



Department of MSME
& Export Promotion, Govt of Uttar Pradesh

District Export Promotion Board, Gorakhpur,
Uttar Pradesh

Knowledge Partner



विदेश व्यापार महानिदेशालय
DIRECTORATE GENERAL OF
FOREIGN TRADE

Districts
as Export Hubs

EY
Building a better
working world

Preface

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

Gorakhpur has a rich cultural and historical importance not only in the state of Uttar Pradesh but in India also. It is the birth place of Firaq Gorakhpuri, workplace of writer Sh. Munshi Premchand and mystic poet Kabirdas. It is associated with Gautam Buddha and Lord Mahavir, Martyr, Pt. Ram Prasad Bismil, Bandhu Singh and many more. Gorakhpur was a part of the famous kingdom of Koshal, one of sixteen mahajanpadas in 6th Century B.C. The earliest known monarch ruling over this region with his capital at Ayodhya was IKSVAKU, who founded the solar dynasty of Kshatriya. The ancient Gorakhpur, in addition to modern, comprised the districts of Basti, Deoria, Azamgarh and parts of Nepal tarai. The region, called Gorakhpur Janpad, had been an important centre of Aryan culture and civilization

It is located on the bank of river Rapti and Rohani, a Ganges tributary originating in Nepal that sometimes causes severe floods. The Rapti is interconnected through many other small rivers following meandering courses across the Gangetic Plain. Gorakhpur is known for production of Red Ornamental style of terracotta sculptures.

2.1 Geography

The district of Gorakhpur lies between Latitude 26°13'N and 27°29'N and Longitude 83°05'E and 83°56'E. The district occupies the north-eastern corner of the state along with the district of Deoria, and comprises a large stretch of country lying to the north of the river Rapti, the deep stream of which forms its southern boundary with the Azamgarh district. On the west, the boundary marches along Basti and on the east adjoins Deoria and the Chhoti Gandak river and further south the Jhama Nala forms the dividing line. To the north lies Nepal. Gorakhpur has also a lake Ramgatal Lake, which is 18 km bigger. Ramgarh Taal is bigger than Dal Lake of Kashmir which is only of 15.5 km. It's vast and provides home to various types of fishes.

Gorakhpur is accessible from every part of India through Air, Rail and Road. It is directly connected with New Delhi, Kolkata, Mumbai, Varanasi, Bengaluru, and other major cities by Mahayogi Gorakhnath airport.

2.2 Topography & Agriculture

The district presents characteristics distinct from natural features of the western districts, of the State. This difference is due primarily to the relative proximity of the Himalayas. The outermost foothills are but a few kilometers distant from the northern borders, and the high peaks of the snowy range, culminating in the huge mass of Dhaulgiri, some 8,230 meters above sea-level, are clearly in sight under favourable climatic conditions as far south as Gorakhpur itself. Below the outer hills is a dry boulder-strewn tract, corresponding to the Bhabar of Kumaun and Garhwal and here the bulk of the moisture contributed by the rainfall and the small streams is absorbed by the soil, to reappear through seepage in the damp and unhealthy tract, known as the terai. The latter comprises a belt of approx. 16 km. in width, running along the northern borders of Maharajganj tehsil. It is extensively cultivated. The average depth of water is about 4.5 meters. The plains form a level tract which slopes gently from west to south-east. The height above sea-level ranges from 107 meters in north-west to 93 meters in the south-east. Higher elevations appear at places where the general flat surface is broken by irregular ranges of sandhills. The most clearly defined ridge of this nature starts near Hapur in the Maharajganj tahsil and runs in a winding course almost to Deoria. Fog is quite common from late December to late January. Summers are extremely hot with temperatures rising to the 40-to-46-degree Celsius range.¹

3. Industrial profile of the district

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

Repairing service industries, Food Products, Ready garments contribute most in terms of employment and revenue, which is approximately 18.57% and 10.73% respectively. Repairing and Servicing contributes ~29% to total employment, highest among all the enterprises and work force is employed in this vertical.

Table 1: Industries details²

NIC	Industries	No. of Units			Investments (Rs. INR)			Employment		
		HI	SSI	Total	H.I.	SSI	Total	H.I.	SSI	Total
20-21	Food Products	6	1899	1905	20.34	36.27	56.61	2329	6823	9152
22	Beverages, Toba. & Toba. Product	1	32	33	0.42	1.24	1.66	337	193	530
23	Cotton Textiles	1	110	111	0.02	15.63	15.65	53	901	954
24	Wool, Silk & Synthetic Fibre Textile	0	0	36	0.00	3.21	3.21	0	216	216
25	Jute, Hemp & Mesta Textiles	1	72	73	0.87	0.02	0.89	975	120	1095

¹ MSME Development Institute, Kanpur

² Directorate of Industries, Govt of U.P., Kanpur

26	Hoisery & Garments	0	1101	1101	0.00	4.99	4.99	0	3432	3432
27	Wood Products	0	713	713	0.00	3.44	3.44	0	2534	2534
28	Paper Products & Printing	0	472	472	0.00	8.23	8.23	0.00	1826	1826
29	Leather Products	0	117	117	0.00	0.68	0.68	0.00	403	403
30	Rubber & Plastic Products	1	164	165	0.12	16.01	16.13	35	969	1004
31	Chemical & Chemical Products	2	287	289	86.42	7.24	93.66	3200	1170	4370
32	Non-Metallic Mineral Products	0	71	71	0.00	3.56	3.56	0.00	354	354
33	Basic Metal Industries	2	123	125	1.29	2.15	3.44	177	264	741
34	Metal Products	0	443	443	0.00	4.08	4.08	0	1873	1873
35	Basic Metal Industries	0	51	51	0.00	3.11	3.11	0	361	361
36	Electrical Macninery & Apparatus	01	127	127	0.00	2.28	2.28	0	498	498
37	Transport Equipments & Parts	0	49	49	0.00	0.56	0.56	0	198	198
38	Miscellaneous Mfg.	0	1392	1392	0.00	18.64	18.64	0	5144	5144
96-97	Repairing & Servicing Industries	0	2985	2985	0.00	16.81	16.81	0	8140	8140
	Total	15	10208	10258	109.48	148.15	257.63	7106	35419	42825

Ready-made garments and Embroidery sector of MSME with 1101 units in the district is the most prominent and economy contributing sector of the district. It is preceded by sectors such as “Repair and installation of machinery and Equipment,” “Misc. Manufacturing” with 2985 and 1392 units, respectively.

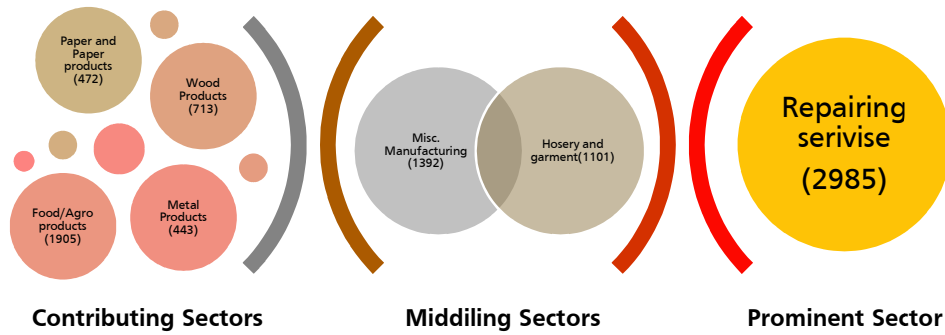
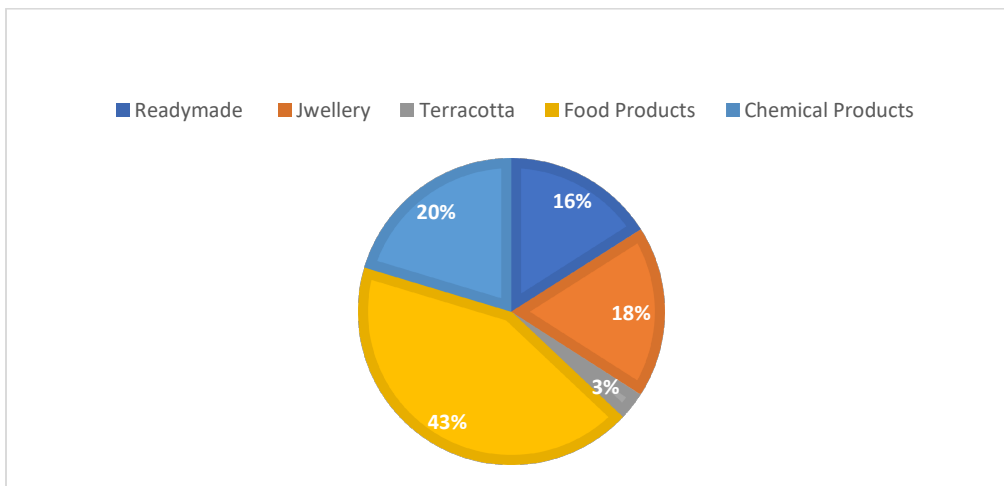


