



Department of MSME and Export Promotion District Export Action Plan- Rampur



Knowledge Partner



विदेश व्यापार महानिदेशालय
DIRECTORATE GENERAL OF
FOREIGN TRADE

Districts
as Export Hubs

EY

Building a better
working world

Preface

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

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

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

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

Contents

1.	Vision of Districts as Export Hubs	5
2.	District Profile	5
2.1	Geography.....	6
2.2	Topography & Agriculture.....	6
3.	Industrial profile of the district	6
3.1	Major Exportable Product from Rampur	8
4.	Product 1: Menthol	8
4.1	Cluster Overview	8
4.2	Product Profile.....	9
4.2.1	Status of GI Tag	10
4.3	Cluster Stakeholders	10
	Industry Associations	10
	HS Code	10
4.4	Export Potential	11
4.5	SWOT Analysis	13
4.6	Future Outcomes:	14
5.	Product 2: Bovine Meat	15
5.1	Cluster Overview	15
5.2	Product Profile.....	15
5.2.1	Product Portfolio	15
5.3	Cluster Stakeholders	15
5.3.1	Industry Associations (Horn and Bone)	15
5.4	Export Scenario	16
5.4.1	HS Code	16
5.4.2	Boneless Meat of Bovine Animals & Frozen Meat.....	16
5.5	Potential Areas for Value Added Product.....	17
5.6	SWOT Analysis	18
5.7	Challenges and interventions	18
5.8	Future Outcomes	20
6.	Scheme under Uttar Pradesh Export Promotion Bureau.....	20
7.	Action Plan.....	21

List of Tables

Table 1: Industries details	6
-----------------------------------	---

Table 2: Occupational Distribution of Main Workers	7
Table 3: Major exportable product	8
Table 9: SWOT Analysis for Mentha Oil	14

List of Figures

Figure 1: MSME landscape of the district	7
Figure 2: Occupational distribution of Rampur	7

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.

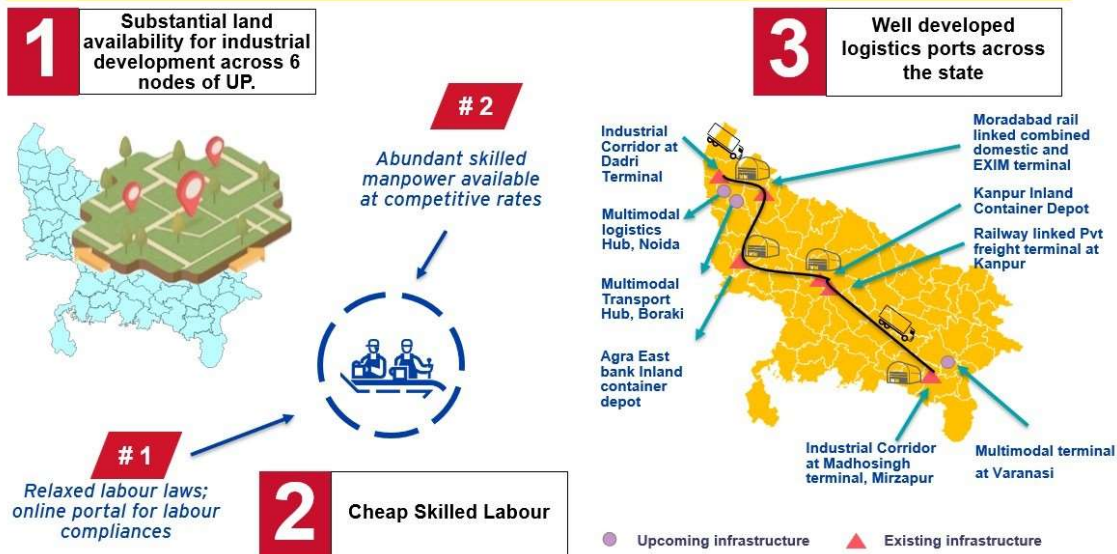
DGFT and UPEPB have aimed at synergising their efforts to identify the key products, export trends and challenges. Further to minimize the challenges, quantify the exports and outline export strategy; a detailed district-wise Export Action Plan has been made for all 75 districts of UP, where EY has contributed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

2. District Profile

Rampur was founded by Nawab Ali Muhammad Khan, the adopted son of Sardar Daud Khan, the chief of the Rohillas in Northern India. The Rohillas were Afghans who entered India in the 18th century as the Mughal Empire was in decline, and took control of Rohilkhand, at the time known as Katehr. On 1 July 1949 the State of Rampur was merged into the Republic of India. Rampur today presents a slightly decayed appearance: the palaces of the Nawabs are crumbling, as are the gates and walls of the fort. However, the Library remains a flourishing institution of immense value to scholars from all over the world.

Rampur district was formerly known for its various industries, including sugar refineries and cotton milling and Rampur's Knife (*Rampuri-chaku*). Rampur's Raza Library has more than 12,000 rare manuscripts and a fine collection of Mughal miniature paintings. It is the administrative headquarters of Rampur District. It is home to farms that cover long stretches of land. During rainy season just after a long period of rain the mountain ranges of Nainital can be seen in the north direction.

UTTAR PRADESH: 3L Advantage (Land, Labour and Logistics)



As Uttar Pradesh having 3L advantage (Land, Labour and Logistics), Rampur has great export potential with its “Rail linked combined domestic and EXIM terminal” of Moradabad which is just 35 KM in distance.

2.1 Geography

Rampur is a city and a municipality headquarter of Rampur District in the Indian state of Uttar Pradesh. It is located between longitude 79°05' E and latitude 28°48' N in Moradabad Division of State of Uttar Pradesh, India. It is surrounded by district Udham Singh Nagar in north, Bareilly in east, Moradabad in west and Badaun in south. It is spread in the area of 2,367 km² and is 192 meter above sea level in north and 166.4 meter in south.

