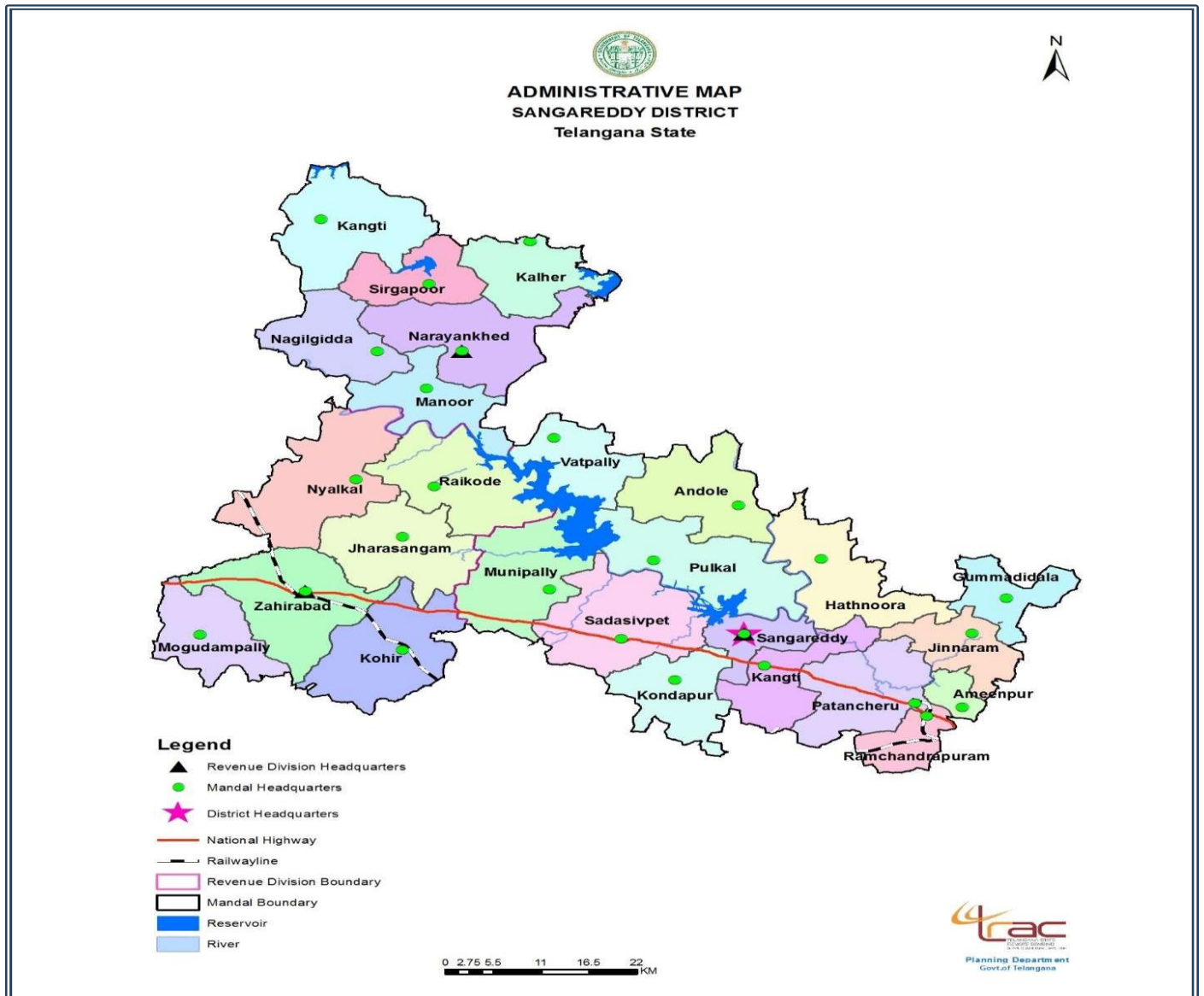


## DISTRICT EXPORT ACTION PLAN

### SANGAREDDYDISTRICT

#### Export District: “The Gateway”

A strategic Hub for exporters and other stakeholders in the global trade ecosystem.



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## **DISTRICT AS AN EXPORT HUB**

The call of the Hon'ble Prime Minister of India, articulated in his speech on the eve of Independence Day, 2019, to transform every district into an export hub, has become the guiding light for Trade and Economic policy across the country. Central to this vision is the idea that every region in India has traditional products and technologies, having competitive advantages, which can be harnessed and promoted to create export hubs.

The Indian economy has grown tremendously over the last decade to occupy the position of the fifth largest economy in the world, with a share of close to 8 percent in the Global Gross Domestic Product. However, its share in the world exports is disproportionately low at less than 2 percent. This can be explained to some extent by the size and diversity of the domestic market which has the capacity to consume most of the domestic production. This means that businesses are not incentivized to diversify in the export market in the natural course of growth. Rather, export is seen as a specialized activity pursued by few big business houses.

Another factor is the predominance of the MSME sector in India. These MSMEs often lack either the knowledge or the risk appetite to venture into the international market. However, the importance of trade as a pillar of economic growth cannot be overstated. As the trends of economic globalization only appear to intensify, it is imperative that the local economies are seamlessly integrated into the global marketplace, thereby increasing the scope and sustainability of growth.

