District Export Action Plan for District of Mayiladuthurai, Tamil Nadu

Introduction

Tamil Nadu, an export hub since Sangam Era, accounted for 9% of the national exports in FY 2020-21, with a major contribution from automobiles, textile, machinery, etc. The export basket of Tamil Nadu is highly diversified with the top 10 products contributing to 70% of the export share. Based on ITC Trade Map, Tamil Nadu has an estimated untapped export potential of Rs. 1.6 lakh crore (USD 22 billion) Unlocking the export market share in the Champion Sectors, where the State has a competitive edge, would have a larger economic benefit.

Export and Economy

Rising exports must be an integral component of India's development strategy, especially since exports constitute one of the four pillars-the other three being human resources, investments, and governance-upon which the country has traditionally relied on to accelerate its growth since the economic reforms of the 1990s. India's vision of becoming a USD5 trillion economy by 2024 and Tamil Nadu's cherished dream of a trillion USD economy are intricately linked with an export-oriented approach. Export promotion is beneficial at a national and State level. It creates employment, enhances labour productivity, leverages economies of scale, accelerates technological progress, generates greater capacity utilization, improves the allocation of scarce resources throughout the economy, eases the current account pressures for foreign capital goods by increasing the country's external earnings and attracting foreign investment, increases the total factor productivity, and consequently, the well-being of the country.

Policy formulation

India is regarded as the fastest growing economy globally, and export has become a crucial constituent for this growth. Export-oriented policies have enhanced innovation and have been instrumental in increasing the country's Foreign Direct Investment flows. It should be noted that National level export policy would not capture the complexities and the challenges faced by each state at the ground level. Export competence differs spatially across India; thus, export policies need to be more context-specific so that the state governments can identify the gaps and formulate a way forward to reduce such discrepancies. The growth-trajectory of our

economy would be incomplete without considering the export ecosystem at the state-level. For a country as vast and geographically diverse as India, the state of preparation to strengthen exports needs to be understood at the regional level; a policy measure at the national level will not suffice. Each state needs to have its own policy measure, and understand its unique strength and valuable resources, so that exports get a shot in the arm at the regional level. The strategies and action plans are to be drafted at district level.

Export Promotion Strategy

Tamil Nadu has drafted and released Tamil Nadu Export Promotion Strategy in 2021. The state provides land allotment for companies with a clear roadmap for Export based business. Along with this, there are sector-specific export plans for industries such as Automobiles, IT and Marine products. Finally, the state government provides financial aid to deserving exporters on the recommendation of Export Promotion Councils, to meet legal costs and other associated expenses.

District Export Promotion Committee

Tamil Nadu has constituted District Export Promotion Committees chaired by the District Collector, in all districts. The Government of Tamil Nadu in conjunction with the Government of India has identified products with higher export potential for each of the 38 districts in the State which shall be supported by a district-wise export plan. DEPC has to act as a one-point facilitator for export promotion at the district level along with the SEPC to convert the district into an Export Hub. It has to

- Prepare District Export Action Plan to avail support from the Department of Commerce/DGFT under the 'District as Export hub initiative'. The District level plans will also include a strategy to enhance logistics and infrastructure at the district level and better utilization of the Market Access Initiative (MAI) Scheme of the Department of Commerce for inviting foreign buyers under reverse buyer-seller meets at the district-level, suitably gathering district level commodity and services exports data including through GSTN and Customs ICEGATE System and publishing District Export Matrix for each district on a quarterly basis by the State Government.
- Ensure knowledge dissemination on periodic updates on regulations to exporters; conduct outreach programs targeted at the existing manufacturers

and niche exporters, to impart the training on the basics of export processes and procedures, identification of product segments and markets

- Constitute District level coordination committee to organize frequent stakeholder interactions with commodity boards/export councils to capture export-related issues and represent them to the State coordination committee
- Formulate of District export desk - District export desk shall organize frequent stakeholder interactions with commodity boards/export councils to capture export-related issues and represent them to the State coordination committee Export Promotion Agencies Export Councils Guidance DGFT SEPC/DEPC Testing & Certifications Export Inspection Agency NABL Financial Institutions EXIM Bank of India Chennai Customs& Taxes TNTDP Technology Promotion & Development Port related services& storage Major ports in State Railways Central & State warehousing corporation Maritime Board Tamil Nadu ICD,CFS Highways Department

District Export Action Plan

Accordingly, the detailed action plan is outlined for the district of Mayiladuthurai, as below, to harness and enhance the existing export potential in the district and to facilitate in a concerted manner, the promotion & growth of exports from the district.