2.2 Topography & Agriculture

Rampur has a largely agriculture-based economy. It has very fertile land, but little industry, and virtually no mineral extraction. The main industries of Rampur are wine-making, sugar processing, textile weaving, and the manufacture of agricultural implements. An inoperative sugar mill still stands in Rampur; it was closed in 1999 amidst political rivalry, but work has since begun on restarting the mill after state government approval.

3. Industrial profile of the district

The concentration of industries in Rampur majorly highlights Agro-based manufacturing units, wood/plywood work, chemical, food processing and other manufacturing industries. The clusters of Patchwork, Zari-Patchwork and Applique and Embroidery work etc. are included in other manufacturing industries as per below table:

Table 1: Industries details¹

NIC Code no	Type of Industry	Number of units	Investment (Rs Lakh)	Employment
20-21	Food/Agro/Meat Product	1083	268	143265
25	Jute & jute based	20	95	2600
26	Ready-made garments & Embroidery	33200	270	132300
27	Wood/wooden based furniture	155	950	29477
28	Paper & Paper products	157	900	4320
29	Leather based	796	154	12055
30	Rubber, Plastic & Petro based	375	2651	2720
31	Chemical/Chemical based	57	3025	9500
32	Mineral based	330	2038	3925
33	Basic Metal Industries	127	955	2700

¹District industries centre, Rampur

NIC Code no	Type of Industry	Number of units	Investment (Rs Lakh)	Employment
34	Metal products	167	1763	6970
35	Machinery & Parts except Electrical (Engineering units)	19	788	1898
36	Electrical machinery and Apparatus	8	132	170
37	Transport Equipment's & Parts	196	2300	2400
38	Misc. Manufacturing	199	120	45000
96-97	Repairing & servicing	445	245	1150
	Total	37334	16654	400450

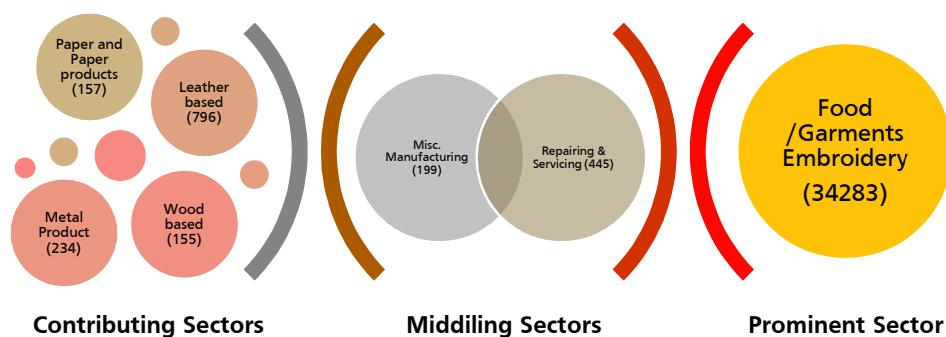


Figure 1: MSME landscape of the district

Out of total population of 23,35,819 (2011 census), 11,91,268 are working population. Out of total working population, 35% are working in other industries, 34% are cultivators and agricultural labourers and 31% are household & industry workers.

Table 2: Occupational Distribution of Main Workers²

S.No.	Particulars	Rampur	%
1	Cultivators	3,30,020	27.72%
2	Agriculture Labourers	72,300	6.07%
3	Household & Industry Workers	3,70,300	31.08%
4	Others	4,18,468	35.13%

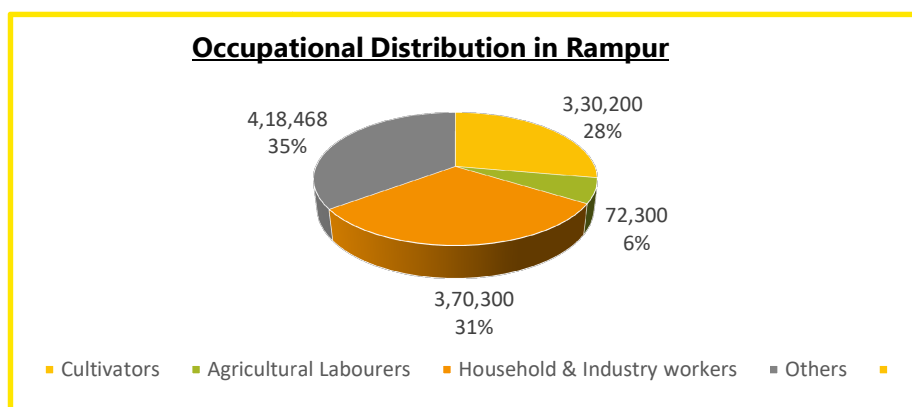


Figure 2: Occupational distribution of Rampur

² District census handbook 2011- Rampur

3.1 Major Exportable Product from Rampur

The total export from Rampur is approximately INR 1344.20 Crore for the period September 2020 to November 2021.

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

Table 3: Major exportable product

S. No	Product	Export value (in INR Crore) ³ from September 2020 to November, 2021
1	Boneless Meat of Bovine Animals, Frozen Meat	685.56
2	Menthol	266.60
3	Menthol Crystal	88.45
4	Other Cane Sugar	98.80
5	Broken Rice	32.60
5	Others	172.33
Total Export from Rampur		1344.20 Cr⁴

4. Product 1: Menthol

4.1 Cluster Overview

The country's Rs.15,000 Crore fragrance and flavors market (aromatic sector) is witnessing buoyant times with consumption demand going up in the FMCG sector, rapid penetration in the rural market and growing acceptance of India items in the global market.

