



Department of MSME and Export Promotion

Draft District Export Action Plan, Mau, Uttar Pradesh

Knowledge Partner



विदेश व्यापार महानिदेशालय
DIRECTORATE GENERAL OF
FOREIGN TRADE

सत्यमेव जयते

Districts
as Export Hubs



Building a better

Preface

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

Abbreviations

CAD	Computer-Aided Design
CAM	Computer Aided Manufacturing
CFC	Common Facility Centre
CONCOR	Container Corporation of India
DGFT	Director General of Foreign Trade
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
FTA	Free Trade Agreement
GCC	Gulf Cooperation Council
GI	Geographical Indication
HS	Harmonized System
IC	International Cooperation
IEC	Import Export Code
IIP	Indian Institute of Packaging
KVK	Krishi Vigyan Kendra
MAS	Market Assistance Scheme
MSE CDP	Micro & Small Enterprises - Cluster Development Programme
MSME	Micro, Small and Medium Enterprises
NIC Code	National Industrial Classification Code
NIC	National Informatics Centre
NID	National Institute of Design
NIFT	National Institute of Fashion Technology

ODOP	One District One Product
QCI	Quality Council of India
RMB	Raw Material Bank
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
USA	United States of America

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1. Vision of Districts as Export Hubs

“Each district of our country has a potential equal to that of one country, each of our districts has the capacity equal to a small country in the world. why should each district not think of becoming an export hub? Each of our districts has a diverse identity and potential for global market”

- *Honourable Prime Minister of India, Shri Narendra Modi*

Foreign trade from India constitutes of 45%¹ of its GDP. Until 2019, only the central government was engaged in the decision making of foreign trade, without any participation or involvement of state and/or district stakeholders. However, now, understanding that there are diverse elements that contribute towards an enabling and conducive foreign trade environment; the central government has identified that with policy & strategy, active support of the state governments and district administrations are also equally required.

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

DGFT and UPEPB have aimed at synergising their efforts to identify the key products, export trends and challenges. Further in order to minimize the challenges, quantify the exports and outline export strategy; a detailed district-wise Export Action Plan has been made for all 75 districts of UP, where EY has contributed as Knowledge Partner.

2. District Profile

Mau, now known as Maunath Bhanjan, is an industrial town and the headquarter of the Mau district. It is located in the eastern part of Uttar Pradesh, India. The town is known for its saree industry which is a traditional business and centuries-old art. The district was known as “Manchester of Handlooms” in the past. However, after 1980s the weavers of Mau shifted to power loom technology from handloom. 1970s there were ~60,000 weavers using ~40,000 handlooms to manufacture mainly cotton sarees. Gradually after 1980s, the weavers began to use power looms, for weaving polyester sarees. Polyester Saree is the major product produced by the weaver in the city. Polyester saree contributes to 90 - 95% of industrial output from the textile sector in Mau. the district also produces dress material and plain saree, mekhla and wrap (for Assam and Meghalaya) in smaller quantities besides polyester sarees with zari buta and border².

The district contributes ~1% of State's GSDP. It is observed from the that district generated GDDP of ~INR 7,700 crore in 2017. The GDDP of the district increased with CAGR of ~4.5% from 2012 to 2017. However, Mau contributes ~1% of GSDP of Uttar Pradesh following Gautam Buddha Nagar, Lucknow, Allahabad, Agra, Varanasi etc., which contribute more than ~2% of GSDP².

2.1 Geography

Mau lies between 83° 17' to 84° 52' East Longitude and 24° 4 7' to 26° 17' North Latitude and is situated in the south- eastern part of the state with headquarters at Mau town. Mau is surrounded by Ghazipur district on the south, Ballia district in the east, Azamgarh district in the west, and by Gorakhpur and Deoria districts on the

¹ <https://commerce.gov.in/wp-content/uploads/2021/03/Devolping-Districts-as-Export-Hubs.pdf>

² Diagnostic study report of Mau ODOP (Textiles Products)

north. The river Ghagra forms its northern boundary and south boundary of the district touches Tamsa River. Total geographical area of the district is about 1,71,459 Hectare³.

Mau is accessible from every part of India through Rail and Road. It is directly connected with New Delhi, Patna, Kolkata, Mumbai, Varanasi, and other major cities by railway.

