



Department of MSME and Export Promotion

Draft District Export Action Plan, Ballia,
Uttar Pradesh

Knowledge Partner



विदेश व्यापार महानिदेशालय
DIRECTORATE GENERAL OF
FOREIGN TRADE

सत्यमेव जयते

Districts
as Export Hubs

EY

Building a better

Preface

This district export plan for Ballia District is being prepared as a part of Developing District as Export Hub under the District Export Hub Scheme initiated by the Ministry of Commerce & Industry, Govt of India and state Government of Uttar Pradesh. Hon'ble Prime Minister in his Independence Day Speech on 15th August 2019, had, inter- alia observed that each of our district has a diverse identity and potential for targeting global markets and there is a need for converting each district into potential export hubs. In order to implement Hon'ble PM's vision for each district, Department of Commerce has mandated the Directorate General of Foreign Trade to work with State Government and District Level authorities to promote the Ballia district as an export hub. In view of above, a District Level Export Promotion Committee has been formed by the office of DIC, Ballia under the chairmanship of District Magistrate. With the said objective, 'District Export Action Plan' has been prepared and being presented to concerned stakeholders.

The report encompasses in-depth information on each district's geographic, demographic, and administrative profile, along with key statistics of prominent exporting products of district, gaps identified basis diagnostic survey, recommendations proposed to mitigate the gaps and action plans required to implement those recommendations.

The report provides insights into exports from the cluster, via analysing exports over the last five years from India and UP for the respective product. The report also shares insights on availability of raw material, technology upgradation, infrastructure, designing, packaging, access to finance, skill development etc. Besides the detailed action plans, the timeline and responsibility matrix has also been defined with implementation schedule to give implementation roadmap of the product.

For this desired purpose, an extensive primary and secondary research was conducted. The report has been prepared in co-ordination with the Office of DGFT, Kanpur and Uttar Pradesh Export promotion Bureau (UPEPB). The data has been sourced from multiple avenues, including but not limited to data provided by office of DGFT, Kanpur, UAM data (2019), DICs, 2011 Census of India, Diagnostic Study Reports, stakeholder consultation and several other secondary resources.

Abbreviations

CFC	Common Facility Centre
CONCOR	Container Corporation of India
DGFT	Director General of Foreign Trade
DIC	District Industries Centre
DIEPC	District Industry and Enterprise Promotion Centre
DPR	Detailed Project Report
EPC	Export Promotion Council
EPCG	Export Promotion Capital Goods
FIEO	Federation of India Export Organization
FTA	Free Trade Agreement
GCC	Gulf Cooperation Council
GDP	Gross Domestic Product
GI	Geographical Indication
GST	Goods and Services Tax
HS	Harmonized System
IC	International Cooperation
IEC	Import Export Code
IIP	Indian Institute of Packaging
INR	Indian Rupee
KVK	Krishi Vigyan Kendra
MAS	Market Assistance Scheme
MoU	Memorandum of Understanding
MSE CDP	Micro & Small Enterprises - Cluster Development Programme
MSME	Micro, Small and Medium Enterprises
NGO	Non-Governmental Organisation

NIC Code	National Industrial Classification Code
NIC	National Informatics Centre
NID	National Institute of Design
NIFT	National Institute of Fashion Technology
ODOP	One District One Product
QCI	Quality Council of India
RMB	Raw Material Bank
SPV	Special Purpose Vehicle
SWOT	Strength, Weakness, Opportunities, Threats
TBT	Technical Barriers to Trade
UAE	United Arab Emirates
UK	United Kingdom
UP	Uttar Pradesh
UPEPB	Uttar Pradesh Export Promotion Bureau
UPHDMC	UP Handicrafts Development and Marketing Corporation Ltd.
USA	United States of America
USD	United State Dollar
UT	Union Territory

Contents

1.	Vision of Districts as Export Hubs	7
2.	District Profile	7
2.1	Geography.....	7
2.2	Topography & Agriculture.....	8
3.	Industrial profile of the district.....	8
3.1	Major Exportable Product from Ballia	10
4.	Product: Bindi	10
4.1	Cluster Overview	10
4.2	Product profile	11
4.2.1	Product Portfolio	11
4.2.2	Status of GI Tag.....	11
4.3	Cluster Stakeholders	12
4.3.1	Industry Associations	12
4.4	Export Scenario	12
4.4.1	HS code.....	12
4.5	Export Potential	13
4.6	Potential Areas for Value Added Product	14
4.7	SWOT analysis	15
4.8	Challenges and interventions.....	16
4.9	Future Outcomes	18
5.	Scheme under Uttar Pradesh Export Promotion Bureau	20
6.	Action Plan	21

List of Tables

Table 1: Industries details.....	8
Table 2: Occupational Distribution of Main Workers.....	9
Table 3: Major exportable product.....	10
Table 5: HS code for Bindi.....	12
Table 6: SWOT Analysis.....	15

List of Figures

Figure 1: MSME landscape of the district.....	9
Figure 2: Occupational distribution of Ballia.....	10
Figure 3: Key facts of Bindi.....	11
Figure 4; Product value chain.....	11
Figure 5: Cluster Stakeholders.....	12
Figure 6: Top importers for this product (330499) in the world.....	14
Figure 7: Markets for export potential.....	14

1. Vision of Districts as Export Hubs

“Each district of our country has a potential equal to that of one country, each of our districts has the capacity equal to a small country in the world. why should each district not think of becoming an export hub? Each of our districts has a diverse identity and potential for global market”

- Honourable Prime Minister of India, Shri Narendra Modi

Foreign trade from India constitutes of 45% of its GDP. Until 2019, only the central government was engaged in the decision making of foreign trade, without any participation or involvement of state and/or district stakeholders. However, now, understanding that there are diverse elements that contribute towards an enabling and conducive foreign trade environment; the central government has identified that with policy & strategy, active support of the state governments and district administrations are also equally required.

