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DIRECTORATE GENERAL OF  
FOREIGN TRADE

**Districts**  
as Export Hubs



Building a better  
working world

## Preface

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

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# 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

Gautam Buddh Nagar (GBN) district is a suburban district of Uttar Pradesh, situated in northern India. Greater Noida is the district headquarter and is also part of the National Capital Region. It is India's first ISO 16001 certified city.

Gautam Buddh Nagar was created in 6th May 1997 and it comes under industrial districts of state. It was previously called as tehsil district of Ghaziabad. It has combination of Dadri block, Noida and Greater Noida, Bisrakh and Dankaur block, Jewar and partial area of block Sikandrabad. It is 15 km away from national capital Delhi and has become an important industrial destination of India. From industrial point of view, Gautam Buddh Nagar is bifurcated into two regions i.e. Noida and Greater Noida.

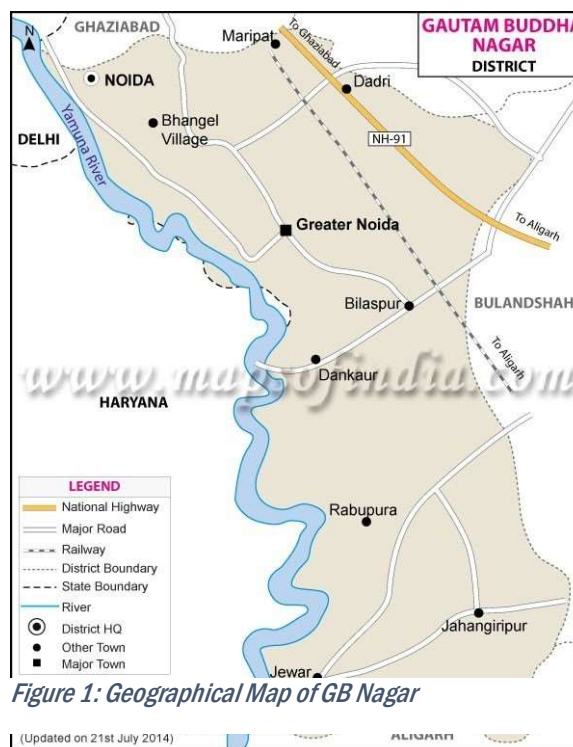
Gautam Buddh Nagar is the hub of Information Technology (IT), Garmenting, electronics, food processing, etc. Gautam Buddh Nagar's evolution as a Readymade Garment (RMG) hub is nurtured through cultural brilliance and emerging apparel market. The district is also known as “City of Apparels”. The district has never looked back after setting up of Yamuna Expressway Industrial Development Authority (YEIDA) in 2001 under Uttar Pradesh Industrial Area Development Act- 1976. This has taken a step further during the Uttar Pradesh State Investor Summit 2018 held in Lucknow in February 2018 and sanctioned from Govt. of Uttar Pradesh for the establishment of Jewar International Airport in Greater Noida.

### 2.1 Geography

Gautam Buddha Nagar (GBN) is a district of U.P. State in Northern India. Gautam Buddha Nagar is one of the six districts of the Meerut division. The Yamuna river separates the district from Haryana State & Delhi to the West. The district is bounded by Ghaziabad District to the North, Bulandshahr district to the East & Aligarh District to the South. The total Geographical area of the district is 1442 sq. km.

## 2.2 Topography & Agriculture

Gautam Buddha Nagar lies in western plain zone of Upper Gangetic Plain. The whole district is a vast level plain. The district has area between the two main rivers of India namely Ganga and Yamuna. Average rain fall of the district is 700 mm/year. Soil texture of district is sandy loam and loamy soil, canal and tube well irrigation, climate is sub-tropical climate. Due to the Sandy and Loam Soil, the main crops of the district are wheat, rice and sugar cane. In some areas, millet is also planted & crop production based dairy farming system prevail in the district.



## 3. Industrial profile of the district

As given in the following table, MSME industries across the sectors of food/agro-based industries, repair & servicing, other manufacturing, wood, metal, apparel, paper, electrical and other transport, chemical, leather and engineering are key economy drivers in the district.

Table 1: MSME profile of Gautam Buddha Nagar<sup>1</sup>

Sr. No.	Type of Industry	Number of Units	Investment (Lakh Rs.)	Employment
1	Food Products	229	89079.98	3622
2	Beverages & Tobacco	125	66284.36	1538
3	Cotton Textiles	183	7277.70	2149
4	Wool Silk & Synthetic fiber textile	335	25346.81	3366
5	Jute, Rump & Mesa Textile	77	1036.54	754
6	Hosiery & Garments	3429	1315938.00	76716
7	Wood Products	404	1609.38	2923
8	Paper Products & Printing	1420	265190.80	20123
9	Leather Products	427	139884.90	7220
10	Rubber & Plastic products	1169	587140.10	17395

<sup>1</sup> Brief industrial profile of Gautam Buddha Nagar district, 2011-12

11	Chemical & Chemical products	304	47162.12	4232
12	Non-metallic mineral products	140	58523.90	3056
13	Basic metal Industries	602	103047.30	5404
14	Metal Products	619	49104.79	7440
15	Machinery & Part except electrical	776	282140.80	11420
16	Electric machinery & Apparatus	892	140538.50	12110
18	Transport Equipment & parts	362	135543.30	5316
19	Miscellaneous Mfg. Industries	1178	1137514.00	36432
20	Repairing & Servicing Industries	1395	39575.84	10925
	<b>TOTAL</b>	<b>14048</b>	<b>4383534.00</b>	<b>234560</b>

Hosiery and Garments, Electric machinery & Apparatus, Engineering goods, Machinery & Part except electrical and rubber and plastic contribute most in terms of employment and revenue, readymade garments are contributed approximately 25% (FY2019) in district output.

Readymade garments or textile goods-based industry in the district is the most prominent sector of the district

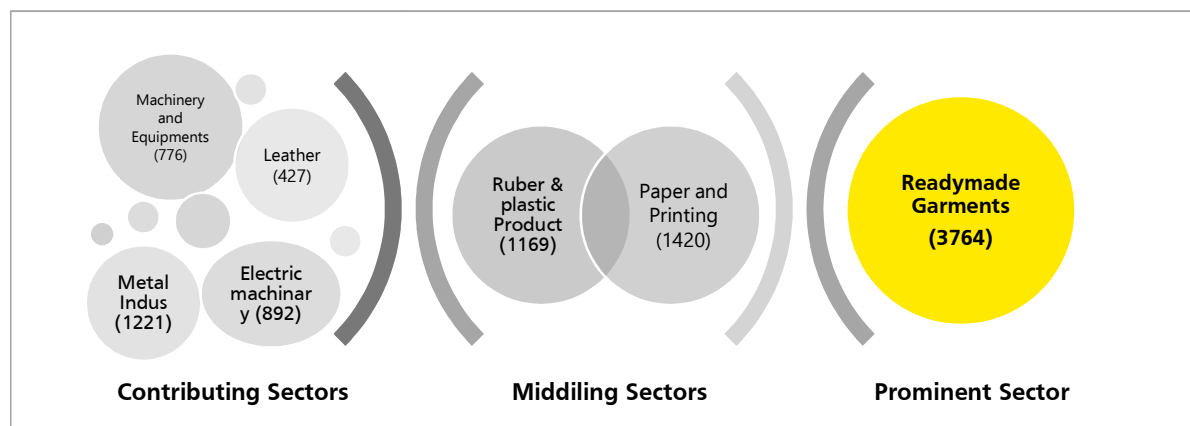


Figure 2: MSME landscape of the district

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 Paper Products & Printing and paper industry and Electric machinery & Apparatus based industry respectively.

Out of total population of 16,48,115 (2011 census), 5,69,109 are working population. Out of total working population, 21% are cultivators and agricultural labourers. This indicates that agriculture is the major source of livelihood in the district.

Table 2: Occupational Distribution of Main Workers<sup>2</sup>

S. No.	Particulars	Gautam Buddha Nagar	%
1	Cultivators	72,668	12.80
2	Agriculture Laborer's	48,845	08.60
3	Household Industry Workers	35,400	06.20
4	Others	4,12,196	72.40

<sup>2</sup> District census handbook 2011 - Gautam Buddha Nagar



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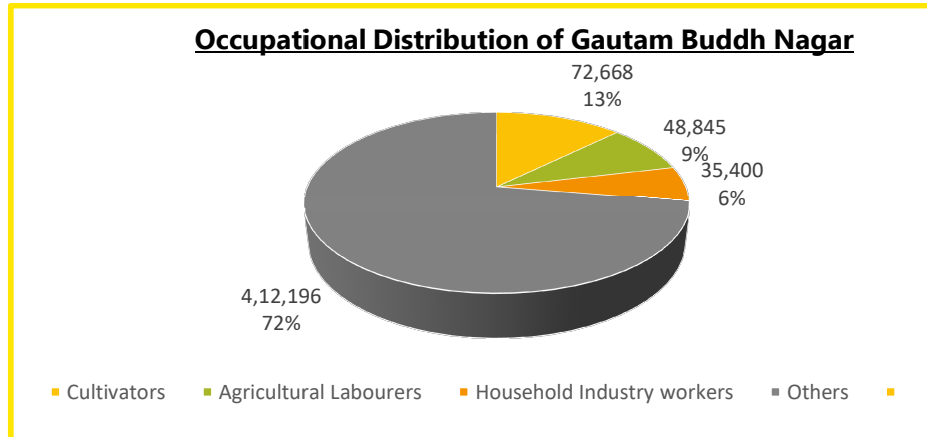


Figure 3: Occupational distribution of Gautam Buddh Nagar

### 3.1 Major Exportable Product from Gautam Buddh Nagar

The value of all products exported during Sep 2020 – Nov 2021 from Gautam Buddh Nagar district was approximately INR 72,019 Crore<sup>3</sup>. This section highlights the export value of major HS codes utilized under the ‘*major exportable products*’ for Gautam Buddh Nagar.

The following table (Table-3) depicts the value of export of major exportable products from Gautam Buddh Nagar district:

Table 3: Major Exportable Products<sup>4</sup>

S. No	Product (HSN Code)	Export value (in INR) from September 2020 to November, 2021
1	<b>Readymade Garments</b> (Export value available for HS Code 62044390 utilised under this category for other dresses of synth fibres)	815 Cr
2	<b>Electronic Goods</b> (Export value available for HS Code 85171211 utilised under this category for Mobile phones, other than push button type)	26,042 Cr
3	<b>Engineering Goods</b> (Export value available for HS Code 87019300 – Other tractors, of an engine power exceeding 37 kw but not exceeding 75 kw)	741 Cr
4	<b>Meat</b> (Export value available for HS Code 2023000 utilised under this category for Boneless Meat of Bovine Animals, Frozen)	685 Cr
5	<b>Basmati Rice</b>	NA

<sup>3</sup> DGFT- District wise export data (September 2020 to November 2021)

<sup>4</sup> District-wise export data received from DGFT for September 2020 to November 2021; This HS code wide export value does not show overall export under each product category from the cluster

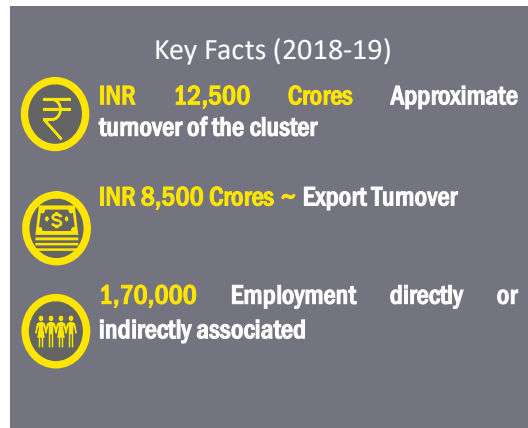
## 4. Product 1: Readymade Garments (ODOP product)

### 4.1 Cluster Overview

The Readymade Garments cluster comprises of manufacturers of various types of readymade garments i.e., hosiery, T-shirts, Jerseys, shirts, women clothing etc. Manufacturing units get the primary raw material like clothes, Zip, buttons, and others from either inside the cluster or outside from the other states. Few materials import from china due to better price and bulk quantity. Large manufacturing units have their own designing house or designers, but small or medium manufacturing units does not have and they are heavily dependent on buyers design or prevailing market design.

