



Department of MSME & Export Promotion, Govt. of Uttar Pradesh

District Export Action Plan,
Pratapgarh, Uttar Pradesh

Knowledge Partner



विदेश व्यापार महानिदेशालय
DIRECTORATE GENERAL OF

Districts

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Preface

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

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

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

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

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1. Vision of Districts as Export Hubs

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

- Honourable Prime Minister of India, Shri Narendra Modi

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

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

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

2. District Profile

Pratapgarh is named after its headquartering town Belha Pratapgarh, commonly known as Pratapgarh. Raja PratapBahadur Singh (1628–1682), a local king, located his capital at Rampur near the old town of Aror. There he built a garh (fort) and called it Pratapgarh after himself.

Subsequently, the area around the fort started to be known as Pratapgarh. When the district was constituted in 1858, its headquarters was established at Belha, which came to be known as Belha Pratapgarh, the name Belha presumably being derived from the temple of Belha Bhawani on the bank of river Sai. It is popularly known as "Belha Maai" – meaning Mother Goddess Belha. District Pratapgarh has global recognition for its Amla cultivation and Amla products.

2.1 Geography

Pratapgarh district is located in eastern Uttar Pradesh and comes under the administrative control of Prayagraj division. The district lies between the parallels of 25°34' and 26°11' north latitude and between the meridians of 81°19' and 82°27' east longitude extending for some 110 Km (68mi) from west to east.

Sai and the Ganges are the main rivers flowing through Pratapgarh district. It is bounded on the

north by the district of Sultanpur, on the south by Allahabad, on the east by Jaunpur, on the west by Fatehpur and north-west by Raebareli. In the south-west the Ganges forms the boundary of the district for about 50 kilometers(31mi). Separating it from Fatehpur and Allahabad and in the extreme north-east the Gomti forms the boundary for about 6 kilometers (3.7 mi). According to the Central Statistics Office, India, the district has an area of 3,730squarekilometers (1,440sqmi).

2.2 Topography &Agriculture

District Pratapgarh is situated in the fertile plain between the Ganges and the Yamuna rivers known as the Doab. Situated in the heart of the great Gangetic plain, Pratapgarh city is surrounded by its rural towns and villages. Pratapgarh 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 Pratapgarh gets an average rainfall of 749millimetres from the south-west monsoon winds, and occasionally frontal rainfall will occur in January. In winter, the maximum temperature is around 24 °C (75.2 °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-46-degree Celsius range.¹

3. Industrial profile of the district

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

According to the types of industry, the most prominent ones are Wood/wooden based Furniture with 1239 units employing 3717 individuals with 1548,75 Lakhs and Agro based industries with 864 unit, employing 2594 and with an investment of INR 1296 Lakhs.

Amla and Amla processing industry at Pratapgarh is age-old industry of the district is upheld by the state by taking it under the wing of the ODOP initiative.

The following are the prominent type of industries in the district⁷:

Table 1: Industries details²

Sl.No.	TYPEOFINDUSTRY	NUMBER OFUNITS	INVESTMENT (LakhRs.)	EMPLOYMENT
1	Agro based	864	1296	2594
2	Woolen, Silk & artificial thread-based cloths	38	57	114
3	Ready-made garments & embroidery	43	64.5	108
4.	Wood/wooden based Furniture	1239	1548.75	3717
5.	Leather based	20	10	25
6.	Rubber, Plastic & petro based	01	10	15
7.	Metal based (Steel Fab.)	660	990	1980

¹MSME Development Institute, Kanpur

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

8.	Repairing & Services	2218	1109	4531
9.	Others	1427	510.25	3254
	TOTAL	6480	4695.50	16338

Repairing and service sector of MSME with 2218 units in the district is the most prominent and economy contributing sector of the district. It is followed by sectors such as “Wood and Wooden based furniture,” “Agro based” with 1239 and 864units, respectively.

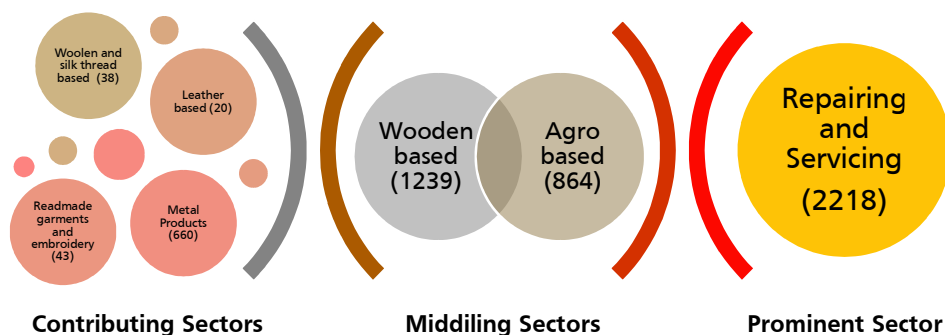
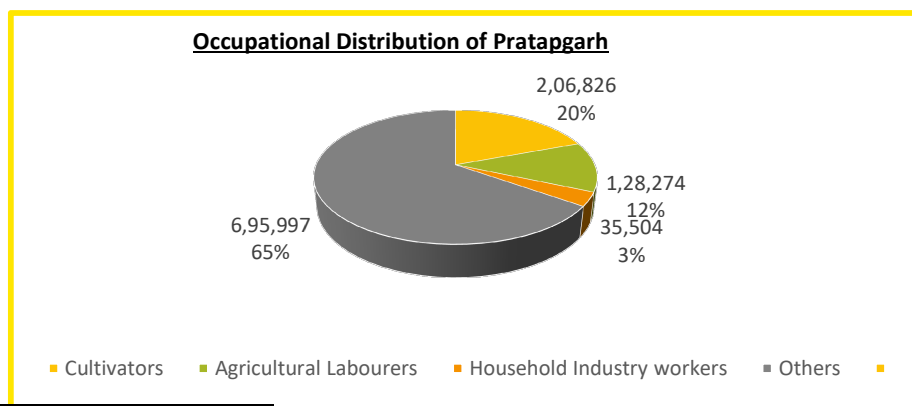


Figure 1: MSME landscape of the district

Out of total population of 3,209,141(2011 census), 1,066,601 are working population. Out of total working population, 65.25% are working in other industries, 31.41% are cultivators and agricultural labourers and only 3.32% are household industry workers. This indicates that agriculture is the main source of income in the district.

