district has a rich and colorful heritage with respect to wildlife. The forests of the district offer good habitat for larger grazing animals like the gaur and deer. The wildlife-bearing forest areas can be seen in Kollegal hills. It is an eastern extension of the Western Ghats region except for the Biligiri rangana hill pocket, which can support only dry deciduous forests. The elephants are commonly found over most of this region as bamboo shoots and other plant fodder are available. The gaur, the sambar, and the spotted deer are seen in most places of the hill ranges.

### 2.3 Natural Resources of the District

The details of the natural resources present in Chamarajanagar is given below in Table 2:

*Table 2: Natural Resource of the District*

| Natural Resources        | Key Features   |
|--------------------------|--|
| <b>Crops</b>             | Groundnut, Sunflower, Coconut, Sesamum and Niger seed                            |
| <b>Cash crops</b>        | Sugarcane, Cotton, Tobacco   |
| <b>Mineral resources</b> | Granite Crude  |
| <b>Horticulture</b>      | Turmeric, Dry Chillies, Coriander, Garlic, Dry ginger, Black pepper and Cardamom |

**Source: District website, District Census 2011**

## 2.4 Demography

### Population<sup>1</sup>

The total population as per Census 2011 was 10,20,962 in which the contribution of the male population was 5,13,359 and the female population was 5,07,560. The population in 2021<sup>2</sup> is estimated to be 10,82,543

Table 1: Population

| Population of Chamrajanagar |         |
|-----------------------------|---------|
|                             | 2011    |
| <b>Total Population</b>     | 1020791 |
| <b>Male Population</b>      | 512232  |
| <b>Female Population</b>    | 508560  |

Source: As per Census 2011

### Demography at a Glance

The total area of Chamarajanagar district is 5671.71 sq. km with 5 taluks. The sex ratio of the district is 993 Females per 1000 males and the literacy rate is 61.43%. The details of the demography are given below:

Table 2 Demography<sup>3</sup>

| Demographic Label         | Value                    |
|---------------------------|--------------------------|
| Area                      | 5671.71 sq. km           |
| Number of Gram Panchayats | 130                      |
| Number of Villages        | 927                      |
| Taluks                    | 5                        |
| Sex Ratio                 | 993 female per 1000 male |
| Literacy rate             | 61.43 percent            |

## 3 Tourism

Figure 3 i Ramalingeshwara Temple

<sup>1</sup> [https://censusindia.gov.in/2011census/dchb/2924\\_PART\\_A\\_DCHB\\_CHAMARAJANAGAR.pdf](https://censusindia.gov.in/2011census/dchb/2924_PART_A_DCHB_CHAMARAJANAGAR.pdf)

<sup>2</sup> <https://des.kar.nic.in/docs/Projected%20Population%202012-2021.pdf>

<sup>3</sup> <https://chamrajanagar.nic.in/en/zilla-panchyath/>

i. **Ramalingeshwara Temple,**

**Narasamangala:** Narasamangala is a village situated around 24 km from Chamarajanagar. It is home to the Ramalingeshwara Temple of the Ganga times believed to be built around the 9<sup>th</sup> century. The temple facing east has a



spacious garbhagriha, a narrow ardhmandapa, and mahamandapa. The sikhara over the garbhagriha is a unique creation possessing a brick and stucco Vimana of great beauty and artistic merit, eleven meters high over a lofty stone adhisthana, two meters high. One of the striking images here is that of a king seated in state and his queen standing beside him. Behind the temple in a hall are placed life size saptamatrika images. They are exquisitely carved, beautiful, and remarkable for their workmanship

*Figure 2 ii. Chamarajeshwara Swami Temple*

ii. **Chamarajeshwara Swami**

**Temple:** Chamarajanagar was earlier known as Arikutara which was changed by Krishnaraja Wadiyar III in memory of his father Chamaraja Wadiyar who was born at this place. In 1826, he also constructed the



Chamarajeshwara Swami Temple. Lord Eshwara (Lord Shiva) is the main deity here. To the left of Lord Chamarajeshwara, we have Goddess Kempananjaamba and to the right is Goddess Chamundeshwari.