Thus, to decentralize the existing activities, to boost local production & its exports and to ensure active participation of state & district stakeholders, vision of district as export hubs was put to action. Department of Commerce, through Directorate General of Foreign Trade (DGFT) is working with the State / UT Governments to achieve this objective.

DGFT and UPEPB have aimed at synergising their efforts to identify the key products, export trends and challenges. Further in order to minimize the challenges, quantify the exports and outline export strategy; a detailed district-wise Export Action Plan has been made for all 75 districts of UP, where EY has contributed as Knowledge Partner.

2. District Profile

Ballia is a district in Uttar Pradesh, with its district headquarters located at Ballia town. Ballia district is a part of Azamgarh division situated in the East of Uttar Pradesh. The main economic activity in the district is agriculture, given the fertile land. There are six tehsils in this district, namely – Ballia, Banskhi, Rasra, Bairia, Sikandarpur and Belthara. Rasra is the second major commercial area of the district, with a government owned sugar mill and a cotton-weaving industry. Although Ballia primarily engages in agriculture, there exist some supplementary small industries. Maniar and Sikandarpur is known for its bindi industry and is one of the major suppliers. The major industry at Ballia is of Bindi. The product is supplied in Uttar Pradesh as well as across the country. This industry plays an important role in revenue generation of district.

2.1 Geography

Ballia lies in the eastern most part of Uttar Pradesh bordering Bihar. The district is surrounded by six districts namely, Mau (U. P.) on the west, Ghazipur (U. P.) on the southwest, Bhojpur (Bihar) on the south, Chapra (Bihar) on the east and Deoria (U. P.) & Siwan (Bihar) on the north. The total area of district is 2981 Sq. Km. supporting a total population of 27.61 lakh with a density of 926 persons per Square Km., as against the state average of 648 persons per Square Km. There are three main rivers in the district: the Ghaghra, the Ganga and the Saryu. The district lies between the parallels of 25°33' and 26°11' North latitudes and 83°38' and 84 ° 39' East longitudes¹.

¹ www.ballia.nic.in

Ballia is well connected to the state capital Lucknow and the cities of Varanasi, Gorakhpur, Kanpur, Agra, Varanasi and Allahabad by road. The state bus corporation UPSRTC is the primary road transport media. Ballia railway station caters to many trains daily including 2 FRajdhani Expresses. Train connectivity to major cities of India like Delhi, Mumbai, Kolkata as well as to Lucknow, Kanpur, Agra, Varanasi and Allahabad via many trains is available.

2.2 Topography & Agriculture

The district comprises of an irregularly shaped tract extending westward from the confluence of the Ganga and the Ghaghra, the former separating it from Bihar in the south and the latter from Deoria and Bihar in the north and east respectively. The boundary between Ballia and Bihar is determined by the deep streams of these two rivers. Besides being surrounded by two major rivers Ganges and Ghaghra (Saryu), the district is also intersected by numerous streams that make its land more fertile

Though, there are no hills, the surface level is varied because of the high banks of the rivers and the gentle slope from the central water shed towards the Ganga, the Ghaghra and the Saryu. There are depressions of varying depth and extent in which the drainage water gets collected, prior to its draining into the main streams of the rivers. The district can be divided into two natural divisions: the interior upland and the lowland tract. In terms of area both the divisions are approximately equal. The upland has an average altitude of 64 meters above sea-level and comprises of the western half of the district.

Ballia has damp and humid subtropical climate with cool, dry winters from October to February and dry, hot summers from March to June. The rainy season is from mid-June to mid-September, when Ballia gets an average rainfall of 999.5 millimetres. In winter, the maximum temperature is around 25 °C (77 °F) and the minimum is in the 3 to 4 degrees Celsius range. Fog is quite common from late December to late January. Summers are extremely hot with temperatures rising to the 40-to-46-degree Celsius range.²

3. Industrial profile of the district

As given in the following table, MSME industries across the sectors of agro-based industries, repair & servicing, wood, metal, textile, chemical, leather, paper and paper products etc. are the key economy drivers of the district.

Repairing and Servicing, highest among all the enterprises contribute most in terms of employment and revenue, which is approximately 35% and 17% respectively followed by agro based industries which contributes ~24% to revenue and ~18% of work force is employed in this vertical.

Table 1: Industries details³

NIC Code no	Type of Industry	Number of units	Investment (Rs Lakh)	Employment
20	Agro Based	1136	1341	5951
23	Textiles	1600	1900	6204
27	Wood and wooden based furniture	1000	1400	4100
28	Paper and paper products	100	200	300

² www.agricoop.nic.in

³ Dcmsme.gov.in

29	Leather	400	100	1300
31	Chemical/chemical based	200	300	900
32	Mineral based	100	200	301
33	Metal Based	300	100	202
35	Engineering units	500	800	1900
36	Electrical machinery and transport equipment	300	300	1100
97	Repairing and servicing	3960	1351.7	12049
	Total	9596	7992.7	34307

Repairing and servicing sector of MSME with 3960 units in the district is the most prominent and economy contributing sector of the district. It is followed by sectors such as “agro based,” “Textiles,” with 1136 and 1600 units, respectively.

