



Department of MSME & Export Promotion, Govt. of Uttar Pradesh

District Export Action Plan, Chandauli,

Knowledge Partner



विदेश व्यापार महानिदेशालय
DIRECTORATE GENERAL OF
FOREIGN TRADE

सत्यमेव जयते

Districts
as Export Hubs

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Preface

This district export plan for Chandauli 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 Chandauli district as an export hub. In view of above, a District Level Export Promotion Committee has been formed by the office of DIC, Chandauli 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 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.

Contents

1.	Vision of Districts as Export Hubs	5
2.	District Profile	5
2.1	Geography	6
2.2	Topography & Agriculture	6
3.	Industrial profile of the district.....	6
3.1	Major Exportable Product from Chandauli	10
4.	Product 1: Zari-Zardozi (ODOP)/Dresses of other fabric	10
4.1	Cluster Overview.....	10
4.2	Product profile	11
4.2.1	Product Portfolio	11
4.2.2	Status of GI Tag.....	12
4.3	Cluster Stakeholders	13
4.3.1	Industry Associations	13
4.4	Export Scenario	13
4.4.1	HS code	13
4.5	Export Potential.....	13
4.6	Potential Areas for Value Added Product	15
4.7	SWOT analysis.....	15
4.8	Challenges and interventions.....	17
4.9	Future Outcomes.....	19
5.	Product 2: Plastic Products- Sack and Bag (Incl Cones) Of Othr Plastic Nes.....	20
5.1	Overview	20
5.2	Product Profile	20
5.3	Cluster Stakeholders and their roles	21
5.3.1	Industry Associations/Government Bodies	21
5.4	Export Scenario	22
5.4.1	HS Code	22
5.5	Export Potential.....	22
5.6	SWOT Analysis.....	24
5.7	Challenges and interventions.....	24
5.8	Future Outcomes	26
6.	Product 3: Textiles.....	28
6.1	Cluster Overview.....	28
6.2	Product Profile	28
6.3	Cluster Stakeholders	29
6.3.1	Industry Associations/Technical Institutions	29
6.4	Export Scenario	29
6.4.1	HS code	30

6.5	Export Potential.....	30
6.6	Potential Areas for Value Added Product	31
6.7	Future Outcomes	31
7.	Scheme under Uttar Pradesh Export Promotion Bureau	32
8.	Action Plan	34

List of Tables

Table 1: Details of the Industrial Areas in the district.....	7
Table 2: MSME Landscape	7
Table 3: Industries details	8
Table 4: Occupational Distribution of Main Workers.....	9
Table 5: Major exportable product.....	10
Table 6: HS codes for Zari-Zardozi	13
Table 7: SWOT Analysis	15
Table 8: Plastic Bags	20
Table 11: SWOT Analysis for Plastic Products manufacture in Chandauli	24

List of Figures

Figure 1: MSME landscape of the district.....	9
Figure 2: Occupational distribution of Chandauli	9
Figure 3: Cluster Stakeholders	13
Figure 4: Top importers for this product (581092) in the world	14
Figure 5: Markets for export potential	15
<i>Figure 6: Top exporters for this product (392329) in the world¹⁵</i>	<i>23</i>
Figure 8: Cluster Stakeholders	29
Figure 9: Top importers for this product (610449) in the world from India	31

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

Chandauli¹ is a traditional craft pocket of Zari-Zardozi embroidery. The district Chandauli became a separate district in the year 1997 and is part of Varanasi division. It is located in the Eastern and Southern side of holy river Ganga and is named after its tahsil headquarters name. The district borders Varanasi district to the West along with Mirzapur, Ghazipur district to the North, Sonbhadra district to the South, and Bihar State to the East, Karmansa river is the dividing line from Bihar State. The district is widespread with an area of over 2,541 sq. km. The region covered by the Chandauli district was part of the ancient kingdom of Kashi. Being the part of Kashi Kingdom, the history of the Chandauli district is the same as that of Kashi Kingdom and of Varanasi district. It is divided into 9 blocks of 5 Tehsils for efficient administrative set up.



Map of Chandauli District

¹ www.Chandauli.nic.in

- ▶ **Road Connectivity:** Known as State Expressways – operational, 3 in pipeline alongside 2 link Expressways
- ▶ **Railway:** Largest Rail Network in India, spanning over 8400 kms
- ▶ **Airport Connectivity:** UP has six domestic airports, located at Agra, Allahabad, Gorakhpur, Kanpur, Lucknow and Varanasi. International flights operate from Chaudhary Charan Singh International Airport, Lucknow, and Lal Bahadur Shastri Airport, Varanasi. An international airport is also coming up at Jewar, Greater Noida.

2.1 Geography

Chandauli district of Uttar Pradesh is situated 70 Mts. above sea level. It is located at 24° 56'- 25° 35' North latitude and 81° 14'- 84° 24' East longitude at about 30 kms east-south-east of Varanasi. Chandauli covers an area of 2,541 km². It is surrounded on the eastern side by Bihar State, on the western side by district Varanasi along with Mirzapur, on the southern side by Sonbhadra and on the northern side by Ghazipur districts. City is located on the north-western shore of Karmansa river, which is dividing line from Bihar State.

2.2 Topography & Agriculture

Chandauli² based on geology, soils, topology, climate, and natural vegetation the district Chandauli is subdivided in the 3 regions as Chakia Plateau, Chandauli Plain and Ganga Khadar. The colour of the soils ranged from light brown grey to brownish yellow, red. This region belongs a humid subtropical monsoon climate with mild winter and severe summer, characterize by CWG according to Koppen's climate classification³. Where 85 per cent of annual rainfall received during June to September and remaining rainfall is received through western disturbance during the winter season. The District is dividing into four micro agro-climatic situations, low laying paddy land, hill area, irrigated upland, and rain-fed area.

3. Industrial profile of the district

There is major two industrial areas⁴ in the district namely Ramnagar Industrial Area Phase 1 and Ramnagar Industrial Area Phase 2 where major units are involved into plastics and allied products, Rice Mills, FMCG, Waste Management plants, Electrical Equipment's, PVC, Container Manufacturing, and engineering goods. Areas are developed by UPSIDA. Some of the units have been set up on two or more plots

² www.chandauli.nic.in

³ International Journal of Creative Research Thoughts (IJCRT) www.ijcrt.org

⁴ Industry profile Chandauli, MSME

Table 1: Details of the Industrial Areas in the district⁵

SI No	Name of Industrial Area	Land Acquired (In Hectare)	Land Developed	Number of plots	Number of allotted plots
1	Ramnagar Industrial Area Phase 1	305.00	305.00	229	229
2	Ramnagar Industrial Area Phase 2	150.00	150.00	413	413

There is total 3039 units⁶ registered in the district, where 7 are medium and large level employing more than 6000 people from the district.

Table 2: MSME Landscape

Sr No	Head	Unit
1.	Registered Industrial Unit	3039
2.	Total Industrial Unit	3039
3.	Registered Medium & Large Unit	07
4.	Estimated Avg. No. of Daily Worker Employed in Small Scale Industries	6000
5.	Employment in Large and Medium Industries	629
6.	No. of Industrial Area	2
7.	Turnover of Small-Scale Ind.	60 crores
8.	Turnover of Medium & Large-Scale Industries	100 Lakhs

As given in the following table, MSME industries across the sectors of **Repairing and Servicing Industries, Food Products, other manufacturing** is contributing the most in terms of manpower and turnover. However, Rubber and Plastic Products, Wool, Silk & Synthetic Fiber Textiles, Chemical and Chemical Products, Metal and Mineral Industries are the Middling sectors.

⁵ MSME DI-Kanpur

⁶ www.chandauli.nic.in

Table 3: Industries details

Sr No	Type of Industry	Size of the Industry (In Cr)	Number of Individuals Involved
1	Food Products	270.70	2157
2	Beverages, Tobacco and Tobacco Products	0.1848	12
3	Cotton Textiles	10.57	258
4	Wool, Silk & Synthetic Fibre Textiles	97.18	2226
5	Jumble, Hemp and Mesta Textiles	8.54	59
6	Hosiery and Garments	0.67	168
7	Wood Products	1.61	172
8	Paper Products and Printings	14.81	133
9	Leather Products	5.85	21
10	Rubber and Plastic Products	98.61	200
11	Chemical and Chemical Products	69.51	172
12	Non-Metallic Mineral Products	56.27	236
13	Basic Metal Industries	12.19	82
14	Metal Industries	56.79	114
15	Machinery and Part except electrical	7.97	166
16	Electrical Machinery and Apparatus	14.02	159
17	Transport Equipment's and Parts	0.75	11
18	Miscellaneous Manufacturing Industries	99.65	1542
19	Repairing and Servicing Industries	388.24	6463
	Total	1214.1148	14351

It is observed that the **Textile industry in the district is the most prominent sector** of the district contributing most to the economy by being the largest employer and being at the top in terms of investments as well. It is followed by **Manufacturing & servicing and Food/Agro**-based industry.