- iii. **Hogenakkal waterfalls:** Hogenakkal waterfall is a scenic amalgamation of rock, water, and mist located on the Karnataka-Tamil Nadu border. 'Hoge' means smoke and 'Kallu' means rock in Kannada. Hogenakkal essentially means smoke over the rocks, which is how it looks when there's ample water falling over the rocks as river Kaveri enters Tamil Nadu from Karnataka.



*Figure 4 Hogenakkal waterfalls*

- iv. **Bharachukki Falls:** The island of Shivanasamudra has two beautiful falls formed by Cauvery River. The Barachukki Falls is on the eastern branch of the river which is located in Kollegal taluk in Chamarajanagar district. A great volume of water rushes and cascades down to about 30 feet here. The western branch of the river forms the Gaganachukki Falls which is located in Malavalli taluk which falls in Mandya district. The two falls in full flow during the monsoons are a captivating sight.

v. **BR Hills Wildlife Sanctuary**

Biligiri Ranganatha Swamy Temple (BRT) Wildlife Sanctuary takes its name from the ancient Ranganatha Swamy Temple that sits at the edge of a precipice and has an extent of 539.52 sq km. The Biligirirangana Betta (hill) is at a height of 5,091 feet above sea level, and stretches from north to south for about 16 km. It is the wildlife corridor that connects the Eastern Ghats to the Western



*Figure 5 BR Hills Wildlife Sanctuary*

Ghats which in turn facilitates the gene flow between the population species inhabiting both the mountain ranges. The hills are covered with a variety of species of plant life, including scrub, dry deciduous, moist deciduous, shola forests and montane grasslands. It provides shelter to many species of wildlife like mammals, reptiles, and a variety of butterflies.

- vi. **Other Tourist Attractions include** destinations like Himavad Gopalswamay Hill, Bara Chukki, Gundal Reservoir Dam, Shimsha Power Station, Suvarnavathi Dam, Hogenekal Falls, Kanakagiri Jain Shrine.

#### 4 Economic Indicators of the District

Chamarajanagar contributes 1.1% to Karnataka's total GSDP and 1% to Net State Domestic Product (NSDP). District's Per capita income is Rs. 139006 (2018-19.)<sup>4</sup>. The details of economic indicators of Chamrajanagar is given in below Table 4:

Table 3 Economic Profile of the District

| Particulars                            | Current Prices<br>(2018-19) INR Cr. | Constant Prices<br>(INR. Cr.) |
|--|-------------------------------------|-------------------------------|
| Gross District Domestic Product (GDDP) | 17443                               | 12475                         |
| Net District Domestic Product (NDDP)   | 15231                               | 10720                         |

Source: Directorate of Economics and Statistics, Government of Karnataka \* In Rs & per capita income is available at current prices only

#### 4.1 Primary, Secondary & Tertiary Sector

The tertiary sector contributes 66.3%, followed by the Secondary sector contributing 22.9% and 10.8% respectively to the total contribution as per the current prices. The sectoral distribution of Net District Income at current and constant (2011-12) prices for the year 2018-19 is highlighted in Table 4 below.

<sup>4</sup> [https://planning.karnataka.gov.in/storage/pdf-files/Reports/Economic%20Survey%202020-21\\_Eng\\_Final\\_R.pdf](https://planning.karnataka.gov.in/storage/pdf-files/Reports/Economic%20Survey%202020-21_Eng_Final_R.pdf)