Planning for export growth in India has historically been a centralized process. This new approach not only decentralizes the planning process, but also puts at its centre the most valuable stakeholders, i.e., the local producers and manufacturers. Exports are emphasized not just to reduce trade deficit but as a mechanism for creating boosting rural economic growth too, making local products more attractive for consumers across the world and supporting employment generation through empowering of the MSME sector. For this purpose, a district is an ideal administrative level to integrate the rural economy with the industrial economy and to create a green channel for the MSME sector to access international markets.

However, as the global socio-economic and geo-political environment undergoes rapid changes after Corona pandemic, a proactive plan of action is necessary to ensure that the district is enabled to participate in and benefit from the fourth industrial revolution, i.e., Industry 4.0. This revolution is predicted to bring about transformations not only in lifestyles and consumer choices but will also change the very nature of production.

## **Policy Vision**

This initiative is intended as the next step in competitive and cooperative federalism, taking trade planning to the district level so that an inclusive, participative, grass root approach can be adopted.

This vision then is:“ to transform every district into an export powerhouse, competitive with and integrated into the technologically advanced global market, through a participative approach which emphasizes and values the ‘local’, connects the rural and urban economies seamlessly and produces sustainable and equitable economic development”.

## **Mission**

The mission of this plans to synergize the effort soft he center and the state government and to create institutional mechanism stop remote trade .This institutional structure will be setup at the district and will act as both the creator and the implementer of sustainable district level export promotion strategies.

The institutional mechanisms will focus on translating the demands of modernization into scalable solutions for MSMEs as well as industry leaders to enter and succeed in the field of export. These solutions will aim to increase the competitiveness of domestic industry, boost exports through both an increase in volume and through value addition, create sustainable employment-generating economic growth and lead to rapid socio-economic development.

## **Objectives:**

- ✓ Enhance Trade Facilitation: Streamline regulatory processes, customs clearance, and logistics operations to reduce costs and increase efficiency.
- ✓ Foster Business Growth: Provide resources, mentorship, and funding opportunities to support the development of small and medium-sized enterprises (SMEs) in the export sector.
- ✓ Promote Innovation and Sustainability: Encourage the adoption of emerging technologies sustainable practices, and environmental stewardship in global trade operations.
- ✓ Build a stronger community: Create a collaborative environment that facilitates networking knowledge-sharing and partnership building among stakeholders.

The objectives of the Export Plan are:

- To enhance the volume of exports from each district.
- To create a flexible and permanent institutional mechanism with participation from all Stakeholders to act as a facilitator and guidance system for export incentivization.
- To identify lead products and sectors for targeted and continued interventions for export promotion
- To synergize various schemes at the center, state and district level which address agriculture, industry and service exports.
- To provide support both domestically and internationally to local industry from the Production stage to the export stage.
- To increase efficiency in the supply chain and augment export infrastructure
- To augment both supply and demand through product and market diversification.

## **Districts as Export Hubs Initiative (EH)-Mission**

- To galvanize districts of the country to become export hubs by identifying products and services with export potential in the district.
- Addressing bottlenecks for exporting these products/services, supporting local exporters/manufactures to scale and find potential buyers outside India with the aim of promoting exports manufacturing and services industry in the District.
- This is intended to bring greater level of awareness and commitment regarding exports at the district level build capacity to create new exporters and identify new markets for the focused products and services.
- This will also empower MSMEs, farmers and small scale industries to get benefit of export opportunities in the overseas markets.
- This decentralized and focused approach will shift the focus on district led export growth for self-sufficiency and self-reliance by providing global platform to products and services from the districts.

## **Strategy**

The choice of strategy is determined by the opportunities offered by decentralized local level planning as well as the constraints presented by the lack of official district level data on exports. Therefore, the approach adopted includes broad-based consultations with district administration, district industries center, local industry including exporters, Export Promotion councils, industry associations, lead banks, inspection and control authorities etc. The information gathered from these consultations is intended to augment the limited official data through qualitative first hand testimony regarding the condition of export in the district.

An assessment of the current situation will help in the creation of an economic profile and an export profile of the district. This is used to identify the lead export products and sectors in the district as well as the major challenges and opportunities for the export community and the MSMEs. Based on the product and the problems indicated by the industry, specific solutions are designed for implementation at the district level as well as to be recommended to the state and central government.

This exercise is not intended to be a one-time activity. The District Export Promotion Committee will seek to set up a mechanism to provide continuous facilitation to the industry in dealings with the complexities and concerns in the export procedures. The subcommittees will be composed in a manner which can best serve all the needs of the industry and trade in the district.

The strategy for export promotion will not be limited to measures related to export only but will comprehensively address all aspects having direct and indirect impact from farm to fork and factory to consumer. A study of the entire value chain, particularly in the lead sectors and products is critical for this purpose. From such a study agenda points will be formulated to improve infrastructure, financing facilities, marketing and so on.