Figure 1: MSME landscape of the district

Out of total population of 4,440,895 (2011 census), 1,351,629 are working population. Out of total population, 2,277,777 are male population working in other industries/self-employed, 24.54% are cultivators and agricultural labourers and only 688,809 are household workers. This indicates that agriculture is the main source of income in the district.

Table 2: Occupational Distribution of Main Workers³

S.No.	Particulars	Employment	Turn Over in lakhs
1	Readymade Garment	3432	100
2	Jewellery	3884	96000
3	Terracotta	640	146
4	Food Products	9152	300
5	Chemical Products	4370	50



³ Director of industries,

Figure 2: Occupational distribution of Gorakhpur

3.1 Major Exportable Product from Gorakhpur

The total export from Gorakhpur is approximately INR **8223285282** for the period September 2020 to November 2021.

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

Table 3: Major exportable product in INR⁴

Sr. Number	Products	Export Value in INR from September 2020 till November 2021(INR)
1	Biscuits Nes Or Included	4808975
2	Flush Doors	5560357
3	Indian Kaltha	21915000
4	Krft Liner Unbleached	5668428
5	Multiple (Folded)/Cabled Ym Cntng 85% Or More By Wt Of Polyestr Staple Fibres	17409349
6	Oil-Cake And Oil-Cake Meal Of Mustard Seeds Solvent Extracted (Defatted) Variety	8738452
7	Other Coal W/N Pulvrsd But Ntagldmrtd	436393972
8	Other Oil Cake/Solid Resdus	42207375
9	Othr Refnd Sugar Includng Centrifugal Suger	120000028
10	Othr Yarn Of Polystr Stpl Fibrs Mixed Mainly/Solely With Artificial Staple Fibrs	3606096
11	Rice Excptg Parboiled (Excl Basmati Rice)	21492350
12	Sanitary Towels (Pads) Or Sanitary Napkins	9722033
13	Single Ym Cntng 85% Or More By Wt Of Polyester Staple Fibrs	11276100
14	Steam Coal	52602472
15	Syringes,W/N With Needles	29001897
16	Wheat	2820089571
17	Other Products	3880060481
		732732346
	Total	8223285282


4. Product 1: Terracotta


4.1 Cluster Overview


Gorakhpur is an ancient city in the north-eastern part of Uttar Pradesh located at the banks of Rapti river. Gorakhpur is known for production of Red Ornamental style of terracotta


⁴ District wise report for the period September 2020 to November 2021 received from DGFT

Key Facts⁵

 **220 Units**

 **INR 4.5 Crores** Approximate turnover of the cluster

 **INR 1.2 Crores ~** Export Turnover

 **950** Artisans directly or indirectly associated

sculptures. Terracotta was granted *Geographical Indicator (GI) Tag in 2020*, Gorakhpur being one of the indicated regions.

Over the recent years, the artisan's interest in producing the terracotta products has waned due to poor infrastructure, lack of modern technology and no direct market linkages leading to their inability to attract consumer compared to cheap Chinese products. This has also led to poor income for the artisans of around Rs 300- 500 for men and Rs 200- 400 women failing to attract young generation to practise this ancient craft. ⁵

Terracotta in Gorakhpur is one of the biggest artisan-based cluster of India with about 1000 artisans associated and with a turnover of about INR 4.5 crore. The pockets include, Aurangabad, Gulhariya, Jugle Ekla, Junle Tinkonia, Lala Bazar etc. Owing to its rich heritage, size, and contribution to the district's economy, the GoUP has selected this craft under ODOP programme. Gorakhpur's Terracotta has also received the GI tag due to its historical importance and uniqueness.

4.2 Product profile

Terracotta was selected as the focus product for the district of Gorakhpur under ODOP program. Terracotta is an ancient art nurtured over generations in the rural areas of the district. Terracotta craft from Gorakhpur is uniquely identified due to its distinctive red colour which comes from "Kabis" soil which is locally available in the region. The terracotta art in the district is known for its ornamental sculptures of animals, God (Hindu) idols and pottery. Terracotta is said to outshine among other pottery and ceramic art due to its natural saffron colour and innovate shapes. Terracotta is also used for various other practical uses like roofing tiles, cooking ware and dining ware. Terracotta has been identified as ODOP product to sustain this ancient craft and promote them into the international market

4.3 Product Portfolio

The following are the key products manufactured in the cluster:

1-Sculptures: These are premium ornamented animal and god (Hindu) idol products handcrafted by the artisans which are major used for home décor



2-Cooking Ware: Terracotta vessels have been used for cooking since ancient times and are still developed using traditional methods, which don't cannot compete with ceramic products from china and **Khurja**.



⁵ As per stakeholder interaction

3-Dining Ware: These products are usually developed through handcrafted for dinning ware for serving various food items like cutlery, dinner set and kulhads, but the quality of product is inferior to china, khurja and Gujarat products due to lack of modern techniques.



Gorakhpur Terracotta products are mentioned in below table:

Table 4: Gorakhpur Terracotta Products

Traditional products	Household products
Sculptures, Idols of Gods & Goddesses, Toys, elephants,	Tawa, cutlery, kulhads, handi etc

4.3.1 Status of GI Tag

Gorakhpur terracotta has been granted the Geographical Indication (GI) Tag in 2020 by the Government of India and a geographical area has been defined where the Terracotta is manufactured. 15 Terracotta manufacturers in this defined area of Aurangabad, Gulariya, Jungle Ekla No.1, Jungle Ekla No.2, Bargadwa and Padri Bazaar can only be labelled as Terracotta.⁶

4.4 Cluster Stakeholders

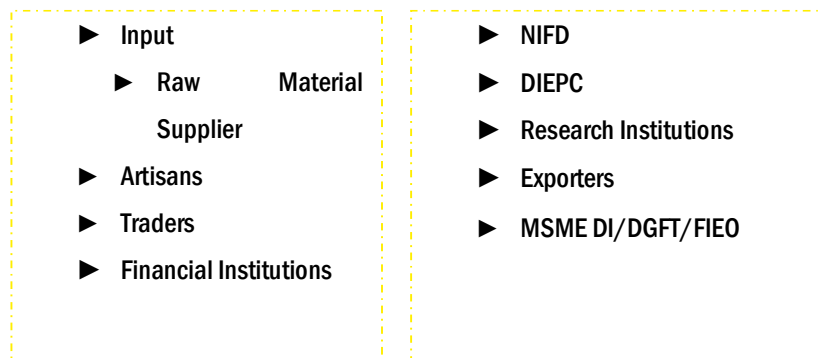


Figure 3: Cluster Stakeholders

4.4.1 Industry Associations

There is no industry associations to help and to raise the voice of terracotta artisans and workers.