India represents one of the leading consumers and exporters of aroma chemicals in the Asia Pacific region. It exported raw herbs worth USD 330.18 Million during 2017-18 with a growth rate of 14.22% over the previous year. Market growth is supplemented by the growing usage of essential oils among industries coupled with increasing disposable income.

Medicinal and aromatic plants (MAPs) are receiving considerable attention all over the world because of their vast untapped economic potential, especially in the use of herbal medicines.

The *Mentha arvensis* (menthol mint) is an important essential oil-bearing plant and the menthol crystallized from the essential oil, de-mentholated oil and specific terpene fractions thereof are widely used in food, flavor, pharmaceutical and cosmetic industries.

Menthol mint is cultivated in a large area in the Indo-Gangetic Plains in the states of Punjab, Haryana, Uttarakhand, Uttar Pradesh, and Bihar, with maximum area in Uttar Pradesh.

Around 92 per cent of *Mentha* production in the country now owes its recognition to UP, which also comprises 86 per cent of *Mentha* production in the global marketplace.

³ District wise report for the period September 2020 to November 2021 received from DGFT

⁴ Total export from Rampur for the period September 2020 to November 2021 as per the data received from office of DGFT, Kanpur

TOP FIVE MENTHA PRODUCING DISTRICTS OF UTTAR PRADESH

Crop: Mentha (Area: In Hect.) (Prod.: In M.T.)											
SL. NO	DISTRICTS	2014-2015		2015-2016		2016-2017		2017-2018		2018-2019	
		AREA	PROD. (OIL)	AREA	PROD. (OIL)	AREA	PROD. (OIL)	AREA	PROD. (OIL)	AREA	PROD. (OIL)
1	BARABANKI	78926	7893	82872	8287	84529	8453	85591	8559	86447	8644.7
2	BADAUN	56049	5605	58851	5885	60028	6003	60101	6010	60702	6070.2
3	MORADABAD	51207	5121	53767	5377	54842	5484	55065	5507	55616	5561.6
4	SITAPUR	38026	3803	39927	3993	40726	4073	40878	4088	41287	4128.7
5	RAMPUR	29764	2976	31252	3125	31877	3188	31955	3196	32275	3227.5

Courtesy: Spices Board, Barabanki

Uttar Pradesh is amongst the top exporters in India and ranked 5th amongst the landlocked states on Export Preparedness Index 2020. The state primarily exports meat, apparel & clothing, handmade carpets, footwear etc. The merchandise exports from Uttar Pradesh reached USD 16.29 billion in 2018-19 and USD 12.82 billion in April-December 2019. India has emerged as the largest producer and as an export hub for Mentha oil and its derivatives. The country contributes around 80% to the total global Mentha oil production. The figure alongside represents the share of principal commodities exported from the state in 2018-19.

4.2 Product Profile

Mint or Mentha (*Mentha arvensis*) are aromatic herbs belonging to the genus *Mentha* and the family Lamiaceae. Most species are perennials with leafy runners, stolon's or underground rootstocks.⁵ *Mentha* species are cultivated in various parts of the world. It grows wild in Europe while it is cultivated in Japan, England, France, Italy, the USA, Bulgaria, Russia, and India. *Mentha Citrata* (Eau de Cologne mint), *Mentha Arvensis* and *Mentha Piperita* are the most common *Mentha* species.



1) *M. Arvensis*

2) *M. Piperita*

3) *M. Citrata*

- 1) **M. arvensis** (Japanese mint) is a downy, perennial herb, spreading by rootstocks which creep along the ground or just under the surface and root at the nodes. There are three horticultural varieties in this species.
- 2) **M. Piperita** spreads by a system of branching, underground rootstocks and grows to a height of 45 to 90 cm (1.5 to 3 ft).
- 3) **M. Citrata** grows up to 30-60 cm height, with decumbent branches and erect ends. The leaves are 1.25-5.0 cm long, thin, bronzy-green, petiolate: smooth. *M. citrata* is a hybrid between *M. aquatica* and *M. Viridis*. *Mentha Citrate* is widely used in Perfumery, *Mentha Arvensis* is used as a flavoring agent, cough medicines, cigarettes, and drinks and *Mentha Piperita* is used in in medicines and culinary products. Although the genus *Mentha* comprises more than 25 species, the one in most common use is peppermint used as a natural pesticide and *Mentha* (*Mentha Arvensis*) for producing Mentha oil. Indian production of *Arvensis* rose rapidly from the start of the 2000's.

⁵[Mentha - Wikipedia](#)

India is the highest producer and exporter of Mentha oil and its derivatives in the world. The other major producers are China, Brazil, the US, and Japan. During the last five years, India has exported nearly 1,500 tonnes to 20,000⁶ tonnes of mentha oil and its derivatives each year. This sector has come to occupy an important place in terms of its contribution to national output, employment, and exports.

Demand for mint and mint products is expected to continue to rise. ⁷It is estimated that global demand continues to increase by 3-5% a year. In this scale of market, this is a substantial additional volume that is required by the market each year and creates significant opportunities for new entrants.

4.2.1 Status of GI Tag

There is NO G.I. Tag applied by cluster stake holders for Rampur District.

4.3 Cluster Stakeholders



Figure 4 : Cluster Stakeholders

Industry Associations

Following are principal Industry Associations/SPVs that are working for the development:

- ▶ Indian Industries Association
- ▶ Agriculture and Processed Food Products Export Development Authority (APEDA)

HS Code

HS codes under which the product is exported from the state.

