

Draft District Export Action Plan: Vijayapura



October 2021

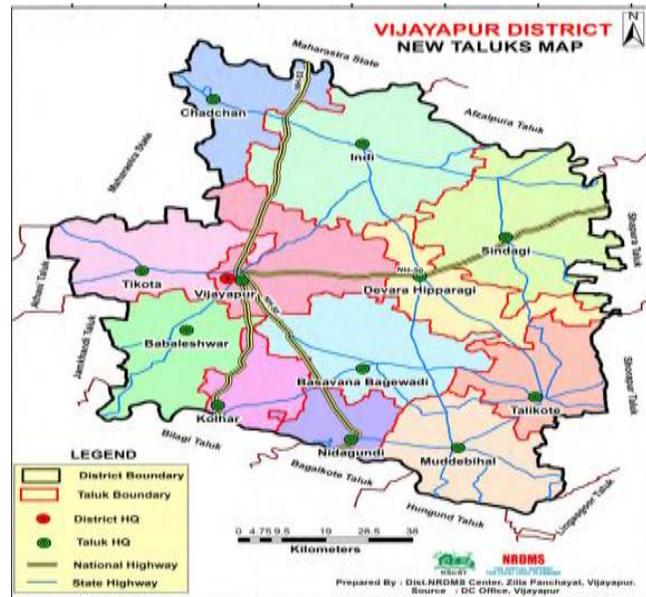
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1. Introduction

Vijayapura, previously called Bijapur, is bounded by Solapur and Sangli districts of Maharashtra state on the North and North-West respectively, Belgaum district on the West, Bagalkot on the South, Kalaburagi on the East and by Raichur on the South-East. The contemporary city has major road and rail facilities and an expanding tourist economy. Industries include cotton ginning, oilseed milling, and the related manufacture of soap, chemicals, and dyes.

Figure 1: District Map Vijayapura



The district comprises 13 Talukas: Sindgi, Indi, Muddebihal, Basavana Bagewadi, Alameela, Babaleshwar, Nidagundi, Tikota, Chadchan, Kolhar, Devara Hippargi, Talikoti and Vijayapura.

2. District Profile

2.1 Geography

The Division lies between the latitudes N 17° 28' and N 16° 9' and the longitudes E 75° 20' and 76° 28'. The district covers the area of 10,948 Sq Km.

2.2 Flora and Fauna

- As per the inventory carried out in the forest areas of the District, tree growth in the notified forests is stunted and scattered or almost completely absent. Natural tree species include Bevu (*Azadirachta indica*), Tugli (*Albizia amara*), Kakke (*Cassia fistula*), Dub jali, Imate, etc. However, most of the natural tree species are within 0-10 cm diameter class. The proportion of trees with a girth of 20 cm or more is small. It is only the artificially regenerated Bevu, Eucalyptus, *Cassia siamea*,

Tamarind, Tapasi, Anjan, Sissoo, etc., which have survived the extreme biotic pressure and the harsh local climate.

- On account of absence of large forest areas, scattered nature of the existing forest areas coupled with absence of tree/ grass cover, wild animal density is extremely low. Leopard, Blackbuck, Wolf, Hyena, Jackal and several kinds of reptiles are found

2.3 Natural Resources of the District

The details of the natural resources present in Vijayapura is given below in Table 1:

Table 1: Natural Resource of the District

Natural Resources	Key Features
Crops	Jowar, Bajra, Maize, Wheat, Millets, Bengal Gram, Tur, Horse Gram, Green Gram, Sunflower, Safflower, Niger, Sesame, Soya Bean, Linseed, Groundnut
Cash Crops	Sugarcane and Cotton
Mineral resources	Limestone, Building stone and Dolomite
Horticulture	Grapes and Pomegranate, Chilli, Turmeric, Tamarind, Lemon, Eggplant, Tomato, Ladies finger

Source: District website

2.4 Demography

Population

The total population as per Census 2011 was 2,177,331 in which contribution of male population was 1,111,022 and female population was 1,066,309. The population in 2021 is estimated to be 2,343,025. The details are given below:

Table 2: Population¹

Population	2011
Total Population	2,177,331
Male Population	1,111,022

¹ https://www.indiagrowing.com/Karnataka/Bijapur_District

Female Population	1,066,309
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Demography at a Glance

The total area of Vijayapura is 10,948 sq. km with 13 taluks. The sex ratio of the district is 960 females per 1000 males and literacy rate is 67.15%. The details of the demography are given below:

Table 3 Demography²

Demographic Label	Value
Area	10,948 sq. km
Number of Revenue Division	2
Number of Gram Panchayats	213
Taluks	13
Number of Villages	692
Sex Ratio	960 females per 1000 male
Literacy rate	67.15 per cent

3 Tourism

- i. **Almatti Dam:** The Almatti Dam is a dam project on the Krishna River in North Karnataka, India which was completed in July 2005. The annual electric output of the dam is 713,000,000 kilowatts (KW). The Almatti Dam is the main reservoir of the Upper Krishna Irrigation Project; the 290-megawatt (MW) power project is located on the right side of the Almatti Dam. The dam is located on the edge of Vijayapura and Bagalkot districts.

Figure 2: Almatti Dam



² <https://vijayapura.nic.in/en/demography/>

- ii. **Gagan Mahal:** Surrounded by fortified walls and a wide moat, the citadel once contained the Durbar Hall, palaces and pleasure gardens of the Adil Shahi Rulers. The building though roofless is a popular spot as it is set in large well landscaped public garden.

Figure 3: Gagan Mahal



- iii. **Gol Gumbaz:** Gol Gumbaz is the most famous monument in Vijayapura. It is the tomb of Mohammed Adil Shah (ruled 1627–1657). It is the second largest dome ever built, next in size only to St Peter's Basilica in Rome. In the surrounding ornamental gardens is an archeological museum.

Figure 4: Gol Gumbaz



- iv. **Shivagiri:** The 85-foot (26 m) tall statue of Lord Shiva installed by the T.K. Patil Banakatti Charitable Trust in Vijayapura at Shivapur on Sindagi Road is gradually developing as a pilgrimage place. 1,500 tonnes statue considered as the second biggest statue of Lord Shiva in the country was prepared by sculptors from Shimoga for more than 13 months and the design was provided by Bangalore-based architects.

Figure 5: Shivagiri



- v. **Asar Mahal:** The Asar Mahal was built by Mohammed Adil Shah in about 1646, which was used to serve as a Hall of Justice. The building was also used to house hairs from the Prophet's beard. The rooms on the upper storey are decorated with frescoes and the front is graced with a square tank.

Figure 6: Asar Mahal



- vi. **Ibrahim Rouza:** On the western outskirts of the city, lies this exquisite group of buildings containing the twin edifices of the sepulcher of Ibrahim Adil Shah and a mosque. Adorned by slender minarets at each corner, of the utmost elegance and delicacy, fine stone filigree and decorative

Figure 7: Ibrahim Rouza



work. The Ibrahim Rouza is rated as on one of the most beautifully proportioned Islamic monuments in India and an inspiration for the Taj Mahal.

4 Economic Indicators of the District

Vijayapura contributes 1.9% to Karnataka's total GSDP and 1.8% to Net State Domestic Product (NSDP). District's Per capita income is Rs. 104190 (2018-19).³. The details of economic indicators of Vijayapura are given in below Table 4:

Table 4: Economic Profile of the District

Particulars	Current Prices (2018-19) INR Cr.	Constant Prices (INR. Cr.)
Gross District Domestic Product (GDDP)	28193	20145
Net State Domestic Product (NSDP)	24351	17038
Per Capita Income (Per Capita NSDP at Current Prices)	104190	-

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

Tertiary sector contributes 52.5%, followed by Primary & Secondary sector contributing 26.1% and 21.3% 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 5:

Table 5: Sectoral Bifurcation of Vijayapura ⁴

Sector	Current Prices	Constant Prices	Contribution
	2018-19 (INR Cr.)	(2011-12) (INR Cr.)	2018-19 (In %)
Primary	5667	3277	26.1
Secondary	4629	3709	21.3
Tertiary	11401	7805	52.5
Total	21697	14791	100