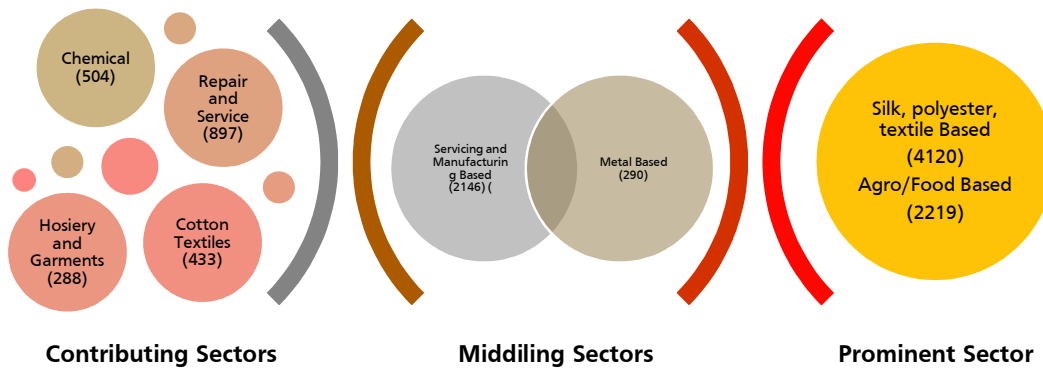


Figure 1: MSME landscape⁷ of the district

Out of total population of 19,52,756 (2011 census), 6,52,543 are working population- out of which men are 462,971 and women are 189,572. Total 92,042 Cultivators are depended on **agriculture farming** out of 79,780 are cultivated by men and 12,262 are women.

79,780 people works in agricultural land as labour, men are 61,290 and 20,579 are women. This indicates that agriculture is the main source of income in the district.

Table 4: Occupational Distribution of Main Workers⁸

S. No.	Particulars	Chandauli	%
1	Cultivators	92,042	40.02%
2	Agriculture Laborer's	79,780	29.58%
3	Household Industry Workers	49,243	4.38%
4	Others	3,80,440	26.03%

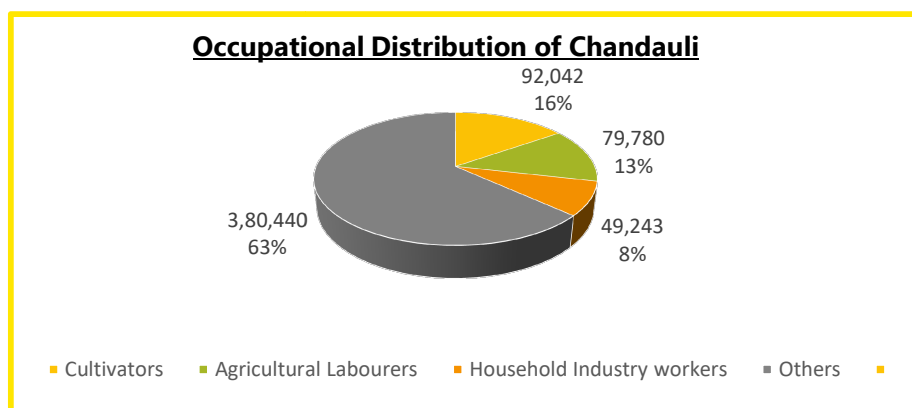


Figure 2: Occupational distribution of Chandauli

⁷ Based on the data received from DIC Chandauli

⁸ District census handbook 2011- Chandauli

As per the above, in addition to agriculture the district has great potential for the manufacturing of Textiles as the sector is supported through various manufacturing and servicing units, The district has a presence of plants and machinery to cater the textile sector.

3.1 Major Exportable Product from Chandauli

The total export from Chandauli is approximately INR 390 Crore for the period September 2020 to November 2021.

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

Table 5: Major exportable product

S. No	Product	Export value (in INR) ⁹ from September 2020 to November, 2021
1	DRESSES OF OTHER FIBRES	3.93 Cr
2	FLEXIBLE INTERMEDIATE BULK CONTAINERS OF MAN-MADE TEXTILE MATERIALS	87 Cr
3	Minerals 1. OTHER COAL W/N PULVRSD BUT TAGLDMRTD 2. MOTOR GASOLINE CONFORMING TO STANDARD IS 2796 3. Coal	~288 Cr
4	Wheat	4.12 Cr
5	SACK AND BAG (INCL CONES) OF OTHR PLASTIC NES	7.78 Cr
Total Export from Chandauli		390 Cr⁹

Apart from the above products, Tomato has been selected as ODOP product from Chandauli under PMFME Scheme (PM Formalisation of Micro food processing Enterprises Scheme).

4. Product 1: Zari-Zardozi (ODOP)/Dresses of other fabric

4.1 Cluster Overview


The art of Zari has been associated with the aristocratic & royal persona of India for a long time. It is one of the most famous & elaborate technique of metal embroidery. The craft of Zari embroidery has been undertaken in various districts of UP since ages.

District Chandauli is a traditional craft pocket of Zari-Zardozi embroidery. The Zari Zardozi activity in Chandauli region began during the mogul era. With the expansion of craft in the Varanasi district it has spread to surrounding districts. Villages and town areas which are in proximity of Varanasi adopted this work as their livelihood and developed this skill on hereditary basis.

The Zari Zardozi cluster of Chandauli has more than 12000 artisans and their families are involved into this profession, contributes near to 55 Cr of turnover and an indirect export of 25 lakhs whereas for Sept 20 to Sept 21 the art has exported approx. 4 lakhs value directly.

Zari Zardozi is one of the finest traditional embroideries which are glitteringly ornate and heavily encrusted gold thread work of the world. Though the original wires; Kallabatun used in Zari Zardozi embroidery has been

Key Facts

-  **INR 55 Crores** Approximate turnover of the cluster
-  **25 Lakhs ~** Export Turnover
-  **12,000** Artisans directly or indirectly associated

⁹ DGFT- District wise report for the period September 2020 to November 2021

replaced with synthetic threads, but the art of embroidery retains its aesthetics as same as olden days. It is one of those crafts of India that have flourished in early centuries and have survived till date. Along with the bridal collection, these days the Zari Zardozi work is also done for exquisite evening dresses, coats, sherwanis, fashionable handbags, belts, shoes to decorate royally, cushion covers for furnishing accessories, official adornments like badges, emblems, house decors like wall hangings, boxes and etc.

4.2 Product profile

The Indian market for Zardozi¹⁰ has always been dictated mainly by occasions and festivals. Use of poth, tikki and katdana was more prevalent for the exports to Middle East; whereas resham-tikki work and maal work on sarees and dress materials ruled the domestic markets. Caps, bags, emblems, badges, jackets, gowns, camisoles, purses, sandal uppers were few items in constant demand from the European countries, while the requirement of the Middle East was for purses, gowns, belts and curtains.

Listed below are different kinds of zari work in the region:

- | | |
|----------------|-------------------------|
| 1. Zardozi | 5. Makaish |
| 2. Kamdani | 6. Tilla or Marori Work |
| 3. Mina Work | 7. Gota Work |
| 4. Kataoki Bel | 8. Kinari Work |

4.2.1 Product Portfolio

The following are the key products manufactured in the cluster:

Zardozi

Zardozi is a heavy and elaborate embroidery work which uses a variety of gold threads, beads, seed pearls and gota. Zardozi work is mainly done on fabrics like heavy silk, velvet, and satin. It is used to embellish wedding outfits, heavy coats, and other products. Zardozi embroidery is a beautiful metal embroidery, which was once used to embellish the attire of the Kings and the royals in India. It was also used to adorn walls of the royal tents, scabbards, wall hangings and the paraphernalia of regal elephants and horses.

