

## District Export Action Plan: Peddapalli District

### 1. General Characteristics of the District

- **Geography:**
  - Towns and Villages: **1 Municipal Corporation, 3 Municipalities, 215 villages.**
  - Neighbouring Districts: **Mancherial (North), Jayashanker Bhupalpalli (East), Karimnagar (South), Jagtial (West).**
  - Geographical Area: **2,190 Sq. Kms.**
- **Topography:**
  - **Location:** Part of the **Godavari Basin**, with fertile plains and river networks.
  - **Geographical Features:**
    - **Rivers:** **Godavari River.**
    - **Soil:** **Black and red soils** suitable for rice cultivation.
    - **Irrigation:** Supported by the **Kaleshwaram Lift Irrigation Project.**
  - **Climate:** Tropical monsoon climate with temperatures ranging from **15°C to 45°C** and average annual rainfall of **800-1000 mm.**
- **Agriculture:**
  - **Food Crops:** Rice (primary crop), maize (in limited areas).
  - **Cash Crops:** Cotton, chilies.
  - **Horticulture:** Mangoes, guavas, vegetables.

### 2. Demography

#### 1. Income Levels:

- Predominantly agrarian economy with contributions from **coal mines and industrial units.**
- A mix of **low to middle-income groups**, largely in rural areas.

#### 2. Sex Ratio: **992 females per 1000 males.**

#### 3. Fertility Rate: **1.7 (below replacement level).**

#### 4. Life Expectancy: **Estimated 70-72 years.**

#### 5. Reproduction Rate: **Likely below 1.0 (Net Reproduction Rate).**

### 3. General Characteristics of the Product

- **HS Code:** **1006 (Rice).**
- **GI Tag:** **Not applicable.**
- **Perishability:** **Non-perishable.**
- **Key Stakeholders:**
  - **Line Ministry:** Ministry of Agriculture.
  - **State Departments:** Agriculture, Civil Supplies.
  - **Industry Associations:** District Rice Millers Association.
- **Value-Added Products:**
  - **Existing:** Raw Rice, Boiled Rice.
  - **Potential:** Parboiled Rice, Rice Bran Oil.

### 4. Status of Industries and Products/Services in the District

- **Overview:**
  - **Registered Micro & Small Units:** **708.**
  - **Registered Medium & Large Units:** **8.**

- **Employment:**
  - MSE Sector: 8,387.
  - Large and Medium Industries: 40,334.
- **Industrial Areas: 2.**
- **Data as of 31 March 2021:**
  - **Large and Medium Enterprises:**
    - Units: 8.
    - Employment: 40,334.
    - Fixed Investment: ₹11,50,048 lakhs.

#### **5. Major Exportable Products**

- **Identified Products: Raw Rice and Boiled Rice.**
- **Export-Focused Industries: Currently none identified.**

#### **6. Potential Areas for Service Industry**

- **Logistics and Warehousing:** Modern storage for rice exports.
- **Agro-Processing:** Value addition (parboiled rice, bran oil).
- **Export Facilitation:** Digital marketing and export documentation services.

#### **7. District Export Data**

- **Export Performance (Last Three Months): Nil.**

### **SWOT Analysis for Rice Exports**

#### **Strengths**

- 1. Fertile Lands:**
  - Peddapalli has fertile soils that are ideal for rice cultivation.
- 2. Favorable Climate:**
  - The district's climate is conducive to high-yield rice production.
- 3. Irrigation Facilities:**
  - Availability of water resources, including proximity to irrigation projects like Kaleshwaram, ensures consistent cultivation.
- 4. Skilled Labor Force:**
  - A skilled and abundant workforce is available for rice farming, harvesting, and processing.
- 5. Premium Rice Varieties:**
  - Cultivation of high-quality rice varieties such as Sona Masuri increases market appeal.
- 6. Proximity to Markets:**
  - Well-connected to domestic and export markets through road and rail networks.
- 7. Government Support:**
  - Telangana government's initiatives for agricultural development and subsidies benefit rice farmers.

#### **Weaknesses**

- 1. Infrastructure Challenges:**
  - Lack of sufficient infrastructure for transportation, storage, and logistics impacts efficiency.

