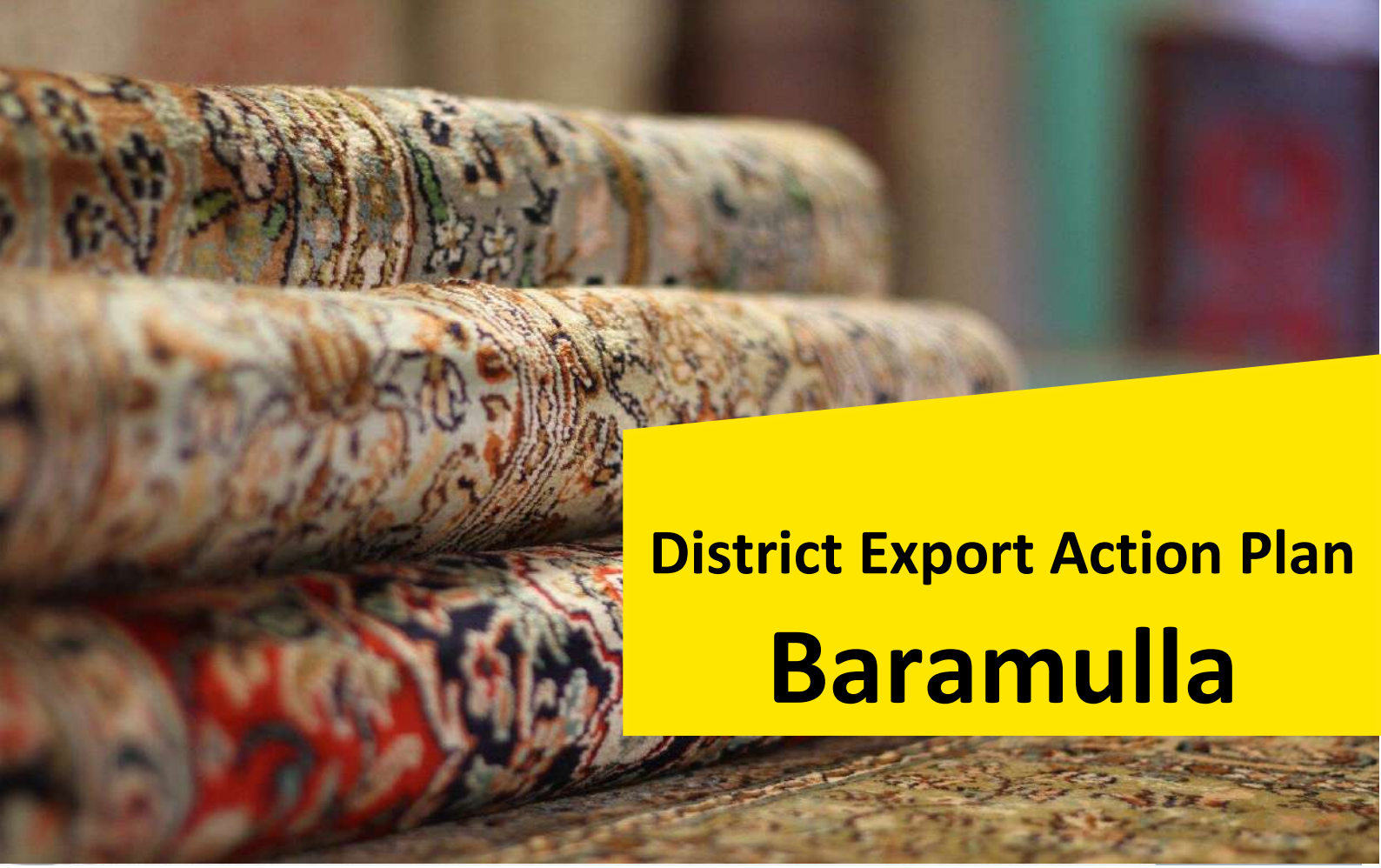




JAMMU & KASHMIR TRADE PROMOTION ORGANIZATION
(A Government of J&K Undertaking)



District Export Action Plan Baramulla

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1. Chapter: About District Baramulla

1.1. Introduction

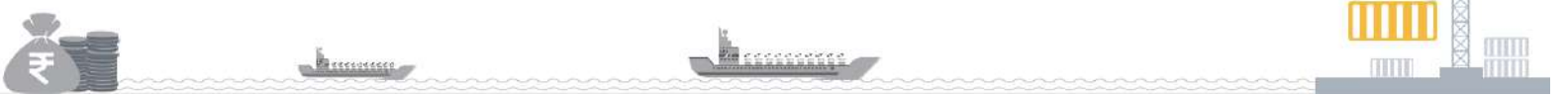
The city of Baramulla, from which the district derives its name, was founded by Raja Bhimsina in 2306 BC. The city held the position of a gateway to the valley as it was located on the route to the Valley from Muzaffarabad, now in POK, and Rawalpindi, now in Pakistan.

As such, a number of prominent visitors have been to Baramulla. These include the famous Chinese visitor Heiun T'Sang and Moorcraft, the British historian. Mughal Emperors had special fascination for Baramulla. Being the gateway of the valley, it was a halting station for them during their visits to the Valley. In 1586 AD, Emperor Akbar who entered the Valley via Pakhil spent a few days at Baramulla and according to "Tarikh-e-Hassan" the city during Akbar's stay, had been decorated like a bride. Jahangir also stayed at Baramulla during his visit to Kashmir in 1620 AD.

In the 15th century, Baramulla became important to Muslims, as the famous Muslim saint Syed Janbaz Wali, who visited the valley along with his companions in 1421 AD, chose Baramulla as the centre of his mission, and after his death he was buried there. His shrine attracts pilgrims from all over the Valley. In 1620 AD, the sixth Sikh Guru Shri Hargobind visited the city. Baramulla thus became an abode of Hindus, Muslims, Buddhists and Sikhs living in harmony and contributing to a rich composite culture.

It was the oldest and the most important town in north of princely state of Jammu and Kashmir and the 'Gateway of Kashmir Valley' by Rawalpindi-Murree-Muzaffarabad-Baramulla Road until 27 October 1947. It became a part of Union of India when the Maharaja signed the Instrument of Accession on 26 October 1947.

Recent years roads have been improved and road network has grown considerably in Baramulla town since 1947. New schools and colleges have started and better facilities for education have been created. More bridges on Jhelum river have been constructed or planned to connect the old town on the north bank of the river with the new town on the south bank. Decongestion of the old town has been attempted by moving some residents to houses in the new town. The most recent development has been creation of railway connectivity with Srinagar, Anantnag and Qazigund and the planned connectivity with Banihal and Jammu.





1.2 District Profile

1.3 Economy

Baramulla is the largest producer of Horticulture products in the state. There are vast apple orchards in the district. World-class apples are grown here. Baramulla has a Rabbit Farm at Palhallan, Pattan, one of the only two rabbit farms in Northern India. Another one is in Himachal Pradesh. Baramulla has a Silk-Worm breeding unit at Mir Gund, Pattan.

The district has three UT owned powerhouses, viz., Lower Jehlum Hydrel Project at Gantamura, Mohra Power House and Asthan Nallah. 480 MW, NHPC owned Uri Civil Hydrel Power Project is built on river Jehlum at Uri and its II Phase(220 MWs) is under execution.

1.4 Culture & Heritage

Cultural heritage of Kashmir is as multi-dimensional as the variegated backdrop of its physical exuberance which has nursed and inspired it all along. Its sanctity and evergreen stature can be conveniently inferred from the chaste shimmering snow, with its virgin demeanor from top to toe, adorning the towering peaks of its mountainous periphery. Mellowing kisses of the sun endow these summits with a rosy blush lending perennial health to our warbling brooks, roaring waterfalls and sedate and solemn lakes. To crown all, this very nectarine glow has most meaningfully groomed our mental attitude to glean unity amidst seeming diversity.

Culture is always in a flux and ferment. It is a non-stop mental journey with no mile-posts to cool its heels upon. It is, precisely speaking, the cumulative expression of the values enshrined in the heart-beats of the denizens of this Happy Valley. The irresistible stamp of Buddhist compassion, Hindu tolerance and Muslim Zest for life is most unmistakably discernible from the attainments of Kashmiri mind and intellect.

1.5 Demography

According to the 2011 census, Baramulla district has a population of 1,008,039. Of the total population, 534,733 (53.05%) were males and 473,306 (46.95%) were females, the sex ratio being 885 females for every 1,000 males, a decrease from 905 in 2001 census, and much lower than the national average of 940.



The sex ratio for children in 0 to 6 year age group was even less at 866. The district has a population density of 305 inhabitants per square kilometre. Its population growth rate over the decade 2001-2011 was 20.34%. Baramulla has a literacy rate of 66.93% with male literacy 77.35% and female literacy 55.01%. Baramulla town is the largest town in the district and the fourth most populous town in the state with a population of 1,67,986 as per 2011 census.

Adventures

In the Northern Indian Union Territory of Jammu and Kashmir, Baramulla is an eye-catching tourist destination. The Jhelum River flowing downstream through this valley region is one of the prime attractions of the place. The temperature of this zone remains pleasant throughout the year. But the spring time and winter season are mostly appreciated by the tourist. Baramulla holds some tremendous cultural and religious importance due to the presence of monasteries, gurudwaras and temples.

During spring, Camps in Baramulla draws a large attraction. Tourists come here to go for trekking to the famous flower valley. Baramulla also celebrates many festivals during which it experiences heavy footfalls. Horse riding, skiing, hiking, water activities are some the most delightful adventure activities here. Photographers flock to this valley to snap picture perfect natural beauty and fascinating hill regions. Adventure camps in Baramulla are set up for adventure freaks. Wonderful camping packages allure travelers to visit Baramulla camps. There is an ancient village known as Parihaspora. Hiking this sleepy village is a good way of exploring untouched nature.

1.6 Industrial Estates in Baramulla

Developed Industrial Estates		
Industrial Estate	Area in Kanals	Industrial units
Sopore	81	53
Baramulla	58	26
Food Park Doabgah, Sopore	93	25

1.6 District Apex and District Level Committee

In order to promote export from the UT, J&K has constituted Apex Level Export Promotion Committee and District Level Export Promotion Committee. Mentioned below is the composition of

UT Level Export Promotion Committee

1	Chief Secretary	Chairman
2	Administrative Secretary, Agriculture & Production Department	Member



3	Administrative Secretary, Finance Department	Member
4	Administrative Secretary Industries and Commerce Department	Member
5	Divisional Commissioner, Kashmir	Member
6	Administrative Secretary, Planning Development and Monitoring Department	Member
7	Divisional Commissioner, Jammu	Member
8	Administrative Secretary, Tourism Department	Member
9	Deputy Commissioners (All)	Member
10	Manager Director, J&K Trade Promotion Organization (JKTPO)	Convener Cum Member Secretary
11	Regional Authority of DGFT	Co-Convener
12	Representative of major Export Promotion Council viz. APEDA, WVEPC, HEPC, CEPC, FIEO, or any other similar organization recommended by the committee.	Member
13	Representative of local trade bodies of J&K viz. Jammu Chamber of Commerce/Kashmir Chamber of Commerce or any other as advised by the Committee.	Member

District Level Export Promotion Committee

1	District Development Commissioner	Chairman
2	Designated DGFT Regional Authority	Co-Chair
3	General Manager, DIC	Convener
4	Representative from JKTPO	Member
5	Nominated member from the Government (Industries & Commerce Department)	Member
6	Lead Bank Manager	Member
7	Representative-Department of MSME, Government of India	Member
8	Representative-Sector Specific Export Promotion Council	Member
9	Representative-Quality & Standards Implementation Body	Member
10	Representative from District Trade/Commerce Association	Member
11	Sector Specific Ministry in Government of India (Agriculture, Fisheries, Plantation Boards etc.	Member
12	Sector Specific Ministry of the State Government	Member
13	Sectorial Agencies Specific to product identified in each District (NABARD etc.)	Member



14	Other State Government Representatives (As per requirement)	Member
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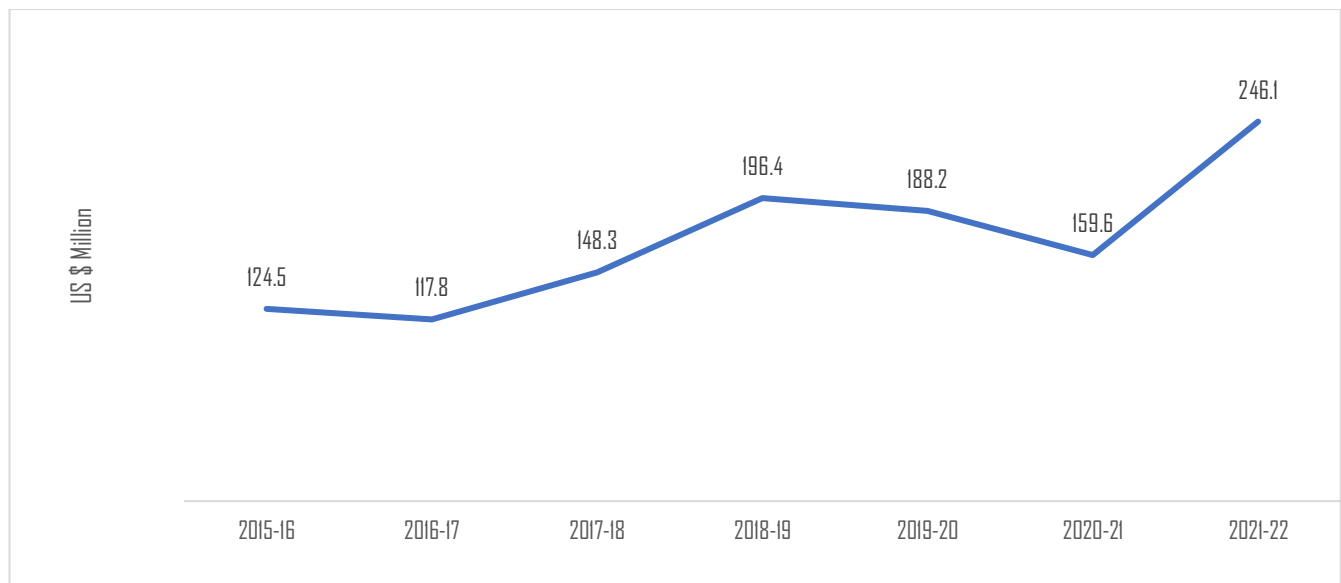
2. Chapter: Export Scenario of Jammu and Kashmir

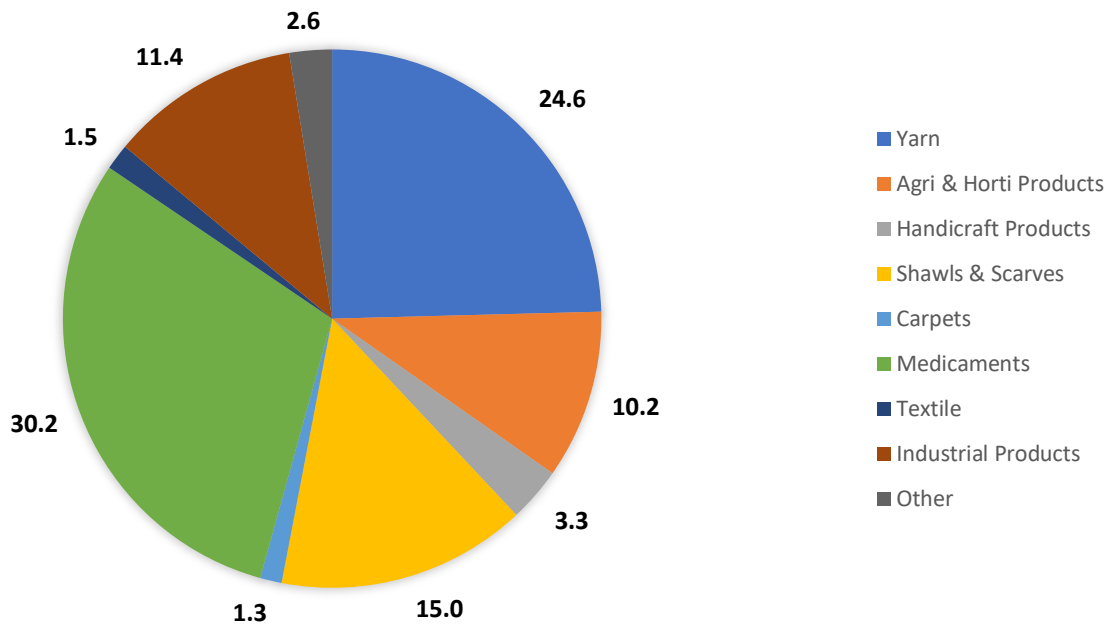
Jammu and Kashmir, known for its breathtakingly beautiful landscapes, it's also rich in various natural resources and crafts, which opens significant export opportunities. A large number of agricultural and horticultural products such as apple, saffron, walnut, basmati rice, mushkbudji rice etc., from the region is popular across the globe. Other products like walnuts, almonds, cherry, and various other fruits and dry fruits are also exported. The region is also known worldwide for its splendid handcrafts. Products like pashmina shawls, carpet, silk, tweeds, Kashmir willow crickets and various wooden artifacts are largely exported to different parts about the globe.