Table 2: Occupational Distribution of Main Workers³

S.No.	Particulars	Pratapgarh	%
1	Cultivators	206,826	19.39%
2	Agriculture Labourers	128,274	12.02%
3	Household Industry Workers	35,504	3.32%
4	Others	695,997	65.25%



³ District census handbook 2011- Pratapgarh



Figure 2: Occupational distribution of Pratapgarh

3.1 Major Exportable Product from Pratapgarh

The total export from Pratapgarh is approximately INR10.86 Crore for the period September 2020 to November 2021.

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

Table 3: Major exportable product

S. No	Product	Exportvalue (in INR) ⁴ from September2020 to September, 2021
1	Non-Basmati Rice	9.30 Cr
2	Others	1.56 Cr
3	Amla	NA
Total Export from Pratapgarh		10.86Cr ⁵

4. Product 1: Amla and Amla Products

4.1 Cluster Overview

The diverse climate of Uttar Pradesh is suitable for producing all kinds of horticultural crops. . In fact, Uttar Pradesh holds a leading position in total production of horticultural crops in the country. In fact, for more than 92% of small holding farmers, horticultural crops are the main source of higher income, employment and nutrition per unit area. With the increasing importance of horticultural crops its producers are aware and are improving economic status by adopting the horticultural crops while optimum utilization of the available resources. Horticultural crops are diverse which include all kinds of fruits, vegetables, flowers, medicinal and aromatic crops, root and tuber crops, spices and beekeeping as well as mushroom cultivation as a subsidiary enterprise along with their processing and value addition.

Uttar Pradesh has vast source of raw agricultural material for food processing industry and has prominent share in India's agricultural and horticultural production. Some prominent features of Uttar Pradesh as one of the states of India are:

- ▶ Share in Wheat production – 34%
- ▶ Share in Fruits production – 19%
- ▶ Share in Vegetables production – 30%
- ▶ Contributes 60 % of meat exports from India
- ▶ 35% share in Sugarcane output, ranks 2nd in sugar production
- ▶ Established three agro food parks at Barabanki, Varanasi, Ayodhya and four pack houses at Lucknow, Saharanpur, Barabanki, Varanasi

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

⁵ Total export from Lucknow for the period September 2020 to September 2021 as per the data received from office of DGFT, Kanpur





- ▶ Mega Food Park proposed at Jagdishpur

Pratapgarh is famous for cultivation of superior quality of Amla and amla products. Amla production in this district is spread across 17 development blocks and cultivation area is more than 70000 hectares which spreads in Sadar, Patti, Raniganj, Lalganj tehsils. Since, Amla is the basic cash crop of Pratapgarh, majority of inhabitants engaged around 15 to 20% of their land for Amla cultivation. The approximate annual

production of Amla is more than 1.5 lakh metric tons. Pratapgarh contributes around 65% of the total amla production in Uttar Pradesh. The major production of Amla products happen in pockets of Sandwa, Chandika, Mangora, and Chilibila blocks of the district. These belts are also called as fruit belts by Government of Uttar Pradesh.

More than 100 MSEs are working in this district which are mainly located in Chillbila, Gode, Sonaba, Mohanganj, etc. Approximately 30 food processing units are registered, and more than 70 units are processing amla in an unorganised way. The cluster has an annual production of more than 8000 MT (Amla products) and annual turnover of 30 Crores. More than 1500 families are associated with the Amla business directly or indirectly. More than 35% of them are youths.

Key Facts

-  **100 Manufacturers**
-  **INR 30Crores** Approximate turnover of the cluster
-  **INR Negligible** ~Export Turnover
-  **2,500** Families are directly or indirectly associated

4.2 Product profile

Only 15 to 20% of total production is currently being utilised by the regional units located in the district for manufacturing of amla products. More than 3500 people are employed directly and indirectly in the district through these units. More than 75% of the Amla production is being purchased by the MNCs from India. The established companies like Dabour, Vaidyanath, Jhandu, Patanjali, etc. are procuring Amla from this district to produce medicinal products.

In Pratapgarh district, mainly products like Murabba, Pickles, Jam, Jelly, Laddu, Sweet, Barfi, Candy, Juice, Powder, Supari, Chyawanprash, Churn, etc. are produced. Since, Amla contains plenty of Vitamin C properties and it is natural, this Amla is famous in national and international market. Amlais also being used to cure various kinds of diseases as medicine.

4.2.1 Product Portfolio

Banarasi: It is an early maturing variety, matures in mid-October to mid-November. It has large sized fruits i.e., 48gmin weight, skin is smooth, and fruits are not for preservation purpose. The variety contains 1.4% fiber content. The average yield is 120kg/tree.