4.5 Export Scenario

4.5.1 HS code

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

⁶ DSR and the GMDIC office

Table 5: Terracotta

HS codes	Description
6912	Ceremic table ware, kitchen ware other household article other than porcelain or china

Current Scenario

The export scenario of India and Uttar Pradesh have been analysed basis the export statistics of HS codes mentioned above under which Terracotta products are exported. Alongside are the key facts⁷ pertaining to the analysed product codes.

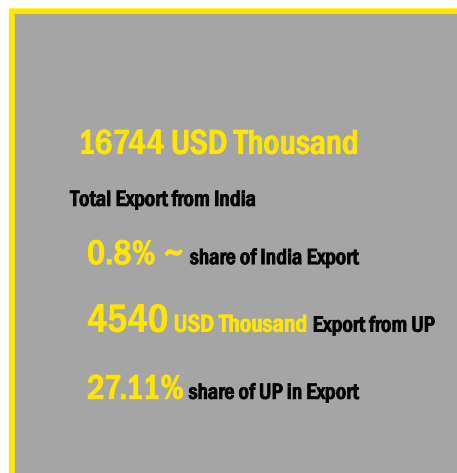
Based on our analysis, we have identified key synergies that should be developed to expand our current reach and potential; These synergies are divided into immediate and long term. The immediate synergies include countries with Signed FTA's, high growth potential, and one is catered by India and not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

4.6 Export Potential

India's exports represent 0.8% of world exports for this product, ranking it number 23, behind only China, Portugal, UK, Thailand and Germany amongst other countries. The value of India's exports has gradually increased by CAGR 26.9% in the past 5 years, showing a steep increase in 2020.

Belonging to the same region, India is primarily in competition with China, Thailand, Japan, Viet Nam, Indonesia and Malaysia. Out of these, China clearly dominates the world market by accounting for 24.7% of world exports for this product, ranking it number 1 in the world. While Thailand at number 4, accounts for 6.5% of world exports i.e. roughly 3.8 times lesser than China's level of exports. (as per the trade map and UPEPB Data)

The reason for targeting these countries includes a large share in world imports alongside favourable relations and positive foreign policies with their governments.



⁷ <https://www.trademap.org/>

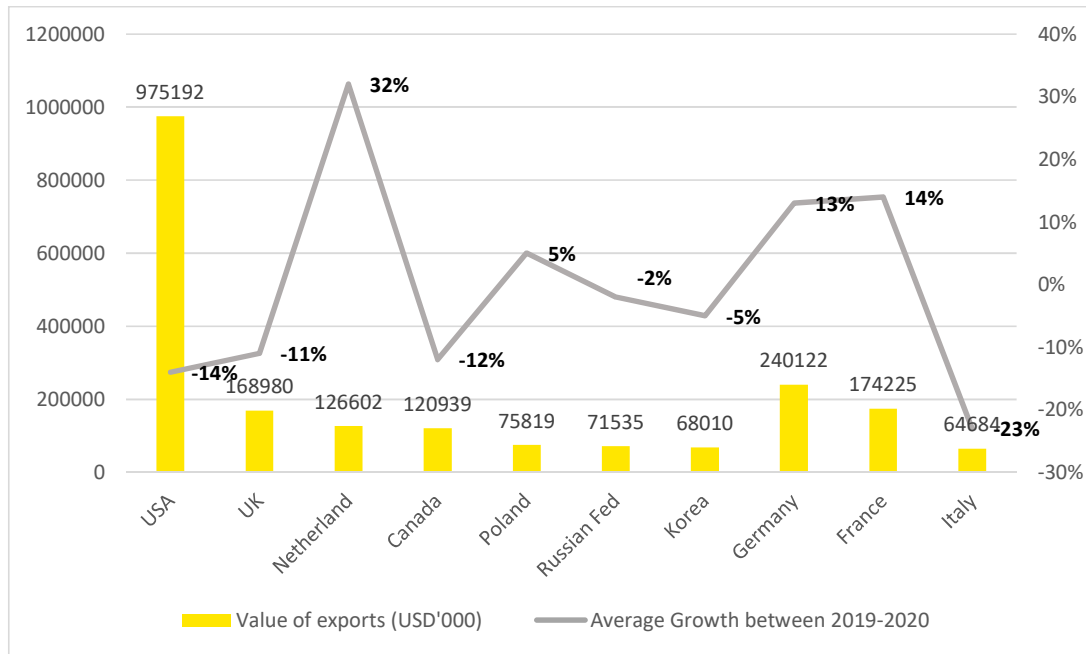


Figure 4: Top importers for this product (6912) in the world

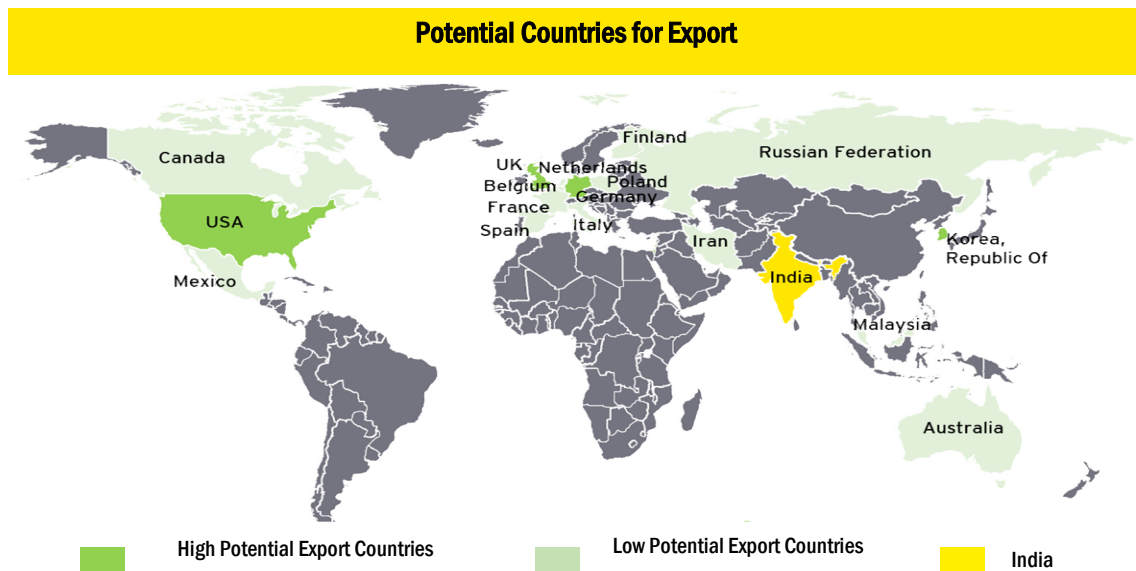


Figure 5: Markets for export potential

4.7 Potential Areas for Value Added Product

Terracotta is being exported from India under the category of 'Tableware, kitchenware, other household articles and toilet articles, of ceramics other than porcelain or china (excluding baths, bidets, sinks and similar sanitary fixtures, statuettes and other ornamental articles, pots, jars, carboys and similar receptacles for the conveyance or packing of goods, and coffee grinders and spice mills with receptacles made of ceramics and working parts of metal)'.

United states of America, United Kingdom, Korea and Germany are high potential export market, while countries like Russia, Finland, Australia, Malaysia, Iran, Italy, France, Belgium, Spain, Poland, Canada and Mexico are low potential export market for terracotta tableware, kitchenware, other household articles and toilet articles.