2.2 Topography & Agriculture

Mau is situated on the fertile plains of the Ganges–Ghaghara doab. "Khachari" and "Khadar" are types of soils found in the areas of north of Azamgarh - Ballia Road. In some high places "Bangar" soil is also found. In the southern part of the district, river flow is absent, due to which the area has "Bangar" type of soil, which is not fertile. The river system of the district is dominated by the Tons River and its tributary Choti Sarju. Mau has a warm humid subtropical climate with cool, dry winters from December to February and dry, hot summers from April to June. The rainy season is from mid-June to mid-September, when Mau gets an average rainfall of 800 millimetres from the south-west monsoon winds, and occasionally frontal rainfall will occur in January. In winter, the maximum temperature is around 25 °C (77 °F) and the minimum is in the 2 to 3 degrees Celsius range. Fog is quite common from late December to late January. Summers are extremely hot with temperatures rising to the 40-to-43-degree Celsius range.⁴

3. Industrial profile of the district

As given in the following table, MSME industries across the sectors of agro-based industries, repair & servicing, wood and wooden based furniture, Cotton textile, chemical, engineering etc. are the key economy drivers of the district.

Repair and servicing contribute most in terms of employment and revenue, which is approximately 23% and 18% respectively. Cotton textiles contributes ~22% to revenue, and ~26% of work force is employed in this vertical and lies on second position after repair and service sector.

Table 1: Industries details⁵

NIC Code no	Type of Industry	Number of units	Investment (Rs Lakh)	Employment
20	Agro Based	302	905	878
22	Soda Water	10	350	45
26	Readymade garments and embroidery	185	523.5	740
27	Wood and wooden based furniture	240	600	720
28	Paper and paper products	14	42.4	42
31	Chemical/chemical based	5	30	21
35	Engineering units	121	485	367
97	Repairing and servicing	2606	2871.2	5228
23	Cotton Textiles	1640	3497.20	5700

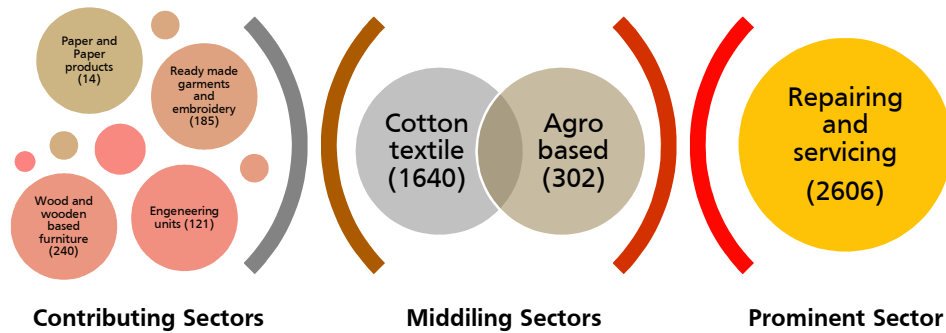
³ Mau.nic.in

⁴ Krishi Vigyan Kendra, Mau

⁵ dcmsme.gov.in

01	Others	1447	6248.9	8054
	Total	6570	15553.20	21795

Repairing and service sector of MSME with 2606 units in the district is the most prominent and economy contributing sector of the district. It is followed by sectors such as “Cotton textile,” “Agro based industries” with



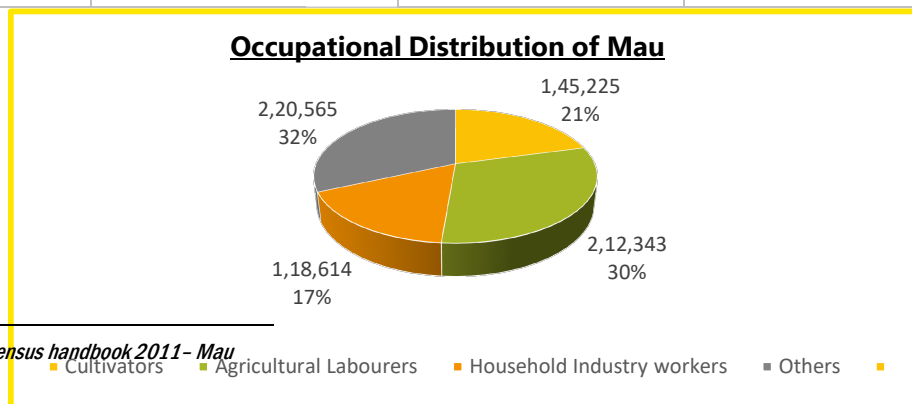
1640 and 302 units, respectively.

Figure 1: MSME landscape of the district

Out of total population of 22,05,968 (2011 census), 6,96,747 are working population. Out of total working population, 31.7% are working in other industries, 20.8% are cultivators, 30.5% are agricultural labourers and 17% are household industry workers. This indicates that agriculture is the main source of income in the district.