Kamdani

Kamdani is light needle work, which is done on lighter materials like scarves, caps etc. using flattened wire. Ordinary thread is used, and the wire is pressed down to produce satin stitch effect. This effect produced is glittering and it is called hazara butti. In Kamdani, the wire is attached to a small length of thread is pulled through the fabric with a needle, beautifully working into motifs. This is also referred to as 'fancy kaam'. Kamdani is becoming a rarity and most of the craftsmen are elderly men

Gota Work

Traditionally, gota ribbons were woven with a warp of flattened gold and silver wire and a weft of silk/ cotton threads and used as a functional trim on garments and textiles. While most believe that gota patti is the forte of Rajasthan alone, some also claim that it is, in fact, a form of Pakistani embroidery that originated in Punjab before spreading in popularity to neighbouring states. The handcraft is centuries-old and was traditionally the domain of the royal family & members of the court. Today, it's a must-have in festive and bridal wardrobes

Kataoki Bel

This is a border pattern made of stiff canvas and the whole surface is filled with sequins edging. A variation of this border technique is lace made on net and filled with zari stitches & spangles. Zari or Jari, is an even thread made of fine gold or silver, used to make traditional Indian or Pakistani embroidered fabrics, through an intricate art of weaving threads. Started during the Mughal era, Zari was associated with the grand attires of Gods, Kings, and literary figures in literary sources.

¹⁰ DSR Zari Zardozi Chandauli: ODOP

Mukaish

This is one of the oldest styles and is done with silver wire or badla. The wire itself serves as a needle, piercing the material to complete the stitches. A variety of designs are produced in this manner. The craft of mukaish is easily identified as a dotted pattern in silver or gold metal, embedded in the body of lightweight fabric. Today, contemporary modifications of the traditional metal work can be seen both on fashion week runways and in sought-after ethnic ensembles.

Tilla or Marori Work

Also known as Abha work and Kashmiri Tilla work. Made with golden/ silver/ antique zari thread (Kasab/ Tilla). This is the kind of embroidery where gold thread is stitched on to the surface with a needle.

Kinari Work

Also known as Gota Patti Work, Gota-Kinari work or Lappe ka Kaam. It is a type of metal embroidery that originated in Rajasthan, India. The cities of Jaipur, Bikaner, Ajmer, Udaipur, and Kota are the epicentre of uniquely styled Gota work. Elaborate patterns are created with metals like gold, silver, copper etc. A small variation is kinari work where the embellishments are done only at the edges in the form of tassels. This is done mainly by men and women of the muslim community. It is applied on to the edges of a fabric to create fancy patterns and is popularly used in edging bridal sarees and lehengas. In Rajasthan, gota work is extensively done on Dupattas and Ghagras. Outfits adorned with gota work are popularly worn at auspicious functions.

Mina Work

Mina work resembles enamel work and makes use of gold threads.

4.2.2 Status of GI Tag

The Geographical Indication Registry (GIR) has accorded the Geographical Indication (GI) registration to the intricate needle handicraft- Banaras Zardozi and it was registered under the brand of 'Banaras Zari Zardozi' in the year 2020.

Though, Chandauli District comes under geographical Identified area, but no significant progress is seen in Post G.I. Initiative in Chandauli.¹¹ **The process for obtaining district specific GI tag for Zari Zardozi products of Chandauli is yet to be initiated. However, the product is selected under ODOP scheme of Uttar Pradesh.**

¹¹ DGFT

4.3 Cluster Stakeholders



Figure 3: Cluster Stakeholders

4.3.1 Industry Associations

Following are principal Industry Associations/SPVs that are working for the development of Zari-Zardozi in Chandauli:

- ▶ Ramnagar Industry Association (RIA), Chandauli
- ▶ Chandauli Zari Zardozi Foundation - SHG

4.4 Export Scenario

4.4.1 HS code

HS codes under which the product is exported from the district:

Table 6: HS codes for Zari-Zardozi

HS codes	Description
581092	Embroidery of man-made fibers on a textile fabric base, in the piece, in strips or in motifs.
580500	Hand-woven tapestries of the type Gobelin, Flanders, Aubusson, Beauvais and the like, and needle-worked tapestries, e.g., petit point, cross-stitch, whether or not made up (excluding Kelem, Schumacks, Karamanie and the like, and tapestries > 100 years old)

Current Scenario

The export scenario of India and Uttar Pradesh have been analysed basis the export statistics of HS code mentioned above under which Zari-Zardozi products are exported. Alongside are the key facts¹² pertaining to the analysed product codes.

4.5 Export Potential

¹² <https://www.trademap.org/> and HS Codes - State Export Analysis - Dashboard - EXIM Analytics (dgciskol.gov.in)

- ▶ The total exports of Zari-Zardozi products from Chandauli district approx. INR 25 Lakhs in year 2018-19.¹³
- ▶ from September 2020 to November 2021 the direct export from the district is calculated as 4.13 lakhs.
- ▶ There are more than 10 HSN Codes which may be used for Exports of Zari-Zardozi but here analysis of one prominent HSN code has been done.
- ▶ The cluster has tremendous export potential, but owing to lack of proper market assessment mechanism, changing design patterns, specific demand preferences the export is very less.
- ▶ 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.
- ▶ Zardozi products do not have specific HSN codes. Based on stakeholder consultations, following HSN codes were mentioned for the product.

Key Fact of Export¹²

834,886 (USD Thousand)
Value of world exports in 2020

36,712 (USD Thousand)
Total Exports from India in 2020

2250 (USD Thousand)
Total export from UP in 2020

~6.13%
Share of UP in India's exports

Product 581092: Uttar Pradesh exports this product to **UAE, Italy, USA, Turkey, Hong Kong & China, Japan, France, Turkey, Iraq, and Morocco.** Below figure shows the top importers for this product (581092) in the world:

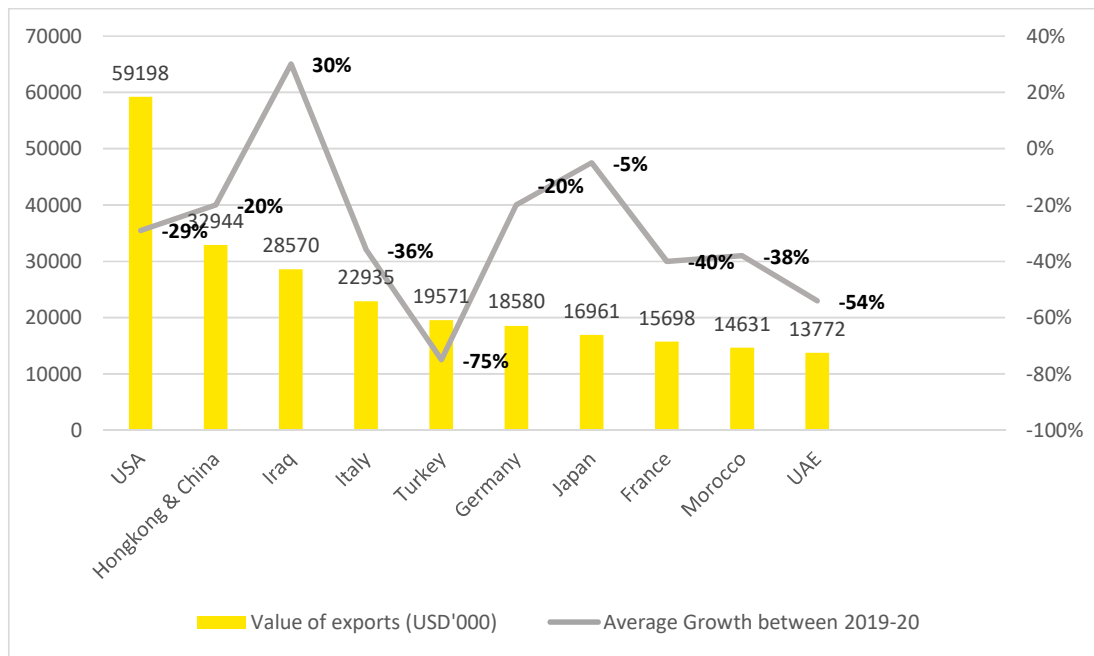


Figure 4: Top importers for this product (581092) in the world

¹³ DGFT



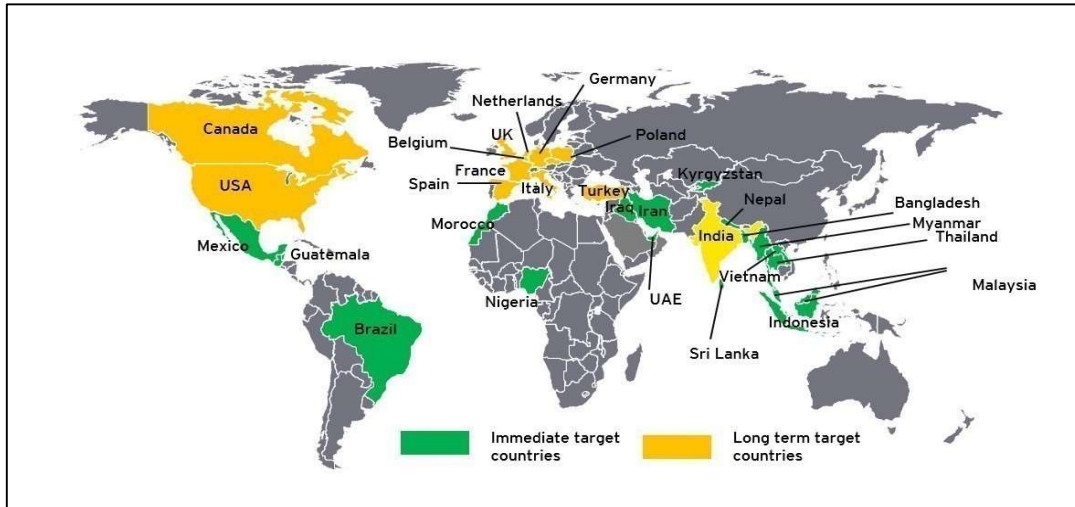


Figure 5: Markets for export potential¹⁴

4.6 Potential Areas for Value Added Product

Product Diversification¹⁵ is one of the most crucial product uplifting strategies which in turn is an important part of a product’s export. This plays a vital role in any products exports as it is a product uplifting strategy. Most artisans are not bothered about changing their product range and they fail to understand that it is an integral part of comprehensive marketing. Diversification can be brought in the cluster by:

1. Development of a new products:

During the product diversification new product line like Purses, Langar/Ghagra, Churidar, Punjabi, Curtains, Other dress materials like Scarf etc needs to be promoted. Additionally creation of a new product range like *zari-work* that can be laminated and attached to wooden doors, frames, wall paintings etc. They can also create gift bags, curtains with intricate *zari work*.

2. Modifications of Existing Products

It has also been found that most of the artisans use no strategy for making modifications to the existing products in the light of design and fusion. The artisans can make fusion products by blending zari work with **madhubani or block prints**. They can also expand in terms of the materials they use for making the products by introducing cotton and jute into their product range.

4.7 SWOT analysis

Table 7: SWOT Analysis

Strengths	Weakness
<ul style="list-style-type: none"> ▶ Easy availability of skilled workforce particularly artisans ▶ Large potential for diversifying on variety of apparels ▶ Easy availability of raw material for mass production ▶ Availability of various government 	<ul style="list-style-type: none"> ▶ Minimal technological upgradation and long production time ▶ Existence of large number of intermediaries between artisans and entrepreneurs ▶ Limited design innovation ▶ Considering competition, the focus has shift from quality to quantity

¹⁴ www.tradesmaps.org

dgcaanalysis

¹⁵ Stakeholder’s consultation

interventions for fostering the cluster	<ul style="list-style-type: none"> ▶ Lack of individuals with technical qualifications ▶ Lack of focus on increasing export
Opportunities	Threats
<ul style="list-style-type: none"> ▶ Huge scope of market expansion- domestic and foreign ▶ Scope for development of new products and modifying existing range ▶ Potential collaborations with renowned designers and design institutes for improving existing designs ▶ Increase participation in marketing events- International and domestic 	<ul style="list-style-type: none"> ▶ Tough competition with cheaper, printed & machine embroidered items ▶ Industrialization causing artisans to move to metropolitan cities in search of better paying jobs

4.8 Challenges and interventions

Parameter	Challenges	Intervention
Raw Material	<ul style="list-style-type: none"> ▶ Raw Material Bank: <ul style="list-style-type: none"> ○ Sourcing of Raw Material ○ Lack of storage facility in the cluster leading to spoilage of fabrics 	<ul style="list-style-type: none"> ▶ Establishment of a Raw Material Bank within the CFC ensuring easy availability of all types of quality checked fabrics at discounted rates. ▶ The facility may be setup under the scheme of ODOP as the product belongs to the same scheme.
Technological upgradation	<ul style="list-style-type: none"> ▶ Lack of ancillary machineries for artisans which limits their potential and hinders the productivity and potential of the cluster 	<ul style="list-style-type: none"> ▶ Establishment of Common Production Center with modern machines including fabric checking and measuring machine, packaging, and tagging machine, Sewing (Juki) machine etc. ▶ The facility may be setup under the scheme of ODOP as the product belongs to the same scheme.
Design	<ul style="list-style-type: none"> ▶ Traditional designs are still being followed by artisans they are not focusing on design innovation 	<ul style="list-style-type: none"> ▶ Establishment of Product Design Center with CAD/ CAM facility along with a display center under CFC Scheme of ODOP program. ▶ Collaboration with renowned designers to conduct workshops for artisans pertaining to design forecasting, upcoming trends, market assessment etc.
Marketing & branding	<ul style="list-style-type: none"> ▶ Lack of infrastructure for marketing and trading of the product in domestic and international markets ▶ Offline marketing is broadly used over online marketing ▶ No exclusive HSN code for Zari-Zardozi Craft. Which could have supported in facilitation of sales in the international market. ▶ Creation of brand name for the zardozi products. ▶ Minimal use of Govt of India's e-commerce portal: India Handmade Bazaar - Seller Registration for maximizing sale ▶ Lack of knowledge of existing schemes and govt. initiatives ▶ Lack of participation in national and international events related to the sector 	<ul style="list-style-type: none"> ▶ Establishment of a Marketing centre within the CFC (CFC Scheme of ODOP program) in Chandauli to facilitate marketing events. ▶ Collaboration with E-commerce companies like Flipkart, Amazon, eBay for maximizing sales. ▶ Applying to Directorate General of Foreign trade for a unique HSN Code. ▶ Collaboration with NIFT, to support artisans in establishing the brand name of the 'Zari-Zardozi' products in the national and international market ▶ Increase the usage of the portal as this portal facilitates the weavers and artisans to provide information about their handloom products for easy understanding of exporters. ▶ Conduct awareness workshops at block level to create awareness about schemes like International Cooperation (IC), Market Assistance Scheme (MAS) etc. which aids individuals/ associations wishing to participate in marketing events

		<ul style="list-style-type: none"> ▶ The DGFT/FIEO can set targets for participating in events per year. Example: Participation in at least 3 international events for this sector every year to create foreign linkages and increase ▶ Suggesting measures to the UPEPB for State Export Promotion Policy towards enhancing export of handicraft products.
Quality Improvement	▶ Undefined quality standards of the products.	▶ 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.
Geographical Indication Tag	▶ District specific GI tag not available	▶ Application for district specific GI tag for Zari-Zardozi product of Chandauli must be initiated which will prevent unauthorized use of products and upgrades financial gain to the manufacturers/artisans. However, the tag is received for Varanasi Zari Zardozi in December 2021.
Exporter's issue	▶ No focal point to address exporters ongoing issues.	▶ 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.
Cost Structure	▶ U.P. is a land-locked state hence this increases the transportation cost which in turn adds to the overall production expenses	<ul style="list-style-type: none"> ▶ 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 DIC office should organize workshops for exporters to apprise about Export Promotion Scheme of the Department of MSME & Export Promotion, UP such as Market Development Assistant (MDA), Financial Assistance for Foreign fairs/exhibition, Financial Assistance for sending samples to foreign buyers, Subsidy on freight charges up to gate way port Air Freight Rationalisation Scheme etc. ▶ The CONCOR rates are to be made available at regular intervals to the DIC office for updating 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.

4.9 Future Outcomes

Annual Turnover

Increase in annual turnover from existing **INR 55 Cr. to 200 Cr. by 2027** ¹⁶

Cluster exports

Substantial targeted growth in cluster exports expected to be **approx. INR 1 cr. by 2027 (over a span of 5 years)**. ¹⁶

¹⁶ Basis stakeholder consultation

5. Product 2: Plastic Products- Sack and Bag (Incl Cones) Of Othr Plastic Nes

5.1 Overview

Export of plastic products from Uttar Pradesh is almost 4 % of total export from India's plastic export¹⁷. Demand for plastic products is generated both domestically and internationally.

Ramnagar (Chandauli) is one of the prominent plastic clusters¹⁸ in the country. The district has more than 3000 industries. There are more than 52 plastic industries in the district, which sell their products across India. These plastic industries fall under the category of micro, small and medium and have been registered accordingly. There are numerous products which are manufactured in Chandauli. Some of them products are mentioned below in table with world export value with corresponding Indian exported value in year 2020.

