Department of MSME and Export Promotion
Government of Uttar Pradesh

Draft District Export Action Plan, Kanpur Nagar, Uttar Pradesh

Knowledge Partner

विदेश व्यापार महानिदेशालय
DIRECTORATE GENERAL OF FOREIGN TRADE
सत्यमेव जयते

Districts as Export Hubs

EY
Building a better working world

Preface

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

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

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

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

Contents

List of Tables

List of Figures

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 admirations 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 Pan has been made for all 75 districts of UP, where EY has contributed as Knowledge Partner.

2. District Profile

Kanpur district is one of the most important districts of the state of Uttar Pradesh. It was divided into two districts i.e., Kanpur Nagar and Kanpur Dehat in the year 1977. Kanpur is globally known for Leather & Leather goods manufacturing. Kanpur leather industry is famous for processing of buffalo hides; 95-99% of the total export of Saddlery and harness from the country is from Kanpur only.

It is believed that this city was founded by Raja Hindu Singh of the Sankandi state. Kanpur's original name was Kanhpur. Whether it is suspected to be associated with the King Hindusi of the realty of the origin of the city, or belonging to the heroic Karna of Mahabharata period, it is so certified that in the last phase of the reign of Awadh, this city is situated in old Kanpur, Patkapura, Kuraswam, Juhi and Seemamau villages. It was made by meeting with the neighboring state the rule of this town remained in the hands of the rulers of Kannauj and Kalpi and later the rulers of the Muslim rulers. From 1773 to 1801, Nawab Alamas Ali of Awadh had a decent government here. After the Treaty of 1773, the city came under the rule of the British, resulting in an English camp here in 1778 AD.

Being located on the banks of the Ganges, there was a facility of traffic and industry. Therefore, the British gave birth to the industry and here the development of the city started. First of all, East India Company started the business of Neel here. After the construction of the Grand Trunk Road in 1832, the town was connected to Allahabad. In 1864 AD, Lucknow, Kalpi etc. were added by roads to the main places. Upper Ganges canal has also been constructed. With this development of traffic, the city's business re-accelerated.

2.1 Geography

The district lies between 25°25' & 25°54' latitudes and 79°34' and 80°34' longitudes. It is bounded in north by district Kannauj and Hardoi, in east district Unnao, in south district Fatehpur & Hamirpur and in west Kanpur Dehat. The Holy Ganga River separates it from district Unnao in east and forms the natural boundary. Pandu river separates it from district Kanpur Dehat and Fatehpur in west & south respectively. As per record, the total geographical area of the district Kanpur Nagar is 3155 Sq. Kms.

2.2 Topography & Agriculture

The city is located on the banks of River Ganges and typically has alluvial and sandy soil. The region typically falls in the Indo-Gangetic plains and major part of the Kanpur district has ordinary soil which is known as Bhur in local language. Major crops cultivated in the district are wheat, rice, maize and bajra.

3. Industrial profile of the district

As given in the following table, MSME industries across the sectors of leather products, engineering units, repairing & services and other manufacturing are key economy drivers in the district.

Details of existing micro & small enterprises and artisan unit[1]

Table 1: Industries details[2]

S No	Type of Industry	Number of units	Investment (cr.)	Employment
1	Agro based	994	3002.76	2992
2	Soda water	227	887.34	665
3	Cotton Textile	371	3920.96	2039
4	Woollen, silk & artificial thread-based clothes	284	4926.2	1335
5	Jute & jute based	191	2534.68	889
6	Ready-made garments & embroidery	197	17538.83	5384
7	Wood/wooden based furniture	424	3450.56	3372
8	Paper & paper based	613	13483.14	2546
9	Leather based	2428	6679.2	13461
10	Chemical/chemical based	657	3920.29	4232
11	Rubber, Plastic, & Petro-based	611	9692.25	7143
12	Mineral based	141	1186.12	1965
13	Metal based (steel fab.)	168	1013.86	752
14	Engineering units	1215	8294.76	7266
15	Electrical machinery and transport equipment	181	1576.43	1103
16	Repairing & services	3189	2121.65	8630

[1] *DIP, MSME-DI, Kanpur Nagar*

[2] *Directorate of Industries, Govt of U.P, Kanpur*

S No	Type of Industry	Number of units	Investment (cr.)	Employment
17	Others	2792	4304.97	10517
18	Kachori making	219	1137	789
	Total	**16675**	**89671**	**74980**

Leather products sector of MSME with 2428 units in the district is the most prominent and economy contributing sector of the district. It is followed by sectors such as "Repair & services", "Other Manufacturing" and other manufacturing etc.

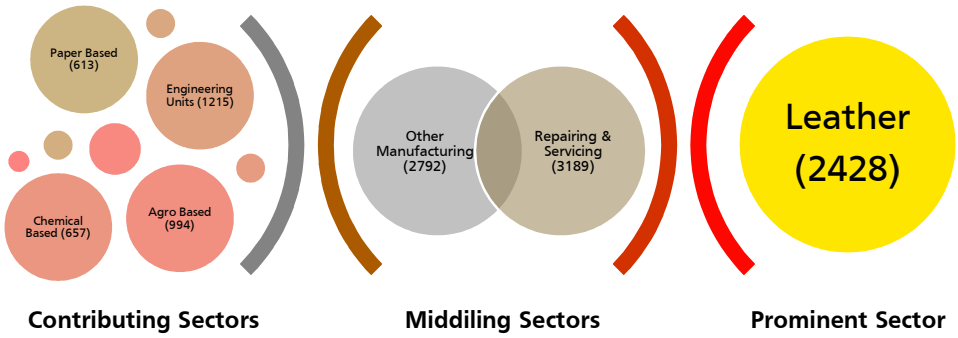
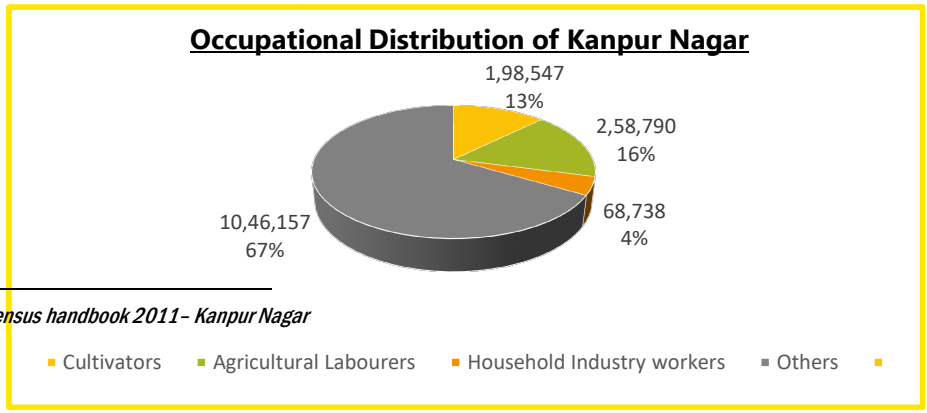


Figure 1: MSME landscape of the district

Out of total population of 4,581,268 (2011 census), 1,572,232 are working population. Out of total working population, 66.53% are working in other industries, 29.09% are cultivators and agricultural labourers and only 4.38% are household industry workers. This indicates that agriculture is the main source of income in the district.

Table 2: Occupational Distribution of Main Workers[3]

S.No.	Particulars	Kanpur	%
1	Cultivators	198,547	12.63%
2	Agriculture Labourers	258,790	16.46%
3	Household Industry Workers	68,738	4.38%
4	Others	1,046,157	66.53%



[3] *District census handbook 2011 – Kanpur Nagar*

Figure 2: Occupational distribution of Kanpur Nagar

3.1 Major Exportable Product from Kanpur Nagar

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

Table 3: Major exportable product

S. No	Product		Export value (in INR)[4]	Time Period
1	Leather Products	Finished Leather	1671.01 Cr.	Sep-2020 to Nov-2021
		Footwear	1032.32 Cr.	FY 2019-20
		Saddlery Goods	1951.61 Cr.	Sep-2020 to Nov-2021
2	Engineering Goods		400 Cr.	FY 2020-21
3	Plastic Product		300 Cr.	FY 2020-21
4	Hosiery & Textile Product		250 Cr.	FY 2020-21
	Total Export from Kanpur Nagar		5604 Cr.	

Total Export from Kanpur Nagar District is INR 10,858 Crore in the time of September 2020 to November 2021.

4. Product 1: Leather Product

4.1 Cluster Overview

Kanpur was known as Manchester of the East during the British rule produces 15 percent of share of India's leather produce. The city besides leather products produces products of distinct niche segments including cotton, hosiery, paint and allied sector among others. In the cluster around 2428 units are engaged in

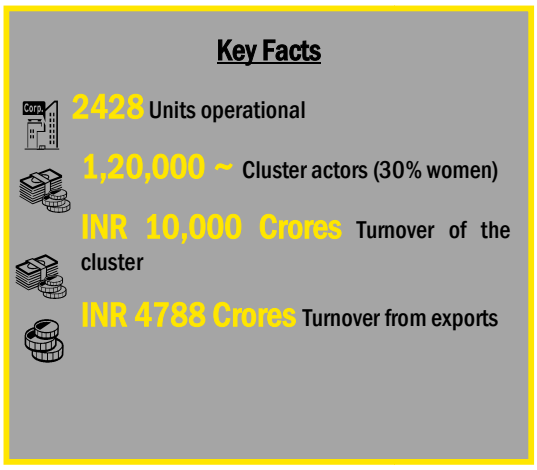


Figure 3: Key Facts of Leather Products

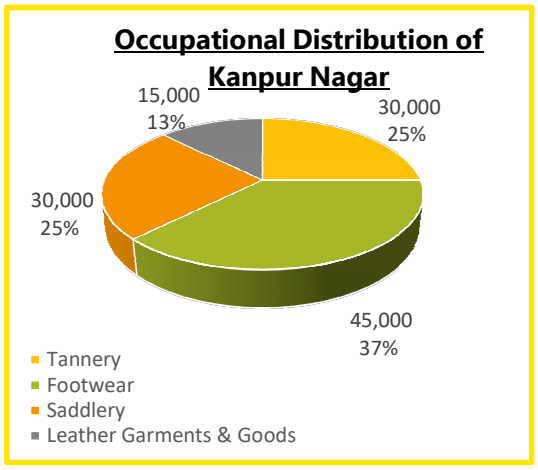


Figure 4: Occupational Distribution

[4] *District wise report for the period September 2020 to September 2021 received from DGFT*

manufacturing variety of leather products. This industry employs around 1,20,000 people[5] comprising 30% women in the cluster

This cluster has annual turnover of INR 10,000 Cr out of which 4788 Cr is exports and rest are domestic turnover. The occupational distribution chart of the district shows that among all leather products, footwear industry has employed the largest 37% of human resource.