Table 2: Occupational Distribution of Main Workers⁶

S.No.	Particulars	Mau	%
1	Cultivators	1,45,225	20.8%
2	Agriculture Labourers	2,12,343	30.5%
3	Household Industry Workers	1,18,614	17%
4	Others	2,20,565	31.7%



⁶ District census handbook 2011- Mau

■ Cultivators ■ Agricultural Labourers ■ Household Industry workers ■ Others ■

Figure 2: Occupational distribution of Mau

3.1 Major Exportable Product from Mau

The total export from Mau is approximately INR 7.82 Crore for the period September 2020 to November 2021.

The following table depicts the value of export of major product from Mau:

Table 3: Major exportable product

S. No	Product	Export value (in INR) ⁷ from September 2020 to November, 2021
1	Polyester Sarees	3.83 Cr
Total Export from Mau		7.82 Cr ⁸

4. Product: Polyester Saree

4.1 Cluster Overview

Mau has an ancient history of textile designing. The most exquisite brocades in silk and gold are woven by the weavers on silk pit loom. The weavers are best known for their skill in brocade weaving and known as *Kinkhabs*. There are many exquisite designs in this variety, and it is impossible to copy or imitate the saris as the loom is very intricate in designing. The origin of this old technique has been obscured by time, but the Moghul influence is seen in the motifs, which often depict floral patterns and hunting scenes. The textile product ecosystem comprises 4 key clusters: Mau City, Mohammadabad & Validpur, Ghosi and Adari, ~71,000 weavers are based in Mau city. This is followed by Mohammadabad and Validpur clusters, where weaver count is estimated to be ~32,000, operating ~16,000 power looms. Ghosi and Adari comprise ~11,000 weavers using ~8,600 power looms. Further, an additional 20,700 workers are engaged across the value chain: manufacturing and exporting Polyester Saree, dress material and other power loom textile products.

Currently, about 1.5 or 2 lakh saris are made every day. Several members of a family work on the same loom and, on an average, two saris are woven on a loom in a day. There are 6670 total registered industrial units in Mau and estimated average numbers of daily workers employed in the textile industry are 141,700⁹.

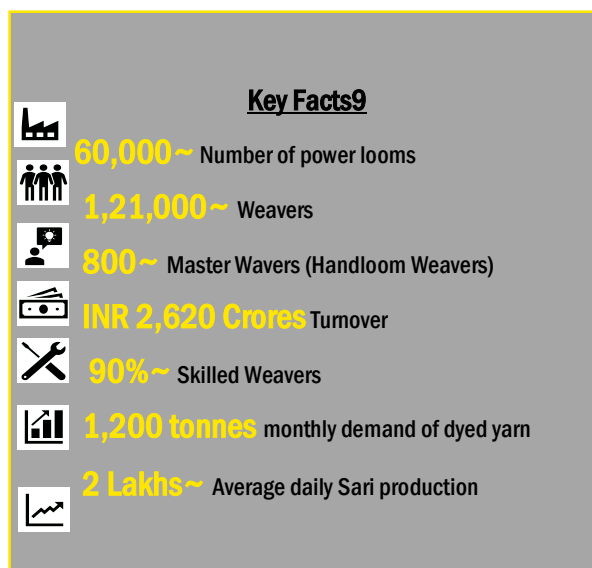


Figure 3: Cluster overview key facts

Source: DSR textile product Mau

⁷ District wise report for the period September 2020 to November 2021 received from DGFT

⁸ Total export from Mau for the period September 2020 to November 2021 as per the data received from office of DGFT, Kanpur

4.2 Product profile

Polyester Saree is the major product produced by the weaver in the city. Polyester saree contributes to 90 - 95% of industrial output from the textile sector in Mau. the district also produces dress material and plain saree, mekhla and wrap (for Assam and Meghalaya) in smaller quantities besides polyester sarees with zari buta and border.

The manufacturing process involves designing, yarn dyeing, warping, weaving and finishing activities, all performed within the district. However, some of the facilities i.e. dyeing, finishing, designing is managed externally also. To manufacture textile products, mostly dyed yarn is purchased. Finishing and designing are managed from Varanasi in addition to Mau.

