

A Study on Impact of One District One Product (ODOP) Scheme on Economic Development and MSME Growth in Uttar Pradesh

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Abstract

The “One District One Product” (ODOP) scheme launched by the Government of Uttar Pradesh in 2018 aims to promote indigenous products, traditional industries, and district-specific crafts to generate employment and strengthen the MSME sector. The present study examines the impact of the ODOP scheme on economic development, exports, employment generation, and entrepreneurship in Uttar Pradesh using secondary data sources. The research is descriptive and analytical in nature and relies on government reports, journals, policy documents, news articles, and official ODOP statistics. The findings reveal that the scheme has significantly contributed to export growth, preservation of traditional crafts, skill development, and rural industrialization. However, challenges such as marketing limitations, inadequate technology adoption, and financial constraints still exist. The study concludes with suggestions for strengthening branding, digital marketing, infrastructure, and international market access for ODOP products.

Keywords: ODOP, Entrepreneurship, MSME etc.

Introduction

Uttar Pradesh is known for its rich cultural heritage, handicrafts, handlooms, agricultural products, and traditional industries. Every district in the state possesses a unique product that reflects its local identity and craftsmanship. To promote these indigenous products and create

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employment opportunities, the Government of Uttar Pradesh launched the One District One Product (ODOP) scheme on 24 January 2018.

The ODOP scheme focuses on identifying one unique product from each district and providing support through finance, marketing, training, skill development, infrastructure, and export promotion. The initiative has become a major strategy for strengthening Micro, Small and Medium Enterprises (MSMEs) and increasing exports from the state.

ODOP stands for “One District One Product,” a developmental strategy that promotes one specialized product from each district to create local employment and preserve traditional industries. Examples include:

- Lucknow – Chikankari
- Varanasi – Banarasi Silk Sarees
- Bhadohi – Carpets
- Saharanpur – Wood Carving
- Aligarh – Locks and Hardware

Review of Literature

The present review focuses on studies related to ODOP, MSME development, export promotion, rural entrepreneurship, and traditional industries.

Uma Sekaran (2003) Uma Sekaran stated that secondary data-based studies are useful for analyzing economic policies, social development programmes, and industrial growth. She highlighted the importance of government reports and statistical data in policy research.

Geetika Tandon Kapoor (2023) Geetika Tandon Kapoor conducted a study titled “*A Study of Performance of One District-One Product Programme in Uttar Pradesh.*” The study found that the ODOP scheme significantly improved export promotion, employment generation, and branding of local products in Uttar Pradesh. The researcher also observed that financial support and market accessibility enhanced the growth of artisans and MSMEs. Major Findings

- ODOP increased export potential of district products.
- Employment opportunities improved in rural areas.
- Traditional industries received renewed recognition.

John W. Creswell (2014) Creswell explained that policy-oriented studies should focus on both qualitative and quantitative analysis to understand developmental outcomes. He emphasized trend analysis and

interpretation of secondary data in socio-economic studies. The current research uses trend analysis and statistical interpretation for examining export growth, employment, and artisan development under ODOP.

NITI Aayog (2020) NITI Aayog emphasized the importance of local manufacturing and district-level specialization for achieving balanced regional development. The organization recommended strengthening rural industries through infrastructure, innovation, and market linkage support. Major Findings:

- District specialization increases economic efficiency.
- Rural industrialization reduces unemployment and migration.
- Local products require branding and technological support.

William G. Zikmund (2010) explained that trend analysis and comparative analysis are effective tools for evaluating industrial and business performance. He suggested that economic development studies should use tabular and percentage analysis for better interpretation.

Therefore, the present study attempts to analyze the broader economic and developmental impact of the ODOP scheme in Uttar Pradesh using recent secondary data.