Jammu and Kashmir's rich biodiversity is home to several medicinal plant species which are exported for pharmaceutical purposes. Minerals like gypsum, limestone, sapphire, granite, and other decorative stones also make up the export list of Jammu and Kashmir.

Though not technically counted under traditional exports, tourism can be considered as an export in the service sector. The exquisite natural beauty, rich cultural heritage, and adventure opportunities have attracted tourists from around the world. The demand for tourist services generates substantial revenue for the region.

In the year 2022-23, J&K has exported products worth INR 1,337 Cr which of which Industrial Products such as medicaments, industrial chemicals, cotton / woollen / silk yarn contributed to about 66.2% of the total export, whereas agri and horticulture products contributes to about 10.2% and Handloom & handicraft products was about 19.6%. In the year 2023-24, the export value of the UT is expected to be increase by atleast 15% due to increase in the industrial production.





2.1 Jammu and Kashmir EPI Index

Jammu & Kashmir has emerged among top performers, reaching 1st position among UT's in Third Edition of Export Preparedness Index 2022 by Niti Aayog. J&K recorded an improvement in its score rising to 47.79 from earlier scores of 30.07. Overall ranking of J&K has improved from rank 23 to rank 17.



Jammu and Kashmir

47.79

Policy

99.52

Export Promotion Policy

100.00

Districts Level export plan	100.00	●
Export promotion policy/ strategy	100.00	●
Facilitation measures around export promotion	100.00	●
Marketing Support for international market	100.00	●
ODOP - District Export Plan	100.00	●
Product Quality and standards: Information	100.00	●
Product Quality and standards: Workshops Conducted	100.00	●
Thrust sectors for exports	100.00	●
Valid sector-specific policy for exports	100.00	●

Institutional Framework

99.03

Appointed Export Commissioner	100.00	●
District Export Promotion Council (DEPC) in district	96.77	●
Grievance redressal portal: Functional	100.00	●
International Access: foster export	100.00	●
State-Centre coordination cell	100.00	●

Export Ecosystem

44.56

Export Infrastructure

69.15

Agri- Export Zones - Number	25.00	●
Area covered under Industrial Parks (EPIP, EPZs, SEZ)	0.00	●
Existence of Trade guide	100.00	●
Online portals for information for exporter	100.00	●
Regional disparity: District level	57.33	●

Trade Support

47.21

Application of TIES scheme	0.00	●
Capacity building or orientation workshops for exporters	0.93	●
Conducted Stakeholder Interactions with exporter	100.00	●
Initiative for maintaining Database for exporters	100.00	●
Maintains updated district wise/sector wise database of exporter	100.00	●
Projects approved under (TIES)	0.00	●
Trade fairs and exhibitions: Numbers	16.36	●

R&D Infrastructure

17.32

Innovative capacity: India Innovation Index scores	31.50	●
NABCB: Number	0.00	●
NABL accredited labs: per exporter	8.21	●
Research institutes per lakh of population	5.38	●

Business Ecosystem

35.65

Business Environment

55.37

Ease of doing business index	25.00	●
Export credit to exporters: % of GSDP	1.84	●
Increment - FDI inflow	57.12	●
Increment - Manufacturing GVA	91.02	●
Power cost - Power tariff (HT)	77.39	●
Single-window clearance	100.00	●

Infrastructure

29.85

Cluster Strength	24.71	●
Internet facilities	24.30	●
Number of Industrial Parks	1.08	●
Power Availability: Demand Met	71.07	●

Transport Connectivity

21.73

Cold storage facilities- Capacity	0.62	●
Cold storage facilities- Number	1.34	●
FTW, FTWZ & Integrated Logistics Parks	0.00	●
Inland container depots- Area coverage	0.00	●
LEADS index	50.00	●
Operational Air cargo terminals	33.33	●
Warehouse facilities- Capacity	0.00	●
Warehouse facilities- Number	0.00	●

Export Performance

19.39

Growth and Orientation

25.80

Availing origin certificate: Number of Exporters	33.23	●
Export growth in 3 years	38.81	●
GI Products	19.05	●
IEC [as a percentage of total business]	35.40	●
Increase in number of exporters	8.70	●
Merchandise exports to GDP ratio	2.92	●

Export Diversification

12.98

Export Concentration	0.91	●
Market Penetration Index	26.51	●

Overperforming

Performing within expected range

Underperforming

Strengths and Weaknesses are relative to 10 regions of similar GDP: Jammu and Kashmir, Himachal Pradesh, Goa, Uttarakhand, Tripura, Chandigarh, Puducherry, Meghalaya, Manipur, Sikkim



Jammu and Kashmir

Overall Rank **17**

Category Rank **7**

Category: UT/Small States

GSDP - 2020-21 (₹ Lakh)

₹11,394,311

Highest Exporting District (2021-22)

Kathua

Top District's contribution to State/UT's total exports (%)

25.17



Best Performing

Jammu and Kashmir



2.1. District as Export Hub

Districts as Export Hubs is the first project of its kind from the Indian government that aims to promote exports, manufacture goods, and create jobs at the local level. It holds States and Districts responsible for the growth of exports coming from the districts across the nation. Rural and remote sections of the nation never had export promotion as a priority. By significantly increasing manufacturing and exports from urban areas while concentrating on fostering interest and economic activity in the rural hinterland and small towns across the nation, the Government of India hopes to support the **AtmaNirbhar** mission through this initiative and encourage new businesses to go global. Under this initiative district Baramulla has shortlisted 2 products with huge export potential:



2.2. ODOP

The "One District, One Product (ODOP)" initiative was introduced in 2018 by the Ministry of Food Processing Industries to assist districts in realising their full potential, promote socio-cultural and economic development, and generate employment opportunities, particularly in rural areas. The ODOP programme aims to make the Hon'ble Prime Minister of India's vision of promoting balanced regional development across all of the nation's districts a reality.

The goal is to choose, market, and spread awareness of One Product from Each District in the nation.

- For enabling holistic socioeconomic growth across all regions
- To attract investment in the district to boost manufacturing and exports
- To generate employment in the district
- To provide an ecosystem for Innovation/ use of Technology at the District level to make them competitive with domestic as well as international market

2.2.1. ODOP of Baramulla

Apple being the main fruit of the district has a predominant position in the area, production and productivity. Baramulla Apples are a good source of vitamin C, dietary fiber, flavonoids, and antioxidants. These apples are best suited for both raw and cooked applications such as roasting, poaching, and sautéing. They can be consumed fresh, out of hand, or sliced and served on cheese platters or in mixed green salads. They can also be baked and used in pies, cakes, tarts, crumbles, muffins, and bread, cooked into curries, or made into applesauce.



Sopore Town of Baramulla has Asia's second largest fruit mandi (wholesale market). It is also known as the Apple Town of Kashmir. The apple gardens in Sopore attract a lot of tourists during the apple season. People visit Sopore to see the bustling apple market and visit the orchards for apple picking.

The richly growing apple trees are a sight to behold. Seeing the chirpy red apples that contrast the greens, is an unmissable experience for nature lovers and apple enthusiasts. Plus, apple picking activities are organized at different gardens in Sopore as well as other cities across Kashmir.

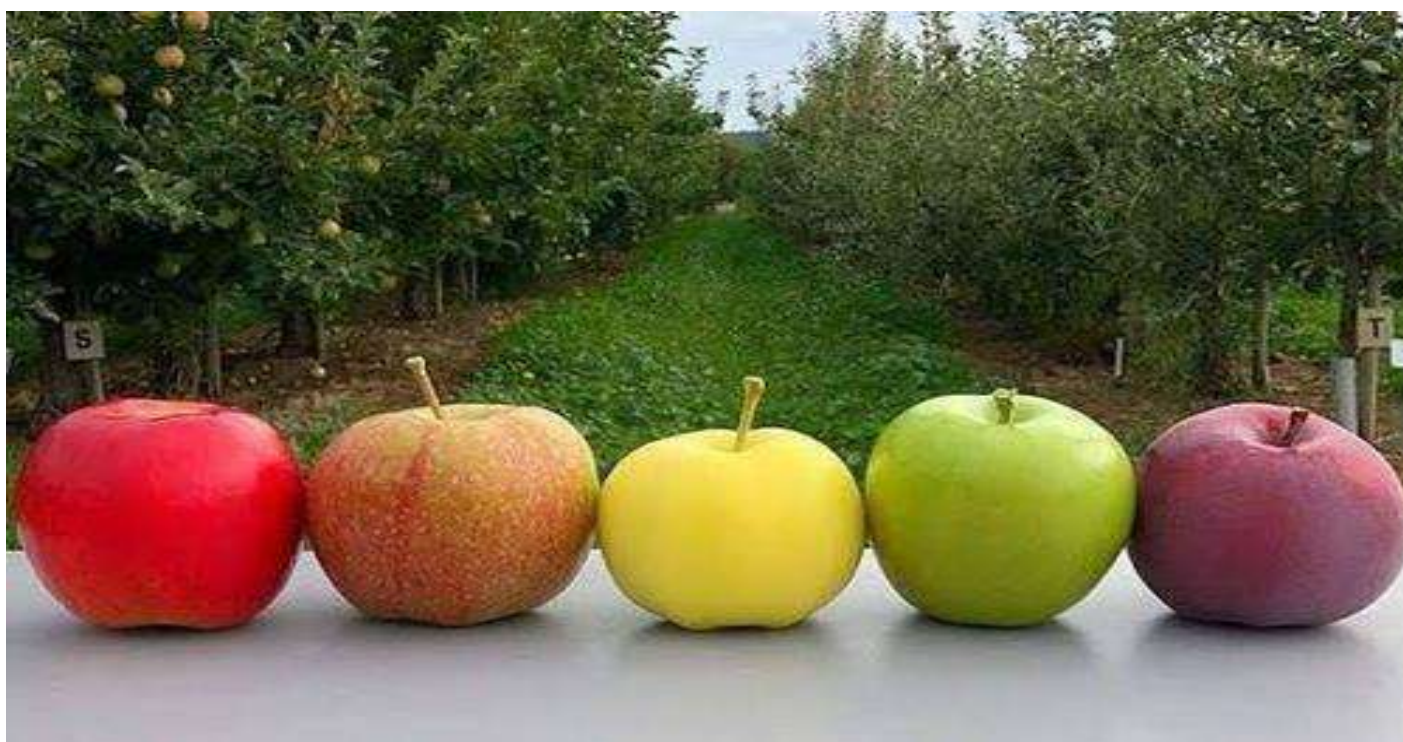
There are mainly five traditional varieties grown on a commercial scale in District

Baramulla

- Red Delicious
- Royal Delicious
- Maharaji
- American
- Golden

In addition to these varieties some promising exotic cultivars are now grown in the district as well which fetches good price in the market. Some of them are:

- Redlum Gala
- Schinko Gala
- Merna Gala
- Jeromine
- Red Chief
- Super Chief
- Red Velox
- Granny Smith
-

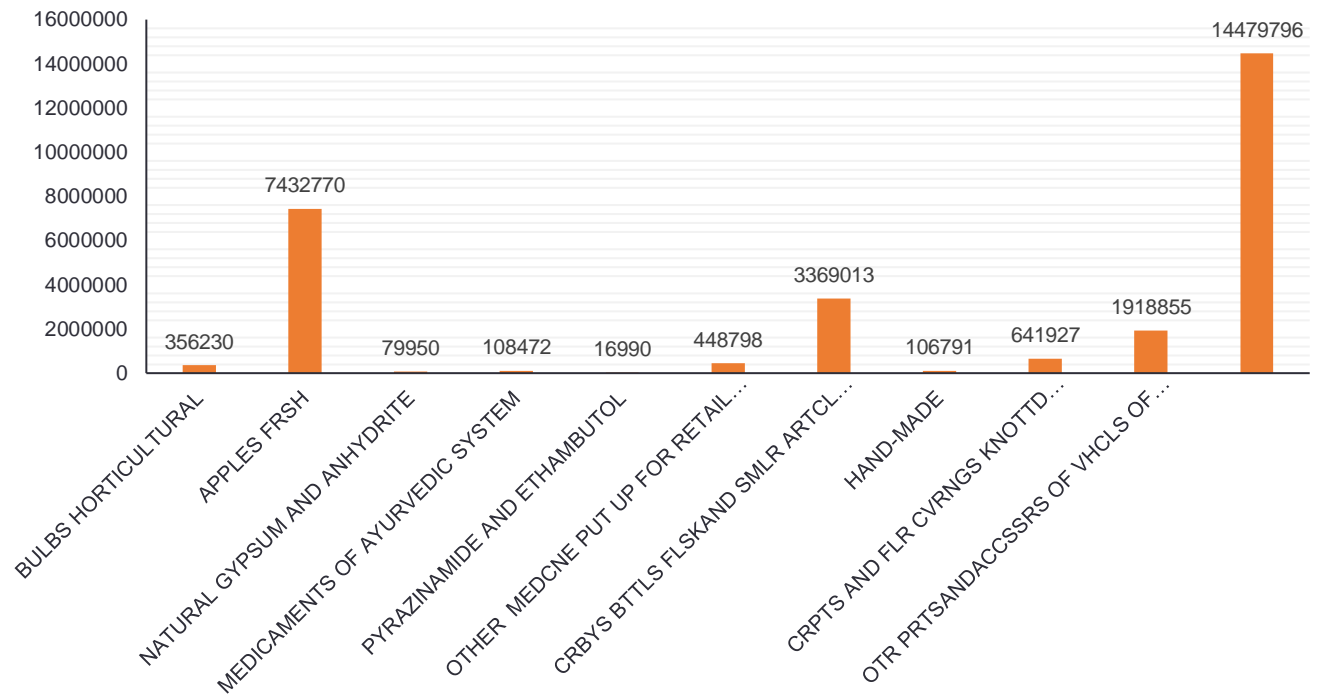


3. Chapter: Export Potential of DEH Products

3.1.Past Export Performance 2021 - 22



Sum of Value (INR)

