



# **Micro, Small and Medium Enterprises Department**

**Policy Note  
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# **MICRO, SMALL AND MEDIUM ENTERPRISES DEPARTMENT**

## **Policy Note 2016-17**

### **1. Synopsis**

Worldwide, the Micro Small & Medium enterprises (MSMEs) have been accepted as the prime drivers for employment generation and GDP growth, besides contributing to the balanced regional development. Further, MSMEs contribute greatly to economic diversification, social stability, and play an important role in the economy of the country. The entrepreneurial spirit and innovative nature of these enterprises have been crucial in driving competitiveness in the economy. The Organization for Economic Co-operation and Development (OECD) reports that over 95% of the enterprises in the OECD region are MSMEs accounting for almost two-third of the private sector employment.

#### **1.1 Role of MSMEs in Indian Economy**

The role of Micro, Small and Medium enterprises (MSMEs) in the economic and social development of the

country is well established. As per the Report of the Working Group on Micro, Small and Medium Enterprises (MSMEs) Growth for 12th Five Year Plan (2012-2017), the sector accounts for 45% of the manufacturing output and 40% of total exports of the country. As per the Fourth All India Census of MSME, 2006, there are over 36 million MSMEs in India contributing 42% to India's manufacturing output, 40% to India's exports, and approximately 8% to India's GDP. Further, nearly 32% of the enterprises are engaged in manufacturing activities, while the remaining 68% are engaged in services. Over 6,000 products ranging from traditional to high-tech items are being manufactured by the MSMEs in the country. The labour to capital ratio in MSMEs and the overall growth in the sector is much higher than in the large industries. The geographic distribution of the MSMEs is also more even.

## **1.2 MSME Sector in Tamil Nadu**

There has been a phenomenal growth of MSMEs in Tamil Nadu. The sector produces a wide variety of products in almost all fields, the prominent among them are the Textile, electronic products, engineering products,

auto ancillaries, leather products, chemicals, plastics, garments jewellery etc.

There are 12.94 Lakh registered number of units in the State, providing an employment opportunities to about 80.81 Lakh persons. Since 2007-08 around 7.22 Lakh Entrepreneurs have filed EM Acknowledgement Part-II, providing Employment opportunities to about 41.41 Lakh persons with total investments Rs.1,09,074.17 Crore.

Consequent to the introduction of UDYOG AADHAAR MEMORANDUM (UAM) by the Ministry of Micro Small & Medium Enterprises GOI, Tamil Nadu started the UAM implementation w.e.f 21.1.2016. As on 31.3.2016, 41,656 UAMs have been filed in Tamilnadu, comprising of 35,487 Micro enterprises and 6,012 Small Enterprises and 157 Medium Enterprises providing Employment to 2,96,687 with total investment of Rs.6,218.69 Crore. Details are given in **Annexure 1.1**.

## **1.3 New initiatives to reinvigorate MSMEs in Tamil Nadu**

### **1.3.1 New MSME Policy**

New MSME Policy – In accordance with the Hon'ble Chief Minister's announcement on the floor of Tamil Nadu Legislative Assembly under rule 110, a new MSME Policy is being formulated in order to make Tamil Nadu as a frontrunner for Micro, Small and Medium Enterprises. Orders have been issued in G.O. (Ms) No.42, Micro, Small and Medium Enterprises (B) Department, dated 27.10.2015 and the new draft policy is under discussion with stakeholders and shall be announced soon.

### **1.3.2 Revamping and Restructuring of the Commissionerate of Industries and Commerce**

To meet the challenges of MSMEs in the present industrial scenario, the Commissionerate of Industries and Commerce will be revamped and restructured with the revision of its mandate so as to place renewed focus on MSMEs.

With a view to equip stakeholders with knowledge and expertise on par with the desired standards so as to

render useful services to the MSMEs in the present changing environment, these capacity of the Stakeholders will be enhanced on a sustainable basis.

### **1.3.3 Development of Single Window Portal**

Government have issued orders to develop a Single Window Portal to enable the MSMEs to file their application online to get various clearances/ permissions/ licenses under a Single Window for establishing their enterprise in the State vide G.O.(Ms) No.13, MSME (D2) Department, dated 16.2.2016. Further, in G.O., Government have ordered for simplification of applications to be submitted for getting various clearances under Single Window and constitution of State Level Single Window Committee under the Chairmanship of Principal Secretary to Government, MSME Department.

### **1.3.4 State Industries Centre**

Government has issued orders in G.O.(D) No. 19 MSME Department dated 4.2.2016 for establishing State Industries Centre, at Guindy, Chennai at a cost of Rs.5.16 Lakh to assist entrepreneurs including foreign

and other State entrepreneurs by providing information on Government Schemes, infrastructure etc., at State level.

### **1.3.5 Special Initiatives for tea Value Added Products**

It has been proposed to produce tea value added products in Kaikatty Indico Tea Factory and Mahalinga India Tea Factory, the Nilgiris District with a technical assistance from Institute of Himalayan Bio Resources Technology (IHBT), Palampur, Himachal Pradesh.

## **1.4 Definition of MSME**

The classification of Micro, Small and Medium Enterprises is defined under the MSMED Act 2006. The enterprises are classified in Manufacturing and Service enterprises, based on the investment in plant and machinery (excluding land and building) the classification of Micro, Small and Medium Enterprises is given below:-

<b>Manufacturing Enterprises</b>	<b>Investment Level</b>	<b>Service Enterprises</b>	<b>Investment Level</b>
Micro	Upto Rs.25 Lakh	Micro	Upto Rs.10 Lakh
Small	Above Rs.25 Lakh to Upto Rs.5 Crore	Small	Above Rs.10 Lakh and Upto Rs.2 Crore
Medium	Above Rs.5 Crore to Upto Rs.10 Crore	Medium	Above Rs.2 Crore and Upto Rs.5 Crore



## **1.5 Micro, Small and Medium Enterprises Department**

This Department has the following major organizations under its ambit.

- a. The Commissionerate of Industries and Commerce
- b. The Tamil Nadu Small Industries Development Corporation Limited (TANSIDCO)
- c. The Tamil Nadu Small Industries Corporation Limited (TANSI)
- d. The Entrepreneurship Development Institute (EDI)
- e. Co-operative Sector Institutions like Tamil Nadu Industrial Co-operative Bank (TAICO) /Indcoserve/ Sagoserve

## **2. The Commissionerate of Industries and Commerce**

The Commissionerate of Industries and Commerce governs the development of industries in general and Micro, Small and Medium Enterprises in particular. The District Industries Centres (DICs) in the 32 Districts come under the control of this Commissionerate. District Industries Centre offices in

districts give support facilities for starting and sustaining Industrial Enterprises by providing a variety of services to the entrepreneurs like identification of viable activities, preparation of project profiles, obtaining financial assistance from various banks/financial institutions, statutory clearances from Government Departments, sanction and disbursement of eligible subsidies and obtaining payments in delayed cases.

## **2.1 Filing of Udyog Aadhaar Memorandum**

In order to achieve the objective of Ease of Doing Business, GOI introduced the filing of Udyog Aadhaar Memorandum (UAM) registration process. The Government of India in exercise of the powers conferred in subsection (2) of section 8 of the MSMED Act 2006, and in supersession of the notification number S.O. 1643(E) dated the 29.9.2006, specified that every Micro Small & Medium Enterprise shall file Udyog Aadhaar Memorandum in the form appended to the notification 18.09.2015 and follow the procedure for filing the UAM. There shall be no fee for filing of the Udyog Aadhaar Memorandum.

The Udyog Aadhaar Memorandum (UAM) can be filed online in the URL <http://udyogaadhaar.gov.in> in the Udyog Aadhaar portal maintained by the Ministry of MSME, by every MSME, but in exceptional cases, where online filing is not possible, by a hard copy, to the concerned DIC, which shall file the UAM Online for such enterprise on its behalf. The UAM Number so generated will be mailed to the enterprise as provided in the UAM.

The existing enterprises, who have filed EM Part-I or EM Part-II or both or the holders of SSI registration prior to the MSMED Act 2006, shall not be required to file UAM, but if they so desire, they may also file the Udyog Aadhaar Memorandum.

In the Udyog Aadhaar Memorandum (UAM), the Aadhaar Number shall be of the proprietor in case of Proprietary concern, the managing partner in case of partnership concern and of the authorised person in case of other forms of enterprises. The Udyog Aadhaar Memorandum shall be filed on self declaration basis and there is no supporting document to be uploaded for filing of the UAM. There shall be no restriction on filing more than one UAM in the same number.

## Classification of UAM for MSMEs

Enterprises	UAM Category	Type	Investment in plant & machinery/equipment
Micro Enterprises	A	Manufacturing	Does not exceed Rs.25 lakh
	D	Service	Does not exceed Rs.10 lakh
Small Enterprises	B	Manufacturing	More than Rs.25 Lakh but does not exceed Rs.5 crore
	E	Service	More than Rs.10 lakh but does not exceed Rs.2 crore
Medium Enterprises	C	Manufacturing	More than Rs.5 Crore but does not exceed Rs.10 Crore
	F	Service	More than Rs.2 crore but does not exceed Rs.5 crore

There has been good response to it and 41,656 UAMs have been filed during last year.

### 2.2 MSME Support Schemes

The following incentives are being extended to micro, small and medium enterprises in the State:

## 2.2.1 Capital Subsidy

- 25% capital subsidy on the value of eligible plant and machinery, subject to a maximum of Rs.30 lakh.
- **Additional capital subsidy for enterprises set up by Women / Scheduled Caste / Scheduled Tribe / Physically Handicapped and Transgender Entrepreneurs** at the rate of 5% on the value of eligible plant and machinery, subject to a maximum of Rs.2 lakh.
- Additional capital subsidy for promotion of cleaner and environment friendly technologies at the rate of 25% on the value of eligible plant and machinery/ equipment subject to a maximum of Rs.3 lakh.
- Employment Intensive Subsidy at the rate of 5% on the value of eligible plant and machinery, subject to a maximum of Rs.5 lakh.

