



विदेश व्यापार महानिदेशालय  
DIRECTORATE GENERAL OF  
FOREIGN TRADE

सत्यमेव जयते

**Districts**  
as Export Hubs

Knowledge Partner



Building a better  
working world

## Preface

This district export plan for Hapur 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 Hapur district as an export hub. In view of above, a District Level Export Promotion Committee has been formed by the office of DPEDC, Hapur 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), DIPEDCs, 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%<sup>1</sup> 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.

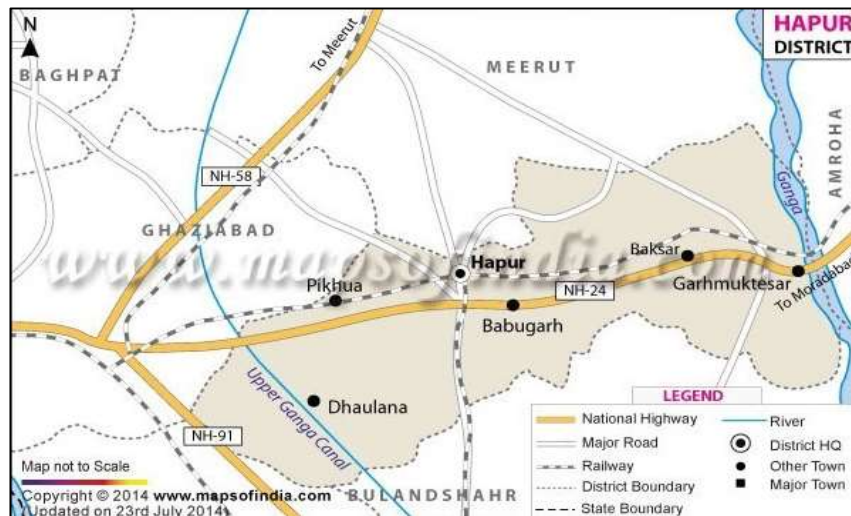
Thus, to decentralize the existing activities, to boost local production & its exports and to ensure active participation of state & district stakeholders, vision of district as export hubs was put to action. Department of Commerce, through Directorate General of Foreign Trade (DGFT) is working with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

HAPUR, a town of British India in the Meerut division of the United Provinces. It is said that it has been founded in the 10th century and was granted by Sindhia to his French general person at the end of the 18th century. Several fine groves surround the town, but the wall and ditch have fallen out of repair, and only the names of the five gates remain. Considerable trade is carried on in sugar, grain, cotton, timber, bamboos and brass utensils.

Hapur District was created by carving out of Ghaziabad district in 2011. Initially district was named as Panchsheel Nagar, which was named to Hapur in 2012. The district is the 74th district of the State of Uttar Pradesh and located both sides of NH-24, connecting Delhi with Lucknow. Hapur District is within the NCR zone of Uttar Pradesh and is only 100 Km from New Delhi and around 30 Kms from Ghaziabad. In terms of geographical boundary of the district, the river Ganges forms the eastern boundary of the district and NH-91 forms the eastern boundary of the district.



The Pikhua region of the district is known as the ‘power loom city’ of India. Decorative and household items like curtains, kitchen towels, table covers, cushions etc. made here with handloom / power loom are quite in demand all over the world. Block printing, bed sheets etc. are made here. The industry has provided direct and indirect employment to more than 10,000 people. The government is planning to develop Pikhua as textile centre. Plan site is proposed to be in Pikhua

<sup>1</sup> DGFT Report Jan 2021 – Developing Districts as Export Hubs

Master plan 2021 and is located by NH-24 and Pilkhua Bye-Pass. The plan project has been prepared by Hapur Pilkhua Development Authority (HPDA) in association with Northern India Textile Research Association (NITRA).

## 2.1 Geography

The district Hapur is in center of Meerut division. The district lies between 28.45N latitude and 77.45 E longitude. It has an average elevation of 213 meters (699 feet). In the north it is bounded by the district Meerut, in the south by Bulandshahr while Ghaziabad form the southern and western limits. Amroha district lies to the east of the district. The river Ganges forms the eastern boundary and home to the sacred place known as 'Garhmukteshwar' where lakhs of people come every year for pilgrimage. The ground is not rocky and there are no mountains. The soil is composed of Pleistocene and sub-recent alluvial sediments transported and deposited by river action from the Himalayan region.