Source: Directorate of Economics and Statistics, Government of Karnataka

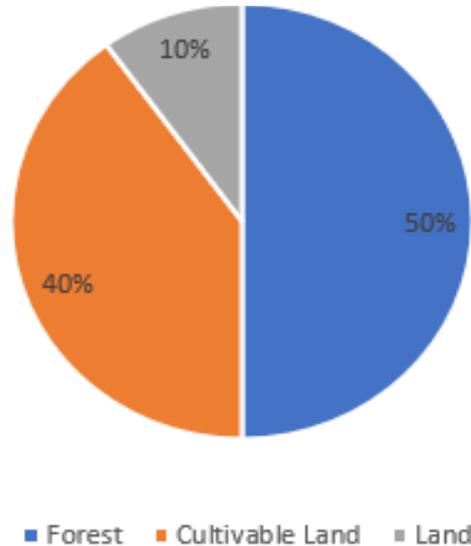
³ https://planning.karnataka.gov.in/storage/pdf-files/Reports/Economic%20Survey%202020-21_Eng_Final_R.pdf

⁴ https://planning.karnataka.gov.in/storage/pdf-files/Reports/Economic%20Survey%202020-21_Eng_Final_R.pdf

4.2 Land Utilization

Vijayapura has land utilization of 50% for forest, 40% for cultivation and 10% for others.

Figure 8: Land Utilization - Vijayapura



5 Industrial Profile

5.1 Infrastructure

i. Connectivity

Vijayapura has good connectivity with Road, Rail and Air. The highlights of connectivity are given below:

- **Rail:** Vijayapura has a railway station providing access to Bengaluru and Maharashtra
- **Road:** Vijayapura has KSRTC bus service from Bengaluru and from major towns in North Karnataka. Taxi can be hired from and other major towns such as Vijayapura, Basavana Bagewadi, Muddebihal or Indi to explore regional attractions. Autos are best for local commutes.
- **Air:** Hubballi and Belagavi are the most convenient airports to access Vijayapura both 200 kms away. Kalaburagi is a closer airport (166 kms) but has less frequent flights.

- ii. **Water Supplies:** Vijayapura has three rivers in its district namely Krishna, Doni and Bhima. Apart from the existing rivers and rainfall, the district has extensive irrigation system using groundwater, groundwater from reservoirs and canals. Almatti Dam built across Krishna River acts as a major reservoir of the Upper Krishna Project, and it helps the district irrigate a net area of 19.4% of the net area sown.

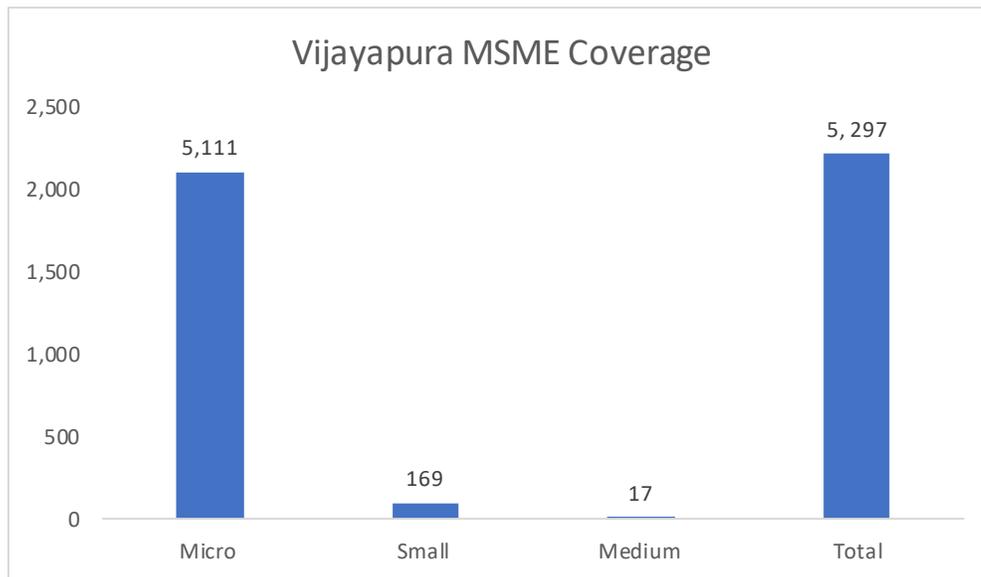
- iii. **Power Supply:** Vijayapura power transmission in the district is done by Hubballi (Hubli) Electricity Supply Company Ltd. (HESCOM). Power generation is done at Almatti Dam built across Krishna River which has an annual output of 560 MU. However, further augmentation is on the anvil with varied organizations like NTPC's 4000 MW super critical coal based thermal power plant at Kudgi in Vijayapura District with an Investment of INR. 199.68 billion.

