



Department of MSME and Export Promotion  
Uttar Pradesh

# District Export Action Plan, Jaunpur, Uttar Pradesh

Knowledge Partner



विदेश व्यापार महानिदेशालय  
DIRECTORATE GENERAL OF  
FOREIGN TRADE

**Districts**  
OS Export Hubs

**EY**  
Building a better

## Preface

This district export plan for Jaunpur 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 Jaunpur district as an export hub. In view of above, a District Level Export Promotion Committee has been formed by the office of DIC, Jaunpur under the chairmanship of District Magistrate. With the said objective, 'District Export Action Plan' has been prepared and being presented to concerned stakeholders.

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

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

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

# Contents

1.	Vision of Districts as Export Hubs .....	5
2.	District Profile .....	5
2.1	Geography.....	6
2.2	Topography & Agriculture.....	6
3.	Industrial profile of the district .....	6
3.1	Major Exportable Product from Jaunpur .....	9
4.	Product 1: Woollen Carpets.....	9
4.1	Cluster Overview .....	9
4.2	Product profile.....	10
4.2.1	Product Portfolio .....	10
4.2.2	Status of GI Tag .....	10
4.3	Cluster Stakeholders .....	11
4.3.1	Industry Associations .....	11
4.4	Export Scenario .....	11
4.4.1	HS code .....	11
4.5	Export Potential .....	12
4.5.1	<b>Product: 570292: Uttar Pradesh exports this product to USA, Belgium, Portugal, Australia, Sweden, Spain, UK, Argentina, UAE, and Italy.</b> .....	12
4.5.2	<b>Product 570500 Carpets and other textile floor coverings, whether or not made up (excluding knotted, woven or tufted needle punched", and of felt)</b> .....	14
4.6	Potential Areas for Value Added Product.....	15
4.7	SWOT analysis .....	16
4.8	Challenges and interventions .....	16
4.9	Future Outcomes .....	19
5.	Schemes under Uttar Pradesh Export Promotion Bureau .....	20
6.	Action Plan.....	20

## List of Tables

Table 1: Details of the Industrial Areas in the district .....	6
Table 2: Industries details .....	7
Table 3: Occupational Distribution of Main Workers .....	8
Table 4: Major exportable product .....	9
Table 5: HS codes for Woollen Durrie .....	11
Table 6: SWOT Analysis .....	16

## List of Figures

Figure 1: District of Jaunpur .....	
Figure 2: MSME landscape of the district .....	8
Figure 3: Occupational distribution of Jaunpur .....	
Figure 4: Cluster Stakeholders .....	11
Figure 5: Top importers for this product (570292) in the world .....	13
Figure 6: Markets for export potential-570292 .....	13
Figure 7: Markets for export potential .....	15



# 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 administration 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

Jaunpur district<sup>2</sup> is in Varanasi Division of Indian state of Uttar Pradesh. The district headquarters is Jaunpur which is situated on the banks of the Gomti River. It is located 228 km southeast of the state capital Lucknow. The district has two Lok Sabha seats and nine Vidhan Sabha seats. The main languages are Hindi, Urdu, Awadhi, and Bhojpuri. Jaunpur district was annexed into British India based on the Permanent settlement of 1779, and thus was subject to the Zamindari system of land revenue collection. Jaunpur remained a part of it until India became an independent nation.

Jaunpur district has 6 tahsils—Shahganj, Badlapur, Machhali, Shahar, Jaunpur, Mariyahu and Kerakat, 3 Lok Sabha constituencies and 10 Vidhan Sabha constituencies. The district has been divided into 21 (Badlapur, Baksha, Barasathi, Dharmapur, Dobhi, Jalalpur, Karanjakala, Kerakat, Khuthan, Machhli Shahar, Maharajganj, Mariyahu, Muftiganj, Mungara Badshahpur, Ramnagar, Rampur, Shahganj, Sikarara, Sirkoni, Suithakala, Sujanganj) development blocks.

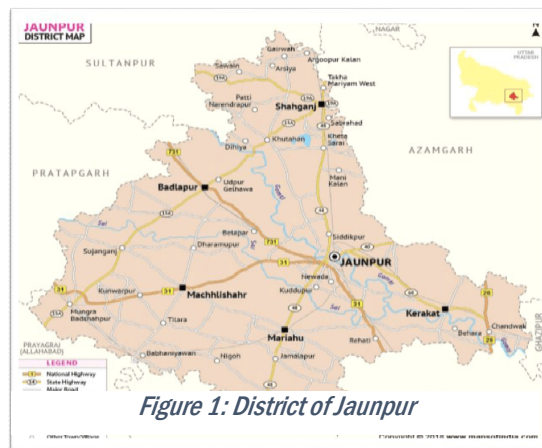


Figure 1: District of Jaunpur

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

<sup>2</sup> www.jaunpur.nic.in

## 2.1 Geography

The district<sup>3</sup> of Jaunpur is situated in the North-west part of Varanasi division. Its land area extends from 24.240N to 26.120N latitude and between 82.70E and 83.50E longitude. The geographical area of the district is 4038 KM2. As depicted in the following map, the district is bounded by the Sultanpur to its North, Azamgarh to North-East, Ghazipur to East, Varanasi to its South-East, Sant Kabir Nagar to the South, Allahabad to the South-West and Pratapgarh to the West.

## 2.2 Topography & Agriculture

The topography of the district is a flat plain undulating with shallow river valleys. The main permanently flowing rivers are the Gomti and the Sai. The rivers of Jaunpur flow from northwest to southeast and the land slopes in the same direction. Thus, there is a more elevated area in the northwest and a less elevated area of land in the southeast.

