



विदेश व्यापार महानिदेशालय  
DIRECTORATE GENERAL OF  
**FOREIGN TRADE**



# Khargone

## Madhya Pradesh

# DISTRICT EXPORT PLAN



**Districts**  
as Export Hubs

75  
आज़ादी का  
अमृत महोत्सव

## Acknowledgement

This is the first mammoth exercise of its kind which sought the involvement of all export related trade bodies, departments of state and central governments.

I extend my sincere thanks to the MP Industrial Development Corporation for their extensive support in convening the meetings of District Export Promotion Committee (DEPC). I would also like to thank all members of DEPC committee who participated enthusiastically in the meetings and provided critical inputs for the report. I extend my sincere thanks to Department of Industries and Commerce and its officers and MSME department of Govt of Madhya Pradesh played pivot role of coordination among all stakeholders.

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Kumar Purusottam (IAS)  
Collector & District Magistrate  
Khargone

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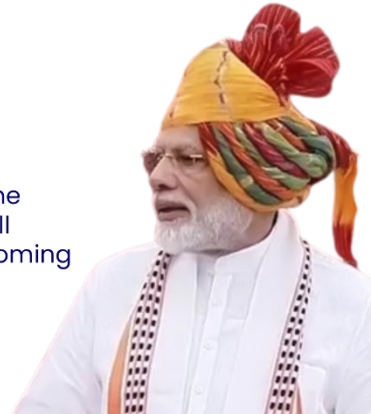
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“Each district of our country has a potential equal to that of one country, each of our districts has the capacity equal to a small country in the world. why should each district not think of becoming an export hub? Each of our districts has a diverse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

**Hon'ble Prime Minister**

**on Independence Day Speech 15.08.2019**



## 1. Background

### 1.1. About MP Industrial Development Corporation (MPIDC)

Madhya Pradesh is one of the fastest growing States of India. Since its formation in 1956, Madhya Pradesh has grown from being an agriculture and mining-based economy to an industry/ services-based economy. The state has a well-built infrastructure that has attracted investments in various sectors. The emergence of industrial goods among the top export items is an indication of rise in the industrial sector of Madhya Pradesh.

MP Industrial Development Corporation (MPIDC) is Madhya Pradesh Government's trade promotion and investment attraction Nodal Agency. In order to implement the vision of the Prime Minister of India, a State Level Export Promotion Committee (SLEPC) headed by the Chief Secretary has been constituted and Export Commissioner of Madhya Pradesh has been appointed as the convener of SLEPC to draw appropriate export action plan for the State.

Thus, Export Facilitation Cell has been constituted in MPIDC by deploying trade advisors and analysts to assist department in conceptualization, implementation and monitoring of export promotion program in the state. To take this initiative forward MP Trade Portal and Export Helpline has been launched by Hon'ble Chief Minister of the state.

The Cell envisages the following activities:

- Export Facilitation cell will conduct virtual outreach programmes with all the districts of Madhya Pradesh and will provide necessary support to the stakeholders.
- Plan export boot camps in the select districts to create awareness and to assist district authorities to achieve their export related objectives
- To develop and manage Trade Intelligence Platform - MPTradePortal.org for providing guidance and support to new and existing exporters in context of information about export opportunities, procedure for setting up an industry & approvals required.
- Interaction with global and domestic stakeholders, international trade agencies and international communities to prepare roadmap for export promotion

### 1.2. Brief description of District as Export Hub

The objective is to enable MSMEs, farmers and small industries to get benefit of export opportunities in the overseas markets and shift focus on District led Export Growth for self-

sufficiency and self-reliance. It should attract investment in the district to boost manufacturing and exports and provide ecosystem for Innovation/ use of Technology at District level to make the exporters competitive. It should also help reduce transaction cost for the exporter at various stages of export cycle and generate employment in the district. The focus on the districts should also provide platforms for wider and global reach of products and services from the district through E-commerce and Digital marketing.

### 1.3. Rational for District Export Plan

District Export Plan is a comprehensive plan for the district, which aims to realize the vision of creating export centric economic development through limited but sustainable & interventions, targets specifically at the district level.

The creation of institutional framework in the form of SEPC and DEPC will further consolidate the efforts for export promotion and trade facilitation through single window to provide accessible information and support to exporters. The implementation of District Export Action Plans will lead to improvement in trade logistics and infrastructure, information dissemination among local business to scale up and start exporting. The quantifiable targets identified in the DEAPs will guide the various government agencies both at the Central and the State/UT to work collectively at resolving issues faced by exporters of the district.

The District Export Action Plan will include clear identification of products (goods and services) with export potential in the district. The plan may include institutional/other responsibilities, specifics of policy, regulatory and operational reform and infrastructure/utilities/logistics interventions required across the entire chain from producer/farm to the export destination also to cover aspects like production, productivity/competitiveness, improvements required in design, tie up of producers with exporters, aggregation, sorting, testing, certification, packaging, transportation through cold chain or otherwise, import export formalities, fulfilment of destination countries standards etc. It will also include identifying bottlenecks/Issues in GI production, registration, marketing and its exports.

The plan may also include the support required by the local industry in boosting their manufacturing and exports with impetus on supporting the industry from the production stage to the exporting stage informative material on various incentives provided by the Government of India and the respective State Government may disseminate to the industry and other potential exporters.



## *District Export Promotion Committee*



## 2. Constitution of District Export Promotion Committee (DEPC)

### 2.1. Role of DEPC

District Export Promotion Committees (DEPCs) to be constituted in each District. DEPCs may be headed by DM/Collector/DC/District Development Officer of the District and co-chaired by designated DGFT Regional Authority. All key officers related to agriculture, horticulture, livestock, fisheries, handicrafts, handlooms and industry in the district and the Lead Bank Manager along with key Export Promotion Councils, Quality and Technical Standards Bodies, Government of India departments like MSME, Heavy Industry, Revenue and Textiles will be part of the DEPC.

DEPC will focus on the specific actions required to support local exporters / manufacturers in producing exportable products in adequate quantity with the requisite quality reaching potential buyers outside India. The primary function of the DEPC is to prepare and act on District Specific Export Action Plans in collaboration with all the relevant stakeholders.

### 2.2. Methodology for selecting products for exports

#### Meetings of DLEPC

DLEPC meeting is being regularly held in the district under chairmanship of Deputy Commissioner (District Collector), Co-chair with DGFT Officers, General Manager of DIC as convener with other members.

Representatives of Industrial Associations in the districts, Export Promotion Council is Federation of Indian Exports (FIEO), Engineering Export Promotion Council (EEPC), major industrial groups, leaders of industrial clusters, officials related to banks and industrial departments were presented in the meeting.

Long discussion was held on topic of Central and State government policies, problems in the state and districts related to industries and exports.

After deliberations, the committee identified various sector/products as focus products for exports from the district which is discussed in the next section.

#### Export Data of the State and District

Directorate General of Commercial Intelligence and Statistics is the repository of trade data of India. We have analysed last 10 years' data of exports from the state. We have compared the export potential with district infrastructure.

#### Export Data of India and the World

Directorate General of Commercial Intelligence and Statistics is the repository of trade data of India. WTO through Trade map is repository of data of world trade. We have analysed both in terms of growth of export products.

#### Experience of Departments and Officers

DGFT from Central Government and District Industries Centre from State Government are the bodies working at the ground level for industries and exports. Officers of the departments have wide experience of the market, products along with their strengths and weaknesses.

#### Swot Analysis of the Product

DGFT has done SWOT (Strength, Weakness, Opportunities and Threats) analysis of every product produced in the region with comparative studies. By calculating, analysing, taking inputs from all stake holders. DLEPC sorted out products for exports from the districts. Detailed analysis of the products has been described in next chapters.

