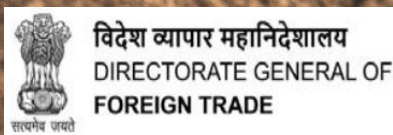


Department of MSME & Export
Promotion
Government of Uttar Pradesh



Knowledge Partner



विदेश व्यापार महानिदेशालय
DIRECTORATE GENERAL OF
FOREIGN TRADE



Preface

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

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1. Vision of Districts as Export Hubs

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

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

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

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

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

2. District Profile²

The district ‘Shamli’ is newly carved out from Muzaffarnagar under Saharanpur division. It was known as Prabhudhnagar when this district came into focus. It is situated on Delhi-Shamli national highway, which is 100 km from Delhi, 65 km from Saharanpur, 38 km from Muzaffarnagar and 38 km from Panipat (Haryana). The borders of Shamli are connected with district Muzaffarnagar in East, Panipat in West, Saharanpur in North and Baghpat in South. The district has a legend that Lord Shri Krishna (also known as ‘Shyam’) chose this route from Hastinapur to the war zone of Kurukshetra and blessed the place. Therefore, this city was known as ‘Shyama Wali’ or ‘Shyama Nagari’ earlier and now it is called ‘Shamli’. It has a significant role in historical movements. According to available evidences, Maratha warriors developed it as a cantonment. Revolutionaries in the freedom movements of India used it as their one of the safest hideouts. In English reign, the freedom fighters burned the “Purnai Tehsil” and started the 1857 Kranti by sacrificing their lives. Shamli cluster has evolved over the years producing rim, axle and trolleys for animal-drawn vehicles. In the district, there are three major manufacturing clusters – Kairana-Panipat Road, Delhi Road and Muzaffarnagar Road. The major industries present in Shamli district include rim and axle industries, sugar mills and distilleries, paper mills, rolling mills and steel units, casting units, steel and aluminium utensils industry (bartan), chemical units, pharmaceuticals units, agricultural equipment units etc.

2.1 Geography

Located in northern Uttar Pradesh, adjacent on its west to Haryana and just about 100 km from Delhi, Shamli district is well connected via roadways and railways. Three national highways (NH-709A, NH-709B, NH-709AD) and multiple district roads pass through the district. It is, in fact, at the intersection of the three major national highways. This allows Shamli to have unhindered access to the entire nation. Uttar Pradesh is a landlocked state, this has increased dependence on road and rail network for cargo movement immensely. Shamli railway station lies on the Delhi-Saharanpur railway line under the Delhi Division of Northern Railway, which provides it connectivity with all major cities in India.

¹ DGFT Report Jan 2021 – Developing Districts as Export Hubs

² DSR ADB Shamli

2.2 Industrial profile

Carved out of Muzaffarnagar in 2011, Shamli is a part of the NCR with its total population (13.13 lakh) at 0.7% of the state's total population. Shamli has a sex ratio of 878 females for every 1000 males, and a literacy rate of 53.89%, both of which are well below the state averages (sex ratio: 912 and literacy rate: 68%). However, the district's performance in terms of class 10 drop-out rate of 18.5% is slightly better than the state rate of 23.2%. The major industries present in Shamli district include rim and axle industries, sugar mills and distilleries, paper mills, rolling mills and steel units, casting units, steel and aluminium utensils industry (bartan), chemical units, pharmaceuticals units, agricultural equipment units, flour mills/ besan units/ food units, plastic and rubber industries, disposable plastic crockery industries, cattle feed industries, kitchen item industries, packaging industries, electricals industries, bricks kilns, and interlocking tiles industries.

Most of these units are present in two industrial areas of the district, with about 3,108 units in operation. None of the industrial areas are sector specific; and consist of industries involved in multiple sectors.

Shamli has multiple industrial associations with chapters of both national and state level associations also present in the district. However, all rim and axle manufacturers are part of Indian Industrial Association (IIA).

Table 1: MSME landscape of the district

Type of Industries	Micro	Small	Medium	Total	Unregistered	Total
Rim & Axle	12	1	1	14	16	30
Agricultural Implement manufacturers	10	2	0	12	3	15
Iron Fabricators (Trolleys, gates, grills)	31	0	0	31	69	100
Total	53	3	1	57	88	145

With around 54% literacy Shamli has larger section of population working in agriculture majorly in production of sugarcane, rice, wheat and millets etc.