**2. Limited Warehousing Facilities:**

- Insufficient modern storage and warehousing facilities lead to post-harvest losses.

**3. Export-Grade Processing Infrastructure:**

- Limited facilities for export-standard rice milling and packaging affect competitiveness in international markets.

**4. Dependency on Monsoon:**

- Heavy reliance on unpredictable monsoon rains makes cultivation vulnerable to weather variability.

**5. Dependency on Middlemen:**

- Farmers often rely on intermediaries for market access, reducing profit margins.

**6. Lack of Brand Recognition:**

- Local rice varieties lack strong brand visibility in global markets, affecting competitiveness.

**7. Price Volatility:**

- International rice price fluctuations can negatively impact profitability.

**Opportunities**

**1. Growing Global Demand:**

- Increasing global population and evolving dietary preferences are driving higher demand for rice.

**2. Value-Added Products:**

- Opportunities to process rice into value-added products like rice flour, rice noodles, and ready-to-eat meals to enhance revenue.

**3. Organic and Specialty Rice:**

- Rising demand for organic and specialty rice varieties allows for premium pricing in niche global markets.

**4. Digital Platforms for Promotion:**

- Leveraging e-commerce and digital trade platforms can expand market reach and facilitate direct-to-consumer sales.

**5. Government Initiatives:**

- Programs like the District as Export Hub Initiative and Agriculture Export Policy can support market expansion and modernization.

**6. Export Market Expansion:**

- High demand for quality Indian rice in markets like the Middle East, Europe, and Southeast Asia presents new export opportunities.

**Threats**

**1. Climate Change:**

- Risks from changing rainfall patterns, rising temperatures, and pest outbreaks threaten crop yields.

**2. Competition:**

- Competition from other rice-producing regions within India and globally (e.g., Vietnam, Thailand) can reduce Peddapalli's market share.

**3. Trade Barriers:**

- Import restrictions, tariffs, quotas, and non-tariff barriers in other countries can hinder smooth export operations.

**4. Currency Fluctuations:**

- Exchange rate volatility impacts export profitability and pricing strategies.

#### 5. Inconsistent Export Standards:

- Challenges in maintaining consistent adherence to international quality standards can impact reputation and market access.

#### 6. Climate Variability:

- Erratic weather and climatic conditions could lead to reduced crop quality and production volumes.

### Action Plan Based on SWOT

#### 1. Strengths and Opportunities: Actions

| Action/Initiative                                  | Stakeholders                                        | Timeline |
|----------------------------------------------------|-----------------------------------------------------|----------|
| Establish modern rice milling and processing units | District Industries Centre, Ministry of Agriculture | 2 years  |
| Develop export-specific rice clusters              | State Agriculture Department, APEDA                 | 5 years  |
| Promote GI-tagged varieties                        | APEDA, Export Promotion Councils                    | 1 year   |
| Organize export-specific training                  | NABARD, State Agriculture University                | Ongoing  |

##### Details:

- Establish modern rice milling and processing units:**  
Invest in state-of-the-art milling and processing facilities to ensure rice meets international quality standards, thereby enhancing export potential.
- Develop export-specific rice clusters:**  
Create dedicated clusters focused on rice export to streamline production, processing, and distribution, ensuring efficiency and scalability.
- Promote GI-tagged varieties:**  
Enhance the marketability of Peddapalli's rice by leveraging the Geographical Indication (GI) tag, emphasizing quality and origin in international markets.
- Organize export-specific training:**  
Continuously train farmers and stakeholders on best practices for rice cultivation, processing, and export compliance to maintain high standards and competitiveness.

#### 2. Weaknesses and Threats: Interventions

| Intervention                            | Stakeholders                            | Timeline |
|-----------------------------------------|-----------------------------------------|----------|
| Establish storage facilities            | Ministry of Food Processing, State Govt | 2 years  |
| Set up quality certification centers    | APEDA, NABARD                           | 1 year   |
| Build cold chain infrastructure         | Ministry of Commerce, Local Logistics   | 5 years  |
| Promote digital marketing for exporters | MSME Department, EPCs                   | 6 months |

##### Details:

- Establish storage facilities:**  
Develop modern storage solutions to reduce post-harvest losses and maintain rice quality during storage and transportation.
- Set up quality certification centers:**

Implement certification processes to ensure rice meets international quality standards, enhancing trust and acceptance in global markets.