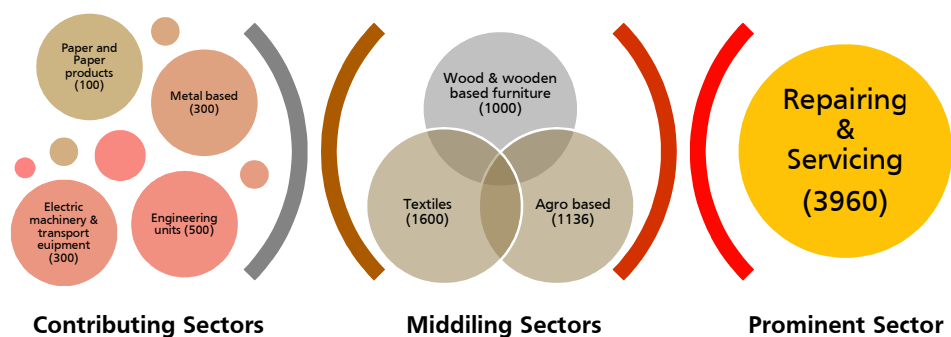


Figure 1: MSME landscape of the district

Out of total population of 32,39,774 (2011 census), 10,19,483 are working population. Out of total working population, 35% are working in other industries, 20.2% are cultivators, 37.7% are agricultural labourers and only 7.1% are household industry workers. This indicates that agriculture is the main source of income in the district.

Table 2: Occupational Distribution of Main Workers⁴

S.No.	Particulars	Ballia	%
1	Cultivators	206228	20.2%
2	Agriculture Labourers	384432	37.7%
3	Household Industry Workers	72,194	7.1%

⁴District census handbook 2011–Ballia

4	Others	356629	35%
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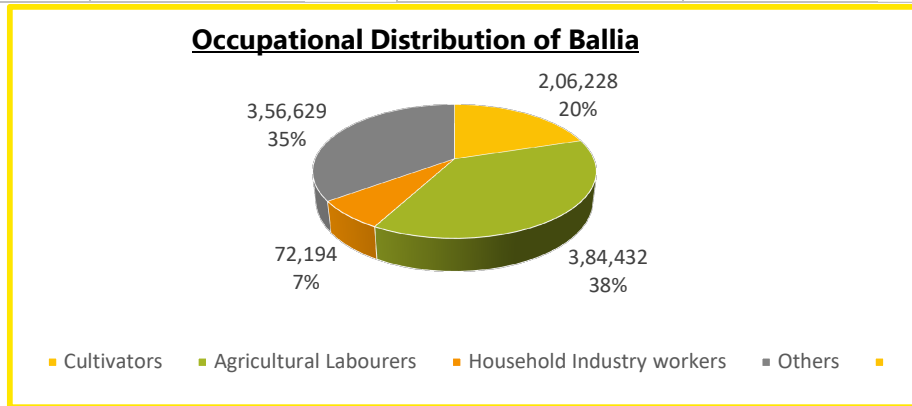


Figure 2: Occupational distribution of Ballia

3.1 Major Exportable Product from Ballia

The total export from Ballia is approximately INR 0.87 Cr for the period September 2020 to November 2021.

The following table depicts the value of export of major products from Ballia:

Table 3: Major exportable product

S. No	Product	Export value (in INR) ⁵ from September 2020 to November, 2021
1	Bindi	Indirect exports from district*
Total Export		0.87 Cr.⁶

* District export data for Black Pottery is not available in the excel sheet provided by DGFT

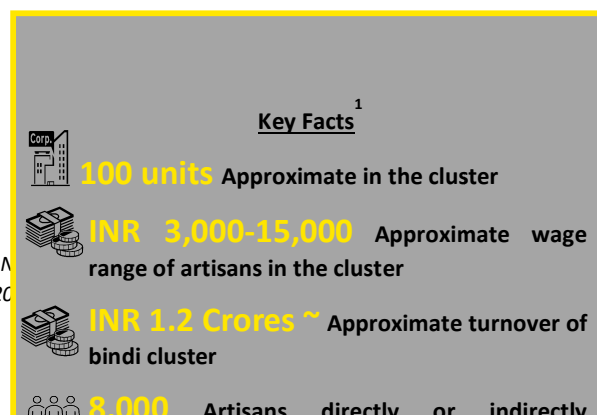
4. Product: Bindi

4.1 Cluster Overview

The term bindi is derived from *bindu*, the Sanskrit word for a dot or a point, also representing the numeral zero. Bindi, in

⁵ District wise report for the period September 2020 to November 2021

⁶ Total export from Ballia for the period September 2020 to November 2021, Kanpur



India, is traditionally a mark of pigment applied to the forehead and is associated with the Hindu symbol of the third eye. Indian women wear the customary red bindi as a symbol of marriage. The traditional bindi has, gradually, transitioned into a commercially manufactured stick-on vinyl, a disposable commodity that can be referred to as a secular, feminine accessory.

Bindi is widely used by the Indian housewives. They are regular consumable items that are known to add grace to the women’s personalities, with a dignified outlook. The bindi is equally used by both married as well as unmarried girls. The demand for bindi is increasing, as the modern women prefer to wear bindi in assorted shades.

Figure 3: Key facts of Bindi

There exist five primary villages, where Bindi handicraft is concentrated, namely – Maniar Muhalla, Garhwar, Triklapur, Jigani, Babhanouli and Shatwar. The total population of these villages is approximately 8,000, with nearly 1,200 households. There are around 50 production units that employ close to 600 workers⁷.

At the onset of the craft, the bindi were predominantly made from glass. It has been said that some members of a Muslim family learnt the craft techniques from Kolkata and other regions. They later graduated, to sourcing the entire value chain of bindi production from the locals of Ballia by providing them with relevant training. It was in the year 1975 that the glass bindi transformed into velvet bindi. In the next two decades, the Ballia bindi industry flourished and became rather popular.

4.2 Product profile

The cluster performs a part of value chain. The cutting and pasting of bindi is done outside the cluster. The pre-pasted bindi sheets are supplied by the traders and agents to the village workers. These are pasted on to different sizes of foldable pouches of paper. Bindi from the sheets is pasted on the foldable paper, in specific numbers, depending on the design and size of bindi. The number may vary from a single bindi to a dozen bindis on single sheet. The sheets with pasted bindis are folded in pre-branded paper envelopes. Each of this small pack, is further packaged in moderately superior-sized boxes for dispatch.