Readymade garments manufactured here are either marketed directly to end users or are sold through traders/ exporters. Lastly, all the readymade garments players have scraps as additional output which are sold to scrap aggregators. These units collect the scrap clothes and refurbish them for reuse.

In 2018-19<sup>5</sup>, the approximate turnover of readymade garment cluster was INR 12,500 Cr which included INR 8,500 Cr of export from the district. This cluster provides employment to directly or indirectly 1,70,000 people in the district.



### 4.2 Product profile

Listed below are different kinds of readymade garments in the region:

1. Other dresses of synth fibres
2. Other dresses of cotton
3. Track suits, ski suits and swimwear; other garments
4. T-shirts, singlets and other vests, knitted or crocheted
5. Men's or boys' shirts of textile materials (excluding of cotton or man-made fibres, knitted
6. Jerseys, pullovers, cardigans, waistcoats, and similar articles, of textile materials, knitted
7. Looped pile fabrics of cotton, knitted or crocheted
8. Women's or girls' tracksuits and other garments

#### 4.2.1 Status of GI Tag

The fame of unique handicrafts, aromatic agricultural products and natural goods from Uttar Pradesh has crossed borders, for 27 items have been GI tagged to the state, in a bid to preserve and promote their uniqueness. When marked on a map, the items on this list cover the length and breadth of UP in a manner that truly reflects its artistic legacy and agricultural ingenuity. Lucknow. Any product from the district of Gautam Buddh Nagar has not yet registered under geographical indication (GI).

<sup>5</sup> DSR, Readymade Garments, Gautam Buddh Nagar prepared by IL&FS

## 4.3 Cluster Stakeholders



Figure 4: Cluster Stakeholders

### 4.3.1 Industry Associations

Following are principal Industry Associations/SPVs that are working for the development of readymade garments in Gautam Buddh Nagar:

**Apparel Export Promotion Council (AEPC):** AEPC was incorporated in 1978 and is the official body of apparel exporters, importers and international buyers. They provide invaluable assistance to stakeholders associated with garment industry and who prefer India as their sourcing destination for garments. It's a powerful body for the promotion and facilitation of garment manufacturing and their exports. It is based in Gurgaon

having its registered office at Okhla. AEPC advise on technical guidance workforce and market intelligence. It plays a significant role in identifying new markets and leading trade delegation to various countries.

#### **Noida Apparel Export Cluster (NAEC)**

NAEC is a premier representative body of manufacturers and exporters of apparel products with head office at Noida. It was incorporated in 2007 and at present the association is providing technical know-how support, knowledge, etc. to more than 850 exporters of Noida.

#### **Apparel Training & Design Centre (ATDC)**

The ATDC is a vocational training service provider dedicated to the apparel sector. It was set up as a society for training of shop floor and technical personnel under the aegis of AEPC and had set up its first centre in Chennai. The institute have evolved and expanded since 2010 with now over 200 pan India centres, rendering service to the downstream Apparel export and domestic and fashion industries. It offers courses under Ministry of Skill Development and Entrepreneurship (MSDE) with Uttar Pradesh Skill Development Mission (UPSDM).

- ▶ Indian Industry Association (IIA)
- ▶ Northern India Textile Research Association
- ▶ PHD Chamber of commerce & Industry
- ▶ Laghu Udyog Bharti

#### **Existing support infrastructure in the Cluster**

Several interventions under various schemes have been undertaken for development of the cluster. However, these interventions need improvement and holistic approach for sustainable development of the cluster. Some of the past and on-going interventions are tabulated below:

#### **LAPF Studio**

The LAPF (Liva Accredited Partner Forum) Studio is India's first ever state of the art fabric and yarn studio is having over 20000 varieties of yarns and fabrics (greige and processed, both in woven and knits category), having Birla Viscose, Birla Modal, Birla Excel and Birla Spun shades as the core ingredient. LIVA, a leading fashion fabric brand from the house of Aditya Birla Group along with the LAPF Studio work to harness the strength of the garment exporting fraternity spread across India. The design studio was launched in Noida on 5th January 2017 with the support from NAEC. It's a hub for all types of viscose fabric and currently exporters and manufacturers are taking the benefit of this studio.

#### India International Garment Fair (IIGF)

India International Garment Fair (IIGF) is a specialized bi-annual fair, autumn/winter & spring/summer, which takes place in the month of January & July every year and has been extensively globally recognized as one of the leading fairs for the Indian Garment Export Industry. The IIGF is one of the Asia's biggest apparel fair. This year IIGF has achieved another important milestone as it has completed three decades of providing world-class business platform to Indian exporter's fraternity and meeting sourcing requirements of major global buyers in Ready-made Garments & Fashion Accessories. The mega fair happens in Expo Mart, Greater Noida. The display product cover head-to-toe fashion, high quality fashion wears covering Women's wear, Men's wear, Kid's wear, bags, fashion accessories etc. With a view to facilitate the visit of overseas Buyers to the IIGF, a complimentary buyer promotion scheme is being offered under buyer promotion scheme.

IIGF provide one of its kind buyer-seller networking platforms which helps in the business generation to the tune of around USD 200+ million each edition. The exhibitors showcase their Autumn/Winter collections during three days of the fair. The 61st IIGF was held at India Exposition Mart in Greater Noida from 16th to 18th July 2018.

## 4.4 Export Scenario

### 4.4.1 HS code

In readymade garments there are more than hundred HS codes but the prominent HS codes which are used by the exporters of GB Nagar used are below:

*Table 4: HS codes for Readymade Garments*

Sr. No.	HSN Code	Product Description
1	620443	Women's or girls' dresses of synthetic fibres
2	620442	Women's or girls' dresses of cotton
3	621143	Women's or girls' tracksuits and other garments
4	620590	Men's or boys' shirts of textile materials (excluding of cotton or man-made fibres, knitted)
5	611090	Jerseys, pullovers, cardigans, waistcoats and similar articles, of textile materials, knitted
6	600121	Looped pile fabrics of cotton, knitted or crocheted

#### Current Scenario

The export scenario of India and Uttar Pradesh have been analysed basis the export statistics of HS code mentioned above under which engineering products are exported. Alongside are the key facts<sup>6</sup> pertaining to the analysed product codes.

## 4.5 Export Potential

<sup>6</sup> <https://www.trademap.org/>

- ▶ The total exports of readymade garments products from Gautam Buddha Nagar district were approx. INR 8,500 Cr in year 2018-19.<sup>7</sup>
- ▶ Other prominent products exported from Gautam Buddha Nagar District are electronic goods, engineering goods, meat and basmati rice.
- ▶ There are more than 100 HSN Codes which may be used for exports of readymade garment category, in this chapter, we have provided analysis for a prominent HSN code - **620443**
- ▶ 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.

### Key Facts of Export (620443)

**68,35,963 USD Thousand**  
Value of world exports in 2020

**4,84,286 USD Thousand**  
India's exports 2020

**1,56,590 USD Thousand**  
UP's exports (2020-21)

**~32.33%**  
Share of UP in India's Exports

**Product 620443:** Uttar Pradesh exports this product to USA, UK, Spain, Denmark, Germany, France, Australia, Brazil, Netherlands, South Africa and Sweden. Below figure shows the top importers for this product (620443) in the world from India:

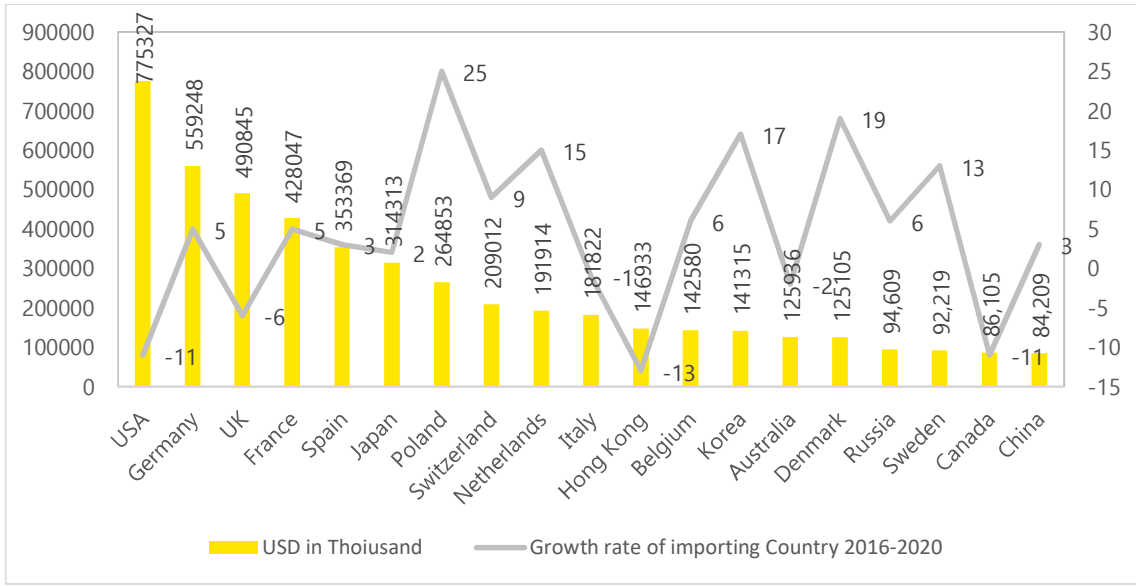


Figure 5: Top importers for this product (620443) in the world from India

<sup>7</sup> DGFT

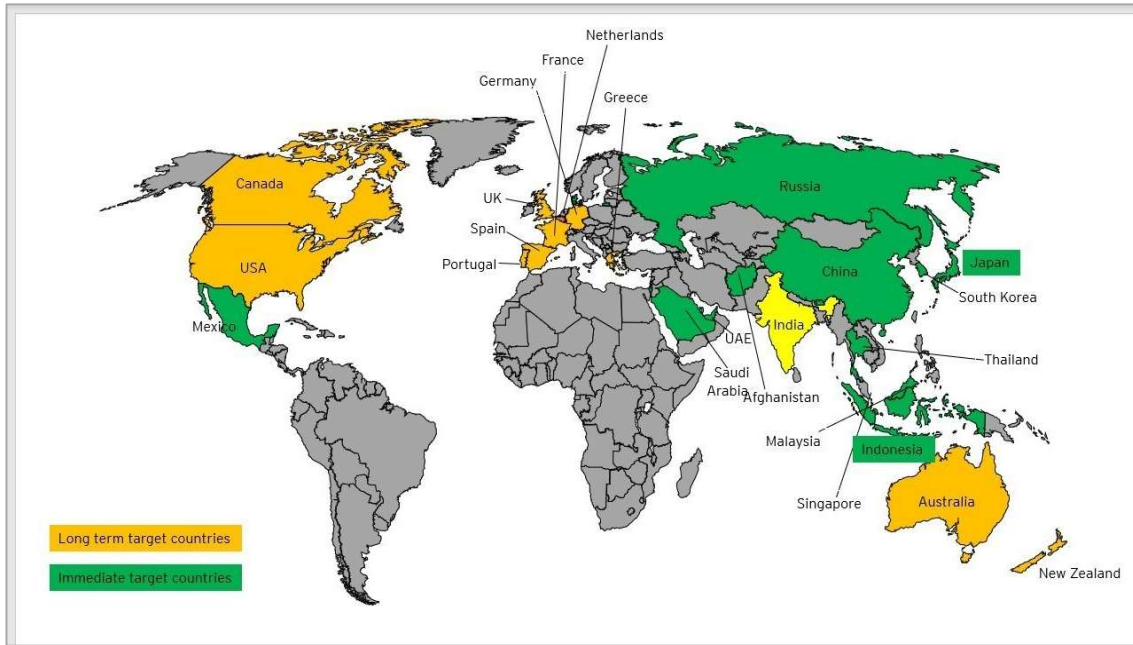


Figure 6: Markets for export potential

#### 4.6 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. Diversification can be brought in the cluster by:

1. **Development of a new range of textile products:** During the product diversification new products like technical textile, highend product, home decorative or infratructure bases can be developed & it needs to be promoted.
2. **Innovative textile for maximum comfort and health** - Additionally the demand of new textile can be catered through manufacturing light weight fabric material, using organic colour/ dye, and zero chemical discharge in textile making etc.
3. **Trendy Designs for catching up with Global demand:** To cater global demand for trendy and stylish textile products, the cluster can be introduced to new design of clothing and more trainings can be done in association with NIFT, NID, NITRA and DCH etc.