A policy with all good intentions may not yield any results without effective implementation. Mechanisms for implementing, reviewing and reporting on the policy will be also being outlined within this document. Such reviewing is intended to enable course correction based on the feedback received from the various stakeholders. Expected outcomes and timelines will be clearly outlined along with nodal agencies responsible for specific measures against which the efficacy of the policy can be assessed.

In addition to the lead sectors, certain sunrise sectors, both in goods and services will be identified to create a favorable ecosystem so that the economies of the district as well as the state continue to be competitive, sustainable and dynamic.

The policy will also consider the best way to technology to benefit exporters in the district. Digitization of processes to facilitate faster and simpler procedures will be encouraged.

**DISTRICTLEVELEXPORTPROMOTIONCOMMITTEE(DLEPC):**

To execute the vision of Hon'ble Prime Minister, Telangana state constituted District level Export Promotion Committee (DLEPC) Vide G.O.Ms.No.22 Dt: 25.11.2020.

| SerialNo. | Official/Department                                                                              | Role        |
|-----------|--------------------------------------------------------------------------------------------------|-------------|
| 1         | Collector/DM/DC/District Development Office/CDO                                                  | Chairperson |
| 2         | Designated DGFTRA                                                                                | Co-Chair    |
| 3         | GM District Industries Center(DIC)                                                               | Convener    |
| 4         | Nominated member from the state Government(Commerce & Industries Department)                     | Member      |
| 5         | Lead Bank Manager                                                                                | Member      |
| 6         | Representative–Department of MSME, Govt.of India                                                 | Member      |
| 7         | Representative Sector Specific Export Promotion Council                                          | Member      |
| 8         | Representative–Quality&Standards Implementation body                                             | Member      |
| 9         | Representative from District Trade / Commerce Associations                                       | Member      |
| 10        | Sector Specific Ministry in Government of India (Agriculture, Fisheries, plantation boards etc.) | Member      |
| 11        | Sector Specific Ministry of the State Government                                                 | Member      |
| 12        | Sectoral Agencies specific to Product identified in each District (NABARD etc.)                  | Member      |
| 13        | Other State Government Representative (As per requirement)                                       | Member      |

| S.No | Terms of Reference                                                                                                                                            |
|------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1    | Bench marking base line export performance of District Present Export Performance                                                                             |
| 2    | Identification of potential export products from the District                                                                                                 |
| 3    | Creation of District export action plan with quantifiable targets                                                                                             |
| 4    | Creation of sub-groups for each identified potential export product involving stake holders like manufactures, artisans, exporters of the identified products |
| 5    | Resolution, escalation and monitoring of issues in exports from the District for identified potential products through regular meetings                       |
| 6    | Identification of bottlenecks for exports of potential products                                                                                               |
| 7    | Identifying training and development needs of District industries and co-ordination for training with other departments;                                      |
| 8    | Dissemination of information through trainings, seminars, guest lectures,                                                                                     |
|      | Practical training, exchange visits with other District level                                                                                                 |
| 9    | Act as one point facilitate or for export promotion at District level                                                                                         |
| 10   | Liaison with and report progress to state Level export promotion committee                                                                                    |
| 11   | Update DGFT's Online DEPC Progress Monitoring Portal                                                                                                          |

## **ECONOMY AND EXPORTS OF TELANGANA**

The state of Telangana came to a reality on the historic day of 2<sup>nd</sup> June 2014, with the formation of the 29<sup>th</sup> State of the Indian Republic. Telangana state is of the firm view that industrialization holds the key for higher and sustainable growth leading to growth of exports. The Government of Telangana has recently unveiled an investor friendly industrial policy, which is receiving applauses from the Industrial community and being treated as the best policy in the Country.

### **ECONOMY:**

The year 2021-22 was one of economic revival, with the state as well as the national economy rebounding, and achieving a 'V-shaped' recovery. The country's GDP at constant (2011-12) prices grew by 8.9%, while that of the state grew by 11.2% – higher than the country's by 3.6 percentage points. In 2021-22, Telangana's nominal GSDP was valued at Rs. 11.55 lakh crore, after achieving a growth rate of 19.1% over the previous year, showing strong signs of recovery from the shock of the COVID-19 pandemic.

Since state formation, the Services sector has been the highest contributor to Telangana's Gross State Value Added (GSVA), followed by the Industries and Agriculture and allied sectors. Based on the Advance Estimates of GSVA for Telangana, in 2021-22, the Services sector accounted for 61.3% of Telangana's GSVA at current prices<sup>8</sup>, followed by the Industrial sector (20.4%) and the Agriculture and allied sector (18.3%).

## **Advantage–TELANGANA**

- The state has large amount of land available as well as clusters which cater to the production variety of goods.
- Rich in natural resources like coal, limestone, iron ore, Diamond, Dolomite, Uranium, Garnet, Granite.
- Availability of skilled and semi-skilled man power.
- Favourable industrial policy of state government with schemes like T-hub, TS-ipass, T-pride and T-idea.
- Geographic allocation, cosmopolitan culture and developed infrastructure.
- Presence of many central public sector units like BHEL, MIDHANI, ECIL, HAL and BDL etc.
- Presence of central government training and educational establishments like NGRI, IICT, CCMB, Central University, NALSAR, NPA, NIRD and IIT etc., and global institutions like ISB, ICRISAT.
- Well-developed pharmaceutical industry catering to 75% of exports from India
- State has robust infrastructure in IT & ITES sector and audio & visual services.