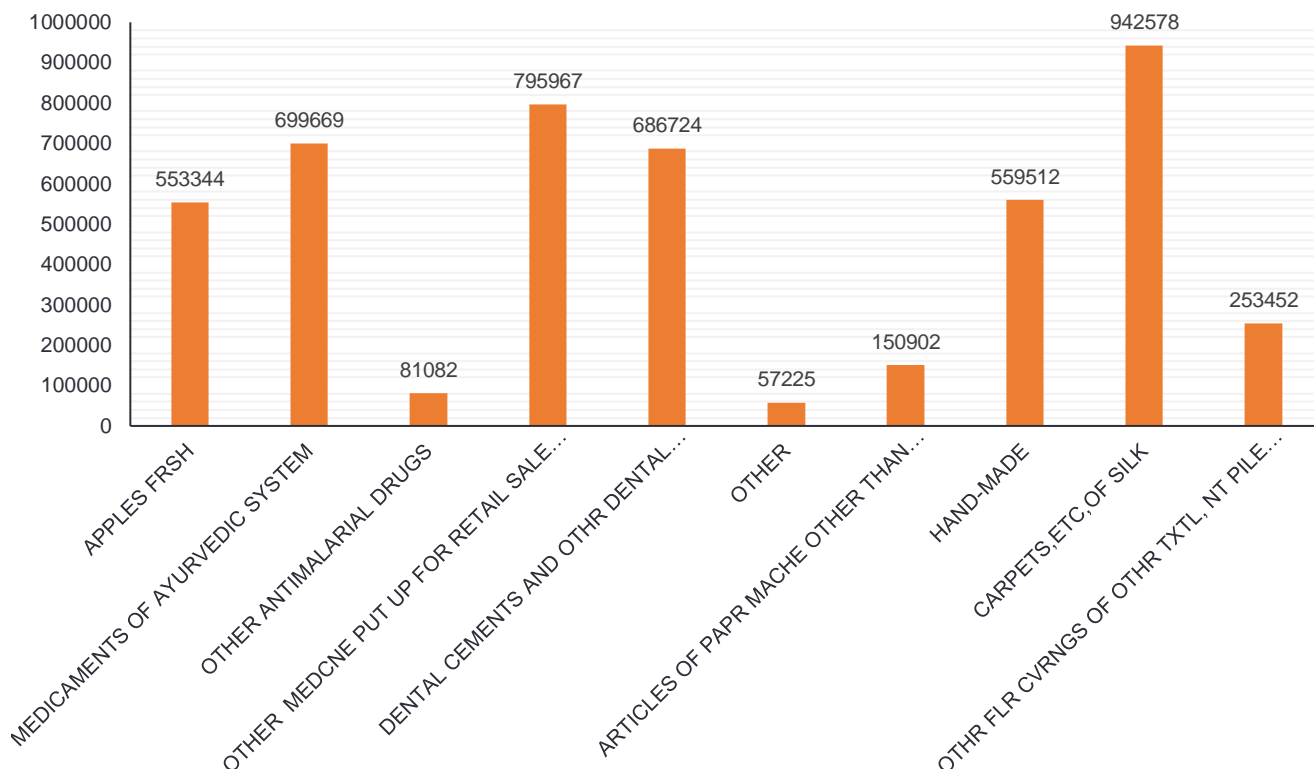


District	ITCHS Code	Item Description	Sum of Value (INR)
Baramulla	6012010	BULBS HORTICULTURAL	3,56,230
Baramulla	8081000	APPLES FRSH	74,32,770
Baramulla	25201010	NATURAL GYPSUM AND ANHYDRITE	79,950
Baramulla	30049011	MEDICAMENTS OF AYURVEDIC SYSTEM	1,08,472
Baramulla	30049053	PYRAZINAMIDE AND ETHAMBUTOL	16,990
Baramulla	30049099	OTHER MEDCNE PUT UP FOR RETAIL SALE N.E.S	4,48,798
Baramulla	39233090	CRBYS BTTLs FLSKAND SMLR ARTCL OF PLSTCS NES	33,69,013
Baramulla	57011010	HAND-MADE	1,06,791
Baramulla	57019090	CRPTS AND FLR CVRNGS KNOTTD OTHR THAN COTTON	6,41,927
Baramulla	87089900	OTR PRSANDACCSSRS OF VHCLS OF HDG 8701-8705	19,18,855
Total			1,44,79,796



3.2.Past Export Performance 2022 - 23

Sum of Value (INR)



District	ITCHS Code	Item Description	Sum of Value (INR)
Baramulla	8081000	APPLES FRSH	5,53,344
Baramulla	30049011	MEDICAMENTS OF AYURVEDIC SYSTEM	6,99,669
Baramulla	30049059	OTHER ANTIMALARIAL DRUGS	81,082
Baramulla	30049099	OTHER MEDCNE PUT UP FOR RETAIL SALE N.E.S	7,95,967
Baramulla	30064000	DENTAL CEMENTS AND OTHR DENTAL FILLINGS BONE RECONSTRUCTION CEMENTS	6,86,724
Baramulla	44219190	OTHER	57,225
Baramulla	48237030	ARTICLES OF PAPR MACHE OTHER THAN ARTWARE AND MOULDED/PRESSED OF WOOD PULP	1,50,902
Baramulla	57011010	HAND-MADE	5,59,512
Baramulla	57023920	CARPETS, ETC, OF SILK	9,42,578
Baramulla	57029990	OTHR FLR CVRNGS OF OTHR TXTL, NT PILE CONSTRTN	2,53,452
Total			47,80,455

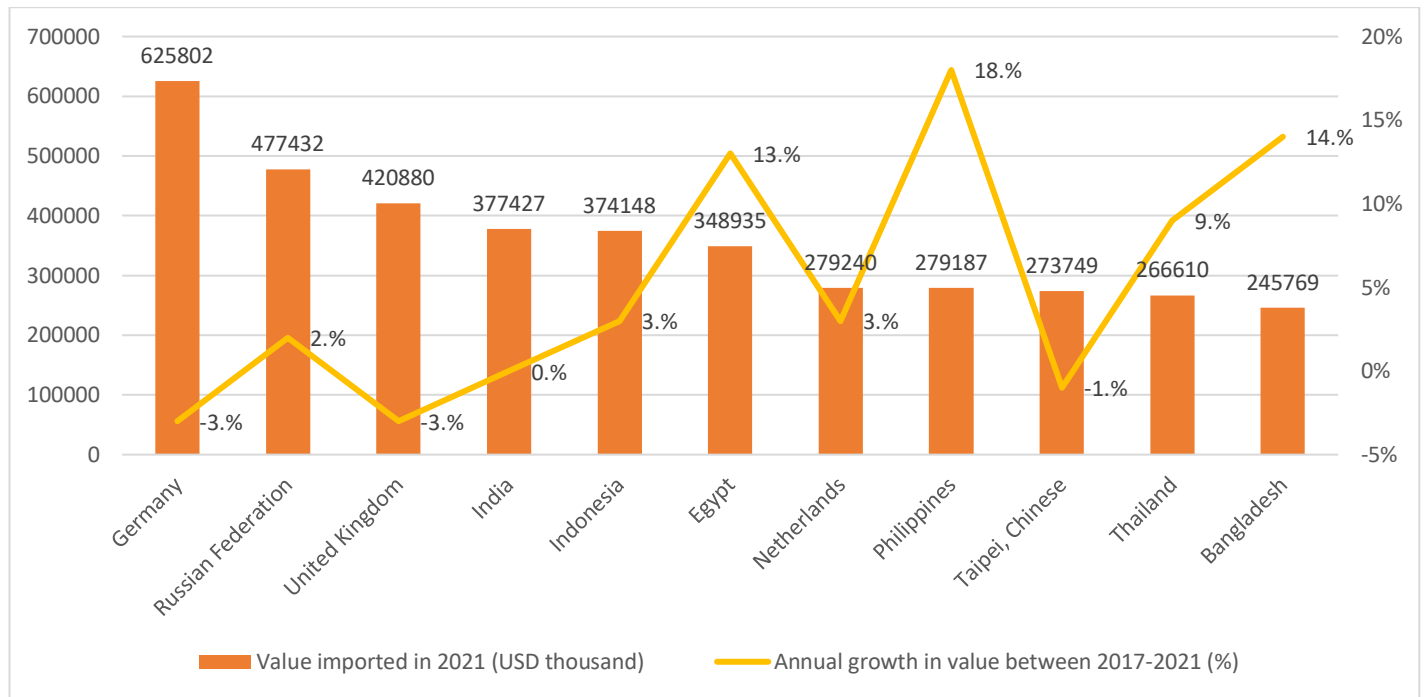
3.3.Opportunities in Apples

Following HS Code has been used by districts of J&K to export Apples.

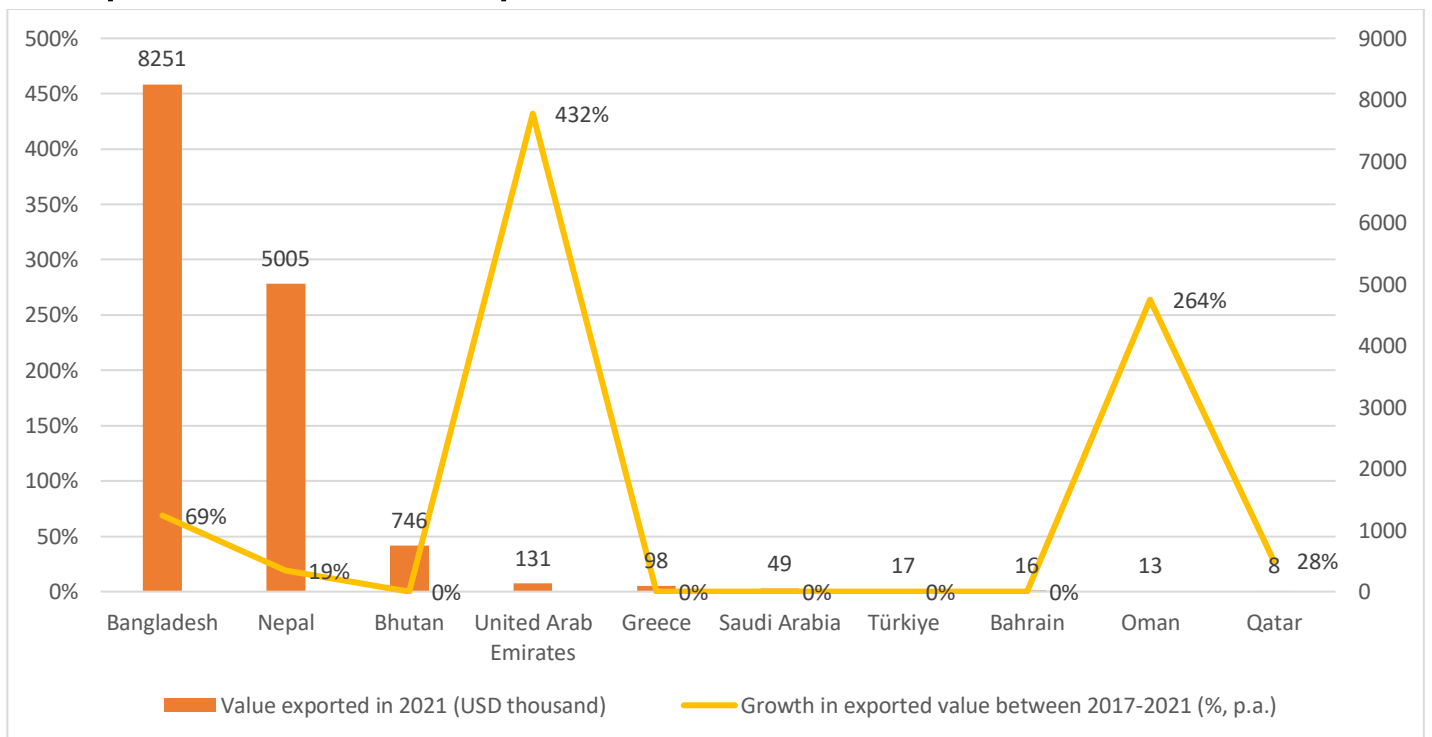
HS codes	Description
0808100	APPLES FRSH

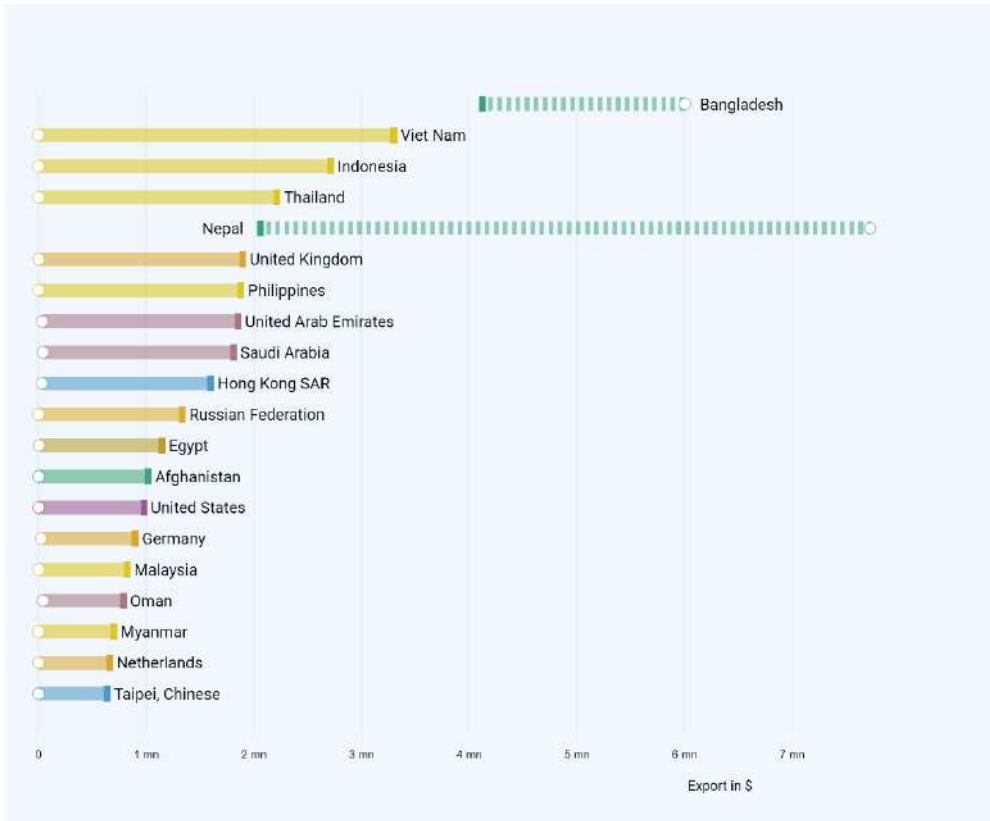


3.4. Top Importers of the APPLES FRSH under the HSN Code 080810



3.5. Top Countries to whom India Exports APPLES FRSH under the HSN Code 080810.





Markets with potential for India's exports of Apples, fresh

- Legend**
- Export potential
 - Actual exports
 - Potential to actual exports gap
- Southeast Asia
 - South Asia
 - Middle East
 - EU & West Europe
 - East Asia
 - East Europe & Central Asia
 - Northern Africa
 - North America