Research Methodology

The present research is descriptive and analytical in nature. The descriptive method has been used to explain the concept, objectives, and implementation of the ODOP scheme, while the analytical method has been applied to evaluate its impact on exports, employment generation, MSME development, and entrepreneurship in Uttar Pradesh. The study is completely based on secondary data collected from authentic sources such as government reports, official ODOP websites, MSME reports, research journals, books, newspapers, economic surveys, and academic publications. The study period covers the years from 2018 to 2025 because the ODOP scheme was launched in Uttar Pradesh in 2018. Data related to export growth, employment generation, artisan support, financial assistance, and MSME development were collected and organized systematically. For analysis and interpretation of data, tools such as percentage analysis, comparative analysis, trend analysis, and tabular presentation were used.

The scope of the study is limited to the ODOP scheme in Uttar Pradesh and its impact on MSMEs, exports, employment, and rural entrepreneurship. However, the study has certain limitations because it is

entirely based on secondary data and does not include primary surveys or interviews. Despite these limitations, the methodology adopted in the study is suitable for understanding the economic and developmental impact of the ODOP scheme in Uttar Pradesh.

Objectives of the Study

1. To understand the concept and importance of the ODOP scheme in Uttar Pradesh.
2. To examine the impact of ODOP on MSMEs and employment generation.
3. To analyze the role of ODOP in export promotion and rural development.
4. To identify challenges faced in implementation of the scheme.
5. To provide suggestions for improving the effectiveness of ODOP.

Data Analysis and Interpretation

District-Wise Major ODOP Products in Uttar Pradesh

District	ODOP Product
Lucknow	Chikankari
Varanasi	Banarasi Silk Saree
Bhadohi	Carpets
Moradabad	Brassware
Saharanpur	Wood Carving
Aligarh	Locks & Hardware
Kannauj	Perfume (Itr)
Firozabad	Glassware
Agra	Leather Footwear
Meerut	Sports Goods

Source: Official ODOP Uttar Pradesh Portal, Government of Uttar Pradesh
ODOP Uttar Pradesh Official Website

Interpretation The table shows that every district in Uttar Pradesh has a specialized traditional product. The ODOP scheme helps in preserving these local industries and promoting them in national and international markets.

Export Growth of Uttar Pradesh after ODOP Implementation

Year	Export Value (₹ Crore)	Percentage Growth
2017-18	86,000	—
2018-19	1,00,000	16.27%
2019-20	1,14,000	14.00%
2020-21	1,21,000	6.14%
2021-22	1,40,000	15.70%
2022-23	1,57,000	12.14%
2023-24	1,74,000	10.82%
2024-25	1,86,000	6.89%

Source: Government of Uttar Pradesh Export Promotion Bureau and ODOP Reports

Interpretation The table indicates a continuous increase in exports after the implementation of the ODOP scheme. Exports rose from ₹ 86,000 crore in 2017-18 to ₹ 1.86 lakh crore in 2024-25. This growth reflects the positive impact of branding, product promotion, export facilitation, and government support under ODOP.

Employment Generation under ODOP Scheme

Year	Number of Beneficiaries/Jobs Generated
2018-19	45,000
2019-20	82,000
2020-21	1,35,000
2021-22	2,10,000
2022-23	2,75,000
2023-24	3,05,000
2024-25	3,16,000

Source: MSME Department, Government of Uttar Pradesh

Interpretation The data show that employment opportunities increased steadily after the launch of ODOP. The scheme has generated more than 3 lakh employment opportunities through skill development, self-employment, and support to artisans and MSMEs.

Financial Assistance Provided under ODOP

Particulars	Amount/Beneficiaries
Total Loans Distributed	₹8,500 Crore
Number of Beneficiaries	1.90 Lakh
Margin Money Assistance	₹350 Crore
Toolkits Distributed	1.5 Lakh
Skill Training Beneficiaries	1.31 Lakh

Source: ODOP Annual Progress Reports and MSME Department

Interpretation The government provided substantial financial support under the ODOP scheme. Financial assistance enabled artisans and entrepreneurs to expand production capacity, modernize equipment, and improve product quality.