4.2.1 Product Portfolio

The following are the key products manufactured in the cluster:

1. **Polyester Saree:** Main product of Mau's textile cluster is the polyester saree. Though silk and cotton were majorly used by saree manufacturing units in India before, polyester saree materials have gained popularity in the recent years due to its durability and finishing types. They also come in affordable rates in comparison to silk or cotton materials. Polyester being synthetic can be woven into different thicknesses. Widely available in numerous, colour, weaving pattern, designs, polyester material are much popular in saree manufacturing industry. Polyester Materials are cheaper option in comparison to silk material. Polyester saree contributes to 90 - 95% of industrial output from the textile sector in Mau.
2. **Dress material:** Apart from Saree some producers also produce dress materials. Dress material is basically a form of unstitched fabric which the consumer buys to stitch according to their need. Main use of dress material is to stitch Salwar suit. Dress materials contribute approximately 4 - 8% of the output from Mau's textile sector.
3. **Others:** Some manufacturers also produce mekhla and wrap who have their market in the North-East India mainly in Assam and Meghalaya. Mekhela Chador (also spelled as Mekhela Chaddar, Mekhla Chadar, Mekhlo Chador), is type of Saree comprising two pieces of cloth, draped on the top and bottom, which is the traditional attire worn by the women of Assam. The bottom half of this unique dress is called the 'mekhela' which is cylindrical in shape. Mekhla and wrap (for Assam and Meghalaya) are some of the other products contributing approximately 1-2% of the textile market in Mau.

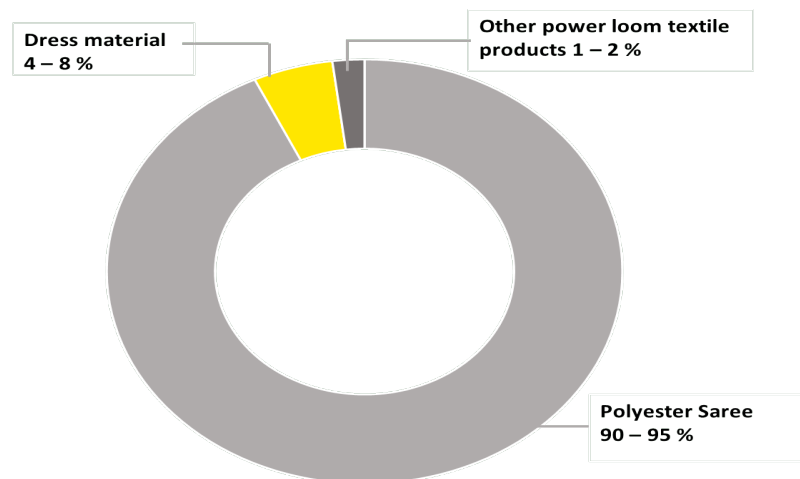


Figure 4: Mau textile product portfolio

⁹ Diagnostic study report of Mau ODOP (Textiles Products)

4.2.2 Status of GI Tag

Mau saree has been awarded Geographical Indication (G.I.) status in 2021 and is valid up to 2029.¹⁰ Bharat Industrial Co-operative Society Limited, Mau is the registered applicant of GI.

4.3 Cluster Stakeholders



Figure 5: Cluster Stakeholders

4.3.1 Industry Associations

Following are four principal Industry Associations/SPVs that are working for the development of Polyester saree in Mau:

- ▶ Mau Handloom and Power loom Manufacturers Association
- ▶ Mau Power loom Artisans Association
- ▶ Mau Power loom Traders Association

4.4 Export Scenario

4.4.1 HS code

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

Table 4: HS code for polyester saree

HS codes	Description
540752	Woven fabrics of yarn containing \geq 85% by weight of textured polyester filaments, incl. monofilament of \geq 67 decitex and a maximum diameter of \leq 1 mm, dyed

Current Scenario

The export scenario of India and Uttar Pradesh have been analysed basis the export statistics of HS codes mentioned above under which polyester saree are exported. Alongside are the key facts¹¹ pertaining to the analysed product codes.

¹⁰ ipindia.gov.in

Key Fact of Export

7,294,633 (USD Thousand)

Value of world exports in 2020

75,017 (USD Thousand)

Total Exports from India in 2020

310 (USD Thousand)

Total export from UP in 2020-21

~0.41%

Share of UP in India's exports

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

4.5 Export Potential

- ▶ The total export of polyester saree from Mau district was approx. INR 4 crores in year 2020-21.¹²
- ▶ Due to supply side pressures and price volatility, cotton will struggle to fulfil the growing fibre demand while manmade fibres, specifically polyester, will gain share and, polyester sarees are amongst the key products manufactured in Mau. This could be leveraged to reach greater heights in the export market
- ▶ Increasing use in nonwovens and technical textiles, changing consumer trends including increasing emphasis on fitness and hygiene, rising brand consciousness, fast changing fashion trends, increasing women participation in workforce will further boost the demand of manmade fibres. By 2025, share of polyester in global fibre consumption will become 55% from current level of 51% whereas that of cotton will decline to 28% from current level of 31%.¹³
- ▶ As per the exporters from polyester saree, the demand for the design depends a lot on the local climatic condition. While the GCC countries preferred light weight fabrics and attires like Hijabs, scarfs, stoles, suits, dupattas, along with the accessories
- ▶ 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.