## Eligibility Criteria

- All new Micro manufacturing enterprises established anywhere in the State

- All new Small and Medium enterprises under following 13 thrust sectors established anywhere in the State excluding additional capital subsidy and employment generation subsidy.
  - Electrical and electronic products
  - Leather and leather goods
  - Auto parts and components
  - Drugs and pharmaceuticals
  - Solar energy equipment
  - Gold and diamond jewellery for exports
  - Pollution control equipments
  - Sports goods and accessories
  - Cost effective building material
  - Readymade garments
  - Food processing
  - Plastic
  - Rubber products
  
- All new Small and Medium manufacturing enterprises established in all the 251 industrially backward blocks

- All New Agro based Small and Medium manufacturing enterprises established in all the 385 blocks of the state
- Existing Manufacturing Enterprises of the above categories which have taken up substantial expansion / diversification of the existing activities.
- Capital Subsidy was given to 7,195 beneficiaries from 2011-12 to 2015-16 to the tune of Rs.33,000 Lakh. The achievement during 2015-16 is Rs.8,000 Lakh for 1,265 beneficiaries (Annexure 2.1).

### **2.2.2 Low Tension Power Tariff Subsidy**

20% low tension power tariff subsidy (LTPT) for 36 months from the date of commencement of production or from the date of power connection whichever is later.

#### **Eligibility Criteria**

- All New Micro manufacturing enterprises established anywhere in the State

- All New Agro based Micro, Small and Medium manufacturing enterprises established in all the 385 blocks of the State
- All New Small and Medium manufacturing enterprises established in all the 251 industrially backward blocks.
- Existing Manufacturing Enterprises of the above categories which have taken up substantial expansion / diversification of the existing activities.
- LTPT Subsidy was given to 5,780 beneficiaries from 2011-12 to 2015-16 for Rs.3,000.00 Lakh. The achievement during 2015-16, is Rs.600.00 Lakh for 1,004 beneficiaries (**Annexure 2.2.**)

### **2.2.3 Value Added Tax Subsidy**

100% subsidy is provided on the net value of Value Added Tax (VAT) paid by the Micro Entreprises for the first 6 years after commencement of production up to the value of investment made in eligible plant and machinery.



## **Eligibility Criteria**

Micro manufacturing enterprises established anywhere in the State.

VAT Subsidy was given to 1,532 beneficiaries from 2011-12 to 2015-16 for Rs.1,650.00 Lakh. The achievement during 2015-16 is Rs.350 Lakh for 367 beneficiaries(**Annexure 2.3**).

### **2.2.4 Generator Subsidy**

Micro, Small and Medium manufacturing enterprises established anywhere in the State are eligible for a subsidy of 25% on the cost of Generator set purchased (upto 320 KVA capacity), subject to a maximum amount of Rs. 5 Lakh.

Generator Subsidy was given to 7813 beneficiaries from 2011-12 to 2015-16 for Rs.8,948.09 Lakh. The achievement during 2015-16 is Rs.4,200 Lakh for 3,625 beneficiaries (**Annexure 2.4**).

## **2.2.5 Back-ended Interest Subsidy**

Back-ended interest subsidy at the rate of 3% of interest on term loan subject to a maximum of Rs.10 Lakh for a period of 5 years to Micro, Small and Medium Manufacturing Enterprises for term loans up to Rs.1 Crore obtained for Technology up-gradation / modernization and Credit Guarantee Fund Trust Scheme (CGFTS).

Micro and Small Enterprises who have availed term loan under Technology up gradation/ modernization schemes, National Equity Fund Scheme (Renamed as Micro / Small Enterprises Funding Scheme), Scheme for ISO Certification / Research & Development under NSIC–SIDCO Consortium and Credit Guarantee Fund Trust Scheme are also eligible for 3% Back Ended Interest Subsidy (BEIS)

- (a) BEIS for Technology Upgradation/ Modernisation was given to 383 beneficiaries from 2011-12 to 2015-16 for Rs.418.35 Lakh. The achievement during 2015-16 is Rs.30.00 Lakh for 37 beneficiaries. Details are given in **Annexure 2.5.**

(b) BEIS for Credit Guarantee Fund Scheme was given to 186 beneficiaries from 2011-12 to 2015-16 for Rs. 54.62 Lakh. The achievement during 2015-16 is Rs.10 Lakh for 51 beneficiaries(Annexure 2.5).

### **2.3 Unemployed Youth Employment Generation Programme ( UYEGP)**

With a view to create employment opportunities to the marginalized sections of society, the State Government has implemented the Unemployed Youth Employment Generation Programme (UYEGP). This scheme is applicable to Manufacturing / Service / Business enterprises upto the maximum of Rs. 5 lakh / Rs. 3 lakh / Rs. 1 lakh respectively. Subsidy assistance from the State Government upto 25% of the project cost is provided under this scheme.

#### **Eligibility**

Minimum age limit	18 years completed
Upper age limit	35 years for General category, 45 years for Special Category comprising SC / ST / BC / MBC / Minority / Women / Ex-servicemen / Differently abled / Transgender
Educational qualification	Pass in VIII Standard

UYEGP subsidy was given to 23,301 beneficiaries from 2011-12 to 2015-16 for Rs. 9,388.50 Lakh. During 2015-16, Rs.3,285.13 Lakh have been disbursed to 5616 beneficiaries as subsidy (**Annexure 2.6**).

#### **2.4 New Entrepreneur-cum-Enterprise Development Scheme (NEEDS)**

“New Entrepreneur-cum-Enterprise Development Scheme (NEEDS)” is the flagship programme of the State Government launched by the Hon’ble Chief Minister on 20<sup>th</sup> February 2013 with a view to assist educated youth to become first generation entrepreneurs. The Scheme envisages entrepreneurship development training to educated young entrepreneurs, preparation of business plans and helping them to tie up with financial institutions to set up new business ventures, besides linking them with major industrial clients.

To set up manufacturing and service projects, a capital subsidy at the rate of 25% of the project cost (not exceeding Rs.25 Lakh), is given along with 3% interest subvention on term loan by the Government. The minimum project cost has to be above Rs.5.00 Lakh.

Promoter's contribution should be 10% of the project cost for general category and 5% for special category.

The eligibility norms are given as below.

Age	21 to 35 years for General Category and 21 to 45 years for Special Category
Educational Qualification	Should possess either Degree / Diploma / ITI / Vocational Training from recognized Institutions.
	The Beneficiary must be a First Generation Entrepreneur.

NEEDS subsidy was given to 1,431 beneficiaries from 2012-13 to 2015-16 for Rs.11,995.22 Lakh. The achievement during 2015-16 is Rs.4,280.52 Lakh for 585 beneficiaries (**Annexure 2.7**).

## **2.5 Schemes for Technology Development**

Government provides assistance to MSMEs for technology development through following schemes:-

- ❖ 50% subsidy on the cost of filing a patent *application subject to a maximum of Rs.2.00 Lakh per application.*

- ❖ 50% of the cost of the application for trade mark registration or Rs.25,000/- whichever is less.
- ❖ Establishment of industrial clusters and mini tool rooms under the Public Private Partnership mode by providing 25% of the total project cost subject to a maximum of Rs.1.00 crore as assistance.
- ❖ Creation of a Technology Development Fund for evolving cleaner / energy efficient / IT enabled technologies.
- ❖ Assistance for creation of Centres of Excellence and Technology Business Incubators for introduction of new production techniques and design development to the tune of Rs.50.00 lakh per incubator / centre of excellence.

## **2.6 Prime Ministers' Employment Generation Programme (PMEGP)**

Prime Minister's Employment Generation Programme (PMEGP) is a Government of India's Scheme with effect from 2008-09. The maximum cost of the project admissible under manufacturing sector is Rs.25 Lakh and under service sector is Rs.10 Lakh. The beneficiary has to contribute 10% of the project cost under General Category and 5% of the project cost under

Special Category (SC / ST / OBC / Minorities / Women, Ex-servicemen, Differently abled persons, North- Eastern Regions, Hill and Border areas, etc). The balance amount of total project cost will be provided by Banks as term loan. Government of India provides subsidy to the beneficiaries as shown below:

Categories of beneficiaries under PMEGP	Rate of Subsidy	
	Urban	Rural
General Category	15%	25%
Special (including SC/ST/OBC/ Minorities/Women,Ex-Servicemen, Differently abled North-Eastern Regions, Hill and Border areas etc)	25%	35%

PMEGP Margin Money subsidy was given to 6,258 beneficiaries from 2011-12 to 2015-16 for Rs.12,614.69 Lakh. During 2015-16, Rs.2,252.66 Lakh have been disbursed to 1,090 beneficiaries through District Industries Centres as Margin Money Subsidy **(Annexure 2.8)**.

## **2.7 Marketing Support**

The following marketing support is extended by Government to Micro and Small manufacturing enterprises:

- Exemption of Earnest Money Deposit for participation in tenders
- Granting 50% of hall rent as subsidy for participation in exhibitions within the State and in other States by MSME Associations
- Extending support for marketing under a common banner or brand name

## **2.8 District Enterprises Development Consultative Committee**

Tamil Nadu Government supports the entrepreneur who comes forward to set up an enterprise by getting various license/approval from various departments under existing Single Window Clearance Committee.

In order to further streamline the process and to strengthen the existing Single Window Clearance Committee, Government have constituted District Enterprises Development Consultative Committee. All the



applications from Micro, Small and Medium Enterprises for issue of various clearances / licenses for proposed Industrial units should be submitted to the General Manager, District Industries Centre in the prescribed common application form. If the licenses / clearances are not issued to the industrial units within the prescribed time limit of maximum 60 days by the concerned departments, such cases will be placed before the ensuing meeting of the District Enterprises Development Consultative Committee for speedy disposal of the applications. Out of the 781 applications received, 686 applications have been disposed off during 2015-16.

## **2.9 Rehabilitation of Sick Micro, Small and Medium Enterprises**

The Micro, Small and Medium Enterprises, which are certified as sick in the district level declaration committee, are assisted for rehabilitation based on the diagnosis study of the sick enterprise, and subsequent scrutiny of the above study report by a sub-committee of the State Level Inter-Institutional Committee (SLIIC) constituted by the Reserve Bank of India. The SLIIC is chaired by the Secretary, Micro, Small and Medium Enterprises Department for rendering assistance under

sick rehabilitation, which meets on quarterly basis. The Reserve Bank of India does the study on viability of sick units and the Banks provide financial assistance wherever possible along with other hand-holding steps like counselling the borrowers, analyzing the problems faced by the units etc.

