



NATIONAL APEX CHAMBER

Rising Uttar Pradesh

ONE DISTRICT

ONE PRODUCT

SUMMIT

August 2018

PHD CHAMBER OF COMMERCE AND INDUSTRY

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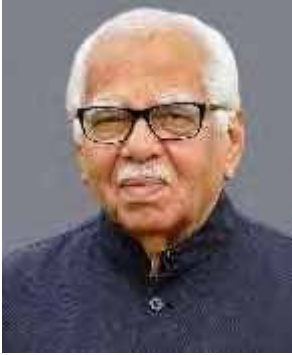
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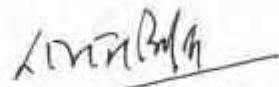
07 अगस्त, 2018

सन्देश

मुझे यह जानकर अतीव प्रसन्नता हुई कि पीएचडी चैम्बर ऑफ कॉमर्स एण्ड इण्डस्ट्री द्वारा 10 से 12 अगस्त, 2018 तक लखनऊ में आयोजित 'एक जनपद, एक उत्पाद समिट एवं प्रदर्शनी' के अवसर पर 'नॉलेज रिपोर्ट' का प्रकाशन किया जा रहा है।

उत्तर प्रदेश को वैश्विक स्तर पर विशिष्ट पहचान दिलाने के लिए प्रदेश सरकार की 'एक जनपद, एक उत्पाद' योजना नये रोजगार सृजन की दिशा में एक महत्वपूर्ण कदम है। मुझे उम्मीद है कि इस योजना से प्रदेश के युवाओं को जहां रोजगार प्राप्त होगा, तो वहीं उत्तर प्रदेश भी विकास के पथ पर आगे बढ़ेगा।

'नॉलेज रिपोर्ट' के सफल प्रकाशन हेतु मैं अपनी हार्दिक शुभकामनाएँ प्रेषित करता हूँ।


(राम नाईक)

Yogi Adityanath



CHIEF MINISTER
UTTAR PRADESH



Date: २-०८-२०१८

Message

Uttar Pradesh, embedded in the heart of India, is an abundant amalgamation of rich natural and human resources, traditional handicrafts as well as various arts and skills. Not only is the state endowed with a panorama of geographical diversity, it is also a confluence of diverse cultural and religious traditions giving it a unique character.

Uttar Pradesh is uniquely famous for its product-specific traditional industrial hubs across its 75 districts, ranging from Lakhnavi chikankari from Lucknow; Banarsi zardozi & Banarasi silk saris from Varanasi; Bhadohi carpets; Kanpur leather goods; Leather footwear from Agra; sports goods of Meerut; Wooden handicrafts of Saharanpur; Brassware of Moradabad; Glassware industries of Firozabad and much more.

These traditional industries contribute significantly in the economic development of the state. With an objective of giving a major push to these traditional industries, synonymous with the respective districts of the state, the Government of Uttar Pradesh has taken a very important and innovative decision to implement the concept of 'One District One Product'.

'One District One Product' scheme while fulfilling the prime objective of big scale international branding and marketing of these products will also enhance the business opportunities for the youth, entrepreneurs and the artisans.

I am confident that this scheme while preserving and promoting the skills and crafts of the State, will also open new avenues of prosperity and employment for the youth of Uttar Pradesh.

My best wishes for the summit and the successful implementation of 'One District One Product' scheme.


(Yogi Adityanath)

Lal Bahadur Shastri Bhawan, Lucknow

From President's Desk



Anil Khaitan

MESSAGE

Uttar Pradesh, one of the fastest growing economies is widely acknowledged for its multicultural society, religion, natural resources and variety of geographical land. The state government has undertaken various reform measures to provide state of the art infrastructure and Ease of Doing Business.

The state's resources, policy incentives, infrastructure and climate are best suited for investments in diverse sectors such as agro-based and food processing industries, biotechnology, Information Technology (IT), light engineering goods, leather products, sports goods, textiles, and tourism.

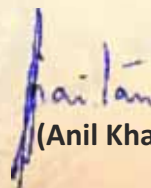
The ambitious One District One Product Scheme aims to give boost to the traditional industries of Uttar Pradesh and enable the people to gain expertise in one product. The scheme will contribute towards the growth of states' GSDP and raise the quality of the products.

One District One Product Scheme announced by the Uttar Pradesh Government will pave a new way for inclusive development of the state by linking the local craft skills with specialized products and create employment opportunities.

The few objectives of the ODOP scheme are to improve the quality of the product, transforming the product through packaging and branding and to strengthen the initiative of ODOP to national and international level.

Uttar Pradesh is always at the forefront of the implementation of policy environment. I believe the state government will gain excellence in ODOP and an increased economic growth trajectory in the coming times.

I wish all the best to all the participants at the Summit.


(Anil Khaitan)

From Chairman's Desk Uttar Pradesh Committee



Dr. Lalit Khaitan

MESSAGE

Uttar Pradesh State is blessed with an abundance of resources and capabilities and the state has adopted multi-pronged strategy to implement & promote its 'Ek Janpad Ek Utpad' Yojana with the aim of achieving comprehensive and balanced economic development of the state. It will encourage more entrepreneurs come on board and benefit from the concept.

At the time of major economic growth being envisaged by the government, schemes like 'One District One Product' (ODOP), being launched by the UP government are milestones to enhance the economic opportunities for the State, especially the MSME sector.

The economy of Uttar Pradesh has undergone several changes which have come about with collaborative efforts of the government. The state is set to scale new highs to emerge as a strong, sustainable and fast moving economy. Uttar Pradesh is a state where every district boasts one or the other unique traditional industry and has the potential to generate employment opportunities for growing young population and contribute towards the growth of the states' GSDP.

One District One Product is one such scheme which will help local handicraft and agricultural products to gain recognition in national and international markets through branding, marketing support and easy credit facilities. ODOP scheme will help in preserving and developing the skills of local craftsmen in addition to transforming the products in an artistic way.

I am confident that the ODOP Summit would touch upon the issues of topical importance to be highlighted to the State Government and ensure that the people are able to reap the benefits of the scheme. I believe the reforms suggested by the PHD Chamber would pave the way for excellence in ODOP scheme.

I wish all the very best to all the participants of this Summit.



(Dr. Lalit Khaitan)

Acknowledgements



Saurabh Sanyal
Secretary General

MESSAGE

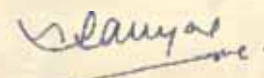
PHD Chamber has come up with a report on 'Rising Uttar Pradesh ODOP Summit'. The study attempts to display the identified products from each district of Uttar Pradesh which are a part of the ODOP scheme.

I take the opportunity to express my gratitude and respect to our office bearers Mr. Anil Khaitan, President, PHD Chamber of Commerce and Industry, Mr. Rajeev Talwar, Senior Vice President and Mr. D.K. Aggarwal, Vice President for their constant support in ongoing ODOP Summit. We express our sincere thanks to Dr. Lalit Khaitan, Chairman of Uttar Pradesh Committee, Mr. Ranjeet Chaturvedi, Co-Chairman of Uttar Pradesh and Dr. HP Kumar, Advisor, PHD Chamber for their profound suggestions.

I commend and appreciate the tireless efforts of the team PHD Research Bureau led by Dr. S P Sharma, Chief Economist, PHD Chamber of Commerce and Industry, Ms. Abha Chauhan and Ms. Kriti Khurana, Research Associates for producing this study.

I would like to appreciate the efforts of Mr. Yogesh Srivastav, Principal Director, PHD Chamber of Commerce and Industry, Ms. Anuradha Goel, Regional Director, UP, for providing support in order to complete the study. Last but not the least, I would like to place on record the support of members of Uttar Pradesh Committee and the services of Mr. Kasber Thomas, Joint Secretary (Creative) and Mr. Hariom Kuthwaria, Graphic Designer, PHD Chamber designing the report.

I wish all success to each and every participant in the summit.



(Saurabh Sanyal)

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Executive Summary

Uttar Pradesh is emerging as a rapidly growing economy over the past few years. The Gross State Domestic Product (GSDP) of Uttar Pradesh (at current prices) has grown from Rs. 11,37,210 crore in 2015-16 to about Rs. 13,75,607 crore in 2017-18. The average economic growth of Uttar Pradesh stands at 7.5% during FY2016 to FY2018.

Uttar Pradesh has posted an inspiring trend in terms of raising its per capita income level. The per capita income of the state has increased from Rs. 42,267 in 2014-15 to Rs. 55,339 in 2017-18 representing an average growth of 8.4% during the last four years period. The per capita income of the state is projected to increase more than Rs. 80,000 by 2024-25¹.

