

ഭരണഭാഷ-മാതൃഭാഷ

നം . DICPKD/949/2020-C3

ജില്ലാ വ്യവസായ കേന്ദ്രം
പാലക്കാട്, തീയതി:15/11/2021
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പ്രേഷകൻ

ജനറൽ മാനേജർ

സ്വീകർത്താവ്

വ്യവസായ വാണിജ്യ ഡയറക്ടർ
തിരുവനന്തപുരം

സർ,

വിഷയം :- വ്യവസായം - ജില്ലാതല എക്സ്പോർട്ട് പ്രമോഷൻ പ്ലാൻ - ജില്ലാതല കമ്മിറ്റി -
പ്രവർത്തനങ്ങൾ - റിപ്പോർട്ട് സമർപ്പിക്കുന്നത് സംബന്ധിച്ച്

സൂചന :- 11.9.2021. തീയതിയിലെ ഇൻഡസ്ട്രീസ് (ജി) ഡിപ്പാർട്ട്മെന്റിൽ നിന്നുള്ള
G1/42/2020/D. നോട്ടീഫിക്കേഷൻ.

മേൽ സൂചനയിലേക്ക് ശ്രദ്ധ ക്ഷണിക്കുന്നു. സൂചന കത്ത് പ്രകാരം ജില്ലയിൽ എക്സ്പോർട്ട് പ്രമോഷൻ ജില്ലാതല കമ്മിറ്റി രൂപീകരിക്കുന്നതിന് നിർദ്ദേശം നൽകിയിരുന്നു. ആയത് പ്രകാരം 30.10.2020 ലെ DICPKD/949/2020-C3 നം നടപടിക്രമ പ്രകാരം ജില്ലാതല എക്സ്പോർട്ട് പ്രമോഷൻ കമ്മിറ്റി രൂപീകരിക്കുകയും 04.11.2020 ൽ ജില്ലാതല കമ്മിറ്റിയുടെ ആദ്യ യോഗം ചേരുകയും ആഗോള തലത്തിൽ ഡിമാന്റ് ഉള്ളതും വളരെ കാര്യക്ഷമമായി കയറ്റുമതി ചെയ്യുവാൻ കഴിയുന്നതുമായ ഉല്പന്നത്തെ കണ്ടെത്തുന്നതിനായി തീരുമാനം എടുക്കുകയും ആയതിനായി ജി.എസ്.ടി വകുപ്പിൽ നിന്നും ജില്ലയിലെ കയറ്റുമതി മേഖലയുമായി ബന്ധപ്പെട്ട് ഉല്പന്ന വിപണന ശൃംഖല സംബന്ധിച്ച് വിവര ശേഖരണം നടത്തുന്നതിന് ജനറൽ മാനേജർക്ക് ജില്ലാ കലക്ടർ നിർദ്ദേശം നൽകുകയും ചെയ്തിരുന്നു. പ്രസ്തുത തീരുമാനത്തിന്മേൽ ജി.എസ്.ടി വകുപ്പിലേക്ക് കത്ത് നൽകുകയും 03.02.2021. തീയതിയിലെ സംസ്ഥാന നികുതി ജോയിന്റ് കമ്മീഷണറുടെ കാര്യാലയത്തിൽ നിന്നും പ്രസ്തുത ലിസ്റ്റ് അയച്ചു തരുകയും ചെയ്തിരുന്നു. പ്രസ്തുത ലിസ്റ്റ് ജില്ലയിലെ കയറ്റുമതിയ്ക്ക് അനുയോജ്യമായ ഉല്പന്നം കണ്ടെത്തുന്നതിനായി എക്സ്പോർട്ട് പ്രമോഷൻ ജില്ലാ കമ്മിറ്റി അംഗങ്ങൾക്ക് അയച്ചുകൊടുക്കുകയും അഭിപ്രായങ്ങളും നിർദ്ദേശങ്ങളും അറിയിക്കുവാൻ ആവശ്യപ്പെടുകയും ചെയ്തിട്ടുണ്ടെന്ന വിവരം സവിന്യം അറിയിക്കുന്നു.



വിശ്വസ്തതയോടെ,

ജനറൽ മാനേജർ

District Export Promotion Plan for the District of Palakkad

A) Introduction

Kerala located on the southernmost part of India has witnessed spectacular economic growth and higher standard of living for decades. This unique model of progress and higher standard of living is mainly due to the remittance it receives from Keralites who works abroad and its typical agro and agro industries along with its thrust on tourism and related service industries. Though not highly industrialized, its unique geography and natural resources offers it an excellent opportunity for further growth.

Apart from Kochi, Kerala has a good number of moderately industrialized districts of which Palakkad is one district that has high concentration of industries and had the potential to transform itself into a major export hub.

B) District Economic and Industrial Landscape

Palakkad is one of the earliest district of Kerala. This district was created on 1957, soon after the formation of Kerala State. Palakkad district has a total area of 4480 sq. km.

The district is comprised of 6 Taluks. They are, Palakkad, Chittur, Alathur, Ottappalam, Mannarkkad, Pattambi.