Krishna: It is also an early maturing variety, matures in mid-October to mid-November. It has

medium to large sized fruits i.e. 44.6gm in weight, skin is smooth and stripe is well marked. The variety contains 1.4% fiber content. The average yield is 123kg/tree.

NA-9: It is also an early maturing variety, matures in mid-October to mid-November. It has large sized fruits i.e., 50.3gm having oblong shape, skin is smooth and thin. The variety contains low fiber content i.e. 0.9% and highest ascorbic content i.e. 100gm. It is used for making jams, jellies and candies.

NA-10: It is also an early maturing variety, matures in mid-October to mid-November. It has medium to large sized fruits i.e. 41.5gm in weight, skin is rough and have six distinct segments. Flesh is whitish green in color having 1.5% of fiber content.

Francis: It is a mid-season crop from mid-November to mid-December. It has large size fruit i.e., 45.8gm in weight having greenish white in color. Fiber content is moderate i.e. 1.5%. The variety is also known as Hathi Jhool because of its drooping branches.

4.2.2 Status of GI Tag

Although Pratapgarh has 80 % sharing in total Amla production of Uttar Pradesh but still do not have GI status. The Amla producers have long term demand to provide GI status of Amla.

4.3 Cluster Stakeholders



Figure 3: Cluster Stakeholders

4.3.1 Industry Associations

There are no specific industry association of Amla producers and processors in the district.

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 codes for Amla products

HS codes	Description
200190	Amla products do not have specific HSN codes. Based on stake holder consultations, following HSN codes were mentioned for the product.

Current Scenario

The export scenario of India and Uttar Pradesh have been analysed basis the export statistics of HS codes mentioned above under which Amla products are exported. Alongside are the key facts⁶ pertaining to the analysed product codes.

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

Key Fact of Export⁶

1,498,206 (USD Thousand)

Value of world exports in 2019

64,249 (USD Thousand)

Total Exports from India in 2019

4,070 (USD Thousand)

Total export from UP in 2019

~6.33%

Share of UP in India's exports

4.5 Export Potential

- ▶ The total exports of Amla products from Pratapgarh district are negligible.
- ▶ Other prominent products exported from Pratapgarh District is non-Basmati Rice.
- ▶ The cluster has tremendous export potential, but owing to lack of proper market assessment mechanism, lack of awareness about export process it is negligible.
- ▶ 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 integration between the exporters and importers, thereby making the export ecosystem robust and effective.
- ▶ Amla products do not have specific HSN codes. Based on stake holder consultations, following HSN codes were mentioned for the product. –

Product 200190: Uttar Pradesh exports this product to **UAE, Nepal, Bahrain, Qatar, UK, Thailand, USA, Canada, Finland, Tanzania, Bangladesh, and Armenia**

Below figure shows the top importers for this product (200190) in the world:

⁶ <https://www.trademap.org/>

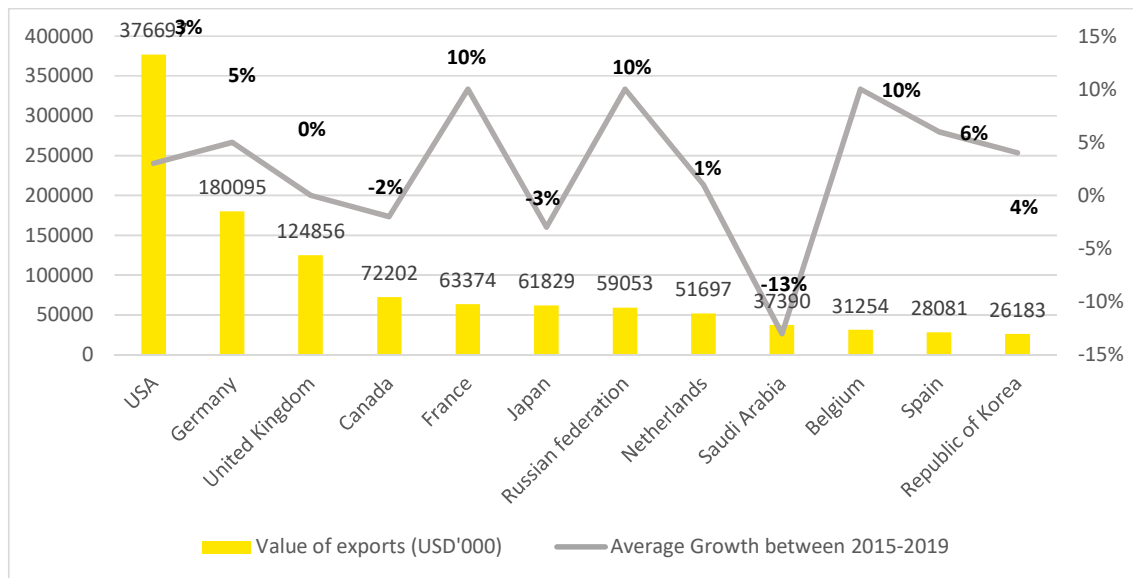


Figure 4: Top importers for this product (200190) in the world

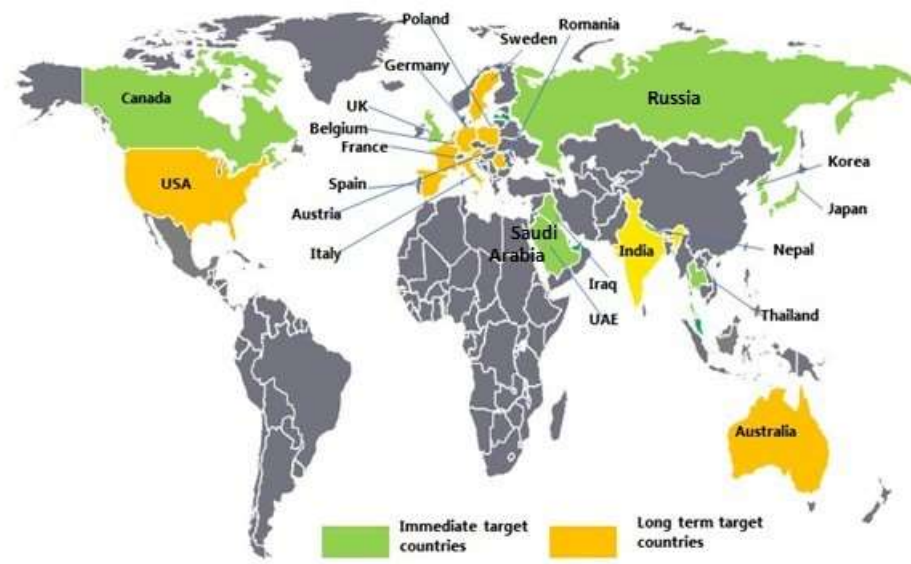


Figure 5: Markets for export potential

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 processors 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 processors of the district should be encouraged to diversify the product categories and must be provided with enough resources to create advance processed Amla products without losing the nutritional value and essence of Amla.

The cluster requires more focus on new varieties of Amla and Amla products which are in high demand in the global market.

2. Use of new and advanced processing techniques

It has also been found that most of the Amla processors are using old techniques in Amla processing. The requirement of advance processing machineries is essential so that the nutritious value of final product should be similar to Amla.

4.7 SWOT analysis

Table 5: SWOT Analysis

Strengths	Weakness
<ul style="list-style-type: none"> ▶ Availability of abundant raw material ▶ Better support from ▶ Suitable soil for Amla cultivation ▶ Amla is a healthy product and people are leaning towards consuming healthy product ▶ High nutrient values and easily available food 	<ul style="list-style-type: none"> ▶ Lack of interest in entrepreneurs due to challenges in getting financial assistance ▶ People are hesitant to enter into the sector ▶ No Physical Infrastructure ▶ Limited direct market access for SMEs ▶ Lack of educated certified and professionally trained work force ▶ No Technology innovation and R&D facilities available ▶ Limited knowledge of production process
Opportunities	Threats
<ul style="list-style-type: none"> ▶ Variety of products can be produced through food processing ▶ Domestic Retail Opportunity ▶ Technical upgradation ▶ Networking & linkages 	<ul style="list-style-type: none"> ▶ infestations like fruit rot (pestalotia cruenta) ▶ Suffering shortage of skilled workers. Migration of trained work force from the sector ▶ Competition from Other Clusters of India ▶ Non-Availability of Finance for expansion ▶ Financial health of farmers and new entrepreneurs are declining

of cluster players/stakeholders ▶ Development of consortiums with specified objectives	
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4.8 Challenges and interventions

Parameter	Challenges	Intervention
Raw Material	▶ Raw Material Bank: <ul style="list-style-type: none"> ○ Sourcing of Raw Material ○ Lack of storage facility in the cluster leading to spoilage of raw Amla 	▶ Establishment of Raw material bank with storage facility for easy access of raw materials to food processing units at reduced prices and creating consciousness about working capital loans within the cluster.
Technological upgradation	▶ Lack of advance processing machineries for which limits the development of advance processed food products and hinders the productivity and potential of the cluster	▶ Establishment of technology led Common Production centre to ease out the production process. ▶ In consultation with APEDA new technology can be explored
Marketing & branding	▶ Offline marketing is broadly used over online marketing ▶ Lack of Infrastructure for online marketing: Online marketing require ,an infrastructure where artisan can take photos of the product on high resolution camera and IT system where they can upload the product with clean background regularly ▶ Lack of long-term contracts to sell the product ▶ More awareness programmes and	▶ Training among the processing units and manufactures on how to brand their products using the Company logo, Company brand, how to get their brand register, cataloguing of products. ▶ The Amla products manufactured from the districts of UP should be branded as state brand owing to its fine intricacies. This can be then promoted widely within and outside the country by through marketing centres that can be established in domestic and international airports of India. ▶ Continuous effort should be made for getting GI tag for Pratapgarh Amla & Amla products. ▶ Amla festival may be organized in Pratapgarh district every year to

	workshops need to conduct which also includes the skill training programmes to make them aware about the standards and requirements for marketing of product.	<p>promote Amla products and make people aware about its medicinal benefits.</p> <ul style="list-style-type: none"> ▶ Collaboration with E-commerce companies like Flipkart, Amazon, EBay for maximizing sales. ▶ 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 Banana products.
Quality Improvement	▶ Undefined standards of the quality 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. ▶ Collaboration with National Horticulture Board, ICAR-Central Institute for Subtropical Horticulture, Central Food Technological Research Institute (CSIR-CFTRI), Department of Horticulture and Food Processing, GoUP etc. may be made for promoting Amla production, quality improvement, training programs on capacity building, brand promotion and diversification of products.
Access to Finance	▶ The linkages with banks and financial institution in the cluster are not well established	<ul style="list-style-type: none"> ▶ Tie up with the banks/financial institutions for better interest rates, enhanced working capital limits etc. ▶ Handholding of units in the cluster to create awareness about financing schemes viz. ODOP Margin Money scheme ▶ Convergence of Schemes implemented by Food processing department for Amla Producer and processor under PMFME scheme like Credit Linked Subsidy, Capacity Building /Training support, Seed capital to SHGs etc may be availed by the manufacturers/food processing units.