Uttar Pradesh has shown a decent rate of growth of 7.5% during the period of 2015-16 to 2017-18. Agriculture and services industry form the largest parts of the state's economy. The state's resources, policy initiatives, infrastructure and climate are best suited for investments in diverse sectors such as information technology, agro-based and food processing, sports goods, textiles, leather and tourism.

The state has a robust industrial infrastructure, with 15 industrial areas, 12 specialized parks, 4

growth centres & Industrial Infrastructure Development Centres (IIDC). As of December 2017, the state had 21 notified special economic zones (SEZs). Out of the notified SEZs, 15 are for the IT/ITeS sector.

Taking its mission a step forward, the Government of Uttar Pradesh announced “One District One Product” to give boost to the traditional industries, enable the people to gain expertise in one product, value addition of the product and improvement in the growth of states' GSDP.

ODOP aims to boost the micro and small units involved under this scheme. It focuses on all districts in the state and is beneficial for the local craftsman as well as the unemployed.

The ODOP scheme will play a major role in bolstering the MSMEs in the state by ushering a new pace of progress through employment generation at district level. MSMEs sector plays an important role in the economy of the state and is significant contributor to capital investment, production and employment. The state has around 89.99 lakh MSMEs in 2017-18. Majority of the export products are ODOP products and state is posting a good growth in exports.

¹ The projection for 2024-25 are given by PHD Research Bureau, PHDCCI

Executive Summary

The State Government announced the Industrial Investment and Employment Promotion Policy 2017 with an aim to create a framework to stabilize and make existing industries more competitive as well as attract and realize new international and national investments in the industrial sector.

A congenial industrial ambience with the availability of large pool of skilled and unskilled labor force, investor friendly environment, more rationalized and simplified procedure for undertaking industrial investments; make the state one of the favourable destination for undertaking industrial ventures.

The state has attracted around 60,000 crore industrial investment proposals in the last four years (2014-2017). The share of Uttar Pradesh industrial investment proposals in India's total industrial investment proposals have increased from 3.05% in 2012 to 3.31% in 2016 and 4.91% till May 2018.

Uttar Pradesh has been ranked at 12th position across 36 States and Union Territories with a implementation status of 92.87%. The state's Department of Labour through the online system

provides one-stop solutions encompassing all the services offered by the Department.

Uttar Pradesh has the highest share of number of cities to be transformed into smart cities as around 13 out of the 100 smart cities are from Uttar Pradesh. Some of the projects are implemented under Public Private Partnerships. 1,333 projects worth Rs. 50,626 crore have been completed or are under implementation/ tendering.

The state government has announced Information Technology & Start UP Policy, 2017-2022 with an objective to promote attractive business ecosystem, human development, and infrastructural development by means of IT cities, IT Parks, IT-BPM units.

The state of Uttar Pradesh is blessed with an abundance of resources and capabilities. The ODOP scheme is focusing at all districts and will benefit the local craftsmen which will help the state enhance its production possibilities with ease of doing business for local craftsmen and help the state achieve new heights in the coming times.

1. Rising Uttar Pradesh



Uttar Pradesh

Uttar Pradesh, the most populous state of India is well known for its multi- cultural society, and wide variety of geographical land. The state accounts for 16.4% of the country's population and also the fourth largest state in geographical area covering 9% of the country's geographical area.

The area of Uttar Pradesh is bequeathed with all the marvels of nature such as dense woodlands to ample agricultural lands, from emerald blue rivulets to magniloquent knolls, minerals, flora and fauna. The state is known for its magnificent architecture and rich arts and crafts. Uttar Pradesh is located in the Northern part of India and is surrounded by Bihar in the East, Madhya Pradesh in the South, Rajasthan, Delhi, Himachal Pradesh and Haryana in the West and Uttarakhand in the North and Nepal to its Northern borders.

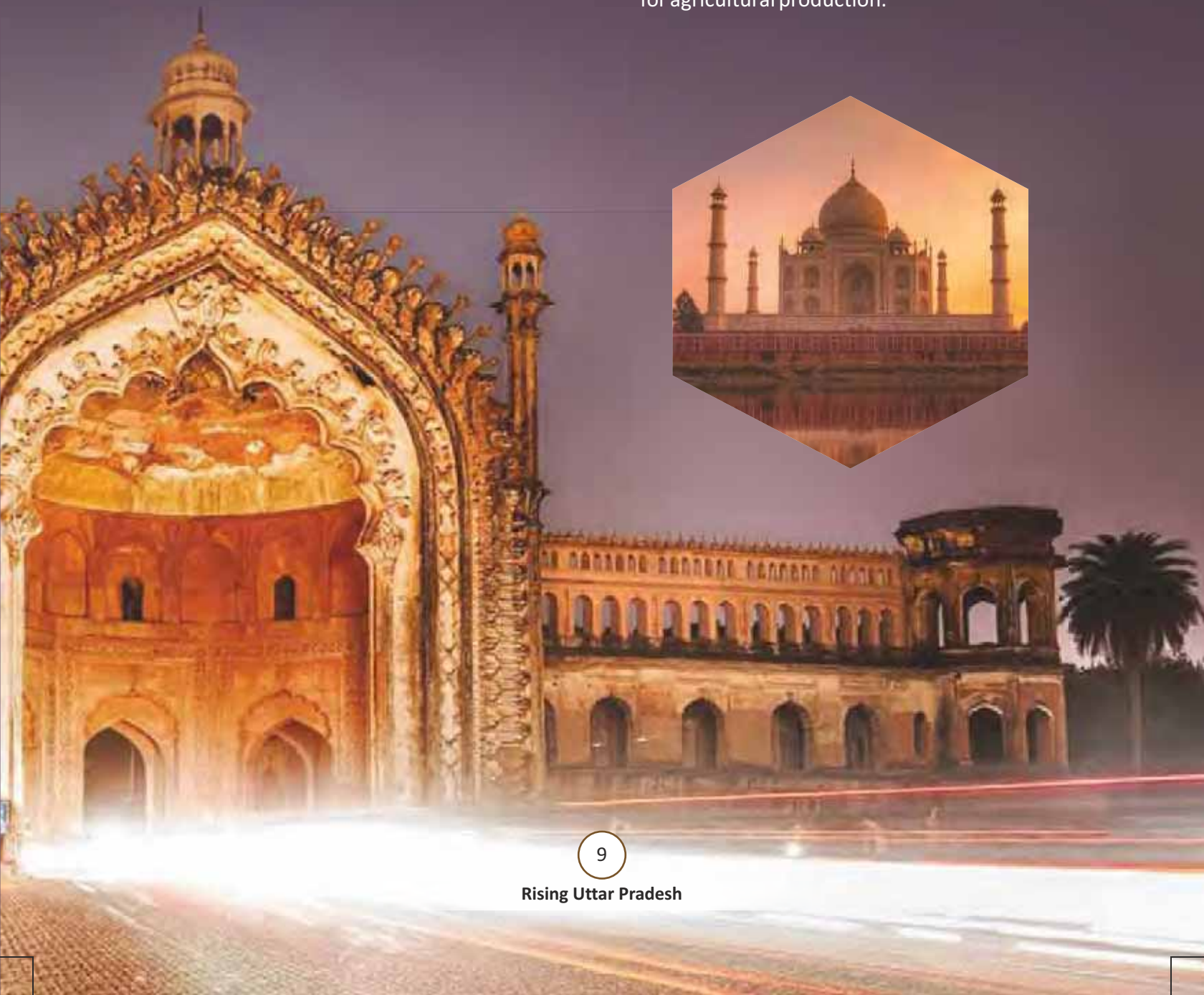


The state has numerous golden chapters of Indian history to its credit and has contributed to rich Indian mythology and tradition. The state is one of the most favoured tourism destinations as the Taj Mahal, one of the Seven Wonders of the World, is located in Agra. It is also one of the world's oldest living cities with numerous Old temples, Hindu monks, and the ghats of the holy river Ganges at Varanasi are the major attractions of the place. Lucknow, which is the capital city of the State, is home to nawabi palaces, imamabaras and traditional handicrafts.

It has two religious rivers of Indian mythologies - Ganga and Yamuna. Uttar Pradesh is a wonderful land of monuments of historic significance,

renowned forts, museums, and enchanting scenes of natural beauty, wildlife sanctuaries and inspiring religious sites. Uttar Pradesh has an economy that is well divided between industrialization and agriculture. Most of the occupational groups within the population of Uttar Pradesh are involved in agriculture and service industries, which contribute to the largest parts of the state's economy.

Skilled labors are sought after in the urban centers of the state which are experiencing a tremendous growth especially in the Information Technology (IT) and the Telecommunications sector. The state also offers excellent investment opportunities for industrial development. The state also offers a diverse agro climatic condition which is conducive for agricultural production.