District Profile:

MAYILADUTHURAI DISTRICT

Mayiladuthurai district was separated from Nagapattinam on 28.12.2020 by the honorable Chief Minister of Tamil Nadu. Spiritual Places Vaideeswaran Temple, Keezhaperumpallam, and Navagraha are very close to Mayiladuthurai city. Mayiladuthurai became a major railway junction when the Chennai-Tuticorin railway was laid in 1877.

Agriculture and fishing are the main occupations in the Mayiladuthurai district. There are 26 fishing villages in the Mayiladuthurai district including Palayar, Thirumullaivasal, Poompuhar, and Tharangambadi. Through these, several crores of rupees of fish are exported per day.

The total geographical area of the district is 1169.30 Sq.km accounting for 0.90% of the geographical area of the state. The district lies between 10.96° & 11.20° North latitude and between 79.50° & 79.85° East longitude and is bound on the North by kollidam river, East by Bay of Bengal, South by Karaikal district of UT of Puducherry & Thiruvarur district and West by Thanjavur District. The district falls under Eastern Coastal Plains & Hills of the agro climatic zones of the country and under cauvery delta agro climatic zones of the state. This district is situated in the deltaic region of the river Cauvery and criss-crossed by network of Irrigation canals. The ancient tourist places of Poombukar and Tharangambadi are also located here. It is also a spiritual district full of many temples including Shiva Temples and Divya Desams.

Population of the district is 9,18,356 numbers as per Census 2011. It comprising of 4,52,651 males and 4,65,705 females

Administrative Profile:

For revenue administration, the district has been divided into 02 revenue divisions Mayiladuthurai, sirkali and 04 revenue taluks Sirkali, Mayiladuthurai, Kuthalam, Tharangambadi covering 287 revenue villages. For Rural Development, the district has been divided into 05 community development blocks covering 241 village panchayats. There are 02 Municipalities and 04 Town Panchayats. There is 01 Loksabha Constituency and 03 state assembly constituencies.

To make the District Export Plan successful and to achieve its goal of understanding of the district's strengths, opportunities and export related Challenges. The following strength and challenges have been identified in the district:

Strengths and Opportunities:

1) Agriculture and Farm sector:

Agriculture is the main occupation in the district as 59.46% of its workforce is engaged into the activity. Major field crops grown are Paddy, pulses, groundnut, cotton, banana and gingelly. In this district, paddy is main crop which is being cultivated in more than 90% of the Net sown area and it was 3.42 lakh MT annual paddy grain production. Next to the paddy, cotton is cultivated around 4000ha. producing 17,200 bales, groundnut is produced around 3375 MT from 774ha. Of cultivation and pulses is produced around 21300 MT in this district. The district,

Mayiladuthurai has all along been one of the districts with a creditable performance in agricultural production with the farmers relatively more responsive and receptive to new technologies and also there is scope for setting up of processing industries from all agricultural crops. They also innovative in adopting modern technologies and High Yielding varieties.

2) Industry (Manufacturing & Service) :

There are totally 11748 registered industrial factory units as per UDYAM in Mayiladuthurai district. Number of MSME Association is 01, Manufacturing sector industries are 2540; Service sector industries are 9305; Trading sector industries are 1393. Mayiladuthurai continues to be predominately an agricultural district. There are around 07 large scale industries involved in Paddy hulling, white sugar manufacturing, steel manufacturing, electricity generation and LPG gas. About 04 modern rice mills with milling capacity of 400 MT/day run by Tamil Nadu Civil Supplies Corporation. Out of 05 blocks in this district 04 blocks have been declared as either industrially backward or most backward as such there is a great scope for the development of small scale industries in this district. There is one SIDCO industrial estates in this district, the details as below.

Sl. no	Name of the Estate &Location	Area in Acres	No.of Industries
1	SIDCO Industrial Estates, Kulichar, Mayiladuthurai	12.56	

There is one industrial Co-operative society for Bricks manufacturing at Elanthoppu, Thalaignayiru village and 03 MSE clusters functioning in this districts are Cane furniture & korai mat weaving at Thaikkal, kollidam; Fish pickles & dry fish processing at Tharangambadi and Coir yarn & de-fibering, malliyam and Thiruvelvikudi.