4.2 Product profile

The ODOP Product for Kanpur Nagar district is leather products. Types of Leather products manufactured in Kanpur Nagar district are footwear, saddlery, and leather fabrics. The Kanpur Leather Industry Cluster is famous for the processing of buffalo leather.

Approximately 50% of the finished leather produced is exported. The remainder is used to produce leather products in Kanpur or other Indian leather production centres. The cluster is comprised of finished leather making tanneries and final products made of that i.e., **footwear, saddlery, and leather garments and goods.**

Tanneries:

There are in total 400 tanneries in the cluster out of which only 250 are operating. The operating 250 tanning units have an annual processing capacity of 3000 lakh sq. ft. Based on the kind of processing done by the tanneries; the tanneries can be classified into below mentioned four categories:

1. **Integrated Large Tanneries:** Large tanneries which process raw hides to finished leather and also gone forward integration and making footwear and saddlery items. There are 50 operational integrated large tanneries in the district.
2. **Integrated Small Tanneries:** Small tanneries which process raw hides to finished leather and also gone forward integration and making footwear and saddlery items. There are around 110 operational integrated small tanneries in the district.
3. **Raw hide to Wet Blue tanneries:** This category includes the tanneries which process raw hides an intermediary stage called Wet-blue. There are around 50 units converting raw hide to wet blue and sell wet blue to other tanneries which carries further process and converts it to finished leather.
4. **Wet blue to Finished leather:** This category includes the tanneries which buys wet blue from other tanneries and process it to convert into finished leather. There are around 40 tanneries involved in the process.

The units are getting about 35 percent of raw material i.e., raw hides/skins from about 100 hide merchants/ commission agents and 50 percent from 10-12 slaughterhouses situated in nearby areas. About 15 percent of raw material requirement is met from imports. The major suppliers of chemicals are having their presence in the cluster. The main raw material for making finished leather is rawhides. Selection of raw hides of different animals (cow/buffalo/goat/sheep) and different processes of tanning are dependent on quality of leather to be produced.

Footwear Industry

- There are about 1400 units in this sub sector with an annual turnover of 3500 cr. and exports to the tune of Rs 1032.32 cr. Its share to overall business of the cluster is 35% percent and exports of these constitute 38.5% percent of total exports of the cluster.

- The Kanpur Footwear Industry faces a huge competition from Agra Footwear industry. The above three categories of units operate on different value chains and have different set of needs, priorities and mode of

[5] *Diagnostic Study Report- IL&FS*

production and marketing. Open footwears are mainly made by household units and other category of products are produced by organized factories.

Saddlery Industry

- The Saddlery industry structure in the cluster is decentralized. There are about 40 organized units and 185 household and small units in this sub sector with an annual turnover of 1500 crore. Directly and Indirectly the saddlery industries provide employment to 30,000 people in the cluster.
- The major importing countries of saddlery from Kanpur Leather Cluster are Germany, USA, U.K and France. Kanpur Leather Cluster accounts for 95-99% of the total Harness & Saddlery export from the country. The setting up of International Institute of Saddlery Technology and Export management (IISTEM) with UNDP assistance in 2001-2 has contributed to its growth and diversification.

Leather Goods and Garments Industry

During last 5-6 years a few existing units have diversified in making of leather goods like purses, wallets, bags, decorative and stationary items. There are around 100 units in the cluster so far involved in manufacturing of leather garments and goods with an annual turnover of Rs. 1500 crore. About 70 units are exporting these materials. There are 25-30 cottage industries also making some products for local market.

4.3 Export Scenario

4.3.1 HS code

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

Table 4: HS codes for Leather Products

HS Code	Description
41071900	Other Whole Hides/ Skins
41079900	Other Hides/ Skin including Sides
42010000	Saddlery and Harness
6401	Waterproof footwear with outer soles and uppers of rubber or of plastics
6402	Other footwear with outer soles and uppers of rubber or plastics
6403	Footwear with outer soles of rubber, plastics, leather or composition leather and uppers of leather
6404	Footwear with outer soles of rubber, plastics, leather or composition leather and uppers of textile materials
6405	Other footwear

6406	Part of Footwear

Current Scenario

The chapter focusses on the export scenario of India and Uttar Pradesh and then deep dives into the export statistics of 3 products codes 640510, 420500 and 420100 stating the target countries for market expansion for both the products. These HS codes are utilised for Leather Footwear, Saddlery and Non-Saddlery goods.

The leather goods cluster's total export value in Kanpur Nagar is:

- The saddlery industry's annual turnover is INR 1200 crore.
- The leather garments and apparel industry's annual turnover is INR 1500 crore.

Key Fact of Export

16310627 (USD million)

Value of world exports in FY 2020-21

2575448 (USD million)

Total Exports from India in FY 2020-21

824758 (USD million)

Total Exports from UP in FY 2020-21

32.02%

Share of UP in India's exports

Export made under leather sector from Kanpur (FY 2019-20)

Table 5: Export made under leather sector from Kanpur (FY 2019-20)

S. No.	Product	Value of Export in Cr.	% Share
1	Finished Leather	1132.07	26.23
2	Footwear Components	442.33	10.25
3	Harness and Saddlery	1054.42	24.43
4	Leather Footwear	1032.32	23.92
5	Leather Garments	56.01	1.30
6	Leather Gloves	18.6	0.43
7	Leather Goods	580.07	13.44
Total		**4315.82**	**100**

Export Potential

- The total exports of leather product from Kanpur district were approx. INR 4315.82 crores in year 2019-20.[6]
- U.P. dominates Finished Leather and Saddlery and Harness products.
- In leather footwear, the share of U.P. is around 36%.
- The exporter needs to focus on leather goods Category which is the 2nd exported commodity under the Sector. The exporter of the District can increase their share under this category.
- Other prominent products exported from Kanpur district are leather garments and leather gloves.

[6] *DGFT*

- The cluster has tremendous export potential, but owing to lack of proper market assessment mechanism, changing design patterns, specific demand preferences.
- 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.

Top importers of leather footwear (HSN code: 640510) in the world have been identified as follows (as of 2019, values in USD thousand):

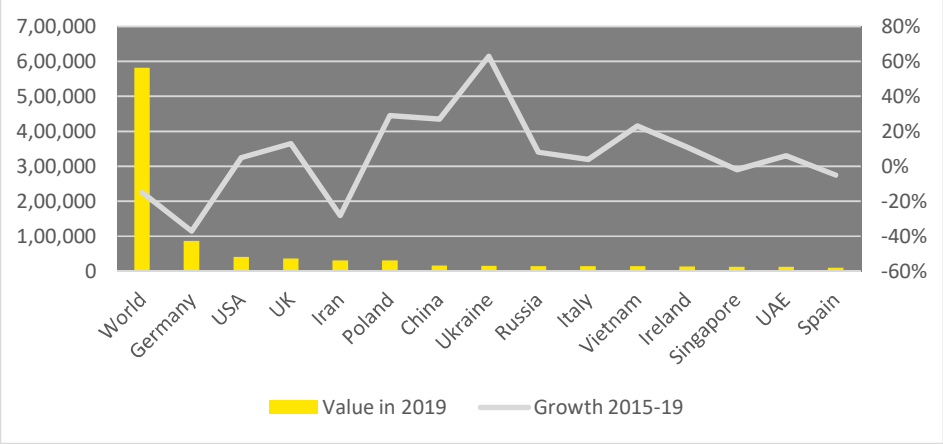
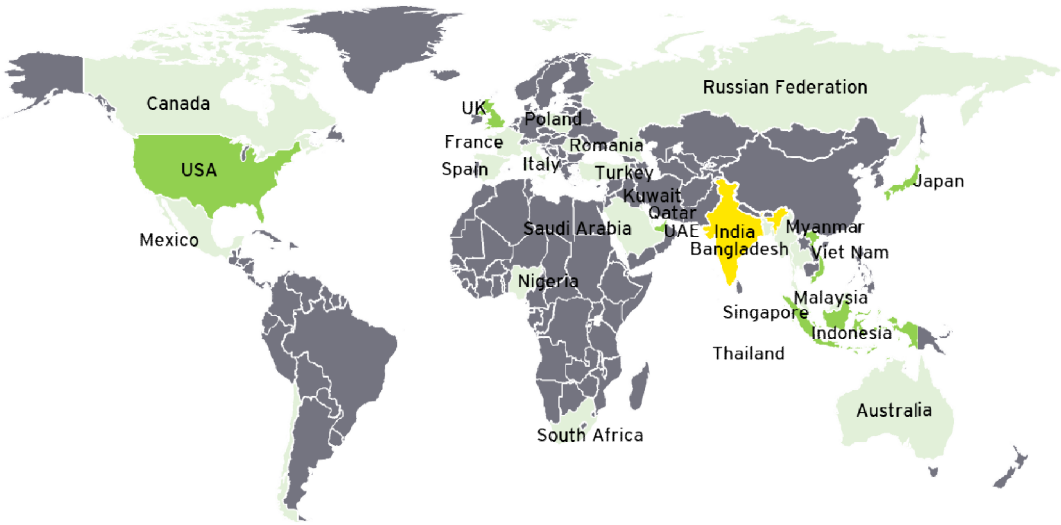


Figure 5: Top importers of the world under HSN code 640510



Target Markets:

- Exporters should target USA, UK, France, Italy, Hong Kong, Poland and Netherlands owing to India's already established market presence and Uttar Pradesh's leather footwear already being present in these markets.
- Exporters should be made aware of Free Trade Agreements of India as FTA's lead to reduce in tariff rates which boost export. In this regard Japan, Malaysia, Singapore, Thailand are key markets.
- Exporters should also target GCC Countries as there is a huge untapped potential for exports.

Key issues:

- Exporters currently do not have adequate awareness of the various subsidies and freight schemes beneficial to expanding exports.
- No unique branding exists for the district's leather footwear cluster as a first step to generating market brand retention and visibility.
- Domestic demand generation via tie-ups with e-commerce platforms such as Amazon needs to serve as a precedent to tapping global markets.

Leather saddlery (HSN code 420100)[7]

On the global front, India's exports of this product account for 9% of the global exports, while the world's largest exporters of this product – China, accounts for 39% of the global exports. Being in the same region, India is the primary competitor of China on this front and ranks 3rd among the largest global exporters of this product – behind China and Germany alone.