4.8 SWOT analysis

Table 6: SWOT Analysis

Strengths	Weakness
<ul style="list-style-type: none"> ▶ Easy availability of skilled workforce particularly artisans ▶ Large potential for diversifying on variety of Terracotta ▶ Easy availability of raw material for mass production ▶ A brand name in itself due to recognition through GI Tag ▶ Availability of various government interventions for fostering the cluster 	<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 ▶ In light of competition the focus has shift from quality to quantity ▶ 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 manufactured china ceramic products. ▶ Industrialization causing artisans to move to metropolitan cities in search of better paying jobs

4.9 Challenges and interventions

Parameter	Challenges	Intervention
Raw Material	<ul style="list-style-type: none"> ▶ Raw Material Bank: Sourcing of Raw Material ▶ Lack of storage facility in the cluster leading to spoilage 	<ul style="list-style-type: none"> ▶ Establishment of a Raw Material Bank within the CFC ensuring easy availability
Technological upgradation	<ul style="list-style-type: none"> ▶ Lack of modern 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 Granulator, Jigger Jolly, Hand Press, Electric chak, Designer chak, pug mil machine etc.
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. ▶ 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 	<ul style="list-style-type: none"> ▶ Craft tourism - Gorakhpur has world renowned places in the city and in nearby such as Kushinagar, Taramandal, Zoo, Guru Gorakhnath Temple etc. As a piolet project any of these historical places can have a specific area where

	<ul style="list-style-type: none"> ▶ Offline marketing is broadly used over online marketing ▶ No exclusive HSN code for Terracotta Products. Which could have supported in facilitation of sales in the international market. ▶ Creation of brand name for the Terracotta 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 	<p>tourist can see history of Terracotta Craft, what makes it unique, process of producing a Terracotta product and outlet from where the international and domestic tourist can buy the authentic Terracotta product.</p> <ul style="list-style-type: none"> ▶ Establishment of a Marketing centre within the CFC in Gorakhpur 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 'Terracotta' 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. (http://www.indiahandmadebazaar.com/index.php.) ▶ 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 ▶ 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 Rice.
Quality Improvement	<ul style="list-style-type: none"> ▶ Undefined quality standards of the products. 	<ul style="list-style-type: none"> ▶ MoU with QCI for defining quality standards of the products so that their quality can be maintained/ improved, and they can be exported across the globe with brand logo which ensures its authenticity.
Post GI Initiative	<ul style="list-style-type: none"> ▶ Lack of promotion of products highlighting their GI tag 	<ul style="list-style-type: none"> ▶ Target to make 100 authorised Users to become IEC holder in a year. (DIC) to identify such stakeholders. ▶ Organise one seminar within two months to apprise the stakeholders about the importance of Geographical Indication (GI) and for increasing the authorised users. (This can be done by DGFT /FIEO/ MSME with the help of DIC)
Exporter's issue	<ul style="list-style-type: none"> ▶ No focal point to address exporters ongoing 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 Structure	<ul style="list-style-type: none"> ▶ U.P. is a land-locked state hence this increases the transportation cost which in turn adds to the overall production expenses ▶ Since the start of Covid 19 	<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 CONCOR rates are to be made available at

	<p>Pandemic, the availability of containers and the Freight Charges by the Shipping lines has been main concern of the industry</p>	<p>regular intervals to the DIC office for updation of the same at the district website.</p> <p>▶ 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>
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4.10 Future Outcomes

Annual Turnover

With the proposed strategy and export action plan, the exports of Terracotta products maybe increased by 3 times in 5 years by leveraging benefits of various schemes and design diversification through recognised institutes

Cluster exports

Financial outreach of government programmes currently stands to 7-10% of artisans which is expected to reach around 50-60% in next 2 years. Thus, Increase in production and growth in annual income of the artisans.

5. Product 2: Readymade Garment

5.1 Cluster Overview

In Gorakhpur, there are no specific clusters or pocket for readymade garment manufacturing. The micro and small enterprises and tailors run it from their own houses or small area which is not standard for manufacturing and these are spread across the district. There are around 500 micro and small readymade garments manufacturing enterprises handling the key operations of value chain of RMG. Readymade Garments industry operates in an isolated framework. Most of the units outsourced their work from small groups, called job workers, of about 10-12 persons at various stages of the operation on contractual basis. There are numerous people involved in fabric weaving and about various tailors doing a job of stitching garments and finishing them. Only around 10 to 15 percent of tailors are registered with DIEPC and they have been allotted tailor card and majority of them were those who took Trainings. Cutting, Stitching, bundling, pressing & packaging are the key operation in the production of Readymade Garments.

Key Fact

- INR 100 Cr of total turn over
- INR 10 Cr ~ Export in 2020-21
- Employment More than 9000

5.2 Product Profile

In cluster major product which is manufactured is Pants, Shirts, lady's kurta & Gents Kurta. Due to unavailability of designing and product development centre most of the product are manufactured in this cluster are old and traditional design which take maximum time and low demand in market. Also, these are not certified by any competent agency, so they get less price in the market. Major market for Pants, Shirts, jacket, which are manufactured here are Western UP, Bihar west Bengal & Nepal. Most of the RMG are purchased by the low income or Middle class because their rates are inexpensive. Only few units who have inhouse testing and designing facility are manufacturing for big brands on demand basis like, Raymond's, Bombay dyeing, pantaloons, fab India, etc.

5.2.1 Status of GI Tag

No GI tag has been awarded to the readymade garment products manufactured in Gorakhpur.

5.3 Cluster Stakeholders

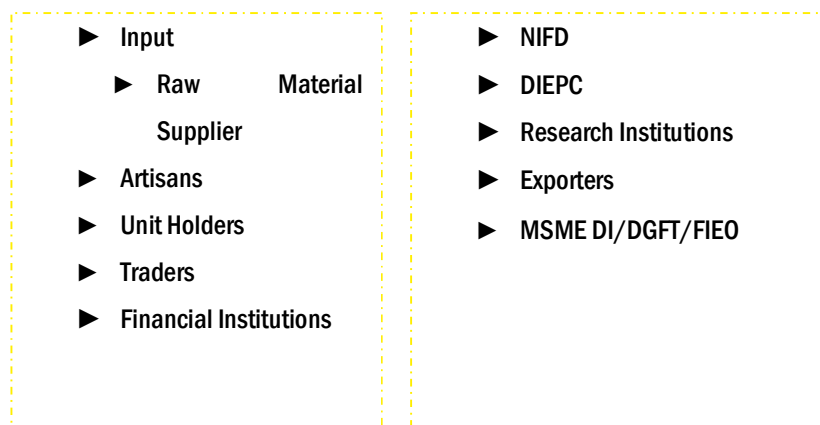


Figure 6: Cluster Stakeholders

5.3.1 Industry Associations

The Major industry association in Gorakhpur is Chamber of Ready-Made Garment Industries.

5.4 Export Scenario

5.4.1 HS Code

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

Table 7: HS Code with description

HS Code	Description	Value of exports (in INR)
6203	Men's or boys' suits, ensembles, jackets, blazers, trousers, bib and brace overalls, breeches and shorts (excluding knitted or crocheted, wind-jackets and similar articles, separate waistcoats, tracksuits, ski suits and swimwear)	50 Lakhs
6204	Women's or girls' suits, ensembles, jackets, blazers, dresses, skirts, divided skirts, trousers, bib and brace overalls, breeches and shorts (excluding knitted or crocheted, wind-jackets and similar articles, slips, petticoats and panties, tracksuits, ski suits and swimwear)	Nil
6206	Women's or girls' blouses, shirts, and shirt-blouses (excluding knitted or crocheted and vests)	Nil

Current Scenario

India's exports represent 2.1% of world exports for this product & it's ranking is number 11, behind China. While the value of India's exports over the last 5 years has fluctuated but with an overall decrease by CAGR 1.49%, as per data FY F2015-16 to 2018-19 for exports from the state of UP, it is observed that there has been an increase by CAGR 24.16%. Being in the same region, India is primarily in competition with China, Bangladesh, Vietnam, Pakistan and Italy who account for 19.2%, 14.4%, 6.2%, 5.1% and 4.8% of world exports for this product i.e. china nearly nine times or more than India's level of exports.

5.5 Export Potential

While analysing export potential and markets that India (UP) can target, it is also necessary to look at Free trade agreements that India has with all countries.

Below given table lists all types of agreement that India has.