The State Level Rehabilitation Committee (SLRC) under the Chairmanship of the Secretary to Government, Micro, Small and Medium Enterprises Department looks into the problems and the extent of sickness of MSMEs so as to suggest measures for their rehabilitation. The Committee meets on quarterly basis to review and monitor the implementation of the Rehabilitation of sick MSMEs in the State.

## **2.10 Credit Flow to Micro, Small and Medium Enterprises (MSME) Sector**

The MSME units were given advances from April 2015 to September 2015 is Rs.25,527.66 crore. The share of advance to Micro Enterprises to total MSME upto September 2015 is 41.10%. The share of advances

to Micro Enterprises in total advances is 6.70% against the targeted level of 7% as per revised guidelines.

## **2.11 Micro and Small Enterprises Facilitation Councils**

One of the objective of the MSMED Act 2006, is to facilitate speedy settlement of the delayed payments to MSEs on goods supplied to major organizations. Accordingly, the Government have constituted four Regional Micro and Small Enterprises Facilitation Councils at Chennai, Tiruchirappalli, Madurai and Coimbatore.

In the financial year 2015-16 (up to 31.03.2016), 9 MSEFC sittings were conducted and an amount of Rs.78.57 Lakh has been realised by 12 Micro and Small Enterprises.

Under MSE-FC, in 104 sittings, an amount of Rs.1,499.53 Lakh has been settled for 272 cases from 2011-12 to 2015-16. **(Annexure 2.9)**

## **2.12 Testing Services**

The following centres provide various testing services to enterprises as per their need for testing & certification.

- (i) Central Electrical Testing Laboratory, Kakkalur, Thiruvallur District
- (ii) Chemical Testing and Analytical Laboratory, Guindy and Regional Testing Laboratories at Madurai, Coimbatore, Salem and Thoothukudi.

## **2.13 Training Institute**

The following institutes provide diploma courses for improving the technical skills in relevant field.

### **2.13.1 Government Technical Training Centre, Guindy, Chennai**

The Government Technical Training Centre was established during 1962 at Guindy, Chennai and is functioning for more than 50 years. The Institute offers following diploma courses for three years period.

1. DME (Tool & Die)
2. DME (Refrigeration & Air-conditioning)

These courses are conducted with approval of AICTE and the institution is giving admission for around 140 students in Diploma Engineering every year. A new building is under construction at a cost of Rs.7.02 crore as per the announcement made by Hon'ble Chief Minister. The new building construction is nearing completion.

### **2.13.2 Institute of Tool Engineering, Dindigul**

The Institute of Tool Engineering, Dindigul was established in 1961 and offers 3 year Diploma in Tool & Die Course which is approved by the AICTE. The institute is giving admission for 54 students in Diploma Engineering every year.

### **2.13.3 Institute of Ceramic Technology, Vridhachalam**

The Institute of ceramic technology Virdhachalam offers 3½ years Diploma course in Ceramic Technology. This institute is affiliated to the Directorate of Technical Education and approved by All India Council for Technical Education (AICTE). Every year 50 students

with qualification of pass in 10<sup>th</sup> standard are admitted in the first year. 10 students passed in 12<sup>th</sup> standard are admitted in the second year as lateral entry.

#### **2.13.4 Government Scientific Glass Training Centre, Coimbatore**

The Government scientific Glass Training Centre Coimbatore imparts one year practical Training programme and two months short term skill development Training Course in the manufacture of scientific Glass Apparatus .

#### **2.14 Government Production Centre for Scientific Glass Apparatus, Coimbatore**

Government Production Centre for Scientific Glass Apparatus, Coimbatore is functioning for the past four decades. This unit is engaged in the manufacture of Scientific Glass Apparatus to cater the needs of glassware's for laboratories functioning under Agriculture Department, Health Department and Forensic Science Department.

## **2.15 Government Industrial Estates**

### **2.15.1 Ceramic Industrial Estate at Vridhachalam**

A Ceramic Industrial Estate was established by the Government at Vridhachalam exclusively for encouraging growth of Ceramic Industries. There are 64 industrial sheds located in this estate. Industries in this Industrial Estates are engaged in the manufacture of L.T. Insulators, Ceramic Toys, Refractories and other ceramic products.

### **2.15.2 Electrical and Electronic Industrial Estates**

There are eight exclusive Industrial estates for Electrical and Electronic industries consisting of 517 Developed Plots and 140 Sheds. These industrial estates are located at Thiruvanmiyur (Chennai District), Perungudi (Kancheepuram District), Kakkalur (Thiruvallur District), Kappalur (Madurai District), Suramangalam (Salem District), Kalapatti (Coimbatore District), Hosur (Krishnagiri District) and Thuvakudi (Tiruchirappalli District).

## **2.16 Awards for entrepreneurs and banks**

The Government of Tamil Nadu is giving Awards for the best efforts of the entrepreneurs at state level/District level and also to the bankers – as a motivation for the promotion of MSME sector as below:-

- ❖ State Level Award for Best Entrepreneur  
Rs.50,000/- cash prize and Memento, worth Rs.10,000/-
- ❖ State Level Award for Agro Based Industries  
Rs.50,000/- cash prize and Memento, worth Rs.10,000/-
- ❖ State Level Award for Quality and Export  
Rs.50,000/- cash prize and Memento, worth Rs.10,000/-
- ❖ State Level Award for Best women Entrepreneur  
Rs.50,000/- cash prize and Memento, worth Rs.10,000/-
- ❖ District Level Award for Best Entrepreneur; a Memento only, worth Rs.10,000/- for each District.



## **Awards to Bank:**

1<sup>st</sup> Prize Memento worth Rs. 30,000/-

2<sup>nd</sup> Prize Memento worth Rs. 20,000/-

3<sup>rd</sup> Prize Memento worth Rs. 15,000/-

## **2.17 Global Investors Meet – 2015**

During the Global Investors Meet held on 9th and 10th September 2015 under the chairmanship of Hon'ble Chief Minister of Tamil Nadu, MoUs have been signed for an investment of Rs.16,532.67 Crore, by 10,073 MSMEs. The Government of Tamil Nadu is committed to facilitate the entrepreneurs who have signed MoU in obtaining financial assistance, obtaining statutory clearances from the concerned Government Departments, providing eligible incentives etc., for setting up of their enterprises. Accordingly, the Government have issued necessary orders to get all the statutory clearances within 30 days from the date of application, by the MoU signed MSMEs, to the Single Window Clearance.

As on 31.7.2016, 3,228 MoUs signed enterprises have commenced production with an investment of

Rs.2,951.03 Crore, creating an employment of 37,315 persons.

## **2.18 Flood Relief to MSMEs**

The unprecedented rains during November and December 2015 have caused damages and losses to MSMEs also. In the G.O.(Ms) No.436 Revenue (DM II) Department dated 20.12.2015 Government have declared the State of Tamil Nadu as flood affected. Accordingly, Government advised the banks including Co-operative credit institution in the state to extend various reliefs and concessions to flood affected farmers, families and industries including medium, small scale and micro enterprises in the state as per the RBI Guidelines in force.

6,917 loans for a sum of Rs.485.82 crore have been re-phased and 39,771 fresh loans for a sum of Rs.742.88 crore have been sanctioned to flood affected MSMEs in the State. About 6,206 claims of the flood affected MSMEs were settled to the tune of Rs.150.43 crore by the insurance companies.

Based on the announcement made by the Hon'ble Chief Minister, the Government have issued G.O.Ms.No.19 MSME(D2) Department, dated 2.3.2016, sanctioning the following relief package to flood affected MSMEs:

- Interest subvention @ 3% for one year on the rescheduled term loan extended.
- Reimbursement of the stamp duty and registration fees paid by the flood affected MSMEs while mortgaging their property for re-schedulement of bank loan / new loan.

## **2.19 Industrial Cooperative Societies**

Industrial Cooperative Societies were established with the principal object of producing articles or finished goods through or with the help of its members or the provision of service facilities to its members who are artisans, labourers, technicians or small producers. The most prominent among them are Indcoserve, Sagoserve, Teaserve etc. To provide adequate financial linkages to this sector, an exclusive financial institution was formed which is known as TAICO Bank. In addition to this,

Industrial Cooperative Societies have also been organized under other trades including Coir, Metal, Printing, Handicrafts. Tailoring, Engineering, Auto and Taxi, Labour Contract, etc., At present, there are 314 Industrial Cooperative Societies functioning under this Department. These societies have made sales turnover of Rs.774.04 Crore and earned a total profit of Rs. 22.19 Crore during 2015-2016.

## **2.20 Indcoserve**

The Tamil Nadu Small Tea Growers Industrial Cooperative Tea Factories Federation popularly known as Indcoserve was established in 1965 at Coonoor. This apex organisation was established to help its member factories by way of coordinating their activities in all matters. This organisation provides various services to the Industrial Cooperative Tea Factories like warehousing facilities, supply of inputs and marketing of their teas etc. During 2015-2016, Indcoserve made a sales turnover of Rs.45.68 Crore by way of selling 3,650 MTs of Ooty Tea and earned a net profit of Rs.3.98 Crore.

At present, 15 Industrial Cooperative Tea Factories are functioning in Nilgiris District with a

membership of 24,935. The total installed annual production capacity of 196 lakh kgs contribute 17% of total production of tea in the State.

Hon'ble Chief Minister announced the setting up of a new Industrial Cooperative Tea Factory at Nanjanad at a total cost of Rs.5 Crore. The Government have released Rs.2 Crore as its share towards the cost of the project. Similarly, the NABARD sanctioned its financial assistance including grant for a total amount of Rs.2.50 Crore. Works are nearing completion.

### **2.20.1 Scheme of Price Stabilization Fund**

The tea market sometimes faces high fluctuations in tea prices as a result of which some of the Industrial Cooperative Tea Factories are incurring losses every month which in turn affected them in paying reasonable price for green leaf supplied by their member growers. In order to overcome this, Price Stabilization Fund has been created by Government, with an initial corpus of Rs.12 Crore with contribution of Rs.4 crore by Indcoserve and Government contribution of Rs.8 crore as one time non-recurring grant for the year 2014-15.

To help the small producers in tea sector the following steps have been taken.