5.2 Industry⁵

- i. 9 Large and Medium Scale Industries are present in Vijayapura
- ii. Coverage of MSME – There are 5,297 MSME registered under Udyam Registration till 9th August 2021 comprising 5111 Micro industries, 169 Small Industries and 17 Medium Industries.

⁵ Udyam registration and Invest Karnataka

Figure 9 Overall MSMEs of Vijayapura district



Source: Udyam registration

5.3 Key Players

- i. M/s ETCO Denim
- ii. M/s Dnyanyogi Shri Shivkumar Swamiji Sugars Limited
- iii. M/s Nandi Sahakari Sakkare Karakhane
- iv. M/s Indian Sugars Limited
- v. M/s Basaveshwara Agro Food Processing

6 Industrial Areas/ Estates

6.1 Industrial Areas⁶

There are 3 Industrial area in Vijayapura. The details of which are given below:

Table 6 Industrial Areas

Industrial Areas	
Name	Extent (acres)
Mahal Bagayat	218
Aliyabad (Mini GC) I Stage	158
Aliyabad Stage II (Block)	202

6.2 Industrial Estates⁷

There are 4 major industrial estates in Vijayapura with a total area of 96.94 acres. The details of which are given below:

Table 7 Industrial Estates

Industrial Estates	
Name	Extent (acres)
Bijapura	19.50
Mahalbhagayat	15.17
Muddebihal	6.00
Sindagi	28.36
Total	96.94

⁶ <https://kiadb.karnataka.gov.in/kiadbgisportal/>

⁷ <http://kssidc.co.in/map/bijapura.html>

7 SWOT Analysis of Vijayapura

Strength

- Famous for Kagzi lime. Also known for good vegetables
 - High tourism potential
- Presence of three rivers provides scope for huge inland and freshwater fishing
- Excellent climatic conditions for wine grapes cultivation

Weakness

- Lack of Awareness among producers about export opportunities and markets
 - Support required in marketing and promotion
- Absence of industrial base in the district

SWOT

Opportunities

- Presence of sector polices to back the investment in the district
 - Product Diversification

Threat

- Lack of technological advancement

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 is to convert Vijayapura district of the State into an Export Hub by identifying products with export potential in the district, addressing bottlenecks for exporting these products, supporting local exporters/manufacturers to scale up manufacturing, and find potential buyers outside India with the aim of promoting exports, promoting manufacturing & services industry in the district and generate employment in the district.

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

Table 8: Districts as an Export Hub products of Vijayapura

Category	Products
Agriculture	Pomegranate, Kagzi Lime and grapes, Raisins

9 Institutional Mechanism & Responsibility

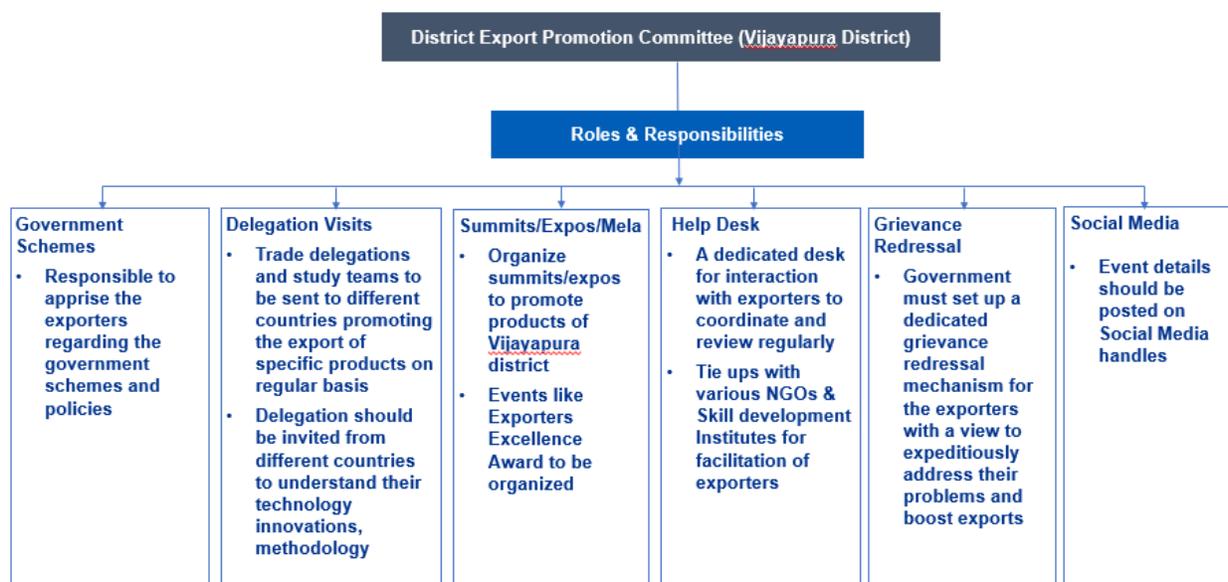
To ensure smooth functioning of district as export hubs, District Export Promotion Committees (DEPCs) need to be constituted in Vijayapura. These DEPCs shall be headed by DM/Collector/DC/District Development Officer of the district and co-chaired by designated officer from DGFT. The composition of the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