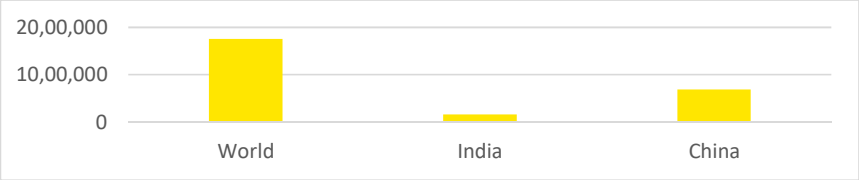


Figure 7: India Vs World and largest exporter of Leather Saddlery

Top importers globally of leather saddlery have been identified as follow for 2019:

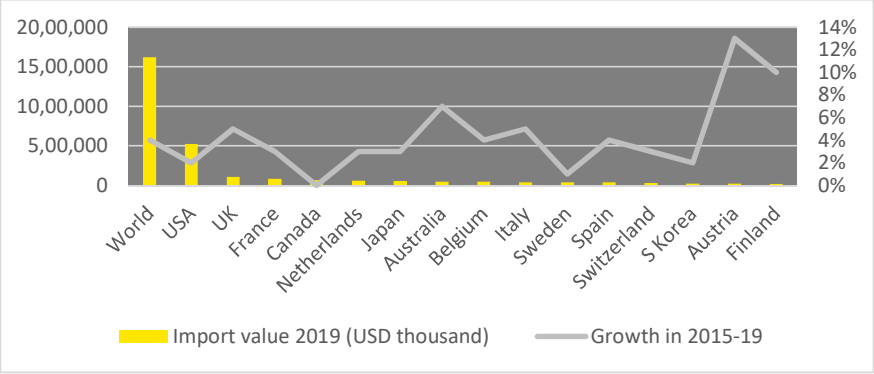


Figure 8: Top Importers across the world for HS 420100

[7] *Trademap.org*

Below are the Target Markets and key issues faced by the industry.

Target Markets:

- Exporters should target **Germany, USA, UK, France, Netherlands, Australia, Sweden, Italy, Belgium, Spain, Ireland, Denmark, Poland, Finland** owing to established market presence by UP's saddlery products.
- Exporters should be made aware of Free Trade Agreements of India as FTA's lead to reduce in tariff rates which boost export. **S. Korea and Japan are focal points in this regard**.
- Exporters should also target GCC Countries as there is a huge untapped potential for exports

Key issues:

- Exporters currently do not have adequate awareness of the various subsidies and freight schemes beneficial to expanding exports.
- No unique branding exists for the district's leather footwear cluster as a first step to generating market brand retention and visibility.
- Domestic demand generation via tie-ups with e-commerce platforms such as Amazon needs to serve as a precedent to tapping global markets.

4.4 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:**
   The artisans of the district should be encouraged to diversify the product categories and must be provided with enough resources to create innovative products without losing the ancestral essence of the craft.
2. **Modifications of Existing Products**
   The artisans going forward should focus on the product as per upcoming fashion trends as people nowadays are very much aware and keen to follow the fashion trends.

4.5 SWOT analysis

Table 6: SWOT Analysis

Strengths	Weakness
▶ Rich experience in leather processing ▶ Large number of units ▶ Availability of cheap and Semi-skilled labour ▶ Favourable trade policies ▶ Assistance available from government for Infrastructure ▶ Local availability of raw material	▶ Poor quality raw material ▶ Inadequate Environmental compliance ▶ Suboptimal backward integration of supply chain ▶ Lack of synergy between Cluster Players. ▶ Lack of quality testing facility ▶ Lack of training centre ▶ Low Productivity ▶ Lack of innovative design ▶ Unawareness of International standards. ▶ Less number of organized manufacturers

Opportunities	Threats
▶ Development of Mega Leather Cluster ▶ Opulence of synthetic support material ▶ National & International Exhibition ▶ Demand for leather outpacing supply ▶ Growing fashion conscious ▶ Exposure to new markets through fairs ▶ Product range development ▶ Increasing demand of made in India products ▶ Development of Design studio ▶ Dumping duty on Chinese exports	▶ Copy and sell cheap concept ▶ Supply of raw material shrinking ▶ Strict environment compliance laws ▶ Entry of multinational in domestic market ▶ Fast changing trends ▶ High Import content ▶ Lack of technical knowledge among artisans ▶ China catching up ▶ Handcrafted saddlery getting extinct

4.6 Challenges and interventions

Parameter	Challenges	Intervention
Raw Materials - processed and semi processed leather	▶ Majority of raw hides are procured from outside of the cluster mainly from Delhi, Maharashtra, West Bengal and Tamil Nadu. ▶ In the absence of bulk buying, this individual procurement limits negotiation capacity, is relatively more expensive and the inputs are of poor quality. ▶ This fragmented procurement has an adverse impact on the overall competitiveness of the cluster and its capacity in terms of volume and time frame for execution of orders.	▶ Establishment of warehouse for import, storage, and sale of Raw Hides & chemicals. ▶ To cater the needs of Micro & small enterprises it is proposed to have a warehouse, having capacity to store 10,000 hides per day and chemicals for use.
Equipment, machinery, and technology	▶ One of the biggest issue tanneries are facing right now is of TDS reduction. The effluent from tanneries contains 7500-14000 ppm of TDS concentration, which makes treatment of effluent difficult and costly. ▶ One of the main reasons for such high concentration of TDS is the salt which is applied on hides to preserve hides from degradation. This salt enters the waste-water stream when the raw hides are soaked for processing. ▶ Saddlery segment is a proprietary niche of Kanpur leather cluster. It is the only centre in the country and largest volume exporter in the world for saddlery items owing to skills of the artisans. Consortium approach for such micro enterprises with access to finance can address major bottlenecks for their growth.	▶ Manual desalting is one the technology to reduce the concentration of TDS in effluent water. ▶ Hence, it is proposed to install Mechanical desalting machines in the common facility centre where user can get their raw hides desalted on user fee-based charges. ▶ The installation of machinery will also result in recovery of salt from hides that can be sold back to the slaughterhouse or used in pickling. ▶ The units can apply for technical upgradation under credit link subsidy scheme ▶ There are 80 units in the cluster out of which all the units can opt for technology upgradation.

Design	▶ Currently the product and design innovation in the cluster are highly restricted and being pursued in a very constrained manner. Development of new designs and products is greatly limited to individuals. ▶ Furthermore, a large section of the major stakeholders has been excluded from the benefits of increasing turnover which accrue only to those who have the resources to invest in and undertake new design development.	▶ Establishment of a design studio; the studio will provide a one-stop solution for services for manufacturers in design, upgradation of technology, sharing of research, data on market trends, incubation services and training of master trainers in design / value addition skills. ▶ The Centre would be equipped with a Design Bank - a repository of prototypes, designs and dossiers containing comprehensive details on their manufacture and production. ▶ This would also be a showcase of the portfolio of products and the capabilities of the Cluster to undertake production of a wide range of products to suit varies tastes of different markets.
Market	▶ For exports of products, it is very important that the manufacturers of the products meet the checklist provided by the potential buyers. One of the most important key needs, of the checklist is the quality of the product, which depends of the quality of raw material used. ▶ During the study it was observed that the micro & small industry and artisans are unable to get their product tested because of the high fees charged by the available laboratories. ▶ The current market linkages to the cluster for the domestic as well as the export markets need to be improved to compete with the emerging countries in leather sector. There is a lack of requisite market infrastructure to showcase the products and conduct business with prospective buyers. Currently all the exporters display their products in local fairs, conducted by CLE.	▶ Laboratory testing plays an essential role throughout the entire product life cycle in research and development, qualification, manufacturing and operations. ▶ Establishment of testing laboratory for tannery segment in the cluster where artisans, micro & small industries can get their products tested at nominal rates. ▶ It is proposed to establish a trade facilitation centre in Kanpur Nagar to conduct buyer seller meet, Leather summit and international leather trade fairs. This will help the local leather artisans and to do branding and promote their products.
Skill Development	▶ Internationally, the market for leather and leather products is moving towards high quality. ▶ The cluster doesn't have enough access to talents on modern technology, increased efficiency and productivity, enhanced quality and design	▶ The skill upgradation program will address the current limitation of cluster by enabling production of high value added and diversified products. Standardized training modules will be prepared in consultation with domain experts and reputed institutions for comprehensive development of the

	parameters. ▶ Currently, a Government owned Leather Institute is working in Kanpur Nagar. It is proposed to conduct the training programmes in the existing training institute. Infrastructure of the institute could be used on a rental basis or as contribution from the industry associations.	skill levels in the cluster.
Environmental Issues	▶ Due to continuous exposure to chemical substances in Tannery, workers are suffering from health hazards. Currently, the tannery units are not implementing any safety standards to avoid hazards and accidents in units. ▶ There are numerous environmental problems associated with the leather industry. ▶ To promote the industry, it is very important to address the environmental challenges faced by the industry. Kanpur leather industry is very old and works on traditional technology and methods of production with very little up gradation since its commencement.	▶ Government needs to make it mandatory for Tannery owners to provide safety measures to the workers and create a Standard Operating Procedure (SOP) to implement HSE (Health, Safety and Environment) programs in the Tanneries. Government officials need to conduct audit on regular intervals to ensure that Tannery owners are implementing the SOP without any lapse. ▶ In addition, the tannery owners need to introduce Health insurance for the workers and regular health check-up need to be conducted. ▶ To promote these technologies, the following steps shall be taken: a. Organizing workshop to promote environment friendly technology b. Encouraging units to use to use cleaner technology of production developed by CLRI & install respective ETP's & RTWQMS. c. Annual recognition & awards to the units for using greener technologies ▶ Time bound action plans for solid waste management and its regular monitoring.

4.7 Future Outcomes

Inputs Supply	Export
Ensure availability of quality raw materials.	Export will be doubles over the period of 5 years

Employment	Turnover
Approx. 15,000 trained workers to be added to the cluster. Capacity of existing workers to be strengthened.	Increase of annual turnover from existing INR 10,000 Cr to INR 11,000 Cr over the next 5 years.

5. Product 2: Engineering Goods

5.1 Cluster Overview

The state is a leading producer in manufacturing engineering goods. Several Engineering & Auto components are manufactured in Kanpur, Lucknow, Noida & Ghaziabad. There are more than 1400-1500[8] units involved in manufacturing of engineering goods in Kanpur Nagar.