3) Forest resources:

The total forest cover of the undivided nagapattinam district is 15,919 ha. which constitutes 6.20% of the total geographical area. Total forest area is 1102 ha. which constitutes only 0.94% of the total area. Around 450 ha. Of land is under casuarina plantations cultivation of which can be promoted in more area.

4) Mineral resources:

The major portion of Mayiladuthurai district is covered by Cauvery alluvium and reported to have potential for mineral wealth. The important major mineral wealth of the district are as Crude oil (Oil & Natural Gas), Heavy mineral sand (Garnet, Iluminite, Rutile, Zircon, Monozite). In the district, crude oil exploration and exploitation (LPG Gas) work carried out by ONGC at kuttalam block.

(5)Fisheries production:

The fisheries sector plays an important role in the Mayiladuthurai district next to the agriculture sector. Of the 05 blocks in the district, 03 are coastal with a length of 70km as against the 1076 km coastal line of the state. There are 28 fishermen villages in the district with fisherfolk family of 9948 having population of 41,278. Snappers, groupers, croackers, carangids, silver bellies, soles, goat fishes and flying fishes are the major marine species of fish caught in the traditional and mechanized fishery sector. The district has 400 ha. of estuaries and brackish water area wherein shrimp farming is being practised. The estimated annual production under marine fish capture sector is 18,000 MT. This district has 01 major fishing harbour at Poompuhar and a medium size fishing harbour at pazhayar. Boat building yards are also there in the district. 24 fisherman societies, 22 fisherwomen societies and 02 inland societies are registered with the department.

(6) Potential Products for Export:

The State Government has notified the following products as the main products with export potential for the DEPC to patronize and promote as a part of the "Districts as Export Hubs" Program:

- Agro Food Processing
- Coir
- Marine Food Processing
- Cane furniture and mat
- Engineering

(7) Lack of exposure and export promotion:

Mayiladuthurai has many exportable products and resources. But the producers lack international exposure and marketing. The Agro based food products and marine based food Products from the district have international demand, but it is untapped and export promotion and exposure of the product is required. Similarly for coir and coir products, there is a potential demand in the international market which is still untapped by the farmers.

(8) Technology:

Though Mayiladuthurai has export potential for agro products and marine products, there is no sufficient value addition, with very minimal attention given to branding, packaging, standardization, etc., For value addition of agro products and marine products there is a need for more dissemination of technical know-how from research centres to field. Indian Institute of Food Processing Technology. Thanjavur has state-of-the-art technologies in the field of value addition, standardization, etc.,and Rajivegandhi centre for aquaculture (RGCA) implements schemes of MPEDA for the Research and Development of technologies for aquatic species having export potential and research programme conducted for improved and sustainable aquaculture.

Fish for All Research and Training centre of M.S.Swaminathan Research centre at Poompuhar was established to add valve to the marine products by adopting participatory approach. It also improves the socioeconomic condition of coastal fishing and farming communities.

There is need to transfer these technologies from the labs to farmers and agro producers. This is also the case for Marine products.

(9) Skill Deficiency:

There is urgent need to cultivate and enhance the international entrepreneurial skill among the businessmen, the farmers and Fisherman in the district, apart from helping them explore international markets. In addition, in order to compete globally in the agro and marine products sector, exporters need to be well informed about Sanitary and Phytosanitary (SPS) measures of various countries and

the Codex Alimentarius international food standards, guideline and codes of practices, etc.,

(10) Export linked Logistics Infrastucture:

The Infrastructure in the district is generally affected due to yearly occurrence of Natural disasters like Cyclone, floods, etc., Most of the exports from the district are exported through Chennai port & Karaikal port and there is heavy dependence of the road for transportation of the products.

Rail connectively between Mayiladuthurai and chennai needs to be improved and focused upon for easy transportation of bulk cargo.