- **Build cold chain infrastructure:**

Invest in cold storage and efficient logistics to preserve rice quality from farm to export destinations, minimizing spoilage and maintaining freshness.

- **Promote digital marketing for exporters:**

Utilize digital platforms and marketing strategies to increase visibility and reach of Peddapalli's rice in international markets, bypassing traditional middlemen.

### 3. Bottlenecks and Proposed Interventions

| Problem               | Proposed Intervention                       | Stakeholders                |
|-----------------------|---------------------------------------------|-----------------------------|
| Post-harvest losses   | Build modern warehouses                     | Ministry of Food Processing |
| Quality inconsistency | Set up quality testing centers              | APEDA, NABARD               |
| High logistics costs  | Develop cold chain and improve connectivity | Ministry of Commerce        |

#### Details:

- **Post-harvest losses:**

Construction of modern warehouses equipped with climate control and pest management systems to significantly reduce losses post-harvest.

- **Quality inconsistency:**

Establish quality testing centers to regularly monitor and ensure the consistency and premium quality of rice, aligning with international standards.

- **High logistics costs:**

Develop an efficient cold chain network and improve transportation connectivity to lower logistics costs, making exports more competitive and profitable.

### 4. Action Plan with Quantifiable Targets

| Target                                 | Details                                   | Timeline |
|----------------------------------------|-------------------------------------------|----------|
| Establish export-quality milling units | 3 units with 500 tonnes/day capacity      | 3 years  |
| Build storage depots                   | 5 facilities with 100-tonne capacity      | 2 years  |
| Train farmers on export standards      | 5,000 farmers                             | 1 year   |
| Increase export volume                 | Achieve 20% annual growth in rice exports | 5 years  |

#### Details:

- **Establish export-quality milling units:**

Set up three modern milling units, each capable of processing 500 tonnes of rice per day, to meet the growing export demand and ensure high-quality standards.

- **Build storage depots:**

Develop five storage depots, each with a capacity of 100 tonnes, to facilitate efficient storage

and reduce post-harvest losses.

- **Train farmers on export standards:**

Conduct training programs for 5,000 farmers to educate them on international export standards, best agricultural practices, and compliance requirements.

- **Increase export volume:**

Target a 20% annual growth in rice exports over the next five years by implementing strategic actions and leveraging strengths and opportunities identified in the SWOT analysis.

### Support and Incentives

| Initiative/Support                             | Details                                                                                                                                                                          | Responsible Entities                                                             | Potential Impact                                                                                                       |
|------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|
| Financial Subsidies for Modernization          | Provide subsidies or low-interest loans for setting up modern rice mills, storage facilities, and cold chain infrastructure.                                                     | Ministry of Agriculture, State Government, NABARD                                | Encourages infrastructure development, reduces capital burden on entrepreneurs.                                        |
| Branding and Marketing Assistance              | Offer grants for developing branding strategies, packaging improvements, and participation in international trade fairs and expos.                                               | APEDA, Export Promotion Councils, State Trade Promotion Organizations            | Enhances global visibility, builds brand recognition, and increases market penetration.                                |
| Quality Enhancement Programs                   | Fund training programs and provide equipment for quality testing and certification. Offer incentives for farmers who consistently meet export-quality standards.                 | APEDA, NABARD, Agricultural Universities                                         | Ensures uniform quality, boosts buyer confidence, and leads to better pricing in international markets.                |
| Technology Integration Support                 | Provide incentives for adopting modern farming techniques, precision agriculture tools, and digital platforms for direct-to-consumer sales.                                      | State Agriculture Department, Ministry of Commerce (for e-commerce facilitation) | Improves efficiency, traceability, and ease of access to global consumers, while reducing intermediaries.              |
| Crop Insurance and Climate-Resilience Measures | Offer subsidized crop insurance schemes and grants for climate-resilient seed varieties and farming practices. Promote water-saving irrigation methods and pest-resistant crops. | State Government, Central Government Schemes, Insurance Companies                | Protects farmers against climate-induced losses, maintains stable production volumes, and reduces risk in cultivation. |
| Export Incentive Schemes                       | Provide export incentives such as duty drawbacks, tax rebates, and freight subsidies to exporters who achieve set                                                                | Ministry of Commerce, DGFT (Directorate                                          | Makes exports more competitive globally, encourages volume growth, and fosters                                         |