Figure 1: Iron Fabrication Industries

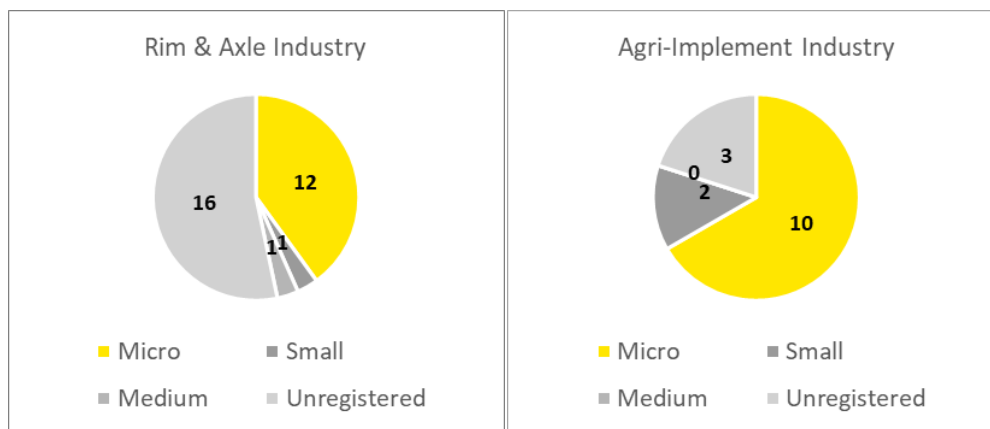
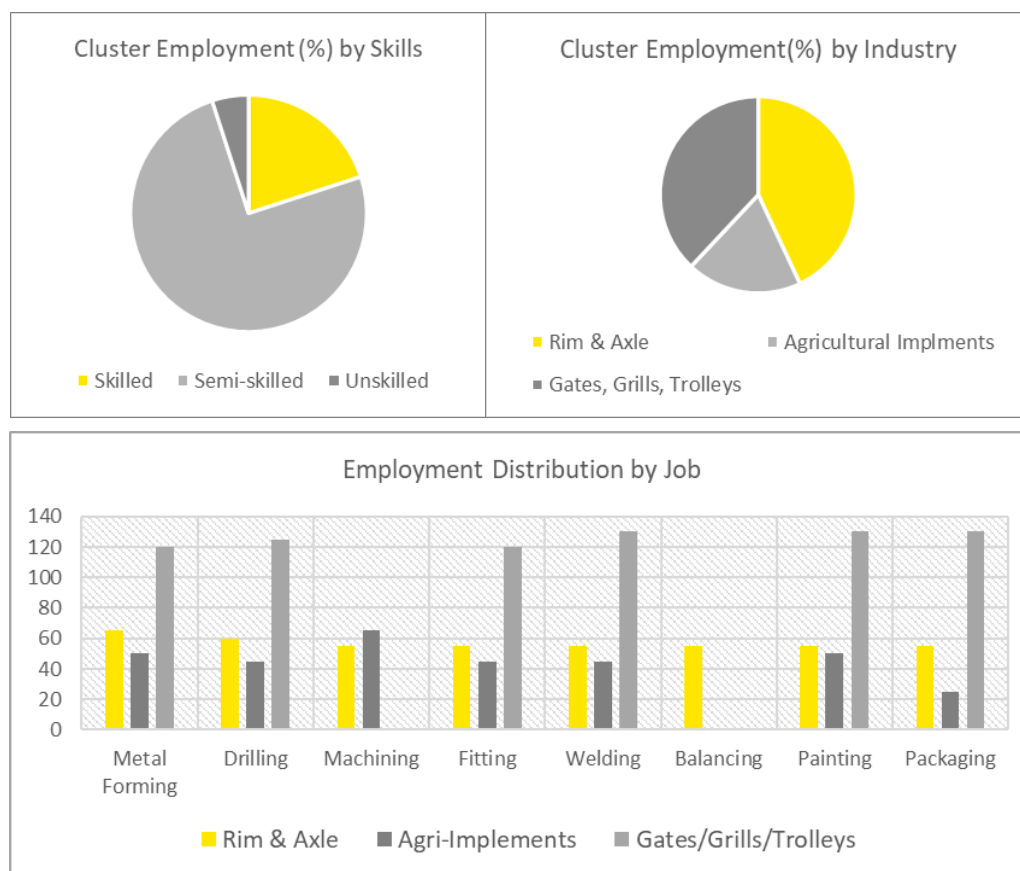


Figure 2: Employment Scenario of the Cluster



2.5 Major Exportable Product from Shamli

The total export from Shamli is approximately INR 251.7 Crore for the period “September 2020 to November 2021”³.