Some of the large-scale industries in the district are Ordnance factory, Kalpi Road, vijay nagar,Kanpur, Hindustan Aeronautics Limited, Chakeri, Kanpur, J.S. Auto Pvt. Ltd. Panki, Kanpur, Lohia Group Panki Kanpur, Power tools industrial corporation, RMV Machines and tools industry LLP, Hovert machines and furnaces pvt. Ltd., Northern India machinery company etc.

5.2 Product Profile

The demand for engineering goods is generated both domestically and internationally. There are multiple engineering goods manufacturers in Kanpur Nagar, who export their products to Vietnam, Magnolia, Nepal, Bangladesh, Indonesia, Japan etc. The product portfolio of the cluster is well diversified. However, export is undertaken through 4-5 codes unlike the Ghaziabad cluster which undertake its exports under 50 NIC codes.

The engineering goods industry in Kanpur Nagar is quite old and well-established thus, most of the units have a set marketing/ distribution network, which has benefitted them for years. These networks help these units supply their products to retailers around the country. It is very common for units which follow the order-based business model to get repeat orders.

5.2.1 Product Portfolio

Engineering Goods has multiple products under this sector. The key products are:

- Extruders
- Textile fibre vending and other vending machines
- Circular looms
- Boiler and machinery parts
- Basic iron and steel products (hot-rolled and cold-rolled products, tube and tube fittings, railway track materials (unassembled rails), wire by cold drawing or stretching)
- Casted iron and steel products (tubes, pipes and hollow profiles and tube or pipe fittings)
- Structural metal products (Metal doors, windows and frames, shutters, gates, similar articles used on buildings; metal frameworks or skeletons for construction; industrial frameworks in metal)
- Tanks, reservoirs, and containers of metal (for compressed or liquefied gas, central heating boilers and radiators, parts, and accessories)
- Auxiliary plants for use with boiler (condensers, economizers, superheaters, steam collectors and

[8] DIP, Kanpur Nagar & based on stakeholder consultation

accumulators)

- Metalworking service activities (forging, pressing, stamping, and roll-forming of metal; powder metallurgy; machining; treatment (hardening, boring, turning, milling, grinding, welding, etc.) and coating of metals)
- Ingot Moulds
- Cutlery, hand tools (for agricultural/ horticulture/ forestry), hand tools such as pliers, screwdrivers, and general hardware (locks/ keys, hinges, saws, clamps, etc.), hardware for buildings, vehicles etc.
- Assembled railway track fixtures
- Other fabricated metal products
- Metal fasteners (non-threaded - nails, washers, etc.) and (threaded nuts, bolts, screws, etc.)
- Metal containers (tins/ cans)
- Wire ropes, metal cables and other articles made of wire
- Metal household articles - hollowware (pots, kettles etc.), dinnerware (bowls, platters, etc.) or flatware (plates, saucers etc.)
- Metal sanitaryware such as baths, sinks, washbasins, and similar articles
- Metal reinforced safes, vaults, strong room doors, gates, and metal goods
- Metal parts of electric transformers, ballasts, electric motors
- Electronic and electric insulated wires/ cables (made of steel, copper, aluminium)
- Engines and turbines (except aircraft, vehicle, and cycle engines)
- Components for IC engines (pistons, piston rings, carburettors, inlet, and exhaust valves) and turbines
- Fluid power equipment (hydraulic and pneumatic components (pumps, motors, cylinders, valves, hose, and fittings), pneumatic air preparation equipment, hydraulic transmission equipment)
- Hand pumps, other metal pumps, compressors, taps and valves etc.
- Metal bearings, gears, gearing and driving elements
- Ovens, furnaces, and furnace burners
- Lifting and handling equipment (lifts, escalators and moving walkways)
- Agricultural and forestry machinery and metal parts (tractors, ploughs, Seeders, harvesting or threshing machinery)
- Metal-forming machinery and machine tools for turning, drilling, milling, etc.
- Machinery for metallurgy
- Machinery for mining, quarrying and construction (concrete and mortar mixers, etc.) and metal parts and accessories
- Machinery for textile, apparel, and leather production (for spinning, looms, knitting, sewing, leather production)
- Other special-purpose machinery (paper, paperboard, working soft rubber or plastics)
- Motor vehicle engines and motor vehicles metal parts and accessories (brakes, gearboxes, axles, wheels, etc.)
- Bodies (coachwork) and metal attachments for motor vehicles
- Metal sections of ships
- Electric, diesel, steam and other rail locomotives and rolling stock, and their specialized parts
- Metal parts and accessories of motorcycles, scooters, mopeds, three wheelers, side cars etc. and their engine
- Non-motorized metal bicycles and other cycles, including cycle rickshaws, (delivery) tricycles, baby, and invalid carriages, etc. and their metal parts and accessories for bicycles, cycle -rickshaws and invalid carriages
- Metal furniture

5.3 Cluster Stakeholders

- Primary Suppliers
  - Ferrous Metal Manufacturers
  - Non-Ferrous Metal Manufacturers
  - Casting Units
- Traders
- Financial Institutions
- DIEPC
- MSMEDI/DGFT/FIEO
- Industries Associations
- Engineering Colleges/ITI/Polytechnic
- Research Institutions
- Exporters

Figure 9: Cluster Stakeholders

5.3.1 Industry Associations

The cluster comprises of support institutions that can be broadly classified into three categories – trade and industry association, educational and training institutions, and other institutions. The trade and industry associations assist industries in the cluster in getting clearances and approvals, solving issues regarding industrial infrastructure, providing information on latest government schemes etc. Educational and training institute provide training to labours and assist in addressing availability of skilled labour. Other institutions comprise banks and logistics service providers.

Following are main Industry Associations that are working for the development of Engineering Goods sector:

- Indian Industries Association (IIA)
- Engineering Export Promotion Council (EEPC)
- All India Manufacturers' Organization (AIMO)
- Exporters Association
- Industrial Area Manufacturers' Association (AIMA)
- The Associated Chambers of Commerce and Industry of India (ASSOCHAM)
- Confederation of Indian Industry (CII)
- Federation of Indian Chambers of Commerce & Industry (FICCI)

5.4 Export Scenario

5.4.1 HS Code

HS codes under which the product is exported from the district

HS Code	Description
732599	Cast articles of iron or steel, n.e.s (excluding articles of non-malleable cast iron, and grinding balls, and similar articles for mills)
870423	Motor vehicles for the transport of goods, with compression-ignition internal combustion piston engine "diesel or semi-diesel engine" of a gross vehicle weight > 20 t
84772000	Machine parts: Extruders

84454090	Other textile fiber vending and vending machine
84462990	Circular looms
84798999	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof
84440090	Machines for extruding, drawing, texturing or cutting man-made textile materials:

Current Scenario

The export scenario of World and India have been analysed basis the export statistics of HS codes 732599 & 870423 under which engineering goods are exported. Alongside are the key facts pertaining to the analysed product code.[9]

Key Fact of Export[9]

18,015,558 (USD Thousand)

Value of world exports in 2020

7,58,148 (USD Thousand)

Total Exports from India in 2020

4.21%

Share of India in exports

5.5 Export Potential

- The total exports of Engineering Goods from Kanpur Nagar district in FY 2020-21 are as follows.[10]

S. No.	Product	Value of Export in lakh	Top Exporting Destination from Kanpur
1	Extruder	442.63	Vietnam, Mongolia, Nepal, Bangladesh, Indonesia ,Japan
2	Textile fibre vending machines	42.80	Turkey, Bangladesh,
3	Circular looms	188.75	Vietnam, Turkey, Tanzania, Bangladesh
4	boilers, machinery and mechanical appliances; parts thereof	1621	Thailand, UAE, Saudi Arabia, Oman, USA, UK, Vietnam, Indonesia
5	Machines for extruding, drawing, texturing or cutting man-made textile materials:	52	Turkey, Egypt, Indonesia, Vietnam
Total		**2347.18**	

- India's exports represent 4.21% of world exports for this product, its ranking in world exports is 01 under HS code 732599 and 19 under HS Code 870423.
- The total export from Kanpur is more than Rs. 400. 00 Cr based upon stake holder consultation[11].
- Machinery for production of Woven Sacks/Packing items (Such as Extruder, Winding Machines, Conveyor Line etc.) and items relating to Railways are exported from Kanpur.

[9] *www.trademap.org*
[10] *DGFT, Kanpur*
[11] DGFT, Kanpur

Product 732599: India exported this product to USA, Germany, Italy, UK, Canada, UAE, Belgium, France, Czech Republic etc. Below figure shows the top importers for this product are:

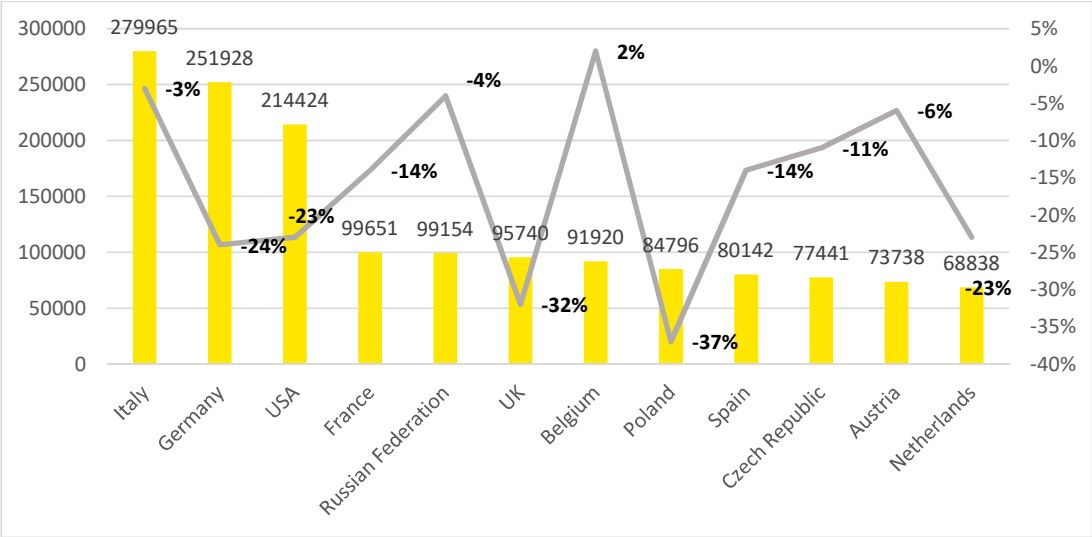


Figure 10: Top importers for this product (732599) in the world[9]