The main field crops<sup>4</sup> of Jaunpur district are rice, maize, pigeon pea, pearl millet, blackgram wheat and chickpea. Other crops are onion, potato, and crops for fodder. The crops are grown with both rainfall and irrigation. There are cattle (both local low yielding and crossbred), and local low-yielding buffalo as well as goats, sheep, backyard chickens and pigs and occasional dairy farms. Approximately 29% of Jaunpur's population is employed. Approximately 40% of those employed work in manufacturing, 26% work in trade and commerce, 19% work in other services, 8% work in transport and communication, 4% work in agriculture, 2% work in construction, and 2% are marginal workers. There are 43 government reservoirs and many more private water sources. At Gujartal lake, 2 miles (3.2 km) west of Kheta Sarai, pisciculture is conducted<sup>5</sup>

## 3. Industrial profile of the district

There are two industrial areas in the district namely Satharia Industrial Development Authority and Sidhwan Industrial Estate.

Satharia Industrial Development Authority was established in November 1989 by the Govt. of Uttar Pradesh, under U.P. Industrial Area Development Act, 1976 to facilitate concentrated effort on Industrial development of eastern Uttar Pradesh.

Sidhwan Industrial Estate also developed by UPSIDC and covers ancillary and small units.

Table 1: Details of the Industrial Areas in the district<sup>6</sup>

SI No	Name of Industrial Area	Land Acquired	Land Developed	Number of plots	Number of allotted plots
1	Satharia Industrial Development Authority	508 Acres	459.09 Acres	465 (8 Medium industrial units & 392 Plots)	444

<sup>3</sup> Jaunpur.nic.in

<sup>4</sup> Agriculture contingency plan Jaunpur-2019

<sup>5</sup> <http://cgwb.gov.in/NR/hydro/dist36.pdf>

<sup>6</sup> MSME DI-Kanpur

2	Sidhwan Industrial Estate	50 Acres	50 Acres	21	21
---	---------------------------	----------	----------	----	----

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

The MSME units in the district mainly represent industries like ready-made garments and embroidery, repairing and servicing, metal products and food/agro products.

Agro, Wooden Furniture and Readymade Garments contribute most in terms of employment ~29% and ~28% in terms of revenue. Repairing and Servicing contributes ~18% to revenue, highest among all the enterprises and ~16% of work force is employed in this vertical.

#### Key Facts and Figures about the Existing Industries under MSME

Table 2: Industries details<sup>7</sup>

NIC Code no	Type of Industry	Number of units	Investment (Rs Lakh)	Employment
1	Others- Misc. Manufacturing	3024	4204.5	8315
20	Agro based	1065	965.5	2750
22	Soda water	--	---	--
23	Cotton textile	--	---	---
24	Woollen, silk & artificial Thread based clothes.	816	331.6	2005
25	Jute & jute based	--	---	
26	Ready-made garments & embroidery	605	624.5	1702
27	Wood/wooden based furniture	1002	1006.2	3002
28	Paper & Paper products	106	160.3	300
29	Leather based	404	110.7	708
30	Rubber, Plastic & petrol based	205	278.25	504
31	Chemical/Chemical based	55	111.6	162
32	Mineral based	50	76.6	152
33	Metal based (Steel Fabrication)	212	436.7	532
35	Engineering units	418	642.5	1005
36	Electrical machinery and transport equipment	610	421.6	1306
97	Repairing & servicing	1850	1785.4	4225
	<b>Total</b>	<b>10422</b>	<b>11156</b>	<b>26668</b>

<sup>7</sup> Directorate of Industries, Govt of U.P, Kanpur

Wood/wooden based furniture and Woven Silk of MSME with 1818 units in the district is the most prominent and economy contributing sector of the district. It is followed by sectors such as “Ready-made garments & embroidery”, “Engineering Units” with 605 and 418 units respectively.

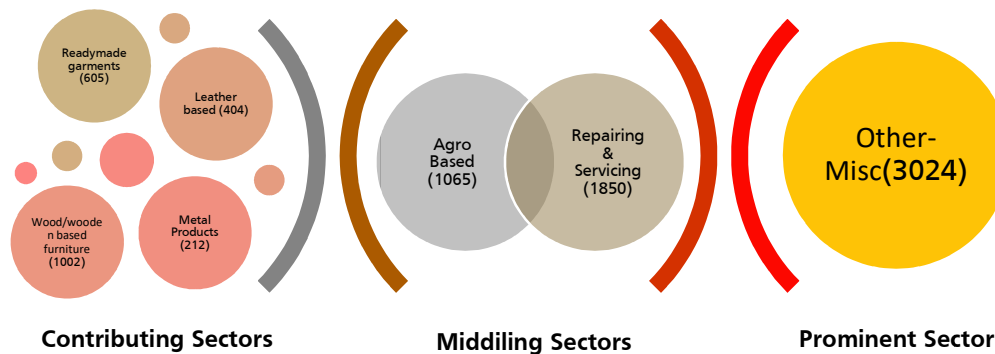


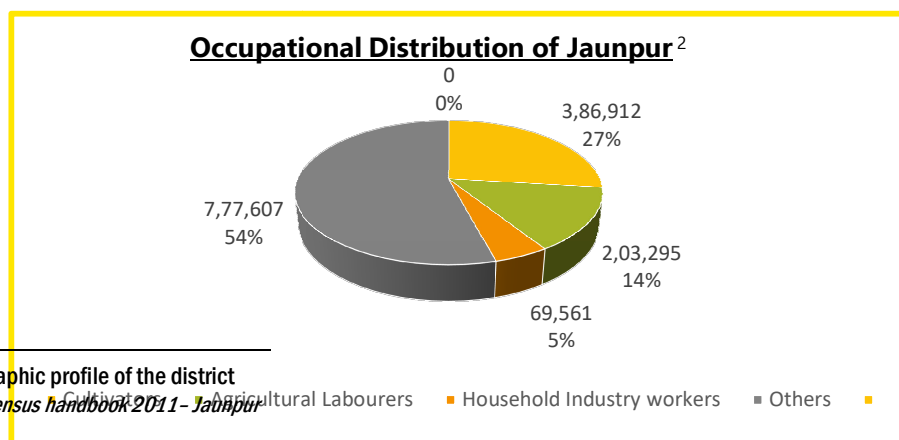
Figure 2: MSME landscape of the district

Out of total population of 44,94,204 (2011 census) and 14,37,375 are working population<sup>8</sup>. People living in Jaunpur District depend on multiple skills, out of total working population men are 9,34,157 and women are 5,03,218. Total **3,86,912 Cultivators** are depended on agriculture farming out of 2,90,582 are cultivated by men and 96,330 are women. **2,03,295** people works in agricultural land as labour, men are 1,33,390 and 69,905 are women.