## कार्यालय कलेक्टर जिला - खरगोन (म.प्र.)

खरगोन, दिनांक 01.12.2020

क्रमांक/जिव्याउके/एमएसएमई/ख/2020/1703

### //आदेश//

भारत सरकार, वाणिज्य एवं उद्योग, मंत्रालय के कार्यालय, Deputy Director General of Foreign Trade, नई दिल्ली के पत्र दिनांक 26.12.2019 में उल्लेख अनुसार खरगोन जिले को निर्यात 'हब' के रूप में विकसित करने के लिए जिला स्तरीय निर्यात संवर्धन समिति निम्नानुसार गठित की जाती है।

क्रमांक	अधिकारी का पद	नामित पद
1	कलेक्टर	अध्यक्ष
2	क्षेत्रीय अधिकारी Directorate General of Foreign Trade, Bhopal	उपाध्यक्ष
3	प्रबंध संचालक/ प्रतिनिधि आई.आई.डी.सी. इन्दौर	सदस्य
4	वन मण्डलाधिकारी, वन विभाग खरगोन	सदस्य
5	क्षेत्रीय अधिकारी Export Promotion Council, Bhopal	सदस्य
6	मुख्य कार्यपालन अधिकारी, जिला पंचायत खरगोन	सदस्य
7	क्षेत्रीय अधिकारी, FSSAI, Indore	सदस्य
8	महाप्रबंधक, जिला व्यापार एवं उद्योग केन्द्र खरगोन	संयोजक
9	उप संचालक, किसान कल्याण तथा कृषि विकास खरगोन	सदस्य
10	उप संचालक, पशु पालन विभाग खरगोन	सदस्य
11	जिला अग्रणी बैंक प्रबंधक खरगोन	सदस्य
12	जिला खनिज अधिकारी, खनिज विभाग खरगोन	सदस्य
13	जिला संयोजक, आदिम जाति कल्याण विभाग खरगोन	सदस्य
14	सहायक संचालक, हस्तशिल्प विकास निगम, खरगोन	सदस्य
15	सहायक संचालक, हाथकरघा कार्यालय, खरगोन	सदस्य
16	सहायक संचालक, उद्यानिक विभाग खरगोन	सदस्य
17	सहायक संचालक, मत्स्य विभाग खरगोन	सदस्य
18	सहायक संचालक, पिछड़ा वर्ग तथा अल्पसंख्यक कल्याण विभाग खरगोन	सदस्य
19	जिला परियोजना अधिकारी, राष्ट्रीय ग्रामीण आजीविका मिशन खरगोन	सदस्य
20	जिला परियोजना अधिकारी, राष्ट्रीय शहरी आजीविका मिशन खरगोन	सदस्य
21	जिले के औद्योगिक संगठन के प्रतिनिधि	सदस्य

उक्तानुसार गठित समिति द्वारा जिले के विशिष्ट उत्पादों को वैश्विक स्तर पर निर्यात संवर्धन हेतु आवश्यकतानुसार अन्य शासकीय विभागों और उद्योगों के पदाधिकारियों को बैठक में आमंत्रित किया जायेगा।

  
(अभुग्रहा पी)

कलेक्टर

जिला - खरगोन





## *Economic and Export Data of Madhya Pradesh*



### 3. Economic and export data of Madhya Pradesh

#### 3.1. Rank of States/UTs contribution to GDP of India

Table: Rank of all states/UTs as per their GDP of 2019-20

Rank	State/UT	Nominal GDP (trillion INR, lakh crore ₹)
1	Maharashtra	₹28.78 lakh crore (US\$400 billion)
2	Tamil Nadu	₹18.45 lakh crore (US\$260 billion)
3	Uttar Pradesh	₹17.94 lakh crore (US\$250 billion)
4	Karnataka	₹15.35 lakh crore (US\$220 billion)
5	Gujarat	₹15.05 lakh crore (US\$210 billion)
6	West Bengal	₹12.54 lakh crore (US\$180 billion)
7	Rajasthan	₹10.20 lakh crore (US\$140 billion)
8	Andhra Pradesh	₹9.73 lakh crore (US\$140 billion)
9	Telangana	₹9.69 lakh crore (US\$140 billion)
10	<b>Madhya Pradesh</b>	<b>₹9.07 lakh crore (US\$130 billion)</b>
11	Delhi	₹8.56 lakh crore (US\$120 billion)
12	Haryana	₹8.31 lakh crore (US\$120 billion)
13	Kerala	₹7.81 lakh crore (US\$110 billion)
14	Bihar	₹6.12 lakh crore (US\$86 billion)
15	Punjab	₹5.75 lakh crore (US\$81 billion)
16	Odisha	₹5.31 lakh crore (US\$74 billion)

17	Assam	₹3.16 lakh crore (US\$44 billion)
18	Chhattisgarh	₹3.29 lakh crore (US\$46 billion)
19	Jharkhand	₹3.28 lakh crore (US\$46 billion)
20	Uttarakhand	₹2.46 lakh crore (US\$34 billion)
21	Himachal Pradesh	₹1.65 lakh crore (US\$23 billion)
22	Jammu and Kashmir	₹1.56 lakh crore (US\$22 billion)
23	Goa	₹0.731 lakh crore (US\$10 billion)
24	Tripura	₹0.553 lakh crore (US\$7.8 billion)
25	Chandigarh	₹0.421 lakh crore (US\$5.9 billion)
26	Puducherry	₹0.408 lakh crore (US\$5.7 billion)
27	Meghalaya	₹0.366 lakh crore (US\$5.1 billion)
28	Sikkim	₹0.287 lakh crore (US\$4.0 billion)
29	Manipur	₹0.325 lakh crore (US\$4.6 billion)
30	Nagaland	₹0.272 lakh crore (US\$3.8 billion)
31	Arunachal Pradesh	₹0.246 lakh crore (US\$3.4 billion)
32	Mizoram	₹0.195 lakh crore (US\$2.7 billion)
33	Andaman and Nicobar	₹0.079 lakh crore (US\$1.1 billion)

(Source: Wikipedia)

### 3.2 Rank of States/UTs in contribution To GST In India in Rs Cr

Table: Rank of all states/UTs as per their GST collection in May-21 vis-à-vis May-20

Rank	State	May-21	May-22	Growth
1	Maharashtra	13565	20313	50%
2	Gujarat	6382	9321	46%
3	Karnataka	5754	9232	60%
4	Tamil Nadu	5592	7910	41%
5	Uttar Pradesh	4710	6670	42%
6	Haryana	4663	6663	43%
7	West Bengal	3590	4896	36%
8	Delhi	2771	4113	48%
9	Telangana	2984	3982	33%
10	Odisha	3197	3956	24%
11	Rajasthan	2464	3789	54%
12	Andhra Pradesh	2074	3047	47%
13	Madhya Pradesh	1928	2746	42%
14	Chattisgarh	2026	2627	30%
15	Jharkhand	2013	2468	23%

16	Kerala	1147	2064	80%
17	Punjab	1266	1833	45%
18	Uttarakhand	893	1309	46%
19	Bihar	849	1178	39%
20	Assam	770	1062	38%
21	Himachal Pradesh	540	741	37%
22	Goa	229	461	101%
23	Jammu and Kashmir	232	372	60%
24	Dadra and Nagar Haveli	228	300	31%
25	Sikkim	250	279	12%
26	Other Territory	121	185	52%
27	Puducherry	123	181	47%
28	Meghalaya	124	174	40%
29	Chandigarh	130	167	29%
30	Center Jurisdiction	141	140	0%
31	Arunachal Pradesh	36	82	124%
32	Tripura	39	65	67%
33	Nagaland	29	49	67%
34	Manipur	22	47	120%
35	Mizoram	15	25	70%
36	Andaman and Nicobar Islands	48	24	-50%
37	Ladakh	5	12	134%
38	Lakshadweep	0	1	148%
39	Daman and Diu	0	1	153%
	Grand Total	70951	102485	44%

(Source: Ministry of Finance)

### 3.3 Export basket of Madhya Pradesh

Table: Top 10 products, exported from Madhya Pradesh in 2021-22

#### 2-digit HS Code

Sr No	Hs Code	Commodity Description	FY 21-22 In Rs Cr
1	30	Pharmaceutical products	10782
2	52	Cotton	8693
3	63	Other made up textile articles; sets; worn textile articles	4495
4	76	Aluminium & articles thereof	4330
5	84	Machinery and mechanical appliances	3877
6	29	Organic chemicals	3763
7	23	Residues and waste from the food industries; prepared anima	3024
8	10	Cereals	2317
9	85	Electrical machinery & equipment & parts thereof; sound &	2040
10	39	Plastics and articles thereof	2020

Table: Top 10 products, exported from Madhya Pradesh in 2021-22  
**4-digit HS Code**

Sr No	Hs Code	Commodity Description	FY 21-22 In Rs Cr
1	3004	Medicaments	10511
2	5205	Cotton Yarn	4521
3	7601	Unwrought aluminium	4125
4	5201	Cotton, not carded or combed	2734
5	2304	Oil-cake and other solid residues	2603
6	6302	Bed linen, table linen, toilet linen and kitchen linen	2415
7	6305	Sacks and bags, of a kind used for the packing of goods	1858
8	1006	Rice	1664
9	8545	Carbon electrodes, Carbon brushes, lamp carbons etc	1371
10	3920	Other plates, sheets, film, foil and strip, of plastics	1268

Table: Top 10 products, exported from Madhya Pradesh in 2021-22  
**6-digit HS Code**