Table 9 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 10 India and Karnataka Exports to world

Merchandise Exports (USD Bn)			
State	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 Vijayapura are given below:

Category	Products
Agriculture	Sugar products, Lemons
Textiles	Cotton

The above products are being exported to USA, Germany, UK, France, Netherlands and other several countries. Export Performance of the existing products from Vijayapura and identified products is given in Table 11.

Table 11 Karnataka's Exports to world

Karnataka's Exports to world (In USD Mn.)			
S. No.	Product	2020-21	Major markets
1	Pomegranate	1.8	Australia, Bahrain, Belgium, Canada, France
2	Sugar	4.6	Bangladesh, China, Kenya, Congo, MADAGASCAR
3	Raisin	1.03	Sri Lanka, Qatar, Nepal
4	Lime	0.83	UAE, Nepal, Oman, Kuwait and Qatar
5	Cotton	22.39	Bangladesh, China, Oman, Indonesia, Vietnam

Source: DGCI&S, Kolkata, 2021

10.3 One District One Product (ODOP) Initiative

The product identified by Karnataka State Agricultural Produce Processing and Export Corporation Limited (KAPPEC) is Raisin & Lime / Lemon⁸ by Dept. of Industries & Commerce, Karnataka for One District One Product of Karnataka for Vijayapura.

⁸ https://mofpi.nic.in/sites/default/files/odop_list_of_35_states_and_uts.pdf

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:



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
 - To provide end-to-end on-ground facilitation and handholding support to exporters
 - Investment facilitation
 - Market Intelligence
 - Grievance Redressal
- 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, MSME's, 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.

- **Sugar and allied products** – There are many sugar mills in the district and sugar products is being exported from the district making an ideal product for investment in the district.
- **Cotton** - India's garment exports is aligned towards cotton industry, and global exports of cotton garments is USD 165 bn. making it the most sought raw material and giving the opportunity for exporters and suppliers of the district.

- **Food Processing** - There is a huge opportunity in Vijayapur pertaining to Food processing units-based products. The opportunities are available in the areas like processing of Raising, lemons and value added products, pomegranate.

12 Potential Investment Opportunities

12.1 Opportunities in Agro and Food Processing

The key enablers for investment in this sector are presence of cold storages, warehouses, food and beverage industry, proposed food processing zones, amicable climatic conditions.

12.2 Opportunities in Textiles and Apparel

The district already has presence of a silk production, cotton productions and presence of talent pool of skilled workers forming a perfect ecosystem for the textile and apparel sector in the district. Further, to compliment the investment in the textiles and apparel sector the Karnataka's Textile and apparel policy, 2019-24 provides subsidies like capital subsidy, interest subsidy, power subsidy, ESI & EPF subsidy, stamp duty exemption, ETP, wage subsidy to mention a few.

12.3 Opportunities in Sugar and allied products

Sugar and allied products are already being exported for the district, giving the opportunity for sugar and allied industries to set units in the district.

13 GI Product

Vijayapura has the GI product “Kolhapuri Chappal”. The Kolhapuri chappals is a traditional craft practiced by artisans of Karnataka, which is renowned across India and abroad for their aesthetically pleasing look of open Indian footwear.