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

Table 2: Major exportable product

S. No	Product	Export value (in INR Crore) from Sep 2020 to November, 2021
1	Road wheels and Prts and accsrs thereof	7.47
2	Boneless meat of bovine animals, Frozen	96
3	Cane Molasses/ RFNG of Sugar	12.2
4	Match Splints	10.7
5	Other Cane Sugar Excl. those specific in Note 2	64

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

6	Other Craft Paper and Paperboard Weighing 150 G/M2 Or Less Unbleached	1.5
7	Other Uncoated Paper And Paperboard	7.5
Total Export from Shamli		251.7 ⁴

3. Product 1: Iron Fabrication

3.1 Cluster Overview

The ODOP Product for Shamli district is iron fabrication products. The iron fabrication industry in Shamli comprises over 190⁵ registered and unregistered MSME industries engaged in the manufacture of rims, axles, agricultural implements and fabrication of gates/grills/trolleys. The industry is labour-intensive due to the heavy dependence on conventional, self-made machines that have been customized by manufacturers to suit their business requirements; fabricators of gates/grills, trolleys, particularly, use manually operated hand tools. It is estimated that this industry provides employment to about 1,700 workers. Of these, 20% are skilled, 75% semi-skilled and the remaining 5% unskilled. Disaggregating total employment by the type of products, 43% workers are employed by the rim and axle manufacturers, 19% in fabrication of agricultural implements and 38% in gates/grills/trolleys fabrication. The Iron Arts (Fabrication) cluster ecosystem comprises 3 key clusters, 30 rim and axle manufacturing units, 100 iron fabrication manufacturers i.e., gates, trolleys etc. and 15 agriculture implements manufacturing units.

Key Facts (Shamli Iron fabrication cluster)

- ▶ Turnover ~ INR 117.19 crore (2019)
- ▶ Exports ~ INR 23.44 crore (2019);
- ▶ MSMEs ~ 190 micro units
- ▶ Employment ~ 1,700 workers in Shamli
- ▶ ~ 8.8% growth in overall market size since 2012-13

3.2 Product Profile⁶

The iron fabrication cluster comprises manufacturers of various kinds of iron and steel products and marketing channels. The rim manufacturing units, axle manufacturing units, agriculture implements manufacturing units and trolleys/grills/gates fabrication units form the conversion level and supply goods to the traders/exporters. The goods are either marketed directly to end users or are sold through traders/exporters. Most of the rim and axle industries have established contact with various traders/exporters in the country, while most of the iron fabrication and agriculture implements products are sold directly to the customer.

- i. Rim
- ii. Axle
- iii. Agriculture implements
- iv. Trolley, gates and grills

3.2.1 Rim

Most units are dependent on their customers to provide the product designs, and whatever standard designs are in demand in the market. This section represents the processes and value add by rim manufacturers. Marketing channels for rim manufacturers mostly comprise repeat orders and referrals by existing clients. Few

⁴ The total exports from the district includes other exported goods as well which are not in the list

⁵ DSR, Iron Fabrication, Shamli, Asian Development Bank (ADB)

⁶ DSR-Iron Fabrication, Shamli, Asian Development Bank (ADB)

of the players have visited exhibitions to generate new clientele. Online B2B marketing channels such as India Mart do not provide the required results as per consultation. The buyers are generally traders/dealers for automobile parts. Due to the simple nature of the product, manufacturers have no role to play after the sale has been completed.

Figure 3: Roll Forming in rim manufacturing



Figure 4: Welding process in rim manufacturing



3.2.2 Axle

The metal bars are machined (using lathe machines) on their ends to give them a round cross-section. Then, the ball bearings and axles hubs are fitted on each side of the metal bars and then painted and finished. Finally, the products are packaged for transport. Most units are dependent on customers for the product designs and whatever standard designs are in demand in the market. Marketing channels for axle manufacturers mostly comprise repeat orders, and referrals by existing clients. Few players have visited exhibitions to generate new clientele. The buyers are generally traders/dealers for automobile parts for ADVs, trolleys and trailers. Due to the simple nature of the product, manufacturers have no role to play after the sale has been completed.