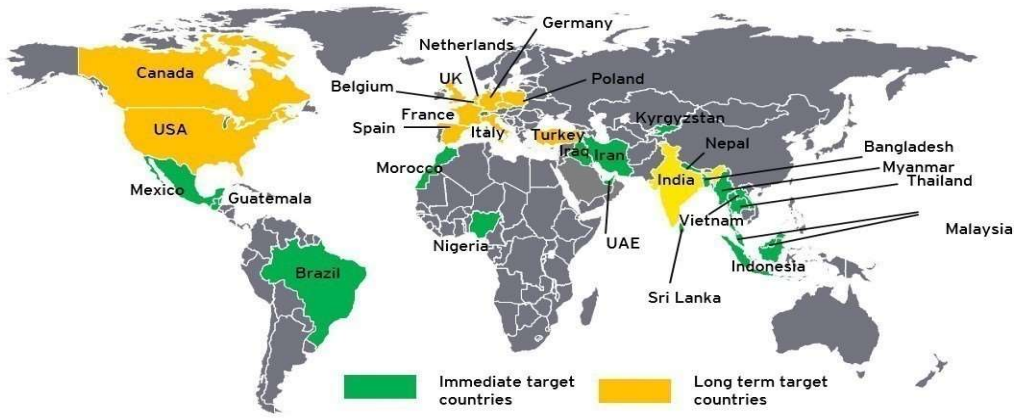


Figure 11: Markets for export potential

Table 7: Target Export market for Engineering Goods

Product Category	Product Market
Ferrous Casting	North America, Germany, France, Italy, UK, Japan, Brazil Thailand
Steel Forging	North America, Germany, UK, Italy, France, China, Japan, Thailand, Middle East
Pipes, Tubes and Fittings	Middle East, US, Canada, Nigeria, Angola, Norway, Finland, UK, Germany, France, Australia
Industrial Fasteners	Germany, North America, Italy, UK, France, Netherlands, Thailand
Valves	US, Canada, Germany, France, UK, Russia, GCC, Mexico, Brazil, and ASEAN countries
Bearings	Germany, USA, Italy, France, Canada, Mexico, Thailand, Indonesia
Machine Tools	Turkey, ASEAN countries, Mexico, Brazil, USA, Canada, China
Auto Components	US, Germany, Canada, Japan, Mexico, Italy, UK, Thailand
Hand and Power Tool	US, Canada, UK
Textile Machineries	Bangladesh, Vietnam, Turkey, Indonesia, Brazil

5.6 Potential Areas for Development

The following are the key areas for development of the product category and the cluster:

- Firms may take the benefit of FTAs signed by India. The export to Bangladesh under SAFTA allows the benefit of 01%. Other Countries to look at are ASEAN Countries and Japan.
- Creation of strong linkages with Government departments like Railway, Defense, Aerospace etc. for them to act as permanent buyers
- Focus on creation of product prototypes basis sectors of potential buyers and their demand
- Improving the competitiveness, product quality, efficiency of the cluster etc., by incorporating lean manufacturing, Zero Defect Zero Effect techniques etc. Schemes such as CLCS-TUS of DC-MSME can be utilized for the same

5.7 SWOT Analysis

Table 8: SWOT Analysis for Engineering Goods

Strengths	Weaknesses
▶ 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	▶ 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 ▶ The machineries used in this sector is often expensive and the banks don't tend to lend credit frequently to change the technology/ machinery
Opportunities	**Threats**
▶ Big scope in domestic and foreign market like North America, European Union, UK etc. ▶ Scope for development of new products ▶ Increased focus of government for expanding operations and increasing exports as it has been recognized as one of the sunrise sectors	▶ Chinese domination and proved establishment in the International Market ▶ Frequent changes in raw material prices

5.8 Challenges and interventions

Parameter	Challenges	Intervention
Warehouse for raw material	▶ While the raw material i.e., Metal Sheets and Plastic Granules are manufactured by large industries like SAIL, TATA, JSW, Reliance etc., 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	▶ 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

Parameter	Challenges	Intervention
	▶ Frequent changes in the pricing of raw material often disrupts the production cycle	
Infrastructure development	▶ Site infrastructure needs a comprehensive overhaul ▶ There is no efficient mechanism in most industrial areas to dispose of industrial solid waste (ISW). Majority of the generated waste is either dumped on roads, local water bodies or is burnt causing land, water, and air pollution	▶ Setting up of a common effluent treatment plant to minimize pollution caused by disposal of untreated ISW ▶ Development of an Industrial Estate Management Authority for maintenance of the industrial infrastructure
Marketing & promotion of products	▶ Lack of strong linkages with permanent buyers ▶ Lack of knowledge of existing schemes and govt. initiatives ▶ Lack of participation in national and international events related to the sector	▶ Creation of linkages with various govt. bodies like railway, defense, aerospace etc. for acting as a permanent buyer ▶ Sensitization of cluster actors about Performance Linked Incentive initiative of the government under the Atmanirbhar Bharat Abhiyan and the Make in India initiative which envisages to increase productivity, expand operations and initiate/ widen export opportunities for select sectors ▶ 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 Engineering goods.
Access to finance	▶ Frequent changes in raw material prices often disrupts the working capital which is neglected by banks while lending credit ▶ The machineries used in this sector is often expensive and the banks don't tend to lend credit frequently to change the technology/ machinery and in case the MSMEs don't upgrade the machinery, they tend to lose out on orders, and it becomes	▶ 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 ▶ Introduction of revolving working capital within the cluster to help MSMEs procure raw materials and undertake production without hinderances ▶ Tie up with the banks/financial institutions for better interest rates, enhanced working capital limits etc.

Parameter	Challenges	Intervention
	difficult to stay relevant in market	▶ Handholding of MSMEs for increasing their awareness on schemes of state & center and the procedure to apply to avail financial assistance

5.9 Future Outcomes

Annual Turnover	Cluster exports
Increase in annual turnover by 10% annually from existing with the help of financial outreach of government programmes and other interventions.	Substantial growth in cluster exports expected to grow by 5% annually by **2025.**

6. Product 3: Plastic Products

6.1 Cluster Overview[12]

In Kanpur Nagar there is approx.100 no of units of plastic products are functioning and approx.5000 people are involved in the cluster. The approximate turnover is 800-1000 Crores and export value is approx. 300 Cr[13]. The major products of the cluster are Plastic Furniture, Injection Moulded products, Sheet, Bags, Film, Packaging material, Auto parts, Domestic products etc. and the majorly exported products are **P.P. woven Sacks/ F.I.B.C, P.P. woven Fabric and Multi filament yarn.**

6.2 Product Profile

The word plastic itself comes from the Greek word plasticos, which means to be able to be shaped or moulded by heat. As we will see, shaping plastics by using heat is a basic part of nearly all plastics manufacturing processes.

Like timbers, which is divided into hardwoods and softwoods, plastics is also divided into different categories:

- **Natural Plastics** - These are naturally occurring materials that can be said to be plastics because they can be shaped and moulded by heat. An example of this is amber, which is a form of fossilised pine tree resin and is often used in Jewellery manufacture.
- **Semi synthetic Plastics -** These are made from naturally occurring materials that have been modified or changed but mixing other materials with them. An example of this is cellulose acetate, which is a reaction of cellulose fibre and acetic acid and is used to make cinema film.
- **Synthetic Plastics -** These are materials that are derived from breaking down, or 'cracking' carbon-based materials, usually crude oil, coal or gas, so that their molecular structure changes. This is generally done in petrochemical refineries under heat and pressure and is the first of the manufacturing processes that is required to produce most of our present day, commonly occurring plastics. Synthetic and semi

[12] DIP, Kanpur Nagar, DGFT, Kanpur
[13] Dip, Kanpur Nagar , DGFT, Kanpur

synthetic plastics can be further divided into two other categories. These two categories are defined by the ways in which different plastics react when heated.

- **Thermoplastics** - These are plastics that can be softened and formed using heat, and when cool, will take up the shape that they have been formed into. But if heat is reapplied, they will soften again. Examples of thermoplastics are acrylic and styrene, probably the most common plastics found in school workshops. Polyethylene (PE), polypropylene (PP), polytetrafluoroethylene (Teflon), polyethylene terephthalate (PET), polyamide (PA), polyvinyl chloride (PVC) and polystyrene (PS) are the other example of thermoplastic.
- **Thermosetting Plastics** - These are plastics that soften when heated, and can be moulded when soft, and when cool they will set into the moulded shape. But if heat is reapplied, they will not soften again, they are permanently in the shape that they have been moulded into. Examples of thermosetting plastics are polyester resins used in glass reinforced plastics work, and melamine formaldehyde used in the manufacture of Formica for kitchen work surfaces.

6.3 Cluster Stakeholders (Plastic Products)

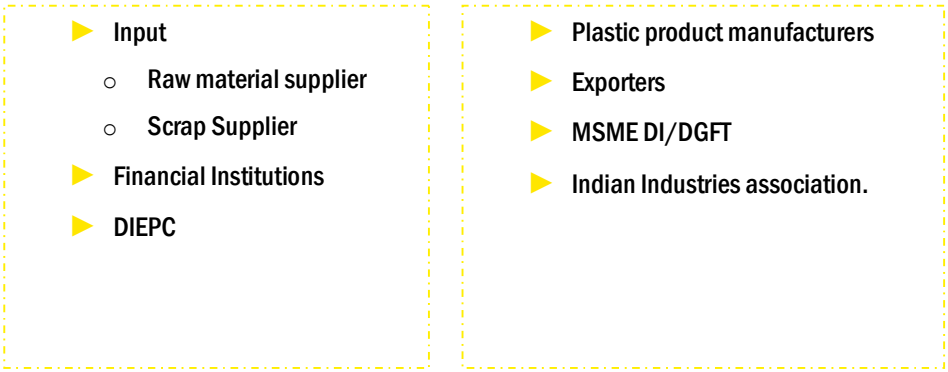


Figure 12: Cluster Stakeholders

6.3.1 Industry Associations (Plastic Product)

Following are main Industry Associations that are working for the development of Plastic products sector:

- Indian Industries Association (IIA)
- Engineering Export Promotion Council (EEPC)
- All India Manufacturers' Organization (AIMO)
- Exporters Association
- Industrial Area Manufacturers' Association (AIMA)
- The Associated Chambers of Commerce and Industry of India (ASSOCHAM)
- Confederation of Indian Industry (CII)
- Federation of Indian Chambers of Commerce & Industry (FICCI)

6.4 Export Scenario

6.4.1 HS Code

HS codes under which the product is exported from the district.[14]

Sr. No.	HSN Code	Product Description

[14] *DGFT, Kanpur*

1	391721	Rigid tubes, pipes and hoses, of polymers of ethylene
2	391723	Rigid tubes, pipes and hoses, of polymers of vinyl chloride
3	630533	Sacks and bags, for the packing of goods, of polyethylene or polypropylene strip or the like (excluding flexible intermediate bulk containers)
4	392310	Boxes, cases, crates and similar articles for the conveyance or packaging of goods, of plastics

6.4.2 Plastic Product

Current Scenario

The export scenario of World and India have been analysed basis the export statistics of HS code 391721 exported from Kanpur Nagar district.