ITC Export Potential Map
exportpotential.intracen.org

32,812 USD Thousand is the untapped export potential for Fresh apples

Only **6.79 USD** Thousand been export from Jammu & Kashmir

Exports from Jammu & Kashmir (0808100 – FY 21-22)



Key Fact of Export

Value of world exports in 2021

8,039,177 (USD Thousand)

9,116,737 Tones

Total Exports from India in 2021

14,345 (USD Thousand)

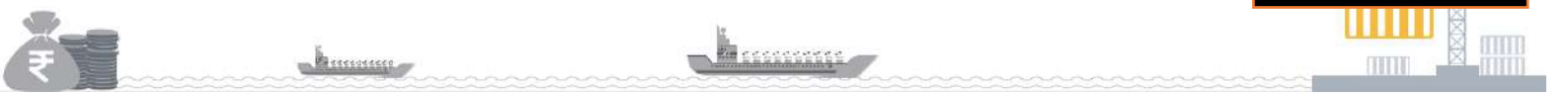
29,050 Tones

Total export from J&K in 2021

6.79 (USD Thousand)

3.6. Export Potential of Apples

Countries	Actual export	Export Potential	Un-realised potential
Vietnam	0	3.2 Mn	3.2 Mn
Indonesia	0	2.6 Mn	2.6 Mn
Thailand	0	2.1 Mn	2.1 Mn
United Kingdom	2.3k	1.8 Mn	1.8 Mn
Philippines	\$600	1.8 Mn	1.8 Mn
UAE	34K	1.8 Mn	1.7 Mn
Saudi Arabia	42K	1.7 Mn	1.6 Mn
Hong Kong	31K	1.5 Mn	1.4 Mn
Russia	0	1.3 Mn	1.3 Mn
Egypt	3.7K	1.1 Mn	1.1 Mn

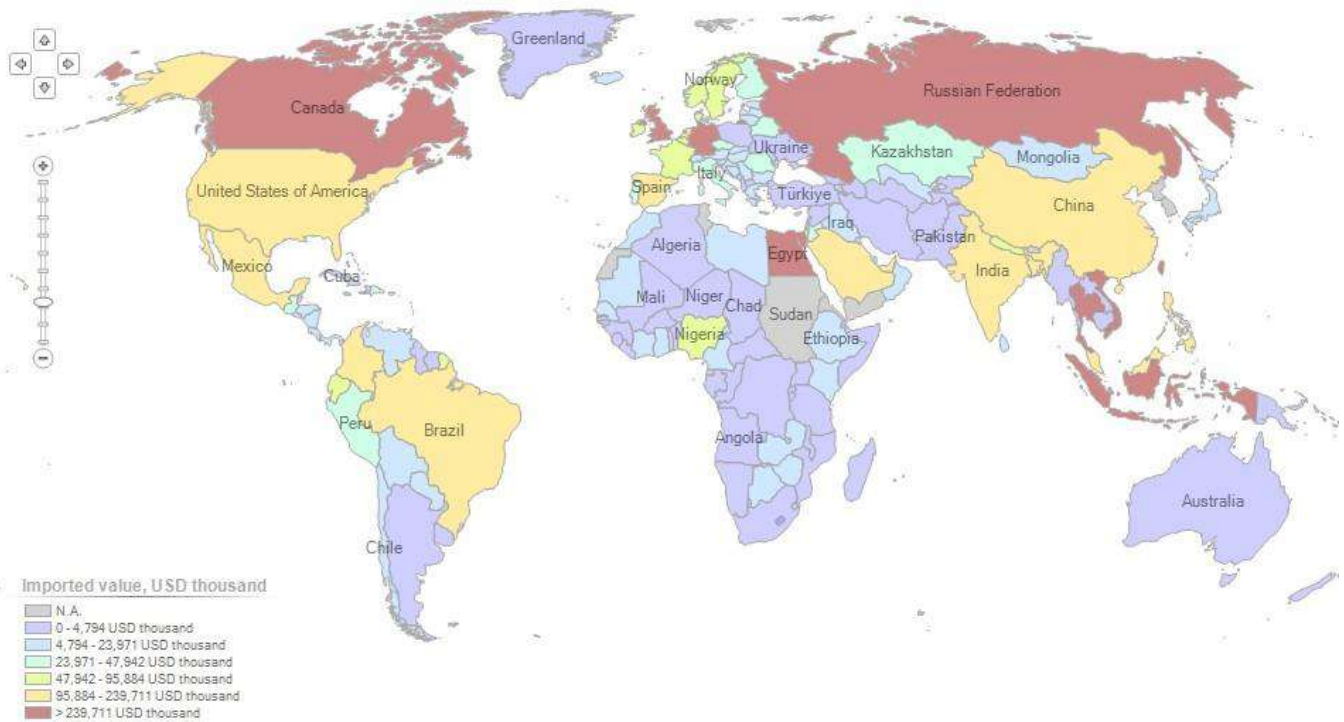


Potential market:

- 1 Immediate:** Countries where a proper marketing channel will unlock the potential of that market in very short period.
 - a. Based on Signed FTAs the following can be targeted: **UAE, Saudi Arabia, Thailand, Nepal**
 - b. High Growth Markets: **Vietnam, Indonesia, Thailand**
- 2 Long Term:** The following countries **Vietnam, Indonesia, Thailand** come under Long-term priority market as these are those markets where the untapped market potential can only be fulfilled if J&K exporters comply and raise the quality of the product to the highest standards, freight rates are more subsidized and major efforts is required in marketing which will require time to accommodate the same.

List of importing countries for the selected product in 2022

Product : 080810 Fresh apples



3.7. Last 5 years country wise exports of Apples (HSN 080810)

List of importing markets for a product exported by India
Product: 080810 Fresh apples

Table Graph Map Companies Public tenders FDI data Tariff data Standards

Download: [Icons] Time Period (number of columns): 5 per page Rows per page Default (25 per page)

Bilateral 8 digits	Importers	2017	2018	2019	2020	2021
		Exported quantity, Tons	Exported quantity, Tons	Exported quantity, Tons	Exported quantity, Tons	Exported quantity, Tons
	World	7,278	12,894	19,431	30,346	29,050
<input type="checkbox"/>	Bangladesh	2,524	2,789	7,267	16,954	16,761
<input type="checkbox"/>	Nepal	4,747	10,046	11,571	12,929	11,639
<input type="checkbox"/>	Rhutan			10	7	353
<input type="checkbox"/>	United Arab Emirates		3	58	157	110
<input type="checkbox"/>	Greece					105
<input type="checkbox"/>	Saudi Arabia			25	72	29
<input type="checkbox"/>	Türkiye		0	76	68	18
<input type="checkbox"/>	Oman			45	39	12
<input type="checkbox"/>	Bahrain			16	10	10
<input type="checkbox"/>	Kuwait			23	18	5
<input type="checkbox"/>	Qatar	1	4	50	5	5
<input type="checkbox"/>	Maldives		1	1		2
<input type="checkbox"/>	Hong Kong, China		0		1	0
<input type="checkbox"/>	New Zealand			186	21	0
<input type="checkbox"/>	Afghanistan				0	
<input type="checkbox"/>	Argentina		0			

3.8. Top exporting companies of Apples (HSN 080810)

List of exporting companies in India for the following product
Product category : Apples

Table Graph Map Companies Rows per page 300 per page

Company name	Number of product or service categories traded	Number of employees	Turnover (USD)	Country	City	Website
Adisca Export Import Private Limited	20			India	Kolkata	http://www.adiscaexportimport.co.in
Emcees Commercial Company	15	15		India	Mumbai	http://www.emceeswalnuts.com
Emmanuel Global Exports	35			India	Bengaluru	http://www.emmanuelglobalexports.org
ITC Limited	92	375		India	Secunderabad	http://www.itcabd.com
Jadil International Foods	8	75		India	New Delhi	http://www.jadilfoods.com
Kisanmitra Cold Storage Private Limited	14			India	Latur	http://www.kisanmitra.co.in
Mehta Fairdeal Corporation	24	5		India	Pune	http://www.ciptinternational.com
PBGR Enterprises Private Limited	46			India	Vijayawada	http://www.pbgrglobal.com
Prem International Agri Services Private Limited	120	5		India	Ahmedabad	http://www.prem-international.com
RAB Exim Pvt. Ltd.	188	35		India	Bhavnagar	http://www.rabexim.com
Raj Mahal Basmati Rice	223	35		India	New Delhi	http://www.rupinternational.com
SAKA Exports	5			India	Madurai	http://www.sakaexports.com
Sinduja & Company	33	15		India	Chennai	http://www.sindujaexports.com
Smart Traders Importers & Exporters	34			India	Chennai	

Sources: Kompas

3.9. Top Importing companies of Apples (HSN 080810)

List of importing companies in India for the following product
Product category : Apples

Table Graph Map Companies Rows per page Default (25 per page)

Company name	Number of product or service categories traded	Number of employees	Turnover (USD)	Country	City	Website
Adisca Export Import Private Limited	20			India	Kolkata	http://www.adiscaexportimport.co.in
Emcees Commercial Company	15	15		India	Mumbai	http://www.emceeswalnuts.com
Emmanuel Global Exports	35			India	Bengaluru	http://www.emmanuelglobalexports.org
PBGR Enterprises Private Limited	46			India	Vijayawada	http://www.pbgrglobal.com
SAKA Exports	5			India	Madurai	http://www.sakaexports.com
Sinduja & Company	33	15		India	Chennai	http://www.sindujaexports.com

Sources: Kompas



3.10. Last 5 years country wise Imports of Apples (HSN 080810)

Download: Time Period (number of columns): 5 per page Rows per page: Default (25 per page) 1 2

Bilateral 8 digits	Exporters	2017	2018	2019	2020	2021
		Imported quantity, Tons	Imported quantity, Tons	Imported quantity, Tons	Imported quantity, Tons	Imported quantity, Tons
	World	330,605	280,094	242,713	215,538	436,194
<input type="checkbox"/>	Iran, Islamic Republic of	3,079	14,005	6,369	27,779	96,982
<input type="checkbox"/>	Turkey	5,143	10,009	25,493	31,894	73,827
<input type="checkbox"/>	Chile	23,954	54,741	41,770	20,025	55,074
<input type="checkbox"/>	Italy	21,196	4,382	52,113	27,502	44,823
<input type="checkbox"/>	United Arab Emirates		2,568	1,837	5,068	42,617
<input type="checkbox"/>	New Zealand	9,964	26,467	18,457	23,080	30,898
<input type="checkbox"/>	Brazil	804	4,424	5,906	6,901	23,898
<input type="checkbox"/>	Afghanistan	2,092	5,468	62	10,810	23,085
<input type="checkbox"/>	United States of America	92,674	147,164	53,426	40,657	21,385
<input type="checkbox"/>	South Africa	1,853	3,238	2,518	2,017	9,898
<input type="checkbox"/>	Poland	5,268	4,105	20,923	8,441	6,976
<input type="checkbox"/>	Belgium	10,927	112	3,339	3,693	1,362
<input type="checkbox"/>	Argentina	148	851	2,223	871	1,230
<input type="checkbox"/>	France	3,018	784	3,038	3,509	1,174
<input type="checkbox"/>	Serbia				163	722
<input type="checkbox"/>	Spain	379	1,137	1,544	1,718	379
<input type="checkbox"/>	Netherlands	2,246	207	2,116	494	267
<input type="checkbox"/>	Croatia				21	208
<input type="checkbox"/>	Bhutan					192
<input type="checkbox"/>	Australia	59	251	61		120

3.11. Demand and Supply of Fresh Apples 2021 - (India)

#	Particulars	Quantity (MT)	Source
A	Production	22,75,000	National Horticulture Board (NHB)
B	Consumption	25,77,400	www.indexmundi.com United States Department of Agriculture
C	Exports	29,050	https://www.trademap.org/
D	Imports	4,36,194	https://www.trademap.org/

3.12. Statistics of Apple in J&K

Total Consumption = Consumption (B) + Imports (D)	
Total Consumption	30,13,594 MT
Total Production (A)	22,75,000 MT
Balance	7,38,594 MT
Total Area under cultivation for Apples in J&K	1,66,750 Hect
Total production of Apples in J&K	18,79,080 MT
Area under production in Baramulla District	25,617 Hect
Production of Apples in Baramulla district	4,80,808 MT



Exports from Baramulla (2021)	20,368 MT
Value of Exports from Baramulla (2021-2022) Value of Exports from Baramulla (2022-2023)	01.47 Cr 0.48 Cr

Source: <https://dashboard.commerce.gov.in/commercedashboard.aspx>

Table 1.1

3.13. Action required for increasing production:

As J&K is contributing 75% of the total share of Apple production of India.

For bridging the balance of 75% of 7,38,594 MT i.e., **5,53,945 MT**

Area required for future cultivation of apples (high-density) is: ~ **11,000 Hect (considering 50 MT/Hect)**

High-Density sapling required for catering balance consumption: **3.7 Cr (3333 /hect)**

3.14. Interventions

S.no	Description	Current Status
1.	Harvesting Season	July-October

The issue of overlapping apple harvesting seasons in Jammu and Kashmir (J&K) and Himachal Pradesh which has 96.96% market share of India (2021-2022), and proposing a solution to optimize market conditions, increase farmer earnings, and reduce dependence on imports. In addition to the phased movement approach and expansion of cold storage infrastructure, we aim to leverage off-season periods to boost exports of J&K apples.

Currently, the apple harvesting season in J&K spans from July to September, while in Himachal Pradesh, it extends until October. This simultaneity often leads to surplus supply, lower prices, and reduced profitability for farmers. To mitigate this issue and maximize farmer earnings, we suggest adopting the following strategies:

Phased Movement: Implementing a phased movement approach involves dividing the apple harvest into smaller batches and releasing them sequentially into the market. This approach balances supply and demand, preventing a sudden influx of apples and stabilizing prices.

Cold Storage Infrastructure: Expanding the cold storage infrastructure is essential to hold back surplus apple produce during the primary harvesting season. By preserving apples in cold storage facilities, we can release them gradually during off-season periods when supply is relatively low. This strategy enables farmers to fetch better prices for their produce and ensures a steady supply throughout the year.

Export Opportunities: In addition to focusing on the domestic market, we will explore export opportunities for J&K apples during off-season periods. By capitalizing on the availability of apples when other regions face limited supply, we can tap into international markets and reduce the dependence on apple imports from other countries. This will not only increase farmer earnings but also strengthen the overall economy.

The benefits of implementing these measures are as follows:

a. **Increased Farmer Earnings:** By avoiding clashes with the Himachal Pradesh harvest and leveraging off-season periods, farmers in J&K can obtain better prices for their apples. This will enhance their overall earnings, leading to improved economic well-being and sustainable agricultural practices.



b. **Market Stability:** The phased movement approach and balanced supply throughout the year will promote market stability. This ensures fair prices for apples and prevents extreme price fluctuations caused by excessive supply during the peak harvesting season.

c. **Reduced Imports, Increased Exports:** By expanding cold storage infrastructure and strategically exporting apples during off-season periods, we can reduce reliance on imports from other countries. This supports the local economy, strengthens the agricultural sector, and boosts J&K's export potential.