Figure 5: A fully assembled axle for ADV, made in Shamli



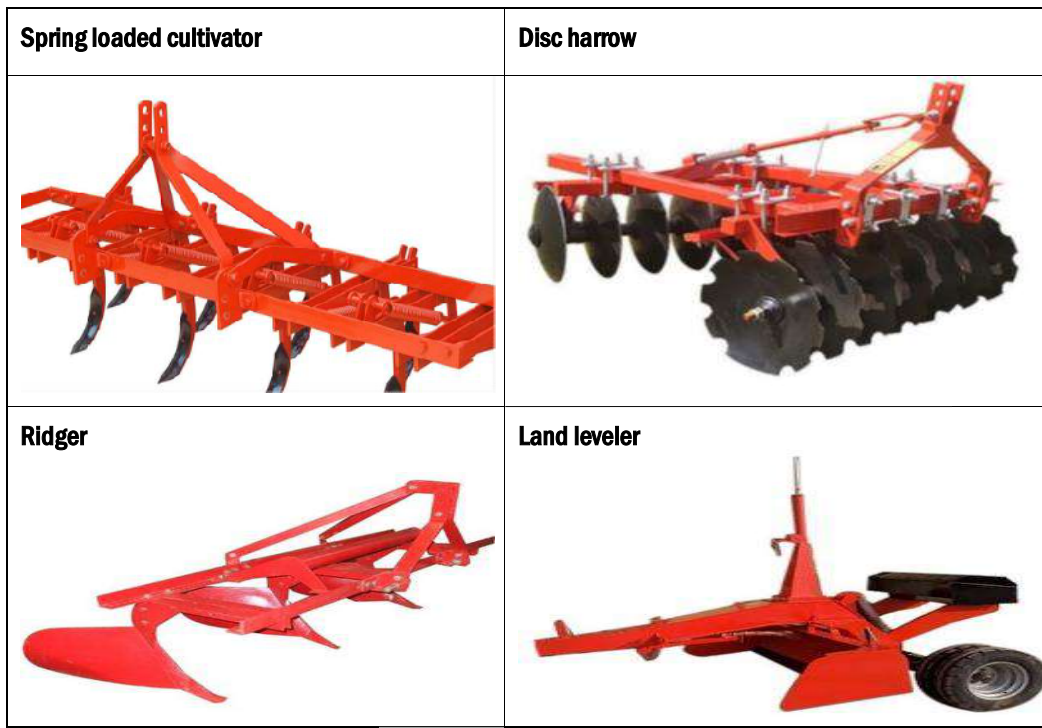
3.2.3 Agriculture Implements

The major agricultural implements being manufactured in Shamli include:

- ▶ Spring loaded cultivator used for tillage and soil preparation
- ▶ Disc harrow used for tillage and soil preparation

- ▶ Land leveller used for levelling the land
- ▶ Ridger used for creating ridges/ cultivation

Figure 6: Agriculture Implements



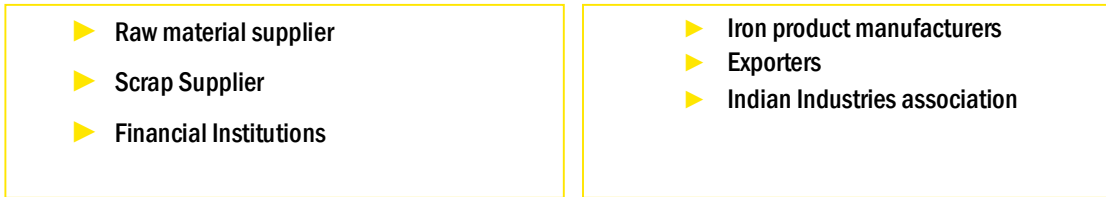
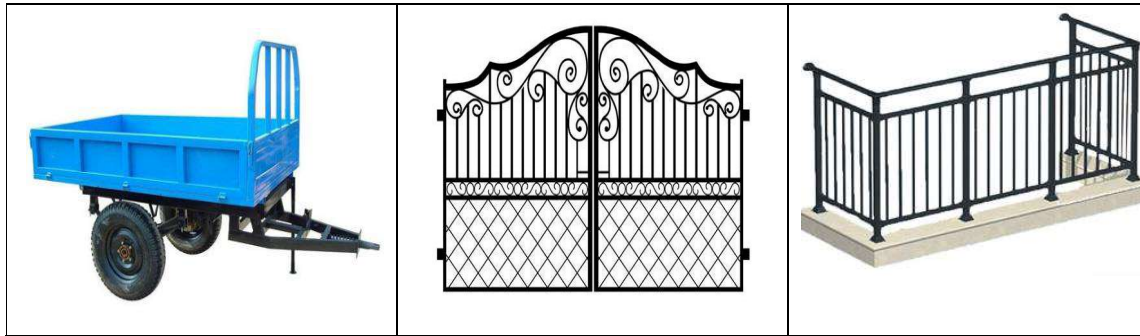
The manufacturing process for all the four products is similar. The first step is mostly machining, the process of cutting raw material into desired shape and size by removal of raw material. Machining includes turning, drilling, milling, etc. Most units use lathe machines or milling machines to carry out the machining operations on the components. The next step involves assembling the machined components with the semi- finished goods, either through welding or through just using nuts and bolts. Finally, the products are checked for operations, and pushed through for the finishing touches and painting. Most units retail the products directly to farmers in nearby regions, sometimes providing after sales service as well. Stakeholder consultations revealed that most buyers are from Shamli and other adjoining districts, mostly in a region of 50 km from Shamli.

3.2.4 Trolley, Gates and Grills

The production process involves machining and welding, followed by finishing and painting. Manufacturers follow the processes and value add to designs provided by customers. The major steps involved in the production process are mostly machining and welding, followed by finishing and painting. Most units manufacture as well as retail the products. Marketing channels for machine manufacturers mostly comprise repeat orders and referrals by existing clients. The buyers are generally people constructing houses, factories, and any kind of buildings. Considering the unique product being sold by them, the manufacturers must maintain a separate team to assist in installation of the product as also provide after sales services.