### **2.20.2 Upgradation of Green Leaf Weighing System**

In order to provide a fair, transparent and better green leaf collection and accounting system, all Industrial Cooperative Tea Factories have been provided 200 Digital Green Leaf Weighing Scales at a total cost of Rs.113 Lakh granted by the Government during 2013-14 and 2014-15.

### **2.20.3 Energy Conservation Measures**

The Government has released Rs.105.00 lakh in two phases towards implementation of Energy conservation scheme by way of purchase and installation of energy conservation equipments in Industrial Cooperative Tea Factories.

### **2.21 Teaserve**

The Tea Manufacturers Service Industrial Cooperative Society called Teaserve is the first Electronic Tea Auction Centre established in the country at Coonoor. It was registered in 2002 and commenced its

operation during 2003. The Industrial Cooperative Tea Factories, Private Bought Leaf Factories & Estate Tea Factories and Tantea are its members. The main object of Teaserve is to provide transparency in sale of tea in the auction centre and thereby ensuring better prices to the tea manufacturers / tea producers. During 2015-16, Teaserve made a sales of 154.54 MTs of made tea through its auction centres valuing Rs.97.20 crore and earned a net profit of Rs.5.20 lakh.

## **2.22 Sagoserve**

The Salem Starch and Sago Manufacturers Service Industrial Cooperative Society known as Sagoserve was established in 1981 at Salem with the objective of helping Sago and Starch manufacturers of Tapioca growing districts by way of marketing their products thereby ensure fair and remunerative prices for them. Before its formation, the Sago and Starch manufacturers especially small scale units suffered in the hands of middlemen who exploited them in the absence of organised marketing. To ameliorate their sufferings in marketing their products, the Sagoserve was established. Besides marketing its member products, it also arranges

financial assistance and extends warehousing facilities to them. During 2015-16, Sagoserve made sales turnover of Rs.315.51 crore by way of selling 12,47,134 bags and earned a net profit of Rs.3.06 crore.

### **2.23 Tamil Nadu Industrial Co-operative Bank (TAICO Bank)**

In the early sixties, the Industrial Cooperative Societies faced many hindrances in obtaining financial assistance even for their day to day affairs. With a view to mitigate such problems, the Tamil Nadu Industrial Cooperative Bank popularly known as TAICO Bank was established in 1961. Originally it was started with the objective of providing financial assistance to Industrial Cooperative Societies in the State. It has subsequently extended its banking services to other sectors also. It is now extending loans to the individuals also. It also accepts deposits from the public and operates current accounts and savings account. It participates in the credit related schemes of all Government departments. With the share capital of Rs.827.41 Lakh including the Government share of Rs.468.30 Lakh, the Bank has enrolled 418 societies as its members. Having Head office at Chennai, the Bank has a network of 44 branches



through the State. It has constructed its own building for Sattur and Ambattur Branches during the year 2015-16. The Ambattur and Sattur Branches which were inaugurated by Hon'ble Chief Minister on 8.2.2016, are functioning in the new building.

## **2.24 Coir Industrial Cooperative Societies**

An apex cooperative society, namely the Tamil Nadu State Coir Cooperative Marketing Federation (TANCOFED) has been established with its Headquarters at Chennai to cater to the needs of its member societies besides marketing their products. There are 66 coir societies functioning under cooperative sector with the share capital of Rs.308.55 lakh including Government share of Rs.266.96 lakh. This sector provides employment to more than 10,951 member workers out of which 80% are women members.

The Market Development Assistance (MDA) scheme was introduced by the Coir Board during 2000-2001 to promote the sale of coir and coir products manufactured by the coir cooperatives and committed to payment of minimum wages and other obligatory benefits

to coir workers thereby encouraging sustained production and better employment opportunities.

## **2.25 Other Cooperative Societies**

In order to provide continuous employment, many other societies were organised by this Department in various trades like brick manufacturing, polythene manufacturing, auto services, printing services, labour contract, handicrafts, tailoring, engineering etc. Through these societies, sustained employment is provided to marginalized sector workers in the State. With the formation of these societies, the skilled and semi-skilled workers are not only able to get regular and continued employment but also to avail full statutory benefits entitled for them.

## **2.26 Scheme of Fund for Regeneration of Traditional Industries (SFURTI)**

The Scheme of Fund for Regeneration of Traditional Industries popularly known as SFURTI is formulated and approved by the Government of India with the aim of making traditional industries including coir more productive and competitive and to facilitate their

sustainable development. The scheme provides various facilities like replacement of equipments, setting up of common facilities, support for development of new products, designs, packaging, market promotion, capacity building etc. Under XII Plan period, the Government of India accorded in-principle approval for establishing 9 Coir Clusters at Coimbatore, Madurai, Dindigul, Kanyakumari, Dharmapuri, Krishnagiri, Tiruppur, Pudukkottai and Tirunelveli Districts. Various activities like production of Coir pith block, Coir brush, Needle felt mattresses, Garden articles, Jewellery, Coir ply board, Geo-textiles are proposed to be undertaken in those Coir Clusters. Diagnostic Study Reports (DSR) were prepared by the agencies empanelled by the Central Scheme Steering Committee of Government of India. In the meantime, the Government of India released Revamped SFURTI guidelines and Coir Board appointed the ITCOT as Technical Agency for all these Clusters. Based on the Detailed Project Reports (DPR) prepared by ITCOT, the Government of India accorded final approval for 7 clusters (at a project cost of Rs.2,915.11 Lakh) namely

Dharmapuri, Madurai, Kangeyam (Tiruppur), Pollachi, Tirunelveli, Nagercoil and Dindigul and the final approval for the remaining 2 clusters is expected during this year. In the approved clusters, preliminary works like identification of land, collection of share from stakeholders have been started.

## **2.27 Employment generation in the MSME Sector**

During the XII Five Year Plan period (2012-2017) a target of Rs.15 Lakh direct and indirect employment generation has been proposed. The employment generation during the plan period is as follows:

<b>Year</b>	<b>Employment Generation</b>
2012-13	3,38,435
2013-14	3,43,665
2014-15	3,52,152
2015-16	2,32,476
<b>Total</b>	<b>12,66,728</b>

### **3. Tamil Nadu Small Industries Development Corporation Limited (SIDCO)**

#### **3.1 Mandate**

The Government of Tamil Nadu established Tamil Nadu Small Industries Development Corporation Limited (SIDCO) in 1970 “to aid, counsel, assist, finance, protect and promote the interests of MSMEs in the State and to provide them with assistance of all kinds including capital, credit, means, resources, technical and managerial assistance for the performance of their work and business to enable them to develop and improve their methods of manufacture, management and marketing and their technique of production”. The focus of the Corporation has been largely on developing and providing quality infrastructure to the MSMEs. Besides, SIDCO also extends Marketing Assistance and supplies Raw Materials to MSMEs.

The Corporation has a paid up capital of Rs. 24.70 crore. For the financial year 2014-15, it earned a profit of Rs.3.80 crore and paid dividend of Rs.2.47 crore to the Government.

## **3.2 Industrial Infrastructure**

SIDCO undertakes development and management of Industrial Estates for the benefit of MSME and other industries. As on 31.3.2016, SIDCO has developed 105 Industrial Estates with 7,079 Developed Plots and 4,510 Industrial Sheds. List of Industrial Estate is in **Annexure 3.1**

### **3.2.1 SIDCO Managed Government Industrial Estates**

The Government of Tamil Nadu pioneered establishment of Industrial Estates for the Micro, Small and Medium Enterprises in the State. During 1958 to 1974, 35 Industrial Estates spreading over 4,230 acres were set up by the Director of Industries and Commerce. The first Industrial Estate was formed at Guindy in the year 1958 in an extent of 404.08 acres. Ambattur Industrial Estate, the largest MSME Industrial Estate spread over 1,167 acres was established in 1963. The Government vide G.O.(Ms).No.720, Industries Department, dated 17.5.1974 transferred all the Industrial Estates which were under the control of Director of Industries and Commerce to SIDCO. Since 1.6.1974,

SIDCO has been managing these Industrial Estates as an agent of the Government. The list of SIDCO managed industrial estates is given in **Annexure 3.2.**

### **3.2.2 SIDCO Industrial Estates**

Developing Industrial Estates is the most important function of SIDCO. The land is acquired either through Government alienation or directly purchased from the land owners and industrial plots are laid out there on.

#### **3.2.2.1 SIDCO Industrial Estates**

SIDCO of its own, has established 54 Industrial Estates till 2010 covering an extent of 2,332.67 acres. 5,207 MSMEs are functioning in these Estates giving employment to about 90,000 people.

During 2011-16, 29 new Industrial Estates were announced to be established. Of these, 16 Industrial Estates have been established. The list is given in **Annexure 3.3.**

For the remaining 13 Industrial Estates, SIDCO has already identified the land and these Industrial Estates are in various stages of establishment.

### 3.2.2.2 Women Industrial Parks

Out of the 70 Industrial Estates set up by SIDCO till 2016, 5 Industrial Estates are Women Industrial Parks. These Women Industrial Parks have been developed as per the announcement made by Hon'ble Chief Minister in 2001 for empowerment of women. The list of 5 women industrial parks is given below.

Sl. No	Name of the Women Industrial Park	Year of formation	Area (in Acres)
1	Thirumullaivoyal, (Thiruvallur District)	2001	246.07
2	Thirumudivakkam, (Kancheepuram District)	2002	11.48
3	Valavanthankottai, (Trichy District)	2003	51.70
4	Karuppur, (Salem District)	2004	51.24
5	Kappalur, (Madurai District)	2008	18.87
<b>Total</b>			<b>379.36</b>



### **3.2.3 Private Industrial Estates**

The Government of Tamil Nadu vide G.O.Ms.No.53, MSME (C) Department, dated 10.10.2013 have sanctioned the State Government grant of Rs.1,267.75 lakh for the truck body building units in the outskirts of Namakkal in Joint Venture mode at a project cost of Rs.1,367.75 lakh. The remaining Rs.1 crore will be shared by the beneficiaries / SPV.