|                                         | growth targets or quality benchmarks.                                                                                                                          | General of Foreign Trade)                                                      | adherence to quality and safety standards.                                                                         |
|-----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|
| Research and Development Grants         | Support R&D in developing new rice varieties (e.g., specialty or high-value organic strains), improved milling technologies, and advanced packaging materials. | ICAR (Indian Council of Agricultural Research), State Agriculture Universities | Drives innovation, helps differentiate Peddapalli's offerings, and taps into premium niche markets.                |
| Infrastructure Development Partnerships | Partner with private sector entities through PPP models to build logistics hubs, integrated warehouses, and export facilitation centers.                       | District Industries Centre, Private Investors, Logistics Companies             | Streamlines the supply chain, reduces overhead costs, and ensures timely and efficient delivery to global markets. |

### Expected Outcomes of Support and Incentives

- **Enhanced Export Competitiveness:** Financial and marketing support, along with branding assistance, will help Peddapalli's rice stand out in global markets.
- **Sustainable Growth:** Climate-resilient practices, crop insurance, and research support will ensure long-term sustainability and stable production.
- **Quality and Value Addition:** Quality testing, R&D, and value-added product innovations will increase profitability and consumer trust.
- **Stronger Market Linkages:** E-commerce incentives and infrastructure development will create direct connections between producers and international consumers, reducing reliance on intermediaries.
- **Increased Farmer Incomes:** Better market access, stable prices, and reduced post-harvest losses will directly translate into higher incomes for farmers, improving their quality of life and economic stability.

### Training and Development Needs

| Focus Area                  | Details                                                                      | Responsible Entity                |
|-----------------------------|------------------------------------------------------------------------------|-----------------------------------|
| Farmer Training             | Export compliance, GAP (Good Agricultural Practices), and residue management | NABARD, Agricultural Universities |
| Processor Training          | Modern milling techniques and value-added product development                | District Industries Centre        |
| Workforce Skill Development | Export documentation, digital marketing, and e-commerce proficiency          | State Skill Development Agencies  |

### Mid-Term and Long-Term Export Strategies

#### Mid-Term (2-3 Years)

##### 1. Infrastructure Development:

- Build cold storage facilities, integrated logistics hubs, and export-oriented processing units.

##### 2. Market Expansion:

- Tap into nearby international markets such as the Middle East, Southeast Asia, and Europe.

### 3. Capacity Building:

- o Train farmers and processors on export standards and market requirements.

### 4. Brand Creation:

- o Develop a unique brand identity for Peddapalli rice, leveraging high-quality varieties like Sona Masuri.

### Long-Term (5+ Years)

#### 1. Position Peddapalli as an Export Hub:

- o Establish the district as a global hub for rice exports, focusing on value-added products.

#### 2. Diversify Product Offerings:

- o Invest in ready-to-eat rice products, organic rice varieties, and rice-based snacks.

#### 3. Strengthen Global Market Linkages:

- o Build relationships with international buyers and ensure consistent supply through digital platforms.

#### 4. Policy Advocacy:

- o Advocate for favorable export policies, including trade agreements with key importing countries.

### Expected Outcomes

#### 1. Enhanced Export Competitiveness:

- o Improved infrastructure, branding, and incentives will boost the district's marketability.

#### 2. Sustainable Growth:

- o Climate-resilient practices and crop insurance will ensure long-term production stability.

#### 3. Increased Farmer Incomes:

- o Direct-to-consumer sales and reduced post-harvest losses will enhance profitability.

#### 4. Stronger Market Presence:

- o Establishing a reputation for premium quality rice will attract repeat buyers and new markets.