Summary of socio-economic indicators

State Capital	Lucknow
Hon'ble Governor	Shri Ram Naik
Hon'ble Chief Minister	Shri Yogi Adityanath
Area (Sq. km)	240928
Population (Census 2011)	19,98,12,341
Population Density(Sq. Km)	829
No. of Districts	75
GSDP at Current Prices*	Rs. 1375607 crore
Growth of GSDP at Constant Prices*	6.4%
Per capita income (2017-18)&	Rs. 55,339
Percentage of population below poverty line^	29.4%
Literacy Rate	69.72%
Domestic Airport	Agra, Allahabad, Gorakhpur, Kanpur, Lucknow and Varanasi
Infant Mortality Rate@	43 per thousand live births
Main Crops	Paddy, wheat, Barley, Millet, Maize Moong, Urad, Arhar, Gram, Sugar cane etc.
Major Minerals	Lime, Stone, Dolomite, Magnesite, Soap, stone, Gypsum, Glass sand, Marble, Phaspherite, Buxite, Non-Plastic,fireclay etc.
Main Pilgrimages	Kashi, Prayag, Ayodhya, Mathura, Naimisharanya, Shaktipeeth, Vindhyawasine temple, Devi Patan, Deva Sharif, Kaliyar Sharif, Makanpur Sharif etc.
Main Folk dances	Charkula, Karma, Pandav, Paidanda, Tharu, Dhobia, Rae and Shaira etc.
Important Rivers	Ganga, Yamuna, Ramganga, Gomti, Ghaghra, Betwa and Ken
Key Industries	Agro processing, Tourism, Information Technology, Mineral-based industries, Textiles, Handloom and Handicrafts, Food processing, Sports goods, Cement, Vanaspati oil, Cotton textile, Cotton yarn, Bangle and glass industry, Sugar, Jute.

Source: PHD Research Bureau, Compiled from various official documents of Government of Uttar Pradesh, Ministry Of Statistics and Programme Implementation (MOSPI); *Data refers to 2017-18; @ Data refers to 2016; & Data refers to current prices; ^Data refers to 2011-12

Expanding Growth Scenario

Uttar Pradesh has been a growing economy with a steady growth in the recent years. The Gross State Domestic Product (GSDP) of Uttar Pradesh (at current prices) has grown from around Rs. 1137210 crore in 2015-16 to about Rs. 1375607 crore in 2017-18. The average GSDP growth of the state stands at 7.5% during 2015-16 to 2017-18.

**Average Economic growth of Uttar Pradesh
stands at 7.5% during FY2016 to FY2018**

Per- Capita Income

Uttar Pradesh has posted an inspiring trend in terms of raising its per capita income level. The per capita income of the state has increase from Rs. 42,267 in 2014-15 to Rs. 55,339 in 2017-18 representing an average growth of 8.4% during four years period. The per capita income of the state is projected to increase more than Rs. 80,000 by 2024-25².



Source: PHD Research Bureau, Compiled from Ministry of Statistics and Programme Implementation (MOSPI).
Note: Data pertains to per capita NSDP (Net State Domestic Product) at current prices. The projection for 2024-25 are given by PHD Research Bureau, PHDCCI

² PHD Research Bureau, PHDCCI projections

Steady Growth Strong Progress

Uttar Pradesh has shown a decent rate of growth of 7.5% during the period of 2015-16 to 2017-18. Agriculture and services industry form the largest parts of the state's economy. The state's resources, policy initiatives, infrastructure and climate are best suited for investments in diverse sectors such as Information Technology, agro-based and food processing, sports goods, textiles, leather and tourism.

The state has witnessed strong infrastructure growth in the recent past. Uttar Pradesh has emerged as a key hub for IT & ITeS industries, including software, captive business process outsourcing (BPO) & electronics. The state has become a hub for the semiconductor industry with several major players having their offices and R&D centres in Noida.

The state has a robust industrial infrastructure, with 15 industrial areas, 12 specialized parks, 4 growth centres & Industrial Infrastructure Development Centres (IIDC). As of December 2017, the state had 21 notified special economic zones (SEZs). Out of the notified SEZs, 15 are for the IT/ITeS sector.

The service sector comprises of tourism, real estate, insurance and financial consultancies. The state is one of the most preferred states in the country due to the presence of a bouquet of tourist destinations. The eminent tourist & historical destinations are Varanasi, Piprahwa, Kaushambi, Shravasti, Kushi Nagar, Agra, Lucknow, Chitrakoot, Jhansi, Allahabad, Vrindavan & Meerut. Varanasi, being one of the most prominent religious & cultural cities in India, attracts a huge chunk of tourists every year. In 2017, 2.37 million domestic and foreign tourists visited the state.

Over the last three years (FY2016-FY2018), the GSDP of the state has increased from about Rs. 1137210 crore in F2016 to about Rs. 1375607 crores in FY2018.

Gross State Domestic Product and its composition

Components	FY2016	FY2017	FY2018
GSDP at Current Prices (Rs. Crore)	1137210	1250213	1375607
NSDP at Current Prices (Rs. Crore)	1008179	1109590	1222084
Economic Growth% (GSDP at factor cost , constant prices)	8.8	7.3	6.4
Sectoral Contribution in GSVA at current prices (%)			
Primary	25.2%	25.6%	24.7%
Secondary	22.7%	21.3%	21.0%
Tertiary	44.7%	45.0%	46.6%

Source: PHD Research Bureau, Compiled from MOSPI

2. Industrial Infrastructure on high road

Uttar Pradesh has witnessed rapid industrialization in the recent past, particularly after the launch of policies of economic liberalization in the country. The state has always been in the forefront in the area of industrial development.

Industrial growth of the state is largely depended on infrastructural facilities available in the state. In order to enhance industrialization in the state, Uttar Pradesh is continuously improving infrastructure facilities by providing speedy transportation of goods by constructing expressways, up-gradation of highways, more availability of power to the industrial units, and so on. Public Private Partnership (PPP) model has also been adopted by the state in various sectors like Road Sector, Power Sector, Urban Rejuvenation.

The Uttar Pradesh Government has initiated several incentives in the form of various policies formulated for the development and promotion of industries by the State. In view of major transformation of industrial environment globally and within the country, Government of Uttar Pradesh has announced Industrial Investment and Employment Promotion Policy 2017 with an aim to create a framework to stabilize and make existing industries more competitive as well as attract and realize new international and national investments in the industrial sector.

Infrastructure breakthrough by developing news infrastructure and upgrading the existing ones

- Developing new industrial parks like Food Park, IT Park, Textile Park and Pharma Park while upgrading the existing ones
- Providing various incentives in the form of interest subsidy to industrial parks/estates of more than 100 acres in Bundelkhand and Poorvanchal, 150 acres in Madhyanchal and more than 50 acres in case of Agro Parks in Bundelkhand, Poorvanchal and Madhyanchal developed by private sector
- Ensure speedy implementation of two National Investment and Manufacturing Zones (NIMZ) in Jhansi and Auraiya under the provision of National Manufacturing Policy
- Develop private industrial parks around Lucknow-Kanpur, Kanpur-Allahabad and

Varanasi-Allahabad zones on the lines of Noida and Greater Noida

Ease of Doing Business-Conducive Industrial Environment to attract investors

- Simplification of procedures and processes related to industrial services/clearances/approvals/permissions and licenses
- Effective implementation of a mechanism to provide all industrial services/clearances/approvals/permissions/licenses online and under one roof
- Establishing a Trade Welfare Board to protect the interest of traders
- Introduce Specialised soft skill trainings to promote customer oriented mind set in all departments providing service to industries.

Big push to Start-ups

- To promote the establishment of Incubators in every district of Uttar Pradesh, the State Government shall provide financial support of maximum INR 5 Lakhs per year for 5 years, covering the deficit of the operational expenditure in running the Incubator/ Accelerator
- 100% reimbursement on electricity duty will be given to Incubator / Accelerator for a period of 5 years
- Provide financial support in the form of Grant-in-aid (covering capital and operational expenditure) upto INR 10 crore to Centre of Excellence (CoE) for a maximum period of 5 years
- Establish an INR 1000 Crore UP Start-up Fund for providing access to finance to start-ups in Uttar Pradesh
- Organizing Start-up Mela every quarter and award UP Aavishkaar Puraskar to the start-ups along with a funding of upto INR 50 Lakhs to implement their solutions in the concerned department, in a time bound manner

Smart Cities

The Central Government launched 100 Smart Cities Mission along with other mega urban schemes viz., Atal Mission for Rejuvenation and Urban Transformation (AMRUT) and Housing for All in urban area. Some of the projects are implemented under Public Private Partnerships. 1,333 projects worth Rs. 50,626 crores have been completed or are under implementation/ tendering.