Grouping	Number of member countries	Member Countries	Type of Agreement
India Sri-Lanka FTA	2	Sri Lanka (1998)	Free Trade Agreement (FTA)
Bilateral	2	Afghanistan (2003)	FTA
Bilateral	2	Thailand (2004)	FTA
Bilateral	2	Singapore (2005)	FTA
Bilateral	2	Bhutan (2006)	FTA
Bilateral	2	Chile (2006)	Preferential Trade Agreement (PTA) in effect
Bilateral	2	Nepal (2009)	FTA
India Korea CEPA	2	Korea (2009)	CEPA, in effect
India- Malaysia Comprehensive Economic Cooperation Agreement (IMCECA)	2	Malaysia (2011)	CECA, in effect
Japan India	2	Japan (2011)	CEPA, in effect

Grouping	Number of member countries	Member Countries	Type of Agreement
Comprehensive Economic Partnership Agreement (JICEPA)			
Asia Pacific Trade Agreement (APTA)	6	Bangladesh, China, South-Korea, Sri Lanka, Lao PDR	Preferential Trade Agreement (PTA) in effect
India- ASEAN Trade in Goods Agreement (India-ASEAN TIG)	11	Brunei, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand, Vietnam	FTA
BIMSTEC	7	Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka, Thailand	FTA, under negotiation
South Asia Free Trade Agreement (SAFTA)	8	Afghanistan, Bhutan, Bangladesh, Pakistan, Maldives, Sri Lanka, Nepal	FTA, in effect
India- MERCOSUR PTA	5	Brazil, Argentina, Uruguay, Paraguay	PTA, under re-negotiation
India- Gulf Cooperation Council -FTA	7	UAE, Saudi Arabia, Qatar, Oman, Kuwait, Bahrain	FTA under negotiation
Bilateral Trade and Investment Agreement (BTIA)	28	India and EU	FTA under negotiation, may ink PTA before
India Canada CEPA	2	Canada	CEPA under negotiation
India UK FTA	2	United Kingdom	FTA under negotiation, may ink EHS before

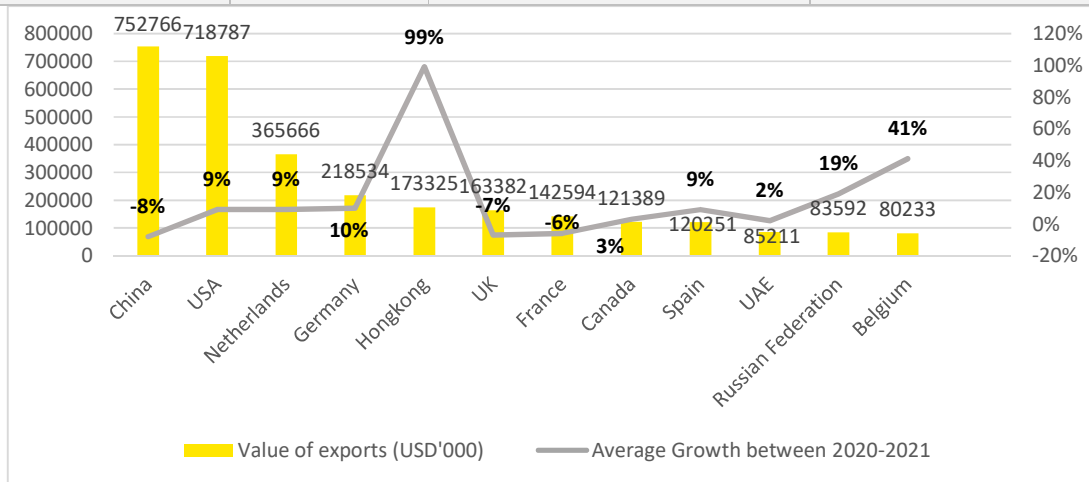


Figure 7: Top importers for this product (6203) in the world

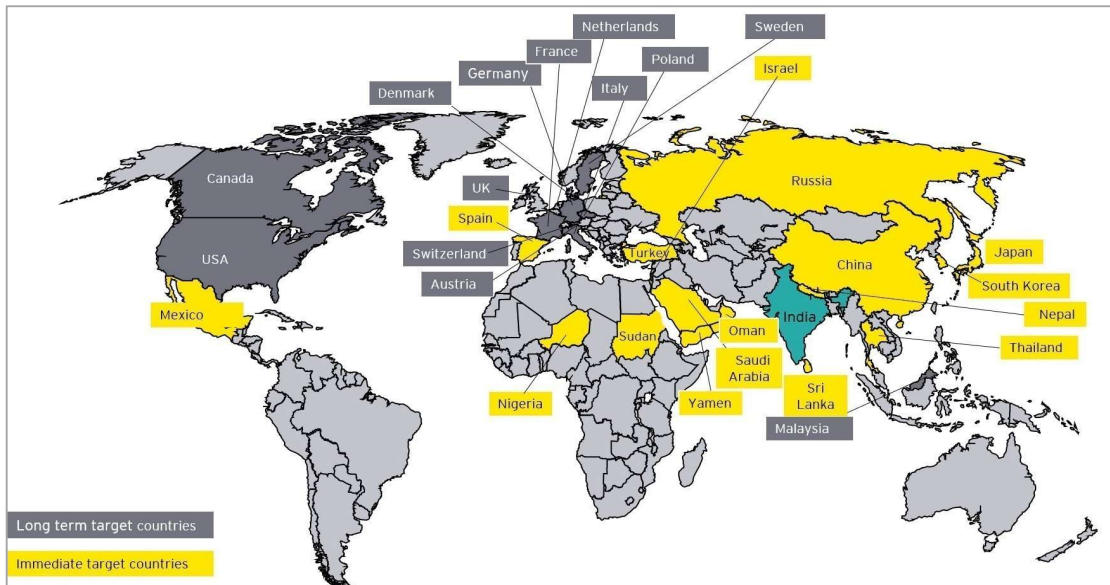


Figure 8: Markets for export potential⁸

5.6 Potential Areas for Value Added Product

Product Diversification – This plays a vital role in any products exports as it is a product uplifting strategy. Most of the SMEs aren't 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: Development of New Products, Modification of existing products, E-Commerce Collaboration, virtual Expo, Training on digital marketing, Marketing and display centre, Quality enhancement and Product Promotion etc.

5.7 SWOT Analysis

Table 8: SWOT Analysis for Readymade Garment

Strengths	Weaknesses
<ul style="list-style-type: none"> ▶ Geographic location conducive for undertaking global trade as the district has easy access to metropolitan cities, ports and is near to other developed industrial areas in the state ▶ Easy availability of cheap and skilled labour ▶ Available assistance in forms of finance, land cost subsidy, interest subsidy etc. for fostering the ecosystem and expanding the production 	<ul style="list-style-type: none"> ▶ Lack of proper infrastructure facilities in industrial areas in terms of production facilities and connecting roads ▶ Lack of investment and focus on R&D ▶ Lack of permanent buyers ▶ Machineries used in this sector is often expensive and the banks don't tend to lend credit to change the technology/ machinery
Opportunities	Threats
<ul style="list-style-type: none"> ▶ Big scope in domestic and foreign market ▶ Scope for development of new products ▶ Increased focus of government for expanding operations and increasing exports as it has 	<ul style="list-style-type: none"> ▶ Dominance of other cluster like, Noida and Gurgaon can provide more trendy and cheap garments. ▶ Frequent changes in raw material prices

⁸ Trade Map- Untapped Potential for HSN Codes 6203

been recognized as one of the sunrise sectors.