Exporter's issue	<ul style="list-style-type: none"> ▶ No focal point to address exporters ongoing issues. 	<ul style="list-style-type: none"> ▶ DIEPC to act as a focal point for all exporters issues. Deputy Commissioner Industries may be given this responsibility to monitor the cell in consultation with DGFT.
Cost Structure	<ul style="list-style-type: none"> ▶ U.P. is a land-locked state hence this increases the transportation cost which in turn adds to the overall production expenses ▶ Since the start of Covid 19 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 organize workshops for exporters to apprise them about Foreign Trade Policy benefits viz. Duty Exemption Scheme / Advance Authorization Scheme / Duty Free Import Authorization Scheme. ▶ The CONCOR rates are to be made available at regular intervals to the DIC office for updation of the same at the district website. ▶ The formation of the sub-committee comprising the representative of CONCOR and Deputy Commissioner Industries to understand the issue and suggest ways to help Industry. Ease of Logistics portal of FIEO has been developed to provide information about container availability and issues relating to it. The industry may be informed of this portal.

4.9 Future Outcomes

Annual Turnover
Increase in annual turnover from existing INR 50 Cr. to 100 Cr. by 2027

Cluster exports
Export would start substantially after implementation of intervention over the span of next 5years.

5. Product 2: Agriculture Products (Non-Basmati Rice)

5.1 Cluster Overview

The state is a leading producer in agriculture products like rice, wheat, sugarcane etc. The economy of the cluster is heavily dependent on agriculture products. Approximate Export turnover of the Rice is INR 9.30 Cr.⁷

5.2 Product Profile

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

5.2.1 Product Portfolio

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

5.3 Cluster Stakeholders (Rice)



Figure 6: Cluster Stakeholders

5.3.1 Industry Associations (Rice)

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

- ▶ Agriculture and Processed Food Products Export Development Authority (APEDA)
- ▶ Indian Industries Association (IIA)
- ▶ Rice Export Promotion Forum (REPF)
- ▶ Participatory Rural Development Foundation (PRDF) - PRDF is a Gorakhpur based philanthropic organisation founded Dr. Ram Chet Chaudhary, a leading Agri-scientist working for the benefit of farming community of North India
- ▶ International Rice Research Institute (IRRI) - world's premier research organization dedicated to reducing poverty and hunger through rice science; improving the health and welfare of rice farmers and consumers; and protecting the rice-growing environment for future generations

⁷DGFT, Kanpur

- ▶ National Rice Research Institute, Cuttack (NRRI) - The National Rice Research Institute is located in Cuttack in Odisha state. The basic objective of institute is to conduct basic, applied, and adaptive research on crop improvement and resource management for increasing and stabilizing rice productivity in different rice ecosystems with special emphasis on rainfed ecosystems and the related abiotic stresses
- ▶ U.P. Council of Agricultural Research (UPCAR) - The UPCAR is an autonomous apex state organisation registered as a society, which plans, co-ordinates and promotes research, education, training, and transfer of technology for advancement of agriculture and allied sciences. The UPCAR was established on June 14, 1989, with its headquarters at Lucknow.
- ▶ Agriculture Department
- ▶ Krishi Vigyan Kendra (KVK)

5.4 Export Scenario

5.4.1 HS Code

HS codes under which the product is exported from the district.⁸

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

5.4.2 Rice

Current Scenario

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

Key Fact of Export

25,145,466 (USD Thousand)

Value of world exports in 2020

7,484,136 (USD Thousand)

Total Exports from India in 2020

29.76%

Share of India Exports

5.5 Export Potential

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

- ▶ The total exports of product from Pratapgarh district as per HS code 100630 are around INR 9.30 crores in the period September 20 to September 2021.¹⁰

⁸ DGFT, Kanpur

⁹ www.trademapp.org

¹⁰ DGFT, Kanpur

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

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

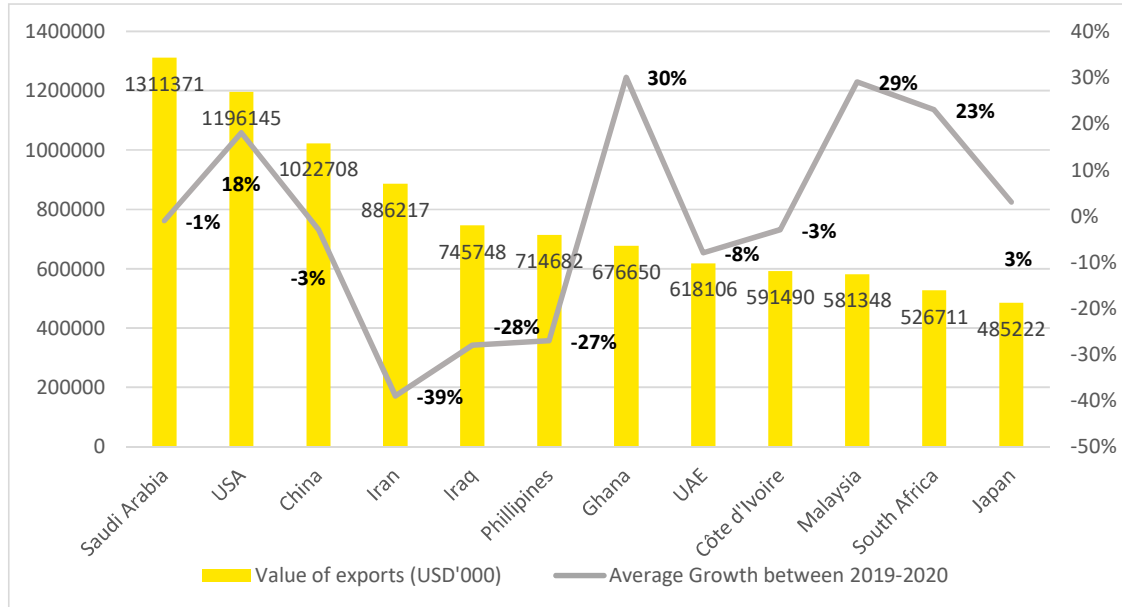


Figure7: Top importers for this product (100630) in the world *Error! Bookmark not defined.*