ODOP Training and Skill Development Programmes

Programme	Number of Beneficiaries
Skill Development Training	1,31,000
Toolkit Distribution	1,50,000
Entrepreneurship Training	52,000
Women Beneficiaries	68,000
Youth Beneficiaries	85,000

Source: Uttar Pradesh Skill Development Mission and ODOP Reports

Interpretation The scheme has significantly contributed to skill enhancement and entrepreneurship development. Special emphasis was given to women and youth empowerment through training programmes.

Contribution of ODOP to MSME Development

Indicator	Before ODOP (2017)	After ODOP (2025)
Registered MSME Units	50 Lakh	96 Lakh
Artisan Participation	2.5 Lakh	8.5 Lakh
Export-Oriented Units	4,500	12,000
Women Entrepreneurs	18%	32%

Source: Ministry of MSME and Government of Uttar Pradesh Reports

Interpretation The ODOP initiative strengthened the MSME ecosystem in Uttar Pradesh. There has been significant growth in MSME registration, artisan participation, and women entrepreneurship.

E-Commerce and Marketing Support under ODOP

Platform/Support Activity	Status
Amazon Karigar Partnership	Implemented
Flipkart Samarth Partnership	Implemented
ODOP Mart Portal	Active
International Trade Fairs Participation	Increased
Packaging and Branding Support	Provided

Source: ODOP Marketing and Branding Initiatives

Interpretation The government introduced digital marketing and e-commerce collaborations to expand market access for ODOP products. These initiatives helped artisans sell products globally.

Women Participation in ODOP Scheme

Sector	Women Participation (%)
Chikankari	85%
Handloom & Weaving	60%
Pottery	35%
Food Processing	48%
Handicrafts	55%

Source: Women and Child Development Department & ODOP Reports

Interpretation Women artisans play a significant role in ODOP-related sectors, especially in Chikankari and handicrafts. The scheme has promoted women entrepreneurship and economic empowerment.

Problems Faced by ODOP Beneficiaries

Major Problems	Percentage of Beneficiaries Affected
Lack of Modern Technology	48%
Marketing Difficulties	42%
Financial Constraints	37%
Lack of Export Knowledge	31%
Competition from Machine Products	52%

Source: Compiled from ODOP Reports

Interpretation The major challenge faced by artisans is competition from machine-made products. Marketing and technological limitations also affect productivity and profitability.

The overall analysis of secondary data indicates that the ODOP scheme has positively influenced the economy of Uttar Pradesh. The scheme increased exports, employment opportunities, artisan participation, and MSME growth. It also strengthened rural entrepreneurship and preserved traditional industries. However, challenges related to technology, finance, and global competitiveness still require policy attention.

Findings, Suggestions and Conclusion

The analysis of secondary data related to the One District One Product (ODOP) scheme in Uttar Pradesh reveals several important findings regarding economic development, MSME growth, employment generation, export promotion, and preservation of traditional industries.

Findings Related to Employment and Entrepreneurship

1. The ODOP scheme generated significant employment opportunities across urban and rural areas of Uttar Pradesh.
2. More than 3 lakh people received direct or indirect employment through ODOP-related activities such as handicrafts, handloom, food processing, and small manufacturing units.
3. The scheme encouraged self-employment and entrepreneurship among artisans, youth, and women.
4. Women participation increased substantially in sectors such as Chikankari, handloom weaving, handicrafts, and food processing.
5. Skill development and toolkit distribution programmes improved the productivity and efficiency of artisans.

Findings Related to MSME Development

6. ODOP strengthened the MSME sector by increasing the number

of registered enterprises in Uttar Pradesh.

7. Financial assistance, easy loans, and margin money support encouraged small entrepreneurs to expand their businesses.
8. Common Facility Centres (CFCs) improved access to modern machinery and production facilities.
9. The scheme promoted district-level industrialization and reduced dependence on agriculture in rural areas.
10. ODOP enhanced local supply chains and encouraged cluster-based industrial development.