The Plastic Industry in Ramanagar have an annual turnover in 2020-21 was around INR 40 Cr¹⁹. The export turnover from September 2020 to November 2021 was INR 7.78 Cr²⁰. The total employment in the cluster is around 600.¹⁹

Key Fact of Export & Cluster¹²

58,26,419 (USD Thousand)

Value of world exports in 2020

3,52,380 (USD Thousand)

Total Exports from India in 2020

7.78 Crores

Total export from Chandauli in 2020

~600

Employment from Chandauli (Ramnagar)

5.2 Product Profile

The major products manufactured by Ramnagar plastic industries include plastic sacks and plastic pipes. The typical production capacities of the units and estimated annual production carries 44% from Plastic bags/sacks, 40% from Pipes and rest from Master Batches. Hence, in our product profile the Plastic sacks and bags are taken on priority.

Plastic bags/sacks are made from woven polypropylene (plastic) fabric. The fabric components are sewn to form the shape of a large bag. The purpose of the bag is to store and transport dry flowable products such as Portland cement, sand, resin, and food ingredients. These are one of the most cost-effective types of packing for storage and transportation of a wide range of materials such as chemicals, food, metal etc. Manufactured from tubular/ flat woven fabric, these bags have a large storage capacity. These bags are custom designed as per the client's requirement, thus offering a wide range of bags to choose from. We offer bags for both single-trip (5:1) and multi-trip (6:1 or 8:1) purposes. The SWL Range of the bags start from 50 kg up to 2000 kg.



Table 8: Plastic Bags

¹⁷ EXPORTS FROM UTTAR PRADESH: TRENDS, OPPORTUNITIES AND POLICY PERSPECTIVES, Exim Bank-2018

¹⁸ RIA stakeholder consultation & Research by TERI in 2016

¹⁹ DIEPC Chandauli

²⁰ DGFT Kanpur

The basic raw material for making PVC is monomer and linking these monomer molecules together in the polymerisation process. PVC manufactured from monomers through polymerisation, are solid and chemically stable substances. Ethylene and chlorine are raw materials for PVC. Upstream industries are those that provide these materials and include producers of basic petrochemicals (sometimes known as feedstock, which supplies ethylene, and the chlor-alkali (caustic soda) industry, which supplies chlorine. The manufacturing price of the bag costs 6-8 rupees and market price is approx. 12 to 20 Rs. The raw materials required to produce PLA plastics are “Polylactic Acid or Polylactic Acid Blends”. These are available in the form of granules, in various grades, for the use by the plastic convertors

The total energy consumption²¹ of the cluster is estimated to be 2,860 tons per year. Electricity accounts for about 84% of total energy consumption by the plastic industries. Manufacturing of Pipe and fitting consume more than 55% of the energy than others.

5.3 Cluster Stakeholders and their roles

The primary stakeholders in Ramanagar plastic industries cluster include the following: manufacturing units and the leading industry association of the region- **Ramnagar Industries Association (RIA)**. The other key stakeholders include Indian Industry Association, District Industries Centre (DIC), NSIC, Naini, Allahabad, machinery suppliers and various government agencies.

These actors provide various services to the plastic units, such as training of workers, testing facilities, financial services, technical know-how, raw materials supply and supply of technologies. Similarly, RIA is another prominent industry association enrolling the local plastic industries including other industries as its members and very proactive to the cluster development. It is very common that the members and plastic entrepreneurs in particular meet together to discuss about the common problems faced by the plastic industries. Other Financial Institutions, both govt and private banks are available & they support the manufacturing units in terms of financing them.

5.3.1 Industry Associations/Government Bodies

Following are principal industry associations²²/Government Bodies that are working for the development of Plastic products:

- ▶ **District Industries and Export Promotion Centre, Chandauli**
District Industries & Enterprises Promotion Center (DIEPC) is located on Varanasi-Chandauli Highway (NH 31). The DIEPC helps entrepreneurs in establishment of new units in the district. Various schemes of the Government are being promoted catering to the needs of already established as well as budding entrepreneurs. With the introduction of single window scheme, different facilities right from the allotment of the land, release of power connection, various clearances etc., are provided to the entrepreneur through a single composite application.
- ▶ **MSME- Development Institute (MSME- DI), Kanpur:** MSME-DIs are the subordinate offices of Development Commissioner, MSME. These offices are responsible for assisting MSMEs financially through schemes and improving their technical skills through skill upgradation / training programmes.
- ▶ **Indian Industries Association, Varanasi (IIA)**
- ▶ **Provincial Industries Association (PIA)**
- ▶ **AIPMA (All India Plastic Manufacturer's Association)**

²¹ TERI report on Industrial energy consumption in the cluster

²² Stakeholders Consultation

5.4 Export Scenario

The export of the plastic products from the district of Chandauli is more than 7 Crores, the HSN code analysis is done as per below.

5.4.1 HS Code

HS code under which the product is exported from the district is 39232990, however the analysis is done upto six digits of HSN code which **392329 for Sacks and bags, incl. cones, of plastics (excluding those of polymers of ethylene)** which shows value of INR 3,52,380 USD Thousand from India. India ranks 2nd in terms of export for the product after China.

We shall focus on the export scenario of India and Uttar Pradesh and then deep dives into the export statistics of product 392329 stating the target countries for market expansion for both the products.

Current Scenario

The export scenario of India and Uttar Pradesh have been analysed basis the export statistics of HS codes 392329. Alongside are the key facts pertaining to the analysed product code.²³

Key Fact of Export & Cluster¹²

58,26,419 (USD Thousand)

Value of world exports in 2020

3,52,380 (USD Thousand)

Total Exports from India in 2020

7.78 Crores (INR)

Total export from Chandauli in 2020

~600

Employment from Chandauli (Ramnagar)

5.5 Export Potential

- ▶ India's exports represent 6% of world exports for this product & it's ranking is number 2, behind China. While the value of India's exports over the last 5 years has fluctuated but with an overall increase by CAGR 6%.
- ▶ As per data FY 2016-17 to 20-21 for exports from the state of UP, it is observed that there has been an increase. Being in the same region, India is primarily in competition with China, USA, Italy, France who account for 11.8% ,8.6 % , 6.4%, and 5.9% of world exports for this product i.e., China nearly five times or more than India's level of exports.

The following chart showcases the export countries in 2020 of the HSN Code- 392329²⁴