## 2.2 Topography & Agriculture

The district of Hapur is located at the Doab makes the land of Hapur pretty much fertile which makes agricultural usage of land as a modest use. The land usage pattern in Hapur resembles an agrarian state like Punjab and Haryana. The average rainfall is 80 cm to 100 cm per year received during monsoon, which is ideal for growing crops. Humidity content is between 30 to 100%. Hapur does not receive snow during winters.

## 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: industrial Profile of Hapur<sup>2</sup>*

Type of Industry	No. of units	Investment (Rs Crore)	Employment
Home Furnishing/ Cotton textile	108	17.03	790
Wood/wooden based furniture	47	19.05	1170
Paper & Paper products	14	1.70	107
Chemical/Chemical based	35	13.82	282
Metal works	22	4.41	180
Food Processing	89	32.06	547
Leather Product	7	4.32	73
Rubber & Plastic Product	18	5.34	142
Electrical Machinery Parts	10	1.55	82
Others	109	75.57	2226

<sup>2</sup> DIPEDC, Hapur

Table 2: MSME profile of Hapur<sup>3</sup>

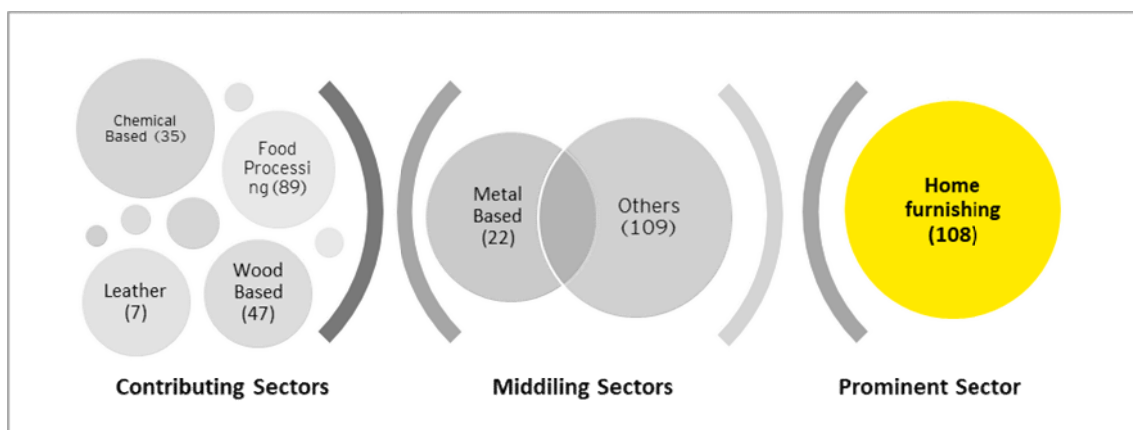


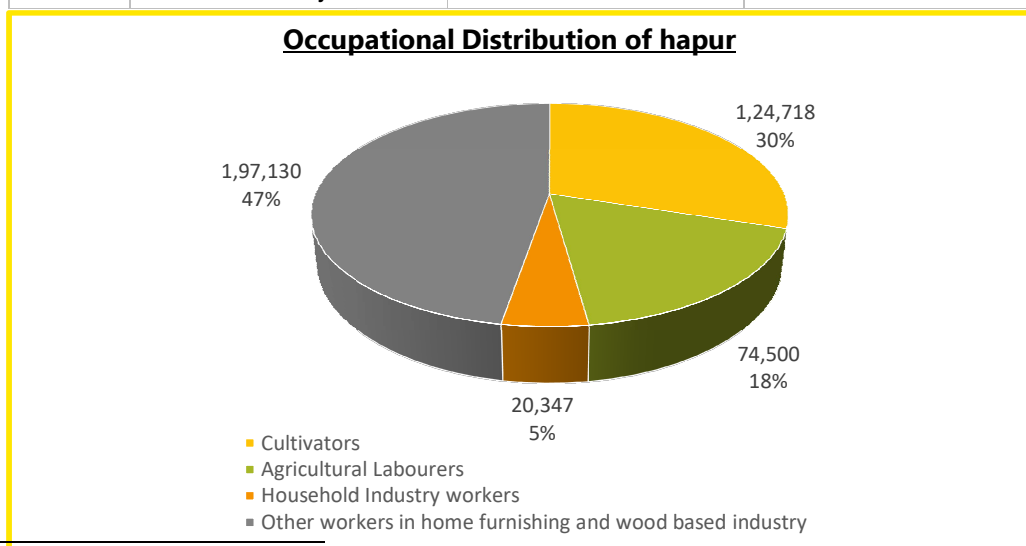
Figure 1: MSME landscape of the district

Home furnishing and Cotton & textile, Metal based, Agro based, Engineering goods, Electrical machinery and transport equipment and wood-based industry contribute most in terms of employment and revenue. Cotton and textile-based industry in the district is the most prominent sector of the district contributing most to the economy by being one of the largest employers.