Table 4: Sectoral Bifurcation of Chamrajanagar<sup>5</sup>

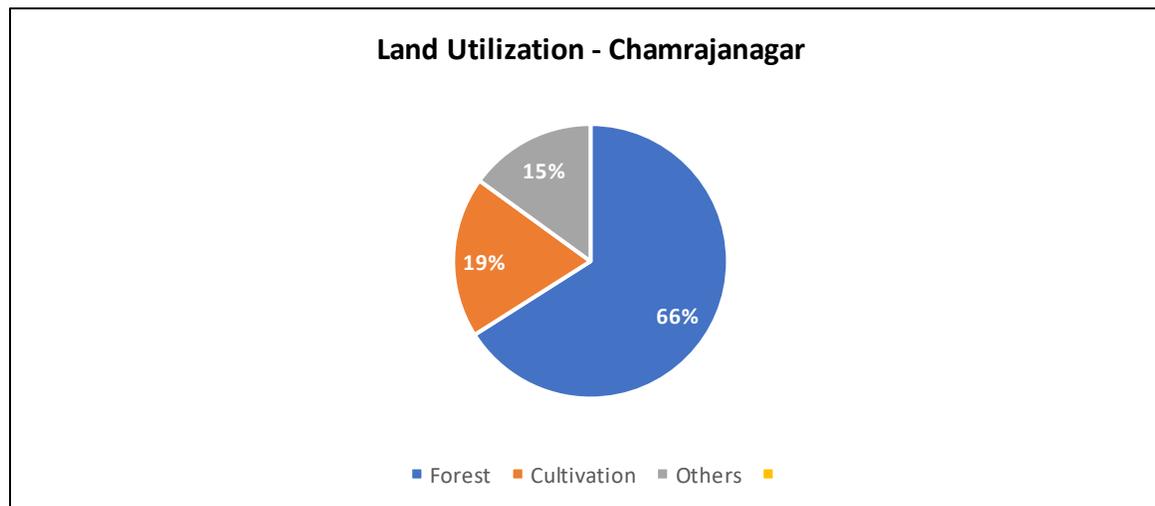
| Sector       | Current Prices       | Constant Prices        | Contribution      |
|--------------|----------------------|------------------------|-------------------|
|              | 2018-19<br>(INR Cr.) | (2011-12)<br>(INR Cr.) | 2018-19<br>(In %) |
| Primary      | 2855                 | 1472                   | 21.0              |
| Secondary    | 3069                 | 2521                   | 22.6              |
| Tertiary     | 7646                 | 5314                   | 56.4              |
| <b>Total</b> | <b>13571</b>         | <b>9307</b>            | <b>100</b>        |

Source: Directorate of Economics and Statistics, Government of Karnataka

## 4.2 Land Utilization

Chamarajanagar has land utilization of 66% for forests, 19% for cultivation, and 15% for others.

Figure 8 Land Utilization



<sup>5</sup> [https://planning.karnataka.gov.in/storage/pdf-files/Reports/Economic%20Survey%202020-21\\_Eng\\_Final\\_R.pdf](https://planning.karnataka.gov.in/storage/pdf-files/Reports/Economic%20Survey%202020-21_Eng_Final_R.pdf)

## 5 Industrial Profile

### 5.1 Infrastructure

#### i. Connectivity

The Chamrajanagar has good connectivity with Roads, Rail, Air, and Ports. The highlights of connectivity are given below:

- **Rail:** Presence of 3 railway stations with a total railway route length of 20 km with the connectivity of trains to Delhi, Chennai, Mumbai, and to most of the places in Karnataka and India are available
  - **Road:** NH 209 (connecting from Bengaluru to Satyamangalam), NH 212 (connecting from Kozhikode to Karnataka border) passes through the district
  - **Air:** Bengaluru airport is located 182 kms away from Chamarajanagar city, with proximity to other airports include Chennai.
- ii. **Port:** Nearest seaport is Mangaluru, 495 kms away from Chamarajanagar city, other seaports include Tuticorin, Karwar and Goa
- iii. **Water Supplies:** River Cauvery flows through Kollegal taluk, Gaganachukki and Bharachukki waterfalls lies to the north-west of the district. River Palar flows to the south-east, River Suvarnavathi, River Gundluhole also flows through this district with multiple small tributaries joining River Palar and Cauvery in the district
- iv. **Power Supply:** Power Distribution in the district is through Chamundeshwari Electricity Supply Company Limited (CESC)

### 5.2 Industry<sup>6</sup>

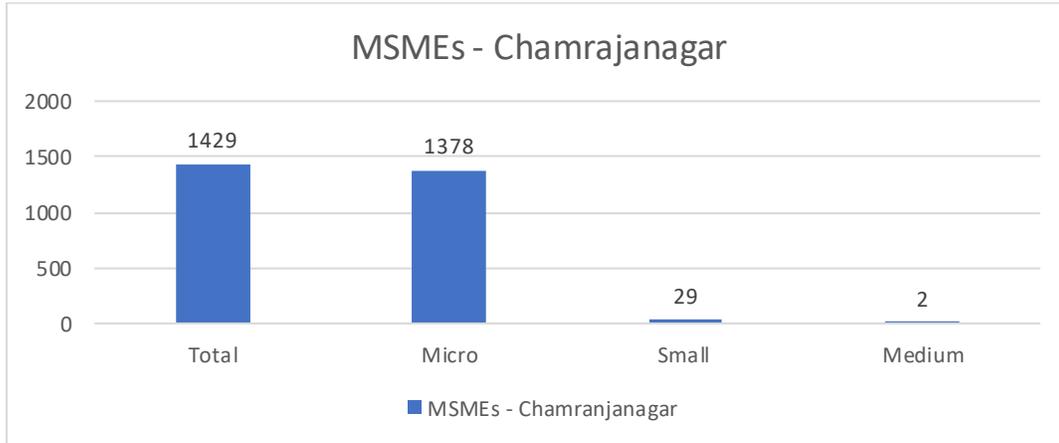
- i. 3 Large Industrial Units are present in the district

