

Adityanath govt to nurture 'UP Khadi' start-ups and e-commerce

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Virendra Singh Rawat | Lucknow November 14, 2022 Last Updated at 18:26 IST



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Looking to boost ethnic Indian textile and apparels, the Uttar Pradesh government has crafted a road map to nurture start-ups and e-commerce dedicated to 'UP Khadi'.

Under the new UP Textile and Garment Policy 2022, the state has announced a host of incentives and subsidies for aggressive offline and online marketing and promotion of Khadi apparels in India and abroad.

“Apart from promoting UP Khadi, especially among the youth, the new policy focuses on the economic prosperity of the state weavers,” a senior state government official noted.

The Yogi Adityanath government 2.0 will provide financial assistance of up to Rs 12 crore to entrepreneurs opening exclusive khadi retail chains beyond the geographies of UP, including foreign countries.

Under the new policy, the promised subsidy will increase to Rs 8 crore for 200 or more outlets, and Rs 10 crore for opening 500 outlets. Moreover, organised groups of young entrepreneurs will also be eligible for financial support for online marketing of UP khadi apparels.

Besides, the government will provide up to Rs 2 crore subsidy to those launching 50 khadi outlets outside the state or the country. However, such outlets must clock annual sales of Rs 4 crore for three years to avail of the subsidy.

For opening 100 outlets outside the state or India, the entrepreneur/enterprise will get a subsidy of up to Rs 4 crore. However, such stores should clock Rs 8 crore in annual sales for three years.

In case 80 per cent of these outlets are outside the state or 25 per cent outside the country, the government will provide an additional subsidy of Rs 2 crore to the enterprise.

The children of state weavers will be given priority under the new scheme. Meanwhile, the government will provide a 75 per cent subsidy on registration of a new export house for khadi products.

Similarly, if youngsters open an online marketing company to sell khadi products, the government will provide 75 per cent subsidy on the registration of the firm. This support will be subject to a ceiling of Rs 50 lakh per company. Additionally, the government will provide 75 per cent subsidy (up to Rs 20 lakh) on setting up of infrastructure for the purpose.

The One District One Product (ODOP) scheme, launched by the Adityanath government in 2018, also promotes traditional and indigenous handicrafts through different forms of state support.

Giving a Fillip

- Up to Rs 12 crore to entrepreneurs opening exclusive khadi retail chains beyond UP and India
- Rs 8-crore subsidy for opening 200 or more outlets, Rs 10 crore for 500 outlets
- Rs 4-crore subsidy for 100 outlets outside UP and India (store must clock annual sales of Rs 8 crore for 3 years)
- Rs 2-crore of additional subsidy if 80% outlets are outside UP or 25% outside India