Out of total population of 13,38,000 (2011 census), 7,08,910 are women and 6,29,400 is male. Out of total working population, 47.3% are workers employed in Home furnishing and textile industry as well as wood-based furniture industry and around 29% are the cultivators in the district and 17.9% are agriculture labourers.

Table 3: Occupational Distribution of Main Workers<sup>4</sup>

S. No.	Particulars	Hapur	%
1	Cultivators	1,24,718	29.09
2	Agriculture Laborer's	74,500	17.90
3	Household Industry Workers	20,347	04.90
4	Other workers in home furnishing and wood-based industry	1,97,130	47.30



<sup>3</sup> Brief industrial profile of Hapur district, MSME-DI, Agra

<sup>4</sup> District census handbook 2011- Hapur

Figure 2: Occupational distribution of Hapur

### 3.1 Major Exportable Products from Hapur

In comparison with annual exports in last five years, the export of major products from Hapur had decreased by approx. 15% due to surge of global pandemic in previous year. The total export from Hapur for the period from September 2020 to November 2021 is approximately INR 1,281.92 Crore<sup>5</sup>.

The following table depicts the value of export of major products from Hapur during period September 2020 to November 2021:

Table 4: Major exportable product

S. No	Product	Export value (In INR) (Sep2020-Nov 2021) <sup>6</sup>
1	Textile & Home Furnishing	106.38 Cr
2	Wooden furniture/ wood-based products	274.80 Cr
3	Decorative laminates	179.09 Cr
Total Exports of Hapur Including above said products		1,281.92 Cr

#### 3.1.1 Status of GI Tag

The fame of unique handicrafts, aromatic agricultural products and natural goods from Uttar Pradesh has crossed borders, for 36 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. Hapur district has no GI tag Product.




## 4. Product: Home Furnishing

### 4.1 Cluster Overview

The “Home Furnishing Products” cluster of Hapur includes manufacturers of various kinds of home furnishing products, retailers, dying units, scrap units and marketing channels.

The cluster actors are majorly engaged in manufacturing of various types of home furnishing products i.e., Curtains, Bedsheet, Pillow Cover, Mattress, Dari etc. The manufacturing units get primary raw material like clothes, colors, packaging materials and others from either inside the cluster or from other states. Being a part of NCR and better connectivity most of the manufactures buy desired raw materials from Delhi, Meerut or Panipat. Few materials get imported from china due to better price and larger quantity. Large manufacturing units have their own design houses as well as designers, but MSME units do not have inhouse design facility. MSMEs are heavily dependent on buyers’ designs or prevailing market designs.

### Key Facts of Cluster

- 
**INR 200 Crores** Approximate turnover of the cluster
- 
**INR 106 Crores** ~ Export Turnover (Year 20-21)
- 
**7,000** Employment directly or indirectly associated

<sup>5</sup> DGFT- District wise report for the period September 2020 to November 2021

<sup>6</sup> DGFT- District wise report for the period September 2020 to November 2021



Home furnishing manufactured here are either marketed directly to end users or are sold through traders/exporters. And the home furnishing manufacturers have scraps as byproduct/ additional output which are sold to scrap aggregators. These units collect scrap clothes, refurbish them and turn them into clothes.

“Hapur Home furnishing Products” has been selected as ODOP product from the district under One District One Product Programme of GoUP. The cluster has around 200 MSME enterprises engaged in home furnishing industry employing over 7,000 people. As per DSR-Hapur, in 2018-19, the turnover of Hapur district was approx. INR 200 Crores with annual exports of approx. INR 25 Crores<sup>7</sup>. Currently, due to launch of ODOP scheme of GoUP, the employment and investment in home furnishing sector has increased, resultantly the exports have also increased by four time.