Table 4: HS Code with description

HS Code	Description
290611	Menthol
300390	Menthol Crystal

Current Scenario

The export scenario of India and Uttar Pradesh have been analysed basis the export statistics of HS codes 290611 under which Menthol and other product of Menthol are exported. Alongside are the key facts pertaining to the analysed product code.⁸

⁶ https://a-a-r-s.org/proceeding/ACRS2017/ID_753_1652/1428.pdf

⁷ Intracen.org - An Overview of Mentha arvensis Production

⁸ <https://www.trademap.org/>

4.4 Export Potential

- ▶ India's exports represent **38.7%** of world exports for this product, its ranking in world exports is **1**
- ▶ Rampur have exported INR **266.60** Crore of Menthol & INR **88.45** Crore of Menthol Crystal in period between September 2020 to November 2021, as per DGFT data.
- ▶ **Product 290611:** India exported this product to Saudi Arabia, UAE, Yemen, Netherlands, UK, Kuwait, Oman, USA, Qatar, China etc. As per Below figure China, USA, Singapore, Japan are the top importers for this product (290611), who is importing from India

Key Fact of Export

8,05,308 (USD Thousand)

Value of world exports in 2020

3,11,296 (USD Thousand)

Total Exports from India in 2020

2,60,180 (USD Thousand)

Total Exports from Uttar Pradesh in 2020

33.30%

Share of Uttar Pradesh in India Exports in 2020

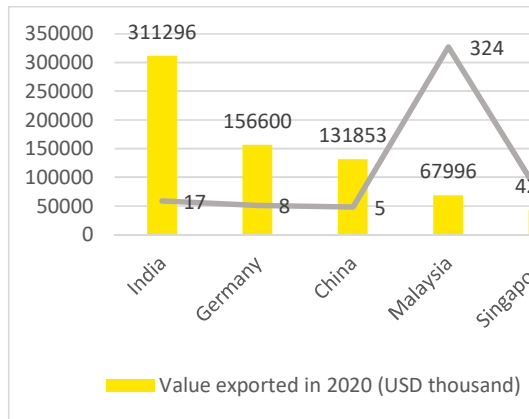


Figure 4 top 10 Worldwide Exporters (290611)

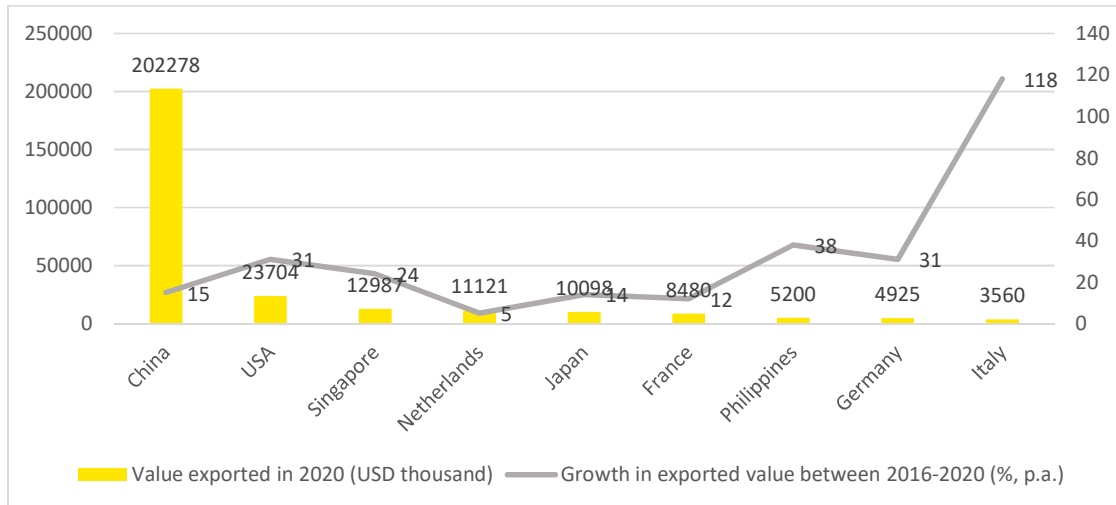


Figure 5 Top 10 importers for this product (290611) importing from India

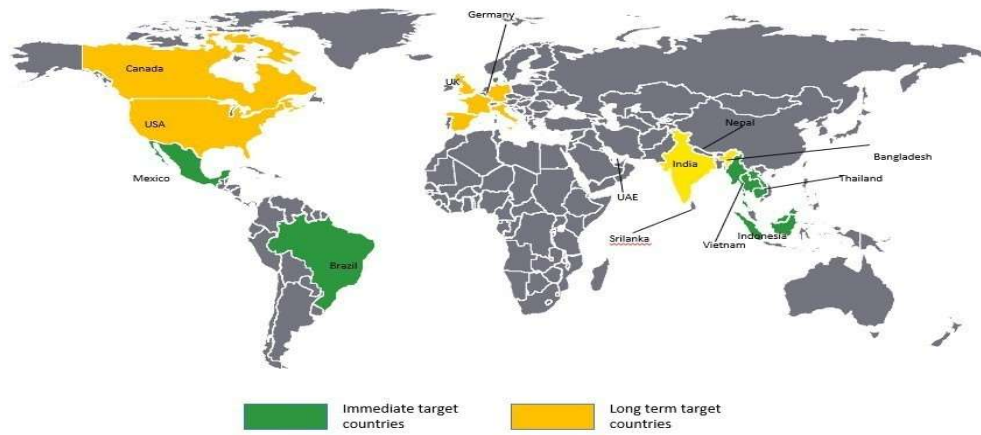


Figure 7 Markets for export potential for Mentha products

Thailand, Bangladesh, Indonesia, Mexico, Brazil are the countries which can be targeted immediately for export increase in short term while USA, Canada, Germany etc countries may be targeted after achieving immediate targeted countries.