Socio-Economic Impact

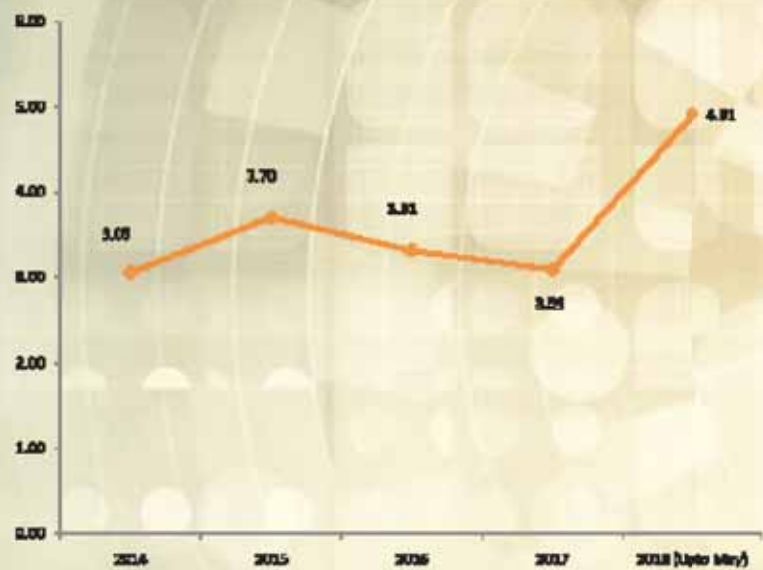
- In a smart city, economic development and activity is sustainable and rationally planned and it is based on success-oriented market drivers such as supply and demand.
- Development of smart cities will create immense employment opportunities for the people residing in the state.
- Smart cities, which aim to use digital technology would enhance performance and well being, reduce costs and resource consumption.
- With increasing urbanization and the load on rural land, the government has now realized the need for cities that can cope with the challenges of urban living and could also attract investment.

Sharp Jump in Industrial Investments

A congenial industrial ambience with the availability of large pool of skilled and unskilled labor force, investor friendly environment, more rationalized and simplified procedure for undertaking industrial investments; make the state one of the favourable destination for undertaking industrial ventures. Proximity of the

state to national capital, Delhi is an additional advantage. The state has attracted around 60,000 crore industrial investment proposals in the last four years (2014-2017). The share of Uttar Pradesh industrial investment proposals in India's total industrial investment proposals have increased from 3.05% in 2012 to 3.31% in 2016 and 4.91% till May 2018.

Rising share of Industrial investments intentions of Uttar Pradesh in India's Industrial investment intentions (%)



Source: PHD Research Bureau, Compiled from Department of Industrial Policy and Promotion, Government of India

Implementation of business reforms

According to an assessment of state Implementation of Business Reforms by Department of Industrial Policy & Promotion, Government of India which assesses implementation status of reform measures across areas including setting up a business, allotment of land and obtaining construction permit, complying with environment procedures, complying with labour regulations, obtaining infrastructure related utilities, registering and complying with tax procedures, carrying out inspections and enforcing contracts, obtaining electricity connection, single window, etc.

Uttar Pradesh has been ranked at 12th position across 36 States and Union Territories with a implementation status of 92.87%. The state's Department of Labour through the online system provides one-stop solutions encompassing all the services offered by the Department. The portal offers several functionalities including online registration, licensing and renewal under the various Labour Acts. It has also defined clear timelines and process for registration and renewal of various licenses. The Department has mandated online submission and accessibility of inspection reports within 48 hours mandated.

Assessment of State Implementation of Business Reforms

S. NO.	State	Rank	Score (%)
1.	ANDHRA PRADESH	1	98.42
2.	TELANGANA	2	98.33
3.	HARYANA	3	98.07
4.	JHARKHAND	4	97.99
5.	GUJARAT	5	97.96
6.	CHHATISGARH	6	97.36
7.	MADHYA PRADESH	7	97.31
8.	KARNATAKA	8	96.40
9.	RAJASTHAN	9	95.68
10.	WEST BENGAL	10	94.70
11.	UTTARAKHAND	11	94.21
12.	UTTAR PRADESH	12	92.87
13.	MAHARASHTRA	13	92.71
14.	ODISHA	14	92.09
15.	TAMIL NADU	15	90.68
16.	HIMACHAL PRADESH	16	87.90
17.	ASSAM	17	84.75
18.	BIHAR	18	81.91
19.	GOA	19	57.34
20.	PUNJAB	20	53.92
21.	KERALA	21	44.79
22.	JAMMU & KASHMIR	22	33.05
23.	DELHI	23	31.60
24.	DAMAN & DIU	24	28.69
25.	TRIPURA	25	22.27
26.	DADRA NAGAR & HAVELI	26	21.88
27.	PUDUCHERRY	27	15.65
28.	NAGALAND	28	14.04
29.	CHANDIGARH	29	11.44
30.	MIZORAM	30	3.63
31.	ANDAMAN & NICOBAR ISLANDS	31	1.24
32.	MANIPUR	32	0.27
33.	SIKKIM	33	0.13
34.	ARUNACHAL PRADESH	34	0.00
35.	LAKSHADWEEP	34	0.00
36.	MEGHALAYA	34	0.00

Source: PHD Research Bureau, compiled from DIPP, Government of India. Note: Data latest available as on 2nd August 2018

3. One District One Product (ODOP) Scheme

Embedded in the heart of India is Uttar Pradesh which is blessed with an abundance of resources and capabilities. Being rich in geographical and cultural diversity, the state has great potential for development. The government declared the new Micro, Small and Medium Enterprise (MSME) Policy and Infrastructure & Industrial Development Policy 2017 which shows its commitment for the all round progress of the state.

Taking its mission a step forward, the Government of Uttar Pradesh announced a scheme in the name of “One District One Product” to give a boost to the traditional industries, enable the

people to gain expertise in one product, value addition of the product and improvement in the growth of states' GSDP.

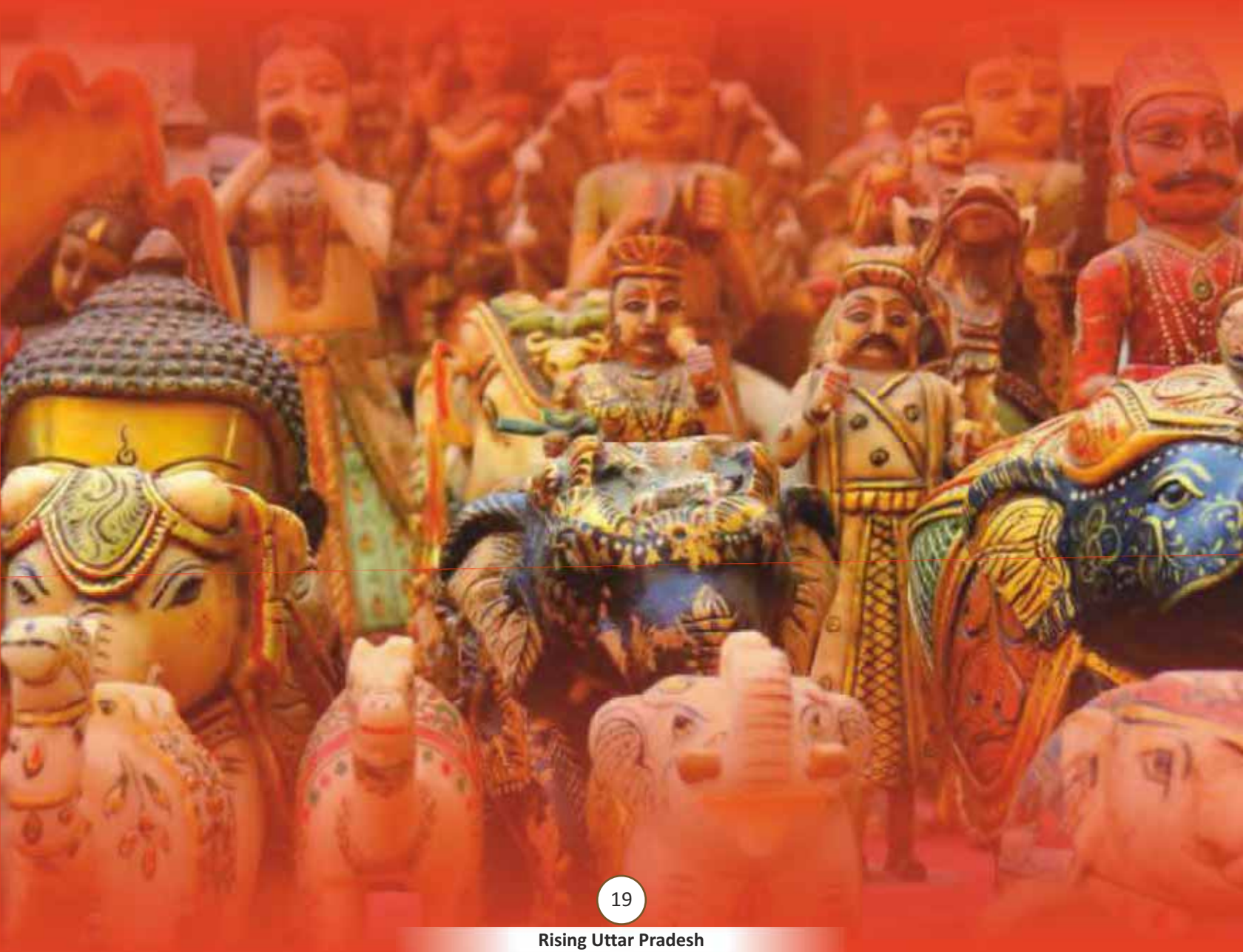
Uttar Pradesh has been a leading state in the export of handicrafts, processed food, engineering goods, carpets, readymade garments and leather products. Through this scheme, traditional crafts/skills will be retained with suitable and desired modification as per market requirement. The scheme will also play a major role in bolstering the micro and small units involved in ODOP by ushering a new pace of progress through employment generation at district level.