## 4.2 Product profile

The Home Furnishing Products of Hapur cover variety of products, they are mentioned as below:

1. Table Linen of cotton
2. Curtains of cotton
3. Mattress
4. Pillow/Pillow Covers
5. Kitchen Towel
6. Table Cover
7. Cushions

## 4.3 Cluster Stakeholders



Figure 3: Cluster Stakeholders

### 4.3.1 Industry Associations

Following are principal Industry Associations/SPVs that are working for the development of Home furnishing products in Hapur:

- ▶ Indian Industry Association (IIA), Pilkhuwa
- ▶ Northern India Textile Research Association
- ▶ PHD Chamber of commerce & Industry
- ▶ Laghu Udyog Bharti, Khekra
- ▶ Handloom Manufacturing and export Association, Khekra

<sup>7</sup> DSR, Home Furnishing Products, Hapur district (2018-19)

## 4.4 Export Scenario

### 4.4.1 HS code

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

Table 5: HS codes for Home furnishing Products

Sr. No.	HSN Code	Product Description
1	940490	Articles of bedding and similar furnishing, fitted with springs or stuffed or internally filled with any material or of cellular rubber or plastics (excluding mattress supports, mattresses, sleeping bags, pneumatic or water mattresses and pillows, blankets and covers)
2	630391	Curtains, incl. drapes, and interior blinds, curtain or bed valances of cotton (excluding knitted or crocheted, awnings and sunblinds)
3	630251	Table linen of cotton (excluding knitted or crocheted)
4	630499	Articles for interior furnishing, of textile materials (excluding of cotton or synthetic fibres, knitted or crocheted, blankets and travelling rugs, bedlinen, table linen, toilet linen, kitchen linen, curtains, incl. drapes, interior blinds, curtain or bed valances, bedspreads, lampshades and articles of heading 9404)

### Current Scenario

The export scenario of India and Uttar Pradesh have been analysed basis the export statistics of HS code - 940490 (*Articles of bedding and similar furnishing, fitted with springs or stuffed or internally filled with any material or of cellular rubber or plastics (excluding mattress supports, mattresses, sleeping bags, pneumatic or water mattresses and pillows, blankets and covers)*) mentioned in Table 5. Alongside are the key facts<sup>8</sup> i.e., world exports, India's exports and UP's exports as well as UP's share in India's total exports pertaining to the analysed product code.

### Key Facts of Export (HS Code-940490)

**1,14,67,755 USD Thousand**

Value of world exports in 2020

**4,77,819 USD Thousand**

India's exports 2020

**1,20,560 USD Thousand**

UP's Exports (2020-21)

**~25.23%**

Share of UP in India's Exports

### 4.5 Export Potential

- ▶ The total exports of Home furnishing Products from Hapur district were approx. INR 25<sup>9</sup> Crores in year 2018-19. There are more than 20 HSN Codes which may be used for Exports of Home Furnishing products but here analysis of one prominent HSN code (940490) has been done.
- ▶ The exports of Home Furnishing utilising HS code 940490 (*Articles of bedding and similar furnishing, fitted with springs or stuffed or internally filled with any material or of cellular rubber or plastics (excluding mattress supports, mattresses, sleeping bags, pneumatic or water mattresses and pillows, blankets and covers)*) was INR 106.38<sup>10</sup> Crores during Sep 2020-Nov 2021.
- ▶ Other prominent products exported from Hapur district are Wooden furniture/wood-based products, Paper decorative laminates and Meat.

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

<sup>9</sup> DSR Hapur

<sup>10</sup> DGFT- District wise report for the period September 2020 to November 2021

- ▶ 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.

**Product 1: 940490:** Uttar Pradesh exports this product to **USA, France, UK, Canada, Australia, Germany, Belgium, Spain, Saudi Arab, Netherlands, Italy, Israel and Ireland.** Below figure shows the top importers for this product (940490) in the world from India:

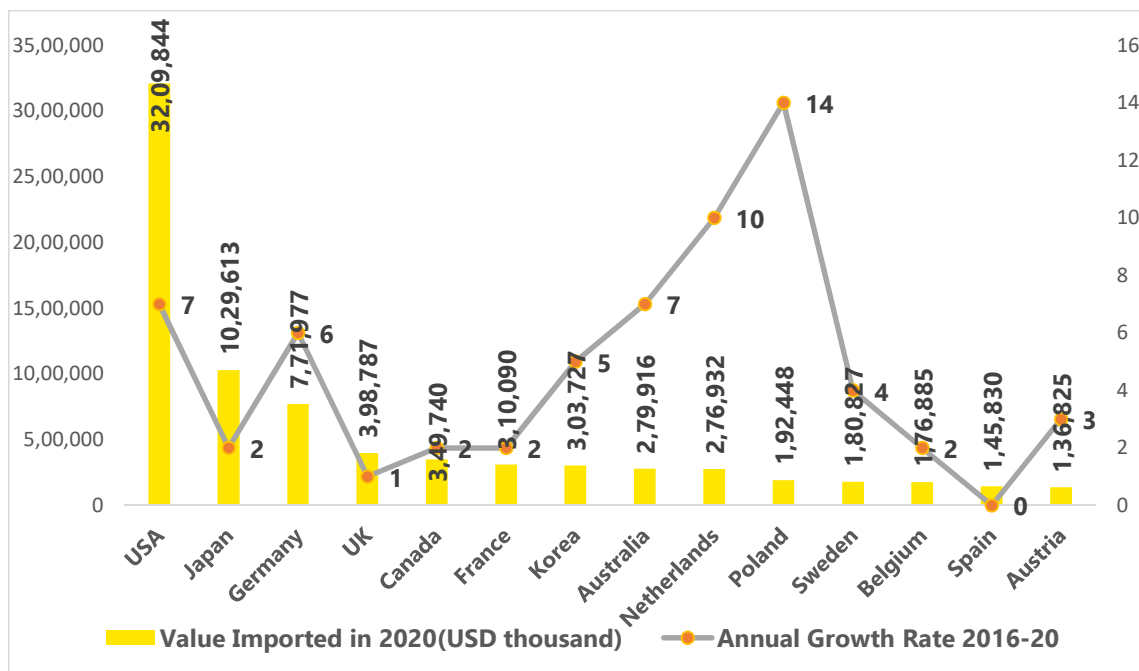


Figure 4: Top importers for this product (940490) in the world from India

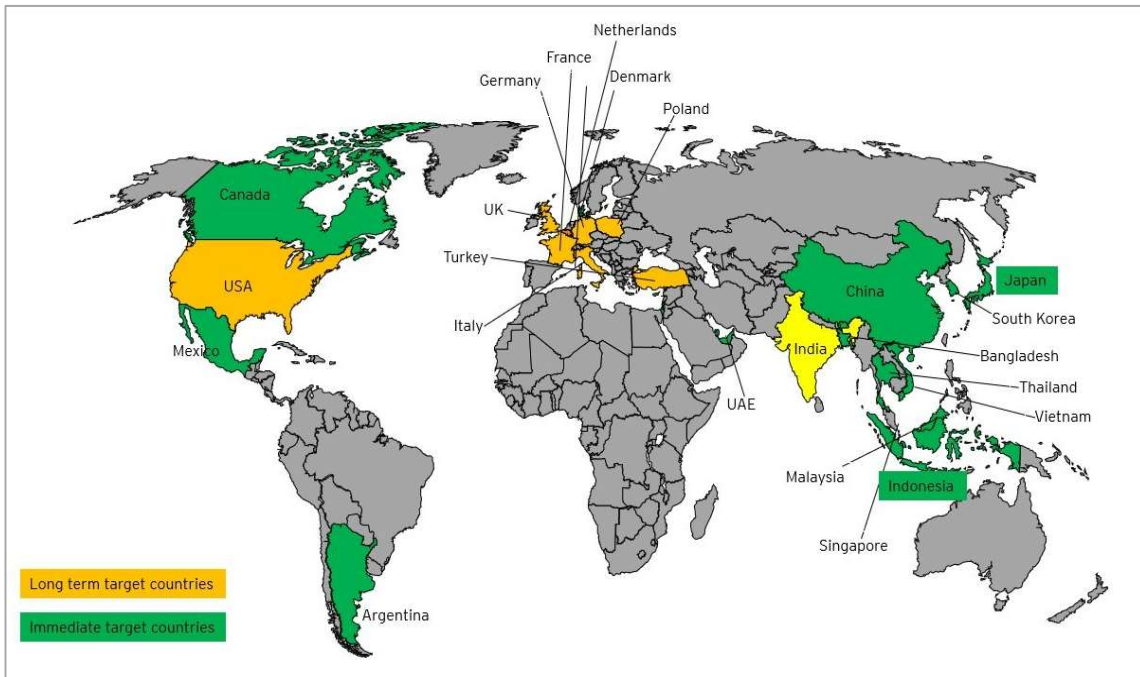


Figure 5: Markets for export potential

**Product 2: 630391:** Uttar Pradesh exports this product to USA, France, Germany, UK, , Belgium, Switzerland, Japan and Saudi Arab. Below figure shows the top importers for this product (630391) in the world from India:

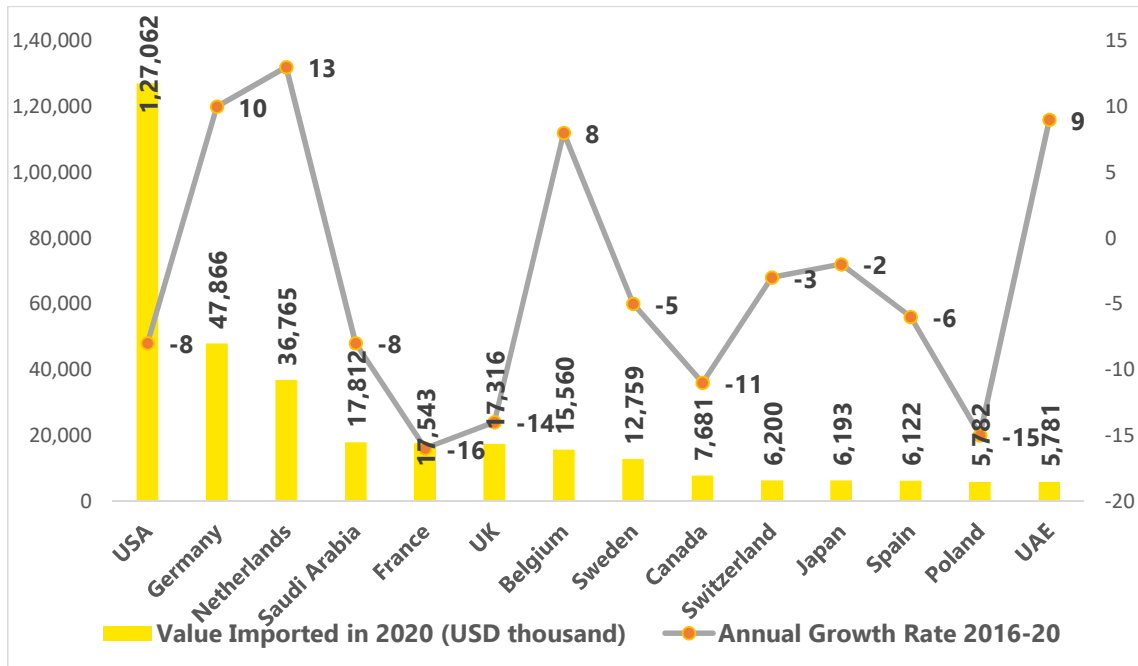


Figure 6: Top importers for this product (630391) in the world from India

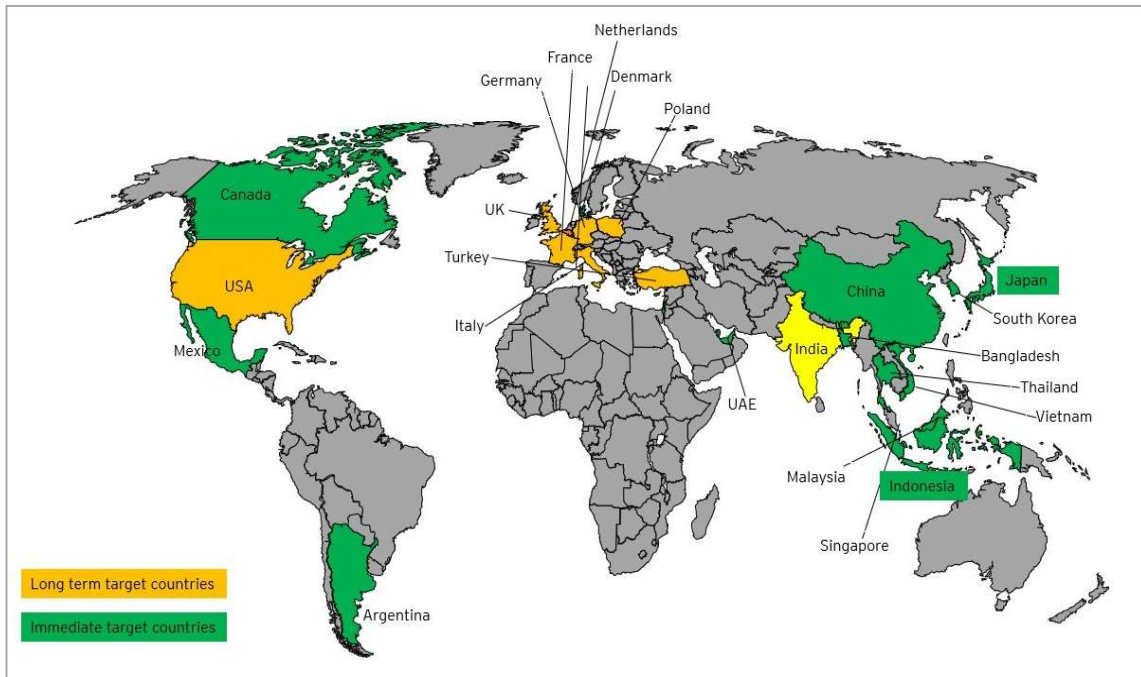


Figure 7: Markets for export potential

#### 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, high-end product, home decorative or infrastructure 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 home furnishing and more trainings can be done in association with NIFT, NID, NITRA and DCH etc.

#### 4.7 SWOT analysis

Table 6: 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> </ul>

<b>Opportunities</b>	<b>Threats</b>
<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><li>▶ Strict environment compliance laws</li><li>▶ Polluting Industry</li><li>▶ International Competition</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 designing machines, packaging, and tagging machine etc.</li> </ul>
<b>Design, Innovation &amp; Product Development Centre</b>	<ul style="list-style-type: none"> <li>▶ Traditional designs are still being followed by small manufacturers they are not focusing on design innovation New product line.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Establishment of Product Design &amp; Development Center with CAD/ CAM facility along with a display center under CFC Scheme of ODOP program with latest technology.</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 Home furnishing 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 sector</li> </ul>	<ul style="list-style-type: none"> <li>▶ Establishment of a Marketing centre within the CFC (CFC Scheme of ODOP program) in Hapur to facilitate marketing events.</li> <li>▶ Collaboration with E-commerce companies like <b>ODOPMart, Flipkart, Amazon, Ebay for maximizing sales</b> of light engineering products.</li> <li>▶ Collaboration with Govt. and buyers through Virtual Buyer Seller Meet (VBSM) platform can be promoted.</li> <li>▶ Collaboration with NIFT, to support SMEs in establishing the brand name of the 'Hapur Home furnishing 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</li> </ul>

		<p>marketing events</p> <ul style="list-style-type: none"> <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 the product.</li> </ul>