5.8 Challenges and interventions

Parameter	Challenges	Intervention
Warehouse for storage	<ul style="list-style-type: none"> ▶ While the raw material i.e., Fabric and sewing machines are manufactured by large industries, raw material are procured by MSMEs from third party suppliers at expensive rates. This is mainly due to lack of scale to match minimum quantities as mandated by the large manufacturers ▶ Frequent changes in the pricing of raw material often disrupts the production cycle 	<ul style="list-style-type: none"> ▶ Ensuring procurement of quality raw materials from Ghaziabad, Gurugram etc. ▶ Establishment of a RMB to ensure availability of raw materials at affordable prices and portal for better tracking of raw material purchased. ▶ The cost of sourcing raw materials from raw material depot at par with local market
Marketing & Branding	<ul style="list-style-type: none"> ▶ Offline marketing is broadly used over online marketing. ▶ Increasing the participation in International Trade fairs ▶ Limited Market diversification ▶ 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"> ▶ Collaboration with E-commerce companies focusing on Amazon, Flipkart etc. ▶ 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 marketing events ▶ 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
GI Tag	<ul style="list-style-type: none"> ▶ District specific GI tag not available 	<ul style="list-style-type: none"> ▶ Application for district specific GI tag must be initiated which will prevent unauthorized use of products and upgrades financial gain to the manufacturers/artisans. ▶ Organise one seminar within two months to apprise the stakeholders about the importance of Geographical Indication (GI) for increasing authorised users. (This can be done by DGFT /APEDA/FIEO/ MSME with the help of DIC)
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 Structure	<ul style="list-style-type: none"> ▶ U.P. is a land-locked state. India's cost of logistics is one of the 	<ul style="list-style-type: none"> ▶ The DIC office should organize workshops for exporters to apprise them about Foreign

Parameter	Challenges	Intervention
	<p>highest in the world.</p> <p>▶ 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</p>	<p>Trade Policy benefits viz. Duty Exemption Scheme / Advance Authorization Scheme / Duty Free Import Authorization Scheme.</p> <p>▶ The CONCOR rates are to be made available at regular intervals to the DIC office for updation of the same at the district website. The formation of the Sub-committee comprising the representative of CONCOR and Deputy Commissioner Industries to understand the issue and suggest ways to help Industry. Ease of Logistics portal of FIEO has been developed to provide information about container availability and issues relating to it. The industry may be informed of this portal.</p>

5.9 Future Outcomes

Annual Turnover
The annual turnover INR 100 cr is expected to be INR 151 Cr in 2026 (over a span of 5 years) and INR 287 Cr in 2031.

Cluster exports
Substantial growth in cluster exports expected to be more than INR 25 cr. by 2026 (over a span of 5 years).

6. Product 3: Rice

6.1 Cluster Overview

The state is a leading producer in agriculture products like rice, wheat, sugarcane etc. The economy of the cluster is heavily dependent on agriculture products.

6.2 Product Profile

Any rice other than Basmati Rice is named as non-Basmati rice. In the world it has been reported that there are over 10,000 varieties of rice and out of which the maximum number are in India.

6.2.1 Product Portfolio

Multiple varieties of rice exist including short-grain, medium-grain, and long-grain varieties.

6.3 Cluster Stakeholders

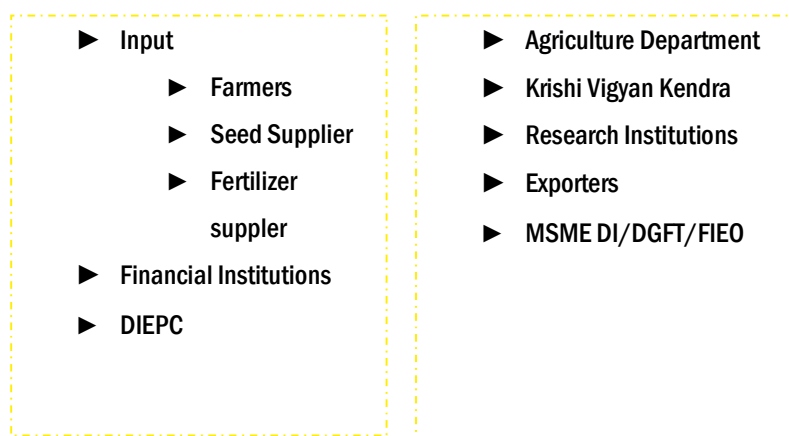


Figure9: Cluster Stakeholders

6.3.1 Industry Associations

Following are principal Industry Associations that are working for the development of Rice:

- ▶ I Agriculture and Processed Food Products Export Development Authority (APEDA)
- ▶ Indian Industries Association (IIA)
- ▶ Rice Export Promotion Forum (REPF)
- ▶ International Rice Research Institute (IRRI) - world's premier research organization dedicated to reducing poverty and hunger through rice science; improving the health and welfare of rice farmers and consumers; and protecting the rice-growing environment for future generations
- ▶ National Rice Research Institute, Cuttack (NRRRI) - The National Rice Research Institute is located in Cuttack in Odisha state. The basic objective of institute is to conduct basic, applied, and adaptive research on crop improvement and resource management for increasing and stabilizing rice productivity in different rice ecosystems with special emphasis on rainfed ecosystems and the related abiotic stresses
- ▶ U.P. Council of Agricultural Research (UPCAR) - The UPCAR is an autonomous apex state organisation registered as a society, which plans, co-ordinates and promotes research, education, training, and transfer of technology for advancement of agriculture and allied sciences. The UPCAR was established on June 14, 1989, with its headquarters at Lucknow.

- ▶ Agriculture Department
- ▶ Krishi Vigyan Kendra (KVK)

6.4 Export Scenario

6.4.1 HS Code

HS codes under which the product is exported from the district

HS Code	Description
100630	Semi-milled or wholly milled rice, whether or not polished or glazed

Current Scenario

The export scenario of World and India have been analysed basis the export statistics of HS code 100630 (Semi-milled or wholly milled rice, whether or not polished or glazed) under which non-Basmati rice is exported from Lucknow district. Alongside are the key facts pertaining to the analysed product code. India's export compared to world is very low (approximately 29.76%).⁹

Key Fact of Export¹⁰

25,145,466 (US Thousand)

Value of world exports in 2020

7,484,136 (USD Thousand)

Total Exports from India in 2020

29.76%

Share of India in exports

6.5 Export Potential

HS Code 100630 (Semi-milled or wholly milled rice, whether or not polished or glazed)

- ▶ India's exports represent 29.8% of world exports for this product, its ranking in world exports is 1.
- ▶ India exported this product to Iran, Indonesia, Malaysia, Bangladesh, Yemen, China, Saudi Arabia, Sri Lanka, USA, Nepal etc.

Below figure shows the top importers for this product (100630) in the world:

⁹ www.trademap.org

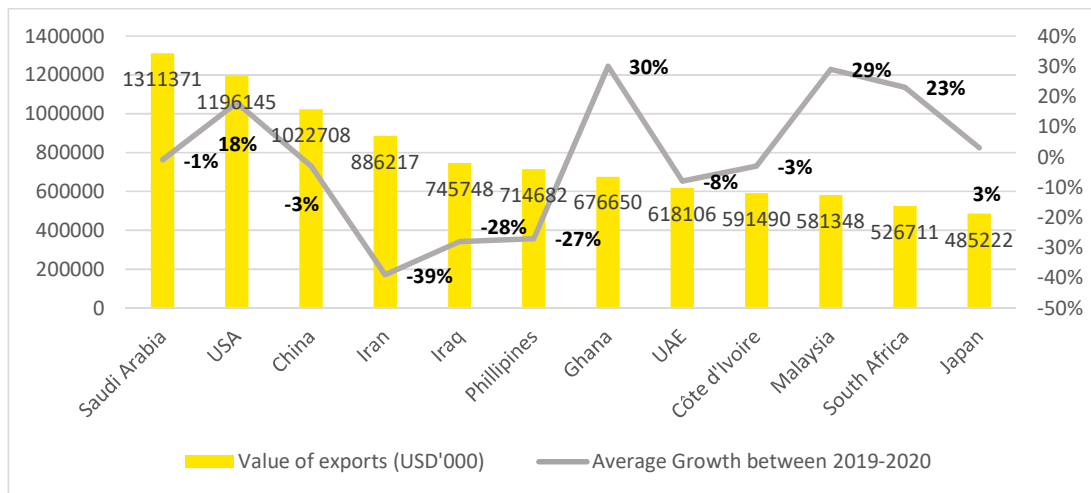


Figure10: Top importers for this product (100630) in the world¹¹



Figure11: Markets for export potential

6.6 Potential Areas for Development

Product Diversification is one of the most crucial product uplifting strategies which in turn is an important part of a product's export. Currently, only the grains of rice are being sold directly in the market. Knowing the health benefits of the product an initiative can be made for product diversification to manufacture value added products such as *chiwda, poha, brown rice, rice noodles, idli&dosa batter*.