²³ <https://www.trademap.org/>

²⁴ Trademap.org for HSN Codes 391721

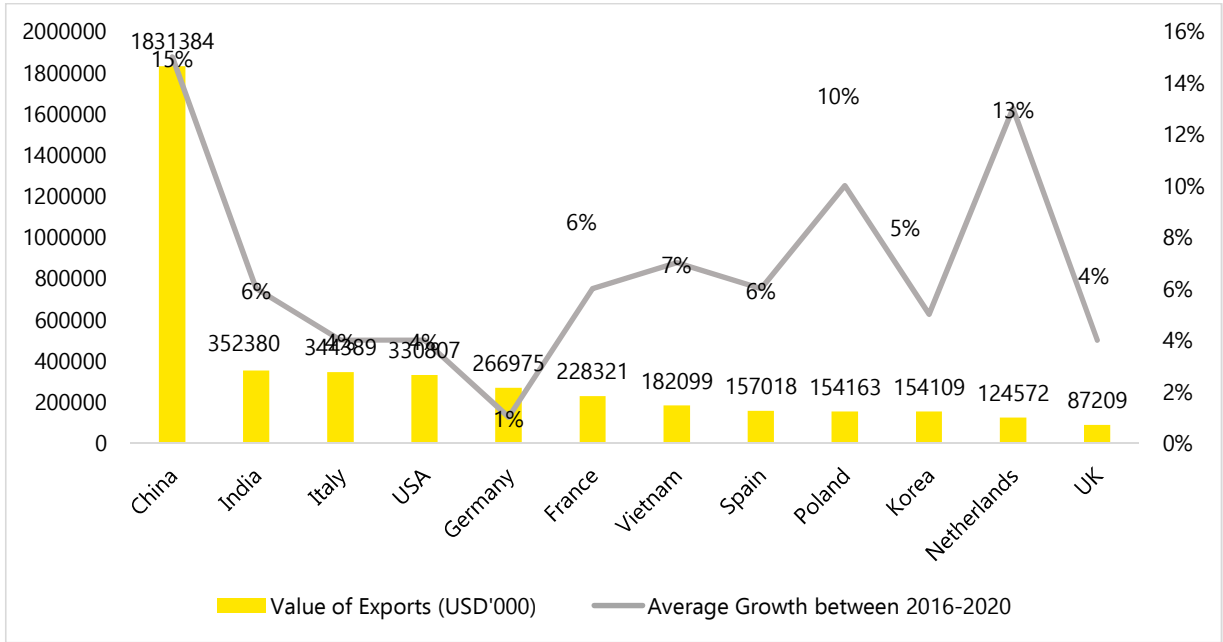
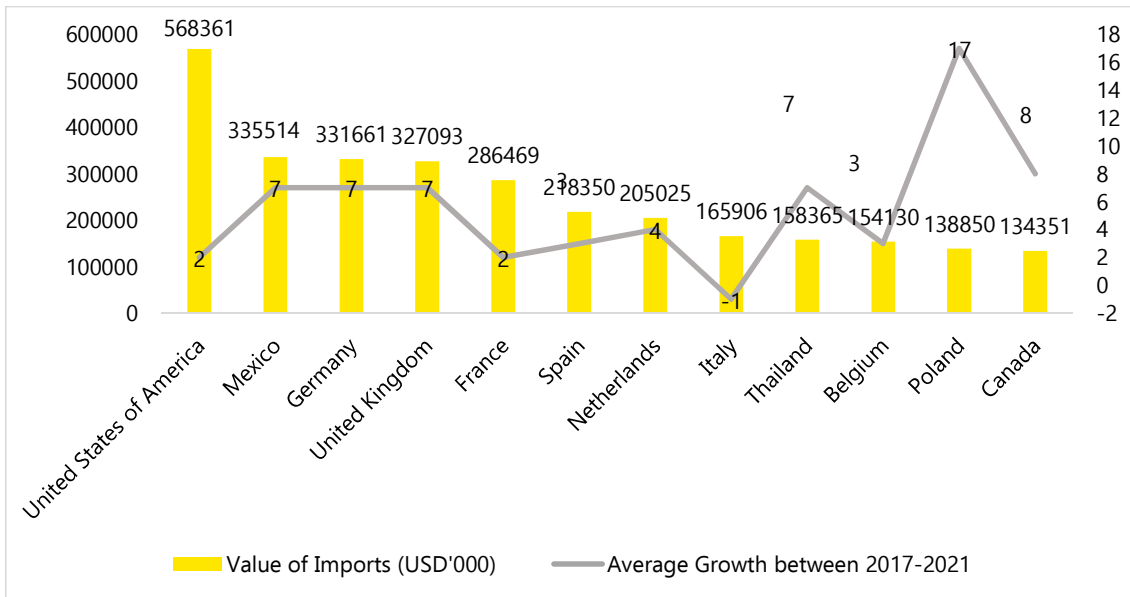


Figure 6: Top exporters for this product (392329) in the world²³

Prominent Countries for Imports under the same HSN Code based on import data in 2021



5.6 SWOT Analysis

Table 9: SWOT Analysis for Plastic Products manufacture in Chandauli

Strengths	Weaknesses
<ul style="list-style-type: none"> ▶ Connectivity to the market, which helps in getting raw material easily and reach the finished goods on time. ▶ Semi-skilled manpower is available in desired quantity. ▶ Labour intensive industry providing livelihood to skilled manpower ▶ well-connected through road/rail network with other part of the country. 	<ul style="list-style-type: none"> ▶ Unorganized Structure rising cost of production due to high rate of raw material. ▶ Outdated use of Technology in production, less inclination towards quality ▶ Shortage of Skilled labour ▶ Lack of international marketing skills ▶ Limited direct market access for large section of micro and small manufacturers
Opportunities	Threats
<ul style="list-style-type: none"> ▶ Technical up-gradation ▶ Field visits of developed clusters ▶ Product Diversification ▶ Growing demand of plastic products ▶ Growing market for plastic products, both domestic and international ▶ Domestic Retail Opportunity/Online platforms 	<ul style="list-style-type: none"> ▶ Competition from China ▶ Domestic competition from developed clusters. i.e., Noida, Ghaziabad ▶ Rising input prices ▶ Fluctuation of Raw material prices ▶ Energy consumption

5.7 Challenges and interventions

Parameter	Challenges	Intervention
Power Factor	<ul style="list-style-type: none"> ▶ Due to poor power factor (power factor less than unity), apparent power shall increase, and the unit has to pay additional charges as the energy consumption charges ▶ The illumination system for lighting the workspace is using inefficient lighting systems such as FTL (T-8) tube lights, incandescent lamps (200 W) and CFLs (18 - 85 W) and mercury vapour lamps (250-500 W) 	<ul style="list-style-type: none"> ▶ Installation of automatic power factor correction system will lead to reduction in the electricity cost as well as to maintain the billing demand. ▶ Use of energy efficient lighting such as induction lamps and LED lighting may lead to reduction in illumination cost up to 50%
Energy Efficiency	<ul style="list-style-type: none"> ▶ Rewinding of motors may result in efficiency drop of about 3-5% ▶ During normal operation, screw air compressor operated on unloading position for more than half the time ▶ The pressure setting of air compressors are often much higher than the actual air pressure requirement at the point of use in 	<ul style="list-style-type: none"> ▶ Replacement of rewind motors²⁵ with energy efficient motors. may be replaced with EE motors (IE3 efficiency class). This would result into significant energy savings with simple payback period of 2 to 3 years. ▶ Installation of variable frequency drive (VFD) to such compressors will minimise the unload power consumption.

²⁵ TERI/SDC survey report on energy consumption 2016

Parameter	Challenges	Intervention
	<p>the plant. The typical unload and load pressure settings are 8.5 and 7.5 bar respectively</p> <ul style="list-style-type: none"> ▶ Compressed air is an expensive utility in a plant. However, in most cases, air leakages in piping system are quite high (more than 20%) and go unnoticed. 	<ul style="list-style-type: none"> ▶ Reducing the compressed air pressure as per end-use requirements will result in high energy savings. Reduction of generation pressure by one bar can lead to energy saving of 6%. ▶ The compressed air leakage can be reduced to about 5% with better operating practices. Plant can reduce significant energy consumption by controlling compressed air leakages with no or minimum investment. ▶ Radiant barrel heater band
Technological Upgradation	<ul style="list-style-type: none"> ▶ In Chandauli, smaller ancillaries and manufacturing units employ traditional skilled workers who are mostly illiterate but follow the process after learning from the seniors in their units. They are not aware of the technological advancements taking place in the international industry. 	<p>Hard Intervention:</p> <ul style="list-style-type: none"> ▶ Establishment of advanced Film blowing Machine, Cutting, and sealing machine, AI based machine and lime splitting machine in CFC will resolve the issue of solid waste management and this will reduce the operating cost and ensure working capital for the unit. The solid waste can be used as by-product for other use.
Environmental Issues	<ul style="list-style-type: none"> ▶ Challenges faced by smaller tanneries / industries in complying pollution control norms regarding treatment of effluents and TDS levels of discharge. ▶ There is lack of awareness of global environmental and social norms. 	<p>Hard Intervention:</p> <ul style="list-style-type: none"> ▶ Setting up modern technology based CETPs would ensure in reduction of effluents in TDS levels of liquid discharge. <p>Soft Intervention:</p> <ul style="list-style-type: none"> ▶ Awareness and outreach program for raising consciousness about environment issues due to the pollutants. ▶ Use of codes of conduct (COC) for assessment of suppliers on social and environmental compliance.
Marketing & Branding	<ul style="list-style-type: none"> ▶ Absence of usage of information and communication facilities ▶ Lack of common marketing and sales platform ▶ Micro enterprises are mostly run by semi-literate individuals who are severely hampered by lack of knowledge of new age marketing tools ▶ Increasing the participation in International Trade fairs ▶ Limited Market diversification ▶ Lack of knowledge of existing schemes and govt. initiatives 	<ul style="list-style-type: none"> ▶ Collaboration with E-commerce companies. ▶ 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 organised by FIEO and other organizations may be proposed as a target under this segment ▶ 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

Parameter	Challenges	Intervention
	<ul style="list-style-type: none"> ▶ Lack of participation in national and international events related to the sector 	<p>marketing events</p> <ul style="list-style-type: none"> ▶ The DGFT/FIEO can set targets for participating in events per year. Example: Participation in at least 3 international events for this sector every year to create foreign linkages and increase ▶ Exposure visits to Chennai and Kolkata clusters to study the best practises and understand their modus operandi and value chain.
Exporter's issue	<ul style="list-style-type: none"> ▶ No focal point to address exporters issues. 	<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.
Cost hStructure	<ul style="list-style-type: none"> ▶ U.P. is a land-locked state. India's cost of logistics is one of the highest in the world. ▶ Since the start of Covid 19 Pandemic, the availability of containers and the Freight Charges by the Shipping lines has been the main concern of the industry 	<ul style="list-style-type: none"> ▶ 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 DIC office should organize workshops for exporters to apprise about Export Promotion Scheme of the Department of MSME & Export Promotion, UP such as Market Development Assistant (MDA), Financial Assistance for Foreign fairs/exhibition, Financial Assistance for sending samples to foreign buyers, Subsidy on freight charges up to gate way port Air Freight Rationalisation Scheme etc. ▶ The CONCOR rates are to be made available at regular intervals to the DIC office for updating 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.