Sr No	Hs Code	Commodity Description	FY 21-22 In Rs Cr
1	300490	Other medicine put up for retail sale	8780
2	760110	Aluminium-not alloyed	4038
3	520100	Cotton, not carded or combed	2734
4	230400	Oil-cake and solid residue	2603
5	630532	Flexible intermediate bulk containers of man made textile m	1829
6	100630	Semi/wholly miled rice w/n polished/glazed	1606
7	520524	Sngl yrn of cmbd fbrs measurng<192.31 but >=125 dctx(>52	1519
8	520523	Sngl yrn of cmbd fbrs measurng< 232.56 but >=192.31 dctx(	1444
9	854511	Electrodes of a kind used for furnaces	1371
10	630260	Toilet linen and kitchen linen,of terry towelling/similar	1346

Table: Top 10 products, exported from Madhya Pradesh in 2021-22  
**8-digit HS Code**

Sr No	Hs Code	Commodity Description	FY 21-22 In Rs Cr
1	30049099	Other medicine put up for retail sale n.e.s	6018
2	76011010	Aluminium ingots-not alloyed	4035
3	52010015	Indian cotton of staple length 28.5mm (1.4/32) and above	2531
4	63053200	Flexible intermediate bulk containers of man made textile	1829
5	52052410	Grey Cloth 2401	1516
6	52052310	Grey Cloth	1427
7	23040030	Meal of soyabean, solvent extracted	1382

		(defatted) variety	
8	85451100	Electrodes of a kind used for furnaces	1371
9	63026090	Toilet linen and kitchen linen, of terry towelling or similar	1346
10	10063020	Basmati rice	1002

### 3.4 Export from India state wise 2021-22 vis-a-vis 2020-21 in Rs Cr

Sr No	States	FY 21-22 in Rs Cr	% Share FY 21-22	FY 20-21 in Rs Cr	% Share FY 20-21	Change from FY 20-21 to FY 20-21 in %
1	Gujarat	945796	30.06	448300	20.76	110.97
2	Maharashtra	545084	17.33	431533	19.99	26.31
3	Tamil Nadu	262323	8.34	193295	8.95	35.71
4	Karnataka	193064	6.14	112076	5.19	72.26
5	Uttar Pradesh	156897	4.99	121140	5.61	29.52
6	Andhra Pradesh	143843	4.57	124744	5.78	15.31
7	Haryana	115973	3.69	85731	3.97	35.27
8	West Bengal	103600	3.29	66248	3.07	56.38
9	Odisha	127232	4.04	75718	3.51	68.03
10	Unspecified	38022	1.21	95795	4.44	-60.31
11	Telangana	81971	2.61	64539	2.99	27.01
12	Rajasthan	72000	2.29	49231	2.28	46.25
13	Madhya Pradesh	58407	1.86	47959	2.22	21.78
14	Delhi	61612	1.96	56184	2.60	9.66
15	Punjab	52903	1.68	39231	1.82	34.85
16	Kerala	34158	1.09	29152	1.35	17.17
17	Dadra & Nagar Haveli	28595	0.91	19547	0.91	46.29
18	Chattisgarh	25241	0.80	17200	0.80	46.75
19	Bihar	17220	0.55	11191	0.52	53.87
20	Goa	18130	0.58	17094	0.79	6.06
21	Himachal Pradesh	16009	0.51	12314	0.57	30.02
22	Jharkhand	18247	0.58	12068	0.56	51.21
23	Uttaranchal	14414	0.46	15915	0.74	-9.43
24	Daman & Diu	5487	0.17	4600	0.21	19.26
25	Pondicherry	3667	0.12	3118	0.14	17.61
26	Assam	3358	0.11	3076	0.14	9.17
27	Jammu & Kashmir	1835	0.06	1180	0.05	55.52
28	Chandigarh	737	0.02	559	0.03	31.85
29	Sikkim	141	0.00	70	0.00	102.56
30	Arunachal Pradesh	13	0.00	4	0.00	242.74
31	Meghalaya	64	0.00	80	0.00	-19.26
32	Tripura	90	0.00	83	0.00	8.19
33	Andaman & Nicobar	9	0.00	14	0.00	-38.94
34	Nagaland	8	0.00	45	0.00	-81.06
35	Manipur	7	0.00	7	0.00	-0.82
36	Ladakh	0	0.00	0	0.00	0.00

37	Lakshadweep	1	0.00	1	0.00	0.57
38	Mizoram	29	0.00	5	0.00	467.30
39	India's Export	3146186	100.00	2159043	100.00	45.72



#### 4. About the District

##### 4.1. General Characteristic of the District

Khargone is a district in south-eastern part of Madhya Pradesh. Khargone is 126 km from the city of Indore. Khargone-Bhusawal SH & NH52 roads are connecting Khargone to Indore – the commercial capital of the state. Khargone was formerly known as West Nimar. According to historians, the civilization of Narmada Valley is very ancient. This area is associated with the Ramayana, Mahabharatka, Satvahan, Kanishka, Abhiram Harsh, Chalukya, Bhoj, Holkar, Scindia, Mughal and British etc. There have been the effects of Jain, Yaduvanshi, Siddhanthi, Nagapanthi etc. in different periods.

This region has always been important on the natural route connecting the northern and southern regions of India. In the various periods of history – this region has been a part of the empire of Hailar, Shinde, Pawar – the Ahir of Pehmar Asirigarh of Malwa, Muslim ruler of Mandu, Mughal and Peshwa and other Maratha warlords – of Maheshwar. With the formation of Madhya Pradesh state on November 1, 1956, this district came into existence as “West Nimar”. Due to the administrative requirements of time, on 25th May 1998, “West Nimar” was divided into two districts – Khargone and Barwani.

Khargone city famous for the production of cotton and chilly is built on the banks of river Kunda, surrounded by Dhar, Indore and Dewas as its northern frontier, the state of Maharashtra as the southern, Khandwa, Burhanpur as the eastern side and Barwani as the Western border.

Muram, Sand and Dolomite are the major minerals available in Khargone district.

Major MSME unit of Khandwa district are repairing based industry, mineral based industry, Agro based. Khargone district has huge potential in Chilli, Handloom & Cotton based industry.

### District at a glance

- Area: 8030 Sq. Km.
- Language: Hindi, English, Namadi, Bhil, Urdu, Gujrati & Marathi.
- Villages: 1417
- **Nearby ICDs:**
  1. Icd 113 Concor Complex Sector Iii Pithampur Dhar
  2. M/S Pegasus Icd, Vill-Dhannad, Indore, Mp 453001
  3. Acc, Devi Ahilyabai Holkar Airport Indore Mp

Accessibility to Exporters:

**By Rail:** Khargone Railway Station lies on Mumbai-Howrah-via Allahabad main line. Served by the Western Central Railways, Khargone Railway Station is an important rail junction of the state as it connects Khargone to major Indian cities like Delhi, Nagpur, Kolkata, Mumbai, Hyderabad, Patna, Bhopal and Lucknow. It is located very close to the city centre and can be reached by any means of transport.

**By Road:** Khargone is connected to major Indian cities like Nagpur, Indore, Bhopal, Pune, Aurangabad, Kanha and Bandhavgarh by regular interstate bus service. Passengers can avail Volvo buses to ply between Khargone and Nagpur. Also, the city offers direct bus service to attractions like Kanha, Bandhavgarh, Pench National Park, Pachmarhi, Satpura National Park, Amarkantak, Khajuraho, Panna National Park etc.

**By Air:** Khargone has airport known as the Dumna Airport, which is situated just 25 Km east of the Khargone city. Flights from Khargone to Delhi, Mumbai, Bangalore, Ahmadabad, Agra and to other major cities are easily available. The foreign tourists generally avail the flight to Delhi or Mumbai and then board the flight to reach Khargone. The major operating flights are Air India Regional and SpiceJet.