Product 540752: Uttar Pradesh exports this product to **Malaysia, USA, Nepal, Mauritius, UK, Singapore, United Arab, Canada, France, Australia, and Saudi Arabia, Germany and Magnolia**. Below figure shows the top importers for this product (540752) in the world:

¹¹ <https://www.trademap.org/>

¹² DGFT

¹³ *The road to 2025- Wazir Report*

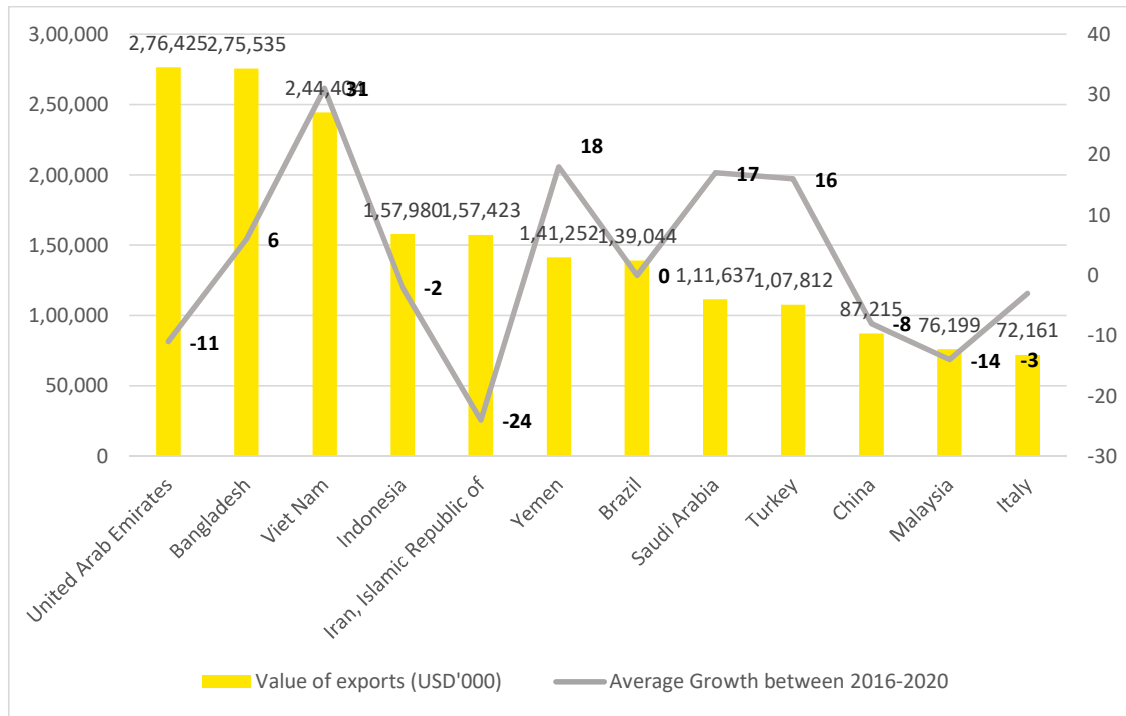


Figure 6: Top importers for this product (540752) in the world

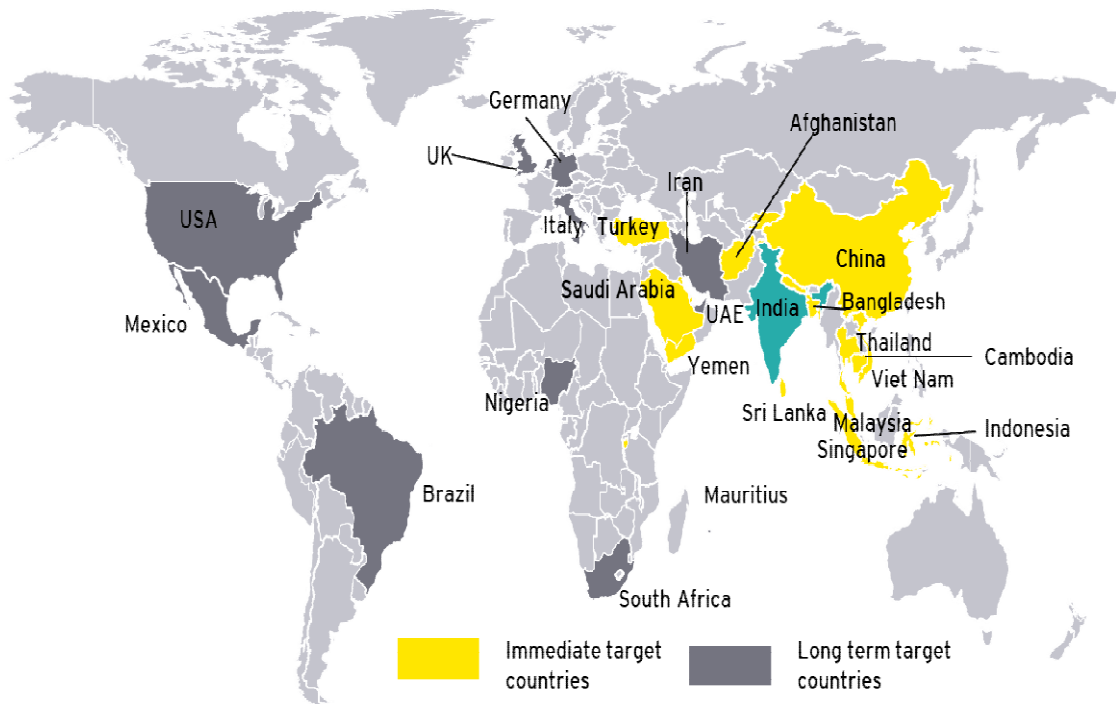


Figure 7: Markets for export potential

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 weavers 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 weavers 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.

The weavers going forward should focus on creating suiting and shirting, Sofa covers, dining covers, bedsheets, Curtains, Sherwani (top looks like men's sherwani).

2. Modifications of Existing Products

It has also been found that most of the weavers use no strategy for making modifications to the existing products in the light of design and fusion. The weavers can make fusion products by blending polyester & zari work with **madhubani or block prints**. They can also expand in terms of the materials they use for making the products by introducing cotton and jute into their product range.

4.7 SWOT analysis

Table 5: SWOT Analysis

Strengths	Weakness
<ul style="list-style-type: none"> ▶ Unique Product Offering and large potential for diversifying on variety of apparels ▶ Easy availability of raw material for mass production ▶ A brand name in itself due to recognition through GI Tag ▶ Availability of various government interventions for fostering the cluster ▶ Ability to deliver to varied order sizes ▶ Labour intensive industry providing livelihood to skilled manpower particularly weavers ▶ More than 1,00,000 power looms in the district 	<ul style="list-style-type: none"> ▶ Existence of large number of intermediaries between weavers and entrepreneurs ▶ Limited design innovation ▶ In light of competition the focus has shift from quality to quantity ▶ Lack of individuals with technical qualifications ▶ Lack of focus on increasing export ▶ Product Diversification ▶ Technical up gradation ▶ International warehouses ▶ Networking & linkages of cluster players/stakeholders
Opportunities	Threats
<ul style="list-style-type: none"> ▶ Huge export potential ▶ Growing market for Weaving & Processing Sector ▶ Product Diversification ▶ Domestic Retail Opportunity ▶ Technical up gradation ▶ International warehouses ▶ Networking & linkages of cluster players/stakeholders ▶ Development of consortiums with specified objectives 	<ul style="list-style-type: none"> ▶ Severe labor shortage ▶ Migration of trained work force from the sector ▶ Increase in raw material cost ▶ Competition from Other Clusters of India ▶ Non-Availability of Finance for expansion

4.8 Challenges and interventions