C) Vision

Hon'ble Prime Minister in his Independence Day Speech on 15th August, 2019 had inter-alia, observed that each district of our country has potential equal to that of one country, Each district has its own unique specialities in terms of products and services which has potential in the global market. Each district has the potential to become Export hubs.

D) Goal

The goal of this District Export Plan (DEP) is to achieve Hon'ble Prime Minister's vision by undertaking steps and initiatives to convert Palakkad District into an Export Hub and to double the exports (baseline 2018-19) from the district within the next five years.

The District Export Committee, will act as one-point facilitator for export promotion at District level along with State Level Export Promotion Committee. And all the updates regarding District Export Plan will be updated to DGFT's online DEPC Progress Monitoring Portal.

E) Policy framework

The framework of DEP policy is based on Ministry of Commerce and Industry, Government of India's D.O. No. 01/36/218/01/AM-18/TC/Part-I/01 Letter dated 13.11.2019 mandating Regional Authorities of Directorate General of Foreign Trade (DGFT) to work with State Governments and District level officers 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 for fulfilling the goal mentioned above.

Accordingly, DGFT through its O.M dated 23.12.2019 has notified the action items along with timelines for developing Districts as Export Hubs, Apart from the action items, it also suggested composition of District Export Promotion Committee (DEPC) and terms of reference for plan of action for developing districts as export hubs. Subsequently, DEPC has to constituted and notified for all the districts in a State by the concerned State Government.

Government of Kerala, through its Notification No. GI/42/2020/ID dated 11.09.2020 notified composition of members of DEPC for fourteen districts in the State along with its potential products for exports. This G.O. also bestowed the power on DEPC to call for additional members and also to amend the list of potential products for export promotion. Members of DEPC for Palakkad District is as follows:

- | | | |
|--|---|-------------|
| ➤ The District Collector | - | Chairperson |
| ➤ Joint DGFT, Kochi | - | Co-Chair |
| ➤ General Manager District Industries Centre | - | Convener |
| ➤ Lead Bank Manager | - | Member |
| ➤ Representative from Department of MSME Government of India | - | Member |
| ➤ Representative from Rubber Board | - | Member |
| ➤ Representative from Local Trade /Commerce Association | - | Member |

It is stated that preliminary meeting of DEPC for Palakkad District has been conducted on 03.11.2020 at District Collectorate in Palakkad with participation of all the mentioned members along with the participation of exporter's fraternity from the district.

F) Brief Economic profile of the Districts

The district is strategically located as a Gateway to Kerala from the highly industrialized belt of Coimbatore district of Tamil Nadu and is well connected with Kochi Port and Cochin and Calicut airport.

The district is vibrant in terms of economic activity with steel and heavy engineering based industrial activities being the prominent ones. There are two Engineering Industrial Clusters in this district. One is at Kanjikode and another is at Kozhinjampara. Both together have more than 100 units producing heavy engineering, a few rubber based products, machinery etc.

North America and Middle East are the major markets where these products are exported. Besides, many units here supply to units located in Coimbatore, Chennai, Bangalore etc.

A few other units are scattered over in other parts of district like Shornur, Pattambi, Ottapalam, Chittur etc.

A few of the manufactures here in Palakkad may not be exporting directly, but are supplying to EOU s and other exporters of Cochin SEZ who are making value addition and are further exported. Hence they are an integral part of the global value chain.

Major Exporters who are based on Palakkad Districts are,

- (a) Paragon Steels
- (b) Patspin India Limited
- (c) Rubfila International Limited
- (d) Kairali Steels
- (e) St. Gobain Glasses

Baseline Export Figures

As per the available data sourced from Industrial associations, the export figures for 2018-19 are given below. (This is an approximate figure)

| Sl No | Product Category | Export Figures (in Rs. Crs.)/Month |
|--------------|----------------------|------------------------------------|
| 1 | Rubber Products | 2.57 |
| 2 | Engineering Products | 327.85 |
| 3 | Textile Products | 5.82 |
| 4 | Food Products | 2.07 |
| Total | | 338.31 |

Rupees Three Hundred Thirty Eight Crores and Thirty One Lakh

Besides direct exports, many units are supplying to EOUs, SEZ s, deemed exports etc as well.

Apart from a few numbers of MSMEs there is no large scale manufacturing units in this District.

G) Champion Sectors

Department of Commerce, Government of India in its "The States Export Booklet" (2018) has suggested the following parameters for identifying Champion Sectors in States:

- Sectors with high global demand
- Sectors currently contributing to significant share of State's export'
- Sectors where States show high competitiveness in domestic market
- Sectors with significant contribution in domestic market and trade value
- Sectors which can generate more employment
- Service Sectors that can promote Service exports

The above criteria's can be used for identifying Champion Sectors in a district too. Accordingly the following products have been identified as potential products for Palakkad District by Government of Kerala through its G.O. dated 11.09.2020:

- (a) Engineering Products
- (b) Steel Products

H) Issues which needs to be focused and Plan of Action-

1) Export linked Logistics Infrastructure

The nearest sea port available is Kochi port which is around 150 Km away from these units. Road connectivity is satisfactory with 4 lane roads up to Kochi and is suited for larger trucks and containers. However, there are a few points where Highways are congested and a few bridges where traffic, shows down due to heavy congestion.