<b>Testing &amp; Certification for 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 Lab within Common Facility Centre (under ODOP CFC Scheme, GoUP) to facilitate testing facility in the cluster</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 DIPEDC</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 equipment</li> </ul>	<ul style="list-style-type: none"> <li>▶ Training centres for upskilling in industry relevant skills and RPL certifications</li> <li>▶ Upskilling (Cluster based training) for Designer, tailor, master tailor, Packers, artisan.</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>▶ DIPEDC 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</li> </ul>	<ul style="list-style-type: none"> <li>▶ The DIPEDC office should organize workshops for exporters to apprise them about <b>Foreign Trade Policy benefits viz.</b></li> </ul>



	<p>overall production expenses</p> <p>▶ 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</p>	<p><b>Duty Exemption Scheme / Advance Authorization Scheme / Duty Free Import Authorization Scheme.</b></p> <p>▶ The CONCOR<sup>11</sup> rates are to be made available at regular intervals to the DIPEDC office for updating 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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#### 4.9 Future Outcomes<sup>12</sup>

Annual Turnover
Increase in annual turnover from existing INR 200 Cr. to 400 Cr. in next 5 years of implementation of action plan <sup>13</sup>

Cluster exports
Increase in export revenue from INR 106 to INR 200 Cr. in next 5 years of implementation of action plan

### 5. 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
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<sup>11</sup> Container Corporation of India Ltd (CONCOR)

<sup>12</sup> DSR-Home furnishing Hapur

<sup>13</sup> Basis Stakeholder Consultation

	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

**More schemes for Export Promotion:** More export centric schemes can be checked online on DGFT, EEPC, FIEO, MSME and IBEF portals etc. Few of them are mentioned as below.