Figure 7: Agriculture Implements

Trolley	Gates	Grills
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3.3 Cluster Stakeholders

Figure 8: Cluster Stakeholders

3.3.1 Industry Associations

Following are four principal Industry Associations/SPVs that are working for the development of Iron fabrication in Shamli:

- ▶ **Indian Industries Association, Shamli Chapter**
- ▶ **Small Audyogik Asthan Manufacturing, Khedikarmu, Shamli**
- ▶ **Khedikarmu Industrial Estate Cooperative Society Ltd., Shamli**
- ▶ **Wheels Axels and Agriculture Implements Manufacturing Association (WAAMA)**
- ▶ **Krishi Vigyan Kendra, Shamli**
- ▶ **District Industry Centre, Shamli**

3.4 Export Scenario

3.4.1 HS code

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

Table 3: HS codes for Iron fabrication work

HS codes	Description
87087000	Road wheels and parts and accessories thereof, for tractors, motor vehicles for the transport of ten or more persons, motor cars and other motor vehicles principally designed for the transport of persons, motor vehicles for the transport of goods and special purpose motor vehicles.

73083000	Doors, windows and their frames and thresholds for doors, of iron or steel
87169090	Parts of trailers and semi-trailers and other vehicles not mechanically propelled, n.e.s.

Current Scenario

India's exports represent 0.54% of world exports for this product, its ranking in world exports is 25 behind Germany, USA, China, Japan, Mexico like biggest exporters of the selected product. Since 2015-2018, India's exports have increased with a good margin for shortlisted product. Going further, Uttar Pradesh can focus on those countries which import the selected product from India with much higher growth rate in recent years i.e., Czech Republic (462%), Ghana (367%), Iraq (183%) and Peru (144%).

Key Fact of Export (87087000)

15,887,211 (USD Thousand)

Value of world exports in 2021

86,380 (USD Thousand)

Total Exports from India in 2021

177.7 (USD Thousand)

Total Exports from Uttar Pradesh in 2021

0.2%

Share of UP in India's exports

3.5 Export Potential

In 2020-21, India's total exports for Iron Fabrication (category of products identified for Shamli) was around INR (USD 86,380 billion). During 2014-2018, the major export destinations for India are USA, Turkey, Germany, Brazil, Mexico and Italy. These six exports destinations command more than 50% of the total cumulative iron fabrication products exports from India. In 2018, USA topped the list with cumulative imports worth around USD 891 million. In recent years, Vietnam has become a major importer of iron fabrication products from India, increasing its imports from a meagre USD 8 million in 2014 to USD 123 million in 2018 (CAGR of 93%).

Product 87087000⁷ : Road wheels and parts and accessories thereof, for tractors, motor vehicles for the transport of ten or more persons, motor cars and other motor vehicles principally designed for the transport of persons, motor vehicles for the transport of goods and special purpose motor vehicles.

Uttar Pradesh exports this product to **UK, USA, France, Belgium, Canada, Ghana, South Africa, Saudi Arabia, Italy, Indonesia, Thailand, UAE, Serbia, Malaysia.**

Below figure shows the top importers for this product (87087000) in the world from India:

⁷ Trademap.org

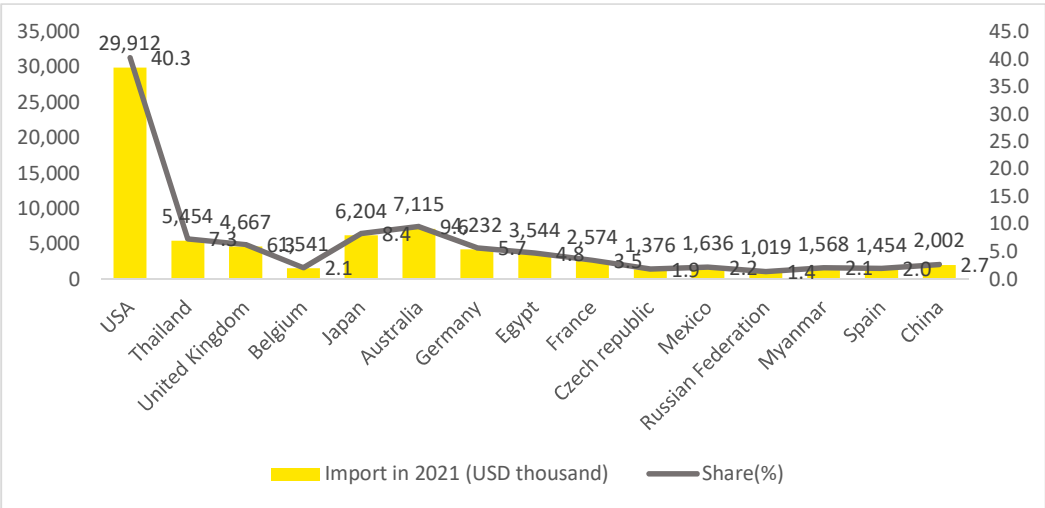


Figure 9: Top importing countries from India for this product (87087000)