2.	Grading	Manual Grading Minimal automated Grading techniques
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Manual grading is more prone to human error with respect to grade segregation and will affect efficiency, quality of box, finishing such as shining, washing, identification of damaged boxes and others. However, Automatic grading can segregate apples as per quality, texture, nutrient values, damaged fruits, identification of over ripped fruit etc. Considering these advantages of Automatic grading we can enhance segregate apples as per grade, shelf life, nutrient value, oxygen level which will also help in exporting proper product as per nutrient level, phase wise movement of apples as per shelf life and others.

Manual grading has been a traditional method of segregating apples based on their quality, but it is prone to human error and can affect efficiency, as well as the overall quality of the boxed apples. Factors such as grade segregation, finishing touches like shining and washing, and identifying damaged apples can be compromised due to human limitations. However, the introduction of automatic grading systems brings significant advantages to the process.

Automatic grading systems use advanced technology to segregate apples based on various factors such as quality, texture, nutrient values, and identification of damaged fruits. These systems employ sophisticated sensors, cameras, and algorithms to evaluate the characteristics of each apple quickly and accurately. As a result, the grading process becomes more efficient, consistent, and reliable compared to manual methods.

One of the key advantages of automatic grading is the ability to precisely segregate apples according to their quality. The technology can evaluate external factors like appearance and internal factors like nutrient levels, oxygen and CO2 levels ensuring that each apple is assigned to the appropriate grade. This level of accuracy allows for consistent packaging and delivery of high-quality apples to consumers.

Additionally, automatic grading systems excel at identifying damaged or overripe fruits. By quickly detecting and removing such apples from the lot, the system ensures that only the best-quality fruits reach the market. This not only improves the overall consumer experience but also minimizes waste in the supply chain.



Moreover, automatic grading systems provide valuable data that can be used for various purposes. By analyzing nutrient values, oxygen levels, and shelf life, producers can make informed decisions regarding the export of apples. This data enables them to match the nutrient levels of apples with the requirements of different markets and ensure that the apples are in the optimal phase of ripeness for shipment.

In conclusion, the advantages of automatic grading in apple segregation are significant. It offers improved efficiency, consistent quality, and accurate identification of damaged fruits. Furthermore, the technology enables producers to export apples based on specific nutrient levels and optimize the shelf life of the product. By embracing automatic grading systems, the apple industry can enhance its productivity, quality, and customer satisfaction.

3.	Apple Derivatives	Limited Industrial setup to process apple derivative such as apple pulp, Jams, cider vinegar etc.
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Exploring opportunity to optimize the utilization of pre-harvest fall apples, rotten apples, and low-grade apples through the establishment of an industrial setup for processing apple derivatives. This initiative aims to transform these underutilized resources into valuable products such as apple pulp, jams, apple juice, cider vinegar, and more.

Resource Maximization:

By setting up an industrial processing unit, we can effectively utilize apples that would otherwise go to waste. Pre-harvest fall apples, rotten apples, and low-grade apples often face challenges in finding suitable markets due to their appearance or ripeness. However, by processing them into derivatives, we not only reduce food waste but also create opportunities for revenue generation.

Apple Pulp Production:

Apple pulp, derived from the processing of these apples, has significant value in various industries. It can be used as a primary ingredient in baked goods, baby food, fruit-based beverages, and even as a base for apple sauce production. The demand for natural and additive-free products is on the rise, making apple pulp an attractive option for both manufacturers and health-conscious consumers.

Jam Production:

Producing jams from pre-harvest fall apples, rotten apples, and low-grade apples presents a lucrative opportunity. Jams made from these apples can offer unique flavours and textures, appealing to a niche market segment. By positioning them as artisanal or gourmet jams, we can target consumers who are seeking distinctive and sustainable food choices.

Apple Juice Production:

Apple juice is a widely consumed and versatile beverage with a strong market demand. By establishing an industrial setup, we can process the surplus and less visually appealing apples into high-quality apple juice. This product can be packaged in various formats, including bottles, cartons, or pouches, catering to different consumer preferences.

Cider Vinegar Production:

Cider vinegar has gained popularity in recent years due to its health benefits and culinary uses. Establishing an industrial setup would enable us to produce premium-quality cider vinegar from pre-harvest fall apples, rotten apples, and low-grade apples. This product can be marketed to health-conscious consumers, gourmet food enthusiasts, and the hospitality industry.



To successfully implement this initiative, we would need to invest in suitable processing equipment and infrastructure, ensure the availability of skilled personnel, and establish partnerships with local apple growers and farmers, by this J&K can increase its exports of apples by way of its apple derivatives at high value with minimal value addition.

4.	Fertilizers & Pesticides	<ul style="list-style-type: none"> • Regulation of pesticides and fertilizers. • Testing of pesticides & fertilizers • Spraying techniques • Capacity building of orchardists regarding apple diseases and mitigation of the same
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Pesticides and fertilizers play a vital role in the journey of apple fruit. However, it is important that J&K regulates, test these fertilizers and pesticides used by the orchardists.

Moreover, capacity building to orchardists regarding, Spraying techniques, apple diseases and mitigation of the same.

It is also too important to consider the chemical composition of these fertilizers and pesticides which should compliment the chemical compositions permissible by other countries for exports.

Emphasizing the importance of regulating, testing, and providing capacity building to orchardists regarding the use of pesticides and fertilizers in apple fruit cultivation in Jammu and Kashmir (J&K).

Regulation and Testing:

Pesticides and fertilizers play a crucial role in ensuring the health and productivity of apple orchards. However, it is vital that J&K implements effective regulations and testing mechanisms to monitor the quality, safety, and appropriate usage of these agricultural inputs. Regular inspections and testing should be conducted to ensure compliance with established standards and guidelines, thereby safeguarding the environment, human health, and the quality of apple produce.

Capacity Building for Orchardists:

To enhance the sustainable management of apple orchards, it is essential to provide capacity building initiatives to orchardists. Training programs and workshops should focus on imparting knowledge about spraying techniques, identifying apple diseases, and implementing effective mitigation strategies. By equipping orchardists with these skills, we can promote responsible pesticide use, reduce chemical residues, and minimize the risk of pests and diseases.

Chemical Composition and Export Considerations:

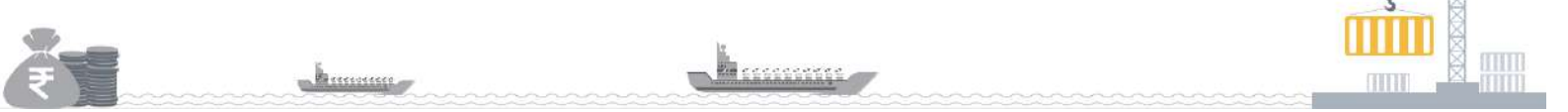
When selecting pesticides and fertilizers, it is crucial to consider their chemical composition. It is imperative to choose products that align with permissible chemical compositions set by both domestic and international regulations. Adhering to these standards ensures the safety of apple products, enhances their marketability, and facilitates smooth exports to other countries. Regular testing and verification of chemical compositions should be undertaken to maintain compliance and prevent any potential trade barriers.

By regulating, testing, and providing capacity building to orchardists, we can foster a sustainable and responsible apple fruit production industry in J&K. This will not only protect the environment and public health but also improve the quality of apple produce, thereby enhancing market competitiveness and ensuring long-term success for orchardists.

5.	CA Stores	Only 6 CA stores with total storage capacity of 25450 MT.
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District Baramulla is only equipped with 6 CA stores with total capacity of 25450 MT against the production of 482472 MT.

This simply indicates the dire need to enhance the CA store facilities, which will help the district to hold back its stock in peak seasons,



proper storage of apples, hold the chemical changes of apples leading to decrease of shelf life which effects its quality required for exports and other markets.

A concerning critical issue of insufficient cold storage facilities in District Baramulla. Currently, the district only has six Controlled Atmosphere (CA) stores with a total capacity of 25,450 metric tons (MT), which is significantly inadequate considering the apple production of 482,472 MT.

Insufficient Capacity:

The existing cold storage facilities in District Baramulla are unable to cater to the vast quantity of apples produced. This shortage poses a significant challenge during peak seasons when the demand for storage is at its highest. Without adequate storage capacity, farmers and apple producers face the risk of spoilage, quality deterioration, and financial losses.

Proper Storage and Shelf Life:

Enhancing the cold storage facilities in the district is crucial for the proper storage of apples. Apples require specific temperature and humidity conditions to maintain their quality and extend their shelf life. Without suitable storage facilities, the chemical changes that occur in apples during storage and transportation can accelerate, leading to a decrease in shelf life and compromising the quality required for exports and other markets.

Market Competitiveness:

Improving the cold storage infrastructure will have a direct impact on the market competitiveness of apples from District Baramulla. With adequate storage capacity, farmers and apple producers can better control the release and distribution of their produce, allowing them to strategically enter markets with higher demand and better prices. This, in turn, will boost their profitability and contribute to the overall economic growth of the district.

Collaboration and Investments:

Addressing this pressing issue requires collaborative efforts between the government, private sector, and other stakeholders. Investments should be made to expand the cold storage facilities in District Baramulla, both in terms of increasing the number of facilities and enhancing the capacity of existing ones. Additionally, the adoption of modern storage technologies and practices can further optimize the storage conditions and reduce post-harvest losses.

By prioritizing the enhancement of cold storage facilities, District Baramulla can capitalize on its abundant apple production, ensure optimal storage conditions, and maintain the quality of apples for domestic consumption, exports, and other markets.

6.	Production	As per production and consumption stats, we are in not able to cater to consumption demand and to have to fulfil that by importing 4.36 MT Apples.
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According to the statistics presented in Table 1.1, J&K (Jammu and Kashmir) accounts for 75% of India's total apple production. To make up for the remaining of the production, which amounts to **5,53,945** metric tons, an area of approximately **11,000 hectares** would be required for future apple cultivation using high-density plantation. This calculation assumes an average yield of **50 metric tons** per hectare. To cater to this approximately **3.7 crore high-density saplings** would be needed to meet the demand for the remaining apple consumption.

7.	Marketing Initiatives	Enhancing of market connects
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To promote and market apples from Baramulla, several marketing initiatives can be implemented:

Buyer-Seller Meets: Organize buyer-seller meets and connect apple growers from Baramulla with potential buyers, both domestic and international. These meets provide a platform for direct interaction, negotiation, and business collaborations.

Trade Fairs: Participate in trade fairs and exhibitions related to the food and agricultural industry. These events attract a wide range of buyers, distributors, and retailers, providing an opportunity to showcase Baramulla apples and establish business contacts.



Capacity Building: Conduct workshops, training programs, and seminars for apple growers in Baramulla to enhance their knowledge and skills in apple cultivation, post-harvest handling, packaging, and quality control. This will help them produce high-quality apples that meet international standards.

Brand Development: Develop a strong brand identity for Baramulla apples. This can include creating a unique logo, packaging design, and labeling that highlights the distinct qualities and origin of the apples. A well-defined brand will help differentiate Baramulla apples in the market and build consumer trust.

Market Outreach: Implement marketing campaigns to reach a wider audience. This can include advertising in print and digital media, social media marketing, and targeted promotional activities. The campaigns should emphasize the superior quality and unique characteristics of Baramulla apples.

On-Shelf Products in Stores: Establish partnerships with international and national food/grocery store chains to stock Baramulla apples on their shelves. This will increase visibility and accessibility for consumers, making Baramulla apples readily available in various markets.

8.	Minimum Import Price (MIP)	Recently notified
<p>As per notification no. 5/2023 dated 08/05/2023 DGFT.</p> <p>The Central Government of India has introduced the Minimum Import Price (MIP) for apples in Jammu and Kashmir (J&K) to protect the domestic industry from unfair competition and predatory pricing. By setting a minimum import price, the government aims to prevent apple imports from flooding the market at excessively low prices and provide a level playing field to farmers in J&K.</p>		
9.	Quality Parameters	Patulin and other parameters for exporting not been monitored
<p>According to the World Health Organization (WHO), the maximum acceptable level of Patulin is set at 50 µg/L in apple juice, 50 µg/kg in solid apples, and 10 µg/L in kids and baby apple-based foods (EU, 2002; FDA, 2005; WHO, 2005). People get exposed to Patulin mainly through consuming infected food products.</p> <p>Patulin level in J&K has not been studied so far which restricts our exports to countries abiding quality parameters of WHO, FDA, EU and others.</p> <p>Causes:</p> <p>Penicillium expansum (Green mold) growth which is a psychrotroph and grows usually in cold stores if fruit is primarily infected. It produces patulin. Patulin is highly thermally stable and does not go away with rigorous processes. Patulin is, therefore, the biggest hazard in the apple industry. Factors responsible for that are improper orchard management, poor storage facility, temperature, gas composition in storage, annual precipitation</p>		
10	Creation of Irrigation Infrastructure	Providing proper irrigation facility can lead to 20-25% increase in production
<p>Creation of water Sources can lead to 20-25% increase in production. Besides this, its application during critical stages will boost the quality of apple viz-viz colour, shape, texture, aroma, shelf life etc resulting in fetching of maximum price in market. In addition to this, with the availability of irrigation infrastructure more and more areas can be brought under High Density Plantation.</p>		

3.15. Interventions required from Government of India & Government of J&K.

A. Policy Advocacy and Bilateral Agreements:

- **Implementation of FTAs and MOUs:** Active engagement in Free Trade Agreements (FTAs) and Memoranda of Understanding (MOUs) within the SAARC region to bolster the export of Kashmiri apples.



- **Addressing Increased Export Taxes:** Tackling issues such as price fluctuations, trade barriers, and restrictions imposed by importing nations to ensure sustained and unhindered apple exports. Further, in light of the decline in apple exports to Bangladesh in 2023-24, despite an upward price trend, focus on minimizing export taxes recently imposed amounting to Rs 95/kg of apple as export duty. It sums up Rs 22 lakh/truck loaded with apples.

B. Infrastructure and Logistic Development:

- **Strategic Loading Point:** Leveraging rail connectivity, propose Fruit and Vegetable Market Kanispora Baramulla as a designated loading point (DRY PORT) for exporting fruits from North Kashmir. With the rail line extension to Jammu, this initiative aims to expedite the transit of Kashmiri apples to Delhi and, subsequently, international markets.
- **Regulated Freight System:** Implementation of a regulated freight system and transportation framework to optimize the export logistics for Kashmiri apples.

C. Standardization and Quality Certification:

- **Grading Standardization:** Introduce a standardized grading system (A, B, C grades) for Kashmiri apples, to be done and simultaneously rules & regulation to be framed thus empowering the Govt. to certify the grade standards of the exported apples to global markets. This will also involve sensitizing exporters about the quality specifications demanded by both domestic and international markets.

3.16. Financial Implications

S.no	Particulars	Implementing Agency	Timelines	Quantity	Tentative cost
1	Automatic grading line	Horticulture/JKHPMC	T+2 Months	2	INR 5.00 Cr
2	Potable Grading Line: In pilot phase 4 blocks viz Rafiablad, Pattan, Wagoora, Zaingeer and then other blocks shall be included.	Horticulture/JKHPMC	T+6 Months	10	INR 3.00 Cr
3	Pesticides, Fertilizers and Soil Testing Labs and regulation center	Horticulture/JKHPMC/ Agriculture	T+8 Months	1	INR 7.00 Cr
4	Investments for settings up industrial unit for processing apple derivatives: pulping unit with the capacity of 2 MTs /day	District Industries Centre	T+12 Months	4	INR 1.20 Cr
5	High-density Sapling	Horticulture/JKHPMC	Phase wise	20,000*	INR 2.20 Cr
6	Export Facilitation Center for farmers/exporters	District Industries Centre	T+4 Months	1	INR 0.50 Cr
7	Creation of water Sources (Bore wells)	Horticulture/JKHPMC/ Jal Shakti Deptt.	Phase wise	250	INR 06.25 Cr
8	Brand Creation & Market Linkages	Horticulture/JKHPMC/ Agriculture/DIC	Continuous	-	INR 2.5 Cr

*High-density saplings can be strategized in a phase wise manner in order to increase production considering limitation of land availability.