5.8 Future Outcomes

Annual Turnover

Cluster exports

Increase in annual turnover from INR 35 Crore in 2020-21 to 70 Crore by 2027.

The increase in export of the product from INR 7 Crore²⁶ during the September 2020 to November 2021 to 20 Crore by 2027.

²⁶ As per DGFT data

6. Product 3: Textiles

6.1 Cluster Overview

Since Varanasi and Bhadohi are the largest textile cluster in Uttar Pradesh and well known for its Silk /Mixed Sarees, Mixed fabrics & Products, Dress materials, Furnishings, Stoles, Scarves, Gauze and leno fabrics, brocades. In addition to silk and other fabrics, the cluster is the largest supplier for various carpets, cushion covers.

Ramnagar industrial area of Chandauli have more than 1200 MSMEs²⁷ are registered, where 2 units are Medium scale Industries, collectively the MSMEs at Chandauli district are Woolen, silk & artificial Thread based, Cotton textile, Ready-made garments & embroidery. The industry employs more than 1000 people in the district directly. However, by adding the number of weavers, engravers of Zari work and other arts it goes to 10,000. The industry produces tons of textile material and the turnover the textile from Chandauli is 1200 Crores. The export from the district for the duration of sept 2020 to Oct 2021 is 91.06 Crores. Where a major portion is of man-made textiles.

The cluster is supported through the government agencies as DIEPC Chandauli and various Industry associations and IIA.

6.2 Product Profile

Listed below are different kinds of Textile manufactured in the region:

1. Silk /Mixed Sarees
2. Mixed fabrics & Products
3. Dress materials
4. Gauze and leno fabrics
5. Stole/Scarves
6. Carpets and Cushion Cover

²⁷ DSR report under ODOP and stakeholder's consultation

6.3 Cluster Stakeholders

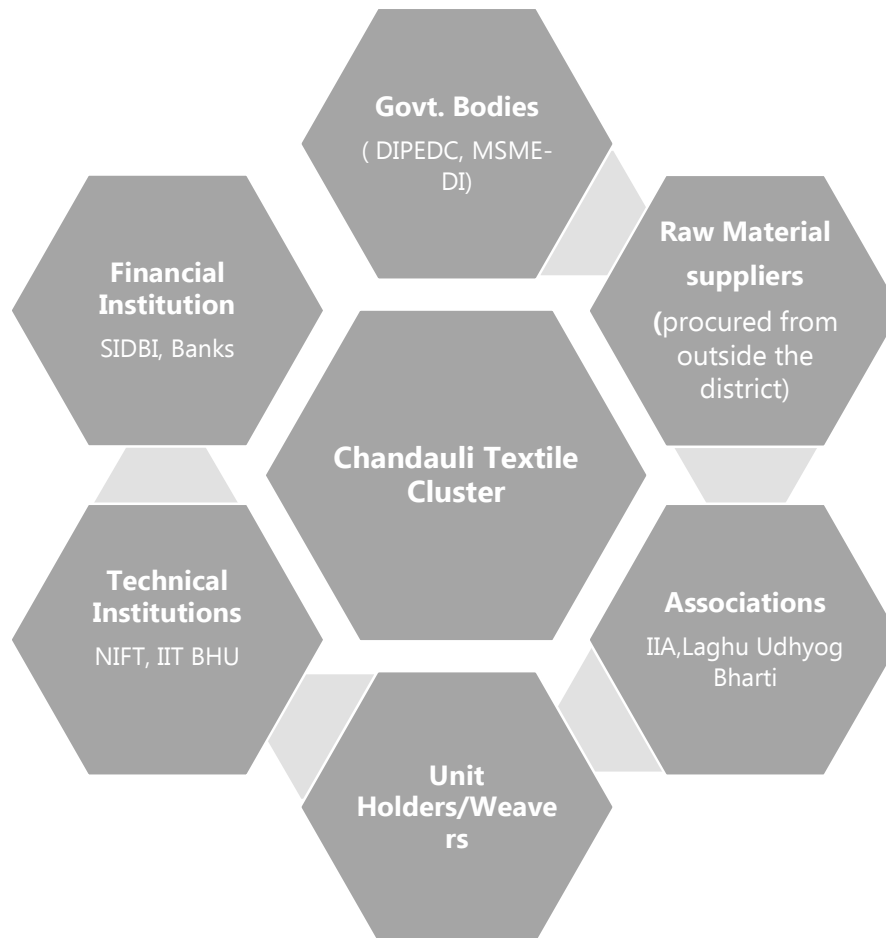


Figure 7: Cluster Stakeholders

6.3.1 Industry Associations/Technical Institutions

Following are principal industry associations that are working for the development of Textile products:

Following are principal Industry Associations/SPVs that are working for the development of Textiles in Chandauli:

- ▶ Indian Industry Association (IIA), Varanasi
- ▶ NIFT, Varanasi
- ▶ IIHT- Indian Institute of Handloom Technology, Ramnagar
- ▶ Weaver association of India

6.4 Export Scenario

The export of the textile products from Chandauli happen into various categories, however the manufacturing is mainly done into Women Dress of textile material are knitted or crocheted. As described that the district has majority of weavers and engravers. In the following section we have shown the analysis of the major HSN code, as most of them are already covered in the 3rd Section of Zari Zardozi craft.



6.4.1 HS code

The identified HS codes for the Product are 610449 and 621430, which stands for Women's or girls' dresses of textile materials, knitted or crocheted (excluding of wool, fine animal hair, cotton, man-made fibres and petticoats) AND SHWLS, SCRVS, MUFFLERS ETC OF SYNTHETIC FBRS

Current Scenario

The export scenario of India and Uttar Pradesh have been analysed basis the export statistics of HS code mentioned above under which majority of textile products are exported. Alongside are the key facts²⁸ pertaining to the analysed product codes.

6.5 Export Potential

- ▶ There are various HSN Codes which may be used for Exports of Textile products but here, the analysis of one prominent HSN code (**610449**) has been done.
- ▶ The cluster is performing good export as compared to other cluster in the state of Uttar Pradesh has tremendous export potential, but owing to lack of proper market assessment mechanism, changing design patterns, specific demand preferences the export is comparatively less.
- ▶ 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.



India's exports represent 11.01% of world exports for this product, ranking it number 1, Italy, Indonesia, Cambodia are behind this. However, the value of India's exports has gradually decreased by CAGR 8.14% in the past 5 years.

The below is the graphical representation of the prominent countries shows value import

²⁸ <https://www.trademap.org/g>

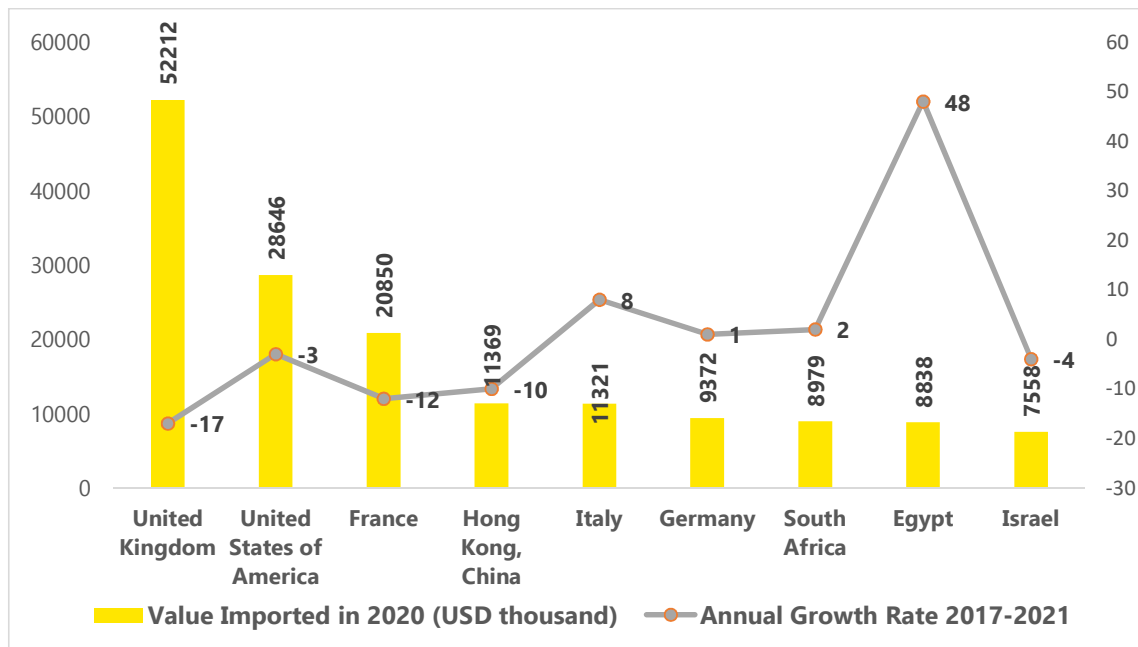


Figure 8: Top importers for this product (610449) in the world from India

6.6 Potential Areas for Value Added Product

Product Diversification is one of the most crucial product uplifting strategies which in turn is an important part of a product's export. This plays a vital role in any products exports as it is a product uplifting strategy. Most of the MSMEs are not bothered about changing their product range and they fail to understand that it is an integral part of comprehensive marketing.