#### 4.1.1. District Domestic Product:

Table: District Domestic Product (DDP): The DDP has increased on y-o-y basis

Per Capita Income of District at constant (2011-12) prices (Rs Lakhs)						
2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
593278	689610	634651	816248	865236	1049238	1076057

Source: <http://des.mp.gov.in/Portals/0/Estimates>

#### 4.1.2. Per Capita Income:

Table: Per Capita Income

Per Capita Income of District at constant (2011-12) prices (Rs Lakhs)						
2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
27817	31142	28301	36567	38267	46175	46424

Source: Reports published by Department of Planning, Economics & Statistic

Table: Sector wise contribution in Gross District Domestic Product

Sector-Wise Gross Value Added at Constant (2011-12) Prices (Rs Lakh)	



S. N.	Sector	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
1	Primary	172951	249868	170036	325941	316003	455957	428022
2	Secondary	159673	153524	157058	159415	180325	187330	213545
3	Tertiary	238332	259775	273130	287726	309321	331957	355202
<b>Total GDVA at basic prices</b>		570956	663168	600224	773082	805649	975245	996769

Source: Reports published by Department of Planning, Economics & Statistics

Table: Sub-Sector wise contribution in Gross District Domestic Product

S. N.	Sector	Sector-Wise Gross Value Added at Constant (2011-12) Prices (Rs Lakh)						
		2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
1	Crops	124985	177143	116059	261674	244061	375980	340655
2	Livestock	20355	23691	27283	33769	41074	48227	55234
3	Forestry & logging	19581	19463	19431	26693	26985	26729	26306
4	Fishing & aquaculture	1220	1426	2032	2131	2977	3970	3847
5	Mining & quarrying	6809	28145	5231	1673	906	1051	1980
7	Manufacturing	72503	72856	68764	70619	89312	90864	107197
8	Electricity, gas, water supply & other utility services	34750	72856	35515	35209	36965	40358	45925
9	Construction	52420	48725	52780	53588	54047	56107	60424
11	Trade, repair, hotels and restaurants	70400	78036	81007	84567	89262	100707	213545
12	Transport by other means and Storage	17590	19318	19858	21818	23116	100707	29248
13	Railways	237	311	319	324	376	380	405
14	Communication & services related to Broadcasting	9833	10954	13005	15041	17978	16410	15754
15	Financial Services	34831	37361	40476		47259	4531	45787

					41398		1	
16	Real estate, ownership of dwelling	36714	39427	42528	45411	47672	50798	54333
17	Public administration	31781	34165	35738	36393	38166	43562	47119
18	Other services	36946	40204	40201	42775	45492	50241	52638
Tertiary Sector		238332	259775	273130	287726	309321	331957	355202
Total GDVA at basic prices		570956	663168	600224	773082	805649	975245	996769

Source: Reports published by Department of Planning, Economics & Statistics

#### 4.2. Industrial Scenario of the District

Table: Industrial Scenario of District, Indore (Madhya Pradesh)  
Existing Status of Industrial Areas in the District

S. No.	Name of Ind. Area	Land acquired (In Acres)	Land developed (In Acres)	Prevailing Rate Per Sqm (In Rs.)	No of Plots/ Sheds	No of allotted Plots	No of Vacant Plots	No. of Units in Production
1	Bhadali	21.22	21.22	2400	20	20	0	18
2	Orangpura	10	10	1867	56	56	0	19
3	Nimrani	301	301	500	154	109	45	59
4	Narmada road badwah	58	58	1000	89	89	0	33
5	Katkut siralay badwah	121	121	1500	187	187	0	85
6	Gramin karmshala bhikangaon	1.80	1.80	667	8	8	0	6
<b>Total</b>		513	513		514	469	45	220

Source: DIC, Khargone (MP)

Table: Industry at a Glance

Sr no	Head	Unit	Particulars
1.	Registered industrial MSME unit	NO.	4265
2.	Registered medium & large unit	NO.	24
3.	Employment in micro and small industries	NO.	15000
4.	Employment in large and medium industries	NO.	15066
5.	No. Of industrial area	NO.	6
6.	Turnover of small scale ind.	In Lacs	67200
7.	Turnover of medium & large scale industries	In Lacs	760000

Source: DIC, Khargone (MP)

Table: Data of Small Enterprises as on 31.03.2022

S r N o	District	No. of Un it	Employme nt	Fixed Investment	Production
				(in Lakhs)	(in Lakhs)
1	Khargone	168	1577	16800	2100

Source: DIC, Khargone (MP)

Table: District wise status of large medium industry as on 31.03.2019

S. no.	District	Uni ts	Fixed capital investm ent (Rs. in lacs)	Worki ng capit al (Rs. in lacs)	Employme nt	Producti on (Rs. In lacs)
1	Khargone	24	1200000	800000	15066	180000

Source: DIC, Khargone (MP)

Table: Details of existing micro &amp; small enterprises and artisan units in the district

NIC CODE NO.	TYPE OF INDUSTRY	No. of UNITS	EMP Nos	INVESTMEN (Rs Lakh.)	Production s Lakh.)
15	Manufacturing of Food Products & Beverages	500	2500	2000	250
16	Manufacturing of Tobacco Products	0	Nil	Nil	Nil
17	Manufacturing of Textile	173	519	346	87
18	Manufacturing of weaving apparel Dressing & Dyeing of Fur	4	20	40	10
19	Manufacturing of tanning Dressing of Leather	1	5	30	10
20	Manufacturing of Wood Products	30	150	300	150
21	Manufacturing of Paper & Paper Products	120	600	1200	300
22	Publishing Printing	36	180	1800	450
23	Manufacturing of Coke, Refueled Petroleum Products & Nuclear Fuel	02	10	1000	
24	Manufacturing of Chemical Products	16	80	320	90
25	Manufacturing of Rubber & plastic Goods	55	275	550	275
26	Manufacturing of other Non Metallic Mineral Products	02	10	100	50
27	Manufacturing of Basic Metal	02	10	150	80
28	Manufacturing of Fabricated Metal Products Except M/C Equipments	83	415	430	215
29	Manufacturing of Machinery & Equipments	20	100	1000	300
30	Manufacturing of Office, Accounting & Computer	441	2205	4410	1102
31	Manufacturing of Electrical M/c	166	830	1328	332
32	Manufacturing of Radio TV equipments	01	5	25	10

33	Manufacturing of Medical Precision watches & Clocks	86	430	688	172
34	Manufacturing of Motor vehicles	0	Nil	Nil	Nil
35	Manufacturing of other Transport Equipments	0	Nil	Nil	Nil
36	Manufacturing of Furniture	159	795	1272	318
37	Recycling				
40	Electricity, Gas, Steam & Hot water -	05	25	72	22
41	Collection of Information & Distribution Of Water	11	55	92	32
50	Maintenance & Repair of Motor Cycle	0	Nil	Nil	Nil
52	Maintenance & Repair of Personal House hold Goods	0	Nil	Nil	Nil
60	Land Transport	0	Nil	Nil	Nil
63	Supporting & Auxiliary Activities	0	Nil	Nil	Nil
64	Post & Telecommunication	01	5	48	12
71	Tenting & Transport Equipments	0	Nil	Nil	Nil
72	Computer Related Activities	0	Nil	Nil	Nil
74	Other Business	0	Nil	Nil	Nil
85	Health & Social Work	5	25	45	23
92	Recreation, Cultural & Sporting Activities	01	7	36	15
93	Other Service Activities	0	Nil	Nil	Nil
	<b>TOTAL</b>				

Source: DIC, Khargone (MP)

#### 4.3. Export from the District

Total exports from the district – INR 1252.39 Crore (FY 21-22) (Ministry of Commerce)

Table: Top 10 exportable commodities from the district in FY 21-22

SNo	ITCHS Code	Item Description	Value (INR) (Cr.)
1	52052310	Grey	225.01
2	09042110	Of Genus Capsicum	206.56
3	52052210	Grey	130.47
4	60012100	Looped Pile Fabrics Of Cotton	106.47
5	55095300	Other Yarn Of Polyster Staple Fibrs Mixed Mainly/Solely With	105.81
6	52010015	Indian Cotton Of Staple Length 28.5Mm (1.4/32) And Above	68.96
7	63053200	Flexible Intermediate Bulk Containers Of Man Made Textile M	68.90
8	52052410	Grey2401	47.35
9	52051210	Grey	37.67
10	52062200	Sngl Yrn Of Cmbd Fbrs Measurng<714.29 But>=232.56 Dctx(>	27.49

(Source: Ministry of Commerce)

#### 4.4. Departments/Agencies for Industries and Export Promotion

S.No	Departments/Agencies	Address	Contact
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1.	Directorate General of Foreign Trade RA Indore	Ground Floor, A-Wing, CGO Building, Residency Area, Indore Email ID: mishra.gk@nic.in	0731-2498382
2.	Directorate General of Foreign Trade RA Bhopal	3rd Floor, Nirman Sadan, 52-A, Arera Hills (Behind Govt. Press) Bhopal Email ID: bhopal-dgft@nic.in	0755-2553323
3.	MSME-DFO	10, Industrial Estate, Polo Ground, Indore Email ID: dcdi-indore@dcmsme.gov.in	0731-2420723
4.	Export Inspection Council of India	303, C.S Naydu Arcade, 10/2, Greater Kailash Road, Opp. Grotlo, Opposite Grotto, New Palasia, Indore Email ID: eia-indore@eicindia.gov.in	0731-2566057
5.	ECGC Limited, Indore	408, 4th Floor, City Center, 570, M G Road, Opp High Court, Indore Email ID: indore@ecgc.in	0731-2544215
6.	APEDA Regional office, Bhopal	Kisan Bhawan, 26, Arera Hills, Bhopal, Madhya Pradesh Email ID: apedabho@apeda.gov.in	0755-4700764
7.	FIEO, Indore	03, Gold Arcade, 3/1, New Palasia, Near Janjirwala Square, Indore Email ID: indore@fieo.org	0731-4282335 /336
8.	EEPC India	B-202 & 220, Aurus Chambers Annex "B", 2nd Floor, Behind Mahindra Tower, S.S. Amrutwar Marg, Worli Mumbai Email ID: eepcromum@eepcindia.net	022-42125555
9.	MP Industrial Development Corporation RO- Indore	1st Floor, Atulya IT Park, Khandwa Road, Indore Email ID: ed.roind@mpidc.co.in	0731-2972623
10.	District Trade & Industries Centre, Dewas	Collector Parisar, A.B Road, Dewas (M.P.) Email ID: gmidew@mp.nic.in	07272-254903

#### 4.5. SWOT Analysis of the district Strengths

- (1) Khargone is the neighboring district of Indore the economic Capital of India. Indore represents largest economy in Central India with GDP standing at \$14 billion. It is a Commercial and Trading capital of the state with its history spanning over five centuries and significant footprints in commerce, finance, media, art, fashion, research, technology, education and entertainment.
- (2) Khargone benefits from being a neighbour of the Indore district. Indore has a diversified economy bases on well-established and successful network of mixed businesses around cotton textiles, Iron and steel, chemicals, pharmaceuticals, readymade garments, solvent plants and machinery.
- (3) The greatest asset is the proximity of Pithampur SEZ Dhar from Khargone.