Parameter	Challenges	Intervention
Raw Material	<ul style="list-style-type: none"> ▶ High procurement cost of sourcing of raw Material ▶ Lack of storage facility in the cluster 	<ul style="list-style-type: none"> ▶ Establishment of a Common Yarn Bank within the CFC ensuring easy availability of all types of quality checked fabrics at discounted rates.
Technological upgradation	<ul style="list-style-type: none"> ▶ Use of traditional and outdated technology for weaving and dyeing of yarn ▶ Lack of awareness about latest technology 	<ul style="list-style-type: none"> ▶ Establishment of Textile park with industrial infrastructure ▶ Incorporation of Solar looms ▶ Power looms with proper let-off motions, Auto looms with automatic waft replenishment device replacing picking device by rapier to be considered ▶ Installation of a high-speed warping machine ▶ Common yarn dyeing and fabric finishing facility with CETP ▶ Advanced finishing machines ▶ Common testing facility
Design	<ul style="list-style-type: none"> ▶ Repetitive designs with low market appeal for textile products sold in consumer markets 	<ul style="list-style-type: none"> ▶ Establishment of Common Design Center with CAD/ CAM facility ▶ Usage of card punching and lacing machine ▶ Collaboration with renowned designers to conduct workshops for weavers pertaining to design forecasting, upcoming trends, market assessment etc. ▶ Design training and certificate courses
Marketing branding &	<ul style="list-style-type: none"> ▶ Lack of common marketing and sales platform ▶ Poor Connectivity which restricts buyers to visit Mau clusters ▶ Absence of usage of information and communication facilities ▶ Unavoidable dependency on wholesalers and traders ▶ Offline marketing is broadly used over online marketing ▶ Minimal use of Govt of India's e-commerce portal: India Handmade Bazaar – Seller Registration for maximizing sale ▶ Lack of knowledge of existing schemes and govt. initiatives ▶ Lack of participation in 	<ul style="list-style-type: none"> ▶ Establishment of a Common Traders Market within the CFC in Mau to facilitate marketing events. ▶ Collaboration with E-commerce companies like Flipkart, Amazon, Ebay for maximizing sales. ▶ Organizing exhibitions and buyer seller meets for the manufacturers ▶ Collaboration with NIFT, to support weavers in establishing the brand name of the polyester saree from Mau in the national and international market ▶ Increase the usage of the portal as this portal facilitates the weavers to provide information about their handloom products for easy understanding of exporters. (http://www.indiahandmadebazaar.com/index.php.) ▶ Conduct awareness workshops at block level to create awareness about schemes like International Cooperation (IC), Market Assistance Scheme (MAS) etc. which provides assistance to individuals/ associations wishing to participate in marketing