Figure 8: Markets for export potential

5.6 Potential Areas for Value Added Product

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



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

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

- Rice Husk Use**
- ▶ Fuel
 - ▶ Gaseous Fuel
 - ▶ Husk Briquette
 - ▶ Husk Board
 - ▶ Furfural

- Rice Bran Use**
- ▶ Edible grade oil
 - ▶ Industrial grade crude oil
 - ▶ Free fatty acid manufacture
 - ▶ Plasticizers
 - ▶ Tocopherol
 - ▶ Rice bran wax

5.7 SWOT Analysis

Table6: SWOT Analysis

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

5.8 Challenges and interventions

Parameter	Challenges	Intervention
Focus on high Yielding Export Quality Rice	<ul style="list-style-type: none"> ▶ Challenges in developing high yielding export quality rice (Non-Basmati, Long grain rice) 	<ul style="list-style-type: none"> ▶ Breeding programme may be initiated to develop high yielding export quality rice (Non-Basmati, Long Grain Rice, etc.) to enable the exporters to sustain their exports in future. Proper arrangements may be made for production of pure quality seeds and making them available to the farmers at subsidized rates/ reasonable rates.
Cluster based approach	<ul style="list-style-type: none"> ▶ Setting up of export quality belts/zones 	<ul style="list-style-type: none"> ▶ To identify export quality belts/zones for production of rice to meet the requirement of exports. As per Agriculture Export Policy of Uttar Pradesh, 2019, the cluster facilitation cell under the chairmanship of District Magistrate is responsible for defining the area of Cluster and number of Farmers/FPOs/FPCs in the cluster as per suitability and goals of export promotion. ▶ It will also be responsible for monitoring the cluster development work, promotion to increase the area under cultivation of exportable items and facilitate cluster level coordination among key departments and various stakeholders. ▶ Deputy Commissioner Industries and representative of State Agricultural Department may examine the proposal for setting up at least one clusters for Rice (Non-Basmati), sugar and wheat in the district and submit the same to the state level Export Monitoring Committee.
Promotion of export organic produce	<ul style="list-style-type: none"> ▶ Unawareness about promoting organic products 	<ul style="list-style-type: none"> ▶ It is suggested that special efforts should be made to promote the export of organic product such as Rice and sugar from this district. ▶ Accreditation through NPOP scheme of APEDA could be done for organic products.
Training programme to educate the cultivators	<ul style="list-style-type: none"> ▶ Unawareness about technical standards in international market 	<ul style="list-style-type: none"> ▶ Training programme to educate the cultivators about various SPS/ Technical standards in international markets ▶ The District Industry Centre in

Parameter	Challenges	Intervention
		consultation with regional DGFT officer & APEDA may chalk out the programme on quarterly basis to train and education cultivators and other stake holders about SPS/ technical standards in international markets.
Distribution of Certified seeds	<ul style="list-style-type: none"> ▶ Challenges in distribution of certified seeds 	<ul style="list-style-type: none"> ▶ Distribution of Certified seeds to farmers partially through Krishi Vigyan Kendra (KVK) of Pratapgarh and Farmer Producers Organisation
Use of Modern technologies	<ul style="list-style-type: none"> ▶ Unawareness about use of modern technology to reduce costs and increase production 	<ul style="list-style-type: none"> ▶ Low-cost production technology may be developed (use best practices) to bring down the cost of production to enable the exporters to compete with competing countries in the international markets. State Agriculture department may take the help of State Agriculture Universities / other technical institutes of repute.
Use of Modernized Rice Mills	<ul style="list-style-type: none"> ▶ Many rice mill owners are not using modernized rice mills for better recovery and reducing the percentage of broken rice. 	<ul style="list-style-type: none"> ▶ Rice mills have not been fully modernized to ensure high milling recovery and reduce the percentage of broken rice. The conventional rice mills are having Rubber Roll Sheller in which percentage of broken rice is more than the modern rice mills that are having under Runner Sheller. Hence, head rice obtained from milling of conventional mills becomes costly due to recovery of higher percentage of broken rice. Therefore, conventional mills are required to be modernized to get recovery of higher percentage of head rice suitable for export.
Marketing & Promotion of products	<ul style="list-style-type: none"> ▶ Offline marketing is broadly used over online marketing. ▶ Increasing the participation in International Trade fairs ▶ Limited Market diversification ▶ Lack of knowledge of existing schemes and govt. initiatives ▶ Lack of participation in national and international events related to the sector 	<ul style="list-style-type: none"> ▶ Collaboration with E-commerce companies focusing on vegetables and fruit sale like Big Basket, Natures Basket etc. ▶ DIC and FIEO can play a pro-active role in this regard. 10% increase in every year in the number of units taking part in the trade fairs organised by FIEO and other organizations may be proposed as a target under this segment ▶ Conduct awareness workshops at block level to create awareness about schemes like International Cooperation (IC), Market Assistance Scheme (MAS)