Uniqueness:

- i. The Producers of Kolhapuri Chappal follow centuries old traditional practices and are fully hand made
- ii. Kolhapuri Chappal are handmade footwear made of vegetable tanned leather produced using traditional technique and tools, following Eco-friendly processing and production
- iii. Kolhapuri Chappals are known for resistance to abrasion and water absorption. They have shape memory even when wet back/soaked in water
- iv. Kolhapuri Chappals are suitable for rugged use for farmers – a fashion footwear with soft and spring action in wear for urbanites and the elite.
- v. Kolhapuri Chappals are known for their sturdiness and long durability

Figure 11 Kolhapuri Chappals



14 Strategy and Action Plan

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

Schedule	Categories	Strategies	Action Plan
Short & Medium Term	Skill Development	<ul style="list-style-type: none"> Organize outreach programs/ workshops for the farmers/exporters Work towards continuous feedback from the artisans for understanding their perspective Upskill the existing artisans for enhancing the production 	<ul style="list-style-type: none"> Concerned stakeholders to be invited to business events/workshops to help provide market linkages to exporters DICs must make effective use of existing training institutes established by the State Govt. at district & state level for imparting training Conducting dedicated workshop/webinar for the skill development in identified sectors Establishment of a portal with database of trained personnel linking to the job opportunities
	Financial Assistance	<ul style="list-style-type: none"> Provide term loans to small and medium enterprises to enable them to upgrade export production capability 	<ul style="list-style-type: none"> Information Dissemination about existing financial schemes which the MSMEs, exporters and other relevant stakeholders can avail

Schedule	Categories	Strategies	Action Plan
		<ul style="list-style-type: none"> • Assist exporters with pre-shipment and post-shipment credit • Smooth functioning of the exporters • Encourage and refund the course fees paid by individual entrepreneurs for acquiring certification courses on Export -Import Management conducted by IIFT, New Delhi and FIEO and other recognized institutions 	<p>which would facilitate in export promotion</p> <ul style="list-style-type: none"> • Support smaller units in establishing their business through financial assistance
	<p>Marketing & Packaging Support & Grievance Redressal</p>	<ul style="list-style-type: none"> • Adopt modern packaging technology which would reduce the packaging cost of the products • Marketing techniques to promote the exports of lime, raisins, Kolhapuri Chappals and other Products • Organizing and facilitating participation in international trade fairs and exhibitions • Grievance Redressal Mechanism 	<ul style="list-style-type: none"> • The district, with the help of Indian Institute of Packaging (IIP), to work towards improving the quality standards & manufacturing compliances, learning new techniques & technology and market intelligence. Simultaneously, tie up with NGOs to help the artisans in packaging and other activities • To enhance exports, it is imperative to provide training to the artisans & farmers for the adoption of innovative methods.

Schedule	Categories	Strategies	Action Plan
			<p>Also, lime / lemon is an identified ODOP product, on which the district must focus with a vision to promote it at a global level</p> <ul style="list-style-type: none"> • Regularly conduct Trade Fairs/exhibition both at the National and International Levels, sponsoring trade delegations abroad • Set up a grievance redressal mechanism to resolve grievances of exporters within a stipulated time frame
Long Term	Branding and Promotion	<ul style="list-style-type: none"> • Leveraging the power of social media • Leveraging e-commerce facilities 	<ul style="list-style-type: none"> • Appoint an agency for designing of the logo and ensure only quality products use this logo which will ensure product differentiation • Tie up with various e-commerce players to market the products on their online platforms
	Infrastructure	<ul style="list-style-type: none"> • Project Development Cell (PDC) • Quality testing and certification labs for exports • Uninterrupted Power Supply • Logistical infrastructure should be developed 	<ul style="list-style-type: none"> • 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 • Possibility of providing independent feeders for power supply for such clusters shall be

Schedule	Categories	Strategies	Action Plan
			<p>examined, in consultation with the State Governments, so that uninterrupted power supply could be ensured</p> <ul style="list-style-type: none"> • Encourage local industry players to become exporters by providing a conducive environment in the district
	<p>Policy/ Regulatory Reforms</p>	<ul style="list-style-type: none"> • Capitalizing on the existing TIES scheme to support the export logistics • Online single window system (No physical touchpoints between the applicant and department from the time of application process till the final decision) • Promotion of Production Linked Incentive Scheme for Food Processing Industry (PLISFPI) 	<ul style="list-style-type: none"> • Identification of relevant projects to address the gaps in infrastructure which are not addressed by any other scheme. • Encourage investor/ entrepreneur to apply for all the licenses/approvals through the online single window portal. Single Window System should be integrated with SMS gateway/ emails so that applicant gets notification at every critical stages of application processing • Support Food manufacturing entities with stipulated minimum Sales and willing to make minimum stipulated investment for expansion of processing capacity and Branding abroad to incentivize emergence of strong Indian brands

Annexures

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