	national and international events related to the sector	<p>events</p> <ul style="list-style-type: none"> ▶ 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
Quality Improvement	<ul style="list-style-type: none"> ▶ Undefined quality standards of the products. 	<ul style="list-style-type: none"> ▶ MoU with QCI for defining quality standards of the products so that their quality can be maintained/ improved, and they can be exported across the globe with brand logo which ensures its authenticity.
Post GI Initiative	<ul style="list-style-type: none"> ▶ Lack of promotion of products highlighting their GI tag 	<ul style="list-style-type: none"> ▶ Target to make 100 authorised Users to become IEC holder in a year. (DIC) to identify such stakeholders. ▶ Organise one seminar within two months to apprise the stakeholders about the importance of Geographical Indication (GI) and for increasing the authorised users. (This can be done by DGFT /FIEO/ MSME with the help of DIC)
Exporter's issue	<ul style="list-style-type: none"> ▶ No focal point to address issues for aspiring exporters. 	<ul style="list-style-type: none"> ▶ DIEPC to act as a focal point for all exporters issues. Deputy Commissioner Industries may be given this responsibility to monitor the cell in consultation with DGFT.
Cost Structure	<ul style="list-style-type: none"> ▶ U.P. is a land-locked state hence this increases the transportation cost which in turn adds to the overall production expenses ▶ Since the start of Covid 19 Pandemic, the availability of containers and the Freight Charges by the Shipping lines has been main concern of the industry 	<ul style="list-style-type: none"> ▶ The DIC office should identify manufacturers/weavers/traders interested in export of the product and organize workshops for them to apprise them about Foreign Trade Policy benefits viz. Duty Exemption Scheme / Advance Authorization Scheme / Duty Free Import Authorization Scheme. ▶ The CONCOR rates are to be made available at regular intervals to the DIC office for updating of the same at the district website. ▶ The formation of the sub-committee comprising the representative of CONCOR and Deputy Commissioner Industries to understand the issue and suggest ways to help Industry. Ease of Logistics portal of FIEO has been developed to provide information about container availability and issues relating to it. The industry may be informed of this portal.

4.9 Future Outcomes

Annual Turnover
Increase in annual turnover from existing INR 2100 Cr. to 2700 Cr. by 2025

Cluster exports
Substantial targeted growth in cluster exports expected to be approx. INR 5 to 7 Cr. by 2025.

5. Scheme under Uttar Pradesh Export Promotion Bureau

Many export-oriented schemes run by GoI have been mentioned under sensitization of cluster actors. A brief detail of these schemes would benefit the entrepreneurs /exporters to a great extent.

Similarly, a brief detail of various schemes being run by Export Promotion Bureau should also be included under common interventions to apprise the exporters about various incentives being offered by the state govt in a nutshell like