6.5 Export Potential

Major highlights of India Export

- India exported plastics raw material worth US$ 352.04 million in July 2021, and the export during April 2021 to July 2021 was US$ 1.57 billion.
- The total plastics raw material export during April 2021 to August 2021 was US$ 1.57 billion.
- In FY21, India exported plastics raw material worth US$ 3.29 billion.
- The total plastic and linoleum export during April 2021 to August 2021 was US$ 4.15 billion and for the month of August 2021, it was US$ 754.37 million.
- The total plastic and linoleum export in FY21 was US$ 7.45 billion and for the month of March 2021, it was US$ 719.15 million.
- In FY20, plastic and linoleum export from India stood at US$ 7.55 billion.
- In FY21 export of plastic sheets, films, and plates stood at US$ 1.53 billion and packaging material was US$ 863.62 million.
- The Indian plastics industry produces and export a wide range of raw materials, plastic-moulded extruded goods, polyester films, moulded/ soft luggage items, writing instruments, plastic woven sacks and bags, polyvinyl chloride (PVC), leather cloth and sheeting, packaging, consumer goods, sanitary fittings, electrical accessories, laboratory/ medical surgical ware, tarpaulins, laminates, fishnets, travel ware, and others.
- The Indian plastics industry offer excellent potential in terms of capacity, infrastructure, and skilled manpower. It is supported by many polymer producers, plastic process machinery and mould manufacturers in the country.
- Among the industry's major strengths is the availability of raw materials in the country. Thus, plastic processors do not have to depend on import. These raw materials, including polypropylene, high-density polyethylene, low-density polyethylene, and PVC, are manufactured domestically.

Table 9: India's Export (Plastic Product) over the year

Financial year	Exports ($ billion)
2015-16	7.64
2016-17	7.56

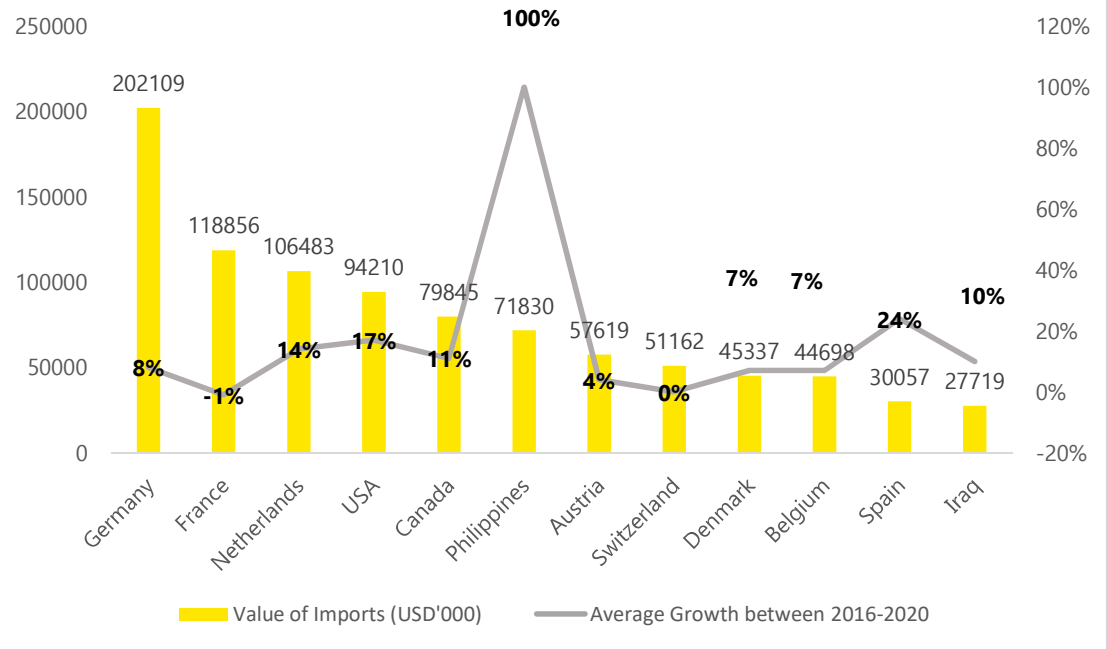
2017-18	8.85
2018-19	10.98
2019-20	10.00

Major Highlights of UP Exports[15]:

- **Total Export from U.P. is 1843.38 Cr. In 2020-21.**
- **Total export from Kanpur is Rs. 300.00 Cr.**
- **Main item of export - P.P. woven Sacks/ F.I.B.C, P.P. woven Fabric and Multi filament yam.**
- **P.P. Granules is the main raw material.**
- **Germany, USA, Spain, Italy, U.K., France, Canada, Netherland, Belgium, Chile, Israel and Malaysia are amongst prominent export destination from the district.**

HSN Code-391721- Rigid tubes, pipes and hoses, of polymers of ethylene[16]

The following chart showcases the prominent import countries in 2020 of the HSN Code- 391721[17]



[15] DGFT, Kanpur Nagar

[16]Trademap.org for HSN Codes 391721

[17]Trademap.org for HSN Codes 391721

Countries to whom UP exports this product in HSN code 391721 are Nepal, Greece, South Africa, Philippines, USA, Bhutan, Singapore, Sri Lanka, Slovenia, Thailand, Iraq, Saudi Arabia, China and Uganda[18]. Exports from UP- USD 410 (USD Thousand) for the year 2020.

6.6 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:** The SMEs of the district should be encouraged to diversify the product categories and adequate resources should be provided to make innovative products without losing the real essence of Kanpur Nagar plastic products. The SMEs going forward should focus on making products according to the need of the market,
- **Modifications of Existing Products:** It has also been found that most of the SMEs use traditional designs or those which was old by the time it arrived at Kanpur Nagar, they need to work according to the latest designs.

6.7 SWOT Analysis

Table 10: SWOT Analysis

Strengths	Weaknesses
▶ India has solid base in polymers ▶ Cluster produces large quantity of recycled products of plastic. ▶ Widespread uses of plastic products ▶ Availability of cheap and skilled labour for the cluster ▶ Availability of various financial and non-financial assistances from state and central government pertaining to the cluster. ▶ Strong supporting industries.	▶ Lack of proper infrastructure facilities for designing and new product development. ▶ Lack of infrastructure for testing of plastic products. ▶ Outdated technology and machineries/equipment ▶ Lack of focus on export ▶ Financial blockage ▶ Insufficient marketing on foreign market ▶ Lack of focus on export ▶ Derogatory industry image ▶ Lack of awareness of government schemes
Opportunities	**Threats**
▶ Development of activities in management, marketing, quality, research and branding. ▶ Important investments projects in infrastructural development. ▶ Increase in domestic market demand of products for construction and packaging. ▶ Culture for the use of plastic still at a nascent stage in India holds immense opportunities ▶ Entering high prices processes plastic export segment. ▶ Demand generated by industries like retail	▶ Reduced buying power of the domestic market consumers. ▶ Aggressive competition faced by other clusters of India as well as Asia. ▶ Fluctuating raw material prices. ▶ High competition exists within the cluster ▶ Government bans ▶ Ever increasing crude oil prices ▶ Import threat from Middle East ▶ Neighbouring countries specializing in processing industries could lead to imports

[18] Trademap.org for HSN Codes 391721

▶ Booming automotive sector ▶ Rising water management ▶ Food Packaging – Riding high ▶ Changing consumer behaviour	▶ Replacement threat from substitutes.

6.8 Challenges and interventions

Parameter	Challenges	Intervention
Technology	▶ Low Automation ▶ Unawareness of global best practice	▶ Establishment of Common Facility Centre. ▶ Exposure visits of desired units in developed clusters like Aluva Plastic Cluster, Ram Nagar Plastic Cluster ▶ Increase in the limit under technology development scheme from 15 lakhs to 30 lakhs for unit upgrading their technology of manufacturing ▶
Marketing	▶ Over reliance on traditional marketing (offline marketing) ▶ Unavoidable dependency on wholesalers and traders.	▶ Establishment of Display center of finished products. ▶ Setting up of a Business promotion Cells for new product development based on analysis of international data to forecast trends. Sharing this information with manufacturers and other stake holders will enable them to stay ahead of the curve and develop products according to the market demand.
Design, innovation & product development centre	▶ Unavailability of tool room for casting new moulds.	▶ Establishment of Design, innovation & product development centre ▶ For this we can collaborate with National Institute of Fashion Technology (NIFT), The Central Institute of Petrochemicals Engineering and Technology formerly central institute of Plastic and Technology (CIPET) & National Institute of Design (NID) to provide new and innovative designs as per the market trend.
Product Quality, Testing and Certification Technology	▶ Unawareness about technical standards in international market ▶ Unavailability of testing lab & Certification Agency	▶ A testing lab should be established as a Common Facility Center in the Cluster which is accredited with internationally accepted certification agencies to facilitate exports in the cluster ▶ Certification cost for certifications is very high which many firms are unable to pay. ▶ Government should provide 50% subsidy in the cost incurred by the firm to obtain these certificates.

Parameter	Challenges	Intervention
Common infrastructure	▶ Poor Infrastructure of Industrial area/Roads ▶ Inadequate transport connectivity	▶ Industrial Infrastructure development and maintenance
Skill Development	▶ Low skilled/ unskilled Manpower ▶ Low confidence due to less skill in risk taking	▶ New Artisans can gain skills by making use of training provided under Skill Development schemes like PMKVY.
Access to Finance	▶ Lack of awareness of government financing schemes ▶ Tedious paperwork and long waiting time of banks usually persuade artisans from not taking financial support from banks	▶ Sensitization camps should be conducted to educate enterprises of the financial assistance a being provided under government schemes and by banks and NBFCs such as : ○ MoU signed between MSME Department of Govt of Uttar Pradesh and SIDBI to facilitate easy loans through SIDBI schemes ○ MoU with Bank of Baroda (BoB) to promote quick approval of loans through digital lending
Exporter's issue	▶ DIEPC to act as a focal point for all exporters issue	▶ Deputy Commissioner Industries may be given this responsibility to monitor the cell.