The implementation of 'One District One Product' scheme will help the districts to specialize in the manufacturing process of a product and eventually increase the quality of the products to gain recognition in national and international markets through branding, marketing support and easy credit.

One District One Product is a unique and one of its kind initiative, borne primarily to display the

identified products from each district so that more and more people get to know about the rich cultural heritage of the state and the unique skills and talent found here.

Through this innovative scheme, a new era would begin in the state for the development of micro and small units involved in ODOP which would contribute in making district specific products recognized at global level.



4. District wise product under ODOP

ODOP - One District One Product scheme was launched by the Uttar Pradesh government with the aim to help the local artisans and provide access to the world market. ODOP is going to be a market place which will help in connecting both the buyers and sellers. This will help the local handicraft industries and products to gain national and international recognition through

branding, marketing support and easy credit.

The scheme will help the people to preserve the rich culture and heritage of the state and unique skills founds at the district level. This will also encourage people to start new avenues, ventures therefore which will help them in contributing towards states' GSDP, going forward.



AGRA

The district is popular for its leather work with variety of **leather products** such as bags footwear among others. The raw material for manufacturing is imported from Kanpur, Kolkata, Chennai and China among others.



ALIGARH

The district is famous for **locks and hardware**. The product is famous all over the country.



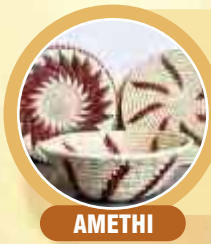
ALLAHABAD

The district is known for its **Moonj Craft**. Products such as coaster stand, bags, decorative items among others and these products are eco-friendly and they have the potential to create a space for themselves in the national and international market.



ALIGARH

The district is famous for its **textile products**. Tanda city of Ambedkar Nagar is famous for Tanda terri-cotton cloths. Powerloom - textile production provides employment to around 43,000 artisans.



AMETHI

The district is known for its **Moonj products**. The locals are engaged in making different types of decorative and household products such as carry bags, chairs, tables among others.



AMROHA

The district is famous for **musical instrument** (Dholak). There are approximately 300 units, which provide employment to around 1000 artisans.



AURAIYA

The district is a major producer of **Desi Ghee** and it is one of the majorly exported items.



AZAMGARH

The district is popular for its **black pottery** in the area of Nizamabad and there are around 200 artisans engaged in pottery.



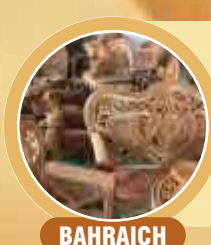
BUDAUN

The district is famous for **zari-zardosi**. The zardosi industry is largely a cottage industry and around 35% of the families are engaged in this industry.



BAGHPAT

The district is known for its **home furnishings**. The handloom business has been going on in Khekada for years and the handloom units have been converted to power loom.



BAHRAICH

The district is popular for its **wheat - stalk handicrafts** and some of the artisans have been honoured with the state award for this craft



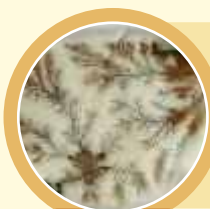
BALLIA

The district is known for **bindi (Tikuli)** industry in the Maniyar block of the district. The product is traded locally as well as to other states.



BALRAMPUR

The district is famous for **food processing (pulses)**. Five different types of small lentil varieties are found and they are also exported to other states such as Assam and Bengal.



BANDA

The district is popular for **Shazar stone craft**. The stone is used for making jewellery and other decorative items.



BARABANKI

The district is known for **fabric knitting through handloom(stoles)**. Weaving is done in both urban and rural areas of the district and there are about 11,200 weavers engaged in textile weaving.



BAREILLY

The district is popular for **zari - zardosi**. There are thousands of micro and small units that are involved in this work. There are around 2 lakh people engaged in this work, directly or indirectly. Various items that can be found with zari-zardosi work are dresses, scarves, handbags, jackets, sarees among others.



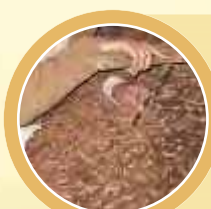
BASTI

The district is famous for its **wood craft** and various products including sofa sets, beds among others are manufactured here.



BHADOHI

The district is world famous for the production of **carpets (dari)**. There are approximately 63,000 artisans and total number of looms is more than 1 lakh and over 500 export units are established here. The carpets are exported also and handmade carpets are very popular in international market.



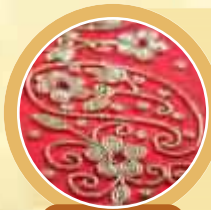
BIJNOR

The district is known for its **wood craft**. This city is known as "wood craft city" globally.



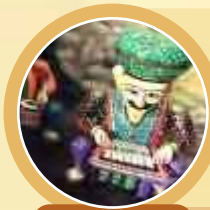
BULANDSHAHR

The district is popular for pottery. The pottery began with the display of blue art on **ceramic pots**. There are around 350 units in pottery industry and these units provide direct and indirect employment.



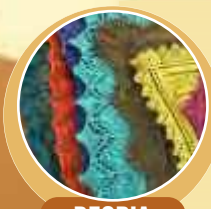
CHANDAULI

The district is known for its **zari-zardosi**. The zari work done on the sarees is done by the craftsmen of villages Gopallapur, Dulhipur, Ketsar among others.



CHITRAKOOT

The district is famous for **wooden toys**. The toys produced here are sent to different districts of the state for sale as well as for fairs and exhibitions.



DEORIA

The district is known for **decorative products**. The products famous are knitting and embroidery work on home furnishings and other decorative items such as chandeliers, skirting, curtains and more. These products are sold in local markets as well as in other parts of the country.



ETAWAH

The district is popular for **textile products**. The crafts of block printing on garments through handheld tools is prominent here. The craftsmen make products like cushion covers, pillow covers, among others.



ETAH

The district is famous for **brass bells** (Ghungroo and Ghanti). The material used for making the bells, such as mud, white powder and brass are available in plenty.



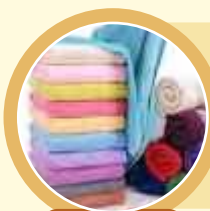
FAIZABAD

The district is known for **jaggery**. Around 20% of the agricultural land is used for sugarcane cultivation. The products produced are sesame gajak, chikki among others.



FARRUKHABAD

The district is known for its **block printing** (made of wood and brass). The products made here are not only famous in India but also in Brazil, US and several Asian and European countries.



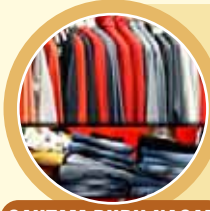
FATEHPUR

The district is known for **bed sheets**. The products are famous in national as well as international markets. These units manufacture products like towel, cloth for making jeans and bedsheets.



FIROZABAD

The district is popular for **glassware**. The artisans use a special traditional technique known as "Mouth - Blowing" for making products such as Christmas trees, kitchen ware, decorative items among others.



GAUTAM BUDH NAGAR

The district is famous for ready-made garments. The city is known as 'City of Apparel'. Out of the total employed workers, 60% of them are women employees working in this industry. At present there are 2500 ready-made garment factories. Apparel Training Center has been established in order to provide skilled craftsmen to all the units.



GAZIPUR

The district is known for **jute wall hangings** and the product is exported to other regions also.



GHAZIABAD

The district is popular for **engineering goods**. There are many units manufacturing automobile parts, lift and furnishing. The region is also known for manufacture and export of machinery parts and machines.