Jaunpur District sex ratio is 1,024 females per 1000 of males which is top amongst all the district of Uttar Pradesh.

Table 3: Occupational Distribution of Main Workers<sup>9</sup>

S. No.	Particulars	Jaunpur	%
1	Cultivators	386,912	27%
2	Agriculture Labourers	203,295	14%
3	Household Industry Workers	69,561	5%
4	Others	7,77,607	54%



<sup>8</sup> Demographic profile of the district

<sup>9</sup> District census handbook 2011 - Jaunpur

Agriculture Labourers Household Industry workers Others

### 3.1 Major Exportable Product from Jaunpur

The total export from Jaunpur is approximately INR 45.27 Crore for the period September 2020 to November 2021.

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

Table 4: Major exportable product

S. No	Product	Export value (in INR) <sup>10</sup> from September 2020 to November, 2021
1	Carpets	22.96 Cr
2	Woollen Carpets (ODOP)	2.52 Cr
Total Carpet Export from Jaunpur		25.48 Cr <sup>10</sup>

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

## 4. Product 1: Woollen Carpets





### 4.1 Cluster Overview

Jaunpur has one woollen cluster at Mariyahu based producing woollen durries employing more than 200 families with an average investment of 12 to 14 lacs in plant & machinery. The presence of Indian institute of Carpet technology at Bhadohi helps bridging the industry-academia gap.

The Jaunpur district is known for its cotton and woollen mats (Durries). Durrie weaving is mainly concentrated at 4 blocks<sup>11</sup> in Jaunpur in proximity to Badohi district- Ramnagar, Rampur, Barsadi and Madiyahu with an employment of more than 4200 people.

Cluster turnover from the carpet in Jaunpur is approx. Rs. 34 crores.<sup>12</sup> Major exporter units are based in Mirzapur and Bhadohi.

**Key Facts**

-  **200 Manufacturers**
-  **INR 34 Crores** Approximate turnover of the cluster
-  **INR 2-3 Crores** ~ Export Turnover
-  **5000-6000 Artisans** directly or indirectly associated

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

<sup>11</sup> Stakeholders' consultation

<sup>12</sup> DSR Jaunpur under ODOP

## 4.2 Product profile

The craft of making woollen carpets or dari using traditional techniques has been popular since centuries in the region adjacent to Madhiyahu tehsil of the district. A range of hand knotted woollen carpets or durries are hand tufted by the local artisans. A carpet is a textile floor covering typically consisting of an upper layer of pile attached to a backing. The pile usually consists of twisted tufts which are typically heat-treated to maintain their structure. The products made by the craftsmen here are also exported to other regions through which employment is generated.



### 4.2.1 Product Portfolio

The following are the key products manufactured in the cluster:

**Dari:** A Dari (also durrie or durry) is a thick flat-woven rug or carpet used traditionally in India as floor-coverings. The concept of durrie is different from a rug or carpet but since the durries serve the same purpose as carpet or rugs, they can be described as one.

**Carpet:** A carpet is a textile floor covering typically consisting of an upper layer of pile attached to a backing. The pile was traditionally made from wool, but, since the 20th century, synthetic fibers such as polypropylene, nylon or polyester are often used, as these fibers are less expensive than wool. The pile usually consists of twisted tufts which are typically heat-treated to maintain their structure. The term "carpet" is often used interchangeably with the term "rug", although the term "carpet" can be applied to a floor covering that covers an entire house, whereas a "rug" is generally no bigger than a single room, and traditionally does not even span from one wall to another and is typically not even attached as part of the floor.

*Dari's* woven in the *panja* method are used in a variety of ways. Since these *durries* come in various dimensions, they are used as flooring, sitting mats and even upholstery (in case of ethnic designs like *naga*).

### 4.2.2 Status of GI Tag

Jaunpur Woollen durrie are in process of receiving GI Tags followed by other 8 districts.

In 2010, Bhadohi<sup>13</sup> carpets earned GI tag. Carpets produced in the nine districts of Bhadohi-Mirzapur belt would be tagged with "handmade carpets of Bhadohi". These nine districts are- Bhadohi, Mirzapur, Varanasi, Sonbhadra, Ghazipur, Kaushambi, Allahabad, Jaunpur, and Chandauli. GI i.e., Geographical Indications are place names (in some countries also associated with a place which are used to identify products that come from these places and have these characteristics).

---

<sup>13</sup> Source: <https://www.journalcra.com/sites/default/files/issue-pdf/8662.pdf>



### 4.3 Cluster Stakeholders



Figure 4: Cluster Stakeholders

#### 4.3.1 Industry Associations

Following are principal Industry Associations/SPVs that are working for the development of Woollen Durrie in Jaunpur:

- ▶ Bunkar Sangh
- ▶ Jan sewa Ashram

### 4.4 Export Scenario

#### 4.4.1 HS code

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

Table 5: HS codes for Woollen Durrie

HS codes	Description
570292	Carpets and other floor coverings, of man-made textile materials, woven, not tufted, or flocked, not of pile construction, made up (excluding Kelem, Schumacks, Karamanie and similar hand-woven rugs)
570500	Carpets and other textile floor coverings, whether or not made up (excluding knotted, woven or tufted needle punched", and of felt)

#### Current Scenario

The export scenario of India and Uttar Pradesh have been analysed basis the export statistics of HS code mentioned above under which similar products are exported. Alongside are the key facts<sup>14</sup> pertaining to the analysed product codes.