1<sup>st</sup> instalment of Rs.633.87 lakhs has been received and the infrastructure work like road, storm water drainage, culvert, water supply arrangements and underground sewage system has been completed. Further, the Government of Tamil Nadu vide G.O.(Ms.)No.27, MSME (C) Department, dated 1.8.2016 have sanctioned grant of Rs.585.39 Lakh for establishment of EB Sub-station, Street light works etc.

Due to the formation of above private Industrial Estate, about 305 truck body units will be relocated from the city and traffic congestion will be reduced drastically in Namakkal town.

### **3.2.4 Shifting of existing industrial units to the outskirts of town/city**

During the year 2013-14, a Special Package of Incentives was announced by the Hon'ble Chief Minister of Tamil Nadu under Rule-110. Accordingly, the Government issued orders that "the Government shall provide 75% grant of the total development cost upto a maximum of Rs.15 crore for getting electricity, water connections and to have other infrastructure facilities like conference halls, common facility centres etc., to the entrepreneurs prepared to shift their existing units outside the town areas and shall provide 50% of grant with maximum grant limited to Rs.10 crore to the entrepreneurs associations coming forward to set up new clusters in the outskirts of towns / cities".

So far, 4 proposals have been received from the SPVs out of which 3 projects have been given in-principle approval and one project (Tea Cluster, Mettupalayam) given final approval by the State Steering Committee.

### 3.2.5 Industrial Estates through Joint Venture mode

Based on the Special Package of Incentives announced by the Hon'ble Chief Minister of Tamil Nadu under Rule-110, the Government issued orders that, SIDCO may be allowed to participate upto 10% in the equity with the private industrial association for formation of new Industrial Estates through Joint Venture mode. SIDCO has initiated action for receiving proposals from the entrepreneur associations.

### 3.2.6 Upgradation of Existing Industrial Estates

SIDCO also upgrades the infrastructure in the existing Industrial Estates. During 2011-16, upgradation of infrastructure was undertaken in 8 Industrial Estates given below.

(Rupees in Lakh)

S. No.	Name of the Industrial Estate	Project cost	GOI Grant	GoTN Grant	Beneficiaries contribution
1.	Kovilpatti, Thoothukudi District	202.00	121.20	60.60	20.20
2.	Athur, Karur District	397.38	238.43	119.21	39.74

3.	Kakkalur, Thiruvallur District	423.33	254.00	127.00	42.33
4.	Mettur, Salem District	293.76	176.26	88.13	25.38
5.	Ganapathipala yam, Tiruppur District	45.82	27.49	13.75	4.58
6.	Alathur, Kancheepura m District	444.96	266.98	133.49	44.50
7.	Malumicham patti, Coimbatore District	200.00	113.25	56.62	30.13
8.	Thiruverambur Trichirappalli District	432.00	259.20	129.60	43.20
<b>Total</b>		2439.25	1456.81	728.40	250.06

Out of the 8 projects, 7 projects in Kovilpatti-Thoothukudi District, Athur-Karur District, Kakkalur- Thiruvallur District, Mettur-Salem District, Ganapathipalayam-Tiruppur District, Malumicham-patti in Coimbatore District and Alathur in Kancheepuram District have been completed. In respect of Thiruverambur in Trichy District the Government of India have given in principle approval and final approval is awaited.

### 3.2.7 Restoration of Flood damaged infrastructure

As per G.O. Ms. No. 5 MSME (C) Department, dated 20.01.2016, SIDCO has taken up the restoration of flood damaged infrastructure in 6 Industrial Estate at a value of Rs.11.50 crore as detailed below:

<b>Sl. No.</b>	<b>Name of the Industrial Estate</b>	<b>Value of Restoration work Rs. in lakh</b>
1.	Ambattur	393.67
2.	Guindy	387.20
3.	Cuddalore	47.83
4.	Vadalore	14.38
5.	Kumbakonam	15.43
6.	Vichoor	291.47
	<b>Total</b>	<b>1149.98 (or) 11.50 crore</b>

### 3.2.8 Construction of Centre of Excellence in 5 Women Industrial Park

The Government vide G.O.MS.No.3, Micro, Small and Medium Enterprises (C) Dept. dt. 20.1.2015 have accorded Administrative Sanction for an estimated amount of Rs.8.45 crore for the formation of “**Centre of Excellence**” in the following 5 Women Industrial parks.

In order to facilitate the women entrepreneur’s in these industrial parks, and enhance their competitiveness, technology, skill and marketing facilities, the Centre of Excellence will have a common display center with a marketing center, common business center, common conference hall, common training shed, administrative office block, bank, crèche, and dispensary.

Sl. No.	Name of Women Industrial Park	Amount (Rupees in crore)
1.	Thirumullaivoil, Thiruvallur District	2.43
2.	Thirumudivakkam, Kancheepuram District	2.43
3.	Valavanthankottai, Trichy District	1.20
4.	Karuppur, Salem District	1.20
5.	Kappalur, Madurai District	1.20
	<b>Total</b>	<b>8.45</b>

In the above Industrial parks works are at various stages and will be completed this year.

### **3.3 Allotment Policy**

A transparent procedure is followed in allotting the sheds / plots by advertising the availability of sheds/ plots in newspapers and in the website. A Screening Committee constituted with the officials of SIDCO, Directorate of Industries and Commerce, TIIC, banks and representatives of TANSTIA as members interviews the applicants and the eligible applicants are selected on merits. Plots are allotted by way of lot system, when more than one applicant desire for the same plot.

SIDCO develops industrial plots of various sizes ranging from 5 cents to 100 cents (1 acre) and above as per the requirements of the manufacturing units in the Industrial Estates and the industrial plots are allotted to them on Outright Sale basis in the existing Industrial Estates. During 2015-16, 333 plots and 3 sheds have been allotted to new entrepreneurs.

### **3.3.1 Lease Policy of SIDCO**

SIDCO has been making allotments in its Industrial Estates on Outright Sale Basis. To promote the interests of the MSMEs, a modified allotment policy has been ordered vide G.O.(Ms). No.66, MS&ME (C) Department, dated 18.11.2013, for all the new Industrial Estates to be formed from the year 2013-14. Under this new policy, allotment will be made on 30 years lease basis with an option for the entrepreneurs to buy the sheds / plots on outright purchase basis at the end of 30 years in the new Industrial Estates.

### **3.3.2 Priority given to various sectors in allotment of Plots/ Sheds**

As per G.O.(Ms).No.7, Micro, Small and Medium Enterprises Department, dated 31.01.2009, 30% of the saleable area of the Industrial Estates is earmarked for Micro Enterprises.

Priority is given in allotment of developed plots / sheds to the following categories:

- 30% for Women Entrepreneurs
- 10% for Ex-servicemen
- 10% for SC/ST and Transgenders



If sufficient numbers of the applicants are not available in these categories, these reserved plots/sheds will be taken up for allotment to other categories.

As per G.O.(Ms).No.49 Micro, Small and Medium Enterprises Department dated 29.10.2012, consideration in allotment of plots/sheds is given to the first generation entrepreneurs who have successfully completed Entrepreneurship Development Programme (EDP) training under NEEDS Scheme, on application, subject to availability.

### **3.4 Common Facility Centres (CFCs) under the MSE – CDP Scheme of Government of India**

SIDCO is the Nodal Agency for the Micro and Small Enterprises – Cluster Development Programme (MSE – CDP) which aims at addressing the needs of the industries, through formation of well-defined clusters and geographical areas to enable the Micro and Small Enterprises to have better access to resources, linkages to credit and to enhance their competitiveness in the market.

A cluster is a group of similar and related enterprises in a defined geographic area that share common markets, technologies, skill needs and produce same/similar products.

Salient features of a cluster are as follows:

- ❖ The methods of production, quality control and testing, energy consumption, pollution control etc., are similar in nature.
- ❖ Technology and marketing strategies are similar.
- ❖ Easy communication among the members of the cluster
- ❖ Opportunities and Challenges are common.

The Government of India as well as the State Government have adopted the cluster development approach as an important tool for enhancing the competitiveness and productivity of the Micro and Small Enterprises. Clustering of units also enables various service providers, including banks and credit agencies, to provide their services more economically, thus reducing

costs and improving the availability of services for the MSMEs.

This scheme is being implemented to support the sustainability and growth of Micro and Small Enterprises by addressing common issues, building their capacity for common supportive action through formation of self-help groups, consortia etc. and to setting up common facility centres (for testing, training centre, raw material depot, effluent treatment, complementing production processes etc.)

The funding pattern of MSE-CDP(CFC) scheme is given below:

Grant from GOI	70% (maximum project cost of Rs.15 crore)
Grant from GoTN	10% (maximum of Rs.1 crore)
SPV Contribution / Bank Loan	20%

Totally 32 projects (**Annexure 3.4**) at a total project cost of Rs.162.29 crore have been sanctioned by the Government of India with a grant for a sum of

Rs.111.59 crore. The Government of Tamil Nadu have sanctioned a grant of Rs.11.99 crore. Out of the above 32 projects, 8 projects have already been completed. One project has been dropped by SPV and another one project, SPV has not taken any action to implement the project. The remaining projects are under various stages of implementation. The expected total employment generation from these clusters will be around 25,500 persons.

Further, the Government of Tamil Nadu have sanctioned an amount Rs.25 lakh towards establishment of First Aid Centre Cum Dispensary at Kappalur in Madurai District and Kurichi in Coimbatore District, during the year 2014–15. The work has been completed.

The Hon'ble Chief Minister of Tamil Nadu has announced during the Golden Jubilee Celebrations of the Kundah Industrial Co-operative Tea Factory that a Tea cluster with a Common Facility Centre will be established at Mettupalayam in Coimbatore District at an estimated project cost of Rs.15 crore to boost the development of Tea industry in Nilgiris District. The Common Facility Centre will have the facilities for Tea Mixing, Tea

Packeting, Warehousing, Testing Laboratory and Marketing Centre. The Hon'ble Chief Minister has laid down the foundation stone on 4.1.2014. Funds of Rs.6.50 crore was sanctioned under ASIDE Scheme through TIDCO. After completion of warehousing facility, CFC will be taken up under MSE-CDP Scheme.

### **3.4.1 Micro Cluster**

During the Budget Speech of the Hon'ble Finance Minister on 13.2.2014 in the Assembly, it was announced that the Government of Tamil Nadu have decided to support clusters of Micro Industries and propose to launch a New Scheme for "Common Production Infrastructure", besides raw material bank and marketing infrastructure.