### Annexure 1: Template for the Regional Authorities to Collate Data

#### (I) General Information

| Particulars                                             | Details (Enter Response Here)                              | Comments (if any)              | Instructions       |
|---------------------------------------------------------|------------------------------------------------------------|--------------------------------|--------------------|
| (1) State/Union Territory                               | Telangana                                                  |                                |                    |
| (2) District                                            | Peddapalli                                                 |                                |                    |
| (3) Product/Service                                     | Rice                                                       |                                |                    |
| (4) HS Code of the Product                              | 1006                                                       |                                |                    |
| (5) Whether GI Tagged                                   | No                                                         |                                | Fill 'Yes' or 'No' |
| (6) Industry                                            | Rice Mills( Raw & Boiled)                                  | Example: Agriculture for rice. |                    |
| (7) Is the Product Perishable?                          | No                                                         |                                | Fill 'Yes' or 'No' |
| (8) Concerned Line Ministry, State Departments & Boards | Ministry of Agriculture, Telangana State Agriculture Dept. |                                |                    |
| (9) Concerned Industry                                  | District Rice Millers                                      |                                |                    |

**(II) Current Status of the Product/Service**

| Particulars                                            | Details (Enter Response Here)         | Comments (if any)                       | Instructions                       |
|--------------------------------------------------------|---------------------------------------|-----------------------------------------|------------------------------------|
| (1) Production Capacity (in units)                     | 3,00,000 tons/year                    | Approximation based on current capacity |                                    |
| (2) Processing Units (in number)                       | 125                                   | Small                                   |                                    |
| (3) Composition of Production Units                    | Small: 125,                           |                                         |                                    |
| (4) Marginalized Groups Engaged                        | -                                     |                                         | -                                  |
| (5) Demand in India (last 6 months)                    | 2,00,000 tons                         | Based on local consumption data         |                                    |
| (6) Supply in India (last 6 months)                    | 1,80,000 tons                         | Limited by logistics                    |                                    |
| (7) Demand in the International Market (last 6 months) | 50,000 tons                           | Increasing in Southeast Asia            |                                    |
| (8) Supply in the International Market (last 6 months) | 20,000 tons                           | Limited by infrastructure gaps          |                                    |
| (9) Top Importing Countries                            | UAE, Saudi Arabia, UK, Singapore, USA |                                         | Mention top 5 in quantity imported |

**(III) Current Status of Value-Added Products/Services**

| Particulars                         | Details (Enter Response Here)                  | Comments (if any)                    | Instructions                                            |
|-------------------------------------|------------------------------------------------|--------------------------------------|---------------------------------------------------------|
| (1) Name of the Value-Added Product | Parboiled Rice, Rice Bran Oil                  |                                      | Example: Products/services developed from raw materials |
| (2) Production Capacity             | 3,00,000 tons/year (Parboiled Rice & Raw Rice) |                                      |                                                         |
| (3) Processing Units (in number)    | 10                                             | Includes small and medium facilities |                                                         |
| (4) Composition of Production Units | Small: 8, Medium: 2, Large: 0                  |                                      |                                                         |
| (5) Marginalized Groups Engaged     | -                                              |                                      |                                                         |
| (6) Demand in India (last 6 months) | 1,50,000 tons                                  | Parboiled rice has higher demand     |                                                         |
| (7) Supply in India (last 6 months) | 1,00,000 tons                                  |                                      |                                                         |
| (8) Demand in International Market  | 30,000 tons                                    |                                      |                                                         |
| (9) Supply in International Market  | 15,000 tons                                    |                                      |                                                         |
| (10) Top Importing                  | UAE, Qatar, Japan                              |                                      | Mention top 5 importing                                 |

|                                             |                                      |  |                           |
|---------------------------------------------|--------------------------------------|--|---------------------------|
| Countries                                   |                                      |  | countries                 |
| (11) Scope for Value Addition               | Ready-to-Eat Rice, Rice-based snacks |  | Identify future potential |
| (12) Is the Value-Added Product Perishable? | No                                   |  | Fill 'Yes' or 'No'        |