### **Weakness**

- (1) Poor urban spatial planning is evident in the city with residential and industrial areas developed without adequate supporting infrastructure such as public open spaces, education, healthcare and adequate road network etc. Proliferation of informal sector- both residential/commercial, large number of slums with every third resident in city is a slum dweller.
- (2) R & D facilities are not adequate
- (3) Lack of testing facilities required
- (4) Lack of awareness about export potential of various products from the district.

### **Opportunities**

- (1) Tremendous potential for enhanced opportunities in youth-oriented education, skill development and commercial avenues.
- (2) Being a neighbouring district to the prosperous city of Indore, which has a culture centred on work and business, it has a diverse and cosmopolitan population.
- (3) with the largest number of internet users in the state (approximately 18 lakh), an IIT and an IIM in Indore, Khargone is suitably poised to enter a new era of economic and digital vibrancy by specializing in quinary and quaternary sectors.

### **Threats**

- (1) Delhi-Mumbai freight corridor and Ludhiana Dankuni freight corridor are not passing through this region of Madhya Pradesh
- (2) Nasik region in Maharashtra and Vadodara region of Gujarat impose serious competition in all fields to Indore region.
- (3) Financial Risk in Currency Exchange Rates.
- (4) Lack of policy or funding support from the State and District Administration.
- (5) Uncertainty regarding Global supply chain.



## 5. Chilly

Export Data  
Table: Export from India  
HS CODE 07096010: Green Chilly  
Values in Rs. Cr.

S. No.	HS Code	Commodity	2020-2021	%Share	2021-2022	%Share
1	07096010	Green Chilly	39366	0.0182	31041	070960
India's Total Export			21,59,04,322		31,47,02,149	

(Source: Ministry of Commerce, India)

Table: Export from India – Top Country Wise  
HS CODE 07096010: Green Chilly

S.No	Country/ Region	Values in Rs. Cr.		
		2020-2021	2021-2022	%Growth
1	UAE	20191	20945	4
2	Qatar	3142	3415	9
3	Bangladesh	10918	2124	-81
4	Oman	2128	2094	-2
5	UK	1343	890	-34
6	Baharain	632	424	-33
7	Bhutan	-	308	-
8	Kuwait	25	306	1126
9	Australia	195	133	-32
10	Maldives	49	110	123

(Source: Ministry of Commerce, India)



Table: Export from Madhya Pradesh  
 Product: 07096010: Green Chilly

HS CODE	Commodity Description	April, 21 To March, 22 Value (INR) Cr.	April, 21 To March, 22 Value (Million US)
0701	Green Chilly	0	0

(Source: DGCIS)

Table: World's Top Importers 2021  
 HS CODE 07096010: Green Chilly

Rank	World's Top Importers	Value imported in 2021 (Million USD)
		World
1	USA	2031
2	Germany	1015
3	UK	496
4	Canada	317
5	France	314
6	Netherlands	231
7	Russian Federation	152
8	Poland	141
9	Austria	128
10	Italy	128

(Source: Trade Map)

Table: World's Top Exporters 2021  
 HS CODE 07096010: Green Chilly

Rank	World's Top Importers	Value exported in 2021 (Million USD)
		World
1	China	15954
2	Germany	5133
3	Poland	3568
4	Spain	2443
5	Netherlands	2180
6	Belgium	2055
7	Italy	1965
8	Turkey	1837
9	Korea	1701
10	Czech	16646

(Source: Trade Map)

### **Strength-**

1. Total Production of Chilly in Madhya Pradesh is approx. 252214 MT.
2. Red chilly of Madhya Pradesh has very high quality Capsaicin which gives pungency also it has high intensity of red.
3. It is in huge demand due to its rich aroma, prickly hot taste and rich red colour.
4. With the government investing heavily in the market linkage for agricultural produce, Chilly is one of the focus crops for the state.

### **Weakness:**

1. Lack of Infrastructure for cold Chain like Cold Store, Pack house and Reefer Vans, test laboratories.
2. Farm Aggregation: Majority of the plantations including Chilly Plantation in Madhya Pradesh are small land holding. Investment into the aggregator segment for the crop can be huge business opportunity for the private sector.
3. Farmer Education: Significant investment is required in education and relevant support services to give small & marginal farmers the necessary skills and knowledge to increase productivity, improve the quality of the produce and reduce waste
4. Poor Market Linkage & Packaging Techniques for fresh produce.
5. Farmers are Not Aware of the Standard Quality Norms Acceptable in International Markets.
6. Grading & packing units for exports

### **Opportunities:**

1. Processing of Chilly: Red Chilly, powder, green chilly cut dried, Fresh chilly, red chilly powder, Dried green chilly is having huge demand in European market.
2. Growing export markets in USA, Germany, UK, France, Canada, Netherland and many more
3. Offering huge investment opportunities, Madhya Pradesh can lead the country in terms of Chilly and it's by product exports.
4. Supportive Government backing the investors which can help in taking large scale commercial farming to major Chilly clusters.
5. Farmer Education: Significant investment is required in education and relevant support services to give small & marginal farmers the necessary skills and knowledge to increase productivity, improve the quality of the produce and reduce waste.

### **Threats:**

1. India is major producer of Chilly in the world, while it's not come under the top 10 Exporters of the world when it's come to Chilly Export.
2. Major Competitors Spain, Mexico, Netherlands, China, USA, Canada.
3. Importing regulation of Agri & Food products are different in different countries.
- 4.



## Technical Textile



### 6. Technical Textile

Hosiery, also referred to as legwear, describes garments worn directly on the feet and legs. The first references to hosiery can be found in works of Hesiod, where Romans are said to have used leather or cloth in forms of strips to cover their lower body parts. Even the Egyptians are speculated to have used hosiery, as socks have been found in certain tombs. Segmentation by Product: Body Stockings, Compression Stockings, Knee Highs, Hold-ups, Stockings, Socks, Tights, Toe Socks. Ludhiana is one of the leading industrial cities of India and sometimes termed as Industrial capital of Punjab. The city is famous for Hosiery Manufacturers in Ludhiana and is one of the leading exporters of hosiery clothes in the country. The Hosiery market can be segmented into North America, Latin America, Western Europe, Eastern Europe, China, Japan, SEA others in Asia Pacific and Middle East Africa. Among these regions, the North America Hosiery market is anticipated to dominate the worldwide Hosiery market throughout the forecast length. The Asia Pacific (such as Japan and China) Hosiery market and the Europe Hosiery market are predicted to follow the North America Hosiery market within the global Hosiery market in phrases of revenue. The China Hosiery market is predicted to showcase the highest boom charge throughout the forecast length. The Latin America Hosiery market is additionally anticipated to witness a vast growth price throughout the forecast period.

#### Export Data

Table: Export from India  
 HS CODE 55: Man-Made staple fibres  
 Values in Rs. Cr.

