

**NOTE FOR THE GENERAL MANAGERS' CONFERENCE PROPOSED TO BE HELD  
ON 08.06.2017 AT 11.00 AM IN CONFERENCE HALL, COMMISSIONERATE OF  
INDUSTRIES, HYDERABAD.**

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**1. District Industries Profiles**

**DISTRICT INDUSTRIES CENTRE, BHADRADRI KOTHAGUEM DISTRICT PROFILE**

**Location & Geographical Area:**

Bhadradri Kothagudem district is a part of Telangana state. It is carved out of erstwhile Khammam district. Bhadradri Kothagudem district lies between 18° 13' and 17° 13' of Northern Latitude and 80° 12' and 81° 18' of the Eastern Longitude. It is bounded by Jayashankar Bhupalapalli, Mahabubabad, Khammam districts and Chattisghar and Andhra Pradesh states.



The district is divided into 23 mandals and 2 revenue divisions, Kothagudem and Bhadrachalam. The district headquarters is located at Kothagudem town. The total area of the

district is 8284 sq.kms. District is well connected with more than 1200kms of national, state highways and major district roads and also with more than 120 kms railway line connecting Kothagudem, Palvancha and Manuguru towns with state capital and other major cities in the state. There is a proposal for airport at Kothagudem.

### **Availability of resources in the district:**

#### **Mining & Minerals:**

District is rich in minerals like Coal, Copper, Graphite, Quartz, Lime Stone, Marble, Chromite, Barytes. The Singareni Collieries Company Limited (SCCL), a Government coal mining company is currently working on coal mining in the district.

#### **Agriculture:**

Agriculture is one of the major sectors in the districts. Net cropped area in the district is 131692 Hectors which is 16% of the total area of the district. Rice, Cotton, Maize and Chillies are the major crops in the district.

#### **Horticulture:**

Mango, Palm oil, Guava, Coconut, Cashew and Banana are the major Horticulture crops in the District.

#### **Forest:**

Majority of the area in district is covered with forest. The total area of forest cover in the district is 4287 sq.kms which is more than 53% of the total area of the district. Teak, Fuel wood, Bamboo and soft wood hold the majority in the forest.

#### **Live stock:**

7.8 lakhs live stock available in the district. Cattle and buffalos are more than 50% and goats and sheep are more than 3 lakhs in numbers.

### **DISTRICT INDUSTRIAL PROFILE AND MANPOWER EMPLOYED IN THE DISTRICT:**

Sl. No	Name and address of the unit	Line of activity	Investment (Rs.crores)	Capacity	Employment
01	ITC Bhadrachalam Paper Boards Ltd. Sarapaka	Paper and Paper Board	3000.00	5,20,000 Tons	Reg. 2500 Con: 2431
02	Heavy Water Plant, Mangoor Post & Mandal.	Heavy Water	647.00	185MT/ year	1485

03	NMDC Limited, Palwancha	Sponge iron	40.00	60000 MT	584
04	Nava Bharat Ventures Ltd., (formerly Navabharat Ferro Alloys Ltd) Palwancha	Ferro Silicon	303.00	157968 MT	819
05	Singareni Collieries Co.Ltd., Kothagudem	Non coaking coal	1725.00	50,000 Tons per day.	9500 (Kothagud em, Yellandu, Manugur.
06	Sri Luxmi Tulasi Agro Paper (P)Ltd., Aswaraopet	Paper	20.00	7500 MTs	310
07	Sri Luxmi Tulasi Agro Paper (P)Ltd., Aswaraopet (2 <sup>nd</sup> expansion)	Whitepaper/ Newsprint& Power generation.	80.00	90 Tons/day. 4 MW power generation.	300
08	Fimakem India Ltd., Laxmipuram Village, Burgampad Mandal.	Wetgrinding of Calcium Carbonate	14.00	27600 MTs	30
09	TS Oil Federation, Aswaraopeta	Crude Palm	78.00	120 MTs/Day	120
10	KTPS, Paloncha,	Power generation	8600.00	1720 MW	6500

**POTENTIAL FOR NEW INDUSTRIES BASED ON RESOURCES TO MAKE SMALL AND MEDIUM ENTERPRISES TO BE MORE PRODUCTIVE:**

- 1) General Engineering works
- 2) Ancillary units for Large & Medium industries like KTPS, SCCL, and ITC.
- 3) Coal & Mineral based plants ( Coal washing, beneficiation of ores)
- 4) Paper based Industries in Burgampahad area ( Laxmipuram)
- 5) Nurseries and Horticulture units Aswaraopet, Bhadrachalam and Dammapeta region.
- 6) Palm, Cashew processing units at Aswaraopet and Dammapeta region.
- 7) Seed processing units
- 8) Cold storages and post harvest loss reduction units.
- 9) Forest based products with assistance of Tribal welfare department for finance and marketing ( Tamarind processing, Honey processing, Beedi leaf, vippa, Extracts from the Medicinal plants)
- 10) Agro based industries like Cotton Ginning, Rice mills, Dal mills.
- 11) Food processing units (Tomoto and chilli oleoresin units)
- 12) Fruit processing units (Pulp and Juice concentrates units)