#### (IV) Problems in the Supply Chain, Interventions Required, and Responsible Authority

| Issue                                 | Description/Proposed Intervention           | Responsible Authority                    |
|---------------------------------------|---------------------------------------------|------------------------------------------|
| (1) Tech Related                      | Automation in rice milling                  | Ministry of Commerce                     |
| (2) Standards & Certification Related | Lack of export certification labs           | APEDA, NABARD                            |
| (3) Quality of Output                 | Need for standardized grading systems       | District Agriculture Office              |
| (4) Awareness Related                 | Lack of global market awareness             | Export Promotion Councils                |
| (5) Infrastructure Related            | Modern warehouses and cold storage          | Ministry of Food Processing              |
| (6) Logistics Related                 | High freight costs for exports              | MSME Department, Private Logistics Firms |
| (7) Workforce Training Related        | Need for skill training on export standards | State Agriculture University             |
| (8) Working Capital Related           | Limited access to affordable credit         | NABARD, Local Banks                      |
| (9) Policy & Regulations Related      | Simplify export tax procedures              | DGFT                                     |
| (10) Infringement/Duplication Related | Counterfeit rice brands in export markets   | Ministry of Commerce, Legal Entities     |

#### (V) Potential for Other Products/Services

| Product/Service        | Details                                         | Comments                                   |
|------------------------|-------------------------------------------------|--------------------------------------------|
| Rice-Based Products    | Ready-to-eat rice, flavored rice snacks         | High demand in urban and global markets    |
| Logistics              | Establishment of export-oriented logistics hubs | Potential PPP partnerships                 |
| Eco-Friendly Packaging | Development of biodegradable rice packaging     | Opportunity to tap eco-conscious consumers |

#### Month-Wise Targets:

##### First Month

- Awareness: Launch awareness campaigns about export opportunities for farmers and millers.
- Permissions: Identify all regulatory permissions needed for export and initiate the application process.
- Quality: Organize workshops on Good Agricultural Practices (GAP) and export standards.

- Infrastructure: Assess current storage and milling facilities for modernization needs.
- Logistics: Map existing supply chain and logistics gaps.

#### **2nd to 3rd Month**

- Awareness: Distribute educational materials about international market demands.
- Permissions: Obtain quality certifications for existing rice mills.
- Quality: Begin training sessions for farmers on residue management and export-grade production.
- Infrastructure: Finalize plans for storage depots and quality certification centers.
- Logistics: Start developing digital marketing strategies for exporters.

#### **4th to 6th Month**

- Awareness: Conduct export-specific training programs in collaboration with APEDA and NABARD.
- Permissions: Secure permissions for GI-tagging and promote it.
- Quality: Establish a quality testing lab for export-standard rice.
- Infrastructure: Begin construction of 2 modern storage facilities.
- Logistics: Partner with private firms to improve road and rail connectivity.

#### **7th to 12th Month**

- Awareness: Launch digital platforms for promoting Peddapalli rice globally.
- Permissions: Streamline export documentation processes for ease of access.
- Quality: Certify at least 3 export-quality rice mills.
- Infrastructure: Complete storage depots and begin cold chain network development.
- Logistics: Start trial exports to nearby international markets like UAE and Southeast Asia

### **Milestone-Based Targets**

#### **3-Month Target**

- Awareness campaigns initiated.
- First batch of farmers trained on export standards.
- Plans for 2 storage facilities finalized.
- Initial permissions for export processing filed.

#### **6-Month Target**

- 50% of targeted farmers (around 2,500) trained.
- Quality certification lab operational.
- Two storage depots under construction.
- Export trial shipments initiated.

#### **1-Year Target**

- Export training for 5,000 farmers completed.
- Three export-quality rice mills established.
- Five storage depots with 100-tonne capacity operational.
- Digital marketing strategies implemented with a 10% rise in inquiries

#### **3-Year Target**

- Fully functional cold chain logistics network.
- 20% annual growth in rice exports achieved.
- Peddapalli recognized as a rice export hub with branded premium rice varieties.
- Value-added product lines (e.g., rice snacks) contributing 10% to export revenues.

This timeline ensures progress in all identified aspects while addressing infrastructure and logistical gaps to boost exports.

A. Keerthi Karth  
General Manager  
DIC-Peddapalli

  
District Collector  
Chairman-DLEPC