Initially, Government of Tamil Nadu will allocate an amount of Rs.25 crore for the year 2014-2015 to develop clusters (10 Clusters). In this regard, Government have issued order in G.O.(Ms) No.26, MS&ME (C) Department, dated 18.5.2015.

Necessary scheme guidelines prepared and the same is under consideration of Government for approval.

### **3.5 Distribution of Raw Material**

The raw materials such as Iron & Steel, Wax, Potassium Chlorate and TNPL paper (direct and agency) are distributed through various depots situated in Ambattur, Coimbatore, Madurai, Trichy, Sattur, Sivakasi and from Branch Offices located at Erode, Salem, Thanjavur and Vellore.

The details of target and achievement for the year 2015-16 are given in **Annexure 3.5**.

### **3.6 Marketing Assistance Scheme**

SIDCO assists the Micro and Small Entrepreneurs through Marketing Assistance Scheme. SIDCO approaches the Government Departments / Undertakings / Local Bodies on behalf of these Micro and Small units which are registered with SIDCO for obtaining work order under this scheme. The orders so received are distributed among Micro and Small Enterprises and SIDCO ensures the prompt execution of these orders. Payments received from the Government Departments / Undertakings / Local Bodies for the supplies effected are

released to the units after deducting 3% as consultancy fees.

SIDCO has executed purchase orders worth of Rs.208.22 lakh for the year 2015-16 through Micro and Small Industries under the Marketing Assistance Scheme.

### **3.7 e-Governance**

Computerization of activities of SIDCO with an objective to revamp the organization has been taken up to simplify the office procedures and formalities and to accelerate the performance of the corporation.

In Keeping pace with e-Governance initiatives and to realize full potential of ICT in servicing MSMEs, SIDCO has proposed to implement IT system for end to end automation for complete life cycle of business processes for efficient and transparent working, enhancement of ease of doing business and improve investment climate for MSMEs by providing online delivery of various services to Industry and all other stake holders. With this initiative SIDCO has appointed a Consultant for Supply, Installation & commission of Hardware, Software &

implementation of various software modules as an integrated system at a cost of Rs.1.77 crore. This e-Governance initiative comprises GIS linked business processes / activities of SIDCO like allotment of plots/sheds and its related issues, procurement and distribution of raw materials, tendering process, accounting, financial management, HR management etc. with interactive industry & investor portal. The Implementation of e-Governance is under progress in SIDCO.



## **4. TAMIL NADU SMALL INDUSTRIES CORPORATION LTD. (TANSI)**

### **4.1 Introduction and Formation**

The Tamil Nadu Small Industries Corporation renders valuable services to Government Departments and the Local bodies by providing modern furniture, furnishings and by supply of hand pumps. It has over the years diversified its product range.

The Tamil Nadu Small Industries Corporation Limited (TANSI) was incorporated in 1965 as a Company by taking over 64 industrial units which were under the control of the Directorate of Industries and Commerce and was registered under the Companies Act, 1956. TANSI started its production in these units from 1.12.1965.

### **4.2 Number of units**

Based on the market requirements, TANSI has reorganized its activities and its production units. At present, it has 25 production units (including a subsidiary company – TAPAP) all over Tamil Nadu and 2 Showrooms in Namakkal and Trichy.

➤ Engineering units	-	10
➤ Furniture units	-	11
➤ Special units	-	3
➤ TAPAP	-	1
<b>Total</b>	<b>-</b>	<b>25</b>

### **4.3 Activities**

TANSI undertakes manufacture of TNEB line materials, wooden & steel furniture, sheet metal fabrication works, manufacture of India Mark II hand pumps, spirit based surgical items, paints, civil interior works, baby weighing bar scales, etc. It has earned a good name for itself because of its quality and reliability. TANSI has been supplying various types of classroom furniture items required for schools under the 'Sarva Shiksha Abhiyan', College furniture for Higher Education Department, steel cots required for Government hostels, TNEB line materials to TANGEDCO, spirit based products to Tamil Nadu Medical Services Corporation and hand pumps required for drinking water supply and spares for the hand pumps etc. to Panchayats and District Collectorates.

TANSI is moving towards excellence in manufacturing systems by implementing modern technology and management tools. The following units have obtained ISO-9001:2008 certification:

- TANSI Pump Unit, Ambattur
- TANSI Tool & Engineering Works, Trichy
- TANSI Fabrication Works, Palani
- TANSI Fabrication Works, Rajapalayam
- TANSI Fabrication Works, Vellore
- Tamil Nadu Paints and Allied Products Limited, Ambattur

#### **4.4 Performance**

The performance of TANSI for the year 2015-16 is furnished hereunder:

Item	2015-16 Achievement (Rupees in crore)
Production	47.18
Sales	53.35
Profit before Tax	6.97

Provision for Income Tax	2.26
Net profit (approx.)	4.71

### Categories and product lines

Category	Product Lines
<b>(a) Structural &amp; Engineering</b>	Light structurals of various kinds needed for factory sheds, bus stand, metal doors & windows, TANGEDCO Line materials, Pillar Boxes, Sheet Metal Fabrication, Metal Garbage bins etc.
<b>(b) Furniture</b>	Wooden furniture, furnishing and interior decoration, panelling etc., Steel furniture for domestic, Office, School, College, Hostels and Hospital uses.
<b>(c) Special Products</b>	Deep bore well Hand Pumps, Pump spares, spirit based medicinal products, surgical spirit, De-natured Spirit, Tincture Cetrimide and Povidone Iodine; Spirit based industrial products like Gasket Shellac, French Polish, Thinner, disinfectant solutions like Lysol, Phenyle.

### Important orders completed by TANSI during the year 2015-16

- Supply of School Learning Materials (SLM) Kits has been completed for the value of Rs.7.50 crore to the Department of School Education.
- Supply of Dual Desk to various Government Schools through the Department of School Education worth Rs. 7.38 crore.

- Supply of furniture to High Court, Chennai worth Rs. 2.32 crore and to Regional Judicial Academy to the value of Rs.2.39 crore.
- Supply of furniture to Government Siddha College to the value of Rs.1 crore.
- Supply of line materials to TANGEDCO worth Rs. 9.79 crore.

### **Tamil Nadu Paints and Allied Products Limited (TAPAP) (A Subsidiary Unit of TANSI)**

This unit was started as a fully owned subsidiary of TANSI for the manufacture and supply of paints and allied products. Accordingly, TAPAP came into existence on 18.11.1985 with its registered office at Ambattur. The main objective of the Corporation is to manufacture and supply of red oxide paints, rubberized paints for markings and enamel paints to various Government Departments and to transport undertakings etc. TAPAP achieved a turnover of Rs.2.15 crore for the year 2015-16.

## **5. Entrepreneurship Development Institute (EDI)**

The Entrepreneurship Development Institute (EDI), Chennai was constituted by Government of Tamil Nadu as a 'not-for-profit society' in November 2001 primarily to fulfill the entrepreneurship training requirements in the State and to promote Micro, Small and Medium Enterprises in Tamil Nadu. From inception until 31.3.2016, EDI has conducted various training programmes benefitting almost 1 lakh candidates.

### **5.1 AIM**

- To promote Micro and Small Enterprises through entrepreneurship training,
- To assist potential entrepreneurs who have ambitions to start their own enterprise,
- To evolve multipronged strategies for entrepreneurship development,
- To conduct training programmes under various schemes of the Government,
- To facilitate employment generation through skill upgradation training.

Entrepreneurship development is a key aspect of employment generation and equitable economic growth. EDI's mission is expected to be achieved by using innovative training techniques, competent faculty, support and consultancy and quality teaching.

## **5.2 Training Programmes**

**5.2.1** To address the problems of the educated unemployed, including women, a special grant of Rs. 5 crore was sanctioned by the Government to EDI in 2013-14. The assistance included Rs.4 crore for imparting entrepreneurship and skill training programmes and Rs.1 crore for administrative expenses of EDI. A total of 3,757 persons were trained under various schemes.

### **5.2.2 Entrepreneurship Development Programme**

The Entrepreneurship Development Programme (EDP) is aimed at providing training in the essentials of conceiving, planning, initiating and launching an economic activity or an enterprise. During the year 2013-14, 736 persons were trained under this programme.

### **5.2.3 Faculty Entrepreneurship Development Programme**

The programme is aimed at equipping teaching staff of colleges with skills and knowledge essential for inculcating entrepreneurial awareness and interest in students. 100 faculty members from 50 Engineering Colleges were provided training in 2014-15. The training was conducted in Chennai, Coimbatore, Madurai, Salem, Trichirappalli and Vellore.

### **5.2.4 Entrepreneurship cum Skill Development programme**

The objective of this training programme was to provide skill upgradation so as to equip the trainees with modern technological skills and facilitate project selection. Training was organized in various trades, including machine shop practice, two wheeler repair, welding, fashion garments, food and fruit processing, web designing, hardware maintenance and networking, leather products, servicing of household electrical appliances etc. Under this programme 475 candidates were benefitted in 2013-14 and 400 during 2014-15.



### **5.2.5 Technology Based Entrepreneurship Development programme**

Training was given in specific technology areas i.e., leather, electronics and communication, solar energy, automobile technology etc., Under this programme 206 candidates were given training during the year 2013-14.

### **5.2.6 Agripreneurship Development Programme**

The objective of the training programme was to supplement the efforts towards expansion in the agriculture sector by technology and management inputs and to promote 'Agripreneurs'. Under this programme 117 agricultural graduates were trained through the Tamil Nadu Agricultural University, Coimbatore (2 batches), Tiruchirapalli, Madurai and the Annamalai University, Chidambaram in 2013-14.

### **5.2.7 Cluster Awareness Programme**

The cluster awareness programme was aimed at the development of enterprises in the aluminium, rice mill, auto components, motor pumps, textile, safety matches, cashew and coir industry clusters in the State. The

Programme is expected to improve their operational performance and help them to sustain themselves in the face of global competition. 360 entrepreneurs participated in cluster awareness programmes during the year 2013-14.

### **5.2.8 Establishment of Entrepreneurship Development Cells in Colleges**

EDI has implemented a scheme to set up Entrepreneurship Development Cells in 50 Higher Educational Institutions across the State. A grant of Rs.1 lakh was given to each institution to support this programme. The EDCs will implement activities for promotion of entrepreneurship culture among the students.