**Export Performance of state:**

- In 2020-21, Telangana sold Rs. 2,10,081 crore worth of goods and services to the international markets, accounting for 21.4% of the state's nominal GSDP. A majority of these originated in the services sector, which made up 69.3% of all exports by value
- During 2020-21, Telangana exported merchandise goods worth Rs. 64,539 crore. Pharmaceutical goods and Organic Chemicals constituted 65% of the total goods exported. The USA was the largest importer of goods from Telangana, importing over 26.3% of all exports by value.

**The following products have a potential of export in the Sangareddy District.**

- Pharmaceuticals
- Engineering precision Components
- Medical Devices
- Agriculture Machinery and Equipments

### **DISTRICT AT A GLANCE:**

The Sangareddy District Derived its name from Ruler SANGA who was the son of Rani Shankaramba Rani, Shankaramba was a ruler of Medak during the period of Nizams. It was formerly known as Sangareddypeta. It is newly formed district carved from combined Medak district of Telangana State. It was part of the Kakatiya kingdom to the Brahmani Kingdom and later the Golconda Kingdom. Finally on the fall of the Qutubshahi dynasty it was annexed to the Moghalempire. During the formation of Hyderabad state by AsafJahi, this was detached and included in the nizams dominions it finally became a part of Andhra Pradesh with effect from 1<sup>st</sup> November, 1956 after Re-organization of states. The district has become operational from 11.10.2016 in Telangana state.

The Geographical topographic, demographic and other socio economic aspects of Sangareddy District are delineated hereunder.

#### **A. Boundaries and Topography:**

|       |                                       |
|-------|---------------------------------------|
| East  | : Medak, Siddipet, &Medchel Districts |
| West  | : Bidhar District, Karnataka State    |
| North | : KamareddyDistrict                   |
| South | : Vikarabad and Ragareddy Districts.  |

The district is situated in tropical region between 17.61 94° N, northern latitude and 78.08230" E Eastern longitude.

**B. Geographical Area:**

|                            |   |            |
|----------------------------|---|------------|
| Area (in Sq.Km)            | : | 4403 Sq.KM |
| No. of Villages            | : | 601        |
| No.of Gram Panchyaths      | : | 475        |
| No. of Revenue Mandals     | : | 26         |
| No.of MandalPrajaParishads | : | 19         |
| No. of Revenue Divisions   | : | 03         |
| No. of Municipalities      | : | 03         |
| No. of Nagarapanchayaths   | : | 01         |

**C. Population: (2011 Census In Lakhs)**

|                     |   |       |
|---------------------|---|-------|
| Density (per Sq.Km) | : | 347   |
| Total               | : | 15.28 |
| Literates           | : | 8.54  |
| Workers population  | : | 6.88  |
| Male                | : | 7.77  |
| Female              | : | 7.51  |
| S.C                 | : | 2.77  |
| S.T                 | : | 0.87  |

**D. Educational Institutions:**

|                                              |   |     |
|----------------------------------------------|---|-----|
| Primary Schools                              | : | 853 |
| Upper Primary Schools                        | : | 199 |
| High Schools                                 | : | 203 |
| Junior Colleges                              | : | 20  |
| Degree Colleges(including Private and Aided) | : | 0   |
| Engineering Colleges( Including Private)     | : | 07  |
| Polytechnic Colleges( Including Private)     | : | 03  |
| Pharmacy Colleges                            | : | 03  |
| MBA Colleges                                 | : | 04  |
| MCA Colleges                                 | : | 01  |
| B.Ed Colleges                                | : | 04  |
| Law Colleges                                 | : | 00  |
| Medical Colleges                             | : | 02  |
| ITI Colleges                                 | : | 31  |

**E. Communication Network :**

|                       |   |        |
|-----------------------|---|--------|
| Head-Post Offices     | : | 02     |
| Sub-Post Offices      | : | 45     |
| Branch Post Offices   | : | 225    |
| Telephone Exchanges   | : | 74     |
| Telephone connections | : | 115522 |
| Public Telephones     | : | 122    |

**F. Road Network : (in KM):**

National Highways

|                                            |   |       |
|--------------------------------------------|---|-------|
| a. NH-65(Pune to Hyderabad Road)           | : | 97.30 |
| b. NH-161(Sangareddy to Nanded-Akola Road) | : | 89.00 |
| c. NH-161B(Nizampeta to Bidar Road)        | : | 49.60 |
| d. NH-765 D(ORR to Medak Town)             | : | 62.73 |

State Highway : 362.00

Major District Roads : 1171.00

Rural Roads : 1506.00

**G. Transport Network:**

|                                       |   |        |
|---------------------------------------|---|--------|
| RTC Bus Depots                        | : | 04     |
| RTC Buses                             | : | 439    |
| Average Distance Travelling /Day (KM) | : | 150653 |

**H. Rail Network :**

|             |   |                |
|-------------|---|----------------|
| Rail length | : | 21 KM (Approx) |
|-------------|---|----------------|