<sup>14</sup> <https://www.trademap.org/> and HS Codes - State Export Analysis - Dashboard - EXIM Analytics (dgciskol.gov.in)

## 4.5 Export Potential

- ▶ The total exports of Woollen Durrie products from Jaunpur district was approx. INR 250 Lakhs in year 2018-19.<sup>15</sup>
- ▶ There are more than 6 HSN Codes which may be used for Exports of Carpets but here analysis of two prominent HSN code has been done.
- ▶ The cluster has tremendous export potential, but owing to lack of proper market assessment mechanism, changing design patterns, specific demand preferences the export is very less.
- ▶ Hence, it was pointed out that the proper study of the foreign market, region specific demand patterns to be ascertained. Along with that, a common platform to be created where there can be an integration between the exporters and importers, thereby making the export ecosystem robust and effective.
- ▶ Woollen Carpets do not have specific HSN codes. Based on stakeholder consultations, following HSN codes were mentioned for the product.

### Key Facts of Export

**1,789,141 USD Thousand**

Value of world exports in 2019

**334,848 USD Thousand**

India's exports 2019

**71,930 USD Thousand**

UP's Export (2018-19)

**~21.48%**

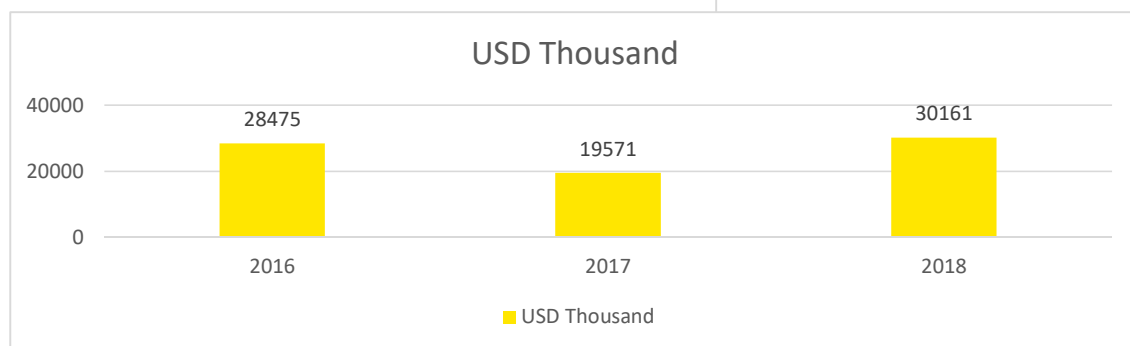
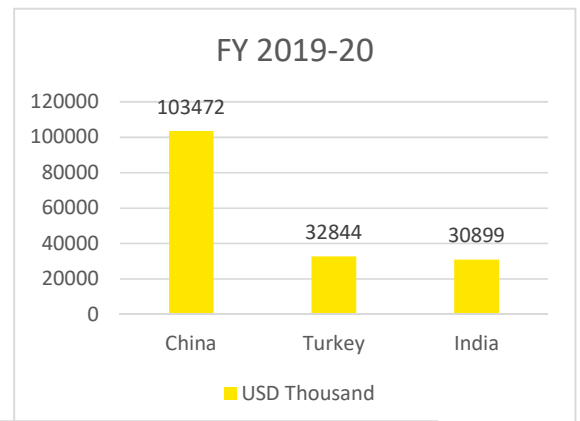
Share of UP in India's exports

### 4.5.1 Product: 570292: Uttar Pradesh exports this product to USA, Belgium, Portugal, Australia, Sweden, Spain, UK, Argentina, UAE, and Italy.<sup>16</sup>

India's exports represent 11% of world exports for this product, ranking it number 3, behind China and Turkey. The value of India's exports has gradually increased since 2015-2019, There has been an increase by CAGR 16% in the past 5 years, and as per data FY 2015-19 for exports from India.<sup>17</sup>

Being in the same region, India is primarily in competition with China who clearly dominates the world market accounting for 36.7% of world exports for this product i.e., more than 3 times Turkey's and India's level of exports which stands at number 2&3 respectively in the world.

#### Indian exports of the product on yearly basis<sup>18</sup>



<sup>15</sup> DGFT

<sup>16</sup> [www.dgcianalytics.in](http://www.dgcianalytics.in)

<sup>17</sup> [Trademap.Org](http://Trademap.Org) for HSN Code 570292

<sup>18</sup> [Trademap.Org](http://Trademap.Org) for HSN Code 570292

Below figure shows the top importers for this product (570292) in the world.