---

<sup>6</sup> Udyam registration and Invest Karnataka

- ii. Coverage of MSME – There are 1429 MSME registered under Udyam Registration as on 9<sup>th</sup> August 2021 which comprises 1378 Micro industries, 29 Small Industries and 2 Medium Industries.

Figure 9 Overall MSMEs of Chamrajanagar district



Source: Udyam registration

### 5.3 Key Players

- i. M/s Bannari Amman (Mahadeswara) Sugar Factory
- ii. M/s Pioneer Power Corporation Ltd.
- iii. M/s Bhoruka Power Corporation Ltd.
- iv. M/s Velan Textiles
- v. M/s Biligiri Granites
- vi. M/s Simha Coconut Industries
- vii. M/s KUM International

## 6 Industrial Areas/ Estates

### 6.1 Industrial Areas<sup>7</sup>

KIADB is developing an Industrial Area spread over 1,362 acres of land at Badanakuppe Kellamballi village in the district.

<sup>7</sup> <https://kiadb.karnataka.gov.in/kiadbgisportal/>

## 6.2 Industrial Estates<sup>8</sup>

There are 3 major industrial estates in Chamrajanagar with a total area of 26.61 acres, the details of which are given below:

*Table 5 Industrial Estates*

| Industrial Estates |                |
|--------------------|----------------|
| Name               | Extent (acres) |
| Gundlupet          | 10.00          |
| Chamrajanagar      | 9.13           |
| Kollegal           | 7.48           |
| <b>Total</b>       | <b>26.61</b>   |

---

<sup>8</sup> <http://kssidc.co.in/map/chamrajnagar.html>

## 7 SWOT Analysis of Chamrajanagar

### Strength

- Presence of demanding Agri products like ground nut, turmeric, chilli, garlic
- Favourable climatic conditions
- High forest area, hence scope for eco-tourism

### Weakness

- Lack of Awareness among exporters about how to exports, opportunities, procedures, marketing, branding
- Support required in marketing and promotion
  - Less exporting units
  - Presence of Agri sector only

## SWOT

### Opportunities

- Huge opportunity for Agri value added products
  - Product Diversification to chillies, turmeric, dry ginger, black pepper and cardamom
- KIADB is developing an Industrial Area spread over 1,362 acres of land at Badanakuppe Kellamballi village in the district

### Threat

- No Large Industry player in the district

## 8 District as an Export Hub

During Independence Day speech in 2019, Hon'ble Prime Minister Shri Narendra Modi stated that each district of our country has a potential equal to that of one country. Every district has products and services which are being exported and can be further promoted, along with new products / services, to increase production, grow exports, generate economic activity, and achieve the goal of Atma Nirbhar Bharat and Make in India.

The objective to develop Chamarajanagar as an export hub is to enable MSMEs and industry present there to get benefit of export opportunities in the overseas markets and shift focus on district led export growth for self-sufficiency and self-reliance. This will attract investment in the district to boost manufacturing and exports and provide ecosystem for innovation/ use of technology at district level to make the exporters competitive.