S. No.	HS Code	Commodity	2020-2021	%Share	2021-2022	%Share
1	55	Man-made staple fibres.	15,402	0.48	6,046	0.39
India's Total Export			21,59,04,322		31,47,02,149	

(Source: Ministry of Commerce, India)

Table: Export from India – Top Country Wise  
 HS CODE 55: Man-Made staple fibres

S.No	Country / Region	Values in Rs. Cr.		
		2020-2021	2021-2022	%Growth
1	Turkey	961	2085	117
2	Bangladesh	863	1497	73
3	USA	756	1433	89
4	Egypt	534	869	62
5	Brazil	399	645	61
6	UAE	324	544	67
7	Nepal	279	511	83
8	Italy	259	422	62
9	Belgium	231	381	65
10	Sri lanka	288	378	31

(Source: Ministry of Commerce, India)

Table: Export from Madhya Pradesh  
 HS CODE 55: Man-made staple fibres

HS CODE	Commodity Description	April, 21 To March, 22 Value (INR) Cr.	April, 21 To March, 22 Value (Million US)
55	Man-made staple fibres	1,139	55

(Source: DGCIS)

Table: world's Top Importers  
 HS CODE 55: Man-Made staple fibres

Rank	World's Top Importers	Value imported in 2021 (Million USD)
	World	37791
1	Viet Nam	2548
2	Bangladesh	2085
3	USA	1938
4	China	1803
5	Turkey	1692
6	Germany	1456
7	Italy	1187
8	Cambodia	1119
9	India	1057
10	Indonesia	1006

(Source: Trade Map)

Table: world's Top Exporters

### HS CODE 55: Man-Made staple fibres

Rank	World's Top Importers	Value exported in 2021 (Million USD)
	World	
1	China	12937
2	Indonesia	2261
3	USA	2092
4	India	1904
5	Korea	1611
6	Turkey	1349
7	Thailand	1279
8	Austria	1201
9	Japan	1065
10	Belgium	1026

(Source: Trade Map)

### Swot Analysis

Khargone is the largest hub of hosiery production in India, even its share in Indian export of hosiery is also not encouraging and it stands at only Rs 856 cr. Southern manufactures i.e. Tirupur fetched large market share of exports.

Khargone has the biggest disadvantage of transportation cost. While t-shirt is widely price sensitive product having low profit margin. We need to focus on large scale production with cutting short of expenses on transportation

Hosiery has permanent market having stable demand in the world. Our export from India was Rs 1135 cr in 2018-19. It is very dismal compared to our strength in production. Even with robust production and wide experience, India is not amongst top ten exporters. With same market size and with low level infrastructure Pakistan stands sixth in top exporters of the world. Ludhiana is the largest hub of hosiery production in India, even its share in Indian export of hosiery is also not encouraging. Southern manufactures i.e. Tirupur fetched large market share of exports. Ludhiana has the biggest disadvantage of transportation cost. While hosiery is a widely price sensitive product having low profit margin. We need to focus on large scale production with cutting short of expenses on transportation.

T-shirt has permanent market having stable demand in the world. T-Shirt export from India was Rs 17,759 cr in 2018-19. While China stands at the first spot in export data, Bangladesh is ahead of us in exports. Bangladesh has robust textile infrastructure, low labor expense, low implementation of labor laws, proximity to ports and zero duty on products of Bangladesh by virtue of being Least Developed Country, India faces the biggest challenge from Bangladesh.

Khargone is the largest hub of hosiery production in India, even its share in Indian export of hosiery is also not encouraging and it stands at only Rs 856 cr. Southern manufactures i.e. Tirupur fetched large market share of exports.

Khargone has the biggest disadvantage of transportation cost. While t-shirt is widely price sensitive product having low profit margin. We need to focus on large scale production with cutting short of expenses on transportation



## Cotton Yarn



### 7. Cotton Yarn

**Cost:** The cost of a vehicle program is typically split into the effect on the variable cost of the vehicle, and the up-front tooling and fixed costs associated with developing the vehicle. There are also costs associated with warranty reductions and marketing.

**Program timing:** To some extent programs are timed with respect to the market, and also to the production-schedules of assembly plants. Any new part in the design must support the development and manufacturing schedule of the model.

**Assembly feasibility:** It is easy to design a module that is hard to assemble, either resulting in damaged units or poor tolerances. The skilled product-development engineer works with the assembly/manufacturing engineers so that the resulting design is easy and cheap to make and assemble, as well as delivering appropriate functionality and appearance.

**Quality management:** Quality control is an important factor within the production process, as high quality is needed to meet customer requirements and to avoid expensive recall campaigns. The complexity of components involved in the production process requires a combination of different tools and techniques for quality control. Therefore, the International Automotive Task Force (IATF), a group of the world's leading manufacturers and trade organizations, developed the standard ISO/TS 16949. This standard defines the design, development, production, and (when relevant) installation and service requirements. Furthermore, it combines the principles of ISO 9001 with aspects of various regional and national automotive standards such as AVSQ (Italy), EAQF (France), VDA6 (Germany) and QS-9000 (USA). In order to further minimize risks related to product failures and liability claims for automotive electric and electronic systems, the quality discipline functional safety according to ISO/IEC 17025 is applied.

Cotton is a naturally produced yarn that is harvested from the plants of cotton. It is a soft, breathable and absorbent fabric which is used widely in summer clothing. It is a staple in the clothing industry and singularly holds more than 40% market share in the clothing industry combining both wearables and non-wearables. Yarn is a long continuous length of interlocked fibres, suitable for use in the production of textiles, sewing, crocheting, knitting, weaving, embroidery, or rope making. It can be made of a number of natural or synthetic materials, and comes in a variety of colours and thicknesses (referred to as "weights"). Thread is a type of yarn intended for sewing by hand or machine. Modern manufactured

sewing threads may be finished with wax or other lubricants to withstand the stresses involved in sewing.

Export Data  
 Table: Export from India  
 HS CODE 5205: Cotton Yarn  
 Values in Rs. Lakh.

S. No.	HS Code	Commodity	2020-2021	%Share	2021-2022	%Share	%Growth
1	5202	Cotton yarn 85% or more by cotton not put up for sale.	20,036	0.92	38,827	1.23	93
India's Total Export			21,59,04,322		31,47,02,149		45

(Source: Ministry of Commerce, India)

Table: Export from India – Top Country Wise  
 HS CODE 5205: Cotton Yarn

S.No	Country / Region	Values in Rs. Lacs		
		2020-2021	2021-2022	%Growth
1	Bangladesh	4,805	16186	236
2	China	4930	5762	16
3	Portugal	897	1835	104
4	Egypt	880	1666	89
5	Turkey	431	1438	233
6	Peru	1036	1432	38
7	Vietnam	1169	1388	18
8	Korea	701	1083	54
9	Shri Lanka	505	719	42
10	Colombia	458	670	46

(Source: Ministry of Commerce, India)

Table: Export from Madhya Pradesh  
 HS CODE 5205: Cotton Yarn

HS CODE	Commodity Description	April, 21 To March, 22 Value (INR) Cr.	April, 21 To March, 22 Value (Million US)
5205	Cotton yarn(other than swing third) 85% or more by of cotton.	4.521	60.6

(Source: DGCIS)

Table: World's Top Importers  
HS CODE 5205: Cotton Yarn

	World's Top Importers	Value imported in 2021 (Million USD thousand)
Rank	World	14216
1	China	5633
2	Bangladesh	2197
3	Turkey	773
4	Korea	483
5	Portugal	481
6	Viet Nam	412
7	Russian	369
8	Italy	357
9	Peru	219
10	Guatemala	2149

(Source: Trade Map)

Table: World's Top Exporters  
HS CODE 5205: Cotton Yarn

	World's Top Importers	Value exported in 2021 (Million USD thousand)
Rank	World	15588
1	India	4696
2	Viet Nam	2931
3	Uzbekistan	1603
4	Pakistan	1160
5	USA	973
6	China	940
7	Turkey	772
8	Indonesia	558
9	Italy	186
10	Malaysia	178

(Source: Trade Map)

## SWOT Analysis

### Strength:

Experienced promoters with over 30 years of experience in the industry Products are well accepted in the market both nationally & internationally. Strong Marketing network throughout the country.

Abundant Raw Material availability that helps industry to control costs and reduces the lead-time across the operation.

Availability of low cost and skilled manpower provides competitive advantage to industry.

Availability of large varieties of cotton fibre and has a fast growing synthetic fiber industry.

India has great advantage in Spinning Sector and has a presence in all process of operation and value chain.



India is one of the largest exporters of Yarn in international market and contributes around 25% share of the global trade in Cotton Yarn.

**Weakness:**

The prices of raw materials and finished goods move in tandem with international prices, which, in turn, have positive correlation with the prices of petrochemical products.

Infrastructural Bottlenecks and Efficiency such as, Transaction Time at Ports and transportation Time.

Unfavourable labour Laws.

Lack of Trade Membership, which restrict to tap other potential market.

Lacking to generate Economies of Scale

**Opportunities:**

Large, Potential Domestic and International Market.

Elimination of Quota Restriction leads to greater Market Development.

Product development and Diversification to cater global needs.

Greater Investment and FDI opportunities are available.