### **5.2.9 Women Entrepreneurship Development Programmes (WEDP)**

The aim of the WEDP was to provide training to women to plan, initiate and implement economic activities and to promote own enterprises. 375 women were trained during the year 2013-14 and they were educated on opportunities and financial assistance available. The women entrepreneurs were motivated to start and manage their own business ventures.

### **5.2.10 Women Entrepreneur cum Skill Development Programme (WESDP)**

Skills training in traditional and non-traditional activities in chosen trades were imparted to women, in addition to the basic entrepreneurial inputs required for a new entrepreneur. A total of 350 women were trained in 2014-15.

### **5.2.11 Mentorship Training**

Mentorship training is provided to new entrepreneurs to avail the timely information relating to the market trends in the economy and to understand how to approach financial institutions and updated knowledge of acts, rules & regulations of the Government. The EDI has provided Rs.10 lakh to ten industrial associations at the rate of Rs.1 lakh per association for setting up Mentorship Centres in Coimbatore, Erode, Madurai, Chennai, Hosur, Salem, Ambattur, Guindy, Tiruchirapalli and Tirupur.

### **5.3 Women Entrepreneurship Development Cell in EDI**

A Women Entrepreneurship Development Cell has been established in the EDI to monitor the training programmes run by EDI for Women. The Cell guides

women entrepreneurs to upgrade their technical skills, provide entrepreneurship training to women for self employment, to improve managerial capacity and infuse the spirit of entrepreneurship through various programmes.

The Women Entrepreneurship Development Cell has conducted three conferences in colleges at Srirangam, Chidambaram and Madurai to create awareness among college students.

#### **5.4 Solar Equipment Maintenance and Usage**

EDI, in association with the Women Development Corporation of Tamil Nadu, had undertaken a programme to train 4000 women belonging to rural Self Help Group's (SHG) on the usage and maintenance of solar energy devices and equipments. These programmes have been implemented in all blocks across the State.

#### **5.5 Training under Unemployed Youth Employment Generation Programme (UYEGP)**

Under this scheme, training has been imparted to 4235 prospective entrepreneurs during the year 2015-16.

t

## **5.6 Training under Prime Minister's Employment Generation Programme (PMEGP)**

Under this scheme, training has been imparted to 2,085 entrepreneurs during the year 2015-16.

## **5.7 New Entrepreneur cum Enterprise Development Scheme (NEEDS)**

Under this scheme, training programmes were conducted for the first generation entrepreneurs in several batches throughout the State and 822 persons were trained during 2015-16.

## **5.8 National Mission on Food Processing**

During 2014-15 Entrepreneurship Development Programmes on Food Processing have been conducted in Thanjavur, Chennai, Dindigul, Vellore, Madurai and Thoothukudi for 300 candidates.

## **5.9 EDP and ESDPs sponsored by National Institute for Micro, Small and Medium Enterprises, Government of India**

NIMSME, which is a nodal agency under the Ministry of MSME, Government of India, had sanctioned Entrepreneurship Development Programmes and Entrepreneurship cum Skill Development Programme for

330 candidates during 2015-16. Programmes were conducted on Leather products for 30 candidates, security guard for 30 candidates, fashion designing for 60 candidates, web designing for 30 candidates, Arts and Jewellery for 30 candidates, Digital and Videography for 30 candidates, Two wheeler service and maintenance for 30 candidates, and Landscaping for 30 candidates. A talent mela was conducted for the trainees of the EDI training programmes.

#### **5.10 Entrepreneurship Awareness Programme in Colleges.**

During 2014-15, EDI has launched a programme to create entrepreneurship awareness in 112 colleges in the state, including 62 Government Arts and Science Colleges and 50 Engineering Colleges. It is expected that 30,000 students will be benefitted in the selected colleges. The programme is being conducted in 3 phases and is being implemented throughout Tamil Nadu. It is proposed to continue such programme in future also. In 2014-15, the first phase was taken up in 112 colleges. The programme has been completed in 2015-16.

### **5.11 Mentoring and support for Technology Incubators in Engineering Colleges**

The EDI has launched an initiative to support the establishment and functioning of technology incubators in Engineering Colleges in the State. It is envisaged that EDI will function as a nodal agency to facilitate technical, financial and other advisory support to such incubators which are established in the State under schemes of the State / Central Government.

### **5.12 Efforts to improve efficiency / productivity.**

The EDI has initiated efforts to work with the National Productivity Council to create awareness among existing industrial clusters in the State for improving efficiency and productivity. During 2014-15, awareness programmes on lean manufacturing were conducted in Kumbakonam (stainless steel cluster), Chennai (printing cluster), Sivaganga (coir cluster) and Thoothukudi (salt cluster). The EDI shall provide requisite services to enable industries in these and other clusters to access funds and implement schemes to improve productivity and efficiency.

Apart from this EDI has drawn a five-year Strategic Plan for Entrepreneurship & Innovation for the period 2016-2021. A comprehensive program with a life-cycle approach to entrepreneurship competency training, mentor facilitation and follow up support has been proposed. Environment based & social entrepreneurship activities will also be given importance. A comprehensive Entrepreneurs Portal and Mobile App in Tamil and English will be launched in partnership with players in the ecosystem including banks, MSME associations, large industry groups and PSUs providing Business Opportunity Guidance, Mentoring and Grievance redressal. EDI will coordinate with TAHDCO, TABCEDCO, TAMCO, Commissioner of Rehabilitation of Differently abled and ensure that awareness programs, entrepreneurship training and mentoring offered by EDI are accessible to all disadvantaged groups availing of loans under various schemes of all departments. Global Entrepreneurship Week celebrations, etc. An annual Startup Innovators & MSME Entrepreneurs Summit will be held every year to recognise and celebrate successful entrepreneurs and help create a strong and vibrant startup ecosystem in Tamil Nadu. EDI has a vision to



serve as the State Nodal Institution for Innovation EDI by creating an Innovation Portal for businesses & College students, facilitating product innovation and organising training on Public sector innovation, etc. A Startup Tamil Nadu Action Plan will be implemented by EDI.

**K.T. RAJENTHRABHALAJI**  
Minister for Rural Industries

## Annexure 1.1

### Trend in the Growth of MSMEs in Tamil Nadu

Year	Number of Registered units	Investment (Rs. in crore.)	Production (Rs. in crore.)	Employment (Numbers)
2007-08	27209	2547.14	8739.95	242855
2008-09	32049	3557.89	13354.86	294255
2009-10	41799	3214.22	10880.01	151743
2010-11	57902	5872.37	12500.86	405233
2011-12	70758	7429.59	15496.00	502381
2012-13	83348	8751.54	17503.08	583436
2013-14	116393	18939.87	16832.25	494990
2014-15	143104	24349.65	59789.70	651180
2015-16 (up to 21.1.2016)	142136	34411.90	59332.19	815315
UAM (as on 31.3.2016)	41656	6218.69	-	296687

## Annexure 2.1

### Capital subsidy

Year	Amount allotted	Amount utilised in Lakh	No. of Units
2011-12	5000.00	5000.00	1316
2012-13	6000.00	6000.00	1613
2013-14	7000.00	7000.00	1541
2014-15	7000.00	7000.00	1460
2015-16	8000.00	8000.00	1265
<b>Total</b>	<b>33000.00</b>	<b>33000.00</b>	<b>7195</b>

## Annexure 2.2

### LTPT subsidy

Year	Amount allotted	Amount utilised in Lakh	No. of Units
2011-12	600.00	600.00	1371
2012-13	600.00	600.00	1130
2013-14	600.00	600.00	1169
2014-15	600.00	600.00	1106
2015-16	600.00	600.00	1004
<b>Total</b>	<b>3000.00</b>	<b>3000.00</b>	<b>5780</b>

### Annexure 2.3

#### VAT subsidy

Year	Amount allotted	Amount utilised in Lakh	No. of Units
2011-2012	250.00	250.00	285
2012-2013	350.00	350.00	234
2013-2014	350.00	350.00	281
2014-2015	350.00	350.00	365
2015-2016	350.00	350.00	367
<b>Total</b>	1650.00	1650.00	1532

### Annexure 2.4

#### Generator subsidy

Year	Amount allotted	Amount utilised in Lakh	No. of Units
2011-2012	800.00	800.00	852
2012-2013	2348.09	2348.09	1936
2013-2014	800.00	800.00	666
2014-2015	800.00	800.00	734
2015-2016	4200.00	4200.00	3625
<b>Total</b>	8948.09	8948.09	7813

## Annexure 2.5

### Back-ended Interest Subsidy Scheme

#### a. Technology Upgradation / Modernisation

(Rs. in lakh)

Year	Funds allotted	Funds utilised	No. of Units
2011-2012	303.87	303.87	172
2012-2013	24.48	24.48	89
2013-2014	30.00	30.00	25
2014-2015	30.00	30.00	60
2015-2016	30.00	30.00	37
<b>Total</b>	<b>418.35</b>	<b>418.35</b>	<b>383</b>

#### b. Credit Guarantee Fund Trust Scheme

(Rs. in lakh)

Year	Funds allotted	Funds utilised	No. of Units
2011-2012	14.74	14.74	33
2012-2013	10.00	9.88	22
2013-2014	10.00	10.00	27
2014-2015	10.00	10.00	53
2015-2016	10.00	10.00	51
<b>Total</b>	<b>54.74</b>	<b>54.62</b>	<b>186</b>

## Annexure 2.6

### Unemployed Youth Employment Generation Programme (UYEGP)

Year	No's	Subsidy Released (Rs.in Lakh)
2011-12	4759	1319.86
2012-13	4804	1466.31
2013-14	4657	1499.53
2014-15	3465	1817.67
2015-16	5616	3285.13
<b>Total</b>	<b>23301</b>	<b>9388.50</b>