The broken rice can be used to **create flour**. Rice flour is gluten-free; therefore, it is an alternative for producing gluten-free products. Rice flour is also hypoallergenic. Thus, it can be utilized for producing baby food, puddings, and other food products. Due to the decreased risk for people with sensitivities, food companies prefer rice flour to other varieties of flour. Thus, it is economically justifiable to grind broken rice to produce flour for such applications.

With adequate upgradation of technology in the cluster the farmers/ millers can sell by-products and generate additional income by manufacturing by-products from Rice Husks, Brans and Straws; the following are their uses:

<u>Rice Husk Use</u>
<ul style="list-style-type: none"> ▶ Fuel ▶ Gaseous Fuel ▶ Husk Briquette ▶ Husk Board ▶ Furfural

<u>Rice Bran Use</u>
<ul style="list-style-type: none"> ▶ Edible grade oil ▶ Industrial grade crude oil ▶ Free fatty acid manufacture ▶ Plasticizers ▶ Tocopherol ▶ Rice bran wax

6.7 SWOT Analysis

Table9: SWOT Analysis for Rice

Strengths	Weaknesses
<ul style="list-style-type: none"> ▶ Improving and enhancing rural economy ▶ District provides fertile land suitable for farming ▶ Availability of cheap and skilled labor for farming ▶ Availability of various financial and non-financial assistances from state and central government pertaining to agriculture 	<ul style="list-style-type: none"> ▶ Lack of proper infrastructure facilities for storage and manufacture of additional products ▶ Rice mills have not been fully modernized ▶ Due to lack of timely upgradation of rice mills, a large percentage of the produce is often discarded as it is termed as broken rice which is not suitable for sale ▶ High transportation cost for export of the product
Opportunities	Threats
<ul style="list-style-type: none"> ▶ Large scope for expanding sales network-globally and locally ▶ Scope for product diversification for generating additional revenue 	<ul style="list-style-type: none"> ▶ Cost of production in exporting countries like Thailand, Vietnam and Pakistan is low as compared to India ▶ Fear of damage from calamities and insect attack as it is perishable item

6.8 Challenges and interventions

Parameter	Challenges	Intervention
Focus on high Yielding Export Quality Rice	<ul style="list-style-type: none"> ▶ Challenges in developing high yielding export quality rice (Non-Basmati, Long grain rice) 	<ul style="list-style-type: none"> ▶ Breeding programme may be initiated to develop high yielding export quality rice (Non-Basmati, Long Grain Rice, etc.) to enable the exporters to sustain their exports in future. Proper arrangements may be made for production of pure quality seeds and making them available to the farmers at subsidized rates/ reasonable rates.
Cluster based approach	<ul style="list-style-type: none"> ▶ Setting up of export quality belts/zones 	<ul style="list-style-type: none"> ▶ To identify export quality belts/zones for production of rice to meet the requirement of exports. As per Agriculture Export Policy of Uttar Pradesh, 2019, the cluster facilitation cell under the chairmanship of District Magistrate is responsible for defining the area of Cluster and number of

Parameter	Challenges	Intervention
		<p>Farmers/FPOs/FPCs in the cluster as per suitability and goals of export promotion.</p> <ul style="list-style-type: none"> ▶ It will also be responsible for monitoring the cluster development work, promotion to increase the area under cultivation of exportable items and facilitate cluster level coordination among key departments and various stakeholders. ▶ Deputy Commissioner Industries and representative of State Agricultural Department may examine the proposal for setting up at least one clusters for Rice (Non-Basmati), in the district and submit the same to the state level Export Monitoring Committee.
Promotion of export of organic produce	<ul style="list-style-type: none"> ▶ Unawareness about promoting organic products 	<ul style="list-style-type: none"> ▶ It is suggested that special efforts should be made to promote the export of organic product such as Rice from this district.
Training programme to educate the cultivators	<ul style="list-style-type: none"> ▶ Unawareness about technical standards in international market 	<ul style="list-style-type: none"> ▶ Training programme to educate the cultivators about various SPS/ Technical standards in international markets ▶ The District Industry Centre in consultation with regional DGFT officer & APEDA may chalk out the programme on quarterly basis to train and education cultivators and other stake holders about SPS/ technical standards in international markets.
Distribution of Certified seeds	<ul style="list-style-type: none"> ▶ Challenges in distribution of certified seeds 	Distribution of Certified seeds to farmers partially through Krishi Vigyan Kendra (KVK) and Farmer Producers Organisation
Use of Modern technologies	<ul style="list-style-type: none"> ▶ Unawareness about use of modern technology to reduce costs and increase production 	<ul style="list-style-type: none"> ▶ Low-cost production technology may be developed (use best practices) to bring down the cost of production to enable the exporters to compete with competing countries in the international markets. State Agriculture department may take the help of State Agriculture Universities / other technical institutes of repute.
Use of Modernized Rice Mills	<ul style="list-style-type: none"> ▶ Many rice mill owners are not using modernized rice mills for better recovery and reducing the percentage of broken rice. 	<ul style="list-style-type: none"> ▶ Rice mills have not been fully modernized to ensure high milling recovery and reduce the percentage of broken rice. The conventional rice mills are having Rubber Roll Sheller in which percentage of broken rice is more than the modern rice mills that are having under Runner Sheller. Hence, head rice obtained from milling of conventional mills becomes costly due to recovery of higher percentage of broken rice. Therefore, conventional mills are required to be modernized to get recovery of higher percentage of head rice suitable for

Parameter	Challenges	Intervention
Marketing & Promotion of products	<ul style="list-style-type: none"> ▶ Offline marketing is broadly used over online marketing. ▶ 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"> ▶ Lack of participation in national and international events related to the sector 	<p>export.</p> <ul style="list-style-type: none"> ▶ Collaboration with E-commerce companies focusing on vegetables and fruit sale like Big Basket, Natures Basket etc. ▶ 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 marketing events. ▶ 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
Access to Finance	<ul style="list-style-type: none"> ▶ Shortage of working capital to farmers given long cultivation cycle of agri products ▶ The linkages with banks and financial institution in the cluster are not well established ▶ High quality, genetically modified seeds are often expensive, and farmers do not have enough capital/ credit to purchase those directly ▶ 	<ul style="list-style-type: none"> ▶ Tie up with the banks/financial institutions for better interest rates, enhanced working capital limits etc. ▶ Introducing the Kisan credit card scheme in the cluster ▶ Handholding of units in the cluster to create awareness about financing schemes viz. ODOP Margin Money scheme ▶ Introduction of revolving working capital within the cluster to help farmers procure high quality seeds and fertilizers and undertake production without hindrances
Exporter's issue	<ul style="list-style-type: none"> ▶ DEPC to act as a focal point for all exporters issue 	<ul style="list-style-type: none"> ▶ Deputy Commissioner Industries may be given this responsibility to monitor the cell.

6.9 Future Outcomes

Annual Turnover
Increase in annual turnover by 10% annually from existing with the help of financial outreach of government programmes and other interventions.

Cluster exports
Double the export in the next 10 years as per State Agriculture Export Policy, 2019.