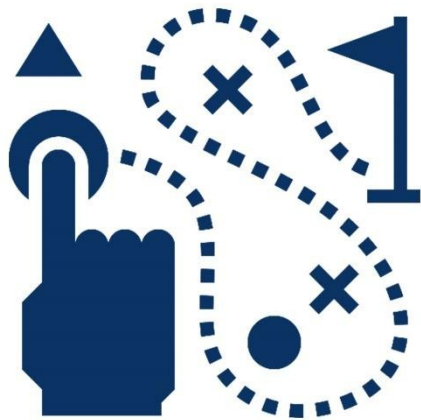
**Threats**

India has concluded / is in the process of concluding Free Trade Agreements (FTA) with a number of countries like Sri Lanka, Thailand, China, etc. This will lead to lower tariffs all round and may affect Indian textile units, including FIL.

Post WTO, when India would be exposed to international competition. FIL's position is expected to be vulnerable vis-à-vis those companies with global size and modern facilities.

Elimination of Quota system will lead to fluctuations in Export Demand.

International labour and Environmental Laws.



## Action Plan



### 12. District Export Action Plan

Table: Export Issue-Intervention Matrix for the District

S.No.	Problems	Details	Proposed Intervention	Level of Intervention (Centre, State, District, DGFT RA)	Concerned Ministry & Department
1.	Administrative Support	<p>To promote setting up industrial units of products selected under DEH through PMEGP and other state level schemes.</p> <p>To promote setting up food processing and industrial units to promote manufacturing through PMEGP and other state level schemes with DIC-Indore</p> <p>DIC-Indore will facilitate the units in getting important registration in GST process and Import-Export Code</p>	<p>DIC- Indore and DGFT RA to facilitate the units in getting benefits of the schemes and also in registration under GST and Import-Export Code</p>	Centre, State and DGFT RA	Ministry of MSME, GoI and Department of MSME, GoMP

2.	Branding	To create partnership with Indian Institute of packaging and capacity building workshops on branding strategy will be conducted with the units.	An agency may be appointed at district level which can extend support and provide ideas for the designing of the product as per global demand. Agency will also support in the preparation of attractive marketing content and logo etc.	Centre and State	Ministry of Commerce and Industries, GoI  Above mentioned nodal officers of the selected products
3.	Awareness	1.Incentive Policies and Documentation  2.Customs procedures	Online workshops	Centre	DGFT RA and Customs Department
4.	Quality assurance & Certification	1. As per the product demand in international and domestic markets, need of quality certification will be analysed  2. Region-wise quality parameters will be assessed and information on these parameters will be provided to the Units  3. All necessary help will be provided to units to get the ISO and other certification with the help of experts.	1.Department of MSME, GoMP can establish as per the need of stakeholders associated with the commodities.  2. After achieving the targets of midterm strategy and assessment of quality parameters, it will be ensured to set up a testing facility and provide certification to the units.	State and Centre	Ministry of MSME, GoI and Department of MSME, GoMP

5.	Credit Support	<p>1. Information Dissemination about existing financial schemes which the MSMEs, exporters and other relevant stakeholders can avail.</p> <p>Support smaller units in establishing their business through financial assistance of different schemes</p>	<p>DIC-Indore and DGFT RA to facilitate the units in getting benefits of the schemes and also in registration under GST and Import-Export Code</p>	<p>Centre, State and DGFT RA</p>	<p>Ministry of MSME, GoI and Department of MSME, GoMP</p>
		<p>2. ECGC department to provide support to existing exporters and should create awareness about their credit linkage initiatives.</p>	<p>DGFT RA along with ECGC should organise export awareness workshop on quarterly basis.</p>	<p>Centre</p>	<p>ECGC Government of India Undertaking</p>
6.	Common Facilitation Centre	<p>1) Common Facilitation is not available in Indore. Need assessment of cluster development in the district.</p> <p>2) Information sharing system (including exporters) should be developed in the district.</p>	<p>Common Facility Centre should be created for exports. Need to strengthen the existing cluster.</p> <p>DTIC and DGFT RA can be the nodal department for this initiative.</p>	<p>State and Centre</p>	<p>Ministry of MSME</p>

7.	Logistics	<p>1. There is a logistic issue of delayed consignment as part load consignments are not accepted by CONCOR. The exporters have to wait much for full container load at ICD Pitampura. There is a Request for having ICD at Sehore.</p>	<ul style="list-style-type: none"> <li>● We will partner with logistics and supply chain partners. Currently, MPIDC has an MoU with eBay India and Flipkart Group to market the product international and domestic markets respectively.</li> <li>● Train Service to Mundra Port is required since fuel is very expensive. To initiate train service from ICD Dhannad to Mundra Port (CONCOR)</li> </ul> <p>Part load not accepted at ICD Dhannad. Weekly loading can be planned at ICD Dhanna</p>	Centre	Railway Department (CONCOR)
8.	Marketing support	<p>Support can be provided by MSME for participation in international trade fairs and exhibition/Customer visit.</p> <p>To analyse the distribution channels associated to the</p>	<p>Organising more buyer-seller meets will be easiest 2-way communication for marketing of the products.</p> <p>Necessary support will be provided to units</p>	State/Centre	Ministry of MSME of Commerce and Industries, GoI

		product categories and	to adopt E-commerce platform for the marketing of the product.	
		Identification of new markets for the selected products		
9.	Regulatory	Efforts are being made to ensure that units can get all the clearances on time.	Will make aware of all units about rules and regulations related to exports. An assistance will be provided to units to get the required clearances and permissions.	Centre and State
		DEPC will create Single window system at the district level		
10.	Training	Export workshops programs will be designed to help export ready companies seize opportunities, navigate the complex landscape of international business, and jump start their export sales	Government can organize the district training camps to generate skilled manpower.  Training on: <ul style="list-style-type: none"> <li>● Export tariffs, taxes, and customs procedures;</li> <li>● Commercial standards, regulations and practices;</li> <li>● Distribution channels, business travel, and other market information;</li> <li>● Identification of opportunities and best prospects</li> </ul>	DGFT RA and District Administration
11.	Supply Chain	The available local transporters will be	We will partner with logistics and	

the logistics partner with the charges fixed by companies and Govt. officials viz are ware house corporation agriculture produce marketing board etc.	supply chain partners. Currently, we have an MoU with eBay India and Flipkart Group to market the product international and domestic markets respectively
----------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------



*Target*



### 13. Target Till 2026

Without target, policy, projection and data analysis would be futile. This report envisages all round development of Exports from the district and targeting doubling of exports till 2026.

#### 13.1. Reasons for doubling the export figures as a target

##### 13.1.1. Government Policies

There has been a paradigm shift in the government policies in relation to exports. Earlier, the focus was sector wise or region wise. However, deepening of the focus and the new vision to prepare districts as export hubs would lead to double the exports and achieving the said target.

Ministry 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.

##### 13.1.2. Market improvement after corona period

One thing is evident that markets have recovered well after the onslaught observed in the months of February and March of 2020. As markets fell following the global lockdown, equities indices experienced historic drops around the world.

Soon, the flattening of the curve and hopes of vaccine development gave a glimmer of hope of improvement in the overall economic activity at the global level. Gradual upliftment of lockdown restrictions further provided the scope of the revival of business activities.

Based on COVID-19 trajectory and geography specific characteristics, various recovery scenarios can be projected. We are seeing some signs of recovery with global market indices clawing back close to pre-crisis levels, positive net fund flows, and improved transactional market-making activities in Q2'20.



### 13.1.3. Price rise in commodities

As the economic activities all over the world are gearing up, the production and demand for such commodities have risen. As the Indian economy started its unlocking phase, it saw a pent-up demand for commodities, driving prices further.

The pandemic has the potential to affect commodity demand and supply for an extended period, the analysis finds.

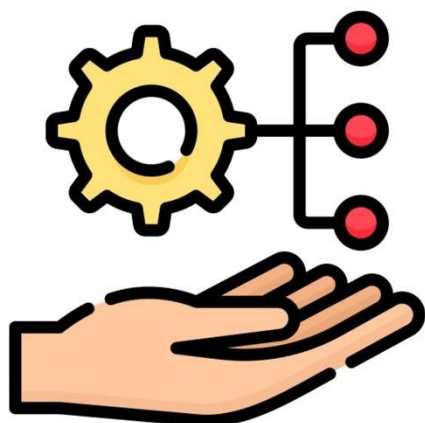
### 13.1.4. Negative impact on Chinese products

Unlike the financial crisis which stifled global demand for traded products, the pandemic triggers a 'triple effect' on trade through the following three channels: Disruption of domestic supply, Reduction in global demand and Contagion effect spread through disrupted global value chains (GVCs).

Traditional manufacturers of hosiery, auto parts, hand tools and machine makers see huge demand from USA and Western Countries who want to see alternatives of Chinese supply.

### 13.2. Whether we can achieve target!

Yes, with the joint efforts of entrepreneurs, exporters, governments and their departments and other bodies and associations, we can achieve the target.