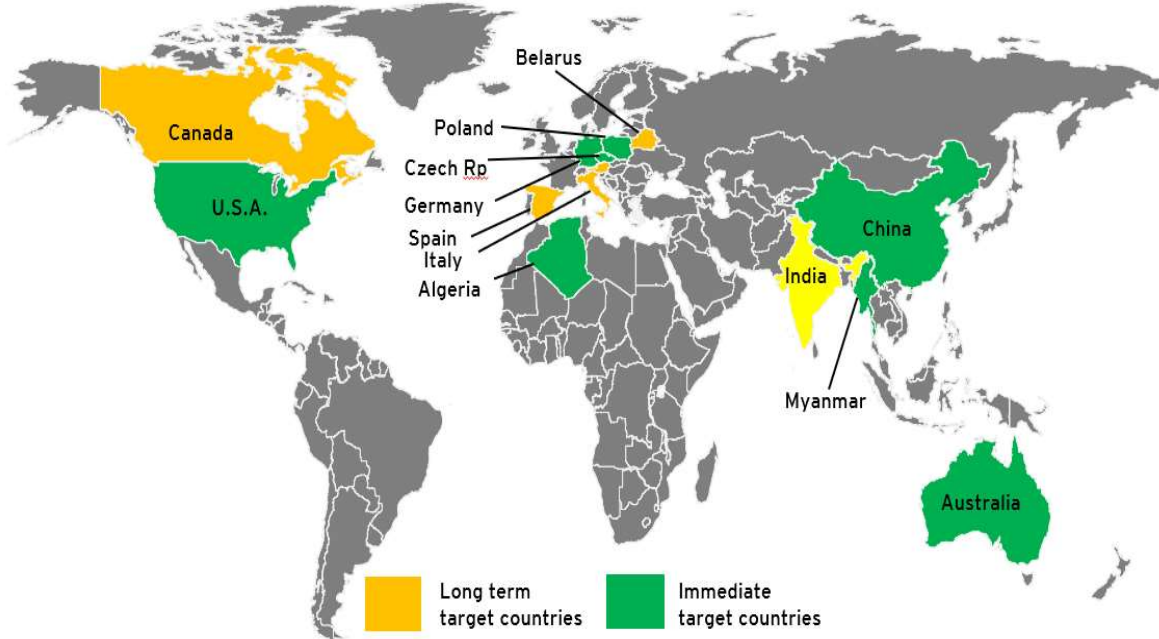


Figure 10: Markets for export potential

3.6 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. Diversification can be brought in the cluster by:

1. **Development of a new products:**
Knowledge of new technologies and product diversification: EDC to aid in manufacturing new types of products, new technologies emerging in the market, technology providers, price details, etc.
2. **Modifications of Existing Products:** EDC will aid in tie-up with companies/ organizations/ clusters like ACMA, DIC/DIEPC in other districts to further increase market access and product development.

3.7 SWOT Analysis

Table 4: SWOT Analysis

Strengths	Weakness
<ul style="list-style-type: none"> ▶ Well Established market ▶ Huge production capacity ▶ Easy availability of raw material ▶ Large employment 	<ul style="list-style-type: none"> ▶ No experience of collective workers ▶ Lack of appropriate technology ▶ No R&D facility ▶ Lack of proper infrastructure facilities for



<ul style="list-style-type: none"> ▶ potential Availability of cheap and skilled labour for the cluster ▶ Availability of various financial and non-financial assistances from state and central government pertaining to the cluster. ▶ Strong supporting industries. 	<p>designing and new product development.</p> <ul style="list-style-type: none"> ▶ Outdated technology and machineries/equipment ▶ Lack of focus on export ▶ Lack of awareness of government schemes
Opportunities	Threats
<ul style="list-style-type: none"> ▶ Development of activities in management, marketing, quality, research and branding. ▶ Booming automotive sector ▶ Upgradation in production technology 	<ul style="list-style-type: none"> ▶ Non- availability of finance ▶ Lack of timely and adequate credit from credit institutions. ▶ Fluctuating raw material prices.