#### 4.7 SWOT analysis

Table 5: SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>▶ Better connectivity &amp; Part of Delhi NCR</li> <li>▶ Leadership position in Indian Textile and home furnishing products</li> <li>▶ Diversified Product Range offering</li> <li>▶ Ability to deliver to varied order sizes</li> <li>▶ Labour intensive industry providing livelihood to skilled manpower</li> <li>▶ Availability of Viscous Fabric design centre</li> </ul>	<ul style="list-style-type: none"> <li>▶ Rising cost of production due to increasing rate of raw material</li> <li>▶ Shortage of Skilled labour in the cluster</li> <li>▶ Lack of synergy between different Cluster Players</li> <li>▶ Low service integration in different industrial parks</li> <li>▶ Limited direct market access for large section of MSMEs manufacturers.</li> </ul>

<ul style="list-style-type: none"> <li>▶ strong presence of other support industry like- IT, Medicare, Hospitality, etc</li> </ul>	<ul style="list-style-type: none"> <li>▶ Non-availability of ready to use raw material</li> <li>▶ Less availability of Designing and R&amp;D facilities</li> <li>▶ Lack of awareness of Social compliance and Environmental issues</li> </ul>
<b>Opportunities</b>	<b>Threats</b>
<ul style="list-style-type: none"> <li>▶ Huge export potential Market</li> <li>▶ Growing market both domestic and international</li> <li>▶ Product Diversification</li> <li>▶ Increase in domestic Retail chain</li> <li>▶ Technical up-gradation</li> <li>▶ International exhibitions &amp; Warehouses</li> <li>▶ Networking &amp; linkages of cluster players/stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>▶ Rising input prices</li> <li>▶ Fluctuation of Raw material prices</li> <li>▶ Initial effects of GST</li> <li>▶ Increase in transaction cost - Post-Brexit effect</li> <li>▶ Migration of trained work force from the sector</li> <li>▶ Competition from China, Vietnam and Bangladesh</li> <li>▶ Domestic competition from newly developed clusters</li> </ul>

#### 4.8 Challenges and interventions

Parameter	Challenges	Intervention
<b>Raw Material</b>	<ul style="list-style-type: none"> <li>▶ Raw Material Bank:               <ul style="list-style-type: none"> <li>○ Sourcing of Raw Material</li> <li>○ Inferior quality and high cost compare to other clusters</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▶ Establishment of a Raw Material Bank within the CFC (CFC Scheme of ODOP program) ensuring easy availability of all types of high-quality material at discounted rates.</li> </ul>
<b>Technological upgradation</b>	<ul style="list-style-type: none"> <li>▶ Lack of ancillary machineries for SMEs which limits their potential and hinders the productivity and potential of the cluster</li> </ul>	<ul style="list-style-type: none"> <li>▶ Establishment of <b>Common Production Center</b> (CFC Scheme of ODOP program) with modern machines including CNC and CAD machines, packaging, and tagging machine etc.</li> </ul>
<b>Design</b>	<ul style="list-style-type: none"> <li>▶ Traditional designs are still being followed by small manufacturers they are not focusing on design innovation.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Establishment of Product Design Center with CAD/CAM facility along with a display center under CFC Scheme of ODOP program.</li> <li>▶ Collaboration with renowned designers to conduct workshops for SMEs pertaining to design forecasting, upcoming trends, market assessment etc.</li> </ul>
<b>Marketing branding &amp;</b>	<ul style="list-style-type: none"> <li>▶ Lack of infrastructure for marketing and trading of the product in domestic and international markets</li> <li>▶ Offline marketing is broadly used over online marketing</li> <li>▶ Creation of brand name for the engineering goods product.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Establishment of a Marketing centre within the CFC (CFC Scheme of ODOP program) in Ghaziabad to facilitate marketing events.</li> <li>▶ Collaboration with E-commerce companies like odopmart, <b>Flipkart, Amazon, Ebay for maximizing sales.</b></li> <li>▶ Collaboration with NIFT, to support SMEs in establishing the brand name of the 'engineering goods products in the national and international</li> </ul>

	<ul style="list-style-type: none"> <li>▶ Minimal use of Govt of India's e-commerce portal: ODOP mart - Seller Registration for maximizing sale</li> <li>▶ Lack of knowledge of existing schemes and govt. initiatives</li> <li>▶ Lack of participation in national and international events related to the Readymade garments sector</li> </ul>	<p>market</p> <ul style="list-style-type: none"> <li>▶ Increase the usage of the portal as this portal facilitates the SMEs to provide information about their products for easy understanding of exporters.</li> <li>▶ 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</li> <li>▶ 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</li> <li>▶ Suggesting measures to the UPEPB for State Export Promotion Policy towards enhancing export of engineering goods product.</li> </ul>
<b>Quality Improvement</b>	<ul style="list-style-type: none"> <li>▶ Undefined quality standards of the products.</li> <li>▶ Limited testing facility</li> </ul>	<ul style="list-style-type: none"> <li>▶ 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.</li> <li>▶ Establishment of a Testing centre within the CFC (CFC Scheme of ODOP program) in Ghaziabad to facilitate testing facility.</li> </ul>
<b>Access to Finance</b>	<ul style="list-style-type: none"> <li>▶ Difficulty in receiving financial support</li> <li>▶ Tedious paperwork and long waiting time</li> </ul>	<ul style="list-style-type: none"> <li>▶ 'Revolving Working Capital Assistance' to micro units towards procuring raw materials and meeting operating expenditure. This can be introduced through existing CFCs or DIC</li> <li>▶ Collaboration with nationalized banks to facilitate quick loan approval and disbursement through digital lending. (ex. SIDBI and BoB)</li> <li>▶ Banks may support in enhancing financial literacy of industries to avail the benefits</li> <li>▶ Sensitization of banks/financial institutions to understand the product value chain while fixing WC/CC limits.</li> </ul>
<b>Skill Upgradation</b>	<ul style="list-style-type: none"> <li>▶ Majority of the labour force engaged has gained the required skills through traditional learning</li> <li>▶ The low acceptance of formal skill training and negligible recognition to trained and certified worker in terms of wages</li> <li>▶ Less skilled persons for operate advance technological Engineering goods equipment</li> </ul>	<ul style="list-style-type: none"> <li>▶ Cluster tool room cum training centres for upskilling in industry relevant skills and RPL certifications</li> <li>▶ Upskilling (Cluster based training) for Stitching, Cutting, Designing, Documentation for Export</li> <li>▶ Fresh training for local youth &amp; additional skills acquisitions like accounting, entrepreneurship, marketing skills training for owner/managers of SMEs</li> </ul>
<b>Exporter's issue</b>	<ul style="list-style-type: none"> <li>▶ No focal point to address exporters ongoing issues.</li> </ul>	<ul style="list-style-type: none"> <li>▶ DIEPC to act as a focal point for all exporters issues. Deputy Commissioner Industries may be</li> </ul>



		given this responsibility to monitor the cell in consultation with DGFT.
<b>Cost Structure</b>	<ul style="list-style-type: none"> <li>▶ U.P. is a land-locked state hence this increases the transportation cost which in turn adds to the overall production expenses</li> <li>▶ Since the start of Covid 19 Pandemic, the availability of containers and the Freight Charges by the Shipping lines has been main concern of the industry</li> </ul>	<ul style="list-style-type: none"> <li>▶ The DIC office should organize workshops for exporters to apprise them about <b>Foreign Trade Policy benefits viz. Duty Exemption Scheme / Advance Authorization Scheme / Duty Free Import Authorization Scheme.</b></li> <li>▶ The CONCOR rates are to be made available at regular intervals to the DIC office for updating of the same at the district website.</li> <li>▶ 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.</li> </ul>

## 5. Product 2: Electronic Goods

### 5.1 Cluster Overview

The Electronic Goods cluster comprises of manufacturers of various kinds of electronic products, such as Semiconductor Wafer Fabrication (FAB), Electronic Components, Semiconductor Design, Electronics Manufacturing Services (EMS), Telecom products, Industrial/ Consumer electronics, auto components, marketing channels and their scrap units.

Raw material like Copper is often used for its excellent conductivity and malleability (the ability to be shaped and mashed). Nickel, chromium, aluminium, lead, silver and tin are also used. These metals go into components such as resistors, capacitors, and transducers. Machinery tool units are part of both the primary conversion and secondary conversion units. The output from the machinery tool industry is used as an input in both the primary conversion and secondary conversion units. Additionally, output from both the primary conversion and secondary conversion units are consumed by the assembling or final product conversion units. These goods are either marketed directly to end users or are sold through traders/ exporters.

### 5.2 Product profile

Listed below are different kinds of electronic goods in the region:

1. Mobile phones, other than push button type
2. Other parts of telephonic/telegraph apparatus
3. LED - Luminaries, Architectural Luminaries,
4. Modular Switches
5. Smart Led TV,
6. Room Heater and Ceiling Fan, etc.

### 5.3 Cluster Stakeholders

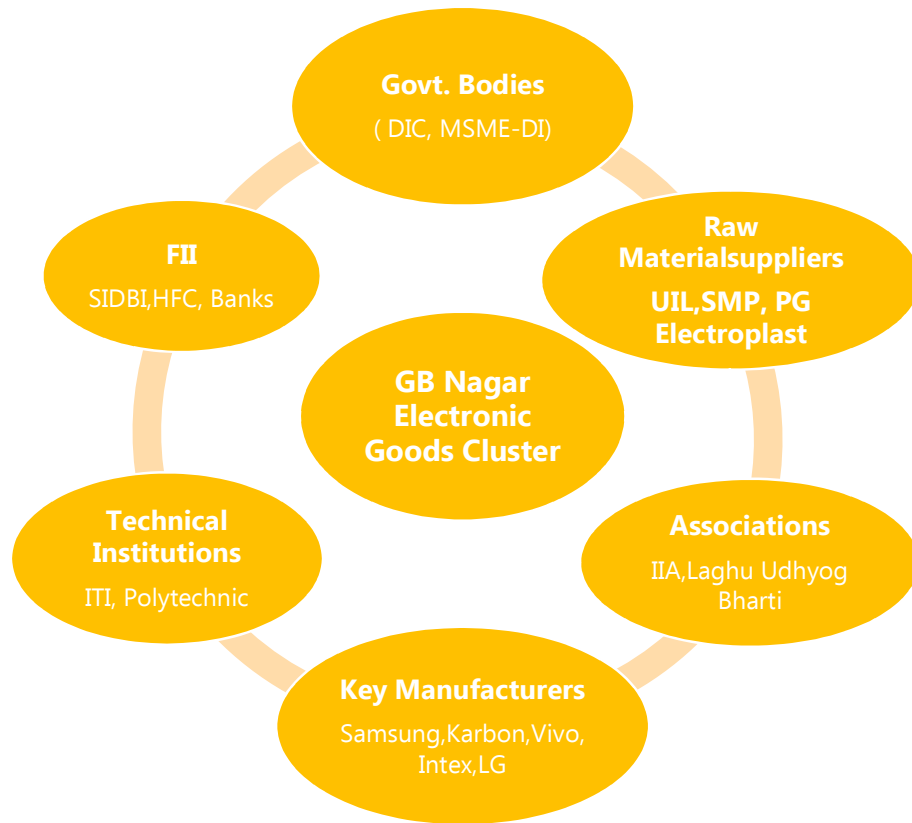


Figure 7: Cluster Stakeholders

### 5.3.1 Industry Associations-

Following are principal Industry Associations/SPVs that are working for the development of engineering goods in Gautam Budhh Nagar:

- ▶ Indian Electrical & Electronics Manufacturers Association (IEEMA)
- ▶ Electronic Industries Association of India (ELCINA)
- ▶ India electronics & Semiconductor Association (IESA)
- ▶ Indian Industry Association (IIA)
- ▶ PHD Chamber of commerce & Industry
- ▶ Laghu Udyog Bharti

### 5.4 Export Scenario

#### 5.4.1 HS code

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

Table 6: HS codes for engineering Goods

Sr. No.	HSN Code	Product Description
1	85171211	Mobile phones, other than push button type
2	85177090	Other parts of telephonic/telegraphic apparats
3	853590	Electrical apparatus for switching or protecting electrical circuits, or for making connections to or in electrical circuits, for a voltage > 1.000 V

4	853510	Fuses for a voltage > 1.000 V
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### Current Scenario

The export scenario of India and Uttar Pradesh have been analysed basis the export statistics of HS code mentioned above under which electronic products are exported. Alongside are the key facts<sup>8</sup> pertaining to the analysed product codes.