Parameter	Challenges	Intervention
		<p>etc. which provides assistance to individuals/ associations wishing to participate in marketing 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
Access Finance to	<ul style="list-style-type: none"> ▶ Shortage of working capital to farmers given long cultivation cycle of agri products ▶ The linkages with banks and financial institution in the cluster are not well established ▶ High quality, genetically modified seeds are often expensive, and farmers do not have enough capital/ credit to purchase those directly 	<ul style="list-style-type: none"> ▶ Tie up with the banks/financial institutions for better interest rates, enhanced working capital limits etc. ▶ Handholding of units in the cluster to create awareness about financing schemes viz. ODOP Margin Money scheme ▶ Introduction of revolving working capital within the cluster to help farmers procure high quality seeds and fertilizers and undertake production without hindrances
Exporter's issue	<ul style="list-style-type: none"> ▶ DEPC to act as a focal point for all exporters issue 	<ul style="list-style-type: none"> ▶ Deputy Commissioner Industries may be given this responsibility to monitor the cell.

5.9 Future Outcomes

Annual Turnover

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

Cluster exports

Double the export by 2027 as per State Agriculture Export Policy, 2019

6. Schemes under Uttar Pradesh Export Promotion Bureau

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

A. Marketing Development Scheme (MDA)

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

B. Gateway Port Scheme

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

C. Air Freight Rationalization Scheme

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

PMFME Scheme

- ▶ Launched under Atma Nirbhar Abhiyan, it aims to enhance the competitiveness of existing individual micro-enterprises in the unorganized segment of the food processing industry and to promote formalization of the sector and provide support to Farmer Producer Organizations, Self Help Groups, and Producers Cooperatives along their entire value chain.
- ▶ The scheme adopts the One District One Product (ODOP) approach to reap the benefit of scale in terms of procurement of inputs, availing common services and marketing of products.
- ▶ It will be implemented over a period of five years from 2020-21 to 2024-25.

Features:

One District One Product (ODOP) Approach:

- ▶ ODOP for the scheme will provide the framework for value chain development and alignment of support infrastructure. There may be more than one cluster of ODOP products in one district.
- ▶ There may be a cluster of ODOP products consisting of more than one adjacent district in a State.
- ▶ The States would identify food products for districts keeping in view the existing clusters and availability of raw material.
- ▶ The ODOP could be a perishable produce based or cereal based or a food item widely produced in an area. E.g. mango, potato, pickle, millet based products, fisheries, poultry, etc.

Other Focus Areas:

- ▶ Waste to wealth products, minor forest products and Aspirational Districts.
- ▶ Capacity building and research: Academic and research institutions under MoFPI along with State Level Technical Institutions would be provided support for training of units, product development, appropriate packaging and machinery for micro units.

Financial Support:

- ▶ Existing individual micro food processing units desirous of upgrading their units can avail credit-linked capital subsidy at 35% of the eligible project cost with a maximum ceiling of Rs.10 lakh per unit.
- ▶ Support would be provided through credit linked grants at 35% for development of common infrastructure including common processing facility, lab, warehouse, etc. through FPOs/SHGs/cooperatives or state owned agencies or private enterprise.
- ▶ A seed capital (initial funding) of Rs. 40,000- per Self Help Group (SHG) member would be provided for working capital and purchase of small tools.

Marketing and Branding Support:

Marketing and branding support would be provided to groups of FPOs/SHGs/ Cooperatives or an SPV of micro food processing enterprises under the scheme, which are:

- ▶ Training relating to marketing.
- ▶ Developing a common brand and packaging including standardisation.

- ▶ Marketing tie-up with national and regional retail chains.
- ▶ Quality control to ensure product quality meets the required standards.

7. Action Plan

Quantifiable activity/ Intervention	Responsible authority	Timeline for implementation ¹¹
Increasing the overall exports from the state		
<p>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</p>	ODOP cell, DIEPC UPEPB	Continuous initiative
<p>Creation of an event calendar comprising of events to be conducted in a Financial Year with a focus on international marketing events. Further, DGFT and FIEO can finalize a target to participate in at least 3 international events in a year per product category/industry (food, engineering & auto components, handicrafts, textile& apparel etc.) by utilizing schemes like IC and MAS</p>	ODOP cell, DIEPC UPEPB	Continuous initiative
<p>Sensitization of cluster actors:</p> <ol style="list-style-type: none"> a. The individuals of a cluster should be sensitized on the plethora of schemes¹² 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 	ODOP cell, DIEPC UPEPB	Continuous initiative

¹¹ Short term: Should be initiated within 6 months, Intermediate: to be initiated between 6- 12 months, long terms after 12 months

¹² 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>:

to USA, UK and European countries without correctly analyzing the demand market. Thus, these cluster actors should be sensitized on target countries identified through export analysis mentioned in DAPs and EAP		
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	DIEPC/DGFT/UPEPB	Long term

may be given this responsibility to monitor the cell in consultation with DGFT.		
Cost Structure: <ol style="list-style-type: none"> The DIC office should organize workshops for exporters to apprise them about Foreign Trade Policy benefits viz. Duty Exemption Scheme / Advance Authorization Scheme / Duty Free Import Authorization Scheme. The CONCOR rates are to be made available at regular intervals to the DIC office for updation of the same at the district website. The formation of the Sub-committee comprising the representative of CONCOR and Deputy Commissioner Industries to understand the issue and suggest ways to help Industry. Ease of Logistics portal of FIEO has been developed to provide information about container availability and issues relating to it. The industry may be informed of this portal. 	DIEPC/UPEPB	Long term
	DIEPC/UPEPB	Long term
	DIEPC/UPEPB/FIEO	Short term
Product 1: Amla and Amla Products		
Establishment of Common Facility Centre with: <ol style="list-style-type: none"> Raw Material Bank Common Production Center Marketing centre for undertaking marketing events 	DIEPC, DGFT and ODOP Cell	Long term
FPO model approach: It is suggested that on the lines of State Agri Export Policy, FPO model and cluster-based approach be adopted.	UPEPB, DIEPC and Dept of Food Processing & Horticulture	Long term
Collaboration with E-commerce companies focusing on vegetables and fruit sale like Big Basket, Natures Basket etc.	Big Basket/Natures Basket and UPEPB and DIEPC	Short term
APEDA may be asked to apprise the stakeholders about benefits under NPOP scheme	APEDA/UPEPB/DIEPC	Ongoing
Introducing the Kisan credit card in the cluster	DIEPC and banks	Short term