However, 4 lining of the existing National Highway is from Palakkad to Calicut, which is another economic center, is also to be taken up.

DLEPC through the Office of District Collector will keep a close watch on the development of these key highways and will contribute to that effort if needed.

For Vegetable exporters, Freezer warehouse facility needed to be provided at Calicut Airport, DLEPC may take up this issue with Calicut Airport Officials and explore the possibility of setting up of the same.

2) Establishment of Engineering/Steel Park.

Almost all of engineering units are MSME and they are scattered all across district even though most of them are in Kanjikode area. In order to ensure economy and efficiency in the production line, Mega Engineering Parks with area of 50-100 acres if formed with facilities like plug and play, help to an advantageous economy of scale in production. This would also attract investment both domestic and foreign into the district.

Even though, a couple of Industrial Estates are already there in the District, they are not having enough space for future expansion and new investments. Therefore, it is advisable that a modernistic and greenfield Industrial Parks dedicated exclusively for Engineering industries may be set up, if established, this has the potential to become a successful model of clustering.

DLEPC shall engage with KINFRA and KSIDC in this regard and will solicit big investments in this cluster.

3) Issues relating to banks and other financial institutions.

Continuous availability of credit is the lifeline for any enterprise, There is a general grievance among the exporters that loans are not easily available to the MSMEs despite several schemes and initiatives taken by MSME, Government of India and District Industries Centre, Government of Kerala. There is also high cost attached to availability of credit for the exporters. DLEPC will closely engage with Lead banks to ensure the credit availability for the investors.

4) Focusing on Mango Export

Palakkad District has a good potential on export of Mangoes. There a few Mango orchards where good qualities of Mangoes are grown for export purposes.

DLEPC shall engage with APEDA, State Agriculture Department, and any other agencies to enhance the production and productivity of Mango farms and will ensure necessary logistical and other infrastructure to increase the exports.

5) Other Challenges -

Many SME units and entrepreneurs had issues related to getting approvals from Local Self-Government bodies relating to getting building permits and NOCs for starting their operations.

Many have problem relating to local people objecting the factory as they fear that it will create pollution related issues.

The way out for such issues is to encourage the investors to invest in dedicated industrial parks/estates rather than to build and isolated factory in populated areas.

DEPC may also issue suitable instructions to Local bodies in these matters and will also try to sensitize all the stakeholders to arrive at a win-win situation.

6) IT Parks

There no IT park in Palakkad. Since Palakkad is having good educational institutions like, IIT Palakkad, NSS Engineering College, and a dozen other Engineering Colleges in that region, there is a good amount of quality and skilled manpower available. However, enough number of startups and entrepreneurship is not visible in that part of the state.

Hence, it is essential that much more activities are to be initiated in this regard. Our target should be to have 100 Cr. It export by 2025 and reach 200 Cr export by 2030. To achive that, DLEPC may invite big IT players and MNCs to invest in these IT Parks besides promoting the local talents and entrepreneurship.

7) Ease of doing business

Currently there are numerous acts, laws, licenses that have to be followed or obtained by a manufacturer and these costs hugely in terms of time and money.

In order to ensure ease of doing business in the district, DLEPC will explore the possibility of a **Single Window Mechanism and Nodal Officer** to be put in place at the District Head Quarters for guiding and providing necessary clearance at all stages of production.

8) Skill gaps (Training and Capacity building)

There is a widening gap between the skills expected by the Champion Sectors of the district and the skills set available in the local market. This policy focuses in bridging the gap by providing training and capacity building to the labor force of all the identified Champion Sectors of the district, ie footwear sector.

The DEPC aims at conducting frequent training sessions in association with experts in local ITIs, polytechnics, other available resource persons, for the labor force employed in the industrial clusters in this district.

The DEPC aims at conducting regular capacity building sessions for entrepreneurs in terms of finding suitable markets for their unique products, packaging, sourcing resources from, IIT Palakkad, IIFT, Indian Institute of Packaging, IIM Calicut etc.

9) Ancillary Infrastructure (Testing facilities, Standards and Certification Labs, etc)

It has been assessed that there is no ancillary infrastructure for exports like testing facilities, certification labs, etc within Palakkad district. Testing facilities, etc are essential in establishing the superior quality of the products produced in this district and are mandatory requirements for exports. Its importance can be understood from the recent increase in the imposition of Non-Tariff Barriers by various countries across the world.

District MSME, Thrissur, shall be roped in to explore the possibilities of setting up common Testing Labs and Infrastructures etc. The opinion of the Local entrepreneurs is solicited in this regard.

I) Conclusion

The District Action Plan will be a dynamic document and will be reviewed and reworked as and when the new opportunities are coming across and new ideas are incorporated. This document also solicits and welcomes the input and ideas provided by the public at large and the stakeholders in particular.


General Manager