### 5.5 Export Potential

- ▶ The total exports of electronic goods products from Gautam Buddha Nagar district were approx. INR 26,350 Cr from sep'20 to Nov'21<sup>9</sup>
- ▶ There are various HSN Codes which may be used for Exports of electronic goods but here, the analysis of one prominent HSN code (**851712**) 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.

**Key Facts of Export (HS Code 851712)**

**25,83,00,849 USD Thousand**  
Value of world exports in 2020

**29,88,755 USD Thousand**  
India's exports 2020

**23,26,380 USD Thousand**  
UP 's Exports (2018-19)

**~77.83%**  
Share of UP in India 's Exports

**Product 851712:** Uttar Pradesh exports this product to **UAE, Rusia, Italy, USA, Turkey, France, Spain, Nepal, Thailand, Philippines, and Bangladesh**. Below figure shows the top importers for this product (851712) in the world from India:

<sup>8</sup> <https://www.trademap.org/>

<sup>9</sup> DGFT

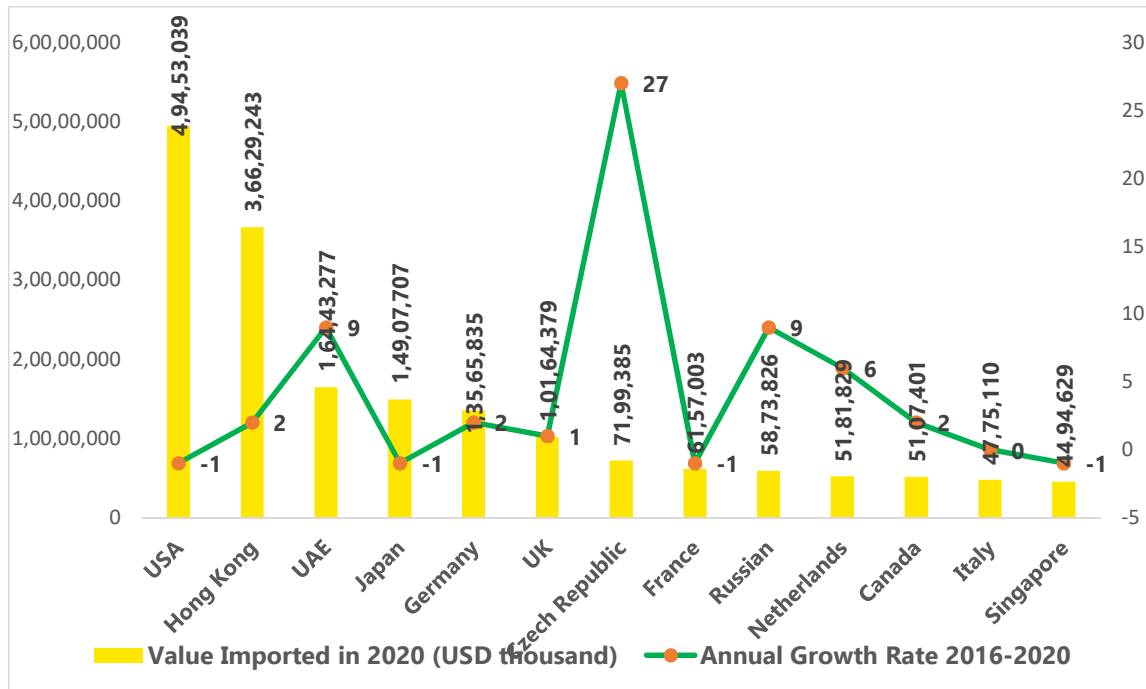


Figure 8: Top importers for this product (851712) in the world from India

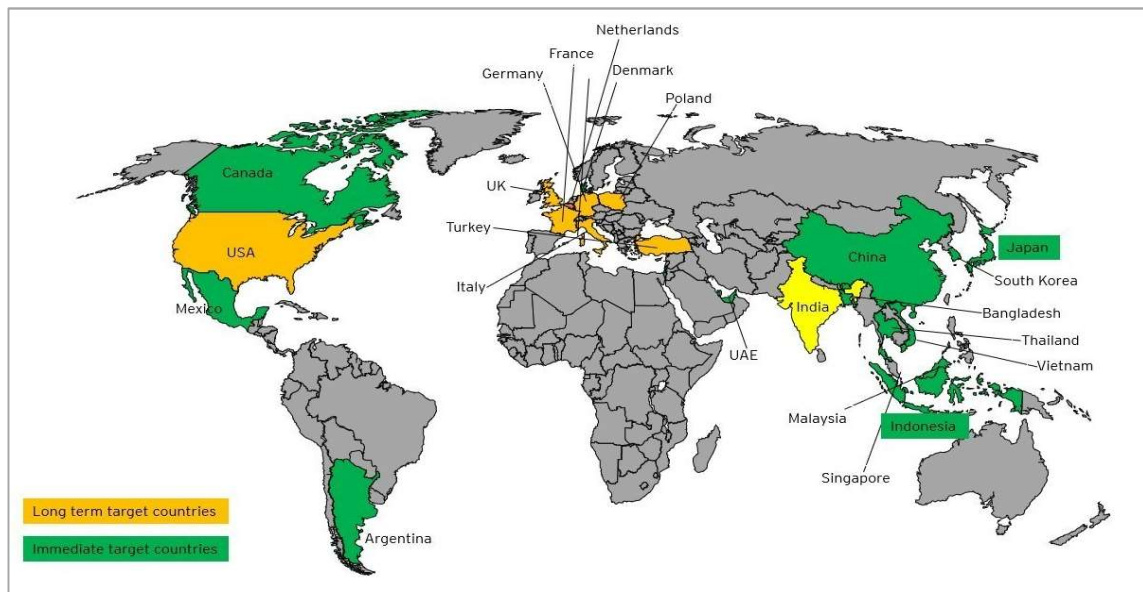


Figure 9: Markets for export potential

## 5.6 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. Diversification can be brought in the cluster by:

**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. Most of the electronic goods products are heady and not conversive. It needs to be more change with other material which suits to them with less intervention. The

demand for smart light & equipment are growing globally. They are exploring the new age demand and cater them as a market leader.

## 5.7 State Policy Analysis

Many States are extending their support to MSMEs involved in the electronics and parts manufacturing and are adding to the incentives already offered by the EMC scheme. In fact, the project cost (not already borne by the Central Government), would be provided for by the State governments and other State Agencies. A minimum contribution of 50% for EMC projects (Greenfield EMCs) and 25% for CFCs has been decided. Most States have planned for or have already established a Technology Park for electronics production and development of technology. Major findings obtained from analysis of States policies over the years are listed below.

Table 7: Comparison of Various State Policies based on different incentives offered<sup>10</sup>

Karnataka Electronics System Design and Manufacturing (ESDM) Policy 2017-22	Karnataka Special Incentives Scheme for ESDM Sector (2020-25)	Tamil Nadu Electronics Hardware Manufacturing Policy 2020	Tamil Nadu Industrial Policy 2021 (Special Incentives for Sunrise Sector of ESDM)	Uttar Pradesh Electronics Manufacturing Policy 2020	Gujarat Electronics Policy 2016-21	Andhra Pradesh Electronics Policy 2021-24
<b>Capital Subsidy</b>						
Up to 10% capital subsidy, up to a maximum of INR 10 Crores to registered KESDM companies	25% on Land (areas other than urban/rural Bengaluru) up to 50 acres on actual procurement cost. 20% on Plant and Machinery	15% to 25% of Eligible Fixed Assets (EFA) (depending on districts) for investment in range: INR 200 Cr- INR 500 Cr; 18% to 30% of EFA for investment > INR 500Cr	Additional capital subsidy up to 7.5% of EFA as sunrise booster	15% of Fixed Capital Investment (FCI) up to INR 10 crore; 15% of FCI between investment of INR 200 – 1000 crores (subject to maximum of INR 150 crores subsidy) <b>Investment more than INR 1000 Cr:</b> Additional capital subsidy of 10% maximum up to INR 100 Cr (total Capital Subsidy up to INR 250 Cr)	10% of Gross Fixed Capital Investment (GFCI) for ESDM units, GFCI upto Rs. 10 crores; 5% of incremental GFCI for ESDM units - above INR 10 crores	20% of Fixed Capital Investment (FCI) up to INR 20 Crore for Electronics industries; 25% of FCI up to INR 25 Crore for Electronics industries categorized as SC/ ST/ BC/Women enterprises.
<b>Land Subsidy</b>						

<sup>10</sup> India's Electronics Industry: Potential for Domestic Manufacturing and Exports August 2021

Reimbursement of land conversion fee- 75% for Start-ups and MSMEs; 50% for Large and Mega enterprises	100% reimbursement of Land Conversion Fee	50% subsidy on cost of land- subject to land cost not exceeding 20% of EFA; subsidy cap at INR 2 Cr (for Private land holdings)	For SIPCOT projects- 10% concession in rates (Category A and B districts); 50% for district C for land up to 20% EFA;  50% for private land in district C (cap of INR 2 Cr)	25% on prevailing rates (Madhyanchal & Paschimanchal regions); 50% in Bundelkhand & Purvanchal regions	-	-
<b>Power Subsidy</b>						
Industrial Power Tariff (instead of commercial power tariff) to registered KESDM companies & associated industries within the State	Power tariff reimbursement of INR 1 per unit for 5 years, 100% exemption from electricity duty for 5 years from date of commercial production	Electricity tax exemption for a period of 5 years from date of commercial production	Electricity tax exemption for 5 years if power purchased from TANGEDCO or consumed/ generated from captive sources	50% exemption of Electricity Duty for a maximum period of 10 years to all ESDM units	Eligible ESDM units to be given 100 % reimbursement for electricity duty paid for a period of five years; power tariff subsidy at rate of Re. 1 per unit	Reimbursement of fixed power cost for 5 years since commercial production commencement date; --INR 1 per unit for electronics industries  --INR 1.5 per unit for electronics industries categorized as SC/ ST/ BC/ Women enterprises;  Power tariff at rates of INR 4.5 per unit for firms in greenfield electronic manufacturing clusters.
<b>Skill Upgradation</b>						

Yuva-Yuva Program to meet plug-play talent needs of ESDM sector; Internet of Things (IoT) Developers Skilling; Internship Platform for Talent Development- to benefit students with diploma/ degree in electronics	-	Target to skill over 1,00,000 persons per year for next 4 years - Tamil Nadu Skill Development Corporation as Implementing Agency;  Skill and training centre to be established within every green-field/ Brownfield EMC;  Unique skill training subsidy for women provided	-	All ESDM units eligible for reimbursement of training stipend; UP Skill development Mission to be aligned with required skill sets for Electronics Industry (supported by budget allocated by MeitY)	New Scheme with customized courses: on-floor training for skill development in ESDM sector, with an internship program	30 skill development centres and high end IT skills university to be set up; IT,E&C Department, Department of Skill Development and industry to work together to create industry ready talent pool
<b>Tax Reimbursement</b>						
-	-	Refund of input SGST on capital goods to permissible extent under TNGST Act 2017 for companies facing <i>inverted tax structure</i>	-	-	Eligible ESDM units to be provided reimbursement of net tax - limited to ceiling of 90% of GFCL made by unit.  100% Central Sales Tax (CST) to be reimbursed for inter-state sales; SGST to be reimbursed at tax rate	100% reimbursement of net SGST for 8 years period
<b>Interest Subsidy</b>						
Up to 6%p.a.- provided to registered KESDM Start-ups and MSMEs for 5 years for loans up to INR 50 lakhs	-	Large investments - 5% subsidy on loans capped to 0.2 Cr p.a. availed up to 6 years;  Mega investments- 5% on loans capped to 1 Cr p.a. for 6 years	Large investments - 5% subsidy on loans capped to 0.2 Cr p.a. availed up to 6 years;  Mega investments- 5% on loans capped to 1 Cr p.a. for 6 years  Ultra Mega investments - 5% on loans capped to 4 Cr p.a. for 6 years	5% p.a. to units with investment up to INR 200 Cr (up to a maximum of INR 1 Cr p.a. per unit for 5 years)	7% p.a. subsidy for ESDM units with borrowings up to INR 10 Cr; For borrowing between INR 10 Cr and INR 1000 Cr - subsidy of INR 1 Crore and 2% of borrowings; above INR 1000 Cr - subsidy of INR 5 Cr and 1% of borrowings	On term loan at 5% up to INR 1.50 Crores/ year for 5 years period (only for firms in greenfield electronic manufacturing clusters)
<b>Stamp Duty exemption</b>						