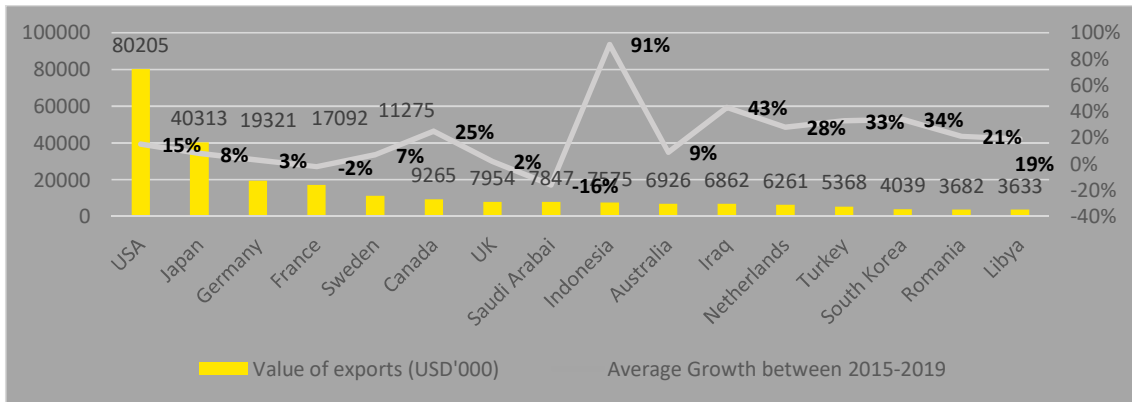


Figure 5: Top importers for this product (570292) in the world

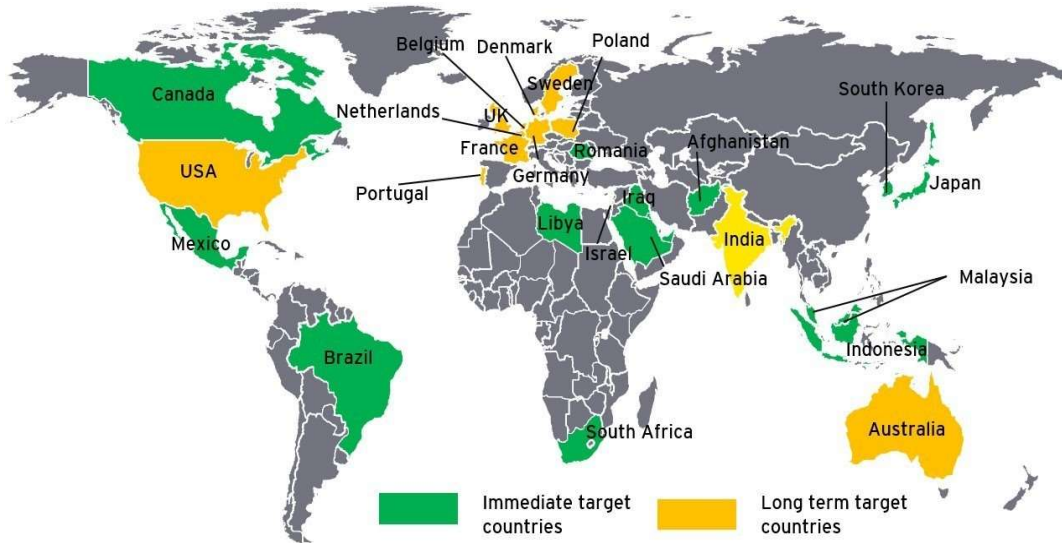
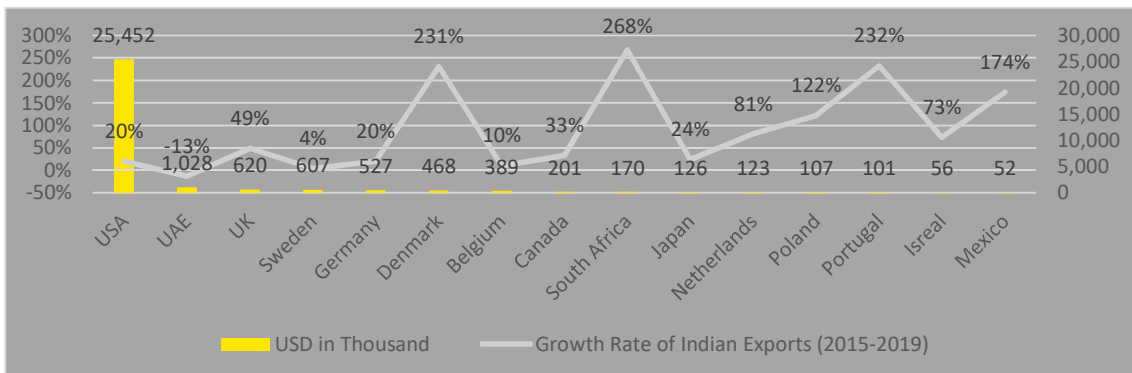


Figure 6: Markets for export potential-570292

Countries to whom India export this product along with value of exports are as depicted below<sup>19</sup>:

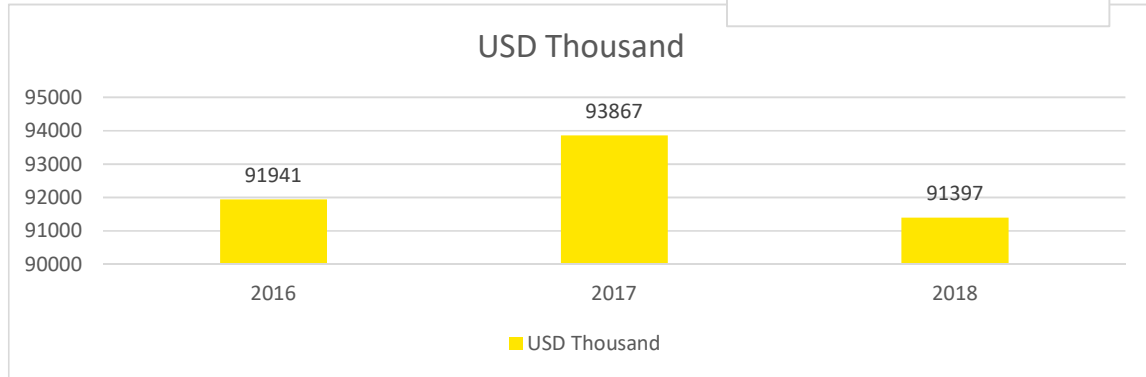
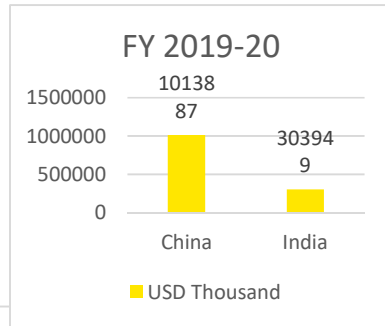


#### 4.5.2 Product 570500 Carpets and other textile floor coverings, whether or not made up (excluding knotted, woven or tufted needle punched", and of felt)