4.1 Opportunities in Silk Carpet



Following HS Codes have been used by districts of J&K to export Carpets.

HS codes	Description
57011010	HAND-MADE
57019011	HAND-MADE
57019031	HAND-MADE
57019039	OTHER
57019090	CRPTS AND FLR CVRNGS KNOTTD OTHR THAN COTTON
57024230	CARPETS, RUGS AND MATS OF HANDLOOM

4.2 Historical Data of Carpet Exports from Jammu and Kashmir for HSN Code 57019090

Carpet Exports in USD million (57019090)			
Year	India	J&K	J&K Share
2014-15	147.05	12.94	8.8%
2015-16	140.46	10.31	7.3%
2016-17	226.35	6.97	3.1%
2017-18	141.21	7.82	5.5%
2018-19	132.61	17.11	12.9%
2019-20	119.33	20.73	17.4%
2020-21	86.5	5.8	6.7%

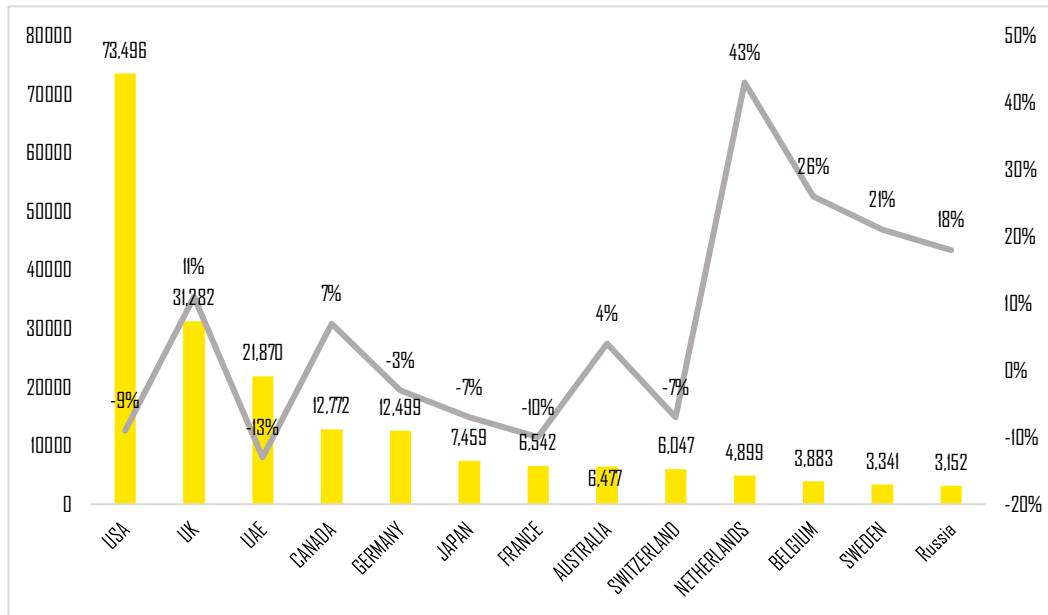


4.3 Current Export Scenario from Jammu and Kashmir for Carpets

The export scenario of India and Jammu and Kashmir have been analysed basis the export statistics of HS code mentioned below, under which Carpet products are exported. Alongside are the key facts¹ pertaining to the analysed product codes.

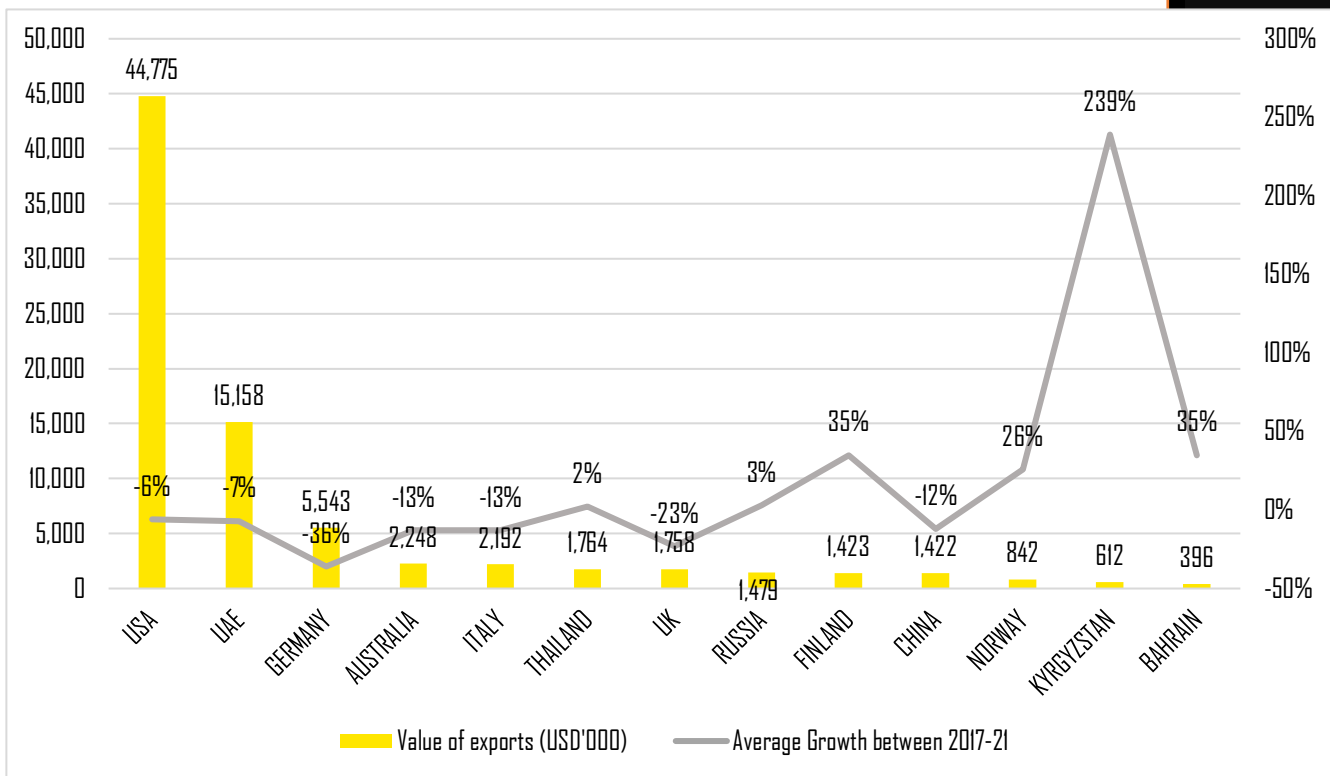
The HS Code used for analysis is 570190. India is the 2nd largest exporter under this HSN Code

4.4 Top Importers of the Carpet under the HSN Code 570190

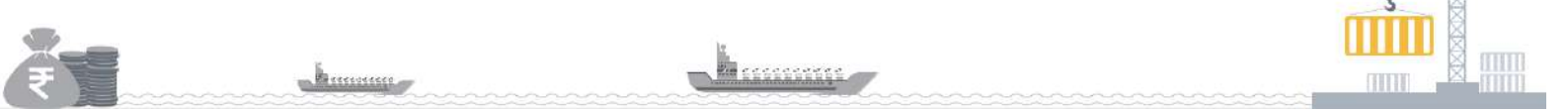


Key Fact of Export
 Value of world exports in 2021: **397,963 (USD Thousand)**
 Total Exports from India in 2021: **91,215 (USD Thousand)**
 Total export from J&K in 2021: **11,670 (USD Thousand)**
 Share of J&K in India's exports: **~12.73%**

4.5 Top Countries to whom India Export Carpet under the HSN Code 570190.

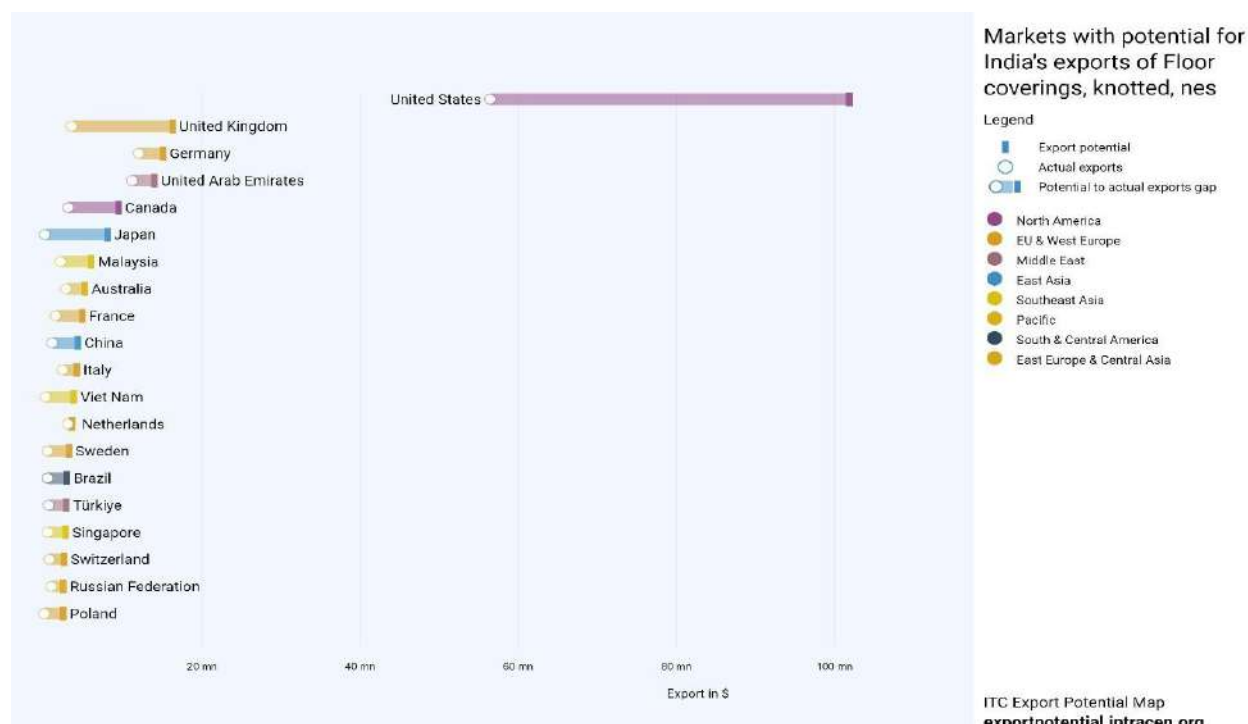


¹ <https://www.trademap.org/>



Product 570190: Jammu and Kashmir exports under this HSN to UAE, Thailand, Finland, USA, Germany, Qatar, Kyrgyzstan, Russian Federation, China, Netherlands, Vietnam, Singapore, Norway, UK and Oman?

Untapped Potential of India under this HSN Code is USD 118,930 (in Thousand)

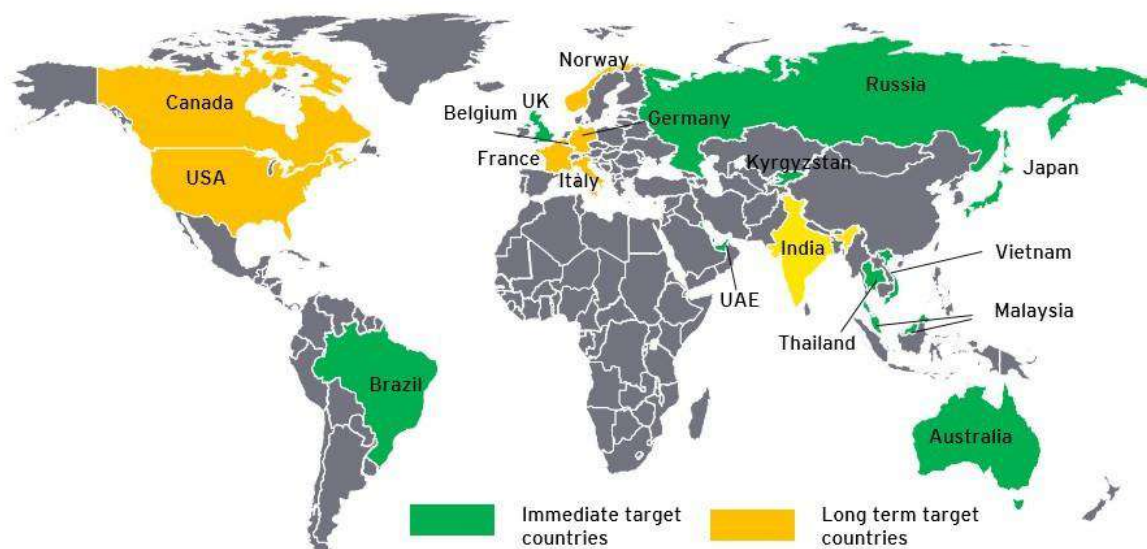


Synergies:

2. **Immediate:** These are those countries where a proper marketing channel will unlock the potential of that market in very short period.
 - a. Based on Signed FTAs the following can be targeted: **UAE, Japan, Australia, Thailand, Vietnam, Singapore and Malaysia.**
 - b. High Growth Markets: **UK, Russia, Bahrain and Kyrgyzstan**
 - c. Based on Untapped Potential, J&K exporters should target the following countries to expand **Brazil.**
3. **Long Term:** The following countries **USA, Canada, France, Italy, Germany, Netherlands, Poland, Belgium, Norway, Sweden, Finland and Switzerland** come under Long-term priority market as these are those markets where the untapped market potential can only be fulfilled if J&K exporters comply and raise the quality of the product to the highest standards, freight rates are more subsidized and major efforts is required in marketing which will require time to accommodate the same.

² HS Codes - State Export Analysis - Dashboard - EXIM Analytics (dgciskol.gov.in)





In Baramulla District, sufficient numbers of artisans are involved in carpet weaving craft, but they are only involved in manufacturing the carpets and are not doing any type of exports due to lack of infrastructure, Awareness, Modern Tools, Clusters, Common facility centres, Working conditions, less wages, Marketing support and most important is they belong to Financial weaker section. As for as this Department is concerned till date 8745 artisans are registered in carpet craft and approximately 1000 artisans are presently practicing this craft which are directly or indirectly (Full time/part time) involved in carpet industry. But most of the artisans are working as labours in the carpets centres and are not involved directly in carpet export, which needs special intervention. The department is also doing financial assistance to the artisans under credit card scheme of 2 lakh rupees with 7% interest subsidy, but that is not sufficient for the artisan to start his own manufacturing unit, which needs to be enhanced to some higher extent with subsidy portion in main amount that will work for making Baramulla a carpet manufacturing hub for the UT as well whole country.