Registered KESDM companies exempt from stamp duty paid for loan agreements, credit deeds, lease deeds, etc.; 100% for Start-ups and MSMEs; 75% for large and mega enterprises	100% reimbursement of stamp duty and registration charges	50% stamp duty exemption for Chennai, Kancheepuram, Coimbatore, Vellore, etc.; 100% stamp duty exemption for Dharmapuri, Madurai, Theni, Tenkasi, etc.	100% stamp duty exemption for land for industrial use obtained from SIPCOT; 100% back ended subsidy for private lands up to 50 acres	100% exemption on purchase/ lease of land for individual ESDM units; 100% exemption on first transaction; 50% exemption on second transaction for purchase/ lease of land for EMCs/ESDM parks	Greenfield EMCs to be entitled to 100% reimbursement of stamp duty as well as registration fee towards lease/ sale of land for the EMC	100% reimbursement of stamp duty as well as transfer duty; 100% reimbursement of registration fee paid on sale and lease deeds on the first transaction only.
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## 5.8 Challenges and interventions

Parameter	Challenges	Intervention
<b>Cost Disability</b>	<ul style="list-style-type: none"> <li>▶ High-cost disabilities in logistics due to absence of logistic subsidy, compared to China and Vietnam, where logistic subsidies contributed to cost reductions of 1% and 05%, respectively, as of 2019, High power cost</li> <li>▶ High costs of capital required for production activities, viz. mobile phones manufacturing is highly capital- and technology-intensive, due to requirements of latest high-volume machinery, thereby necessitating huge investments</li> <li>▶ Increase in tariffs/Basic Custom Duty (BCD) on imports of P&amp;C also risks the rise in the cost of final products; Also, continuous rise in BCD is proposed wherever subsidies cannot be granted, but tariffs also do not guarantee more revenue generation</li> </ul>	<ul style="list-style-type: none"> <li>▶ Establishment of logistic park and dedicated freight corridors</li> <li>▶ Increase in capital subsidy for electronic manufacturing units</li> <li>▶ Increase in freight subsidy and also enhance the subsidy eligibility to large units because most of the electronic manufacturing units are large.</li> </ul>
<b>Technological upgradation</b>	<ul style="list-style-type: none"> <li>▶ Lack of ancillary machineries for SMEs which limits their potential and hinders the productivity and potential of the cluster</li> </ul>	<ul style="list-style-type: none"> <li>▶ Establishment of <b>Common Production Center</b> (MSME cluster development Scheme) with modern machines including CNC and CAD machines, packaging, and tagging machine etc.</li> </ul>
<b>Design</b>	<ul style="list-style-type: none"> <li>▶ Traditional designs are still being followed by small manufacturers they are not focusing on design innovation.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Establishment of Product Design Center with CAD/ CAM facility along with a display center under CFC Scheme of ODOP program.</li> <li>▶ Collaboration with renowned designers to conduct workshops for SMEs pertaining to design forecasting, upcoming trends, market assessment etc.</li> </ul>
<b>Marketing &amp; branding</b>	<ul style="list-style-type: none"> <li>▶ Lack of infrastructure for marketing and trading of the product in domestic and international markets</li> <li>▶ Offline marketing is broadly used over online marketing</li> <li>▶ Creation of brand name for the engineering goods product.</li> <li>▶ Minimal use of Govt of India's e-</li> </ul>	<ul style="list-style-type: none"> <li>▶ Establishment of a Marketing centre within the CFC (CFC Scheme of ODOP program) in Ghaziabad to facilitate marketing events.</li> <li>▶ Collaboration with E-commerce companies like odopmart, <b>Flipkart, Amazon, Ebay for maximizing sales.</b></li> <li>▶ Collaboration with NIFT, to support SMEs</li> </ul>

	<p>commerce portal: ODOP mart – Seller Registration for maximizing sale</p> <ul style="list-style-type: none"> <li>▶ Lack of knowledge of existing schemes and govt. initiatives</li> <li>▶ Lack of participation in national and international events related to the engineering goods sector</li> </ul>	<p>in establishing the brand name of the ‘engineering goods products in the national and international market</p> <ul style="list-style-type: none"> <li>▶ Increase the usage of the portal as this portal facilitates the SMEs to provide information about their products for easy understanding of exporters.</li> <li>▶ 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</li> <li>▶ 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</li> <li>▶ Suggesting measures to the UPEPB for State Export Promotion Policy towards enhancing export of engineering goods product.</li> </ul>
<b>Quality Improvement</b>	<ul style="list-style-type: none"> <li>▶ Undefined quality standards of the products.</li> <li>▶ Limited testing facility</li> </ul>	<ul style="list-style-type: none"> <li>▶ 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.</li> <li>▶ Establishment of a Testing centre within the CFC (CFC Scheme of ODOP program) in Ghaziabad to facilitate testing facility.</li> </ul>
<b>Weak IP Rights regime</b>	<ul style="list-style-type: none"> <li>▶ IP base is not strong enough in terms of development and facilitation as well as protection of rights</li> <li>▶ Low subsidies on patent costs that affect innovations in India</li> </ul>	<ul style="list-style-type: none"> <li>▶ Awareness on IP rights and their benefits</li> <li>▶ Enhancements of subsidies of patents cost</li> <li>▶ Enabling strong IP right for development and reducing Legal producing time by making timebound decision making process.</li> </ul>
<b>Insufficient labour skills and persistent demand-supply gap</b>	<ul style="list-style-type: none"> <li>▶ Increase in need for specialized skills owing to greater technological complexities, viz., IoT, AI; although rise in demand for skilled workers and design engineers, but supply of such workers still not sufficient</li> <li>▶ Continuous reliance on other nations, such as China, for technicians who specialise in the setups of the sophisticated machinery and</li> </ul>	<ul style="list-style-type: none"> <li>▶ Cluster tool room cum training Centres for upskilling in industry relevant skills and RPL certifications</li> <li>▶ Upskilling (Cluster based training) for IOT, AI, Machine operators</li> <li>▶ Fresh training for local youth &amp; additional skills acquisitions like accounting, entrepreneurship, marketing skills training for owner/managers of SMEs</li> <li>▶ Tool room cum training centre should be equipped with</li> <li>▶ A. R&amp; D Centres, B. CNC based machines C. 3D Designing,</li> <li>▶ Enhancement in Assembling units</li> </ul>

	<p>technical assistance</p> <ul style="list-style-type: none"> <li>▶ Higher expenses on reskilling of workers raises manufacturing costs</li> <li>▶ Lack of industry-friendly labour laws</li> <li>▶ Lack of proper design institutes solely for skill generation for this industry</li> </ul>	<ul style="list-style-type: none"> <li>▶ Increase in R &amp; D Subsidy. Presently india have low R&amp;D subsidies (015%) as compared to those in other countries, ie, China (2%) and Vietnam (1%), as of 2019.</li> </ul>
<b>Exporter's issue</b>	<ul style="list-style-type: none"> <li>▶ No focal point to address exporters ongoing issues.</li> </ul>	<ul style="list-style-type: none"> <li>▶ 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.</li> </ul>
<b>Cost Structure</b>	<ul style="list-style-type: none"> <li>▶ U.P. is a land-locked state hence this increases the transportation cost which in turn adds to the overall production expenses</li> <li>▶ Since the start of Covid 19 Pandemic, the availability of containers and the Freight Charges by the Shipping lines has been main concern of the industry</li> </ul>	<ul style="list-style-type: none"> <li>▶ The DIC office should organize workshops for exporters to apprise them about <b>Foreign Trade Policy benefits viz. Duty Exemption Scheme / Advance Authorization Scheme / Duty Free Import Authorization Scheme.</b></li> <li>▶ The CONCOR rates are to be made available at regular intervals to the DIC office for updating of the same at the district website.</li> <li>▶ 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.</li> </ul>

## 5.9 Future Outcomes

Cluster Turnover
<p>Increase in cluster turnover from existing <b>INR 46,300 Cr. to 59,100 Cr. by 2026</b><sup>11</sup></p>

Cluster exports
<p>Increase in export revenue from INR 26,350 cr. to INR 35,300 Cr. by 2026<sup>12</sup></p>

<sup>11</sup> Basis stakeholder consultation

<sup>12</sup> Basis stakeholder consultation

## 6. Product 3: Engineering Goods

### 6.1 Cluster Overview

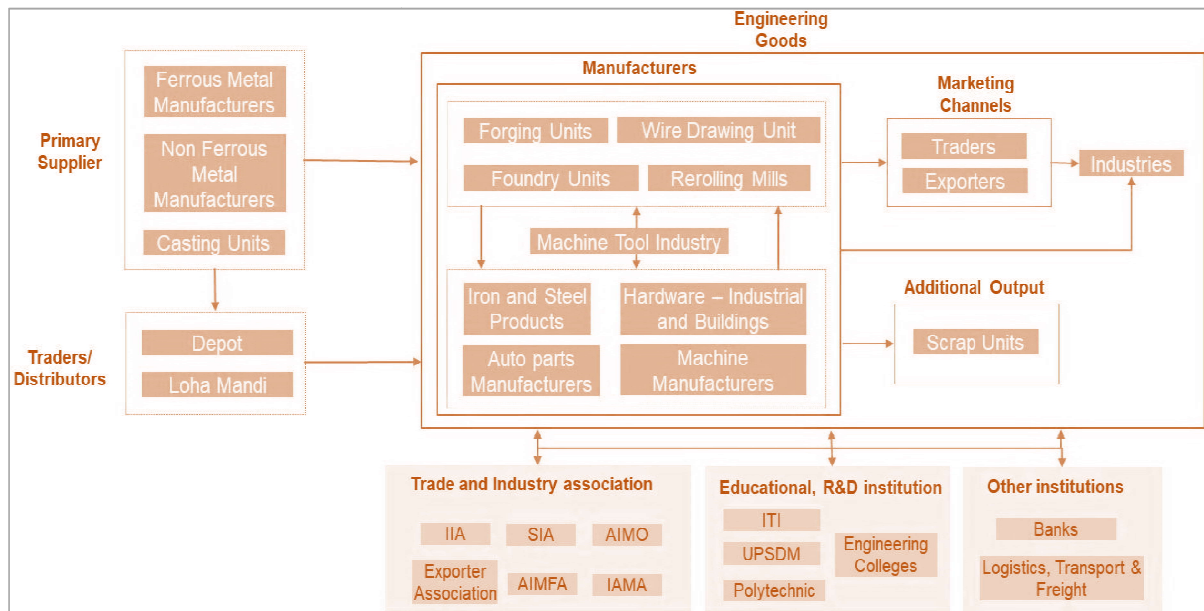
The Engineering Goods cluster comprise of manufacturers of various kinds of engineering products, different marketing channels and scrap aggregator units and so. The forging units, wire drawing units, foundry units, rerolling mills did the primary conversion for the secondary conversion units or final product manufacturing units. Machinery tools units are part of both the primary conversion and secondary conversion units.

The engineering goods manufactured at Gautam Buddha Nagar are either marketed directly to end users or are sold through traders/ exporters. Lastly, all the engineering good players have metal scraps as additional output which are sold to scrap aggregators. These units collect the scrap metal and melt them for reuse.