6.9 Future Outcomes

Annual Turnover	Cluster exports
Increase in annual turnover by 10% annually from existing with the help of financial outreach of government programmes and other interventions.	Substantial growth in cluster exports expected to grow by 5% annually by **2025.**

7. Product 4: Hosiery and Textile Products

7.1 Cluster Overview[19]

Kanpur Nagar, with its capital at Kanpur city, is home to one of India's most thriving hosiery and readymade textiles regions. With approx. 2200[20] or more units involved in the sector, Kanpur Nagar gives employment to about 65000 individuals in the

Key Facts

2200 Units operational

65000 ~ Cluster actors (30% women)

INR 1000 Crores Turnover of the cluster

INR 250 Crores value of export

[19] DIP, Kanpur Nagar, DGFT, Kanpur

[20] Based on stakeholder consultation

running of the textile industry. The industry goes back to the British era when Kanpur was nicknamed the 'Manchester of India,' for its perennially running cotton mills being home to thousands of dedicated cotton mill workers. Kanpur started out as a cotton blanket hub in 1876 when its mills started churning out cotton fabric. The once thriving mills of Kanpur are now largely extinct. The power loom sector in Kanpur too is a tiny and negligible shadow of its former self. However, the hosiery and readymade garments industry has continued to thrive albeit at a scale smaller than the one expected of a cluster as old as Kanpur Nagar.

7.2 Product Profile

The product belongs to the textile and hosiery sector and Ready-made garments are mass-produced finished textile products of the clothing industry. They are not custom tailored according to measurements, but rather generalized according to anthropometric studies. They are made from many different fabrics and yarns. Their characteristics depend on the fibres used in their manufacturing. They are made from many different fabrics and yarns. They are divided into the following types:

- **Outer clothing:** pants, ladies 'suits, blouses, blazers, jackets, pullovers, coats, sports jackets, skirts, shirts (short or long-sleeved), ties, jeans, shorts, T-shirts, polo shirts, sports shirts, tracksuits, etc
- **Underclothing (underwear):** Jersey goods, lingerie (e.g., underpants, undershirts, briefs, socks, stockings, pantyhose etc.)

In addition to the above, Kanpur Nagar is a biggest hub for manufacturing of horse-riding breeches which are the prominent product for export.

7.3 Cluster Stakeholders (Hosiery and Textile Products)

Figure 13: Cluster Stakeholders

7.3.1 Industry Associations (Hosiery and Textile Products)

Following are main Industry Associations that are working for the development of Plastic products sector:

- Indian Industries Association (IIA)
- Federation of Indian Export Organisations
- UP Power loom Federation
- Power loom bunker association
- Northern India Hosiery manufacturers association
- All India Manufacturers' Organization (AIMO)
- Exporters Association
- Industrial Area Manufacturers' Association (AIMA)

7.4 Export Scenario

7.4.1 HS Code

HS codes under which the product is exported from the district.[21]

- Men's knitted cotton undergarments – HSN code 6107, 6115
- Women's knitted cotton undergarments – HSN code 6108, 6106, 6115
- Thermal wear for men (knitted man-made fibre) – HSN code 6107
- Men's and boys' tracksuits and woven garments - HSN code 6211
- Women's and girls' tracksuits and woven garments HSN code 6211
- Knit fabrics of cotton – 6115
- Women's or girls' blouses, shirts and shirt-blouses (excluding knitted or crocheted and vests) - 6206

7.4.2 Hosiery and Textile Product

Current Scenario

The export scenario of World and India have been analysed basis the export statistics of HS code 610711 exported from Kanpur Nagar district. Alongside are the key facts pertaining to the analysed product code.[22]

Key Fact of Export

4,149,824 (USD Thousand)

Value of world exports in 2020-21

163,833 (USD Thousand)

Total Exports from India in 2020-21

1230 (USD Thousand)

Total Exports from UP in 2020-21

0.75%-

Share of UP in exports

7.5 Export Potential

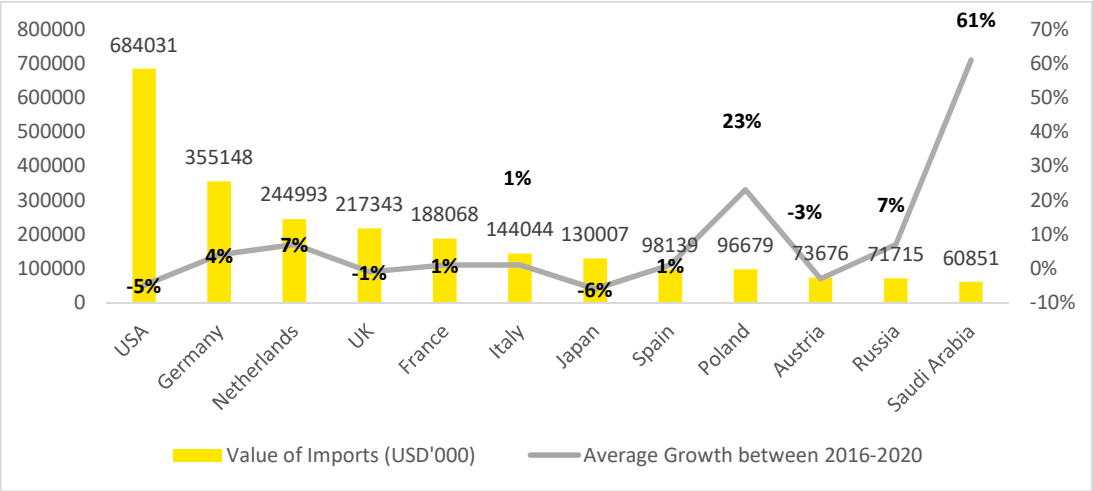
Major highlights of India Export

- The State is the third largest producer of fabric and produced which around 13.24% of India's total fabric.
- The State is famous for carpets and manufactures approximately 90% of India's carpets. Carpets, readymade garments and handlooms are major products exported from the State with a share of 5.25%, 12.89% and 0.50% respectively in total exports from the State[23].
- As per data released by Textile Department, GoUP, USD 293 Million worth handlooms, USD 500 Million carpets & mats and USD 754 million of readymade garments were exported from the State in the year 2020-21.
- Total Export under Textile Sector from the Kanpur is around Rs. 250 Cr. Main Item of export are riding Breeches, T-Shirts, Jackets, and trousers etc.
- Total Global import of Hosiery product in FY 2020-21 was of 12.31 billion USD.
- Prominent export destination countries for Hosiery products were USA, Germany, Japan, UK & France.
- Major exporting countries of hosiery products were China, Turkey, Italy, Germany, Netherlands and Pakistan.
- Total Export of hosiery products from India in FY 2020-21 was 1144.54 Crore and the total share of world's export was less than 02%.
- Top exporting destination from India for hosiery products are USA, UAE, Spain UK, France, Germany etc.
- Total export from UP of hosiery product was 80.01 cr. in FY 2020-21 which is 7% of India's export.

[21] *DGFT, Kanpur*
[22] *www.trademap.org*
[23] UP investor summit 2018

HSN Code-610711- Men's or boy's underpants and briefs of cotton, knitted or crocheted[24]

The following chart showcases the prominent import countries in 2020-21 of the HSN Code- 610711



Countries to whom UP exports this product in HSN code6 10711 are UAE, UK, Canada, Nepal, Jordan, Yemen, Malaysia, USA< Saudi Arabia. Major ports from where exports take place: - Nhava Sheva Sea , **CGML Dadri, Delhi (ICD), Nepalganj**, Bambasa, Champavat Uttrakhand, **Nautanwa (Sonauli), Delhi Air,** CFS Patparganj, Raxaul Land, Barhni

7.6 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:** The SMEs of the district should be encouraged to diversify the product categories and adequate resources should be provided to make outerwear in hosiery segment as most of the units are manufacturing only innerwear as of now.
- **Modifications of Existing Products:** It has also been found that most of the SMEs use traditional designs or those which was old by the time it arrived at Kanpur Nagar, they need to work according to the latest designs. Unit holder should be encouraged to manufacture printed hosiery fabric and products out of them.

[24] Trademap.org for HSN Codes 610711

7.7 SWOT Analysis

Table 11: SWOT Analysis

Strengths	Weaknesses
▶ Availability of knitting units ▶ Availability of raw material ▶ Increase in demand as growth is increasing adaptation to casual wear by Indians due to their virtues of comfort, stretchability. ▶ Availability of cheap and semi-skilled labour for the cluster ▶ Low-priced unbranded products which contribute immensely to total value sale. ▶ Strong supporting industries like retail.	▶ Low productivity due to unskilled labour. ▶ Poor infrastructure and technology. ▶ Lack of infrastructure for testing dedicated to hosiery and textile industry. ▶ Less organised industry as many manufacturers tend to be unregistered. ▶ Rising production cost due to fluctuating raw material cost. ▶ Low profit margin due to cutthroat competition. ▶ Lack of brand image ▶ Difficulties in getting requisite financial support from financial institutions.
Opportunities	**Threats**
▶ Development of activities in management, marketing, quality, research and branding. ▶ Important investments projects in infrastructural development. ▶ Increase in domestic market demand of products ▶ Demand generated by industries like retail ▶ Changing consumer behaviour ▶ The major driving factor of knitwear market are fashion and rise in the number of women spenders with high disposable income are boosting the knitwear market.	▶ Reduced buying power of the domestic market consumers. ▶ Aggressive competition faced by other clusters of India and other countries. ▶ Rising cotton and yarn price. ▶ High competition exists within the cluster ▶ Decreasing fashion cycle.

7.8 Challenges and interventions

Parameter	Challenges	Intervention
Technology	▶ Lack of innovation and new product development ▶ Lack of awareness of global best practices	▶ Establishment of technologically led CFC with latest machinery such as – computerized knitting machines and sewing machines, CAD computerized methods of fabric designing, automated fabric printers – **this machinery is currently in use in the Ludhiana hosiery knitwear cluster** ▶ Exposure visits of desired units in developed clusters such as Tirupur, Ludhiana, Ahmadabad etc. ▶ Leverage govt schemes providing financial assistance for tech upgradation – ODOP margin money scheme.