- 13) Milk chilling and milk based products manufacturing
- 14) Mining based industries (Marble, Graphite, Iron ore)
- 15) Sand based units near sand reaches (Bricks, Pre cast products)
- 16) Bamboo handicrafts and other products
- 17) Tourism based projects (Hotels, Convention Centres, Cottage, Amusement parks, Transport, Boating etc) in Kinnerasani, Bhadrachalam, Parnasala and papikondalu.
- 18) Agriculture implements manufacturing
- 19) Agro waste fuel industries and agro waste management (Fuel briquetting )
- 20) Fabrication units
- 21) Repair and maintenance of agricultural implements
- 22) DTP centres, and offset printing, Screen printing
- 23) Computer hardware repairing
- 24) Internet café & Mobile phone repairing
- 25) 3 and 4 wheeler auto repairing
- 26) Heavy vehicles servicing centres

#### **SCOPE FOR INDUSTRIAL PARKS/ESTATES:**

There is very huge scope for setup of mini industrial areas in **Manuguru, Yellandu, Bhadrachalam, Palvancha, Burgampahad, Kothagudem** areas with 20 to 30 acres of land to encourage the upcoming entrepreneurs to setup manufacturing and servicing units which suits for all categories of entrepreneurs **to overcome the problems with 1/70 act**. The land should be alienated for the purpose of industrial establishments on rental or on ownership basis. The land should be located near to the Agricultural market yards, power line and should have proper approach from major road and railway line.

#### **AUTONAGAR:**

There is big scope for industrial park exclusively for heavy earth moving machinery, mining machinery, power generation equipment, commercial and passenger vehicles. The location for the park should be near to Kothagudem, Palvancha and Yellandu.

#### **HUMAN RESOURCES:**

Industrial based skill labour is available as SCCL coal mining has been operating for past 110 years. University College of Engineering (Mining) is established in 1960 which is the only university college for mining in the state. Sponge Iron and KTPS were established way back in 1970s. Due to these industrial establishments, a strong skilled workforce is available in the district. Further, 5 lakh working and 5 lakh non-working population is existing in the district. 5 Engineering and 3 polytechnic colleges are running in the district. Many unemployed youth were trained in various trades by ITDA,DRDA, MEPMA and NAC.

## **IRRIGATION AND WATER RESOURCES:**

Assured water supply from Godavari, Kinnerasani, Taliperu Rivers. Since availability of water is plenty, there is good scope for establishment of large industries which require more water and also agro based industries can also be established in the district.

## **PERFORMANCE OF INDUSTRIES FOR LAST 3 YEARS PERIOD:**

For the last 3 years, Industries which have applied for various approvals for establishing their industries. Most of them started commercial production and some of them are in advanced stage.

The following units started commercial production:

- 1) 12MW solar power unit in Heavy water plant with 100 crores investment.
- 2) 90MW thermal power unit in Navabharath Ventures with 500 crores.
- 3) 7<sup>th</sup> stage of KTPS with 5291 crores investment.
- 4) Oil Palm unit with additional crushing capacity is gone into trial production in Bhadradi Kothagudem District. Commercial Production will be started in a month.

ITC-PSPD, Sarapaka, Bhadrachalam power generation unit and pulp bleaching unit with an investment of 721 crores is in advanced stage and will start commercial production in May/June,2017.

TS GENCO 8<sup>th</sup> stage in KTPS with 800MW Power generation Capacity is also in erection stage.

Bhadradi Power Plant with sub critical unit is also obtained almost all environmental clearances from the Central Government and started erection work.

Most of the Small and Micro units are already gone into production and remaining are in advanced stage.

Presently, 4 Industrial Estates/parks are existing in the Kothagudem, Palvancha(2), Bhadrachalam spread over 1085 acres land. Total plots available in these parks are 151.

## **SWOT ANALYSIS:**

### **STRENGTHS:**

- Best Industrial Policy by the Telangana state government for speedy approvals for industrial establishments.
- Huge encouragement and support from Telangana government for new Industries by providing various incentives through T-IDEA and T-PRIDE schemes.
- Formation of new districts in the state will help to focus on the development in small areas which will boost the growth in the industrialization.

- District is rich in minerals like Coal, Copper, Graphite, Quartz, Lime Stone, Marble, Chromite, Barytes which provides opportunity to establish mineral based industries.
- Large Power Generation units in the district with more than 2000MW.
- District has plenty of water resources like Godavari, Kinnerasani, Taliperu rivers and projects on Kinnerasani, Taliperu rivers.
- Large forest area of the district encourages industries based on forest products.

#### **WEEKNESES:**

- Most of the area in the district covered with forest lands and 1/70act lands affects establishment of new industries.
- Lack of support from financial institutions to upcoming entrepreneurs due to collateral problems (Registration of land).
- Low availability of plain area in the entire district.
- Low marketing and management skills of the entrepreneurs.

#### **OPPORTUNITIES:**

- Since the huge availability of Coal in the district, there is a good scope for coal based industries and coal processing industries.
- Large and medium industries which require huge power can be established as the Power availability in the district is more.
- Forest based products exclusively Tribal products with the help of ITDA and TRICOR.
- Horticulture based products can be manufactured.
- Large availability of Medicinal plants in the districts.