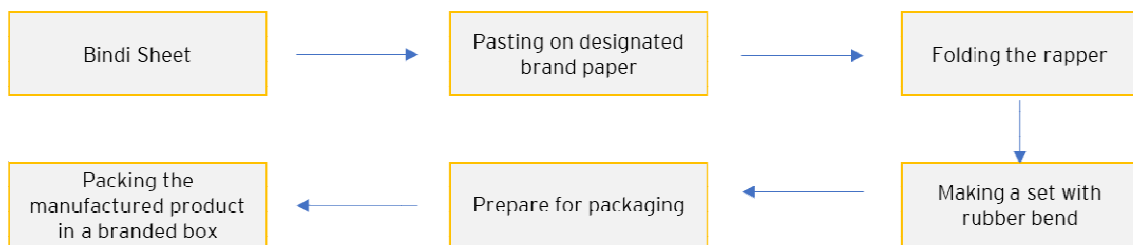


Figure 4; Product value chain

4.2.1 Product Portfolio

Different varieties of bindis are assembled in the clusters. Most of the manufacturers and traders work for diverse brands from Varanasi, Lucknow, Delhi and Mumbai.

4.2.2 Status of GI Tag

Bindi is ODOP product of Ballia district and does not hold GI tag for the product.

⁷ DSR Bindi

4.3 Cluster Stakeholders



Figure 5: Cluster Stakeholders

4.3.1 Industry Associations

Following are principal Industry Associations/NGOs that are working for the development of Bindi in Ballia:

- ▶ Jan Shikshan Snasthan
- ▶ Human Welfare Association

4.4 Export Scenario

4.4.1 HS code

The following table lists the HS codes under which the products are exported from the district:

Table 4: HS code for Bindi

HS codes	Description
330499	Beauty or make-up preparations and preparations for the care of the skin

Current Scenario

The export scenario of India and Uttar Pradesh have been analysed basis the export statistics of HS codes mentioned above under which black pottery products are exported. Alongside are the key facts⁸ pertaining to the analysed product codes.

Key Fact of Export⁸

50,975,017 (USD Thousand)

Value of world exports in 2020

1,22,895 (USD Thousand)

Total Exports from India in 2020

XXXXXX (USD Thousand) *

Total export from UP in 2020

⁸ <https://www.trademap.org/>

Based on our analysis, we have identified key synergies that should be developed to expand our current reach and potential; These synergies are divided into immediate and long term. The immediate synergies include countries with Signed FTA's, high growth potential, and one is catered by India and not UP. Whereas the long-term synergies include countries with untapped market potential which can only be fulfilled if UP's exporters comply and raise the quality of the product to the highest standards, freight rates are more subsidized and major efforts is required in marketing which will require time to accommodate the same.

**DGCI analytics website is not working*

4.5 Export Potential

- ▶ The total export of above-mentioned HS code from Uttar Pradesh was approx. INR 64 lakhs⁹ USD Thousand in year 2018-19¹⁰.
- ▶ India's exports represent 0.3% of world exports for this category, the value of India's exports has gradually increased since 2015-2019.
- ▶ Annual growth in value between 2015 to 2019 is 2% while annual growth in quantity is 8% during this period.
- ▶ India holds 32nd rank under this category and in close competition with countries like Russia, Sweden, Ireland etc.
- ▶ Total export from U.P. has jumped up from 1.14 Lakh Cr in 2018-19 to 1.20 Lakh Cr in year 2019-20 registering a growth of more than 5%.¹¹
- ▶ The cluster has tremendous export potential, but owing to lack of proper market assessment mechanism, changing design patterns, specific demand preferences, the traders in cluster are hesitant of being exporter.
- ▶ Hence, it was pointed out that the proper study of the foreign market, region specific demand patterns to be ascertained. Along with that, a common platform to be created where there can be an integration between the exporters and importers, thereby making the export ecosystem robust and effective.