4.5 SWOT Analysis

	Current		Future	
	Strength	Weakness	Opportunity	Threat
Raw material/ Inputs	<ul style="list-style-type: none"> ▶ Suitable soil condition, rainfall, and temperature for cultivation of Mentha plant. ▶ Mint product including mint oils, menthol crystal and menthol powder, is one of key product in State export basket. 	<ul style="list-style-type: none"> ▶ Season and weather fluctuation in India ▶ Heavy rains damages crop. As a result, harvesting process suffers. ▶ Pest infection damages the crop 	<ul style="list-style-type: none"> ▶ Rising demand from food, pharmaceutical industry increases the demand for cultivation of menthe plant. ▶ Involving FPOs in hedging 	<ul style="list-style-type: none"> ▶ Synthetic menthe oil in international market ▶ High price fluctuations of raw materials leading to escalation of final price of the product is a challenge for the cluster ▶ Depleting ground water is presenting new threat before farmer community and cluster enterprises.
Production Process	<ul style="list-style-type: none"> ▶ Distillation enterprise owners are proactive towards modern process technologies. ▶ Cluster has already initiated its movement towards high-end market with suitable products like crystals, which has increasing demand in the country and abroad. 	<ul style="list-style-type: none"> ▶ Cluster enterprises do not possess advanced packaging facilities and skills. This has serious repercussions on the value of the products. Also, the suboptimal quality of packaging results in loss in-transit. ▶ Outdated production process and technology is limiting growth and profits for the enterprises in the cluster. 	<ul style="list-style-type: none"> ▶ Forward Contracts by processor ▶ Government regulation in quality testing and processing ▶ Duty free import for processing equipment ▶ Establishment of Common Production Centre with latest machinery for allied processes for production ▶ Availability of modern technologies and machines for production of Mentha oil. 	<ul style="list-style-type: none"> ▶ No renowned brand name or manufacturing house is associated with this product. Attention is not paid on improving the packaging/ transportation of the product. ▶ Lack of technology up gradation is a threat as new production process to keep on upgrading with the changing technology.
Testing Lab	<ul style="list-style-type: none"> ▶ 	<ul style="list-style-type: none"> ▶ Lack of standardization due to no facility for central testing facility ▶ Traders usually use gas chromatography to test quality of material ▶ Farmers & micro MSMES loose profits, as lack of proper testing facility is a challenge 	<ul style="list-style-type: none"> ▶ Government regulation in quality testing and processing 	<ul style="list-style-type: none"> ▶
Skill/Manpower	<ul style="list-style-type: none"> ▶ Pool of manpower are available ▶ Resources available in district and are capable to manufacture products. They have learnt the skills in-house& on job only ▶ Cluster entrepreneurs are experienced in running essential oil units and are also well versed with the 	<ul style="list-style-type: none"> ▶ High migration rate 	<ul style="list-style-type: none"> ▶ 	<ul style="list-style-type: none"> ▶

	dynamics of the sector			
Market	<ul style="list-style-type: none"> ▶ The product has a high demand in international market ▶ Cluster is well connected by road and rail and has close proximity with national capital New Delhi and business hub centers like Kanpur. ▶ An established network of cluster-based traders and crystallization units form reasonable forward linkages. The network is an ideal platform for cluster enterprises to build upon. ▶ The cluster has a well backward linkage comprising of more than 1 lakh farmers producing menthe. 	<ul style="list-style-type: none"> ▶ Lack of properly organized marketing activities ▶ There is demand from various quarters for introducing minimum support price for mentha oil. But challenge in intervention in menthe oil market. ▶ Large no. of local dealers and commission agent operates due to which farmers do not get a fair price. ▶ Market dominated by big players. Small farmers sell their output to local dealers who in turn deal with large scale distilleries and exporters. ▶ Limited domestic demand ▶ Lack of exposure to new market and branding. 	<ul style="list-style-type: none"> ▶ Growing demand for mentha and allied items in domestic and foreign markets is an opportunity to tap. ▶ Currently three multi commodity exchanges offer futures in Mentha Oil MCX, NCDEX, and Exchange of India Ltd. Trades in Menthol futures ▶ Extensive marketing and promotional activities ▶ Creating awareness among the farmers regarding price of mentha so that they get fair price for their product ▶ Potential for increasing export by identifying untapped export potential of countries India already caters to ▶ Establishment of a common space for displaying the products of the cluster 	<ul style="list-style-type: none"> ▶ Competition from international market china, Brazil, Japan , U.S ▶ Competition from cheaper Synthetic menthe oil from other countries such as China, Japan, etc. ▶ Tough competition from international market ▶ VAT implementation on mentha allied cluster products. ▶ Dominance of traders from New Delhi in exports due to close access to the cluster
Finance	<ul style="list-style-type: none"> ▶ Presence of various schemes and policies ▶ Presence of Banks and financial Institutions in the district 	<ul style="list-style-type: none"> ▶ Lack of awareness of Govt. initiatives ▶ Lack of interest in availing financial aid from banks ▶ Unaware of procedures of banks ▶ Legal entity, credit availability etc. remain major issues with most of the enterprises in the cluster 	<ul style="list-style-type: none"> ▶ Support from Government on export through various initiatives and relaxations ▶ Presence of favorable government schemes like MDA, NMCP, PMEGP to support cluster enterprises on quality, technology, and marketing fronts. 	<ul style="list-style-type: none"> ▶ Lack of interest in availing financial support

Table 4: SWOT Analysis for Mentha Oil

4.6 Future Outcomes:

Multiple FPO have been formed for cultivation of mint in last two years. Various new and existing units of cluster have taken loan under ODOP Margin Money Scheme for setup/expansion of their units and their production capacity is going to increase in a year. Assuming their production volume and export potential cluster will grow by 40% in export till 2025.