4.6 Action Points

- i. Establishment of **Common Production Centre** with technology-enabled machine (viz. machine tufting guns, innovative frame looms, upgraded version of Twister machine, braiding machine, Yarn counting machine, sewing (Juki) machine etc. to scale up production of micro artisans/ small manufacturers.
- ii. Raw material bank with raw material processing facility for processing different varieties of yarn
- iii. Increase in wages of weaver weaving carpets. Currently, low wages to weaver's effect production and compel them to change their working lines.
- iv. Quality of raw material used in current stock has not been at par.
- v. Setting up of Testing lab in district Baramulla to enable advance testing to be conducted within the cluster.

4.7 Product Specific Action Plan and Strategies

- i. **Enhance Product Quality:** One of the essential factors for increasing exports is to ensure that the products are of high quality. The carpets produced in Baramulla should meet international standards and should be unique in design, color, and quality. To ensure this, the producers can collaborate with experts in the field and use high-quality raw materials.



- ii. **Expand the Market:** To expand the market for Baramulla carpets, the producers should focus on reaching out to potential customers globally. This can be done through online platforms, trade fairs, and exhibitions. The producers should also explore new markets in different countries to increase the demand for Baramulla carpets.
- iii. **Branding and Marketing:** Branding and marketing play a crucial role in increasing exports. Producers can create a brand image for Baramulla carpets by using social media, online platforms, and traditional advertising methods. The producers should showcase their products and promote them online.
- iv. **Government Support:** The government can support the producers by providing financial assistance, tax incentives, and subsidies. The government can also help in building infrastructure such as warehouses, transportation facilities, and cold storage to store and transport the carpets.
- v. **Skilled Labor Force:** A skilled labor force is essential for producing high-quality products. The producers should provide training and education to their employees to improve their skills and knowledge. This will help in producing high-quality products consistently.
- vi. **Innovation:** Innovation is crucial for the growth of any industry. The producers should innovate and create new designs and styles to attract customers. They can collaborate with designers and experts in the field to create unique designs and styles.

4.8 Interventions required for Carpet Industry in Baramulla

1. Cluster Development

In order to better place the artisans, there is dire need to organize them in the shape of clusters so that they share the common services at the nearest distance from their working places.

In efficiencies in the infrastructural and service-related imperatives at District levels which include deficit facilities on account of Common Facility Centres are required to be created in the craft pockets such as Pattan, Sopore or Kunzer

2. Setting up of Raw Material Banks

The raw material for carpets like silk, wool and cotton yarn etc. is procured by local dealers from other parts of the country. However, the quality of raw material and reasonability of its price is a big concern.

In order to manufacture/produce standard quality carpets, there is an immediate need to set up raw material banks with good/consistent quality of raw material on subsidized price available under Raw Material Supply Scheme (RMSS) of O/o Development Commissioner (Handlooms), Ministry of Textiles, Govt, of India, wherein 15% price subsidy is available on such type of Raw Materials for registered weavers/ artisans.

One (01) Raw Material Banks, with adequate quantity of different types of raw material of standard quality used for carpet manufacturing, need to be established in a phased manner, in carpet craft concentrated area/block in district



Baramulla. However, in the first instance, it is proposed to set up one such raw material bank in one suitable area of Baramulla district which shall cater to the proposed carpet cluster of the district.

3. Replacement of Old worn-out Carpet Looms

It has been observed, over a period of time, that conditions of old/traditional wooden carpet looms has gone from bad to worse and the concerned artisans/weavers are now very reluctant to work on these old looms due to many reasons including social stigma . Therefore, there is need to procure and distribute Modern Carpet Looms of appropriate size to active carpet artisans, free of cost, after verifying their credentials, so that they can carry forward the activity of carpet weaving to next generation. It is recommended that old Wooden Looms need to be replaced with new Modern Carpet Looms, in a phased manner.

It is pertinent to mention here that Indian Institute of Carpet Technology (IICT) Srinagar has developed a prototype of Modified Modern Carpet Loom in 2020-21 and its testing followed by necessary trial runs were conducted successfully. The overall working of this prototype was also observed by stakeholders who expressed the view that this loom is fit for introduction in carpet industry. The stakeholders have strongly recommended that Government must provide these looms to concerned registered carpet weavers, to be identified by the Handicrafts and Handloom Department, free of cost or on subsidized rates, as they cannot afford to purchase such looms.

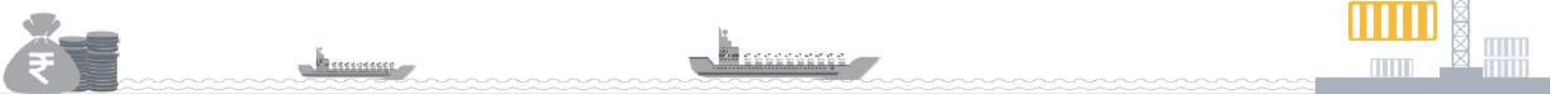
However, in the first instance, it is proposed to introduce 100-200 such modified modern carpet looms in one highly carpet craft concentrated area of Baramulla district.

4. Skill Up-gradation and Capacity Building Training

During the last two decades, majority of male carpet weavers have migrated from carpet industry and women folk have now undertaken this activity on full/part time/seasonal basis. These women, not only earn to support their families, but also carry out their routine household activities. However, it has been noticed that the skill level of women carpet weavers is not upto the mark which in turn is affecting the quality of carpets. As such, there is a need to conduct Skill Up-gradation and Capacity Building Training through Indian Institute of Carpet Technology (IICT) for new and existing carpet weavers, especially women folk in their respective areas in a phased manner. In addition to basic skills, such training will also cover other important aspects of carpet manufacturing having direct impact on quality of carpets, by way of giving them requisite know-how in respect of Designing, Dyeing, Various types of defects in carpets, their causes and remedial measures, Do's and Don'ts of carpet weaving, Formation of SHG's/ industrial Cooperatives, Quality Control and Need for GI Certification, Procedure of Certification/Tagging, Need of Cluster Development etc.

5. Publicity and Promotion of GI Tagging of Carpets.

The carpet Industry has exported carpets worth Rs. 357.21 Crores during the year 2022- 23, the majority of carpets have been exported to Germany, Middle East and other countries. However, this industry has potential to export



carpets worth Rs. 1,000 Crores which can generate employment to thousands of people across the Jammu and Kashmir.

As a matter of fact, that Carpet Industry in Kashmir has not been able to progress during the last three decades. One among many reasons for this decline, is the inconsistent quality of carpet as there was no mechanism whereby their quality can be checked on regular basis.

After achieving the milestone of GI Certification of Kashmiri Hand knotted Carpet through unique cloud based QR code management system, which has been highly appreciated and acknowledged by one and all, there is a dire need to launch a massive awareness and promotional campaign so that the people are made aware about GI certification of carpets and its benefits for brand building in the international market.

With GI certification of carpets, it is expected that there will be massive improvement in the overall quality of hand-knotted carpets manufactured in this part of the country which in turn will fetch better price of carpets in the international market which shall improve the financial health of stakeholders associated with the carpet industry in general and the carpet artisan community in particular.

However, this will be not be possible till the time there is an unprecedented demand for GI certified/tagged carpets. For this, it is imperative to launch a massive promotion and awareness campaign at the local, national, international level so that more and more people are made aware about the benefits of GI Tagging/Certification which is necessary for building trust/confidence among the Buyers/Customers.

6. Marketing and Promotion

Marketing is the key for the survival/sustenance of any sector/industry in the prevalent competitive international market. Marketing events provide an opportunity for stakeholders to know the requirement of ultimate buyer/customer which in turn opens new marketing channels for the trade. There is a dire need to conduct/organize/participate in Exhibitions/Buyer Seller Meets/ Expo's/ Trade Fairs regularly at National/international Level. This must become a regular feature for industry, and it shall also provide platform to promote Kashmiri Carpet Brand at the National and International Platforms.

7. Setting up a Common Facility for Carpet Washing and Drying on Modern Lines

The washing of hand knotted carpets manufactured in this part of the country is being done manually in a traditional manner and thereafter the carpets are dried in natural sunlight. However, in view of the fact that GI Certification of carpets is being done by the Institute on finished carpets only, the concerned stakeholders are not in a position to tag their hand knotted carpets which are weaved during winter season (November to April).The only reason for this is the fact that due to climatic conditions/harsh winter season in these months, the concerned manufacturers shift their fully weaved/unfinished carpets to Delhi for the purpose of washing and drying.



In light of the above, a grave need is felt for Setting up of a Common Facility Centre for Washing and Drying of Hand knotted Carpets on Modern Lines so that carpets weaved during the winter season (November-April) can be washed and dried in Kashmir itself so that their GI Tagging/Certification can be done accordingly. This facility can be established in the existing infrastructure/cluster where adequate land/ space is available.

8. Special Package of Incentives for wages and Logistics

Kashmir valley being geographically at disadvantage position having less accessibility to markets outside country directly makes the region eligible for special package of incentives for support in Logistics and wages for weavers.

4.9 Financial Implications

#	Intervention	Implementing Agency	Timelines	Tentative Cost
1	Cluster Development (2 – Kunzar & Sopore) <ul style="list-style-type: none"> • Setting up a Common Facility for Carpet • Raw Material Bank • Skill Up-gradation and Capacity Building Training • Testing Lab 	Handicraft & Handloom Dept/ DIC	T+12 Months	10.00 Cr
2	Special Package of Incentives	District Industries Centre	T+6 Months	2.00 Cr
3	Replacement of Old worn-out Carpet Looms	IICT/ Handicraft & Handloom Dept	T+6 Months	0.60 Cr
4	Publicity and Promotion of GI Tagging of Carpets	Handicraft & Handloom Dept	Continuous	1.0 Cr
5	Marketing and Promotion	Handicraft & Handloom Dept	Continuous	1.0 Cr
6	Market Research/Study	IICT/ Handicraft & Handloom Dept/ DIC	Continuous	0.5 Cr

Annexure-I - Government Scheme for Cluster and Infrastructure Development

MSE-CDP

Objectives:



- ▶ To enhance the sustainability, competitiveness, and growth of MSEs by addressing common issues such as improvement of technology, skills & quality, market access, etc.
- ▶ To build capacity of MSEs and Start-ups for common supportive action through integration of self-help groups, consortia, district Industry associations, etc.
- ▶ To create / upgrade infrastructural facilities in the new/existing Industrial Areas/Clusters of MSEs.
- ▶ To set up Common Facility Centres in Industrial area (for testing, training centre, raw material depot, effluent treatment, complementing production processes).
- ▶ Promotion of green & sustainable manufacturing technology for the clusters to enable units switch to sustainable and green production processes and products.

Two components of the MSE-CDP scheme:

- ▶ Common Facility Centres (CFCs): This component consists of creation of tangible “assets” as Common Facility Centres (CFCs) in Industrial Estate
- ▶ Infrastructure Development (ID): This component is for development of infrastructure in new/existing notified Industrial Estate.

Funding Pattern

Component	Total Project Cost	Funding Pattern		
		Govt grant	State Share	SPV
CFCs in NE & Hill States, Island Territories, Aspirational Districts	INR 5 Cr to 10 Cr	80%	15%	5%
CFCs in NE & Hill States, Island Territories, Aspirational Districts	INR 10 Cr to 30Cr	70%	15%	15%
Infrastructure Development in NE & Hill States, Island Territories, Aspirational Districts- New	INR 5 Cr to 15 Cr	70%	30%	
Infrastructure Development in NE & Hill States, Island Territories, Aspirational Districts- Existing	INR 5 Cr to 10 Cr	60%	40%	

Implementing Agencies



Component	Implementing Agency/Fund Receiving Agency
Setting up of CFC	<ul style="list-style-type: none"> ▶ Institutions of Ministry of MSME (MSME-DIs, NSIC, KVIC, Coir Board, Technology Centres, NI-MSME and GIRI) ▶ Organizations of State Governments ▶ National and international institutions engaged in development of the MSE sector ▶ Any other institution / agency approved by the Ministry of MSME
Infrastructure Development Project	State / UT Governments through an appropriate State Government / UT Agency/Integrated Industrial Park Development Agency/State Industrial Development Agency

Process

- ▶ SPV Formation: There shall be a SPV for the projects for CFC, which would be a Company registered under Section 8 of the Company Act. FPO/ FPC registered under Section 8 of the Company Act are allowed as the SPV provided they have required number of members as provisioned in the guidelines of the scheme.
- ▶ To ensure that CFC is a collective initiative, certain number of members are required.
 - Minimum 20 MSEs/ Startups /Green Field MSEs/FPOs for CFC with project cost of above Rs 10 crore and above
 - Minimum 10 MSEs/ Startups /Green Field MSEs/FPOs for CFCs with project cost of below Rs 10 crore
 - Any contribution higher than the minimum contribution could be by way of unsecured interest free loans.
- ▶ The members in the SPV should have a minimum contribution by way of equity capital to bring more sense of ownership. Minimum members direct contribution for the project:
 - 20% of the project cost for CFCs with project cost more than Rs 10 crore
 - 10% of the project cost for CFCs with project cost less than Rs 10 crore
- ▶ Land Identification: Post SPV formation next step is to identify the land for the structure. The cost of land will be included in the cost of project (subject to a maximum of 25% of Project Cost)
- ▶ DPR Preparation: The SPV or state government will prepare a DPR which will clearly establish how the CFC will improve the competitiveness of the MSE units in the cluster and should be aligned with their common aspirations. A credible market study/ survey should be conducted to establish the value chain of the facility.
- ▶ DPR of the project will be appraised by any branch of SIDBI or any commercial bank. The techno economic feasibility report of the bank and DPR would be placed before the SLSC (State Level Screening Committee)
- ▶ The State Level Steering Committee would examine the DPRs, recommend and monitor implementation and operation of approved Projects in the State to ensure satisfactory and time-bound implementation of the activities and operations thereafter
- ▶ The proposal once recommended by SLSC, would be forwarded by concerned MSME-DI online with its recommendations before the same is considered in Office of DC, MSME
 - If the SLSC fails to recommend or reject a proposal within the stipulated time for recommendation as given at Annexure 6, the proposal will be treated as deemed recommended by the SLSC
 - SLSC may act as a single window for all the clearances required for the project. Director (Industries) may be nominated as the nodal officer for such clearances



- There shall not be any In-principle approval of any project. Either a project would be approved or not approved
- The proposals for projects with no State Government funding support, may be directly submitted to O/o DC-MSME after due examination by MSME-Dis for final approval, however, recommendation of SLSC would be required
- The project costing up to Rs. 5 crore will be considered under SFURTI
- ▶ The projects recommended by SLSC will be placed before NPAC (National Project Approval Committee) for consideration and approval
- ▶ The projects must be completed within 18 months from the date of approval order of the project by NPAC

Composition of SLSC (State Level Screening Committee)

ACS/ Principal Secretary/ Secretary (Industries/MSME)	Chairman
Commissioner / Director of Industries / MSME	Co Convener
Managing Director or Representative of Implementing Agency	Member
Representative of Finance Department	Member
Director, MSME-Development Institute	Member Secretary/Convener
General Manager, Concerned District Industries Centre	Member
Special invitees (if any) like representative of SIDBI or any financial institution or any official required for the purpose	Member
A representative from Technical Institution/MSME-Technology of M/o MSME	Member

Composition of NPAC (National Project Approval Committee)

Secretary (MSME)	Chairman
AS&DC (MSME)	Member
Adviser (VSE), NITI Aayog	Member
Joint Secretary (ARI), Ministry of MSME	Member
Economic Adviser (EA)/IFW	Member

Additional Development Commissioner / JS/DDG of the Cluster Division	Member Secretary
Representative of SIDBI	Member
Representative of CSIR	Member
Representative of NSIC / KVIC	Member
Representative(s) of DPIIT, MoTextile, DoPharma, MeitY, MoRD, MoFPI, MoDefence, DoFisheries, Do Animal Husbandry and	Member
Director, MSME-DI concerned	Member
Principal Secretary / Secretary (Industries/MSME) / Commissioner / Director of Industries / MSME of the State Govt	Special Invitee
Representative(s) of concerned Industry Association(s), Representative from Financial Institution, Programme Management Service Provider, Appraisal Agencies etc	Special Invitee
Director (CD)	Member



Flatted Factory

Introduction:

Flatted Factory Complex (FFC) is a building having two or more floors, where every floor has

Independent Industrial unit and in which land and amenities, open space and passage are jointly owned and collectively used may be termed as Flatted Factory.