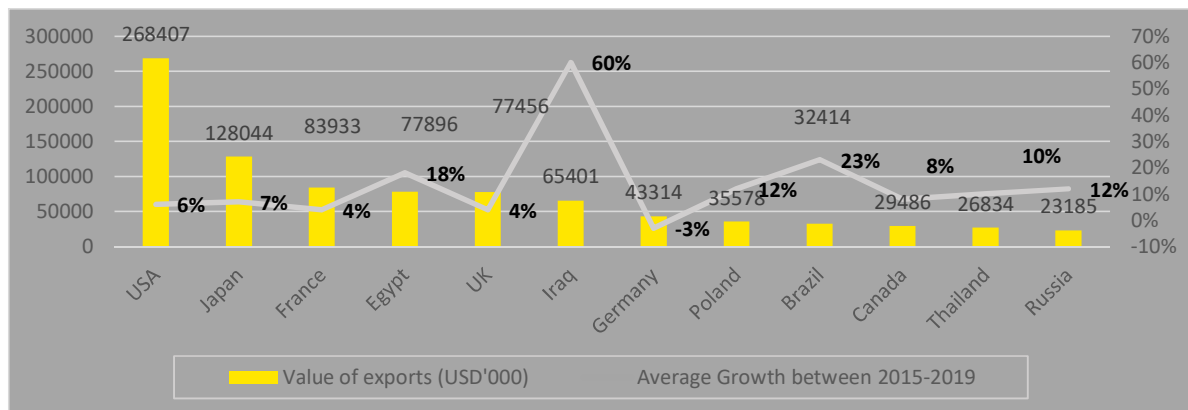
India's exports represent 16.6% of world exports for this product, ranking it number 2, behind China. The value of India's exports has been steady since 2015-2019, There has been no increase or decrease in the past 5 years, and as per data FY 2015-19 for exports from India.<sup>20</sup>

Being in the same region, India is primarily in competition with China who clearly dominates the world market accounting for 55.5% of world exports for this product i.e., more than 3 times India's level of exports

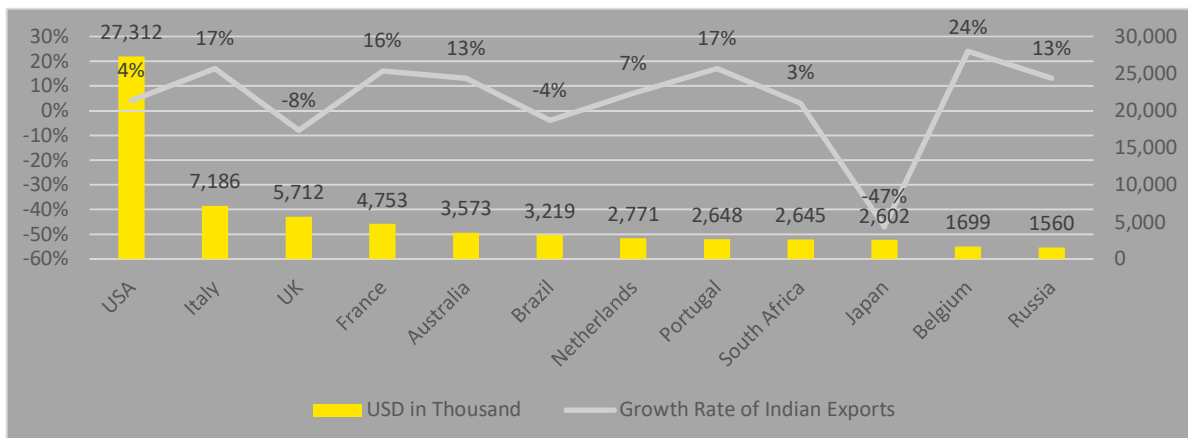
Indian exports of the product on yearly basis



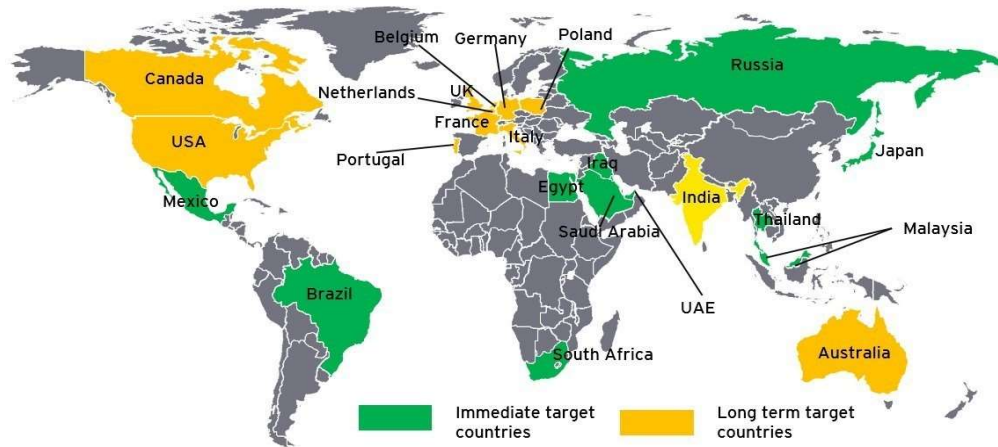
Major importers for this product in the world are as depicted below<sup>21</sup>;



Countries to whom India export this product along with value of exports are as depicted below<sup>22</sup>:



Countries to whom UP exports this product in HSN code -570500 are USA, UK, Italy, Brazil, France, South Africa, Belgium, Sweden, and Japan<sup>23</sup>



*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 artisans are not bothered about changing their product range and they fail to understand that it is an integral part of comprehensive marketing. Diversification can be brought in the cluster by:

1. **Development of a new products.**
2. **Modifications of Existing Products**

<sup>23</sup> [www.dgcisanalytics.in](http://www.dgcisanalytics.in)