Products identified for Exports under the “Districts as an Export Hub” initiative for Chamrajanagar is given in the below Table 8:

*Table 6 Districts as an Export Hub products of Chamrajanagar*

| Category           | Products  |
|--------------------|---|
| <b>Agriculture</b> | Turmeric, Banana, Ginger, Honey, Mango (Alphonso) |
| <b>Mineral</b>     | Black Granite                                     |
| <b>Textile</b>     | Silk textiles                                     |

## 9 Institutional Mechanism & Responsibility

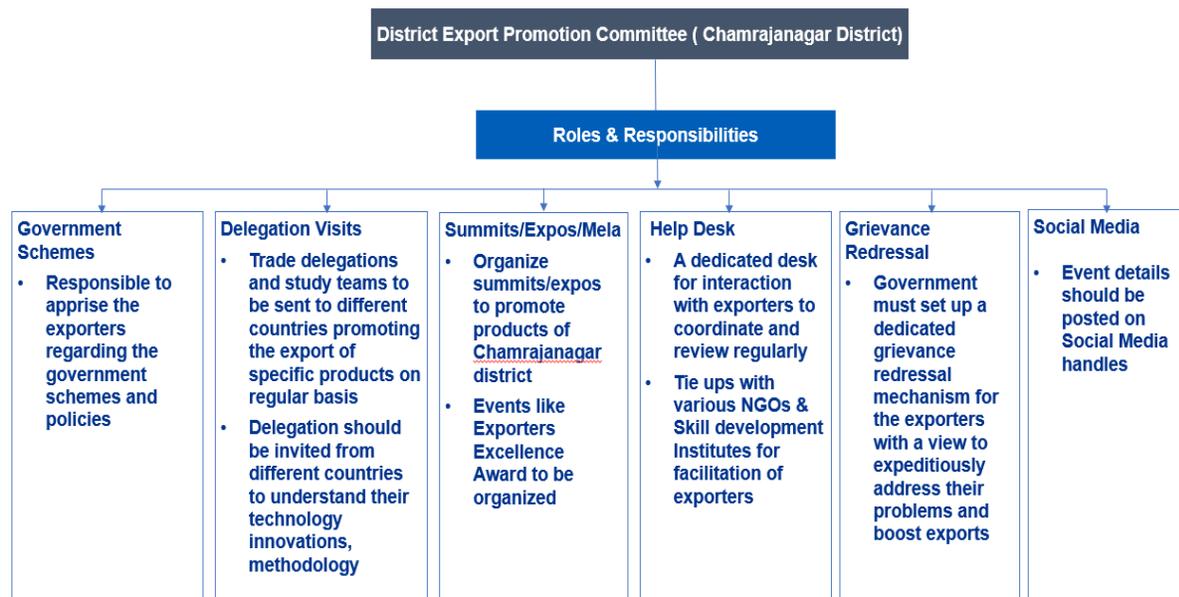
To ensure smooth functioning of district as export hubs, District Export Promotion Committees (DEPCs) need to be constituted in Chamrajanagar. These DEPCs shall be headed by DM/Collector/DC/District Development Officer of the district and co-chaired by designated officer from DGFT. The composition of the committee is illustrated below:

Table 7 Composition of the DEPC

| S. No. | Representative from the respective departments               | Position |
|--------|--|----------|
| 1      | DM/Collector/DC/District Development Officer of the District | Chair    |
| 2      | Designated DGFT Regional Authority                           | Co-Chair |
| 3      | Agriculture Department                                       | Member   |
| 4      | Horticulture   | Member   |
| 5      | Livestock  | Member   |
| 6      | Fisheries  | Member   |
| 7      | Handicrafts  | Member   |
| 8      | Handlooms  | Member   |
| 9      | Industry   | Member   |
| 10     | Lead Bank Manager  | Member   |
| 11     | Export Promotion Councils                                    | Member   |
| 12     | Quality and Technical Standards Bodies                       | Member   |
| 13     | MSME, Gol  | Member   |
| 14     | Heavy Industry, Gol  | Member   |
| 15     | Revenue, Gol   | Member   |
| 16     | Textiles, Gol  | Member   |

The roles and responsibilities of DEPC is illustrated below:

Figure 10 Roles & Responsibilities of DEPC



## 10. Export Scenario

### 10.1 State Exports

In 2020-21, Karnataka has registered a merchandise export of worth USD 15.14 Bn, occupying a share of 5.2 percent in India's total merchandise exports. The last 2 years exports of India and Karnataka is given below:

Table 8 India and Karnataka Exports to world

| Merchandise Exports (USD Bn) |         |         |          |
|------------------------------|---------|---------|----------|
| Territory                    | 2019-20 | 2020-21 | % Growth |
| All India                    | 313.22  | 291.06  | -7.10%   |
| Karnataka                    | 16.64   | 15.14   | -9.00%   |

Source: DGCIS, 2021

## 10.2 District Exports

Major products that are being exported from Chamrajanagar are given below:

| Category           | Products  |
|--------------------|---|
| <b>Agriculture</b> | Turmeric, Desiccated Coconut, Special Turmeric, Oleo (resins) |
| <b>Minerals</b>    | Granite Crude   |

The above products are being exported China, Taiwan, Poland, USA, UAE, Iran, Germany, Japan, to mention. Export Performance of the existing products from Chamrajanagar and identified products is given in Table 11.