- ▶ Flatted factories are high-rise developments with common facilities.
- ▶ The building has a particularly good factory layout with maximum and efficient use of unit space. It is also equipped with basic amenities.
- ▶ The building is subdivided into small separately occupied units which are used for manufacturing, assembly, and associated storage.
- ▶ Flatted factories, a subset of light industrial properties, are stacked-up manufacturing space used for general manufacturing.

With a view to optimize on the limited vacant land, concept of flatted factories has been introduced for small scale industries. Provision for flatted factories to accommodate MSME units may be made for the new industrial units. This will facilitate the industry to reduce the lead time in setting up of the project besides huge investment on land and building, thus promoting the entrepreneurship in the region.

FFC will also consist of Raw material storage, Display Centre, admin space, conference hall, creche', First aid centre, CETP facility, dedicated bank space, commercial shops, dedicated lifts.

SFURTI Scheme:

“**Scheme of Fund for Regeneration of Traditional Industries (SFURTI)**” is a programme of the Ministry of Micro Small and Medium Enterprises, Government of India and was launched in the year 2005 with the view to make the traditional industries more competitive, market-driven, productive, profitable and capable of providing sustainable employment for traditional industry artisans and rural entrepreneurs. The Coir Board is the Nodal Agency for the implementation of the scheme. The scheme is being implemented by the Board through the Implementing Agencies engaged by the Board for each cluster. This scheme focuses on physical infrastructure creation, technology upgradation, training, product development, innovation, design interventions, marketability, improved packaging and marketing infrastructure with the aim of improving artisanal income.

Project Interventions: The Scheme covers three types of interventions namely Soft Interventions, Hard Interventions and Thematic interventions.

❖ **Soft Interventions:**

- General awareness, counselling, motivation and trust building.
- Skill development and capacity building for the entire value chain with special focus on digitization of training modules
- Machine handling and maintenance training



- Institution development
- Exposure visits
- Market promotion initiatives
- Design and product development
- Participation in seminars, workshops, and training programmes on technology up-gradation, etc. Note: Digitization of training modules should be done to support training to new artisans, refresher training, assistance to artisans working from home, etc

❖ **Hard Interventions:**

- Common facility centres (CFCs) and worksheds with a provision of IP enabled CCTV cameras.
- Procurement of machineries
- Working Capital and Raw material banks (RMBs)
- Tools and technological up-gradation such as charkha upgradation, tool-kit distribution, etc.
- Warehousing facility
- Training center.

❖ **Thematic Interventions:**

- Brand building and promotion campaign
- New media marketing
- e-Commerce initiatives
- Innovation
- Research & development initiatives and technological upgradation of similar group of clusters based on performance.
- Developing institutional linkages existing & proposed clusters

❖ **Institutional Arrangement:**

- Scheme Steering Committee (SSC)
- Nodal Agencies (NAs)
- Technical Agency (TA)
- Implementing Agency (IA)

Implementation Methodology:

- ❖ Web-Based Project Management System (PMS)
- ❖ Identification of a tentative list of clusters



- ❖ Engagement and appointment of Technical Agencies (TAs)
- ❖ Approval from the Scheme Steering Committee (SSC)
- ❖ Pre-requisites for Release of Funds
- ❖ Release of Funds to Nodal Agencies (NAs)
- ❖ Release of Funds to Implementing Agency (IA)

Financial Assistance:

Type of Clusters	Per Cluster Budget Limit
Regular Clusters (upto 500 artisans) *	Rs.2.50 crore
Major Clusters (more than 500 artisans)	Rs.5.0 crore

Clusters with lesser number of artisans/workers etc. can also be proposed by NAs but number of artisans/workers etc. should not be less than 100 (50 for NER & Hilly areas) In such cases, proportionate GIA(Grants-in-aid) may be considered by SSC while granting approval.

#	Project Intervention	Scheme Funding	Financial Limit	Implementing Agency Share
A	Cluster Interventions			
A1	Soft Interventions including skill training, capacity building, and design development	100%	10% of the amount of Hard Intervention(HI) or 25 Lakh whichever is less	Nil
A2	Hard Interventions(HI) including CFC's, RMBs, Training Centre etc*	90%		10% of Hard Intervention as own contribution in cash
B	Cost of TA^^	100%	6 % of the amount of Hard Intervention(HI) or 18 Lakh which ever is lesser	Nil
C	Cost of IA/SPV Including CDE#	100%	8% of the amount of the hard intervention (HI) 20 Lakh which ever is less	Nil

* **95%:5%** in case of North Eastern Region (NER), J&K and hilly states. (INSPV may deposit their share in a phased manner with minimum 25% in a single Installment as per the satisfaction of NA.)

^^ Additional 1%, i.e. 6% to be given to TAs for clusters in NER/J&K/Hilly Areas, upto Rs. 18 lakhs, whichever is less.

This includes remuneration of Cluster Development Executive (CDE) and other expenses incidental for a period of 3 Years.

Scheme of Ministry of MSME, GOI:

Ministry of MSME, Government of India through it's MSE-CDP Scheme is supporting the State Government Agencies by providing GOI grant restricted to 60% of the project from INR 5.00 crore to INR 15.00 Crore for setting up of FFC.



Ambedkar Hastshilp Vikas Yojana

Under Infrastructure and Technology Support : Funds are available for:

1. Marketing and Sourcing Hub

It is proposed to setup Marketing Complex (Hubs) for Handicrafts in commercially viable Cities/Towns etc. on the concept of “One Stop Shopping”. It will provide a marketing platform to the wholesaler/retailers/ consumers and foreign buyers to reach the potential target segment by showcasing the entire range of handicrafts products. Office of DC (H) will provide support towards cost of construction and interior work for the proposed Marketing Hub

Eligibility:

- ▶ Central/ State Handloom and Handicrafts Development Corporations and any other eligible Govt. Corporations/ agencies promoted by State Government or local govt. Bodies etc.
- ▶ Eligible Non-Governmental Organizations, Registered SHGs, local statutory bodies, exporter bodies/ associations, Apex cooperative Societies and National level Apex Societies (registered under society act/ trust act, etc.) and organization like IICT, MHSC, HMCM, NIFT, and Export Promotion Councils.
- ▶ Producer companies registered under Section 8 of Companies Act and working for the promotion and development of Handicrafts & Handlooms.
- ▶ Any component can be implemented by department as well.

Financial Assistance and Funding Pattern:

- ▶ The financial ceiling for setting up a marketing hub facility is INR 1000 lakh
75% of the admissible amount shall be borne by the O/o the DC (H) and 25% will be contributed by the implementing agency subject to the ceiling specified.
- ▶ Land will be provided by implementing agencies and will be over and above the 25 % contribution by the implementing agency.

2. Common Facility Centre

The objective of the Common Facility Centre is to ensure economy of scale, price competitiveness, quality control, application of Design and Technology input on continuous basis, scope of product diversification and higher unit value realization and compliance with WTO compatible standards. Such a common facility will lead to significant reductions in the cost of production, production of a diversified range of high value products, sample development, reduction in the response times in order execution and ensure high quality of final products.

Eligibility:

- ▶ Central/ State Handloom and Handicrafts Development Corporations and any other eligible
- ▶ Govt. Corporations/ agencies promoted by State Government or local govt. bodies etc.
- ▶ Eligible Non-Governmental Organizations, Registered SHGs, local statutory bodies, Apex cooperative Societies and National level Apex Societies (registered under society act/ trust act, etc.) and organization like IICT, MHSC, HMCM, NIFT, and Export Promotion Councils.
- ▶ Producer companies registered under Section 8 of Companies Act. and working for the promotion and development of Handicrafts & Handlooms.
- ▶ Any component can be implemented by department as well.



Deliverables:

CFCs must include adequate space for Training area, Sales counter, Dyeing Unit (if required), Store, Room, Tools Machinery and Equipment related to production and testing including computer installations, packaging, proper provisions of electrification for machineries and civic amenities etc.

Funding Pattern:

The financial ceiling for setting up a common facility centre is INR 300 lakh.

- ▶ In case of NER, J & K, Ladakh & Andaman and Nicobar Islands, Lakshadweep - 90% of the admissible amount will be borne by the O/o the DC (H) and 10% shall be contributed by the implementing agency.
- ▶ Assistance will also be available for upgradation/ strengthening of existing CFCs with a maximum of Rs 200 lakhs as 100% GOI share

S.No	Expenditure Items	Funds Permissible (In Lakhs)
1	a) Own building (Interior Work/construction) b) Rented building(IA must have Agreement of at least 15 years for running the CFC) <i>Interior Work/ Construction</i>	50.00
2	Tools Machinery and equipment related to production and testing including installations, packaging etc	225.00
3	Fixed Asset	4.50
4	Expenditure towards training of machine operators	5.00
5	Contingency	3.00
6	Erection and commissioning	12.50
Total		300.00

Rental amount will be borne by the IA.

3. Raw Material Depot

Aim of this component is to make easy availability of quality, certified and graded raw material to the artisans/entrepreneur at a reasonable rate.

Eligibility:

- ▶ Central/ State Handloom and Handicrafts Development Corporations and any other eligible Govt. Corporations/ agencies promoted by State Government or local govt. bodies etc.
- ▶ Eligible Non-Governmental Organizations, Registered SHGs, local statutory bodies, SPV promoted by banks, Apex cooperative Societies and National level Apex Societies (registered under society act/ trust act, etc.) and organization like IICT, MHSC, HMCM, NIFT, and Export Promotion Councils.
- ▶ Producer companies registered under Section 8 of Companies Act. and working for the promotion and development of Handicrafts & Handlooms.
- ▶ Any component can be implemented by department as well.

Financial Assistance and Funding Pattern:

- ▶ The financial ceiling for a raw material depot is INR 200 lakh, and out of this INR 50 lakh will be earmarked for setting up of godown.



- ▶ In case of NER, Jammu & Kashmir, Ladakh and Andaman & Nicobar Islands, Lakshadweep - 90% of the admissible amount will be borne by the O/o the DC (H) and 10% shall be contributed by the implementing agency.
- ▶ The GOI assistance shall be provided to the eligible body in staggered manner for capital rotation.
- ▶ An MOU will be signed between the grantee and Office of the Development Commissioner (Handicrafts) incorporating different aspects related to functioning of Raw Material Depot.
- ▶ Accordingly, the yearly targets to be achieved in terms of physical & financial parameters will be fixed and in case of non - achievement, the Govt. will forfeit the raw material to the extent of grants released.
- ▶ Further for a period of five years, yearly quantitative increase in corpus/stock of raw material may be fixed depending on the raw material which will be indicative of functionality of Raw Material Depot.

4. Technology Upgradation Assistance to Exporters/ Entrepreneurs

The objective is to extend the technological up gradation facility to exporters/entrepreneurs. The facility centre should be an infrastructure with modern machinery including packaging machinery to support product, productivity, quality, etc.

Eligibility:

Recognized Exporters and Entrepreneurs/ Exporter Associations, Producer Companies etc.

Financial Assistance and Funding Pattern:

- ▶ The maximum amount of funds to be sanctioned is INR 150 lakh for each facility centre.
- ▶ The financial pattern would be based on 60:40 sharing between the Government of India through the Office of the D.C (H) and Exporters and Entrepreneurs/ Exporter Associations, Producer Companies etc.
- ▶ MOU between Exporters and Entrepreneurs/ Exporter Associations, Producer Companies etc. and Government of India (GOI) will be signed before release of funds.

5. Testing Laboratories

- ▶ Testing Laboratory shall be made in the sufficient and adequate spaces with the provision of Machinery & Equipment, Support Fixture & Furniture, Raw-Material Processing Section,
- ▶ Inspecting Section, Packaging & Warehousing Section, Maintenance Section including Master Room for knowledge sharing and future reference etc.
- ▶ In order to standardize / certify raw materials/ products, it is proposed to
- ▶ Set up new labs
- ▶ Strengthen existing labs.
- ▶ The objective is to offer total Testing and Quality Assurance support for Handicrafts

Eligibility:

- ▶ IICT, MHSC, NIFT, NID, Central/State recognised educational Institute/University, Exporter's bodies, EPCH, CEPC, State Corporations etc.
- ▶ CSIR and Textiles Committee.

Financial Assistance and Funding Pattern:

- ▶ The financial assistance would be in the form of Grant-in-aid with a ceiling of INR 100 lakh for each testing laboratory.



- ▶ This grant would be in the form of 100% through the Office of the D.C (H) to the eligible institute/ organization.

6. Crafts Village

- ▶ Craft village is a modern-day concept wherein craft promotion and tourism are being taken up at single location. Artisans live and work at the same place and are also provided with the opportunity to sell their products thereby ensuring livelihood. Craft items are exhibited as well as sold here.
- ▶ The O/o Director Handloom and Handicraft would provide assistance both towards improving infrastructure in existing villages where a substantial number of craftsmen practicing similar crafts are residing and also setting up of new villages where craftsman can be rehabilitated. The aim would be to select villages that can be connected with some tourist circuit to ensure sale of products.
- ▶ Under this component office of Director Handloom and Handicraft will fund improvements/creation of infrastructure which would include roads, houses of artisans and their work sheds areas, sewerage, water, streetlights, footpaths, shops and display areas. These will be undertaken by the implementing agency and the craftsmen will be rehabilitated with new work sheds and display areas. The display areas will be in form of stalls where the artisans can sell their product. Each project will be approved by a committee headed by the Secretary.

Eligibility:

- ▶ Central/ State Handloom and Handicrafts Development Corporations and any other eligible Govt. Corporations/ agencies promoted by State Government or local govt. bodies etc.
- ▶ Eligible Local statutory bodies, SPV promoted by banks and organization like IICT, MHSC, HMCM, NIFT, and Export Promotion Councils.
- ▶ Any component can be implemented by department as well.

Financial Assistance and Funding Pattern:

- ▶ The financial ceiling for the total amount sanctioned per unit will be INR 1000 lakh.
- ▶ In case of NER, J & K, Ladakh & Andaman and Nicobar Islands, Lakshadweep- 90% of the admissible amount will be borne by the O/o the Director Handloom and Handicraft and 10% shall be contributed by the implementing agency.
- ▶ Land will be provided by implementing agency and it will be over and above its 20% contribution, attributed in the funding pattern.

Envisaged Outcomes

- ▶ Double the Export Turnover from District Budgam 20% increase in Digital Literacy, i.e selling of products on e-commerce platforms.
- ▶ Depository of Designs and quick adaption or Creation of New Designs as per the market trends.
- ▶ Eco-Friendly Packaging which complies the International Standards as well as enhance the product's aesthetic appeal.