3.8 Challenges and interventions

Table 5: Challenges & Interventions

Parameter	Challenges	Intervention
Raw Material	<ul style="list-style-type: none"> ▶ Lack of one-stop destination for all the needs related to government services ▶ Due to lack of DIC/DIEPC body in the district, Shamli units are forced to go to Muzaffarnagar to avail any scheme benefits ▶ Lack of manufacturing competitiveness: There is a lack of competitiveness in cluster due to which there is less interest for new improved techniques in the manufacturing process ▶ Old and discarded Rims are being re-used by state Buses, vehicles and this should be stopped for 1) to ensure business the new rim makers 2) for safety of new vehicles 	<ul style="list-style-type: none"> ▶ Setting up of DIC/DIEPC office inside the district - The cluster will be benefited with services such as awareness of Government Schemes, Export Counselling, Necessary Trainings, and any other benefits provided by DIC/DIEPC in other districts ▶ Establishment of Entrepreneur Development Cell (EDC)* to: Improve manufacturing competitiveness Technology Upgradation Marketing related interventions.

Technological upgradation	<ul style="list-style-type: none"> ▶ The stakeholders shared the need of strategy for increased technology adoption by sector 	<ul style="list-style-type: none"> ▶ EDC to organize site visits to best case studies across the country; the learning from best cases outside the country; and dissemination of technology upgradation scheme information and real-time tracking. EDC to ensure awareness and knowledge about new technologies and contacts of equipment suppliers to industries ▶ Training and financial assistance for technology upgradation can pump up interest and competitiveness among cluster actors.
Design	<p>Need of value addition, new market linkages and new product design</p>	<ul style="list-style-type: none"> ▶ R&D centre may be set up for product diversification ▶ DIC/DIEPC & EDC to handhold industries in application process for govt schemes under which they can avail financial and technical support for product diversification, designing and value addition.
Marketing & branding	<p>The cluster is not receiving services such as awareness of Government Schemes, Export Counselling, Necessary Trainings, and any other benefits provided by DIC/DIEPC in other districts</p>	<ul style="list-style-type: none"> ▶ Establishment of logistics park ▶ There is a need of data bank in the sector for industries for new market knowledge ▶ Study tours to help in Market access ▶ Tie up between service providers and local truckers ▶ Establishing contacts between truckers and logistics service providers ▶ Raising limits for marketing scheme-related benefits it will increase participation in international exhibitions ▶ Micro Units may be provided with incentives in their domestic and export sales from Govt
Quality Improvement	<ul style="list-style-type: none"> ▶ The stakeholders shared the need of strategy for increased technology adoption by sector. 	<ul style="list-style-type: none"> ▶ EDC to organise site visits to best case studies across the country; the learning from best cases outside the country; and dissemination of technology upgradation scheme information and real-time tracking ▶ EDC to ensure awareness and knowledge about new technologies and contacts of equipment suppliers to industries . ▶ Training and financial assistance for technology upgradation can pump up interest and competitiveness among cluster actors.
Post GI Initiative	<ul style="list-style-type: none"> ▶ Lack of promotion of products highlighting their GI tag 	<ul style="list-style-type: none"> ▶ Target to make 100 authorised Users to become IEC holder in a year. (DIC) to identify such stakeholders. ▶ Organise one seminar within two months to apprise the stakeholders about the importance of Geographical Indication (GI) and for increasing the authorised users. (This can be done by DGFT /FIEO/ MSME with the help of

Exporter's issue	<ul style="list-style-type: none"> ▶ No focal point to address exporters ongoing issues. ▶ Lack of awareness 	<p>DIC)</p> <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. ▶ DGFT organize workshops for Export .
Tax	<ul style="list-style-type: none"> ▶ GST Refunds have created a financial crunch – the issue is primarily with differential GST for dual use products like Rim & Axle – the raw material required for manufacturing Rim & Axle is charged at a tax rate of 18% while the products sold to thresher users are taxed at 12%, necessitating GST refund. Due to this discrepancy, large sums of GST refund are stuck with tax authorities, large enough to cover working capital loans sanctioned by banks and leading to huge liquidity crunch 	<ul style="list-style-type: none"> ▶ The Uttar Pradesh may outlay the MSP's for the Jaggery produced in the state. This would encourage more entrepreneurs to enter this sector. Currently there is no subsidy being given to entrepreneurs to purchase the sugarcane which is the primary raw materials for jaggery production. ▶ An exemption or tax relief (or a subsidy) for organic processors could be considered, together with other measures like subsidisation of fuel used in organic production, loans with lower rates, taxes on polluting inputs, products/seeds, internalisation of environmental costs, & charge reductions for processed organic food sample analyses

3.9 Future Outcomes⁸-

Annual Turnover

In 5 years from the successful implementation of proposed strategic interventions may generate manufacturing output up to approximately INR 334.36 crore.

Cluster exports

The cluster exports may increase up to approximately INR 66.87 crore and attract investments of approximately INR 64.23 crore in 5 years of successful implementation of action plan.