### 6.2 Product profile

Listed below are different kinds of engineering goods in the region:

1. Other tractors, of an engine power exceeding 37 kw but not exceeding 75 kw
2. Auto parts
3. Bars and rods of stainless steel, only hot rolled, only hot-drawn or only hot-extruded
4. Brakes and servo-brakes and their parts, for tractors
5. Parts and accessories, for tractors, motor vehicles for the transport of ten or more person
6. Angles, shapes and sections of stainless steel



### 6.3 Cluster Stakeholders

Figure 10: Cluster Stakeholders

### 6.3.1 Industry Associations

Following are principal Industry Associations/SPVs that are working for the development of engineering goods in Ghaziabad:

- ▶ Indian Industry Association (IIA)
- ▶ Automotive Component Manufacturers Association of India (ACMA)
- ▶ PHD Chamber of commerce & Industry
- ▶ Laghu Udyog Bharti

## 6.4 Export Scenario

### 6.4.1 HS code

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

*Table 8: HS codes for engineering Goods*

Sr. No.	HSN Code	Product Description
1	87019300	Other tractors, of an engine power exceeding 37 kw but not exceeding 75 kw
2	870899	Parts and accessories, for tractors, motor vehicles for the transport of ten or more person
3	722240	Angles, shapes and sections of stainless steel
4	722211	Bars and rods of stainless steel, only hot-rolled, only hot-drawn, or only hot-extruded
5	87112029	Motorcycle with cylinder capacity >75 bt<=250 cc

### Current Scenario

The export scenario of India and Uttar Pradesh have been analysed basis the export statistics of HS code mentioned above under which engineering products are exported. Alongside are the key facts<sup>13</sup> pertaining to the analysed product codes.

### 6.5 Export Potential

- ▶ The exports of engineering goods products under engineering Goods from Gautam Buddh Nagar district were approx. INR 842 Cr from sep'20 to Nov,21<sup>14</sup>
- ▶ There are more than 100 HSN Codes which may be used for Exports of engineering goods 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

<sup>13</sup> <https://www.trademap.org/>

<sup>14</sup> Source: DGFT-Export value of (HS code -87019300 & 87112029)

### Key Facts of Export ( HSN-870193)

**43,42,466 USD Thousand**  
Value of world exports in 2020

**4,18,061 USD Thousand**  
India's exports 2020

**1,26,930 USD Thousand**  
UP 's Exports (2020-21)

**~30.36%**  
Share of UP in India 's Exports

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.

**Product 870193:** Uttar Pradesh exports this product to **USA, Kenya, Brazil, Nepal, Sudan, Australia, Bangladesh, Thailand, Indonesia, and Malaysia.** Below figure shows the top importers for this product (870193) in the world from India:

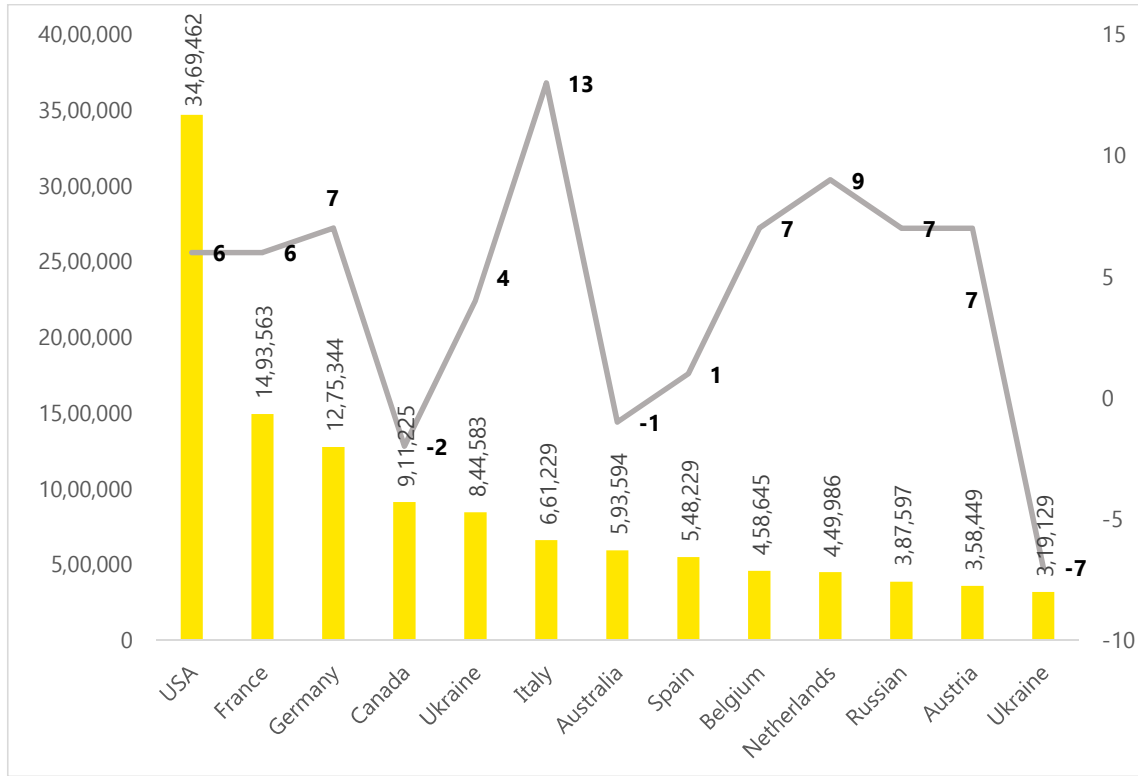


Figure 11: Top importers for this product (870193) in the world from India

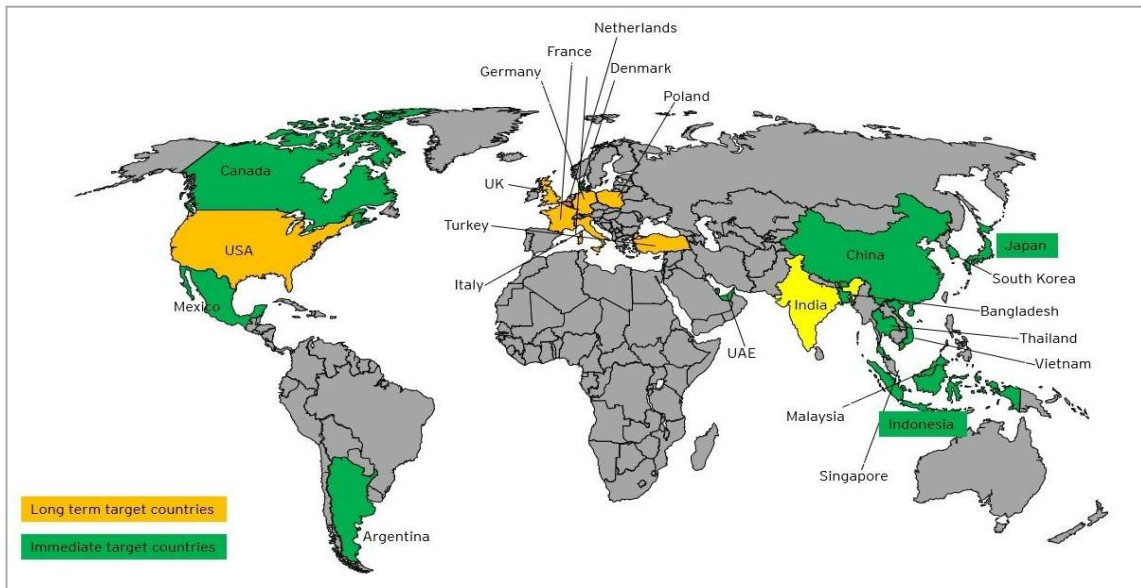


Figure 12: Markets for export potential

## 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. Diversification can be brought in the cluster by:

### 1. Development of a new products:

During the product diversification new product line like machinery parts, aviation or auto parts, home decorative or infrastructure bases can be developed & it needs to be promoted. Additionally creation of a new product range like light weighted engineering equipments that can be laminated and attached to wooden doors, frames, wall paintings etc.

### 2. 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. Most of the engineering goods products are heavy and not conversive. It needs to be more change with other material which suits to them with less intervention.

## 6.7 SWOT analysis

Table 9: SWOT Analysis

Strengths	Weakness
<ul style="list-style-type: none"> <li>▶ Easy availability of skilled workforce</li> <li>▶ Large potential for diversifying on variety of products</li> <li>▶ Easy availability of raw material for mass production</li> <li>▶ Availability of various government interventions for fostering the cluster</li> </ul>	<ul style="list-style-type: none"> <li>▶ Low technological upgradation and longer production cycle</li> <li>▶ Existence of large number of intermediaries between small manufactures and entrepreneurs</li> <li>▶ Limited design</li> <li>▶ Market access is restricted due to factors ranging from exposure and facilities</li> <li>▶</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>▶ Huge scope of market expansion- domestic and foreign</li> <li>▶ Scope for development of new products and modifying existing range</li> <li>▶ Potential collaborations with renowned designers and design institutes for improving existing designs</li> <li>▶ Increase participation in marketing events- International and domestic</li> </ul>	<ul style="list-style-type: none"> <li>▶ Tough competition with cheaper, imported items</li> </ul>

## 6.8 Challenges and interventions

Parameter	Challenges	Intervention
Raw Material	<ul style="list-style-type: none"> <li>▶ Raw Material Bank:               <ul style="list-style-type: none"> <li>○ Sourcing of Raw Material</li> <li>○ Inferior quality and high cost compare to other clusters</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▶ Establishment of a Raw Material Bank within the CFC (MSME cluster development scheme) ensuring easy availability of all types of high-quality material at discounted rates.</li> </ul>
Technological upgradation	<ul style="list-style-type: none"> <li>▶ Lack of ancillary machineries for SMEs which limits their potential and hinders the productivity and potential of the cluster</li> </ul>	<ul style="list-style-type: none"> <li>▶ Establishment of <b>Common Production Center</b> ((MSME cluster development scheme) with modern machines including CNC and CAD machines, packaging, and tagging machine etc.</li> </ul>
Design	<ul style="list-style-type: none"> <li>▶ Traditional designs are still being followed by small manufacturers they are not focusing on design innovation.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Establishment of Product Design Center with CAD/CAM facility along with a display center under CFC Scheme of MSME.</li> <li>▶ Collaboration with renowned designers to conduct workshops for SMEs pertaining to design forecasting, upcoming trends, market assessment etc.</li> </ul>
Marketing & branding	<ul style="list-style-type: none"> <li>▶ Lack of infrastructure for marketing and trading of the product in domestic and international markets</li> <li>▶ Offline marketing is broadly used over online marketing</li> <li>▶ Creation of brand name for the engineering goods product.</li> <li>▶ Minimal use of Govt of India's e-commerce portal: ODOP mart - Seller Registration for maximizing sale</li> <li>▶ Lack of knowledge of existing schemes and govt. initiatives</li> <li>▶ Lack of participation in national and international events related to the engineering goods sector</li> </ul>	<ul style="list-style-type: none"> <li>▶ Establishment of a Marketing centre within the CFC in Gautam Buddh Nagar to facilitate marketing events.</li> <li>▶ Collaboration with E-commerce companies like odopmart, Flipkart, Amazon, Ebay for maximizing sales of light engineering products.</li> <li>▶ Collaboration with Govt. and buyers through Virtual Buyer Seller Meet (VBSM) platform can be promoted for heavy duty engineering products.</li> <li>▶ Collaboration with NIFT, to support SMEs in establishing the brand name of the 'engineering goods products in the national and international market</li> <li>▶ Increase the usage of the portal as this portal facilitates the SMEs to provide information about their products for easy understanding of exporters.</li> <li>▶ 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</li> <li>▶ The DGFT/FIEO can set targets for participating in</li> </ul>