Table 9 Karnataka's Exports to world

| Karnataka's Exports to world (In USD Mn.) |                             |         |                                  |
|---|-----------------------------|---------|----------------------------------|
| S. No.                                    | Product                     | 2020-21 | Major markets                    |
| 1   | Granite Crude               | 75.37   | China, Taiwan, Poland and USA    |
| 2   | Turmeric                    | 27.62   | USA, Bangladesh, UAE & Iran      |
| 3   | Special Turmeric            | 24.48   | USA, Germany, Iran and Japan     |
| 4   | Desiccated Coconut          | 0.12    | UAE, USA, Iran and UK            |
| 5   | Oleo Resins (Essential Oil) | 61.48   | USA, China, Iran, Germany and UK |

**Source: DGCI&S, Kolkata, 2021**

It is evident from the above Table that apart from the Granite Crude exports of Turmeric and value-added products, Essential Oil (Oleo Resins) has a good potential for exports.

### **10.3 One District One Product (ODOP)**

The crop identified by Karnataka State Agricultural Produce Processing and Export Corporation Limited (KAPPEC) & Dept. of I & C, Karnataka for One District One Product of Karnataka for Chamrajanagar is Turmeric.

## 10.4 Identification of District Export Basket

To promote exports from the State, there is a need to diversify the district's export basket, destinations and boost high value and value-added export products. For this study, following is the structure based upon the **Ansoff Matrix**, which is a strategic planning tool that provides a framework to help marketers devise strategies for future growth:

|                  | Existing Products  | New Products  |
|------------------|--|---|
| New Markets      | <ol style="list-style-type: none"> <li>1. Ground Nut – USA, Canada, Germany, France, UK</li> <li>2. Chilli – USA, Bangladesh, Spain, Sri Lanka, Indonesia</li> <li>3. Mango – China, Hong Kong, France, Canada, Russia</li> <li>4. Granite: Vietnam, Italy, UK &amp; Spain</li> <li>5. Turmeric – UK, Germany</li> <li>6. Special Turmeric: Bangladesh, France, Germany</li> <li>7. Desiccated Coconut – France, Germany</li> <li>8. Oleo Resins – France</li> </ol>   | <ol style="list-style-type: none"> <li>1. Pulse – China, Turkey Bangladesh,</li> <li>2. Honey – USA, Japan, Mexico, China, Korea</li> <li>3. Ginger – Japan, Netherlands</li> </ol> |
| Existing markets | <ol style="list-style-type: none"> <li>1. Ground Nut - Mauritius, Qatar, Singapore</li> <li>2. Chilli - China, UAE, UK, Thailand, Vietnam</li> <li>3. Mango - Netherland, Germany, USA, Belgium &amp; UK</li> <li>4. Turmeric- USA, Bangladesh, UAE &amp; Iran</li> <li>5. Special Turmeric -USA, Germany, Iran and Japan</li> <li>6. Desiccated Coconut -UAE, USA, Iran and UK</li> <li>7. Oleo Resins (Essential Oil)- USA, China, Iran, Germany and UK</li> <li>8. Granite: UAE, China, Taiwan, Poland and USA</li> </ol> | <ol style="list-style-type: none"> <li>1. Pulse - Canada, Sri Lanka, UK, China</li> <li>2. Honey – Egypt, Turkey, Iran, Argentina</li> <li>3. Ginger - Hong Kong</li> </ol>         |