Annual Turnover

Cluster exports

Increase in annual turnover from existing INR 450 Cr. to 700 Cr. by 2025

Substantial targeted growth in cluster exports expected to be 40% approx. INR 500 cr from 355.5 cr. by 2025 (over a span of 3 years).

5. Product 2: Bovine Meat

5.1 Cluster Overview

Rampur's main export product is Menthol, Boneless Bovine meat, Broken Rice and sugar products.

5.2 Product Profile

- 1- **Boneless Meat of Bovine Animals**
- 2- **Other Edible Offal of Bovine Animals**

5.2.1 Product Portfolio

- ▶ Chilled Boneless Buffalo Meat
- ▶ Chilled Boneless Buffalo Offal
- ▶ Frozen Boneless Buffalo Meat
- ▶ Frozen Boneless Buffalo Offal

5.3 Cluster Stakeholders

Raw material supplier

The primary raw material suppliers are farmers who supply the disease-free animals to the slaughterhouse.

Unit owners & Workers

There are 8 slaughterhouses involved in processing and export of meat. More than 24,000 workers are working in these units

Machinery Supplier

Most of the units are having modern abattoir cum meat processing plant with most of segments are fully automated.

5.3.1 Industry Associations (Horn and Bone)

Following are principal Industry Associations that are working for the development of Horn and Bone Handicrafts:

- ▶ **Council for Leather Exports (CLE):** CLE is an outfit of Ministry of Commerce & Industry, GoI having regional office in HBTI Campus, Kanpur, and office in KLC Complex, Banthar, Rampur also. It is a member-based organization, and its mandate is to provide support to its members for increasing export. The membership fee is being charged based on export turnover. Major services provided by them are:
 - i. Dissemination of information related to export marketing
 - ii. Organizing trade fairs and buyers & sellers meet
 - iii. Marketing Development Assistance
 - iv. Advocacy support
- ▶ **Indian Institute of Technology, Kanpur:** It has a separate consultancy department catering to needs of SMEs created for providing services in Energy conservation methods, Market & Finance, Innovative Product Design, Packaging, IT applications, Application of Multimedia

- ▶ **MSME- Development Institute (MSME- DI), Kanpur:** MSME-DIs are the subordinate offices of Development Commissioner, MSME. These offices are responsible for assisting MSMEs financially through schemes and improving their technical skills through skill upgradation / training programmes.
- ▶ **Directorate of Foreign Trade, New Delhi:** It is responsible for formulating and implementing the Foreign Trade Policy with the main objective of promoting India's exports.
- ▶ **District Industries Centre, Rampur**
- ▶ **Indian Industries Association, Rampur (IIA)**
- ▶ **Provincial Industries Association (PIA)**
- ▶ **Testing Lab at KLC Complex (Kanpur-Rampur Leather Cluster)**
- ▶ **MSDC**

5.4 Export Scenario

District Rampur majorly export Horn-Bone Craft and Mentha. In Horn-Bone craft, raw buttons form nearly **50%** of the total horn and bone product exports. Handicraft Welfare Society, Rampur has applied for the GI tag to the Horn-Bone craft and the status is under review process. Mentha and allied products are also major exported items from the district.

5.4.1 HS Code

HS codes under which the product is exported from the state.⁹

HS Code	Description
020230	BONELESS MEAT OF BOVINE ANIMALS, FROZEN
020629	OTHR EDIBLE OFFAL OF BOVINE ANIMALS, FROZEN

5.4.2 Boneless Meat of Bovine Animals & Frozen Meat

Current Scenario

The export scenario of World and India have been analysed basis the export statistics of HS codes 020230 & 020629 under which meat is exported. Alongside are the key facts pertaining to the analysed product code.

It is important to mention that Rampur exporting the product under 020230 HSN code only as per Data received from DGFT.

Export Potential

- ▶ India's exports represent **11.2%** of world exports for this product, its ranking in world exports is **3**
- ▶ India exported this product to Honk Kong-China, Malesia, Vietnam, Egypt, Indonesia ETC.

Key Fact of Export Error! Bookmark not defined.

24,712,215 (USD Thousand)

Value of world exports in 2020

27,62,444 (USD Thousand)

Total Exports from India in 2020

18,38,610 (USD Thousand)

Total Exports from Uttar Pradesh in 2020

61.32%

Share of Uttar Pradesh in India Exports

⁹ DGFT, Kanpur

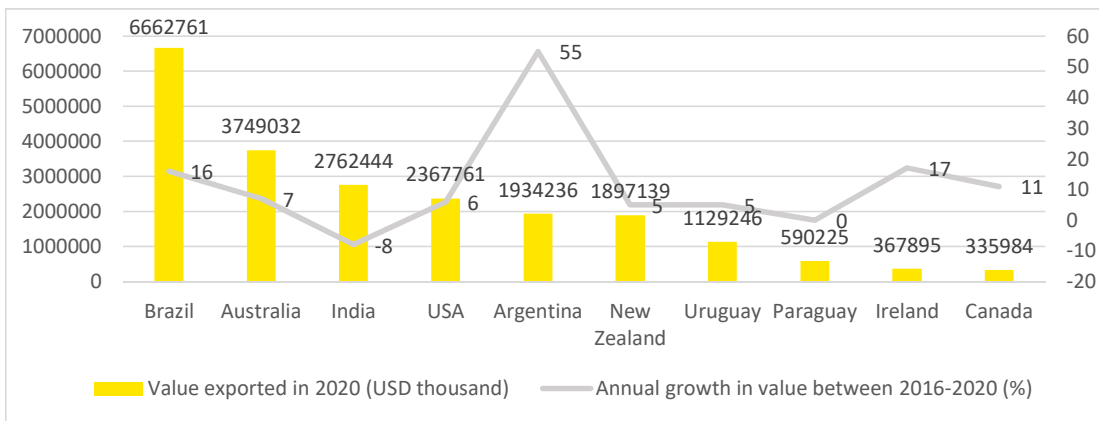


Figure 8 Top 10 Exporters worldwide (020230)