		<p>events per year. Example: Participation in at least 3 international events for this sector every year to create foreign linkages and increase</p> <ul style="list-style-type: none"> <li>▶ Suggesting measures to the UPEPB for State Export Promotion Policy towards enhancing export of engineering goods product.</li> </ul>
<b>Quality Improvement</b>	<ul style="list-style-type: none"> <li>▶ Undefined quality standards of the products.</li> <li>▶ Limited testing facility</li> </ul>	<ul style="list-style-type: none"> <li>▶ 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.</li> <li>▶ Establishment of a Testing centre within the CFC in Gautam Buddh Nagar to facilitate testing facility.</li> </ul>
<b>Access to Finance</b>	<ul style="list-style-type: none"> <li>▶ Difficulty in receiving financial support</li> <li>▶ Tedious paperwork and long waiting time</li> </ul>	<ul style="list-style-type: none"> <li>▶ ‘Revolving Working Capital Assistance’ to micro units towards procuring raw materials and meeting operating expenditure. This can be introduced through existing CFCs or DIC</li> <li>▶ Collaboration with nationalized banks to facilitate quick loan approval and disbursement through digital lending. (ex. SIDBI and BoB)</li> <li>▶ Banks may support in enhancing financial literacy of industries to avail the benefits</li> <li>▶ Sensitization of banks/financial institutions to understand the product value chain while fixing WC/CC limits.</li> </ul>
<b>Skill Upgradation</b>	<ul style="list-style-type: none"> <li>▶ Majority of the labour force engaged has gained the required skills through traditional learning</li> <li>▶ The low acceptance of formal skill training and negligible recognition to trained and certified worker in terms of wages</li> <li>▶ Less skilled persons for operate advance technological Engineering goods equipment</li> </ul>	<ul style="list-style-type: none"> <li>▶ Cluster tool room cum training Centres for upskilling in industry relevant skills and RPL certifications</li> <li>▶ Upskilling (Cluster based training) for Welder, Machinist Fitter Machine operators</li> <li>▶ Fresh training for local youth &amp; additional skills acquisitions like accounting, entrepreneurship, marketing skills training for owner/managers of SMEs</li> <li>▶ Tool room cum training centre should equipped with</li> <li>▶ A. VMC machines, B. CNC based machines C. 3D Designing, D. Advanced welding and cutting processes machine</li> </ul>
<b>Exporter's Issue</b>	<ul style="list-style-type: none"> <li>▶ No focal point to address exporters ongoing issues.</li> </ul>	<ul style="list-style-type: none"> <li>▶ 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.</li> </ul>
<b>Cost Structure</b>	<ul style="list-style-type: none"> <li>▶ U.P. is a land-locked state hence this increases the transportation cost which in turn adds to the overall production expenses</li> <li>▶ Since the start of Covid 19 Pandemic, the availability of containers and the Freight Charges by the Shipping lines</li> </ul>	<ul style="list-style-type: none"> <li>▶ The DIC office should organize workshops for exporters to apprise them about <b>Foreign Trade Policy benefits viz. Duty Exemption Scheme / Advance Authorization Scheme / Duty Free Import Authorization Scheme.</b></li> <li>▶ The CONCOR rates are to be made available at regular intervals to the DIC office for updating of the same at the district website.</li> <li>▶ The formation of the sub-committee comprising</li> </ul>

	has been main concern of the industry	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.
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## 6.9 Future Outcomes

Annual Turnover
<p>Increase in annual turnover of engineering goods from existing INR 2000 Cr. To 2,550 Cr. by 2025<sup>15</sup></p>

Cluster exports
<p>Increase in export revenue from INR 842 cr. to INR 1090 Cr. by 2025<sup>16</sup></p>

<sup>15</sup> Basis stakeholder consultation

<sup>16</sup> Stakeholder discussion

## 7. Product 4: Boneless meat and other edible offal of bovine animals

### 7.1 Cluster Overview

Gautam Buddh Nagar is well known for processed meat products. Export of processed meat from Gautam Buddh Nagar holds a prominent place in the Indian economy. There are several legal slaughterhouses in Gautam Buddh Nagar which employing around 5000 workers. Slaughterhouses in Gautam Buddh Nagar's area deal in buffalo meat, which is primarily exported to Gulf countries.

Some of major names include M/s. Anantjeet Nutriments LLP, M/s. Madix ventures LLP, M/s. Visens food & Beverages private limited etc. These units contribute for major export of processed meat from the district.

The cluster's annual turnover in 2020-21 was around INR 1000 Cr<sup>17</sup>. The export turnover from September 2020 to November 2021 was INR 686 Cr<sup>18</sup>. Total employment in the cluster is around 5,000.

### 7.2 Product Profile

1. Boneless Meat of Bovine Animals
2. Other Edible Offal of Bovine Animals

#### 7.2.1 Product Portfolio

- ▶ Chilled Boneless Buffalo Meat
- ▶ Chilled Boneless Buffalo Offal
- ▶ Frozen Boneless Buffalo Meat
- ▶ Frozen Boneless Buffalo Offal

### 7.3 Cluster Stakeholders

#### Raw material supplier

The primary raw material suppliers are farmers who supply the disease-free animals to the slaughterhouse.

#### Unit owners & Workers

There are several slaughterhouses involved in processing and export of meat. More than 5,000 workers are working in these units and are residing in Gautam Buddh Nagar Ghaziabad, Meerut, Hapur and nearby areas of Gautam Buddh Nagar.

#### Machinery Supplier

Most of the units are having modern abattoir cum meat processing plant with most of segments are fully automated.

#### 7.3.1 Industry Associations

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

- ▶ **National Food Laboratory (Food Research and Standardization Laboratory (FRSL)),** Ahinsa Khand-II, Indirapuram Ghaziabad - FSSAI Notified Referral Laboratory under section 43 (2) of FSS Act, 2006 .
- ▶ **MSME-Development Institute (MSME-DI), Okhla:** 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, Gautam Buddh Nagar (IIA)**

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<sup>17</sup> DIEPC Gautam Buddha Nagar

<sup>18</sup> DGFT Kanpur

## 7.4 Export Scenario

### 7.4.1 HS Code

HS codes under which the product is exported from the district

HS Code	Description
020230	BONELESS MEAT OF BOVINE ANIMALS, FROZEN
020629	OTHR EDIBLE OFFAL OF BOVINE ANIMALS, FROZEN

#### Current Scenario

The export scenario of World and India have been analysed basis the export statistics of HS codes 020230 & 020629 under which meat is exported. Alongside are the key facts pertaining to the analysed product code.<sup>19</sup>

#### 7.5 Export Potential

- ▶ The total exports of boneless meat from the district as per HS code 020230 & 020629 is around INR 686 crores from September 2020 to November 2021.<sup>20</sup>
- ▶ India's exports represent 11% of world exports for this product, its ranking in world exports is 3 under HS code 020230 and 4 under HS Code 020629.

#### Key Fact of Export

(HSN-020230)

**24,712,215 (USD Thousand)**

Value of world exports in 2020

**27,62,444 (USD Thousand)**

Total Exports from India in 2020

**16,70,500 (USD Thousand)**

Total Exports from UP in 2020-21

**60.47%**

Share of UP India in exports

**Product 020230:** Uttar Pradesh exported this product to Hongkong, China, Vietnam, Malaysia, Egypt, Indonesia, Iraq, Saudi Arabia, Philippines, UAE etc. Below figure shows the top importers for this product from India:

<sup>19</sup> [www.trademap.org](http://www.trademap.org)

<sup>20</sup> DGFT, Kanpur

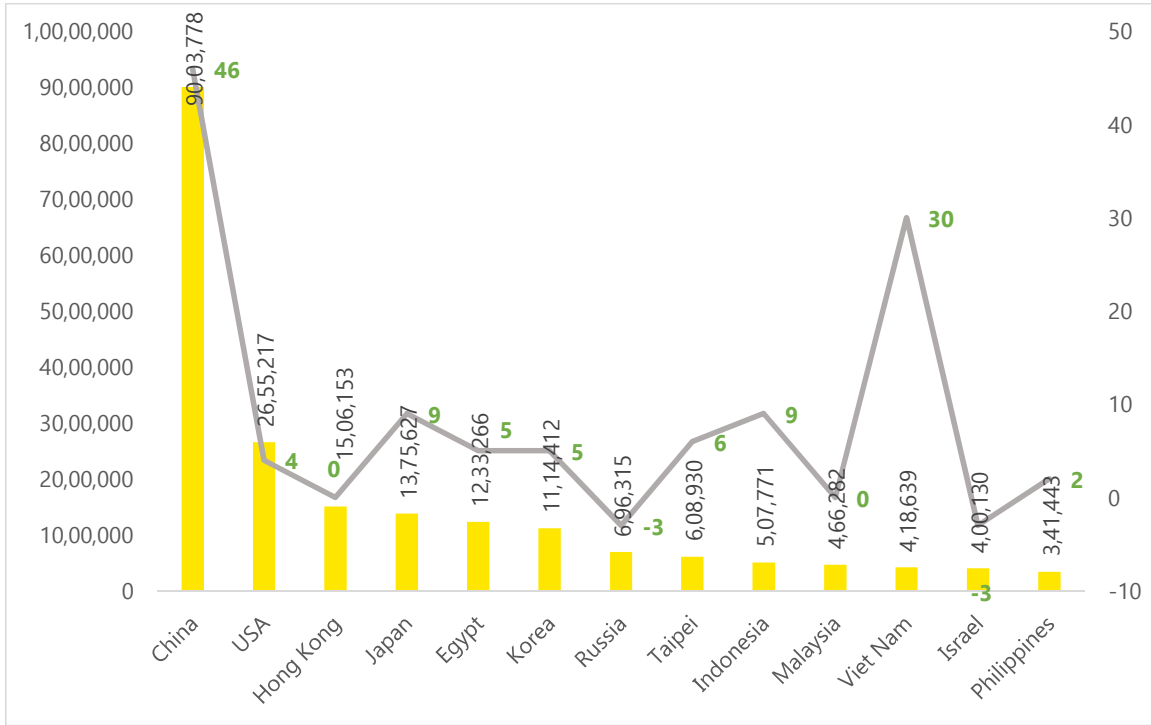


Figure 13: Top importers for this product (020230) in the world<sup>19</sup> from India

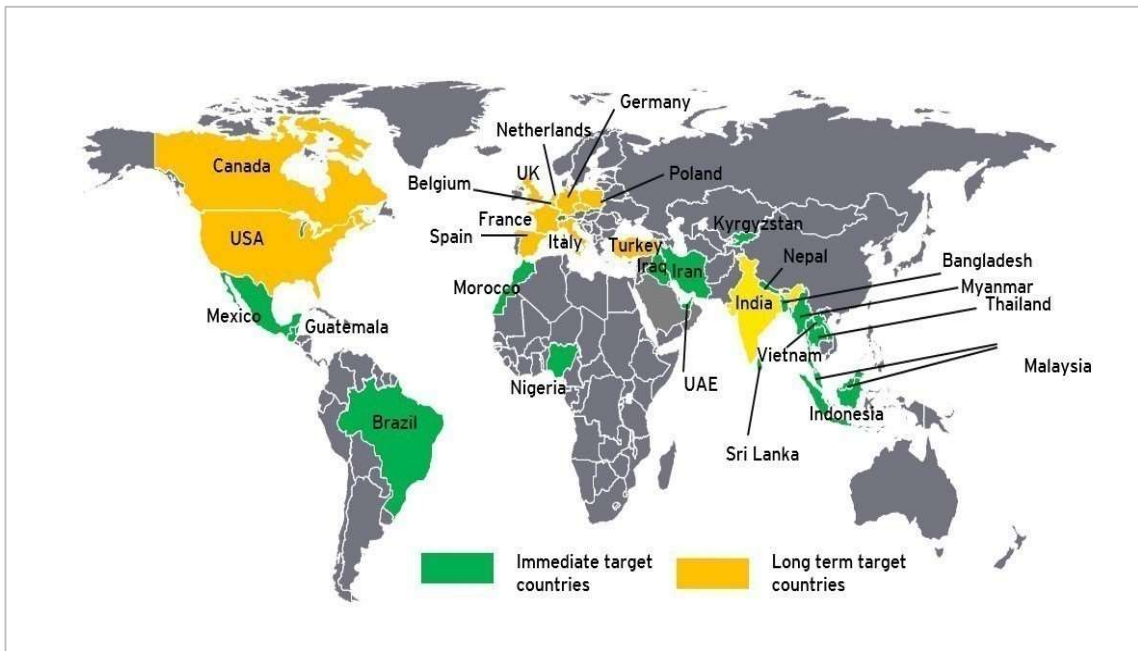


Figure 14: Markets for export potential

## 7.6 SWOT Analysis

Table 10: SWOT Analysis for Boneless meat and other edible offal of bovine animals

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>▶ Rich experience in meat processing</li> <li>▶ Institutional Support</li> <li>▶ Low-cost manpower</li> <li>▶ Leadership position in export of boneless meat</li> <li>▶ Favourable trade policies</li> </ul>	<ul style="list-style-type: none"> <li>▶ Inadequate Environmental compliance by smaller units</li> <li>▶ Suboptimal backward integration of supply chain</li> <li>▶ Lack of quality testing facility</li> <li>▶ Cost of running CETP is very high</li> <li>▶ Lack of awareness of govt. schemes</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>▶ National &amp; International Exhibition</li> <li>▶ Increasing demand for buffalo meat in global market</li> <li>▶ Exposure to new markets through fairs</li> </ul>	<ul style="list-style-type: none"> <li>▶ Strict environment compliance laws</li> <li>▶ Polluting Industry</li> <li>▶ Located in NCR/NGT</li> <li>▶ International Competition</li> <li>▶ Temporary or permanent closure of slaughterhouses</li> </ul>