⁹ DGFT excel export data 2018-19

¹⁰ DGFT

¹¹ DGFT

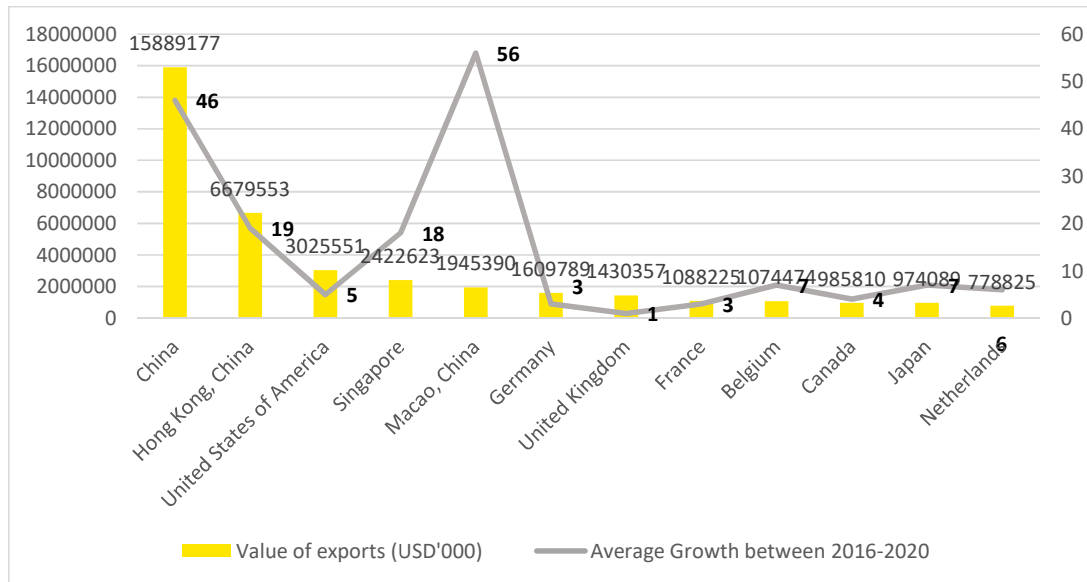


Figure 6: Top importers for this product (330499) in the world

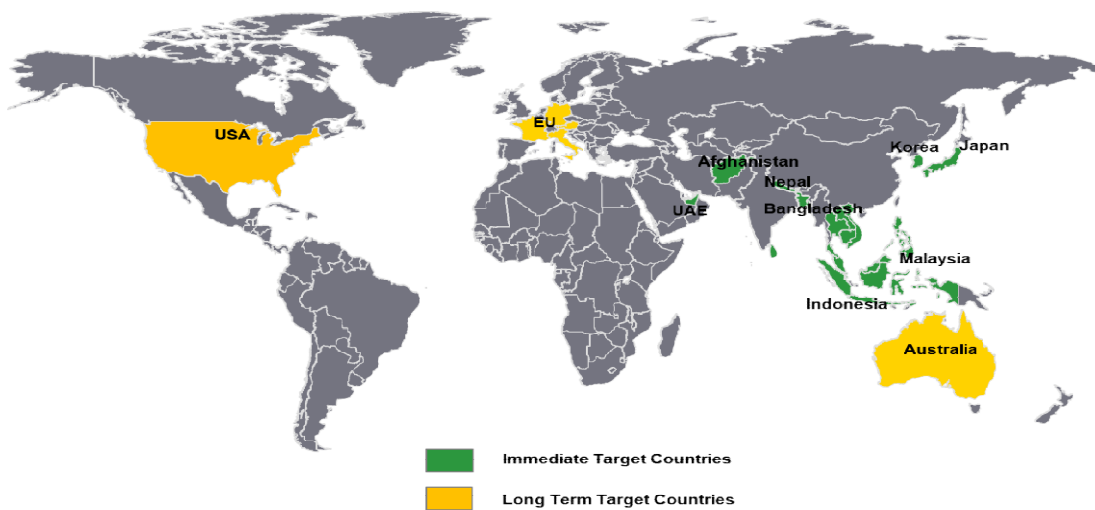


Figure 7: Markets for export potential

4.6 Potential Areas for Value Added Product

- A. Tools and technology:** The bindi making process employs a number of tools, namely – adhesive, coating machine, drying chamber and a punching machine. The Maniar cluster does not employ any form of technology, given the strip of bindi is supplied by the traders
- B. Designs:** The designs for bindis are imparted to the artisans by traders that travel to the cluster from Varanasi and Lucknow. There is an absolute dearth of innovation, with respect to the designs
- C. Quality:** The artisans have not been formally trained in the processes of binding, pasting and packaging. The craft is predominantly carried out in a rural setting, with the artisans pursuing the craft in their spare time. By providing craft training artisans can head towards manufacturing rather than job work.
- D. Product diversification:** The tiny bindi has come a long way since Independence. The bindi making has gradually diversified and at present, there are variety of bindis available in the

market. Vermilion, sandalwood and ash gave way to vials of multi-colored kumkum in the 1970s. Later, in 1986, a then-nouveau brand, Shilpa, introduced easy-to-use stick-on versions that were punched from imported maroon felt, with glue that didn't stain skin. Today, bindis are no longer a requirement of only the married women but are as fancied by the young girls. However, the diversification is understood to be the responsibility of the core brands of bindi. Despite this understanding, the cluster is absolutely devoid of product diversification. There is a pronounced purview for product diversification and value addition in the bindi cluster. The nouveau bindi stencils are extensively in fashion across the globe.

4.7 SWOT analysis

Table 5: SWOT Analysis

Strengths	Weakness
<ul style="list-style-type: none"> ▶ Uttar Pradesh in terms of Bindi sector is well endowed with cheap manpower. There is a wide variety of material base cloth and motifs both available within the state thus sourcing of raw material cost efficient. ▶ Maniar Bindi is primarily situated on important and well connected to other major urban centers of Uttar Pradesh and Bihar. Giving an adequate access to the market in fast growing semi urban and urban centres. 	<ul style="list-style-type: none"> ▶ The work involved in Bindi cluster is very generic and there is no uniqueness in either the process or the product ▶ Their production process in the cluster is only limited part of the value chain (mainly pasting and packaging. There is need to add complete value chain in the cluster. ▶ There are limited credit facilities in the cluster ▶ Poor managerial skills and education of the cluster actors. ▶ No control over marketing
Opportunities	Threats
<ul style="list-style-type: none"> ▶ Due to increase in social media impact and availability of knowledge about new fashion there is an opportunity for product diversification. ▶ There is enough opportunity to use Internet for marketing ▶ There is an opportunity to increase the local artisan's market participation. 	<ul style="list-style-type: none"> ▶ Shifting occupation Limited market access, ▶ Coopetition from China. ▶ Diminishing home market in Urban areas ▶ The craft is a Household Enterprise ▶ Practiced in household enterprises employing a majority of women artisan. However, due to the nature of the enterprise; women employment within the household either get married or discontinue practicing the craft with giving birth to a child, thus leading to a decline in the number of artisans practicing the craft, even those who adopted it as a hobby. ▶ Enterprises primarily located within the Household in and around rural and urban centers often suffer from infrastructure challenges mainly lack electricity. This limits the operation