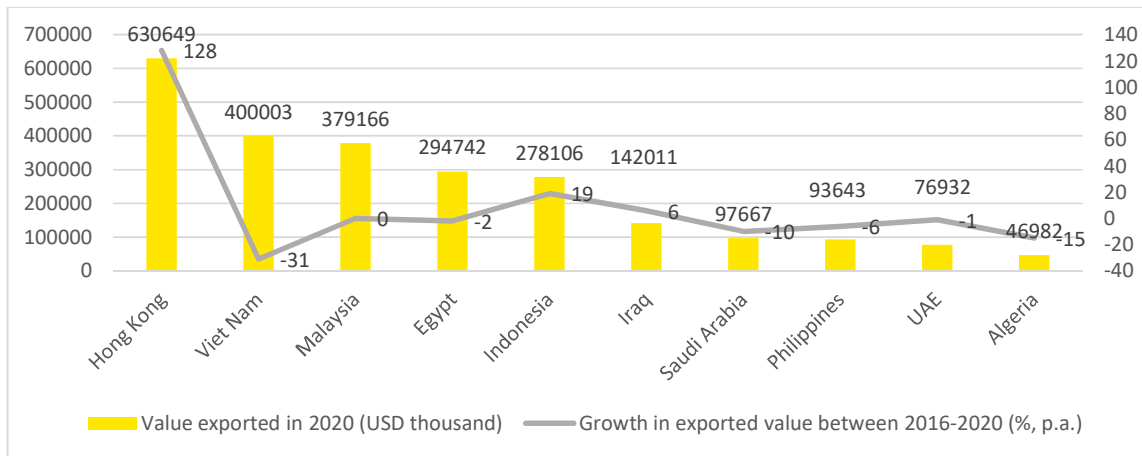


Figure 9 Top 10 Importers Importing from India (020230)



Figure 10: Markets for export potential

5.5 Potential Areas for Value Added Product

The demand of product is adequate in overseas market. New Countries Like UAE, Vietnam, Iran, etc countries can be new territory to inter with high target of getting high Market Share

5.6 SWOT Analysis

Table 5: SWOT Analysis of Bovine Meat

Strengths	Weaknesses
<ul style="list-style-type: none"> ▶ Rich experience in meat processing ▶ Institutional Support ▶ Low-cost manpower ▶ Leadership position in export of boneless meat ▶ Favourable trade policies 	<ul style="list-style-type: none"> ▶ Suboptimal backward integration of supply chain ▶ Lack of quality testing facility ▶ Lack of awareness of govt. schemes
Opportunities	Threats
<ul style="list-style-type: none"> ▶ Expansion into new countries where demand of meat is high ▶ Increasing demand for buffalo meat in global market ▶ Exposure to new markets through international food festivals 	<ul style="list-style-type: none"> ▶ Cost of running CETP is very high ▶ International Competitors having Quality Certificates are reducing our supplies. ▶ Temporary or permanent closure of slaughterhouses

5.7 Challenges and interventions

Parameter	Challenges	Intervention
Technological Upgradation	<ul style="list-style-type: none"> ▶ In Rampur, slaughterhouses and the units involved in production of meat employ traditional skilled workers who are mostly illiterate but follow the process after learning from the seniors in their units. They are not aware of the technological advancements taking place in the international industry. 	<p>Hard Intervention:</p> <ul style="list-style-type: none"> ▶ Establishment of fleshing machine and lime splitting machine in the units will resolve the issue of solid waste management and this will reduce the operating cost and ensure working capital for the unit. The solid waste can be used as by-product for other use.
Environmental Issues	<ul style="list-style-type: none"> ▶ Challenges faced by slaughterhouses/ industries in complying pollution control norms regarding treatment of effluents and TDS levels of discharge. ▶ There is lack of awareness of global environmental and social norms. ▶ Smaller units find it difficult to bear the operational cost of CETP. 	<p>Hard Intervention:</p> <ul style="list-style-type: none"> ▶ Setting up modern technology based CETPs would ensure in reduction of effluents in TDS levels of liquid discharge. <p>Soft Intervention:</p> <ul style="list-style-type: none"> ▶ Awareness and outreach program for raising consciousness about environment issues due to the pollutants. ▶ Use of codes of conduct (COC) for assessment of suppliers on social and environmental compliance.
Marketing & Branding	<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 	<ul style="list-style-type: none"> ▶ Collaboration with retail brands like Licious, Big 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 organized by FIEO and other

	<p>schemes and govt. initiatives</p> <ul style="list-style-type: none"> ▶ Lack of participation in national and international events related to the sector 	<p>organizations may be proposed as a target under this segment</p> <ul style="list-style-type: none"> ▶ 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
Packaging	<ul style="list-style-type: none"> ▶ Larger units are using standard packaging material for packaging of the products, but many of the smaller units are not aware of innovative packaging. 	<p>Hard Intervention:</p> <ul style="list-style-type: none"> ▶ Common Packaging Center can be established for better and innovative packaging. ▶ Packaging materials like trays made of polystyrene, LDPE, shrink films PVC should be used for improved packaging. <p>Soft Intervention:</p> <ul style="list-style-type: none"> ▶ Workshops/seminars or training program for leather footwear manufacturers can be organized using the MoU signed between ODOP and Indian Institute of Packaging (IIP), to upgrade their packaging techniques.
Testing and Quality Certification	<ul style="list-style-type: none"> ▶ Unaware of global standards and quality ratings. ▶ Only exporters of the cluster try to maintain the quality standard of global market. 	<p>Hard Intervention:</p> <ul style="list-style-type: none"> ▶ A state-of-the-art Testing laboratory can be established for ensuring production of certified quality products. <p>Soft Intervention:</p> <ul style="list-style-type: none"> ▶ Setting the quality standard of these footwears using the MoU between ODOP and Quality Council of India (QCI), to increase the sales in international markets.
Exporter's issue	<ul style="list-style-type: none"> ▶ No focal point to address exporters 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. India's cost of logistics is one of the highest in the world. ▶ Since the start of Covid 19 Pandemic, the availability of containers and the Freight Charges by the Shipping lines has been the 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.