⁸ DSR prepared by ADB for Iron Fabrication of Shamli district

4. 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

5. Action Plan

Quantifiable activity/ intervention	Responsible authority	Timeline for implementation ⁹
Increasing the overall exports from the state		
Sensitization and facilitation in availing Import/export documents: Majority of the cluster actors though interested and sensitized on exports are unaware of Import-Export Code which is crucial for participating in global trade. While some of them are aware, they face challenges in applying. Thus, at district level, a camp should be set in every three months to help the individuals interested in trade to understand about the requisite documents required for undertaking import/ export and provide support in availing them	ODOP cell, DIEPC UPEPB	Continuous initiative
Creation of an event calendar comprising of events to be conducted in a Financial Year with a focus on international marketing events . Further, DGFT and FIEO can finalize a target to participate in at least 3 international events in a year per product category/industry food products by utilizing schemes like IC and MAS	ODOP cell, DIEPC UPEPB	Continuous initiative
Sensitization of cluster actors: <ul style="list-style-type: none"> a. The individuals of a cluster should be sensitized on the plethora of schemes¹⁰ available for them for maximizing the potential of exports. Merchandise Exports from India Scheme, Service Export from India Scheme etc. provides various exemptions for facilitating exports. Further, schemes like Advance Authorization Scheme (AAS), Duty Free Import Authorization (DFIA Scheme) ensure procurement of imported duty-free raw materials b. Currently, majority of the exporters and traders focus on selling their goods to USA, UK and European countries without correctly analyzing the demand market. Thus, these cluster actors should be sensitized on target countries identified through export analysis mentioned in DAPs and EAP 	ODOP cell, 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	DIC, UPEBP and FIEO	Intermediate

⁹ Short term: Should be initiated within 6 months, Intermediate: to be initiated between 6- 12 months, long terms after 12 months

¹⁰ 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>:

taking part in the trade fairs organized by FIEO and other organizations may be proposed as a target under this segment		
Common interventions across sectors/ clusters		
Collaboration with e-commerce companies like Amazon, ebay, Flipkart etc.	UPEPB/DIEPC	Short term
MoU with QCI for defining quality standards of the products	UPEPB/DIEPC	Short term
Collaboration with IIP to define cluster-wise packing standards	UPEPB/DIEPC	Short term
Sensitization of banks and bankers to help them understand the niche sectors of MSME and their specific requirements which shall help banks evaluate projects better while lending credit	UPEPB/DIEPC and banks	Short term
Introduction of revolving working capital within the cluster to help MSMEs procure raw materials and undertake production without hinderances	UPEPB/DIEPC and banks	Intermediate
Tie up with the banks/financial institutions (SIDBI, BoB etc.) for better interest rates, enhanced working capital limits etc.	UPEPB/DIEPC and banks	Intermediate
Handholding of MSMEs for increasing their awareness on schemes of state & centre and the procedure to apply to avail financial assistance	UPEPB/DIEPC	Intermediate
Sensitization of cluster actors from this sector on Make in India initiative and PLI for leveraging the assistance provided to the sector to enhance productivity and expand exports	DIEPC UPEPB	Short term
DIEPC to act as a focal point for all exporters issues. Deputy Commissioner Industries may be given this responsibility to monitor the cell in consultation with DGFT.	DIEPC/DGFT/UPEPB	Long term
Cost Structure:	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.	DIEPC/UPEPB	Long term
b. The CONCOR rates are to be made available at regular intervals to the DIC office for updation of the same at the district website.		
c. The formation of the Sub-committee comprising the representative of CONCOR and Deputy Commissioner Industries to	DIEPC/UPEPB/FIEO	Short term

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.		
Product 1: Iron Fabrication		
Establishment of District Industries Centre and Industrial Infrastructure. a. Setting up of DIC/DIEPC i. DIC/DIEPC Office ii. Entrepreneur Development Cell b. Building Industrial infrastructure Establishment of logistic park	DIEPC, DGFT and ODOP Cell	Long term
Govt of India's Lean Manufacturing Scheme to boost manufacturing competitiveness. Office of DIC/DIEPC and EDC will support in conducting awareness programs for lean manufacturing	Cell DIEPC, ODOP	Long term
Technology Upgradation- EDC & DIC/DIEPC will support manufacturers in adopting latest technologies by providing list of suppliers and contacts of the suppliers	Cell DIEPC, ODOP	Long term
Study Tours/ Exposure Visits- EDC to plan Study tours/Exposure visits	Cell DIEPC, ODOP	Long term
Application to Directorate General of Foreign trade for a unique HSN Code	UPEPB/ODOP Cell / DGFT	Intermediate term
MoU with QCI for defining quality standards of ODOP products so that their quality can be maintained/ improved, and they can be exported across the globe with local brand logo which ensures its authenticity.	QCI/ODOP Cell	Long term
Increase the usage of the portal as this portal facilitates the weavers and artisans to provide information about their products for easy understanding of exporters.	UPEPB/ODOP Cell	Short 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/ODOP Cell	Intermediate 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

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