1. **MSME** – <https://msme.gov.in/marketing-promotion-schemes>
2. **DGFT** – <https://www.dgft.gov.in/>
3. **EEPC** – <https://www.eepcindia.org/page.aspx?id=P160411110629&page=Export-Promotion-Schemes>
4. **IBEF** – <https://www.ibef.org/blogs/indian-export-incentive-schemes>
5. **FIEO** – [https://www.fieo.org/view\\_section.php?lang=0&id=0,30,1700](https://www.fieo.org/view_section.php?lang=0&id=0,30,1700)

## 6. Action Plan

Quantifiable activity/ intervention	Responsible authority	Timeline for implementation <sup>14</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/export and provide support in availing them	ODOP cell, DIPEDC, UPEPB and DGFT	Continuous initiative
<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	ODOP cell, DIPEDC, UPEPB and DGFT	Continuous initiative

<sup>14</sup> Short term: Should be initiated within 6 months, Intermediate: to be initiated between 6- 12 months, long terms after 12 months

to participate in at least 3 international events in a year per product category/industry (food, engineering & auto components, handicrafts, textile& apparel etc.) by utilizing schemes like IC and MAS		
<p><b>Sensitization of cluster actors:</b></p> <p>a. The individuals of a cluster should be sensitized on the plethora of schemes<sup>15</sup> available for them for maximizing the potential of exports. Merchandise Exports from India Scheme, Service Export from India Scheme etc. provides various exemptions for facilitating exports. Further, schemes like Advance Authorization Scheme (AAS), Duty Free Import Authorization (DFIA Scheme) ensure procurement of imported duty-free raw materials</p> <p>b. Currently, majority of the exporters and traders focus on selling their goods to USA, UK and European countries without correctly analyzing the demand market. Thus, these cluster actors should be sensitized on target countries identified through export analysis mentioned in DAPs and EAP</p>	ODOP cell, DIPEDC, UPEPB and DGFT	Continuous initiative
DIPEDC 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	DIPEDC, UPEBP and FIEO	Intermediate
Common Facility centers (under CFC scheme of ODOP Program, TIES and NAVY scheme) to increase export	UPEPB/ODOP Cell/DIPEDC	Continuous initiative
<b>Common interventions across sectors/ clusters</b>		
Collaboration with e-commerce companies like Amazon, ebay, Flipkart etc.	UPEPB/DIPEDC/ODOP cell	Short term
MoU with QCI for defining quality standards of the products	UPEPB/DIPEDC/ODOP 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/DIPEDC/ODOP 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/DIPEDC and banks	Intermediate
Tie up with the banks/financial institutions (SIDBI, BoB etc.) for better interest rates, enhanced working capital limits etc.	UPEPB/DIPEDC/ODOP Cell and banks	Intermediate
Handholding of MSMEs for increasing their awareness on schemes of state & centre and the procedure to apply to avail	UPEPB/DIPEDC	Intermediate

<sup>15</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>:

financial assistance		
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	DIPEDC / UPEPB	Short term
DIPEDC 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.	DIPEDC/DGFT/UPEPB	Long term
<b>Cost Structure:</b>		
a. The DIPEDC 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.	DIPEDC/UPEPB	Long term
b. The CONCOR rates are to be made available at regular intervals to the DIPEDC office for updating of the same at the district website.	DIPEDC/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.	DIPEDC/UPEPB/FIEO	Short term
<b>Product: Home furnishing Products</b>		
<b>Establishment of Common Facility Centre with:</b>		
a. Raw Material Bank	DIPEDC, DGFT and ODOP Cell	Long term
b. Common Production Center		
c. Design and display center with CAD/CAM facilities and space to showcase products to undertake sale		
d. Marketing Center for undertaking marketing events		
Collaboration with NIFT and NID for design inputs and support in branding initiatives	UPEPB/ODOP Cell	Long term
Setting of modern technology based <b>CETPs</b>	UPEPB/DIPEDC/District Administration	Long term
Collaboration with E-commerce companies	UPEPB/ODOP Cell/DIPEDC	Short term
Establishment of testing laboratory	DIPEDC/ODOP Cell/UPEPB	Long Term
Establishment of Design and innovation center	DIPEDC/ODOP Cell/UPEPB	Long 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>DIPEDC</b>	District Industry Promotion & Enterprises development Centre
<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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