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

8. Action Plan

Quantifiable activity/ Intervention	Responsible authority	Timeline for implementation ¹⁰
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	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	Continuous initiative
Sensitization of cluster actors: <ol style="list-style-type: none"> The individuals of a cluster should be sensitized on the plethora of schemes¹¹ 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 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	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

¹⁰ Short term: Should be initiated within 6 months, Intermediate: to be initiated between 6- 12 months, long terms after 12 months

¹¹ 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:](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	Short term
MoU with QCI for defining quality standards of the products	UPEPB/DIEPC	Short term
Collaboration with IIP to define cluster-wise packing standards	UPEPB/DIEPC	Short term
Sensitization of banks and bankers to help them understand the niche sectors of MSME and their specific requirements which shall help banks evaluate projects better while lending credit	UPEPB/DIEPC and banks	Short term
Introduction of revolving working capital within the cluster to help MSMEs procure raw materials and undertake production without hinderances	UPEPB/DIEPC and banks	Intermediate
Tie up with the banks/financial institutions (SIDBI, BoB etc.) for better interest rates, enhanced working capital limits etc.	UPEPB/DIEPC and banks	Intermediate
Handholding of MSMEs for increasing their awareness on schemes of state & centre and the procedure to apply to avail financial assistance	UPEPB/DIEPC	Intermediate
Sensitization of cluster actors from this sector on Make in India initiative and PLI for leveraging the assistance provided to the sector to enhance productivity and expand 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
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 CONCOR rates are to be made available at regular intervals to the DIC office for updation of the same at the district website.	DIEPC/UPEPB	Long term
c. The formation of the Sub-committee comprising the representative of CONCOR and Deputy Commissioner Industries to understand the issue and suggest ways to help Industry. Ease of Logistics portal of FIEO has been developed to provide information about container availability and issues relating to it. The industry may be informed of this portal.	DIEPC/UPEPB/FIEO	Short term
Product 1: Terracotta		
Technology Upgradation:		
Establishment of Common Facility Centre leveraging ODOP CFC Scheme for: <ul style="list-style-type: none"> Clay softening machine, press jack machine, molding machine Gas kiln for baking of terracotta products Design wheel, jigger jolly, blunger, disintegrator etc. Total project cost: <i>INR 254.98 Lakhs</i>	DIEPC and ODOP Cell	In Process

Raw material bank should be established in the cluster within Common Facility Centre for easy availability of all types of quality checked fabrics at discounted rates.	DIEPC	Long term
Skill Upgradation Conduct trainings/ workshops leveraging 'ODOP Skill Development and Tool Kit Distribution Scheme' for below: 1) Entrepreneurship development 2) Product diversification 3) Design Innovation	DIEPC, Udyamita Vikas Sansthan	Ongoing
Tourism: Gorakhpur has world renowned historic places such as Gorakhnath Temple, Kushinagar, Pawa nagar etc. As a pilot project any of these historical places can have a specific area where tourist can see history of Terracotta, what makes it unique, process of producing a terracotta product and outlet from where the international and domestic tourist can buy the authentic terracotta product.	UPEPB/ EPC, ODOP Cell & UP Tourism	Long term
Application to Directorate General of Foreign trade for a unique HSN Code	UPEPB/ODOP Cell / DGFT	Intermediate term
Collaboration with NIFT and NID for design inputs and support in branding initiatives	UPEPB/ODOP Cell	Long term
Increase the usage of the portal as this portal facilitates the artisans to provide information about their products for easy understanding of exporters.	UPEPB/ODOP Cell	Short term
Application for district specific GI tag	DIEPC/UPEPB/ODOP Cell	Intermediate term
Awareness on schemes and policies for financial assistance such as ODOP Margin Money Scheme Creation of online ecosystem wherein working capital as well as capital loans can be disbursed with same ease as personal loans.	DIEPC	Ongoing Completed
Product 2: Readymade Garment		
Technology upgradation Establishment of a common facility centre with modern machines.	UPEPB, DIEPC and ODOP Cell	Long term
Setup of Raw material bank for smooth availability of raw material to meet the demand and supply gap Common Raw Material storage facility	UPEPB, DIEPC	Long term
Application for district specific GI tag	DIEPC/UPEPB	Long term
Collaboration with E-commerce companies focusing on Readymade garment like Amazon, Flipkart, e bay etc.	Amazone/Flipkart and DIEPC	Short term
MoU with QCI to define quality standards of Readymade Garments goods manufactured in Gorakhpur	DIEPC	Short Term
Creation of online ecosystem wherein working capital as well as capital loans can be disbursed	DIEPC and banks	Short term

with same ease as personal loans.		
Training programme to educate the artisans: Conduct trainings/ workshops leveraging 'ODOP Skill Development and Tool Kit Distribution Scheme' for below: 1) Design innovation 2) Entrepreneurship development 3) Product diversification	In process (Being conducted through UPID, Udyamita Vikas Sansthan, UPICO etc.)	Ongoing
Product 3: Rice		
Focus on high Yielding Export Quality Rice -Breeding programme may be initiated to develop high yielding export quality rice (Non-Basmati, Long Grain Rice, etc.) to enable the exporters to sustain their exports in future.	Research Institutes/Agriculture Department/DIEPC/ APEDA	Mid term
To identify export quality belts/zones for production of rice to meet the requirement of exports.	Agriculture Department/District Administration/District Level Export Promotion Committee	Long term
It is suggested that special efforts should be made to promote the export of organic product such as Rice from this district.	DIEPC/APEDA/UPEPB	Short term
Distribution of Certified seeds to farmers partially through Krishi Vigyan Kendra (KVK) of Gorakhpur and Farmer Producers Organization	KVK/ DIEPC/ FPO	Ongoing as per Implementation schedule
a. Modernized Rice mills to ensure high milling recovery and reduce the percentage of broken rice. This rice will be suitable for export.	UPEPB/DIEPC/State Agriculture Department	Long term
Training programme to educate the cultivators: a. Training programme to educate the cultivators about various SPS/ Technical standards in international markets b. The District Industry Centre in consultation with regional DGFT officer & APEDA may chalk out the programme on quarterly basis to train and education cultivators and other stake holders about SPS/ technical standards in international markets.	DIEPC/DGFT/APEDA/DGFT	Ongoing
Focus on upgradation of technology used in production by establishing a CPC utilizing PM FME scheme	UPEPB, DIEPC/ DHOs and Dept of Food Processing & Horticulture	Long term
Introducing the Kisan credit card in the cluster	DIEPC and banks	Short term

Abbreviations

APEDA	The Agricultural and Processed Food Products Export Development Authority
API	Active pharmaceuticals ingredients
CAD	Computer-Aided Design
CAM	Computer Aided Manufacturing
CFC	Common Facility Center
CONCOR	Container Corporation of India
CPC	Common Production Center
DGFT	Director General of Foreign Trade
DHO	District Horticulture Officer
DIC	District Industries Center
DIEPC	District Industry and Enterprise Promotion Center
DPR	Detailed Project Report
EPC	Export Promotion Council
EPCG	Export Promotion Capital Goods
FIEO	Federation of India Export Organization
FPO	Farmer Producer Organizations
FTA	Free Trade Agreement
GCC	Gulf Cooperation Council
GI	Geographical Indication
HS	Harmonized System
IC	International Cooperation
IC Engines	Internal Combustion Engines
IEC	Import Export Code
IIP	Indian Institute of Packaging
ISW	Industrial Solid Waste
ITI	Industrial Training Institute
KVK	Krishi Vigyan Kendra
MAS	Market Assistance Scheme
MSE CDP	Micro & Small Enterprises - Cluster Development Programme
MSME	Micro, Small and Medium Enterprises
NHB	National Horticulture Board
NIC Code	National Industrial Classification Code
NIC	National Informatics Center
NID	National Institute of Design
NIFT	National Institute of Fashion Technology

NSDC	National Skill Development Cooperation
ODOP	One District One Product
PM FME	Pradhan Mantri Formalisation of Micro food Processing Enterprises
PMU	Project Monitoring Unit
QCI	Quality Council of India
R&D	Research & Development
RMB	Raw Material Bank
SGPGI	Sanjay Gandhi Post Graduate Institute of Medical Science
SIDBI	Small Industries Development Bank of India
SPS	Sanitary & Phytosanitary
SPV	Special Purpose Vehicle
SWOT	Strength, Weakness, Opportunities, Threats
TBT	Technical Barriers to Trade
UAE	United Arab Emirates
UK	United Kingdom
UP	Uttar Pradesh
UPEPB	Uttar Pradesh Export Promotion Bureau
UPICO	UP Industrial Consultancy Organisation
USA	United States of America



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