**I. Banks Network:**

Syndicate Bank is the lead bank

|                            |   |     |
|----------------------------|---|-----|
| No. of Banks               | : | 30  |
| No. of Branches            | : | 213 |
| No. of Urban Branches      | : | 08  |
| No. of Semi-Urban Branches | : | 89  |
| No. of Rural Branches      | : | 92  |
| No. of Metro Branches      | : | 24  |

## **RESOURCES:**

### **A. Agriculture:**

Agriculture, Mega, Large, Medium, Small and Micro Scale Industry and Service Sectors are the Major contribution to the District's economy and major chunk of the working population depend on Agriculture and allied Service Sector and Industries Sector. The major crops grown are paddy, Jowar and maize, Red grime, Green Graeme, grounnut, cotton, Sugar cane etc.

| Sl.No. | Land Utilization     | Area in Hectares |
|--------|----------------------|------------------|
| 1      | Geographical area    | 130948           |
| 2      | Forest area          | 203.68           |
| 3      | Total cropped area   | 265290           |
| 4      | Net cropped area     | 234478           |
| 5      | Gross irrigated area | 61051            |

## **INFRASTRUCTURE:**

### **A. Power:**

#### **Details of Sub-Stations:**

|    |            |   |     |
|----|------------|---|-----|
| a. | 33/11 KV   | - | 132 |
| b. | 132/33 KV  | - | 12  |
| c. | 220/132 KV | - | 02  |
| d. | 400/220KV  | - | 0   |

#### **Details of Feeders:**

|      |                   |   |    |
|------|-------------------|---|----|
| i.   | Dedicated Feeders | - | 38 |
| ii.  | Express Feeders   | - | 14 |
| iii. | Mixed Feeders     | - | 09 |
| iv.  | Urban Feeders     | - | 02 |
| v.   | Rural Feeders     | - | 02 |

### SECTOR WISE EXISTING UNITS :

In Sangareddy District 3996 MSE established with an Investment of Rs.4,20,171.00 Lakhs and providing direct employment to 83,267.00 members.

| Sl. No. | Name of the Sector                                                                                                                                                                                                                                             | Existing Units |
|---------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| 1       | Agro Based Industries<br>(Rice Mills, Cotton Ginning, Cold Storages, Seed Processing).                                                                                                                                                                         | 139            |
| 2       | Food Based Industries,<br>(Bread Bakery, Confectionery, Spices, Packaged Drinking Water, Fruit processing,).                                                                                                                                                   | 102            |
| 3       | Chemical Based Industries<br>(Pharma/Bulk Drugs, Vaccine,)                                                                                                                                                                                                     |                |
| 4       | Mineral Based Industries<br>(Granites, Stone Crushers, Cement Bricks, Hot Mix Plant, Cement Poles, Chemicals).                                                                                                                                                 | 204            |
| 5       | Plastic Based Industries,<br>(Plastic Pet Bottles, PVC Pipes, HDPE Pipes, Plastic Glass and Cups, Flex Printing).                                                                                                                                              | 109            |
| 6       | Paper Based Industries.<br>(Packaging, Paper Plates and Cups, Note Books, Computer Stationery).                                                                                                                                                                | 12             |
| 7       | Textile Based Industries<br>(Ready Made Garments).                                                                                                                                                                                                             | 16             |
| 8       | Wood Based Industries.<br>(Saw Mills, Furniture Manufacturing ).                                                                                                                                                                                               | 265            |
| 9       | General Engineering Works.<br>(Fabrication, High precision Machined components for Defence and Aero space, Casting, Forging, Machining, Automobile Servicing, Repairing Works, Engineering Work Shops, Wire Drawing Units, Steel Furniture, Aluminum Utensils) | 521            |
|         | Total                                                                                                                                                                                                                                                          | 1368           |

**ONE DISTRICT ONE PRODUCT  
(ODOP)**

| Sl.No | Heading                                      | Explanation                                                                                                                                                  |
|-------|----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1     | State                                        | Telangana                                                                                                                                                    |
| 2     | District                                     | Sangareddy                                                                                                                                                   |
| 3     | Product                                      | Engineering Products                                                                                                                                         |
| 4     | Number of Units                              | 1888                                                                                                                                                         |
| 5     | Number of people involved in this profession | 44416                                                                                                                                                        |
| 6     | Identified Associations                      | 1.Foundry Association,<br>2.Precision Engineering Association,<br>3.Automobile & Component Manufacturing Association,<br>4. General Engineering Association. |
| 7     | Total Sale for last 3 years                  | Rs. 8121 Crores (2019-20)<br>Rs. 5235 Crores(2020-21)<br>Rs. 7062 Crores (2021-22)                                                                           |
| 8     | Source                                       | Industries Dept Catalogue and Information from Associations                                                                                                  |
| 9     | Remarks                                      | --                                                                                                                                                           |