## 4.7 SWOT analysis

Table 6: SWOT Analysis

Strengths	Weakness
<ul style="list-style-type: none"> <li>▶ Rich traditions of excellence in arts and crafts.</li> <li>▶ Development of supply-chain with skill specialization</li> <li>▶ Component level manufacturing, providing it the efficiency and skill requirements.</li> <li>▶ Achievable/acceptable social standards.</li> <li>▶ High employment potential.</li> <li>▶ Highly export-driven, for foreign exchange accrual.</li> <li>▶ High acceptance in domestic as well as international markets.</li> <li>▶ Availability of skilled artisans.</li> <li>▶ Availability of various government interventions for fostering the cluster, such as loans and toolkit schemes</li> </ul>	<ul style="list-style-type: none"> <li>▶ Unawareness of Market amongst weaver groups results non uniform marketing techniques</li> <li>▶ Dependency of other cluster traders such Mirzapur, Sonbhadra, Varanasi etc</li> <li>▶ Power interruptions and other infra deficiencies</li> <li>▶ Inadequacy of Raw Material at appropriate price</li> <li>▶ Lack of investment for fulfilling international requirements in design and quality</li> <li>▶ Minimal technological upgradation and long production time</li> <li>▶ Limited design innovation</li> <li>▶ Low national awareness on Dari Craft</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>▶ Huge scope of market expansion- domestic and foreign</li> <li>▶ Scope for development of new products and modifying existing range</li> <li>▶ Potential collaborations with renowned designers and design institutes for improving existing designs</li> <li>▶ Increase participation in marketing events- International and domestic</li> </ul>	<ul style="list-style-type: none"> <li>▶ Tough competition with cheaper, printed &amp; machine items of Bhadohi, Mirzapur and Varanasi Clusters</li> <li>▶ Competitors edging out Indian Exporters on strength of quality</li> <li>▶ Growing environmental concerns in the country affecting supply of the raw material</li> <li>▶ Industrialization causing artisans to move to metropolitan cities in search of better paying jobs</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>○ Lack of storage facility in the cluster leading to spoilage of fabrics</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▶ Establishment of a Raw Material Bank within the CFC ensuring easy availability of all types of quality checked fabrics at discounted rates.</li> </ul>



<b>Technological upgradation</b>	<ul style="list-style-type: none"> <li>▶ Lack of ancillary machineries for weavers/artisans 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> with modern machines including fabric checking and measuring machine, packaging, and tagging machine, Sewing (Juki) machine etc.</li> </ul>
<b>Design</b>	<ul style="list-style-type: none"> <li>▶ Traditional designs are still being followed by artisans they are not focusing on design innovation</li> </ul>	<ul style="list-style-type: none"> <li>▶ Establishment of Product Design Center with CAD/ CAM facility along with a display center under CFC Scheme of ODOP program.</li> <li>▶ Collaboration with renowned designers to conduct workshops for artisans 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>▶ No exclusive HSN code for Hand knot on wool Craft. Which could have supported in facilitation of sales in the international market.</li> <li>▶ Creation of brand name for the similar products.</li> <li>▶ Minimal use of Govt of India's e-commerce portal: India Handmade Bazaar - 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 Jaunpur to facilitate marketing events.</li> <li>▶ Collaboration with E-commerce companies like <b>Flipkart, Amazon, eBay for maximizing sales.</b></li> <li>▶ Applying to Directorate General of Foreign trade for a <b>unique HSN Code.</b></li> <li>▶ Collaboration with NIFT, to support artisans in establishing the brand name of the 'Woollen Durrie' products in the national and international market</li> <li>▶ 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.</li> <li>▶ Conduct awareness workshops at block level to create awareness about schemes like International Cooperation (IC), Market Assistance Scheme (MAS) etc. which provides assistance to individuals/ associations wishing to participate in marketing events</li> <li>▶ The DGFT/FIEO can set targets for participating in events per year. Example: Participation in at least 3 international events for this sector every year to create foreign linkages and increase</li> <li>▶ Suggesting measures to the UPEPB for State Export Promotion Policy towards</li> </ul>

<p><b>Quality Improvement</b></p>	<p>▶ Undefined quality standards of the products.</p>	<p>enhancing export of handicraft products.</p> <p>▶ 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.</p>
<p><b>Geographical Indication Tag</b></p>	<p>▶ District specific GI tag not available</p>	<p>▶ Application for district specific GI tag for Woollen Durrie product of Jaunpur must be initiated which will prevent unauthorized use of products and upgrades financial gain to the manufacturers/ artisans.</p>
<p><b>Exporter's issue</b></p>	<p>▶ No focal point to address exporters ongoing issues.</p>	<p>▶ 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.</p>
<p><b>Cost Structure</b></p>	<p>▶ U.P. is a land-locked state hence this increases the transportation cost which in turn adds to the overall production expenses</p>	<p>▶ The DIC office should organize workshops for exporters to apprise them about <b>Foreign Trade Policy benefits viz. Duty Exemption Scheme / Advance Authorization Scheme / Duty Free Import Authorization Scheme.</b></p> <p>▶ The DIC office should organize workshops for exporters to apprise about Export Promotion Scheme of the Department of MSME &amp; Export Promotion, UP such as <b>Market Development Assistant (MDA), Financial Assistance for Foreign fairs/exhibition, Financial Assistance for sending samples to foreign buyers, Subsidy on freight charges up to gate way port Air Freight Rationalisation Scheme</b> etc.</p> <p>▶ The CONCOR rates are to be made available at regular intervals to the DIC office for updating of the same at the district website.</p> <p>▶ 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>

## 4.9 Future Outcomes

### Annual Turnover

Increase in annual turnover from existing **INR 34 Cr. to 40 Cr. by 2025** <sup>24</sup>

### Cluster exports

Substantial targeted growth in cluster exports expected to be **approx. INR 5 cr. by 2025 (over a span of 5 years)**. <sup>24</sup>

---

<sup>24</sup> Basis stakeholder consultation

## 5. Schemes 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

## 6. Action Plan

Quantifiable activity/ intervention	Responsible authority	Timeline for implementation <sup>25</sup>
-------------------------------------	-----------------------	---

<sup>25</sup> Short term: Should be initiated within 6 months, Intermediate: to be initiated between 6- 12 months, long terms after 12 months