Parameter	Challenges	Intervention
Marketing	▶ There is no organized directory/ No information on Buyer and Sellers ▶ Negligible online purchases of hosieries from Kanpur ▶ Exports are small with relation to overall production and capacity of district ▶ Very little national presence despite high production capacity and being the 3rd largest hosiery cluster	▶ Establishment of Display center of finished products. ▶ Setting up of a Business promotion Cells for new product development based on analysis of international data to forecast trends. Sharing this information with manufacturers and other stake holders will enable them to stay ahead of the curve and develop products according to the market demand. ▶ Onboarding / training of the manufacturers/ entrepreneurs/ workers and cataloguing of the products on E-commerce platforms like Flipkart, Amazon, E-bay with whom Govt of UP have signed MoU with. ▶ Selling of products through odopmart.com, an online platform started by Government of Uttar Pradesh to help small entrepreneurs who do not have GST number to sell their products directly to customer. ▶ Organizing & participating in exhibitions, buyer seller meets, trade shows etc by Leveraging ODOP Market Development Assistance Scheme. ▶ For cluster and exposure visit abroad leverage Govt schemes like International Cooperation Scheme of MSME, Govt of India; MDA Export Promotion Scheme of the Department of MSME & Export Promotion, UP
Designing (This activity pertains only the readymade garment industry in Kanpur Nagar)	▶ Low product design innovation capacity	▶ Establishment of Design, innovation & product development centre ▶ collaboration with NIFT and NID, Ahmedabad is already underway.

Parameter	Challenges	Intervention
Product Quality, Testing and Certification Technology	▶ Unavailability of testing lab & Certification Agency ▶ Exports affected due to non-compliance to international standards	▶ A testing lab should be established as a Common Facility Centre in the Cluster which is accredited with internationally accepted certification agencies to facilitate exports in the cluster ▶ MoU with QCI has been signed with ODOP Cell to define quality standards of the ODOP product to build trust and ensure authenticity of foreign and domestic buyers
Common infrastructure	▶ Poor Infrastructure of Industrial area/Roads ▶ Inadequate transport connectivity	▶ Industrial Infrastructure development and maintenance
Skill Development	▶ Low skilled/ unskilled Manpower ▶ Low confidence due to less skill in risk taking ▶ Aware of new technology and methods but unwilling to invest in them. ▶ Low acceptance of formal skill training	▶ Skill Development Training centre should be established in CFC. ▶ ODOP skill development scheme – to train artisans in those ODOP products whose Qualification Packs (QPs) have been developed by the Sector Skill Council. ▶ Samarth Yojana for training tailors in design capabilities via an empanelled training institution such as NIFT. Main beneficiaries are unskilled workers

Parameter	Challenges	Intervention
	and negligible recognition of trained and certified workers in terms of wages	
Access to Finance	▶ Lack of awareness of government financing schemes ▶ Tedious paperwork and long waiting time of banks usually persuade artisans from not taking financial support from banks	▶ Creating awareness about government financing schemes like ODOP Margin Money scheme. ▶ Sensitization camps should be conducted to educate enterprises of the financial assistance a being provided under government schemes and by banks and NBFCs such as : ○ MoU signed between MSME Department of Govt of Uttar Pradesh and SIDBI to facilitate easy loans through SIDBI schemes ○ MoU with Bank of Baroda (BoB) to promote quick approval of loans through digital lending
Exporter's issue	▶ Exports is a major issue for Hosiery and Textile Cluster as contribution of exports is almost Nil.	▶ DIEPC to act as a focal point for all exporters issue ▶ Deputy Commissioner Industries may be given this responsibility to monitor the cell.

7.9 Future Outcomes

Annual Turnover | **Cluster exports**

Increase in annual turnover by 10% annually from existing i.e. from 1000 cr. with the help of financial outreach of government programmes and other interventions.	Substantial growth in cluster exports expected to grow by 5% annually by **2025 i.e. from 250 Cr. To 320 Cr.**

8. Scheme under Uttar Pradesh Export Promotion Bureau

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

A. Marketing Development Scheme (MDA)

S. No	Incentive Offered	Amount of incentive against total expenditure
1	Participation in foreign fairs/exhibitions (total three fairs /annum) a. Stall charges b. Air fare (economy class)	a. 60% of stall charges (max 01 lakh /fair) b. 50% (max 0.5 lakh for one person /fair)
2	Publicity, advertisement, development of website	60 % (max 0.60 lac/annum)
3	Sending of samples to foreign buyers	75 % (max 0.50 lac/annum)
4	ISO /BSO certification	50 % (max 0.75 lac/annum)

B. Gateway Port Scheme

Brief Description	Assistance is given to all manufacturing exporting units on expenses incurred on the rail transport of their goods from ICD/CFS to Gateway ports.
Eligible units	Micro, small & medium enterprises.
Incentives Offered against actual expenditure	25% of the total expenditure or Rs 6000 (20 ft' container) & Rs 12,000 (40 ft' container) whichever is less
Maximum limit	Rs 12 lacs /unit /year
Empowered committee	District Users Committee under the chairmanship of district magistrate.

C. Air Freight Rationalization Scheme

Incentive offered	20% of the actual expenditure or Rs 50 / kg (whichever is less)
Eligible Units	Manufacturer & merchant exporter
Maximum limit	Rs 2 lacs /unit /year
Recognized Cargo Complexes	Varanasi & Lucknow

9. Action Plan

Quantifiable activity/ intervention	Responsible authority	Timeline for implementation[25]
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	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** (Leather Products, Engineering products, Plastic product, Hosiery and textile product etc.) by **utilizing schemes like IC and MAS**	DIEPC, UPEPB	Continuous initiative
Sensitization of cluster actors: **a.** The individuals of a cluster should be **sensitized on the plethora of schemes**[26] available for them for maximizing the potential of exports. **Merchandise Exports from India Scheme, Service Export from India Scheme** etc. provides **various exemptions** for facilitating exports. Further, schemes like **Advance Authorization Scheme (AAS), Duty Free Import Authorization (DFIA Scheme) ensure procurement of imported duty-free raw materials** **b.** Currently, majority of the exporters and traders focus on selling their goods to USA, UK and European countries without correctly analyzing the demand market. Thus, these	DIEPC, UPEPB	Continuous initiative

[25] Short term: Should be initiated within 6 months, Intermediate: to be initiated between 6- 12 months, long terms after 12 months
[26] 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:

cluster actors should be **sensitized on target countries identified through export analysis mentioned in DAPs and EAP**		
DIC and FIEO can play a pro-active role in this regard. **10% increase** in every year in the number of units taking part in the trade fairs organized by FIEO and other organizations may be proposed as a target under this segment	DIC, UPEBP and FIEO	Intermediate
Common interventions across sectors/ clusters		
Collaboration with e-commerce companies like Amazon, ebay, Flipkart etc.	UPEPB/DIEPC/ODOP Cell	Short term
MoU with QCI for defining quality standards of the products	UPEPB/DIEPC/ODOP Cell	Short term
Collaboration with IIP to define cluster-wise packing standards	UPEPB/DIEPC/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/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/ODOP Cell	Intermediate
Handholding of MSMEs for increasing their awareness on schemes of state & center 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 /	DIEPC/UPEPB	Long term

Duty Free Import Authorization Scheme. b. The CONCOR rates are to be made available at regular intervals to the DIC office for updating of the same at the district website. 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 DIEPC/UPEPB/FIEO	Long term Short term
Product 1: Leather Products		
Establishment of Common Facility Centre with: a. Raw Material Bank b. Common Production Center c. Design and display center with CAD/CAM facilities and space to showcase products to undertake sale d. Marketing center for undertaking marketing events	DIEPC, DGFT and ODOP Cell	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 unit holders and artisans to provide information about their leather products for easy understanding of exporters.	UPEPB/ODOP Cell	Short term
Establishment of **fleshing machine and lime splitting machine** in CFC.	DIEPC/ODOP Cell	Long term
Setting of modern technology based **CETPs**	UPEPB/DIEPC/District Administration	Long term
Collaboration with E-commerce companies	UPEPB/ODOP Cell/ DIEPC	Short term
Establishment of testing laboratory	DIEPC/ODOP Cell/UPEPB	Long Term

Product 2: Engineering goods		
Establishment of a RMB to ensure availability of raw materials at affordable prices and portal for better tracking of raw material purchased. a. Ensuring procurement of quality raw materials from Ghaziabad, Gurugram etc.	UPEPB/DIEPC	Long term
Setting up of a common effluent treatment plant to minimize pollution caused by disposal of untreated ISW	UPEPB/DIEPC	Long term
Development of an Industrial Estate Management Authority for maintenance of the industrial infrastructure	UPEPB/DIEPC	Intermediate
Creation of **linkages with various govt. bodies** like railway, defense, aerospace etc. for acting as a permanent buyer	UPEPB/DIEPC	Long term
Product 3: Plastic Products		
Awareness on Market Diversification	DGFT/ UPEPB	Continuous initiative
Establishment of common facility center with: ▶ advanced tool room facility for production of injection moulds. ▶ Common Production Center ▶ Design and display center with CAD/CAM facilities and space to showcase products to undertake sale ▶ Marketing center for undertaking marketing events	DIEPC/UPEPB	Long term
Collaboration with E-commerce companies	UPEPB/ DIEPC	Short term
Establishment of testing laboratory	DIEPC/UPEPB	Long Term
Product 4: Hosiery and Textile Product		
Establishment of Common Facility Centre with: ▶ Raw Material Bank	DIEPC, DGFT and ODOP Cell	Long term

▶ Common Production Center ▶ Digital Printing Facilities ▶ Laser Cutting Facilities ▶ Marketing center for undertaking marketing events		
Collaboration with E-commerce companies	UPEPB/ODOP Cell/ DIEPC	Short term
Establishment of testing laboratory	DIEPC/ODOP Cell/UPEPB	Long Term
Awareness Programmes: DGFT Kanpur, FIEO and AEPC to hold seminar at least once in a year to spread the awareness about Global Market scenario and opportunities.	DGFT/ODOP Cell/DIEPC/UPEPB	Continuous initiative
Raw Material Supply: A committee to be formed with local representatives of Industry to suggest ways for timely and proper supply of the Raw Material.	DIEPC/DGFT/ODOP Cell	Short term
Branding of Product ▶ Use of E-commerce Portal ▶ Enhanced Participation of MSMEs in the International Trade Fair.	ODOP Cell/ DIEPC/UPEPB	Short term
Technological Upgradation and Infrastructural support Industry needs to be apprised of the different schemes run by different departments and financial assistance that can be made available under the Schemes. A subcommittee to be formed to discuss the issue in detail.	DIEPC/ODOP Cell/ DGFT/UPEPB	Continuous initiative

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 Centre
DGFT	Director General of Foreign Trade
DHO	District Horticulture Officer
DIC	District Industries Centre
DIEPC	District Industry and Enterprise Promotion Centre
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 Centre
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

विदेश व्यापार महानिदेशालय
DIRECTORATE GENERAL OF
FOREIGN TRADE
सत्यमेव जयते

Districts as Export Hubs

Knowledge Partner

EY