4.8 Challenges and interventions

Parameter	Challenges	Intervention
Raw Material	<ul style="list-style-type: none"> ▶ Traders from Varanasi supply and distribute raw material to the chosen artisans. ▶ Artisans are paid in wages to make the final product. ▶ Marketing and selling the finished product are done by traders outside the cluster. ▶ Major source for raw material is Delhi and Ghaziabad. 	<ul style="list-style-type: none"> ▶ Establishment of a Raw Material Bank for desired quality and quantity to artisans at reasonable price ▶ Creating consciousness about working capital loans within the cluster
Technological upgradation	<ul style="list-style-type: none"> ▶ Conventional methods of production are used by the producers in the cluster, in the absence of advanced tools and machines. The bindi making process employs several tools, namely – adhesive, coating machine, drying chamber etc. The Maniar cluster does not employ any form of technology, given the strip of bindi is supplied by the traders. 	<ul style="list-style-type: none"> ▶ Establishment of Common Production Center with modern machines ▶ Artisans in the cluster are not engaged in the whole value chain of the craft so most of them are unaware of the latest technologies of this craft. The current need of the cluster is ▶ Training and awareness programme for local artisan for the whole production process of Bindi art i.e. from raw material to finished product.
Design	<ul style="list-style-type: none"> ▶ Unaware The designs for bindi's are imparted to the artisans by traders that travel to the cluster from Varanasi and Lucknow. There is an absolute dearth of innovation, with respect to the designs 	<p>Design Cluster has a need and requirement of</p> <ul style="list-style-type: none"> ▶ Product design studio for new designs development ▶ Modern Techniques ▶ Latest Trends ▶ Forecasts <p>Design support from the professional designers and design institutes like NIFT, NID, and NCDPD etc. is intensively required for new designs and product development.</p>
Marketing & branding	<ul style="list-style-type: none"> ▶ The efforts put in by the artisans for marketing and promotions of the craft are close to none. In the modern society, the demand for all cosmetic products is consistently 	<ul style="list-style-type: none"> ▶ Collaboration with E-commerce companies like Flipkart, Amazon, Ebay for maximizing sales. ▶ Applying to Directorate General of Foreign trade for a unique HSN Code. ▶ Increase the usage of the portal as this portal

	<p>expanding. Similarly, the demand for bindi is on the rise. This is because, in the past, it was only the married women who applied bindis but as of today, single women and college going girls as also following suite.</p> <ul style="list-style-type: none"> ▶ International demand for bindi also remains unexplored. Capturing the international market, with the help of consistent product development, in accordance with the demand ▶ No exclusive HSN code for Bindi, which could have supported in facilitation of sales in the international market. 	<p>facilitates the weavers and artisans to provide information about their handloom products for easy understanding of exporters. (http://www.indiahandmadebazaar.com/index.php.)</p> <ul style="list-style-type: none"> ▶ Conduct awareness workshops at block level to create awareness about schemes like International Cooperation (IC), Market Assistance Scheme (MAS) etc. which provides assistance to individuals/associations wishing to participate in marketing events ▶ Conduct online and offline promotional activities ▶ UPHDMC to act as the aggregator to sell the Bindi. ▶ Facilitation in exposure visits of major stakeholders in the clusters. ▶ The market for special occasion bindi and promoting bindi as a fashion statement need to be further explored. ▶ Encouraging collective marketing, online promotion, common brochure/digital catalogue, supporting participation in trade fairs at different levels, can address the marketing and promotion challenge for the artisans. ▶ Collaboration with QCI for defining quality standards of the products for exports.
Quality Improvement	<ul style="list-style-type: none"> ▶ Undefined quality standards of the products. 	<ul style="list-style-type: none"> ▶ MoU with QCI for defining quality standards of the products so that their quality can be maintained/ improved, and they can be exported across the globe with brand logo which ensures its authenticity.
Packaging	<ul style="list-style-type: none"> ▶ The artisans have not been formally trained in the processes of binding, pasting and packaging. The craft is predominantly carried out in a rural setting, with the artisans pursuing the craft in their spare time. The final packaging is executed at the traders' household. These packaging rooms are rather congested and lack suitable seating and 	<p>Bindi is a kind of product where attractive and user-friendly packaging is very important. Currently the packaging is traditional. It is difficult to sustain for long with such packaging. There should be training on new packaging material and methods of packaging.</p> <ul style="list-style-type: none"> ▶ Further, Indian Institute of Packaging (IIP) can be collaborated to suggest packaging for this product.

	packaging systems.	
Export Awareness	<ul style="list-style-type: none"> ▶ No focal point to address export related issues and spreading export awareness, process and schemes 	<ul style="list-style-type: none"> ▶ DIEPC to act as a focal point for all exporters issues. Deputy Commissioner Industries may be given this responsibility to monitor the cell in consultation with DGFT. ▶ The DIC office should organize workshops for exporters to apprise them about Foreign Trade Policy benefits viz. Duty Exemption Scheme / Advance Authorization Scheme / Duty Free Import Authorization Scheme. ▶ The CONCOR rates are to be made available at regular intervals to the DIC office for updation of the same at the district website ▶ The formation of the sub-committee comprising the representative of CONCOR and Deputy Commissioner Industries to understand the issue and suggest ways to help Industry. Ease of Logistics portal of FIEO has been developed to provide information about container availability and issues relating to it. The industry may be informed of this portal.
Skilling	<ul style="list-style-type: none"> ▶ The cluster has almost 1000 artisans. There is no institute in the cluster which is imparting training in Bindi making. 	<ul style="list-style-type: none"> ▶ There is requirement of a training programme for advanced training and skill enhancement. ▶ There is a dire need of introduction of entrepreneurship development programs and other sundry business skills (soft skills), especially for the young artisans. This step would facilitate the young artisans with direct marketing channels and would enable them to reach out to the respective consumers directly. ▶ The local training centers are also expected to promote employment of e-commerce among the artisans. It is expected that the center would facilitate initial handholding for direct sales. ▶

4.9 Future Outcomes

Annual Turnover

Cluster exports

Cluster turnover shall increase by **2 times** i.e. from **INR 1.2 Cr. to INR 2 Cr** over the span of 5 years

Artisans will be able to export their product directly

5. Scheme under Uttar Pradesh Export Promotion Bureau

Many export-oriented schemes run by GoI have been mentioned under sensitization of cluster actors. A brief detail of these schemes would benefit the entrepreneurs /exporters to a great extent.