GONDA

The district is famous for **food processing (pulses)**. Lentils are cultivated on a large scale and cultivation of pulses, sugarcane, maize, paddy is prominent.



GORAKHPUR

The district is known for **terracotta** and around 200 households are engaged in this work.



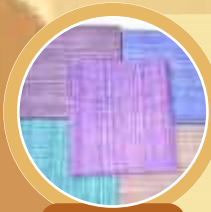
HAMIRPUR

This district has been known for its production of **leather shoes or juti** which is completely handmade. Technical training and financial aid is required for ensuring high quality production and promotion of this industry.



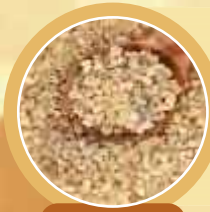
HAPUR

Hapur district of Uttar Pradesh is known for **Home Furnishing** and the Pilkhuwa region of this district is known as the 'power loom city' of India. Block printing, bed sheets etc are made here with handloom/power loom quite in demand all over the world. The industry has provided direct and indirect employment to 10,000 people.



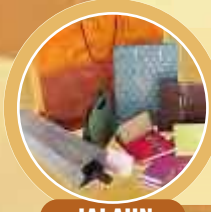
HARDOI

This district is famous for **Handloom industry** where weavers are engaged in plain cloth weaving and making products like lion-cloth, gamcha, shirts and more. This sector provides employment to approximately five thousand weavers.



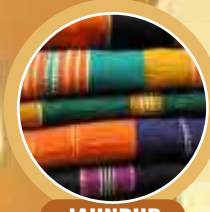
HATHRAS

Hathras has been a large scale producer of **asafetida or hing** since last 100 years. Raw asafetida is mainly imported from countries like Afghanistan, Tajikistan, Uzbekistan among others.



JALAUN

This district is known for the craft of making **handmade papers** from junk paper and cloth strings. This paper is used to make a variety of products such as office files, carry bags, absorption papers, visiting cards and more.



JAUNPUR

This district has been known for the craft of making **woolen carpets or dari** using traditional techniques.



JHANSI

Jhansi district of Uttar Pradesh is famous for the **soft toys** industry. The toys made in Jhansi are supplied to major cities such as Delhi for sale.



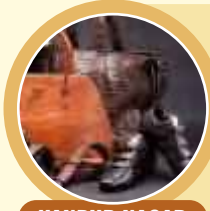
KANNAUJ

Kannauj is popularly known as the '**perfume city**.' In the 'Suras and Aroma Development Centre', all the dimensions related to 'attar' are carried out.



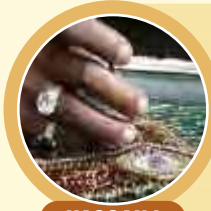
KANPUR DEHAT

This district is known for the **aluminum utensils** produced here. These are sold in the local markets as well as in other districts like Jhansi, Hamipur, Banda, Kanpur, Auraiya, Etawah and more.



KANPUR NAGAR

Kanpur city is the largest centre of **leather industry** in the country. A variety of leather products like footwear, belts, purses, slippers, garments, saddles are made here. Kanpur city contributes over 20% of the total leather and leather goods exports of India.



KASGANJ

Kasganj district is famous for the **Zari Zardozi craft**. The unique hand embroidered coral pearl has a place of its own. About 65 thousand artisans in this district are presently engaged in this craft.



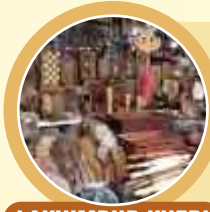
KAUSHAMBI

Bananas are cultivated on a large scale in this district. The food processing units produce a variety of items including banana chips, beauty products, toiletries etc.



KUSHINAGAR

This district is famous for **banana fiber products**. The banana fibre is used for making threads, carry-bags, filaments and organic compost owing to the abundant cultivation of banana in the district.



LAKHIMPUR KHERI

This district is famous for **tribal craft**. The Tharu tribe of the district is engaged in making traditional crafts items with the help of hand-made tools.



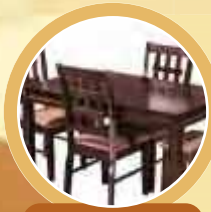
LALITPUR

This district is known for making **Zari Silk Sarees** all over the world for their transparency, exquisite designs and engraved buti work. As many as 5000 cotton and silk sarees are made here every year.



LUCKNOW

The district is famous for **Chikkankakri and Zari Zardozi work**. The craft provides employment to a number of artisans.



MAHARAJGANJ

Owing to the presence of a large forest area, the district of Maharajganj is famous for making various **furniture** items like chairs, door beds, sofas, tables, dressing tables and more.



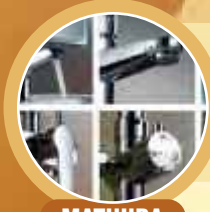
MAHOB

The **Gaura stone craft** done in Mahoba district of Uttar Pradesh holds a very special place in the world of art and craft. The gaura stone is divided into several pieces which are used for making various craft items.



MAINPURI

Tarkashi art is famous in the Mainpuri district of Uttar Pradesh which is used for decorating jewellery boxes, name plaque and other similar items.



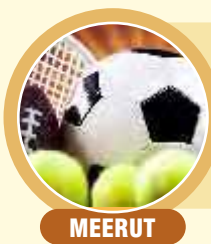
MATHURA

Sanitary fittings such as taps, etc are produced in the district. There are as many as 50 micro and small units involved in production of taps and cocks in the district.



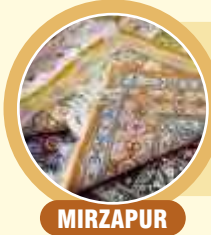
MAU

Mau is known for **saree production, zari work and kashidakari work**. The sarees made here are in great demand in Uttar Pradesh as well as other states.



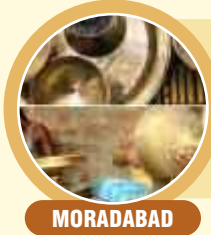
MEERUT

The district is the second largest producer of **sporting goods and accessories** in India. Small and medium scale units are engaged in producing sports goods.



MIRZAPUR

Mirzapur's **carpets and dari** hold a very unique place in India as well as rest of the world. These are made in a traditional manner using natural wool.



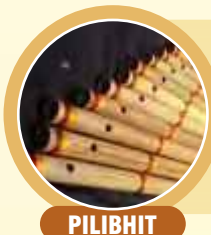
MORADABAD

Moradabad is known as the 'Brass City' as its famous product is **metal craft**. The district has domestic units as well as large industries engaged in the manufacturing of metal goods.



MUZAFFARNAGAR

Muzaffarnagar is an agriculture based district and is known for its traditionally prepared jaggery. The gud or **jaggery** made in this district is sold in other states like Gujarat, Rajasthan and Haryana.



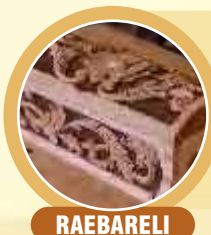
PILIBHIT

The district is famous for its **flutes** nationally as well as internationally. Pilibhit is the only district in the country known for production of bansuri.



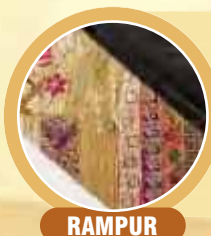
PRATAPGARH

The **Amla** grown in Pratapgarh is a major part of its identity. There are a number of food processing units in Pratapgarh which manufacture a variety of products including murabba, pickle, jam, jelly, laddoo, candy, powder, juice, amla powder and more.



RAEBARELI

This district is famous for a considerable amount of **wood related work**. The market of the wood products is in local regions and adjoining districts such as Lucknow, Kanpur and Allahabad.



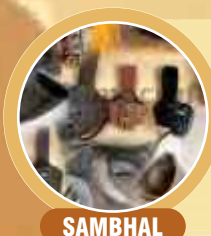
RAMPUR

Patchwork and Zari is the main handicraft of this district. As many as 25000 artisans are associated with this craft.



SAHARANPUR

Wood craft is the main handicraft of this district. Sheesham wood is the main raw material used in this industry.



SAMBHAL

The **horn-bone handicraft products** made in Sambhal are immensely popular. The raw material used for making these crafts items is procured from dead animals and that makes this industry environment friendly.



SANT KABIR NAGAR

This district is famous for the **Bakhira brassware craft**. The artisans engaged in this craft make various types of artistic utensils and show pieces such as bowls, plates, glasses, vessels, jug, vase, bells and more.



SHAHJAHANPUR

Carpet making and zardozi work are prominent in the eastern part of Shahjahanpur district. Approximately 10,000 to 15,000 artisans are engaged in zardozi work.



SHAMLI

The **rim and axle** made in this district are very famous. The products are exported to several countries including Sri Lanka, Bhutan, Nepal and various African nations. There are around 30 units of rim and axle in the district.