## Proposed Schemes



### 14. Proposed Schemes to achieve Action Plan

This chapter contains proposed schemes for Madhya Pradesh for promotion of exports in the region. These proposed schemes are suggested after analysing export data, export scenario, consultations with all stakeholders and understanding of WTO guidelines.

#### 14.1. Proposed scheme – 1: Export oriented infrastructure development scheme

##### Objective-

To develop infrastructure in a district which can visibly and directly boost export of that region.

##### Nature of rewards-

To fund Rs 5 Cr in a year may be spent in each district of India on infrastructure which can visibly and directly boost exports of that district.

The fund shall be spent on following infrastructure projects:

Sr No	Type
1	Road
2	Rail and related facilities
3	Seaport and related facilities
4	Airport and related facilities
5	Pipeline (Water, Gas, Liquid, Chemical)
6	Pollution Control Plants
7	Electricity Production and Distribution
8	Development of industrial Parks
9	Water treatment plants
10	Warehouse, Logistic Park, Selling Centre
11	Inland Container Depot – ICD
12	Processing Units
13	Exhibition Centre
14	Training Facility
15	Testing Labs
16	R&D Centre

17	Small Housing Facilities for Labors
18	Geographical Indication (GI) Registration
19	Marketing Product
20	Common Facility Centre

Who can apply? -

(1) SPV (Special Purpose Vehicle) created by group of exporters having minimum 20 exporters of the region. SPV shall be registered under Section 8 of Company Act as Non-Profit Organization, members of SPV shall have continuous export performance in last three years or

(2) Chamber of Commerce having at least 500 members from Madhya Pradesh before three financial years or

(3) Centre Government Department, PSU, Board, Corporation, Directorate or

(4) State Government Department, PSU, Board, Corporation, Directorate

Title and ownership-

Title and Ownership will be in the hand of the applicant.

Land purchase-

Land may be purchased or taken on long lease for not less than 30 years in the name of the applicant. Expenses related to Land and Lease shall be borne by the applicant.

Fund allocation-

The Government grant will be restricted to 80% of the cost of Project of maximum Rs.5 cr crore. The government grant will be 90% for CFCs for the applicant with more than 50% (a) micro/ village or (b) women owned or (c) SC/ST units. The cost of Project includes cost of building, pre-operative expenses, preliminary expenses, machinery & equipment, miscellaneous fixed assets, support infrastructure such as water supply, electricity and margin money for working capital.

Procedure-

The application shall be made to Regional Office of Directorate General of Foreign Trade, Ministry of Commerce as co-chair District Level Export Promotion Committee (DEPC) of the concerned district. Regional Office of DGFT may scrutinize the applications, verify the claims, identify requirements, study Project Report, and calculate viability of the project and projection thereof. This regional office then recommends DEC about the project.

**District Level Export Promotion Committee headed by District Collector** has power to decide on which mode, which type, in which place and on which price the above infrastructure can be developed on the recommendation of Regional Office of Directorate General of Foreign Trade, Ministry of Commerce.

DEPC then puts the project before **State Level Export Promotion Committee (SEPC) headed by Chief Secretary**. SEPC may study and scrutinize the project and may approve the project.

Chairman (Deputy Commissioner) and Co-Chair (Regional office of DGFT) shall strictly vigil on expense of funds and relation with exports. The committee shall monitor infrastructure progress development under this scheme on periodical basis. Export shall be boosted with infrastructure improvement under this scheme and direct relationship with exports must be established.

Fund estimate-

There is a requirement of INR 5 Cr/Annum for improvement of export infrastructure in the district.

#### Benefits-

It slowly, but in solid way, can create export infrastructure in all parts of Madhya Pradesh. Fund is small but it impacts.

### 14.2. Proposed scheme – 2: Madhya Pradesh Trade Policy

#### Objective-

To promote export ecosystem in the State, Government has introduced a comprehensive Trade Policy with the following objectives:

- (i) To quadruple the export from the state within next five years;
- (ii) To double the number of exporters from the state within next five years;
- (iii) To develop and maintain access to strategic foreign markets for goods and services from Madhya Pradesh and manage key trading relationships while diversifying new and existing opportunities.
- (iv) To achieve export growth in leading export related district, with significant growth in exports of identified products/services from each district.
- (v) To achieve synergy by integrating flagship programmes and activities of the line departments of Government of Madhya Pradesh (GoMP) & Government of India (GoI).

#### Nature of rewards:

MP Export Facilitation Fund (MPEFF)

International Market Development Assistance (IMDA)

MP Freight Subsidy (MPFS)

MP Export Skill Development Support (MPESDS)

MP E-Commerce Subsidy (E-COMS)

### 14.3. Proposed scheme –3: Madhya Pradesh Trade Promotion Council

The Madhya Pradesh Trade Promotion Council will work for the overall development of all manufacturing, service and business sectors right from entrepreneurship development, export infrastructure development and export ecosystem development in the state and outside. The MPTPC shall coordinate with all the stakeholders in the value chain and whole process of exports to establish and enhance contacts within and outside India for better business growth.

#### Governance Structure

The Council will comprise of a Governing Body, Executive Committee, Panel Committees which would comprise of Registered Members.

The functionaries of the Governing Body will work towards strategizing and executing the agenda of the Council.

A. Governing Body:

- I. Chairman – Honourable Chief Minister, Government of Madhya Pradesh
- II. Members of Governing Body: As mentioned in the Order No.: F 19-20/2022/1/4 dated 03/03/2022
- III. Elected Conveners of below mentioned panel committees:
  - A) Agriculture & Food Processing
  - B) Pharmaceutical
  - C) Textile & Garments
  - D) Automobile & Engineering
  - E) IT and other sector
- IV. Member Secretary: Principal Secretary, Department of Industrial Policy and Investment Promotion, Government of Madhya Pradesh

B. Executive Committee:

- I. Chairman – Chief Secretary, Government of Madhya Pradesh
- II. Members of Executive Committee: As mentioned in the Order No.: F19-20/2022/1/4 dated 24/03/2022
- III. Member Secretary: State Export Commissioner (Managing Director, M.P. Industrial Development Corporation Limited), Government of Madhya Pradesh
- IV. Establishment of Directorate of Trade

**Sectoral Panel Committees:** The Panel Committees will be the forum for member exporters to provide expert views on specific sectors to the Governing Body for consideration and prioritization. The Panel Committee will comprise of a Convener (Representative of the committee in Governing Board) and 6 sectoral industrial representatives in the respective committees.

#### 14.4. Proposed scheme –5: Export Promotion and State Duties & Taxes Remission

**Objective-**

Objective of the scheme is to remit taxes and duties paid to the state which are not remitted in any other scheme i.e., stamp duty.

**Nature of rewards-**

Exporters shall have fulfilled ten times of exports against stamp duty paid at the time of sale deed registration or lease deed registration within six years of stamp duty paid date.

Monetary benefits shall be directly transferred to the account of the exporters in cash.

## Procedure-

The applicant shall submit forms with copy of Shipping Bills, electronic Bank Realization Certificates (eBRCs) and Export Invoices with GST details to Regional Office of Directorate General of Foreign Trade, Ministry of Commerce as the member of District and State Level Export Promotion Committee. Exporter name mentioned in Shipping Bill is entitled for application. The office may scrutinize the applications, verify the claims, identify requirements, study the product and calculate viability of the product and projection thereof. The regional office then recommends Directorate of Industries, Government of Madhya Pradesh whether the application is fit for acceptance. Directorate would then accept the request and disburse the fund.



## Conclusion



## 15. Salient Features and Conclusion

This is the first ever mammoth exercises done by Government of Madhya Pradesh with Office of the Joint Director General of Foreign Trade Bhopal where all Exporters, Entrepreneurs, Chambers of Commerce, Export Promotion Councils come together for export promotion.

### 15.1. Vision of Hon'ble Prime Minister

In order to implement the vision of Shri Narendra Modi, the Prime Minister of India, to convert each district into an export hub, the Finance Minister in her Budget 2020-21 speech, said that each district 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 Chief/ District Development Officer with other relevant District Level Officers as members.

### 15.2. 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 to earlier versions of India's growth story, in the immediate aftermath of the pandemic, its efficacy to boost growth needs to be closely observed.

Despite repeated attempts to bolster manufacturing, the sector failed to grow, leaving services to step up. Eventually, lack of demand hit all segments irrespective of their economic nature. The pandemic, as an external shock, has finally contracted the economy.

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 to the districts in the states to promote them as export drivers.

### 15.3. Changing priority of the state government

No priority on 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.

### 15.4. 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 are aimed at achieving the 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.

### 15.5. Future: every district will be an export hub

Department of Industries & 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 finding potential buyers outside India with the aim of promoting exports, manufacturing & services industry in the district and generate employment in the district.