<p>Training programme to educate the cultivators:</p> <p>a. Training programme to educate the cultivators about various SPS/ Technical standards in international markets</p> <p>b. The District Industry Centre in consultation with regional DGFT officer & APEDA may chalk out the programme on quarterly basis to train and education cultivators and other stake holders about SPS/ technical standards in international markets.</p> <p>c. Training programme to control different postharvest fungal diseases like blue mold, Anthracnose and fruit rot (pestalotia cruenta) in Amla through KVK Pratapgarh.</p>	DIEPC/DGFT/APEDA/DGFT/KVK	Ongoing
Product 2: Rice (Non-Basmati)		
Focus on high Yielding Export Quality Rice -Breeding programme may be initiated to develop high yielding export quality rice (Non-Basmati, Long Grain Rice, etc.) to enable the exporters to sustain their exports in future.	Research Institutes/Agriculture Department/DIEPC/ APEDA	Mid term
To identify export quality belts/zones for production of rice to meet the requirement of exports.	Agriculture Department/District Administration/District Level Export Promotion Committee	Long term
It is suggested that special efforts should be made to promote the export of organic product such as Rice and sugar from this district.	DIEPC/APEDA/UPEPB	Short term
Distribution of Certified seeds to farmers partially through Krishi Vigyan Kendra (KVK) of Pratapgarh and Farmer Producers Organization	KVK/ DIEPC/ FPO	Ongoing as per Implementation schedule
a. Modernized Rice mills to ensure high milling recovery and reduce the percentage of broken rice. This rice will be suitable for export.	UPEPB/DIEPC/State Agriculture Department	Long term
Training programme to educate the cultivators:	DIEPC/DGFT/APEDA/DGFT	Ongoing

<p>a. Training programme to educate the cultivators about various SPS/ Technical standards in international markets</p> <p>b. The District Industry Centre in consultation with regional DGFT officer & APEDA may chalk out the programme on quarterly basis to train and education cultivators and other stake holders about SPS/ technical standards in international markets.</p>		
<p>Focus on upgradation of technology used in production by establishing a CPC utilizing PM FME scheme</p>	<p>UPEPB, DIEPC/ DHOs and Dept of Food Processing & Horticulture</p>	<p>Long term</p>
<p>Introducing the Kisan credit card in the cluster</p>	<p>DIEPC and banks</p>	<p>Short term</p>
<p>Collaboration with E-commerce companies focusing on vegetables and fruit sale like Big Basket, Natures Basket etc.</p>	<p>Big Basket/Natures Basket and UPEPB and DIEPC</p>	<p>Short term</p>

Abbreviations

APEDA	The Agricultural and Processed Food Products Export Development Authority
API	Active pharmaceuticals ingredients
CAD	Computer-Aided Design
CAM	Computer Aided Manufacturing
CFC	Common Facility Center
CONCOR	Container Corporation of India
CPC	Common Production Center
DGFT	Director General of Foreign Trade
DHO	District Horticulture Officer
DIC	District Industries Center
DIEPC	District Industry and Enterprise Promotion Center
DPR	Detailed Project Report
EPC	Export Promotion Council
EPCG	Export Promotion Capital Goods
FIEO	Federation of India Export Organization
FPO	Farmer Producer Organizations

FTA	Free Trade Agreement
GCC	Gulf Cooperation Council
GI	Geographical Indication
HS	Harmonized System
IC	International Cooperation
IC Engines	Internal Combustion Engines
IEC	Import Export Code
IIP	Indian Institute of Packaging
ISW	Industrial Solid Waste
ITI	Industrial Training Institute
KVK	KrishiVigyan Kendra
MAS	Market Assistance Scheme
MSE CDP	Micro & Small Enterprises - Cluster Development Programme
MSME	Micro, Small and Medium Enterprises
NHB	National Horticulture Board
NIC Code	National Industrial Classification Code
NIC	National Informatics Center

NID	National Institute of Design
NIFT	National Institute of Fashion Technology
NSDC	National Skill Development Cooperation
ODOP	One District One Product
PM FME	PradhanMantri Formalisation of Micro food Processing Enterprises
PMU	Project Monitoring Unit
QCI	Quality Council of India
R&D	Research & Development
RMB	Raw Material Bank
SGPGI	Sanjay Gandhi Post Graduate Institute of Medical Science
SIDBI	Small Industries Development Bank of India
SPS	Sanitary & Phytosanitary
SPV	Special Purpose Vehicle
SWOT	Strength, Weakness, Opportunities, Threats
TBT	Technical Barriers to Trade
UAE	United Arab Emirates
UK	United Kingdom

UP	Uttar Pradesh
UPEPB	Uttar Pradesh Export Promotion Bureau
UPICO	UP Industrial Consultancy Organisation
USA	United States of America



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