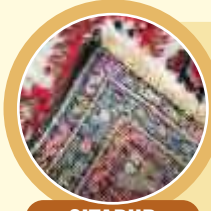
SHRAVASTI

This district of Uttar Pradesh is famous for **tribal craft (tharu craft)**. The craftsmen make a variety of products including cloth sheets, covers, tablecloth and more.



SIDDHARTH NAGAR

Kala Namak rice is a kind of aromatic and soft rice which is famous in this district. There are more than 45 units operating in the rice industry here.



SITAPUR

The district is known for the **cotton and woolen carpets (dari)** made here. These products come with appealing and artistic designs.



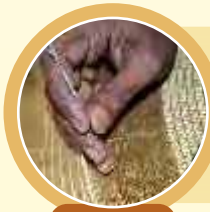
SONBHADRA

The elegantly designed carpets of Sonbhadra are immensely popular. This type of intricate designing can only be found on **handmade carpets**.



SULTANPUR

This district is famous for **Moonj products**. Around 1,50,000 people are engaged in working with badh of moonj in the district. On an average 3 to 3.5 lakh quintal badh is produced per month.



UNNAO

Zari-zardozi embroidery is a very rich and traditional craft in this district of Uttar Pradesh. The embroidery is generally done using golden wires.



VARANASI

The Varanasi district of Uttar Pradesh is famous for the elegant **Banarsi silk sari**. Varanasi silk is in great demand and is used in home furnishings, silk fabric and other utility products.



5. UP Government's initiatives for MSMEs growth to boost ODOP

MSMEs play a very important role in growth of the State as they constitute an important segment of the UP economy in terms of employment generation and as a source of foreign exchange earnings through exports. It is also a significant contributor to capital investment, production and employment.

While Uttar Pradesh is India's largest producer of food grains, it has also developed as an industrial hub of North India and has the potential to grow further. It is one of the most attractive destinations for investors and entrepreneurs both domestic and from abroad.

Uttar Pradesh offers a congenial industrial ambience as it has a large pool of skilled and unskilled labour force coupled with an investor friendly environment, which makes it easier for MSMEs to operate in the state.

Every district in the state has one or the other unique handicrafts or agricultural products which has attained International standards and contribution to the National GDP and State GDP. With a mission to provide new employment opportunities and focusing on all inclusive development, One District One Product scheme was launched in the state.

This new scheme will encourage MSMEs to expand at the district level and a new era would begin in the state for their development, which would contribute in making district specific products recognized at global level.

The MSME sector accounts for almost 60% of the total industrial output in Uttar Pradesh. The state has around 89.99 lakh MSMEs in 2017-18.



Highlights of the MSME Policy, 2017 of Uttar Pradesh

- **Land Incentives:-**
 - In rural areas, gram sabha land measuring more than 10 acres shall be identified and passed on in favour of industries department free of cost.
 - Minimum of 30% area would be reserved for micro and small sector in the industrial areas developed by Uttar Pradesh State Industrial Development Corporation (UPSIDC) and other organizations.
- **Land Use Conversion:-** 100% exemption from conversion charges for converting agricultural land to industrial land of agriculture land development authorities.
- **Capital Interest Subsidy:-** 5% per annum for 5 years
- **Infrastructure Interest Subsidy:-** 5% per annum for 5 years
- **Industrial Quality Development Subsidy:-** 5% per annum for 5 years
- **Land Conversion Waiver:-** Waiver of land use conversion charges from agricultural to industrial being established on agriculture land development authorities for MSMEs
- **Electricity Charges Reimbursement:-** Reimbursement of the fixed electricity charges at the rate of one rupee per unit for 5 years from date of production for MSMEs
- **CGTMSE:-** Payment of service fee to Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) charged by banks for collateral free loans up to INR 2.00 Crore to be borne by the State Government for MSMEs
- **SMEVCF:-** A Small, Medium Enterprise Venture Capital Fund (SMEVCF) shall be created by the State Government with the help of other financial institutions to encourage development of Start-Up and upward mobile MSMEs
- **Special Schemes:-** Special Schemes like Vishwakarma Shram Samman Yojna and Mukhyamantri Yuva Swarozgar Yojana (Chief Minister Youth Self-Employment Scheme) will be applicable
- **Interest Subsidy Reimbursement:-** Reimbursement of interest subsidy at 5% annually for 5 years
- 100% Electricity duty exemption to new units producing electricity from captive power plants for self-use for 5 years
- 100% Mandi fee exemption to all new Food Processing Processing units for Raw material purchase for 5 years

6. Exports growth: High potential for ODOP

Uttar Pradesh is one of the leading exporters of MSMEs products in categories such as handicrafts, engineering goods, readymade garments, carpets, leather products among others. Majority of the products exported from Uttar Pradesh are ODOP products.

Exports from Uttar Pradesh have grown in the MSME sector under following categories

S.No.	Product	CAGR*
1	Leather and leather products	11.3%
2	Carpets and mats	11.4%
3	Glass and glassware	14%
4	Readymade garments	13.3%
5	Meat and edible meat offal	11.3%
6	Plastics and articles	6.6%

Source : PHD Research Bureau, Compiled from Annual Report (2016-17) Ministry of Micro, Small & Medium Enterprises; *Note : Data pertains to CAGR Growth from 2012-13 to 2016-17

Product wise exports from Uttar Pradesh



Source : PHD Research Bureau, Compiled from Annual Report (2016-17) Ministry of Micro, Small & Medium Enterprises

The sector wise exports from Uttar Pradesh for FY2017 showed a mixed trend. The highest growth of exports was witnessed in processed food and meat industry (17.87%), followed by engineering goods (13.48%), readymade garments (12.87%) and leather and leather products (12.47%).

Sector wise Exports from Uttar Pradesh Year 2016-17

Total Export : Rs 84282.89 crore		Growth
Processed Food and Meat	15078.83	17.89%
Handicrafts	8400.76	9.97%
Handloom	417.24	0.50%
Leather and Leather Products	10508.5	12.47%
Carpet and Durry	4648.89	5.52%
Sports Goods	414.89	0.49%
Metal and Metal Products	10255.96	12.17%
Methnol and Essential Oils	1101.04	1.31%
Horticulture and Processed Food	795.01	0.94%
Readymade Garments	10866.7	12.89%
Engineering Goods	11360.85	13.48%
Marble Stones and Ceramic Pottery	799.27	0.95%

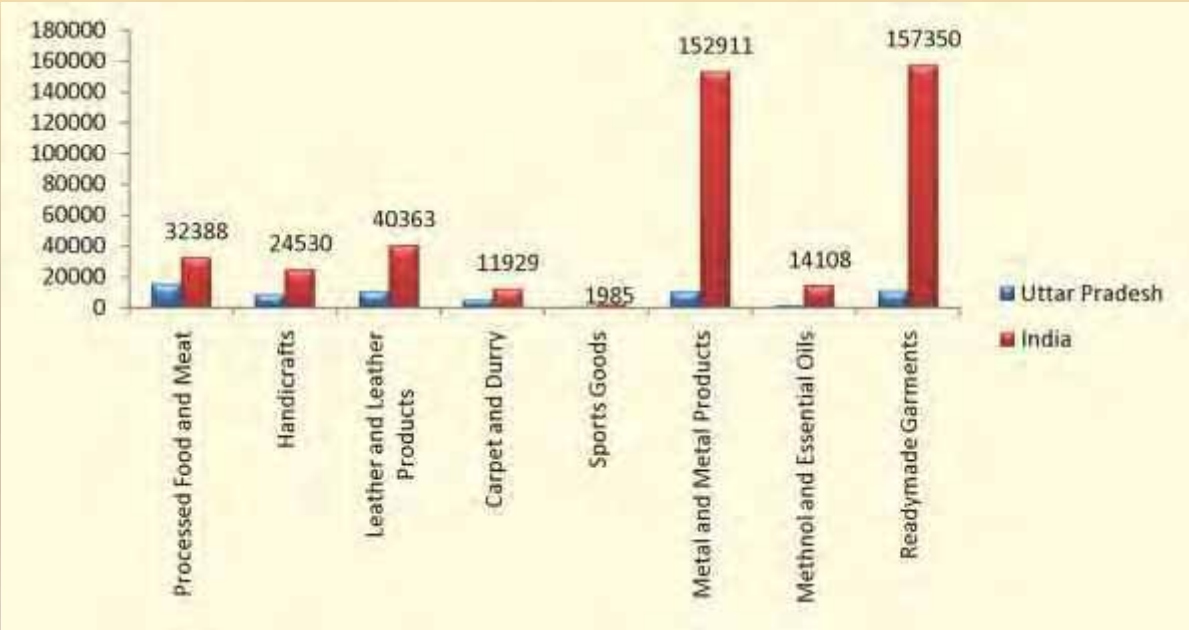
Source : PHD Research Bureau, Compiled from various sources