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
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	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 ¹⁴
Increasing the overall exports from the state		
Sensitization and facilitation in availing Import/ export documents: Majority of the cluster actors though interested and sensitized on exports are unaware of Import-Export Code which is crucial for participating in global trade. While some of them are aware, they face challenges in applying. Thus, at district level, a camp should be set in every three months to help the individuals interested in trade to understand about the requisite documents required for undertaking import/ export and provide support in availing them	ODOP cell, DIEPC UPEPB	Continuous initiative
Creation of an event calendar comprising of events to be conducted in a Financial Year with a focus on international marketing events . Further, DGFT and FIEO can finalize a target to participate in at least 3 international events in a year by utilizing schemes like IC and MAS	ODOP cell, DIEPC UPEPB	Continuous initiative
Sensitization of cluster actors: <ol style="list-style-type: none"> The individuals of a cluster should be sensitized on the plethora of schemes¹⁵ available for them for maximizing the potential of exports. Merchandise Exports from India Scheme, Service Export from India Scheme etc. provides various exemptions for facilitating exports. Further, schemes like Advance Authorization Scheme (AAS), Duty Free Import Authorization (DFIA Scheme) ensure procurement of imported duty-free raw materials Currently, majority of the exporters and traders focus on selling their goods to USA, UK and European countries without correctly analyzing the demand market. Thus, these cluster actors should be sensitized on target countries identified through export 	ODOP cell, DIEPC UPEPB	Continuous initiative

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

¹⁵ 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>:

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	Short term
MoU with QCI for defining quality standards of the products	UPEPB/DIEPC	Short term
Collaboration with IIP to define cluster-wise packing standards	UPEPB/DIEPC	Short term
Sensitization of banks and bankers to help them understand the niche sectors of MSME and their specific requirements which shall help banks evaluate projects better while lending credit	UPEPB/DIEPC and banks	Short term
Introduction of revolving working capital within the cluster to help MSMEs procure raw materials and undertake production without hinderances	UPEPB/DIEPC and banks	Intermediate
Tie up with the banks/financial institutions (SIDBI, BoB etc.) for better interest rates, enhanced working capital limits etc.	UPEPB/DIEPC and banks	Intermediate
Handholding of MSMEs for increasing their awareness on schemes of state & centre and the procedure to apply to avail financial assistance	UPEPB/DIEPC	Intermediate
Sensitization of cluster actors from this sector on Make in India initiative and PLI for leveraging the assistance provided to the sector to enhance productivity and expand exports	DIEPC UPEPB	Short term
DIEPC to act as a focal point for all exporters issues. Deputy Commissioner Industries may be given this responsibility to monitor the cell in consultation with DGFT.	DIEPC/DGFT/UPEPB	Long term
Cost Structure: a. The DIC office should organize workshops for aspiring 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

<ul style="list-style-type: none"> b. The CONCOR rates are to be made available at regular intervals to the DIC office for updation of the same at the district website. 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. 	<p style="text-align: center;">DIEPC/UPEPB</p> <p style="text-align: center;">DIEPC/UPEPB/FIEO</p>	<p style="text-align: center;">Long term</p> <p style="text-align: center;">Short term</p>
Product: Polyester Saree		
<p>Establishment of Common Facility Centre with:</p> <ul style="list-style-type: none"> a. Common Yarn Bank b. Common yarn dyeing and fabric finishing facility c. Software enabled design centre d. Common trader’s market for undertaking marketing events e. Textile park with plug & play facilities and eco compliant CETP f. Common Testing facility 	<p style="text-align: center;">DIEPC, DGFT and ODOP Cell</p>	<p style="text-align: center;">Long term</p>
<p>Expo Mart/Common Traders Market: The market should have shops allotted to the weavers which will help them in establishing a direct relation with end users. The mart can also be utilized for promotion and branding of Mau’s textile products all over the world. The market can also be used a dome for exhibitions, trades and fairs for uplifting and promoting the industry of Mau.</p>	<p style="text-align: center;">DIEPC, DGFT and ODOP Cell</p>	<p style="text-align: center;">Long term</p>
<p>Collaboration with NIFT and NID for design inputs and support in branding initiatives</p>	<p style="text-align: center;">UPEPB/ODOP Cell</p>	<p style="text-align: center;">Long term</p>
<p>Increase the usage of the portal as this portal facilitates the weavers and artisans to provide information about their handloom products for easy understanding of exporters. (http://www.indiahandmadebazaar.com/index.php.)</p>	<p style="text-align: center;">UPEPB/ODOP Cell</p>	<p style="text-align: center;">Short term</p>
<p>Promotion of post GI initiative:</p> <ul style="list-style-type: none"> a. DIC to identify 100 authorized users to become IEC holder in a year b. Organize one seminar within two months to apprise the stakeholders about the importance of Geographical Indication (GI) and for increasing the authorized 	<p style="text-align: center;">DIEPC/UPEPB/ODOP Cell</p>	<p style="text-align: center;">Intermediate term</p>

users		
<p>Promotion Campaign: an extensive advertising strategy must be followed to increase awareness. This will include print promotions and advertorials in trade journals, newspapers, magazines, and websites. Such promotions will help increase exposure and visibility.</p>	<p>DIEPC/UPEPB/ODOP Cell</p>	<p>Continuous initiative</p>



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DIRECTORATE GENERAL OF
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Districts
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