Division of Products

## 10.5 Product Export Promotion Strategy

- i. Organize training programmes/seminars to create awareness among exporters on importance of value addition, competitiveness, and quality
- ii. Setting up skilling centers for upgrading the skills of the farmers like how to improve the yield, quality and application of better techniques of post harvesting
- iii. Export Facilitation Center (EFCs) will set up at the District for
  - Grievance Redressal
  - To provide end-to-end on-ground facilitation and handholding support to exporters
  - Market Intelligence
  - Will facilitate investors in the District
- iv. The large corporate players in the district, should promote the district MSME suppliers in foreign markets as a part of their CSR activities.
- v. Organize Trade Fairs and Buyer-Seller meetings in emerging markets and non-traditional products
- vi. To provide marketing and branding support to the artisans, MSMEs, entrepreneurs, exporters in terms of promotion of their products on Social media, e-commerce platforms and packaging of the products.

## 11 Promising Sector

To promote the district, it is important to identify promising and upcoming sectors based on the strengths of the district.

- **Ground Nut and Value-Added products** – Ground nut is being largely cultivated in Chamrajanagar making it a promising sector for investment in value added products of Ground nut like peanut butter, peanut powder, oil and peanut split
- **Chilli** –The Chillies have been a secret ingredient in the traditional south Indian Sambar for Centuries. Global demand for red chillies are USD 3.8 bn. and major

markets for it are US, China, Thailand, Germany & Spain. This shows that the market of chilli is huge and chillies are already famous making it the promising sector of the district

- **Mango** – Mangoes have global market of USD 3.7 bn. in which India's exports are only USD 0.14 bn and Karnataka's exports is only 0.09 bn.; this shows that there is huge market for mangoes and Chamarajanagar needs to work on developing export market for mangoes.

## **12 Potential Investment Opportunities**

### **12.1 Ground Nut and Value-Added products**

Potential investors can look up into setting up of units for ground nut value added products like, peanut butter, peanut powder, oil and peanut split. These products have good global as well as domestic demand which can be fulfilled by the large cultivation of groundnut in the district. The key enablers are the large cultivation of ground nuts and suitable climatic conditions.

### **12.3 Opportunities in Chilli**

Investment opportunities in chilli and value-added products like chilli powder, the oil extracted from the chilli called Oleoresin is being used in food industries, confectioneries, cosmetic industry, beverage industry for toning of fresh wine, meat industry, pharmaceutical industry, poultry and cattle feed industry and as a dye in textile industry. The uniqueness of Chili coupled with the global demand makes this an ideal product for investment.

### **12.4 Opportunities in Mangoes**

Mangoes are being cultivated in the district from a very long time. The Karnataka State Mango Development and Marketing Corporation was established to promote mango cultivation, harvest management, mango sales and export of mangoes to complement

the overall development of mango cultivation and prosperity of mango growers in the state.

### **12. 5 Opportunities in Turmeric**

India is the world's largest producer of turmeric and produces 70-75% of world's total production. Turmeric has been chosen for One District One Product from Chamrajanagar as the district. Turmeric is an immunity boosting product and has an immense domestic and export demand.

### **12. 6 Opportunities in Sericulture**

This is the traditional district identified for sericulture. Total area under mulberry cultivation is 1800 hectares approx. With a total of 3100 sericulturists working in the district. This can be a potential area of support by the government for enhancing the potential of its ability to be marketed.

### 13 Strategy and Action Plan

Major initiatives and strategies, which will enhance exports from Chamrajanagar are detailed below:

| Schedule            | Categories        | Strategies  | Action Plan   |
|---------------------|-------------------|---|---|
| Short & Medium Term | Skill Development | <ul style="list-style-type: none"> <li>• Organize outreach programs/ workshops for the farmers/exporters</li> <li>• Work towards continuous feedback from the farmers for understanding their perspective.</li> <li>• Upskill the existing farmers for enhancing the production.</li> </ul> | <ul style="list-style-type: none"> <li>• Concerned stakeholders to be invited to business events/workshops to help provide market linkages to exporters</li> <li>• DICs must make effective use of existing training institutes established by the State Govt. at district &amp; state level for imparting training in Agriculture products</li> <li>• Conducting dedicated workshop/webinar for the skill development in identified sectors</li> <li>• The Agricultural Universities and Colleges located in the district are to be sensitized for providing best practices for the farmers to grow the quality produce of products like chilli, turmeric, mango etc.</li> </ul> |