  
 15/6/2022  
 GENERAL MANAGER,  
 DIC-SANGAREDDY  
**General Manager**  
**District Industries Centre**  
**SANGAREDDY Dist. (T.S)**

| FEEDBACK FROM EXPORTERS IN SANGAREDDY DISTRICT |                                                                                                                        |                                           |                                                     |                              |                                        |                                          |
|------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|-----------------------------------------------------|------------------------------|----------------------------------------|------------------------------------------|
| S.NO                                           | Name of the Exporter                                                                                                   | Name of the Product                       | Name of the Country to which product export         | Name of the Port             | Source of Raw material for the product | Major problems faced by them             |
| (1)                                            | (2)                                                                                                                    | (3)                                       | (4)                                                 | (5)                          | (6)                                    | (7)                                      |
| 1                                              | Covalent Laboratories Pvt Ltd, Sy. No.374 Gundlamachnur, Hathnoora, Sangareddy                                         | Pharmaceutical                            | European Countries, Brazil, Turkey, Bangladesh, USA | Chennai                      | Domestic                               | No Major Issues                          |
| 2                                              | Hartex Rubber Private Limited, 106 Sri Venkateshwara Co-operative Industrial Estate IDA Bollaram, Jinnaram Mandal      | Rubber Goods                              | Uganda, Russia, Mexico, Iraq                        | Mumbai                       | Indonesia & Vietnam                    | Container availability & Logistic issues |
| 3                                              | Clininvent Research Private Limited, Sy No 168, 173/1, 173/1AA, 170/A, 170/AA Mandal – Gummadidala Village– Anantharam | Bulk Drugs, Pharmaceuticals & Health Care | USA, Italy, France                                  | Hyderabad Air Port           | Domestic                               | No Major Issues                          |
| 4                                              | Mahindra And Mahindra Ltd, Zahirabad, Sangareddy                                                                       | Tractors                                  | USA, Sri Lanka, Nepal, Bangladesh & Mexico          | Krishnapatnam and Mumbai     | Domestic                               | No Major Issues                          |
| 5                                              | Apt Power Engineering Private Limited, Plot No.11BPhase - II, Patancheru, IDA, Sangareddy                              | Turbine Spare parts                       | South Africa & Senegal                              | Chennai                      | Domestic & China                       | No Major Issues                          |
| 6                                              | Reitz India Limited, Sy No.116 and 117, Patancheru Mandal Pashamylaram,                                                | Electricals & Electronics                 | South East Asian and middle East countries          | Hyderabad Air Port & Chennai | Domestic                               | customs issues                           |

### **Honourable Prime Minister's vision**

In order to implement the vision of the Prime Minister of India, Shri Narendra Modi to convert each district into an export hub, the Finance Minister in her Budget 2020-21 speech said that each districts should develop as an export hub. She further said that efforts of the Centre and State Governments are being synergized and institutional mechanisms are being created.

The Ministry of Commerce and Industry through Directorate General of Foreign Trade (DGFT) has been engaging with States/ UTs to initiate preparation and implementation of a District Export Plan (DEP) specific to each district in every State/ UT through an institutional structure at the district level. The institutional structure set up at the district level for implementation of the District Export Plan will be headed by the District Collector/Development Officer with other relevant District Level Officers as members.

### **Changing priority of Central Government**

Even before the pandemic, the economy was already slowing down, with deficiencies evident in both consumption and investment demand. Unlike some other countries, consumption and investment have been the main drivers of growth in India in recent times. Though export contributed in earlier versions of India's growth story, in the immediate aftermath of the pandemic its efficacy to boost growth needs to be closely observed. It is a widely held view that every crisis also presents an opportunity. Given the prevalence of inequality in Indian economy, the implementation of a fiscal stimulus across sectors will not only lift the economy out of the woods, but also address some of the existing distortions in income and wealth distribution. Sector and area wise approaches and incentivization was the earlier focus of the government and the focus has been shifted to the grass root level till the districts in the states to promote the mas export drivers.

### **Changing priority of state/UT Government**

No priority to exports was given in the previous era and export as a driver of growth of the economy has been highlighted and utilized at present. DEPC and SEPC are example of co-operative federalism.

### **Target: 5 Trillion-dollar economy**

The government is sticking to the target of becoming a USD 5 trillion economy by 2024-25 and emphasis on infrastructure sector and other initiatives taken in Budget 2021-22 area imedate achieving this goal.

Presently, India is the fifth largest economy in the world with GDP of around US\$ 3 trillion in 2019-20. If the US\$ 5 trillion target is translated into reality, the country will leave behind Germany to become world's fourth largest economy in 2024-25, only behind US, China and Japan.

### **Future: Every district will be an export hub**

Department of Commerce through DGFT is engaging with State and Central Government agencies to promote the initiative of Districts as Export Hubs. The objective is to convert each District of the country into an Export Hub by identifying products with export potential in the District, addressing bottlenecks for exporting these products, supporting local exporters/manufacturers to scale up manufacturing, and find potential buyers outside India with the aim of promoting exports, promoting manufacturing & services industry in the District and generate employment in the District.