Sector wise Exports from Uttar Pradesh



Source: PHD Research Bureau, Compiled from various sources

Exports from Uttar Pradesh in comparison with India



Source: PHD Research Bureau, Compiled from various sources



Sectoral distribution of investments and employment

Industries	No. of Units	Investment(in crore)	Employment
Food Products	52,963	5,231.30	293505
Beverages, Toba & Toba Products	563	108.73	3043
Cotton Textiles	8,004	675.44	49274
Wool, Silk & Synthetic Fibre Textile	7,250	670.64	52871
Jute, Hemp &Mesta Textiles	1,352	168.01	4810
Hosiery & Garments	24,359	1,967.29	184084
Wood Products	7,692	810.53	44467
Paper Products & Printing	3,643	789.99	26344
Leather Products	4,991	982.22	62352
Rubber & Plastic Products	3,144	1,266.93	35052
Chemical & Chemical Products	3,174	910.39	33645
Non-Metallic Mineral Products	2,103	477.80	19269
Basic Metal Industries	1,673	420.17	14446
Metal Products	13,270	2,076.75	105221
Machinery & Part except Electrical	3,987	1,141.20	51186
Electrical Machinery & Apparatus	3,179	825.88	40068
Transport Equipment & Parts	361	692.05	3463
Miscellaneous Mfg.	1,59,774	14,566.38	781510
Repairing & Servicing Industries	2,59,041	14,296.20	1020415
Total	5,60,523	48,075.01	2825025

Source: PHD Research Bureau, compiled from various sources

7. Conclusions, Challenges & Way Forward

Uttar Pradesh, the most populous state of India is well known for its multi- cultural society, and wide variety of geographical land. The state accounts for 16.4% of the country's population and is also the fourth largest state in geographical area covering 9% of the country's geographical area.

The state has witnessed strong infrastructure growth in the recent past. Uttar Pradesh has emerged as a key hub for IT & ITeS industries, including software, captive business process outsourcing (BPO) & electronics. The state has become a hub for the semiconductor industry with several major players having their offices and R&D centres in Noida.

Uttar Pradesh is one of the leading exporters of MSMEs products in categories such as handicrafts, engineering goods, readymade

garments, carpets, leather products among others. The Uttar Pradesh Government has initiated several incentives in the form of various policies formulated for the development and promotion of industries by the State.

The state has attracted around 60,000 crore industrial investment proposals in the last four years (2014-2017). The share of Uttar Pradesh industrial investment proposals in India's total industrial investment proposals have increased from 3.05% in 2012 to 3.31% in 2016 and 4.91% till May 2018.

At this juncture, various schemes implemented by the Uttar Pradesh Government like ODOP are milestones which will enhance the economic opportunities for the state, going forward.

Challenges

The entrepreneurs in the state of Uttar Pradesh are facing few challenges such as:

- (i) **Inadequate Credit Flow** - The challenges being faced by the micro and small units includes inadequate access to finance due to lack of financial information and non-formal business practices, fragmented markets for their inputs and products. Some of the major issues are availability of adequate and timely credit, high cost of credit, collateral requirements, access to equity capital and rehabilitation of sick enterprises.
- (ii) **Technological challenges** - The most daunting challenge before these units is the attainment and maintenance of technological competitiveness. While a vast network of technological infrastructure has been built in the country and considerably progress has been achieved in the industrial and scientific arena, but micro and small units involved in ODOP still suffer from technological obsolescence as compared to that of the international level.
- (iii) **State of the art infrastructure** - The micro and small units are either located in industrial estates set up many decades ago or are functioning within urban areas or have come up in an unorganized manner in semi urban or rural areas. Due to inadequate infrastructure, new units are not coming up, while the existing units in the unregulated areas, are still continuing.
- (iv) **Marketing challenges** - Marketing is one of the weakest areas where Micro and small units involved in ODOP face problems. They do not have strategic tools/means for their business development as available with medium & large industries. Constant changes in the marketing dynamics as a result of technological revolution and marketing orientation in the wake of globalization is making profound impact on the competitiveness and existence of the units.
- (v) **Challenges in accessing national / international markets to market their products** - Export will be an important strategic option to achieve continued business growth. The micro and small units involved in ODOP remain under-represented in the international economy. Due to poor bargaining power and immediate need of cash flow, these units are under pressure to sell their products at cheaper rates. These units are affected by the presence of cheap foreign goods in the market which lure their customers.
- (vi) **Quality related problem** - Quality of the product is a major factor in the marketing of a product manufactured by the micro and small units. While MNCs and other big players can have captive testing facilities, on the contrary the micro and small units involved in ODOP cannot establish their own facilities because of the high cost.

Way Forward

ODOP scheme aims to give an impetus to traditional industries, synonymous with its respective state's districts. The state of Uttar Pradesh is blessed with an abundance of resources and capabilities. The scheme is focusing at all districts and will benefit the local craftsman.

1. Adequate Credit Flow to One District One Product sector - PHD Chamber recommends the following initiatives needs to be undertaken for ensuring adequate credit flow to the micro and small units involved in ODOP in the state:-

- (a) To address the problem of accessing credit at reasonable cost, a uniform methodology for levying the interest spread linked with the base rate can be devised which shall take into account the credit guarantee being given by the state Government.
- (b) Each cluster should have at least one designated micro and small units branch of the bank for providing enhanced credit support to micro and small units clusters involved in ODOP in the state.
- (c) Government may encourage Micro Finance Institutions (MFIs) to form cooperative groups and finance micro enterprises in unbanked/identified excluded rural/semi-urban areas at reasonable rates. In addition, the following measures needs to be taken, which would promote easy flow of finance to micro and small units involved in ODOP in the state:-

- To invite Private Sector Banks / Financial Institutions in the state to provide financial services to micro and small units.
- To facilitate easy flow and recovery of micro credit, financial institutions such as NABARD, SIDBI, Co-operative Banks, Commercial Banks etc to be encouraged to extend credit to ODOP clusters.
- To ensure speedy and expeditious recovery of the credit extended by the commercial banks and funding institutions.

2. Setting up of Special Fund for promotion of ODOP in the state - State Government should setup special fund for the promotion of micro and small units involved in ODOP in the state which should be earmarked for the use of following:-

- (a) Assist micro and small units in the acquisition and adaptation of modern clean technologies as well as creation of Technology Banks and product-specific Technology Development Centres;
- (b) Promote establishment of business incubators in educational institutions of repute;
- (c) Up-scale the existing programmes of entrepreneurship and skill development targeted at micro and small units involved in ODOP.

3. Providing enabling environment for ODOP for transition from unorganized to the organized sector - It should also encourage higher investments for innovative and knowledge based ventures as well as for research and development through greater partnership between the industry and academic institutions.

4. Setting up of Special Purpose Vehicles (SPVs) for addressing Marketing problems - Micro and small units involved in ODOP need institutional intervention for strengthening marketing capabilities. The need of the hour is providing hand holding and escort services, which can be extended by helping Micro and Small units through formation of Special Purpose Vehicles (SPVs) in the form of Cooperative Society(s) / Company(s).

5. Infrastructure Support to ODOP - Industrial estates which are currently in a state of decay and neglect should be infused with fresh capital and upgrade them to 'ODOP Townships'. The latter concept has constitutional recognition. This will permit effective municipal administration and a single - stop mechanism for the provision of municipal services.

6. Geographical indication of 75 ODOP products - All the products in the ODOP scheme should be under the ambit of geographical indication which is a sign used on the products that have a specific geographical origin and possess qualities that are due to that origin.

7. Integrated Marketing Support to ODOP - To showcase the competencies of micro and small units involved in ODOP, increased participation of these units in domestic and international exhibitions should be encouraged.

8. Converting District Industries Centres (DICs) to ODOP Centres - The District Industries Centres (DICs) should be converted to ODOP Centres with modern IT-enabled communication facilities and re-training of human resources available with these institutions.

9. Going forward, state has every potential to create excellence in the ODOP segment. At this juncture, state needs to implement the above mentioned recommendations with a focused approach which will pave the way for enhanced production possibility frontiers with ease of doing business for the local craftsmen.

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The Research Bureau has been instrumental in forecasting various lead economic indicators national and sub-national. Many of its research reports have been widely covered by media and leading newspapers. Recently, the Research Bureau has undertaken various policy projects of Government of India including Framework of University-Industry Linkages in Research assigned by DSIR, Ministry of Science & Technology, Study on SEZ for C&AG of India, Study on Impact of Project Imports under CTH 9801 for C&AG of India and has attracted a World Bank Project on free trade zones.

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