Similarly, a brief detail of various schemes being run by Export Promotion Bureau should also be included under common interventions to apprise the exporters about various incentives being offered by the state govt in a nutshell like

A. Marketing Development Scheme (MDA)

S. No	Incentive Offered	Amount of incentive against total expenditure
1	Participation in foreign fairs/exhibitions (total three fairs /annum) a. Stall charges b. Air fare (economy class)	a. 60% of stall charges (max 01 lakh /fair) b. 50% (max 0.5 lakh for one person /fair)
2	Publicity, advertisement, development of website	60 % (max 0.60 lac/annum)
3	Sending of samples to foreign buyers	75 % (max 0.50 lac/annum)
4	ISO /BSO certification	50 % (max 0.75 lac/annum)

B. Gateway Port Scheme

Brief Description	Assistance is given to all manufacturing exporting units on expenses incurred on the rail transport of their goods from ICD/CFS to Gateway ports.
Eligible units	Micro, small & medium enterprises.
Incentives Offered against actual expenditure	25% of the total expenditure or Rs 6000 (20 ft' container) & Rs 12,000 (40 ft' container) whichever is less
Maximum limit	Rs 12 lacs /unit /year
Empowered committee	District Users Committee under the chairmanship of district magistrate.

C. Air Freight Rationalization Scheme

Incentive offered	20% of the actual expenditure or Rs 50 / kg (whichever is less)
Eligible Units	Manufacturer & merchant exporter
Maximum limit	Rs 2 lacs /unit /year
Recognized Cargo Complexes	Varanasi & Lucknow

6. Action Plan

Quantifiable activity/ intervention	Responsible authority	Timeline for implementation ¹²
Increasing the overall exports from the state		
<p>Sensitization and facilitation in availing Import/ export documents: Majority of the cluster actors though interested and sensitized on exports are unaware of Import-Export Code which is crucial for participating in global trade. While some of them are aware, they face challenges in applying. Thus, at district level, a camp should be set in every three months to help the individuals interested in trade to understand about the requisite documents required for undertaking import/ export and provide support in availing them</p>	ODOP cell, DIEPC UPEPB	Continuous initiative
<p>Creation of an event calendar comprising of events to be conducted in a Financial Year with a focus on international marketing events. Further, DGFT and FIEO can finalize a target to participate in at least 3 international events in a year per product category/industry (food, engineering & auto components, handicrafts, textile& apparel etc.) by utilizing schemes like IC and MAS</p>	ODOP cell, DIEPC UPEPB	Continuous initiative
<p>Sensitization of cluster actors:</p> <p>a. The individuals of a cluster should be sensitized on the plethora of schemes¹³ available for them for maximizing the potential of exports. Merchandise Exports from India Scheme, Service Export from India Scheme etc. provides various exemptions for facilitating exports. Further, schemes like Advance Authorization Scheme (AAS), Duty Free Import Authorization (DFIA Scheme) ensure procurement of imported duty-free raw materials</p>	ODOP cell, DIEPC UPEPB	Continuous initiative

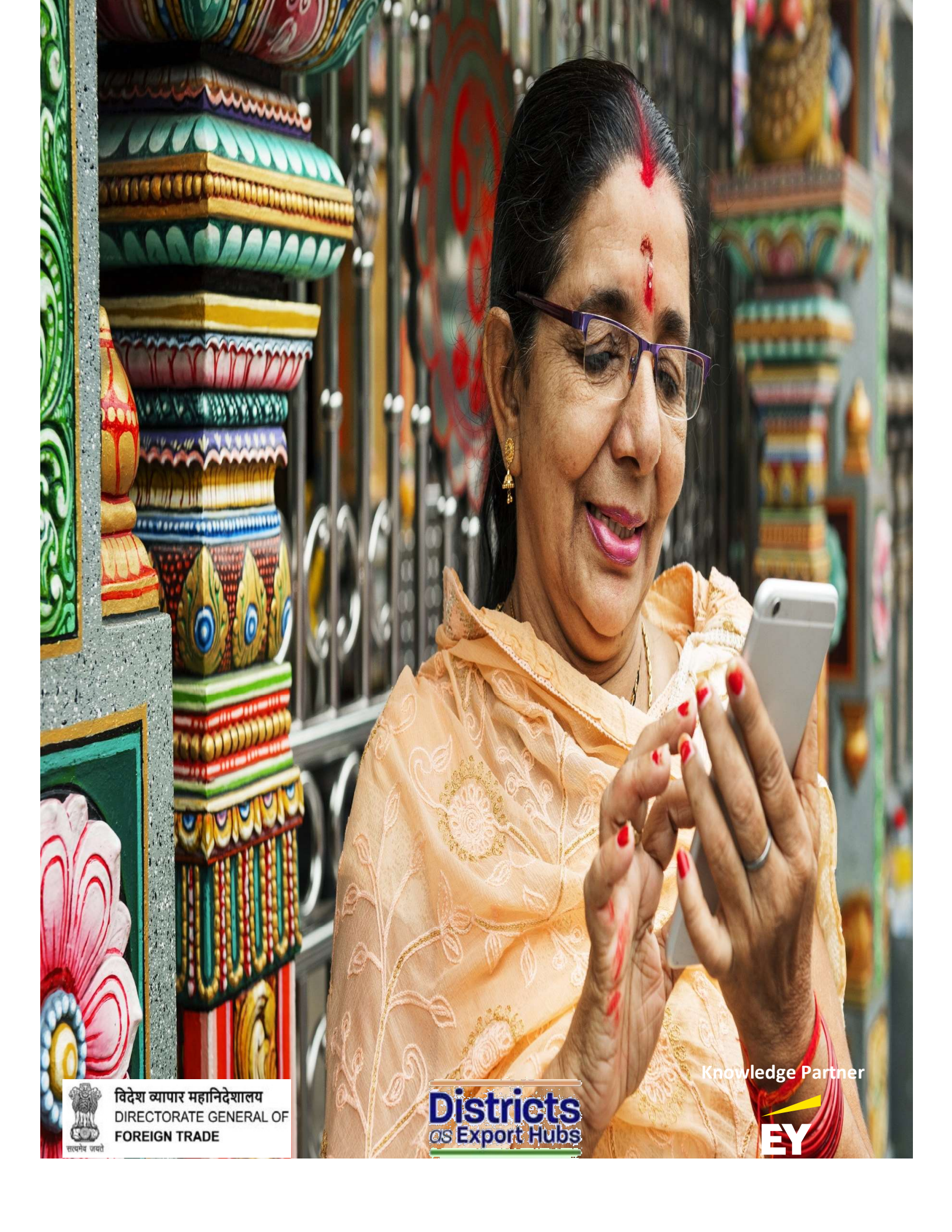
¹² Short term: Should be initiated within 6 months, Intermediate: to be initiated between 6- 12 months, long terms after 12 months