5.8 Future Outcomes

Annual Turnover
Increase in annual turnover from INR 700 Crore in 2020-21 to 1050 Crore by 2025

Cluster exports
The increase in export of the product from INR 686 Crore during the September 2020 to November 2021 to INR 1000 Crore by 2025

6. Scheme under Uttar Pradesh Export Promotion Bureau

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

A. Marketing Development Scheme (MDA)

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

B. Gateway Port Scheme

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

C. Air Freight Rationalization Scheme

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

7. Action Plan

Quantifiable activity/ intervention	Responsible authority	Timeline for implementation ¹⁰
Increasing the overall exports from the state		
Sensitization and facilitation in availing Import/ export documents: Majority of the cluster actors though interested and sensitized on exports are unaware of Import-Export Code which is crucial for participating in global trade. While some of them are aware, they face challenges in applying. Thus, at district level, a camp should be set in every three months to help the individuals interested in trade to understand about the requisite documents required for undertaking import/ export and provide support in availing them	DIEPC UPEPB	Continuous initiative
Creation of an event calendar comprising of events to be conducted in a Financial Year with a focus on international marketing events . Further, DGFT and FIEO can finalize a target to participate in at least 3 international events in a year per product category/industry (food, engineering & auto components, handicrafts, textile& apparel etc.) by utilizing schemes like IC and MAS	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 schemes¹¹ 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 analysis mentioned in DAPs and EAP 	DIEPC UPEPB	Continuous initiative
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, UPEPB and FIEO	Intermediate
Common interventions across sectors/ clusters		
Collaboration with e-commerce companies like Amazon, ebay, Flipkart etc.	ODOP cell, UPEPB/DIEPC	Short term
MoU with QCI for defining quality standards of the products	ODOP cell, UPEPB/DIEPC	Short term

¹⁰ Short term: Should be initiated within 6 months, Intermediate: to be initiated between 6- 12 months, long terms after 12 months

¹¹ 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:](https://www.ibef.org/blogs/indian-export-incentive-schemes)

Collaboration with IIP to define cluster-wise packing standards	ODOB cell, 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:	DIEPC/UPEPB	Long term
a. The DIC office should organize workshops for exporters to apprise them about Foreign Trade Policy benefits viz. Duty Exemption Scheme / Advance Authorization Scheme / Duty Free Import Authorization Scheme.		
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.	DIEPC/UPEPB	Long term
c. The formation of the Sub-committee comprising the representative of CONCOR and Deputy Commissioner Industries to understand the issue and suggest ways to help Industry. Ease of Logistics portal of FIEO has been developed to provide information about container availability and issues relating to it. The industry may be informed of this portal.	DIEPC/UPEPB/FIEO	Short term
Product 1: Mentha Oil		
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
Establishment of a warehouse with modern storage facilities leveraging schemes like MSE-CDP, PM FME etc.	UPEPB, DIEPC/ DHOs and Dept of Food Processing & Horticulture	Long term
Promotion of post GI initiative:		
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 users	DIEPC/UPEPB	Long term
Collaboration with E-commerce companies focusing on B2B buyers.	UPEPB and DIEPC	Short term
APEDA may be asked to apprise the stakeholders about benefits under NPOP scheme	APEDA/UPEPB/DIEPC	Ongoing

Training programme to educate the cultivators: a. 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.	DIEPC/DGFT/APEDA/DGFT	Ongoing
Product 2: Boneless Bovine Meat		
Establishment of fleshing machine and lime splitting machine in CFC.	UPEPB/DIEPC	Long term
Setting of modern technology based CETPs	UPEPB/DIEPC/District Administration	Long term
Collaboration with E-commerce companies.	UPEPB and DIEPC	Short term

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	Krishi Vigyan Kendra
MAS	Market Assistance Scheme
MSE CDP	Micro & Small Enterprises - Cluster Development Programme
MSME	Micro, Small and Medium Enterprises
NHB	National Horticulture Board
NIC Code	National Industrial Classification Code
NIC	National Informatics Center
NID	National Institute of Design
NIFT	National Institute of Fashion Technology
NSDC	National Skill Development Cooperation
ODOP	One District One Product
PM FME	Pradhan Mantri Formalisation of Micro food Processing Enterprises
PMU	Project Monitoring Unit
QCI	Quality Council of India
R&D	Research & Development
RMB	Raw Material Bank
SGPGI	Sanjay Gandhi Post Graduate Institute of Medical Science
SIDBI	Small Industries Development Bank of India
SPS	Sanitary & Phytosanitary

SPV	Special Purpose Vehicle
SWOT	Strength, Weakness, Opportunities, Threats
TBT	Technical Barriers to Trade
UAE	United Arab Emirates
UK	United Kingdom
UP	Uttar Pradesh
UPEPB	Uttar Pradesh Export Promotion Bureau
UPICO	UP Industrial Consultancy Organisation
USA	United States of America



विदेश व्यापार महानिदेशालय
DIRECTORATE GENERAL OF
FOREIGN TRADE

सत्यमेव जयते



Knowledge Partner