## 7.7 Challenges and interventions

Parameter	Challenges	Intervention
<b>Technological Upgradation</b>	<ul style="list-style-type: none"> <li>▶ In Gautam Buddh Nagar slaughterhouses and the units involved in production of meat 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.</li> </ul>	<p><b>Hard Intervention:</b></p> <ul style="list-style-type: none"> <li>▶ Establishment of fleshing machine and lime splitting machine in the units 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.</li> </ul>
<b>Environmental Issues</b>	<ul style="list-style-type: none"> <li>▶ Challenges faced by slaughterhouses/ industries in complying pollution control norms regarding treatment of effluents and TDS levels of discharge.</li> <li>▶ There is lack of awareness of global environmental and social</li> </ul>	<p><b>Hard Intervention:</b></p> <ul style="list-style-type: none"> <li>▶ Setting up modern technology based CETPs would ensure in reduction of effluents in TDS levels of liquid discharge.</li> </ul> <p><b>Soft Intervention:</b></p> <ul style="list-style-type: none"> <li>▶ Awareness and outreach program for raising consciousness about</li> </ul>

Parameter	Challenges	Intervention
	<p>norms.</p> <ul style="list-style-type: none"> <li>▶ Smaller units find it difficult to bear the operational cost of CETP.</li> </ul>	<p>environment issues due to the pollutants.</p> <ul style="list-style-type: none"> <li>▶ Use of codes of conduct (COC) for assessment of suppliers on social and environmental compliance.</li> </ul>
<b>Marketing &amp; Branding</b>	<ul style="list-style-type: none"> <li>▶ Offline marketing is broadly used over online marketing.</li> <li>▶ Increasing the participation in International Trade fairs</li> <li>▶ Limited Market diversification</li> <li>▶ Lack of knowledge of existing schemes and govt. initiatives</li> <li>▶ Lack of participation in national and international events related to the sector</li> </ul>	<ul style="list-style-type: none"> <li>▶ Collaboration with retail brands like Licious, Big Basket etc.</li> <li>▶ 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</li> <li>▶ 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</li> <li>▶ 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</li> </ul>
<b>Packaging</b>	<ul style="list-style-type: none"> <li>▶ Larger units are using standard packaging material for packaging of the products, but many of the smaller units are not aware of innovative packaging.</li> </ul>	<p><b>Hard Intervention:</b></p> <ul style="list-style-type: none"> <li>▶ Common Packaging Center can be established for better and innovative packaging.</li> <li>▶ Packaging materials like trays made of polystyrene, LDPE, shrink films PVC should be used for improved packaging.</li> </ul> <p><b>Soft Intervention:</b></p> <ul style="list-style-type: none"> <li>▶ Workshops/seminars or training program for leather footwear manufacturers can be organized using the MoU signed between ODOP and Indian Institute of Packaging (IIP), to upgrade their packaging techniques.</li> </ul>
<b>Testing and Quality Certification</b>	<ul style="list-style-type: none"> <li>▶ Unaware of global standards and quality ratings.</li> <li>▶ Only exporters of the cluster try to maintain the quality standard of global market.</li> </ul>	<p><b>Hard Intervention:</b></p> <ul style="list-style-type: none"> <li>▶ A state-of-the-art Testing laboratory can be established for ensuring production of certified quality products.</li> </ul> <p><b>Soft Intervention:</b></p> <ul style="list-style-type: none"> <li>▶ Setting the quality standard of these footwears using the MoU between ODOP and Quality Council of India (QCI), to increase the sales in international markets.</li> </ul>
<b>Exporter's issue</b>	<ul style="list-style-type: none"> <li>▶ No focal point to address exporters issues.</li> </ul>	<ul style="list-style-type: none"> <li>▶ DIEPC to act as a focal point for all exporters issues. Deputy Commissioner Industries may be given this responsibility</li> </ul>

Parameter	Challenges	Intervention
		to monitor the cell in consultation with DGFT.
<b>Cost Structure</b>	<ul style="list-style-type: none"> <li>▶ U.P. is a land-locked state. India's cost of logistics is one of the highest in the world.</li> <li>▶ 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</li> </ul>	<ul style="list-style-type: none"> <li>▶ 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.</li> <li>▶ The CONCOR rates are to be made available at regular intervals to the DIC office for updating of the same at the district website.</li> <li>▶ 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.</li> </ul>

## 7.8 Future Outcomes

Annual Turnover
Increase in annual turnover from <b>INR 1000 Crore</b> in 2020-21 to <b>1280 Crore</b> by 2025 <sup>21</sup>

Cluster exports
The increase in export of the product from <b>INR 686 Crore</b> during the September 2020 to November 2021 to <b>875 Crore</b> by 2025 <sup>21</sup>

## 8. 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
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<sup>21</sup> Basis Stakeholder Consultation



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

## 9. Action Plan

Quantifiable activity/ intervention	Responsible authority	Timeline for implementation <sup>22</sup>
<b>Increasing the overall exports from the state</b>		
<b>Sensitization and facilitation in availing Import/ export documents:</b> 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/	ODOP cell, DIEPC, UPEPB and DGFT	Continuous initiative

<sup>22</sup> Short term: Should be initiated within 6 months, Intermediate: to be initiated between 6- 12 months, long terms after 12 months

export and provide support in availing them		
<b>Creation of an event calendar</b> comprising of events to be conducted in a Financial Year with a <b>focus on international marketing events</b> . Further, DGFT and FIEO can finalize a target to participate in <b>at least 3 international events in a year per product category/industry</b> (food, engineering & auto components, handicrafts, textile& apparel etc.) by <b>utilizing schemes like IC and MAS</b>	ODOP cell, DIEPC, UPEPB and DGFT	Continuous initiative
<b>Sensitization of cluster actors:</b> a. The individuals of a cluster should be <b>sensitized on the plethora of schemes<sup>23</sup></b> available for them for maximizing the potential of exports. <b>Merchandise Exports from India Scheme, Service Export from India Scheme</b> etc. provides <b>various exemptions</b> for facilitating exports. Further, schemes like <b>Advance Authorization Scheme (AAS), Duty Free Import Authorization (DFIA Scheme)</b> ensure procurement of <b>imported duty-free raw materials</b> 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 <b>sensitized on target countries identified through export analysis mentioned in DAPs and EAP</b>	ODOP cell, DIEPC, UPEPB and DGFT	Continuous initiative
DIC and FIEO can play a pro-active role in this regard. <b>10% increase</b> 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
<b>Common interventions across sectors/ clusters</b>		
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
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

<sup>23</sup> 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>:

Tie up with the banks/financial institutions (SIDBI, BoB etc.) for better interest rates, enhanced working capital limits etc.	UPEPB/DIEPC/ODOP 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 <b>Make in India initiative and PLI</b> 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
<b>Cost Structure:</b>		
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 CONCOR rates are to be made available at regular intervals to the DIC office for updating 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
<b>Product 1: Readymade garments</b>		
Establishment of <b>Raw material Bank</b>	DIEPC/ODOP Cell	Long term
Setting of modern technology based <b>CETPs</b>	UPEPB/DIEPC/District Administration	Long term
Collaboration with E-commerce companies	UPEPB/ODOP Cell/DIEPC	Short term
Establishment of testing laboratory	DIEPC/ODOP Cell/UPEPB	Long Term
Establishment of Design and innovation center	DIEPC/ODOP Cell/UPEPB	Long Term
<b>Product 2: Electronic Goods</b>		
Setting up research development centre	UPEPB/DIEPC/District Administration	Long term

Establishment of Design and innovation center	DIEPC/ODOP Cell/UPEPB	Long Term
Skill development centre for IOT, AI based infrastructure	DIEPC/ODOP Cell/UPEPB	Long Term
IP Rights Awareness	DIEPC/ODOP Cell/UPEPB	Long Term
<b>Product 3: Engineering Goods</b>		
<b>Establishment of Common Facility Centre with:</b> a. Raw Material Bank b. Common Production Center c. Design and display center with CAD/CAM facilities and space to showcase products to undertake sale Marketing centre for undertaking marketing events	DIEPC, DGFT and ODOP Cell	Long term
Collaboration with NIFT and NID for design inputs and support in branding initiatives	UPEPB/ODOP Cell	Long term
<b>Product 4: Boneless Meat and other edible offal of bovine animals</b>		
Establishment of <b>fleshing machine and lime splitting machine</b> in CFC.	UPEPB/DIEPC	Long term
Setting of modern technology based <b>CETPs</b>	UPEPB/DIEPC/District Administration	Long term
Collaboration with E-commerce companies like <b>Big Basket, Nature Basket etc.</b>	UPEPB and DIEPC	Short term

## Abbreviations

<b>AA</b>	Advance Authorization
<b>BoB</b>	Bank of Baroda
<b>CAD</b>	Computer-Aided Design
<b>CAM</b>	Computer Aided Manufacturing
<b>CETP</b>	Common Effluent Treatment Plant
<b>CFC</b>	Common Facility Center
<b>CONCOR</b>	Container Corporation of India

<b>CPC</b>	Common Production Center
<b>DEH</b>	District as Export Hub
<b>DEPC</b>	District Export Promotion Committee
<b>DFIA</b>	Duty Free Import Authorization
<b>DGFT</b>	Directorate General of Foreign Trade
<b>DIEPC</b>	District Industry and Enterprise Promotion Center
<b>DSR</b>	Diagnostic Study Report
<b>EO</b>	Export Obligation
<b>EPB</b>	Export Promotion Bureau
<b>EPCG</b>	Export Promotion Capital Goods
<b>EY</b>	Ernst and Young
<b>FIEO</b>	The Federation of India Export Organization
<b>FOB</b>	Free on Board
<b>FTA</b>	Free Trade Agreement
<b>FTP</b>	Free Trade Partners
<b>GI</b>	Geographical Indication
<b>GIR</b>	Geographical Indication Registry
<b>GoI</b>	Government of India
<b>GoUP</b>	Government of Uttar Pradesh
<b>HS Code</b>	Harmonized System Code
<b>IC</b>	International Cooperation
<b>ICD</b>	Inland Container Depot
<b>IEC</b>	Import Export Code
<b>IIP</b>	Indian Institute of Packaging
<b>IIT</b>	Indian Institute of Technology
<b>ISW</b>	Industrial Solid Waste
<b>MAI</b>	Market Assistant Initiative

<b>MDA</b>	Market development Assistant
<b>MEIS</b>	Merchandise Export from India Scheme
<b>MoU</b>	Memorandum of Understanding
<b>MSME</b>	Micro Small and Medium Enterprises
<b>MYSY</b>	Mukhyamantri Yuva Swarojgar Yojana
<b>NGO</b>	Non-Government Organization
<b>NID</b>	National Institute of Design
<b>NIFT</b>	National Institute of Fashion Technology
<b>NSDC</b>	National Skill Development Cooperation
<b>ODOP</b>	One District One Product
<b>PMEGP</b>	Prime Minister's Employment Generation Program
<b>PMFME</b>	Pradhan Mantri Formalisation of Micro food Processing Enterprises
<b>PMKVY</b>	Pradhan Mantri Kaushal Vikash Yojana
<b>QCI</b>	Quality Council of India
<b>SEIS</b>	Service Export from India Scheme
<b>SIDBI</b>	Small Industries Development Bank of India
<b>SPV</b>	Special Purpose Vehicle
<b>SWOT</b>	Strength, Weakness, Opportunities, Threats
<b>TDS</b>	Total Dissolved Solids
<b>TEE</b>	Towns of export excellence
<b>ToR</b>	Term of Reference
<b>UAE</b>	United Arab Emirates
<b>UK</b>	United Kingdom
<b>UNIDO</b>	United Nations Industrial Development Organization
<b>UP</b>	Uttar Pradesh
<b>UPECE</b>	Uttar Pradesh Export Promotion Council
<b>UPEPB</b>	Uttar Pradesh Export Promotion Bureau

<b>UPICO</b>	UP Industrial Consultancy Organisation
<b>UPSIDC</b>	Uttar Pradesh State Industrial Development Corporation
<b>USA</b>	United States of America



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as Export Hubs