Modifications of Existing Products; It has also been found that most of the MSMEs use no strategy for making modifications to the existing products in the light of design and blending of new materials. It needs to be more change with other material which suits to them with less intervention. They are exploring the new age demand and cater them as a market leader.

6.7 Future Outcomes

Annual Turnover

Cluster exports



Increase in annual turnover from **1200 Crore** in 2020-21 to **2000 Crore** by 2025²⁹

The increase in export of the product from **INR 7 Crore** during the September 2020 to November 2021 to **20 Crore** by 2025²⁹

7. Scheme under Uttar Pradesh Export Promotion Bureau

Various schemes being run by Export Promotion Bureau to apprise the exporters are as follows:

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

²⁹ Basis Stakeholder Consultation

Maximum limit	Rs 2 lacs /unit /year
Recognized Cargo Complexes	Varanasi & Lucknow

8. Action Plan

Quantifiable activity/ intervention	Responsible authority	Timeline for implementation ³⁰
Increasing the overall exports from the state		
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	ODOP cell, DIEPC, UPEPB and DGFT	Continuous initiative
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	ODOP cell, DIEPC, UPEPB and DGFT	Continuous initiative
Sensitization of cluster actors: a. The individuals of a cluster should be sensitized on the plethora of schemes³¹ 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 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	ODOP cell, DIEPC, UPEPB and DGFT	Continuous initiative
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

³⁰ Short term: Should be initiated within 6 months, Intermediate: to be initiated between 6- 12 months, long terms after 12 months

³¹ 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>

Common interventions across sectors/ clusters		
Collaboration with e-commerce companies like Amazon, eBay, Flipkart etc.	UPEPB/DIEPC/ODO P cell	Short term
MoU with QCI for defining quality standards of the products	UPEPB/DIEPC/ODO P Cell	Short term
Collaboration with IIP to define cluster-wise packing standards	UPEPB/DIEPC/ODO P cell	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/ODO P Cell 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/ODO P Cell 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 exports	DIEPC / UPEPB	Short term
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
Sector Specific committee including officials from concerned departments, concerned industry representatives may be formed to understand the needs and provide suggestions.	DIEPC/District Administration/Concerned Depts/Concerned Industry Representative	Short Term
Cost Structure:		
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.	DIEPC/UPEPB	Long term
b. The DIC office should organize workshops for exporters to apprise about Export Promotion Scheme of the Department of MSME & Export Promotion, UP such as Market Development Assistant (MDA), Financial Assistance for Foreign fairs/exhibition, Financial Assistance for sending	DIEPC/UPEPB	Long term

<p>samples to foreign buyers, Subsidy on freight charges up to gate way port Air Freight Rationalization Scheme etc.</p> <p>c. The CONCOR rates are to be made available at regular intervals to the DIC office for updating of the same at the district website.</p> <p>d. 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.</p>	DIEPC/UPEPB	Long term
	DIEPC/UPEPB/FIEO	Short term
Product 1: Zari-Zardozi		
<p>Establishment of Common Facility Centre with:</p> <p>a. Raw Material Bank</p> <p>b. Common Production Center</p> <p>c. Design and display center with CAD/CAM facilities and space to showcase products to undertake sale</p> <p>d. Marketing centre for undertaking marketing events</p>	DIEPC, DGFT and ODOP Cell	Long term
Application to Directorate General of Foreign trade for a unique HSN Code for Zari-Zardozi	UPEPB/ODOP Cell / DGFT	Intermediate term
Collaboration with NIFT and NID for design inputs and support in branding initiatives	UPEPB/ODOP Cell	Long term
Application for district specific GI tag for Zari-Zardozi product of Chandauli	DIEPC/UPEPB/ODOP Cell	Intermediate term
Product 2: Plastic Products		
Collaboration with CIPET for the skill development initiatives for the cluster	CIPET	Immediate
Waste Management Plant/recycling plant to be set up CFC with Advanced Machinery	DIEPC/DGFT	Medium Term
Product 3: Textiles		
<p>Establishment of Common Facility Centre with:</p> <p>a. Raw Material Bank</p> <p>b. Common Production Center</p> <p>c. Design and display center with CAD/CAM facilities and space to showcase products to undertake sale</p> <p>Marketing center for undertaking marketing events</p>	DIEPC, DGFT, SIDBI	Long term
Setting of modern technology based CETPs	UPEPB/DIEPC/District Administration	Long Term
Collaboration with E-commerce companies	UPEPB/ DIEPC	Short term

Establishment of testing laboratory	DIEPC/ UPEPB	Long Term
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Abbreviations

AA	Advance Authorization
BoB	Bank of Baroda
CAD	Computer-Aided Design
CAM	Computer Aided Manufacturing
CIPET	Central Institute of Plastic Engineering Technology
CETP	Common Effluent Treatment Plant
CFC	Common Facility Center
CONCOR	Container Corporation of India
CPC	Common Production Center
DEH	District as Export Hub
DEPC	District Export Promotion Committee
DFIA	Duty Free Import Authorization
DGFT	Directorate General of Foreign Trade
DIEPC	District Industry and Enterprise Promotion Center
DSR	Diagnostic Study Report
EO	Export Obligation
EPB	Export Promotion Bureau
EPCG	Export Promotion Capital Goods
EY	Ernst and Young
FDDI	Footwear Design and Development Institute
FIEO	The Federation of India Export Organization
FOB	Free on Board
FTA	Free Trade Agreement
FTP	Free Trade Partners
GI	Geographical Indication

GIR	Geographical Indication Registry
Gol	Government of India
GoUP	Government of Uttar Pradesh
HS Code	Harmonized System Code
IC	International Cooperation
ICD	Inland Container Depot
IEC	Import Export Code
IFCOMA	Indian Footwear Components Manufacturing Association
IIP	Indian Institute of Packaging
IISTEM	International Institute of Saddlery Technology & Export Management
IIT	Indian Institute of Technology
ISW	Industrial Solid Waste
MAI	Market Assistant Initiative
MDA	Market development Assistant
MEIS	Merchandise Export from India Scheme
MoU	Memorandum of Understanding
MSME	Micro Small and Medium Enterprises
MYSY	Mukhyamantri Yuva Swarajgar Yojana
NGO	Non-Government Organization
NID	National Institute of Design
NIFT	National Institute of Fashion Technology
NSDC	National Skill Development Cooperation
ODOP	One District One Product
PMEGP	Prime Minister's Employment Generation Program
PMFME	Pradhan Mantri Formalisation of Micro food Processing Enterprises
PMKVY	Pradhan Mantri Kaushal Vikash Yojana
QCI	Quality Council of India

SEIS	Service Export from India Scheme
SIDBI	Small Industries Development Bank of India
SPV	Special Purpose Vehicle
SWOT	Strength, Weakness, Opportunities, Threats
TDS	Total Dissolved Solids
TEE	Towns of export excellence
ToR	Term of Reference
UAE	United Arab Emirates
UK	United Kingdom
UNIDO	United Nations Industrial Development Organization
UP	Uttar Pradesh
UPEPC	Uttar Pradesh Export Promotion Council
UPEPB	Uttar Pradesh Export Promotion Bureau
UPICO	UP Industrial Consultancy Organisation
UPSIDC	Uttar Pradesh State Industrial Development Corporation
USA	United States of America



विदेश व्यापार महानिदेशालय
DIRECTORATE GENERAL OF
FOREIGN TRADE
सत्यमेव जयते

Districts
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