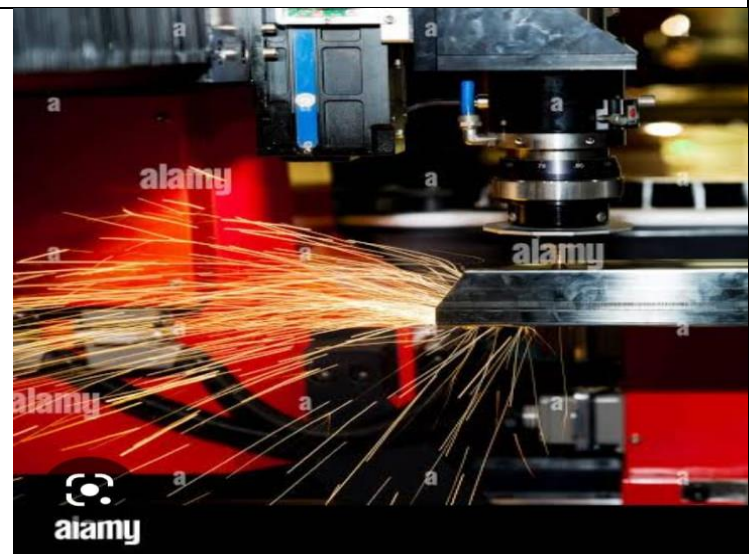
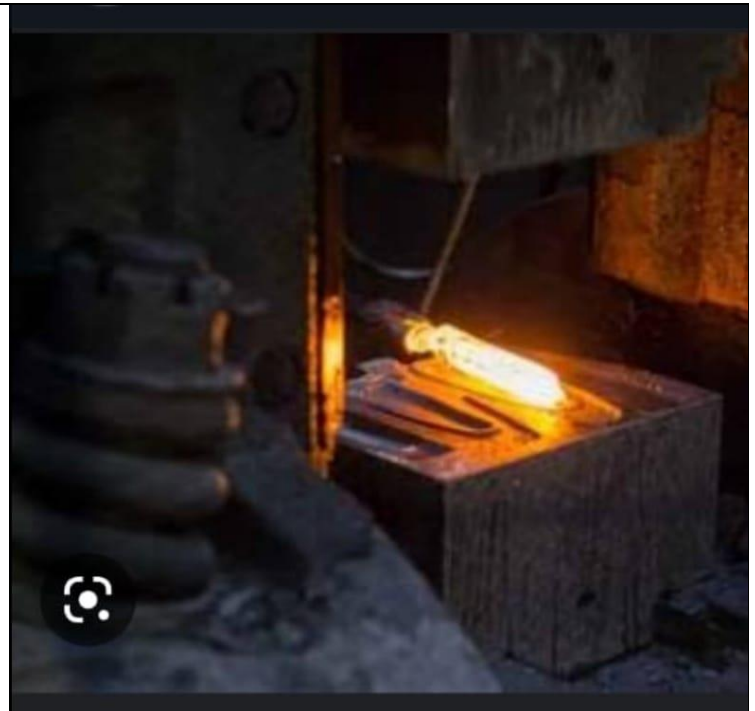
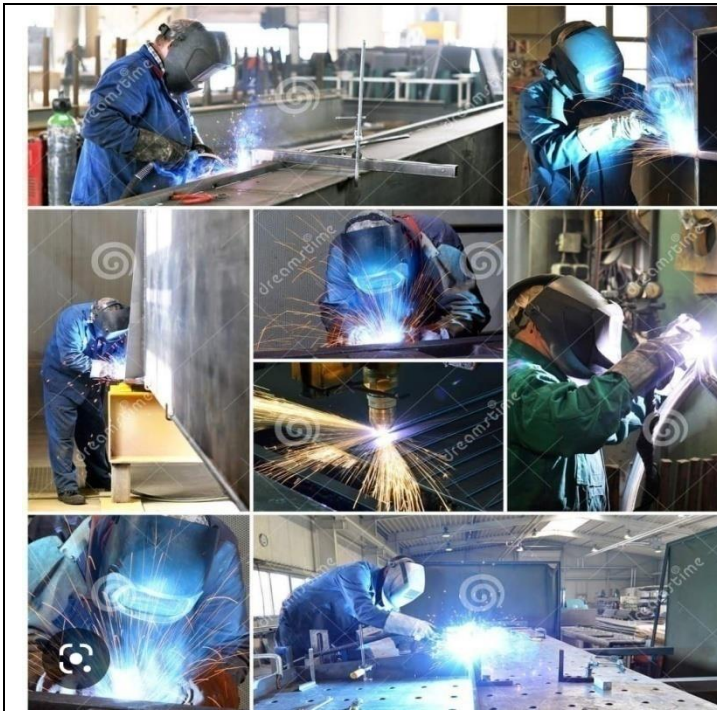
## **ISSUES, PROBLEMS AND RECOMMENDATIONS:**

Consultation and discussion with various stakeholders have been regularly done by District Administration as well as Regional Authority of DGFT. Through various meetings following are observed by the authorities about problems and issues faced by the exporters of the District.