| Schedule | Categories                    | Strategies  | Action Plan  |
|----------|-------------------------------|---|--|
|          | Financial Assistance          | <ul style="list-style-type: none"> <li>• Provide term loans to small and medium enterprises to enable them to upgrade export production capability</li> <li>• Assist exporters with pre-shipment and post-shipment credit</li> <li>• Smooth functioning of the exporters</li> </ul> | <ul style="list-style-type: none"> <li>• Information Dissemination about existing financial schemes which the MSMEs, exporters and other relevant stakeholders can avail which would facilitate in export promotion</li> <li>• Support smaller units in establishing their business through financial assistance</li> </ul>  |
|          | Marketing & Packaging Support | <ul style="list-style-type: none"> <li>• Adopt modern packaging technology which would reduce the packaging cost of the products</li> <li>• Marketing techniques to promote the exports of chilli, turmeric, mango and other Agri Products</li> </ul>                               | <ul style="list-style-type: none"> <li>• The district, with the help of Indian Institute of Packaging (IIP), to work towards improving the quality standards &amp; manufacturing compliances, learning new techniques &amp; technology and market intelligence. Simultaneously, tie up with NGO's to help the artisans in packaging and other value enhancing activities.</li> <li>• To enhance exports, it is imperative to provide training to the farmers for the adoption of innovative methods in the growth of quality Agri products. Also,</li> </ul> |

| Schedule  | Categories               | Strategies   | Action Plan  |
|-----------|--------------------------|--|--|
|           |                          |  | Turmeric is an identified ODOP product, on which the district must focus with a vision to promote it at a global level.  |
|           | Export Facilitation Cell | <ul style="list-style-type: none"> <li>Grievance Redressal</li> <li>Create Awareness</li> <li>Market Intelligence</li> <li>Share Best Practices</li> <li>Policy Recommendations</li> </ul> | <ul style="list-style-type: none"> <li>Provides market intelligence for exports</li> <li>Export cell will analyze and suggest measures to strengthen the existing and establish new infrastructure facilities to promote the variety of Agriculture and Horticulture products</li> <li>The cell shall work towards establishing direct linkage between FPOs and Exporters for promoting the exports and the farming requirements for quality production</li> </ul> |
| Long Term | Branding and Promotion   | <ul style="list-style-type: none"> <li>Design logos for Agri products goods</li> <li>Leveraging the power of social media</li> <li>Leveraging e-commerce facilities</li> </ul>             | <ul style="list-style-type: none"> <li>Appoint an agency for designing of the logo and ensure only quality products use this logo which will ensure product differentiation</li> <li>Tie up with various e-commerce players to market the products on their online platforms</li> </ul>  |

| Schedule | Categories                       | Strategies   | Action Plan  |
|----------|----------------------------------|--|--|
|          | Infrastructure                   | <ul style="list-style-type: none"> <li>• Project Development Cell (PDC)</li> <li>• Quality testing and certification labs for exports</li> <li>• Uninterrupted Power Supply</li> <li>• Logistical infrastructure should be developed</li> </ul>                        | <ul style="list-style-type: none"> <li>• Under PDC, the district shall facilitate investments in a timely and targeted manner. Provide necessary support on the issues faced by investors to finalize their investment plans</li> <li>• Possibility of providing independent feeders for power supply for such clusters shall be examined, in consultation with the State Governments, so that uninterrupted power supply could be ensured</li> <li>• Encourage local industry players to become exporters by providing a conducive environment in the district</li> </ul> |
|          | Policy/<br>Regulatory<br>Reforms | <ul style="list-style-type: none"> <li>• Identify projects to be financed by TIES scheme to support the export logistics</li> <li>• Online single window system (No physical touchpoints between the applicant and department from the time of application)</li> </ul> | <ul style="list-style-type: none"> <li>• Identification of relevant projects to address the gaps in infrastructure which are not addressed by any other scheme.</li> <li>• Encourage investors/entrepreneur to apply for all the licenses/approvals through the online single-window portal. Single Window System should be</li> </ul>   |

| Schedule | Categories | Strategies                       | Action Plan   |
|----------|------------|----------------------------------|---|
|          |            | process till the final decision) | integrated with SMS gateway/ emails so that applicant gets notification at every critical stage of application processing |

## **Annexures**

- a. List of Exporters
- b. List of MSMEs
- c. List of Warehouse