#### **THREATS:**

- Since district shares boarder with Chattisgarh which is highly sensitive area with extreme activities.
- Import of high grade coal will affect the coal and power sector in the district.
- Migration of skilled labour to the urban areas will affect the industrial units in the district.

#### **Address for Communication:**

General Manager,  
 District Industries Centre,  
 2nd Floor, Above Bhadradi Cooperative Bank,  
 Ganesh Basthi, Kothagudem,  
 Bhadradi Kothagudem District.  
 Pin: 507101

## List of Officers Working in the DIC:

Name of the Officer	Designation	Contact Number	e-MAIL
K. AJAYA KUMAR	General Manager	9666646223	dippy103@gmail.com
P. APPA RAO	Assistant Director	9963852848	parao.dic@gmail.com
B. PRUDHVI RAJ	IPO	8500378903	ipoktdm@gmail.com

## 2. Industrial Incentives UCs pending (General & Sub-Plan)

The status of UCs are submitted hereunder:-

S.No	Category	Type of Incentive	No. units released by CoI	UCs submitted to COI	Pending
1)	Tribal Sub Plan (TSP)	Investment Subsidy	84	50	34
2)	Special Component Plan(SCP)	Investment Subsidy	19	13	06
3)	Special Component Plan(SCP)	Power	1	-	1
4)	Special Component Plan(SCP)	Pavalavaddi	1	-	1
3)	General	Pavalavaddi	01	01	--
	<b>TOTAL</b>		<b>106</b>	<b>64</b>	<b>42</b>

The list of UCs submitted to the Commissioner of Industries and the list of pending cases are attached herewith.

## 3. PMEGP year 2016-17 progress report:

PMEGP 2016-17 STATUS								REMARKS	
Sl no	NAME OF THE DISTRICT	TARGET		PROPOSALS APPROVED BY DLTFC	PROPOSALS FORWARDED TO BANKS		PROPOSALS SANCTIONED		PROPOSALS GROUNDED
		NO. OF PROJECTS	MARGIN MONEY (Rs. In Lakhs)		NO. OF PROJECTS	MARGIN MONEY (Rs. In Lakhs)			
1	Bhadradri-Kothagudem	18	36.00	28	28	42.54	3	2	Proposals forwarded to concerned banks on 25.02.2017 and most of the applications are under active consideration for sanction of loan and grounding the units and pursuing candidates and banks for early sanctions and grounding of units. Another DLTFC will be conducted shortly.



**4. a. Pending Audit Paras replies.**

There are no pending audit paras in DIC Bhadradi Kothagudem District.

**b. Reconciliation statements of budget (Non-Plan) from 01.04.2016 to 31.03.2017.**

Reconciliation statements of budget (Non-Plan) for the period from November 2016 to March 2017 are attached herewith.

**c. Budget surrenders of 2016-17.**

Budget surrenders of 2016-17 are submitted to the Commissioner of Industries vide this office Letter No.08/A/Accounts/2017, dated 30-03-2017. The details are hereunder:-

Sl. No	Particulars	Amount Allotted	Expenditure	Surrender/ Balance	Remarks
3 <sup>rd</sup> quarter 2016-17					
1	020 – Wages	4032	4026	6	
2	130-Office Expenses/ 131-Service Postage, Telegram& Telephone charges	1129	1129	0	
3	130-Office Expenses/ 132-Other office expenses	686	686	0	
4	130-Office Expenses/ 133-Water&Electricity charges	1468	1462	6	
5	130-Office Expenses/ 134-Hiring of Private vehicles	25935	0	25935	Already surrendered vide Lr. dt.3.3.2017
6	140-Rents, Rates and Taxes	24193	0	24193	Amount not utilized due to non receipt of rental agreement from house owner. Addl. budget will be sought from COI after receiving the rental agreement from house owner.
7	200-Other Administrative expenses	1613	1613	0	
8	240-Petrol, Oil and Lubricants	97	0	97	There is no vehicle provision.
	<b>TOTAL</b>	<b>59153</b>	<b>8916</b>	<b>50237</b>	
4 <sup>th</sup> quarter 2016-17					
1	020 – Wages	4032	3246	786	
2	130-Office Expenses/ 131-Service Postage, Telegram& Telephone charges	1129	1129	0	
3	130-Office Expenses/ 132-Other office expenses	686	686	0	
4	130-Office Expenses/ 133-Water&Electricity charges	1468	1464	4	
5	130-Office Expenses/ 134-Hiring of Private vehicles	0	0	0	
6	140-Rents, Rates and Taxes	24193	0	24193	Amount not utilized due to non receipt of rental agreement from house owner. Addl. budget will be sought from COI after receiving the rental agreement from house owner.
7	200-Other Administrative expenses	1613	1600	13	
8	240-Petrol, Oil and Lubricants	0	0	0	
	<b>TOTAL</b>	<b>33121</b>	<b>8125</b>	<b>24996</b>	
	<b>GRAND TOTAL</b>	<b>92274</b>	<b>17041</b>	<b>75233</b>	