¹³ List of available schemes facilitating exports: <https://cdn.s3waas.gov.in/s3555d6702c950ecb729a966504af0a635/uploads/2020/12/2020120965.pdf> and <https://www.ibef.org/blogs/indian-export-incentive-schemes>:

b. Currently, majority of the exporters and traders focus on selling their goods to USA, UK and European countries without correctly analyzing the demand market. Thus, these cluster actors should be sensitized on target countries identified through export analysis mentioned in DAPs and EAP		
DIC and FIEO can play a pro-active role in this regard. 10% increase in every year in the number of units taking part in the trade fairs organized by FIEO and other organizations may be proposed as a target under this segment	DIC, UPEBP and FIEO	Intermediate
Common Facility centers (under CFC scheme of ODOP Program, TIES and NAVY scheme) to increase export	UPEPB/ODOP Cell/DIEPC	Continuous initiative
Common interventions across sectors/ clusters		
Collaboration with e-commerce companies like Amazon, ebay, Flipkart etc.	UPEPB/DIEPC	Short term
MoU with QCI for defining quality standards of the products	UPEPB/DIEPC	Short term
Collaboration with IIP to define cluster-wise packing standards	UPEPB/DIEPC	Short term
Sensitization of banks and bankers to help them understand the niche sectors of MSME and their specific requirements which shall help banks evaluate projects better while lending credit	UPEPB/DIEPC and banks	Short term
Introduction of revolving working capital within the cluster to help MSMEs procure raw materials and undertake production without hinderances	UPEPB/DIEPC and banks	Intermediate
Tie up with the banks/financial institutions (SIDBI, BoB etc.) for better interest rates, enhanced working capital limits etc.	UPEPB/DIEPC and banks	Intermediate
Handholding of MSMEs for increasing their awareness on schemes of state & centre and the procedure to apply to avail financial assistance	UPEPB/DIEPC	Intermediate
Sensitization of cluster actors from this sector on Make in India initiative and PLI for leveraging the assistance provided to the sector to enhance productivity and expand	DIEPC UPEPB	Short term

exports		
DIEPC to act as a focal point for all exporters issues. Deputy Commissioner Industries may be given this responsibility to monitor the cell in consultation with DGFT.	DIEPC/DGFT/UPEPB	Long term
Cost Structure:	DIEPC/UPEPB	Long term
a. The DIC office should organize workshops for exporters to apprise them about Foreign Trade Policy benefits viz. Duty Exemption Scheme / Advance Authorization Scheme / Duty Free Import Authorization Scheme.		
b. The CONCOR rates are to be made available at regular intervals to the DIC office for updation of the same at the district website.	DIEPC/UPEPB	Long term
c. The formation of the Sub-committee comprising the representative of CONCOR and Deputy Commissioner Industries to understand the issue and suggest ways to help Industry. Ease of Logistics portal of FIEO has been developed to provide information about container availability and issues relating to it. The industry may be informed of this portal.		
	DIEPC/UPEPB/FIEO	Short term
Product: Bindi		
Establishment of Common Facility Centre with:		
a. Raw Material Bank		
b. Common Production Center with modern technology	DIEPC, DGFT and ODOP Cell	Long term
c. Training Centre		
d. Product Design Studio		
The artisans of the district should be encouraged to diversify the product categories and must be provided with enough resources to create innovative designs without losing the ancestral essence of the craft. The artisans going forward should focus on creating new and innovative designs in Bindi-work	DIEPC/UPEPB/ODOP Cell	Long term

Application to Directorate General of Foreign trade for a unique HSN Code	UPEPB/ODOP Cell / DGFT	Intermediate term
Collaboration with NIFT, UPID and NID for design inputs and support in branding initiatives	UPEPB/ODOP Cell	Long term
<p>Virtual Expo: The virtual expo will serve as a platform for networking & building new partnerships and envisage new marketing avenues. The expo should give more focus to the ODOP products. The expo can provide the following for increasing the sales and export:</p> <ol style="list-style-type: none"> Platform for marketing linkages Instant interaction platforms between sector experts, buyers and sellers Exhibition with showrooms and pavilions Webinars & Digital Session on focus sectors International buyers 	UPEPB/ODOP Cell	Long term
Marketing Centre: The centre will work as pivot for distribution and sales of the product. Moreover, the centre can organize buyer-seller meets, local fairs, regular display of wide variety of Bindi etc.,	DIEPC/UPEPB/ODOP Cell	Long Term
<p>Aware & Training/workshop Drive</p> <ol style="list-style-type: none"> Workshop of artisans with to get onboard with e-commerce platform Training on Design development, product development, market development and technical training on modern technology 	DIEPC/UPEPB/ODOP Cell	Ongoing



Knowledge Partner

Districts
as Export Hubs



विदेश व्यापार महानिदेशालय
DIRECTORATE GENERAL OF
FOREIGN TRADE

सत्यमेव जयते