District Export Action Plan For Mayiladuthurai:

The aim of the District Export promotion Program and it's action plan is to maximize export of the identified products from the District and to ensure that the bench mark set for export is achieved within the time period set for the purpose. The action plan would also work on minimizing and mitigating the challenges enlisted above in achieving their desired export potential and turnover. The objective of this District export promotion policy and action plan are:

To provide an improved frame work of support for the development of export for the identified sector products, to provide increased and. Accessible trade support services, to improve public and private dialogue for favoring the development of a District export culture, to thwart the threat posed to the export from the district. The long term objective of this District export promotion policy is to develop Mayiladuthurai District into becoming an export hub. To this extent, the DEPC, the central, the state government and the exporting community, at large have to actively participate in the program and work on a mission mode, so that targets are achieved and the district of Mayiladuthurai is turned into a hub for the exports in the next 5 year. As the first step in converting Mayiladuthurai into an Export Hub, the the District promotion committee has been formed and noticed by the government of Tamil nadu for the District.

Notification of the DEPC for Mayiladuthurai:

The government of Tamil Nadu (GoTN) through its G.O 16 dated 23- 01- 2020 and G.O (Ms) 29 dated 16- 03- 2020 of the Micro Small and Medium Enterprises Department , has notified the District Export promotion Committee in 38 District in

the state, along with the potential products for the exports. The G.O have also bestowed the power on the chairperson of the DEPCs to invite any other department representative or outside expert as a special invite for the meeting of the DEPCS and also to amend the list of potential products for export promotion. Members of the DEPC for the Mayiladuthurai District notified vide G.O (Ms). No 16 dated 23- 01-2020 has the following composition:

1. The District Collector, Mayiladuthurai – Chairperson
2. The office of the zonal Additional DGFT, Chennai - Co –Chairperson
3. General Manager, District Industries centre, Mayiladuthurai – Convener
4. Lead Bank Manager, Mayiladuthurai - Member
5. Representative, MSME, Chennai – Member
6. Representative, MPEDA – Member
7. Representative, Coir Board – Member
8. Representative, Director of Agriculture Marketing and Agri business Government of Tamil Nadu – Member
9. Representative, local chamber of commerce – Member
10. Representative, Department of Fishers, Government of Tamil Nadu- Member.

The Government of Tamil Nadu and notified the following products as having potential for the export in the district:

- Agro Food Processing
- Coir
- Marine Food Processing
- Cane furniture and mat
- Engineering

Creation of an online one stop portal- NIC, Mayiladuthurai:

In this digital era, creation of digital facilitation is essential the action plan envisages that the DEPC will create an online portal ,which will be a give one stop access to all the links for all the digital requirements and compliance for any exporter. The portal can also develop over the time to monitor the districts DEPC project and disseminate exporter data .NIC of District can be tasked with this project to be implemented in a year and report to the DEPC.

Training on value addition, for Agro Food products, -IIFPT Thanjavur:

Transfer of Technologies:

The action plan envisages taking necessary step to transfer these technologies from labs to the field by utilizing the existing skill development initiative of Government in coordination with IIFPT, Thanjavur. A sub group will study and evolve a program.

Training on value addition, for Marine products, -M.S.Swaminathan Reasearch Centre, Poompuhar:

It functions as a training cum demonstration centre for strengthening the livelihood of coastal population by incorporating new approach to add value to the marine foods suitable for commercialization and consumption.

Research and development Institute: Rajiv Gandhi Centre for Aquaculture (RGCA), Sirkazhi:

It is a society registered under TN societies act. It implements schemes of MPEDA specifically for the Research and development of technologies for aquatic species having export potential. Central Aquaculture Genetics Laboratory undertakes genetics research along with regular molecular genetics research for improved and sustainable aquaculture.

Road and Rail connectivity:

The existing road connectivity are not much sufficient for seamless moment of goods. Through this plan, widening the roads to nearest ports from all parts of the district. A sub group will be constituted to study and steer the road infrastructure initiatives..

Identifying new products for exports:

Through this action plan, DEPC will work to identify new potential products for value addition and exports in coordination with District Administration.

Conclusion:

The above District Export Action Plan for the district of Mayiladuthurai is not conclusive and is tentative. The District Export Promotion Committee has to adopt and finalize the plan after consultation with all stakeholders. The DEPC has the rights and powers to amend the District Export Action Plan according to the needs of the times and the prevailing contexts during the next 5 years. But the main focus will be to **double the exports from the district** and to facilitate the growth of the identified sectors in the in such a way that the new infant district of Mayiladuthurai moves towards SELF-RELIANCE and transforms itself into a HUB FOR EXPORTS from India.

General Manager,
District Industries Centre,
Mayiladuthurai.