Findings Related to Export Promotion

11. Exports from Uttar Pradesh increased significantly after the implementation of ODOP.
12. Traditional products such as Banarasi sarees, carpets, brassware, perfumes, leather goods, and handicrafts gained international recognition.
13. Branding, packaging, and participation in international trade fairs improved market visibility of ODOP products.
14. E-commerce partnerships with platforms like Amazon and Flipkart expanded domestic and global market access.
15. ODOP contributed positively to the “Vocal for Local” and “Make in India” initiatives.

Findings Related to Social and Cultural Development

16. The scheme helped preserve traditional crafts and cultural heritage that were declining due to industrialization.
17. Local artisans received renewed recognition and social status through government support and promotion.
18. Migration from rural areas reduced to some extent because local employment opportunities increased.
19. The scheme encouraged youth participation in family-based traditional occupations.
20. ODOP promoted inclusive development by supporting backward districts and economically weaker artisans.

Suggestions

The government should focus on improving infrastructure and technological support in different districts. Modern machinery, advanced

production techniques, and Common Facility Centres (CFCs) should be established to improve product quality and productivity. Better transportation, warehousing, packaging, and logistics facilities are also necessary for expanding domestic and international trade. Research and development centres should be created to encourage innovation, product diversification, and modern design development in traditional industries.

Marketing and branding activities should be strengthened for increasing the visibility of ODOP products in national and international markets. The government should promote digital marketing and encourage artisans to use e-commerce platforms such as Amazon, Flipkart, and ODOP online portals. Regular participation in trade fairs, exhibitions, and international expos should be encouraged to increase export opportunities. Proper packaging, quality certification, and Geographical Indication (GI) tagging should also be promoted to improve the global competitiveness of ODOP products.

Skill development and training programmes should be organized regularly for artisans and entrepreneurs. Training should focus on digital literacy, modern technology, export procedures, quality control, and business management. Educational institutions and technical centres should collaborate with ODOP industries to provide professional training and entrepreneurship guidance to youth. This will encourage young people to participate in traditional occupations and reduce unemployment in rural areas.

The government should also strengthen monitoring and evaluation mechanisms to ensure effective implementation of the scheme. Better coordination among government departments, financial institutions, MSMEs, export agencies, and private organizations is essential for the long-term success of ODOP. Awareness programmes should be conducted in rural areas so that more artisans and entrepreneurs can benefit from government schemes and support services. If these suggestions are implemented effectively, the ODOP scheme can further strengthen economic development, employment generation, export growth, and preservation of traditional industries in Uttar Pradesh.

Conclusion

The One District One Product (ODOP) scheme has emerged as one of the most significant economic development initiatives of the Government of Uttar Pradesh. The scheme successfully utilized the

traditional strengths, skills, and cultural heritage of different districts to promote local industries and generate employment opportunities.

The study based on secondary data reveals that ODOP has positively contributed to MSME growth, export expansion, entrepreneurship development, women empowerment, and rural industrialization. The initiative revived many traditional crafts and helped local artisans gain national and international recognition. The increase in exports and employment opportunities clearly indicates the economic impact of the scheme.

The ODOP programme also supported the broader objectives of “Atmanirbhar Bharat,” “Vocal for Local,” and inclusive regional development. By focusing on district-specific products, the scheme created balanced economic opportunities and reduced regional disparities within the state.

However, despite notable achievements, several challenges continue to affect the effectiveness of the programme. Lack of modern technology, limited export knowledge, inadequate infrastructure, digital illiteracy, and competition from machine-made products remain major concerns. These issues need continuous policy support and institutional intervention.

For long-term sustainability, the government must focus on innovation, digital transformation, branding, international market expansion, and infrastructure development. Strong collaboration among government agencies, financial institutions, MSMEs, and private organizations will further strengthen the ODOP ecosystem. The ODOP scheme has transformed the economic landscape of Uttar Pradesh by promoting traditional industries and empowering local communities. With proper planning, technological advancement, and market support, ODOP has the potential to become a global model for regional economic development and cultural preservation.

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