| <b>Sl.No</b> | <b>Issue/Problem</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>Recommendation</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|--------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1</b>     | <p><b>Lack of administrative support:</b></p> <p>Lack of awareness about IEC and other central and state government incentive schemes. Lack of market information for small scale players. The players are not able to understand new trends and developments in the global market.</p>                                                                                                                                                                                                                                                                                 | <p>Regular awareness meetings should be conducted for industry players to know the various government schemes. Buyer seller meets at regular intervals shall be organized to know new trends in the market.</p>                                                                                                                                                                                                                                                                     |
| <b>2</b>     | <p><b>Lack of branding facilities:</b></p> <p>Lack of branding facilities, Quality control and assurance and certification measures and packaging facilities:</p> <p>Quality control measures, certification measures and good packaging facilities will enhance customer satisfaction and thus increasing demand for industry.</p> <p>These measures will also enhance value addition of the product and increase revenues to the players.</p> <p>These measures will have a long term impact on industry and promote its brand value in the international market.</p> | <p>Branding facilities on cluster basis to industry players at affordable cost shall be established. Quality certification agencies shall establish their centers in these clusters. Industry players shall be incentivized to go for branding and quality certifications. Logistics centers shall be established at the clusters facilitate attractive packaging at affordable cost. Industry players incentivized to take foreign certifications which are accepted globally.</p> |

|    |                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3. | <b>Lacking of credit support:</b><br>Lack of credit support and working capital. The industry works on order basis and most of the players are small scale players. Because of uncertainty in business they are not able to get capital from banks. The main source of funds for the industry is from informal sources. The capital they get is at high interest rates and because of this the industry works at low margins. | Banks shall be asked to provide credit at low interest rates. Lead bank for a cluster shall be established to get required business for the bank and to meet special needs of industry players. Since overseas trade is prone to many risks, some part of risk premium shall be borne by central/state government so that the working capital needs can be met by exporters. Exporters shall make use of Advance authorization and duty drawback Schemes to meet their working capital needs. |
| 4. | <b>Lack of awareness on new trends:</b><br>Lack of skilled manpower. Design sensitization training is required. Lack of midterm and long term strategic plan address manpower needs.                                                                                                                                                                                                                                          | To meet the regular needs of skilled manpower a skill development centre shall be established. It should offer various certificate based courses in various industry related activities to meet industry needs. It should be based on global standards.                                                                                                                                                                                                                                       |
| 5. | <b>Lack of Research and development:</b><br>Lack of R & D activities to develop new designs and invent cost effective methods                                                                                                                                                                                                                                                                                                 | A center of excellence shall be established to conduct R&D activities to develop new designs and to develop cost effective methods in designing and making.                                                                                                                                                                                                                                                                                                                                   |
| 6. | <b>Lack of marketing support:</b><br>Need to access overseas markets.                                                                                                                                                                                                                                                                                                                                                         | The industry players shall be incentivized to participate in overseas market fairs and exhibitions to demonstrate their products. They should be provided entrepreneurship training to expand their businesses.                                                                                                                                                                                                                                                                               |
| 7. | <b>Lack of common processing facilities</b><br>And facilitation centre                                                                                                                                                                                                                                                                                                                                                        | The industry should adopt cluster based location model to use common processing facilities to be established. It will reduce working capital needs.                                                                                                                                                                                                                                                                                                                                           |

## ENGINEERING AND FABRICATION UNITS.



## ENGINEERING AND FABRICATION UNITS



• The Action Plan

| S.NO | Challenges Addressed                                          | Implementing agency/ department             | Action Plan                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Timeline |
|------|---------------------------------------------------------------|---------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| 1    | Availability of Data pertaining to the Exports                | DIC along with DGFT and FIEO, APEDA         | The lack of availability of data pertaining to exports can arise from several issues such as Incomplete data, unreliable data and unable to analyze the Data pertaining n to exports. The DGFT and other central departments will have access to the export data and it should be analyzed to identify the feasible products and also to encourage the entrepreneurs to move to the export-oriented products from the district.                               | 6 Months |
| 2    | Comprehensive database on exporters from the district         | DIC, Sangareddy                             | Comprehensive database on exporters from the district. There is need to create a database of exporters from the district. As a part of the District Export Action Plan, the General Manager of DIC, along with the officials of the State and Central Departments and export promoting organizations will create comprehensive data base of exporters for publication and administrative use.                                                                 | 6 Months |
| 3    | Common desk system for export promotion at the district level | District Administration and DIC, Sangareddy | A Common desk system at the district level - In order to address the numerous approvals and licenses required for manufacturing or setting up an export business, a facility at the District Industries Centre needs to be set up for any export related approvals or clearances at the district level. The Action Plan envisages setting-up of such a system for the ease of doing export business in the district and plan to operationalize it in 2 years. | 2 years  |
| 4    | Inland Container Depot                                        | DGFT, DIC, District Administration          | A suitable land for establishment of Inland Container Depot to be identified and also to use the Schemes available with other departments to establish in district.                                                                                                                                                                                                                                                                                           | 3 year   |
| 5    | Identify new products for exports                             | District Administration and DGFT            | Identification of new products for exports - Through this action plan, DLEPC will work to identify new potential products and exports in coordination with District Administration.                                                                                                                                                                                                                                                                           | 1 year   |

  
General Manager,  
DIC, Sangareddy.

  
Additional Collector(LB)  
Sangareddy District

(3/3)