Increasing the overall exports from the state		
<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, DIEPC, 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 to participate in <b>at least 3 international events in a year per product category/industry</b> (food, engineering & auto components, handicrafts, textile& apparel etc.) by <b>utilizing schemes like IC and MAS</b>	ODOP cell, DIEPC, UPEPB and DGFT	Continuous initiative
<b>Sensitization of cluster actors:</b> <ul style="list-style-type: none"> <li>a. The individuals of a cluster should be <b>sensitized on the plethora of schemes<sup>26</sup></b> available for them for maximizing the potential of exports. <b>Merchandise Exports from India Scheme, Service Export from India Scheme</b> etc. provides <b>various exemptions</b> for facilitating exports. Further, schemes like <b>Advance Authorization Scheme (AAS), Duty Free Import Authorization (DFIA Scheme)</b> ensure procurement of <b>imported duty-free raw materials</b></li> <li>b. Currently, majority of the exporters and traders focus on selling their goods to USA, UK, and European countries without correctly analyzing the demand market. Thus, these cluster actors should be <b>sensitized on target countries identified through export analysis mentioned in DAPs and EAP</b></li> </ul>	ODOP cell, DIEPC, UPEPB and DGFT	Continuous initiative
DIC and FIEO can play a pro-active role in this regard. <b>10% increase</b> in every year in the number of units taking part in the trade fairs organized by FIEO and other organizations may be proposed as a target under this segment	DIC, UPEBP and FIEO	Intermediate
Common Facility centers (under CFC scheme of ODOP Program, TIES and NAVY scheme) to increase export	UPEPB/ODOP Cell/DIEPC	Continuous initiative
Common interventions across sectors/ clusters		
Collaboration with e-commerce companies like Amazon, eBay, Flipkart etc.	UPEPB/DIEPC/ODOP cell	Short term

<sup>26</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>

MoU with QCI for defining quality standards of the products	UPEPB/DIEPC/ODO P Cell	Short term
Collaboration with IIP to define cluster-wise packing standards	UPEPB/DIEPC/ODO P cell	Short term
Sensitization of banks and bankers to help them understand the niche sectors of MSME and their specific requirements which shall help banks evaluate projects better while lending credit	UPEPB/DIEPC/ODO P Cell and banks	Short term
Introduction of revolving working capital within the cluster to help MSMEs procure raw materials and undertake production without hinderances	UPEPB/DIEPC and banks	Intermediate
Tie up with the banks/financial institutions (SIDBI, BoB etc.) for better interest rates, enhanced working capital limits etc.	UPEPB/DIEPC/ODO P Cell and banks	Intermediate
Handholding of MSMEs for increasing their awareness on schemes of state & centre and the procedure to apply to avail financial assistance	UPEPB/DIEPC	Intermediate
Sensitization of cluster actors from this sector on <b>Make in India initiative and PLI</b> for leveraging the assistance provided to the sector to enhance productivity and expand exports	DIEPC / UPEPB	Short term
DIEPC to act as a focal point for all exporters issues. Deputy Commissioner Industries may be given this responsibility to monitor the cell in consultation with DGFT	DIEPC/DGFT/UPEPB	Long term
Sector Specific committee including officials from concerned departments, concerned industry representatives may be formed to understand the needs and provide suggestions.	DIEPC/District Administration/Concerned Depts/Concerned Industry Representative	Short Term
<b>Cost Structure:</b>		
a. The DIC office should organize workshops for exporters to apprise them about Foreign Trade Policy benefits viz. Duty Exemption Scheme / Advance Authorization Scheme / Duty Free Import Authorization Scheme.	DIEPC/UPEPB	Long term
b. The DIC office should organize workshops for exporters to apprise about Export Promotion Scheme of the Department of MSME & Export Promotion, UP such as Market Development Assistant (MDA), Financial Assistance for Foreign fairs/exhibition, Financial Assistance for sending samples to foreign buyers, Subsidy on freight charges up to gate way port Air Freight Rationalization Scheme etc.	DIEPC/UPEPB	Long term
c. The CONCOR rates are to be made available at regular intervals to the DIC office for updating of the		



<p>same at the district website.</p> <p>d. The formation of the Sub-committee comprising the representative of CONCOR and Deputy Commissioner Industries to understand the issue and suggest ways to help Industry. Ease of Logistics portal of FIEO has been developed to provide information about container availability and issues relating to it. The industry may be informed of this portal.</p>	DIEPC/UPEPB	Long term
	DIEPC/UPEPB/FIEO	Short term
<b>Product: Woollen Durrie</b>		
<p><b>Establishment of Common Facility Centre with:</b></p> <p>a. Raw Material Bank</p> <p>b. Common Production Center</p> <p>c. Design and display center with CAD/CAM facilities and space to showcase products to undertake sale</p> <p>d. Marketing centre for undertaking marketing events</p>	DIEPC, DGFT and ODOP Cell	Long term
<p>Application to Directorate General of Foreign trade for a <b>unique HSN Code for Woollen Durrie</b></p>	UPEPB/ODOP Cell / DGFT	Intermediate term
<p>Collaboration with NIFT and NID for design inputs and support in branding initiatives</p>	UPEPB/ODOP Cell	Long term
<p>Application for <b>district specific GI tag</b> for Durrie product of Jaunpur</p>	DIEPC/UPEPB/ODOP Cell	Intermediate 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>CLE</b>	Council for Leather Exports
<b>CONCOR</b>	Container Corporation of India
<b>CPC</b>	Common Production Center
<b>DEH</b>	District as Export Hub
<b>DEPC</b>	District Export Promotion Committee
<b>DFIA</b>	Duty Free Import Authorization
<b>DGFT</b>	Directorate General of Foreign Trade
<b>DIEPC</b>	District Industry and Enterprise Promotion Center
<b>DSR</b>	Diagnostic Study Report
<b>EO</b>	Export Obligation
<b>EPB</b>	Export Promotion Bureau
<b>EPCG</b>	Export Promotion Capital Goods
<b>EY</b>	Ernst and Young
<b>FDDI</b>	Footwear Design and Development Institute
<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>Gol</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>IFCOMA</b>	Indian Footwear Components Manufacturing Association
<b>IIP</b>	Indian Institute of Packaging
<b>IISTEM</b>	International Institute of Saddlery Technology & Export Management
<b>IIT</b>	Indian Institute of Technology
<b>ISW</b>	Industrial Solid Waste
<b>SIDC</b>	Satharia Industrial Development Corporation
<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 Swarajgar 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>UPEPC</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