## Annexure 2.7

### New Entrepreneur-cum-Enterprise Development Scheme (NEEDS)

Description	2012-13		2013-14		2014-15		2015-16	
	Nos.	Subsidy	Nos.	Subsidy	Nos.	Subsidy	Nos.	Subsidy
Recommended Applications	559	6531.39	1247	12380.70	1397	11720.17	1263	13177.31
Provisional Sanctions	305	3902.94	744	7847.27	857	7681.80	856	9765.04
EDP Trained	284	-	645	-	789	-	822	-
Formal Sanctions	224	2504.57	482	4952.01	555	5157	466	4600.28
Disbursement of Subsidy	218	2385.76	456	4333.52	172	995.42	585	4280.52

## Annexure 2.8

### Prime Minister's Employment Generation Programme (PMEGP)

Year	No's	Margin Money Released (Rs.in Lakh)
2011-12	1560	2909.03
2012-13	1316	2258.40
2013-14	1036	2366.89
2014-15	1256	2827.71
2015-16	1090	2252.66
<b>Total</b>	<b>6258</b>	<b>12614.69</b>

## Annexure 2.9

### Micro and Small Enterprises Facilitation Councils (MSE-FC)

Year	No. of MSE-FC sittings conducted	No. of cases settled	Amount Settled (Rs. in Lakh)
2011-2012	15	38	233.86
2012-2013	35	115	396.65
2013-2014	18	62	556.52
2014-2015	27	45	233.93
2015-2016	09	12	78.57
Total	104	272	1499.53



## Annexure 3.1

### Industrial Estates managed by SIDCO

Sl. No.	District	Sl. No	Location	Govt. (OR) SIDCO	Year of formation	Total Extent in Acres
1	Chennai	1	Guindy	Govt.	1958	404.08
		2	Arumbakkam	SIDCO	1979	3.92
		3	Villivakkam	SIDCO	1979	2.04
		4	Kodungaiyur	SIDCO	1979	7.88
2	Tiruvallur	5	Ambattur	Govt.	1963	1167.00
		6	Kakkalur	Govt.	1988	283.01
		7	Thirumazhisai	SIDCO	1988	160.85
		8	Gummidipoondi	SIDCO	1988	25.24
		9	R.K.Pet	SIDCO	1996	8.15
		10	Vichoor	SIDCO	1994	59.16
		11	Thirumullaivoil (WIP)	SIDCO	2001	246.07
3	Kancheepuram	12	Kancheepuram	Govt.	1968	37.95
		13	Maraimalainagar	SIDCO	1981	39.50
		14	Alathur	SIDCO	1984	150.00
		15	Thirumudivakkam (Main)	SIDCO	1993	201.11
		16	Thirumudivakam (Micro)	SIDCO	2013	5.262
		17	Thirumudivakkam (WIP)	SIDCO	2002	11.48
		4	Vellore	18	Katpadi	Govt.
19	Arakkonam			Govt.	1968	51.74
20	Ranipet			SIDCO	1972	113.44
21	Mukuntharapuram			SIDCO	1980	86.19
22	Vannivedu			SIDCO	1987	16.44

		23	Vinnamangalam	SIDCO	2009	10.49
		24	Vaniyambadi	SIDCO	2013	7.08
5	Thiruvan namalai	25	Thiruvannamalai	Govt.	1968	15.56
6	Krishnagiri	26	Krishnagiri	Govt.	1965	41.86
		27	Uthangarai	SIDCO	1995	41.28
		28	Hosur (SIPCOT)	SIDCO	1976	95.15
		29	Hosur(New)	SIDCO	1999	18.80
		30	Bargur	SIDCO	1995	31.64
		31	Pollupalli	SIDCO	2009	60.96
7	Dharmapuri	32	Dharmapuri	Govt.	1965	20.28
		33	Kadagathur	SIDCO	2009	7.02
		34	Parvathana-halli	SIDCO	2014	29.89
8	Salem	35	Salem	Govt.	1967	19.55
		36	Mettur	Govt.	1967	184.38
		37	Karuppur WIP	SIDCO	2004	51.24
		38	Veerapandi	SIDCO	1993	9.79
9	Namakkal	39	Namakkal	SIDCO	1977	10.09
		40	Thiruchen-godu	SIDCO	1980	9.18
		41	Vettambadi	SIDCO	2014	15.34
10	Erode	42	Erode	Govt.	1959	25.13
		43	Nanjaiuthukuli	SIDCO	1995	13.05
11	Coimbatore	44	Kurichi	Govt.	1972	88.43
		45	Malumicham- patti	SIDCO	1994	36.14
12	Tiruppur	46	Ganapathi- palayam	SIDCO	1993	17.10
		47	Tiruppur	SIDCO	1978	10.14
		48	Gudi-mangalam	SIDCO	1992	6.74
		49	Rasatha-valasu	SIDCO	2011	51.80

13	Nilgiris	50	Ooty	SIDCO	1981	10.65
14	Cuddalore	51	Cuddalore	Govt.	1971	15.60
		52	Vadalur	Govt.	1972	26.22
		53	Periya-nesalur	SIDCO	2015	90.80
15	Villupuram	54	Patanam	SIDCO	2014	60.55
		55	Asanur	SIDCO	2009	213.30
		56	Kattuvannanjur	SIDCO	2014	42.00
		57	Venmaniathur	SIDCO	2011	38.88
16	Perambalur	58	Elambalur	SIDCO	2009	44.48
17	Thanjavur	59	Thanjavur	Govt.	1968	21.94
		60	Kumbakonam	Govt.	1968	32.30
		61	Pillaiyarpatti	SIDCO	1974	10.96
		62	Nanjikkottai	SIDCO	1996	26.30
		63	Palayapatti	SIDCO	2012	104.37
18	Nagal	64	Nagapattinam	Govt.	1966	20.97
		65	Mayiladu-thurai	SIDCO	2009	12.56
19	Tiruchi	66	Thuvakudi	Govt.	1974	478.38
		67	Thiruveram-bur	Govt.	1974	74.50
		68	Ariyamangalam	Govt.	1974	17.64
		69	Kumbakudy	SIDCO	2009	24.46
		70	Valavanthankotta i(WIP)	SIDCO	2003	51.70
		71	Valavanthankotai	SIDCO	2008	179.02
20	Karur	72	Karur (Vellalapati)	Govt.	1974	26.63
		73	Karur(Athur)	SIDCO	1993	36.29
21	Pudukottai	74	Punjaiikalakurichi	SIDCO	2016	52.076

		75	Pudukottai	Govt.	1974	23.18
		76	Pudukottai (SIPCOT)	SIDCO	1988	51.45
		77	Mathur	SIDCO	1975	26.00
		78	Mathur (New)	SIDCO	2013	19.92
22	Theni	79	Theni	Govt.	1963	26.59
		80	Andipatti	SIDCO	1994	22.34
23	Dindigul	81	Dindigul	Govt.	1965	39.90
		82	Batlagundu	Govt.	1965	16.26
24	Madurai	83	K.Pudur	Govt.	1960	56.05
		84	Kappalur	Govt.	1966	534.64
		85	Kappalur WIP	SIDCO	2008	18.87
25	Ramnad	86	Paramakudi	SIDCO	1976	10.00
		87	Keelanagachi	SIDCO	1993	10.00
		88	Urapuli	SIDCO	1993	12.14
26	Sivaganga	89	Karaikudi	Govt.	1966	180.19
		90	Sivaganga	Govt.	1966	70.61
		91	Krungakottai	SIDCO	1993	21.85
27	Virudhu-nagar	92	Virudhunagar	Govt.	1958	45.65
		93	Rajapalayam	SIDCO	1995	41.13
		94	Virudhunagar (Urban)	SIDCO	2013	37.54
28	Tirunelveli	95	Pettai	Govt.	1959	50.55
		96	Kadayanallur	SIDCO	1992	10.00
		97	Valliyur	SIDCO	2005	39.91
		98	Kurukkalpatti	SIDCO	2016	68.80

		99	Kovilpatti	Govt.	1962	85.54
29	Thoothu- kudi	100	Thoothukudi (Phase I)	SIDCO	1988	9.72
		101	Thoothukudi (Phase II)	SIDCO	2003	14.46
		102	Pidaneri	SIDCO	2016	108.23
30	Kanya- kumari	103	Konam	Govt.	1964	20.70
		104	Marthandam	Govt.	1964	7.50
31	Ariyalur	105	Mallur	SIDCO	2014	25.34
			TOTAL			7445.74

## Annexure 3.2

### Government Industrial Estates

Sl. No.	District	Name of the Industrial Estates	Year of Formation	Total Extent in Acres
1	Chennai	1. Guindy	1958	404.08
2	Thiruvallur	2. Ambattur	1963	1167.00
		3. Kakkalur	1988	283.01
3	Kancheepuram	4. Kancheepuram	1968	37.95
4	Vellore	5. Katpadi	1968	19.48
		6. Arakkonam	1968	51.74
5	Thiruvannamalai	7. Thiruvannamalai	1968	15.56
6	Krishnagiri	8. Krishnagiri	1965	41.86
7	Dharmapuri	9. Dharmapuri	1965	20.28
8	Salem	10. Salem	1967	19.55
		11. Mettur	1967	184.38
9	Erode	12. Erode	1959	25.13
10	Coimbatore	13. Kurichi	1972	88.43
11	Cuddalore	14. Cuddalore	1971	15.60
		15. Vadalur	1972	26.22
12	Thanjavur	16. Thanjavur	1968	21.94
		17. Kumbakonam	1968	32.30
13	Nagapattinam	18. Nagapattinam	1966	20.97
14	Tiruchirapalli	19. Thuvakudi	1974	478.38
		20. Thiruverambur	1974	74.50
		21. Ariyamangalam	1974	17.64
15	Karur	22. Karur(Vellalapatti)	1974	26.63

16	Pudukkottai	23. Pudukkottai	1974	23.18
17	Theni	24. Theni	1963	26.59
18	Dindigul	25. Dindigul	1965	39.90
		26. Batlagundu	1965	16.26
19	Madurai	27. K.Pudur	1960	56.05
		28. Kappalur	1966	534.64
20	Sivaganga	29. Sivaganga	1966	70.61
		30. Karaikudi	1966	180.19
21	Virudhunagar	31. Virudhunagar	1958	45.65
22	Tirunelveli	32. Pettai	1959	50.55
23	Thoothukudi	33. Kovilpatti	1962	85.54
24	Kanyakumari	34. Konam	1964	20.70
		35. Marthandam	1964	7.50
		<b>Total</b>		4229.99

### Annexure 3.3

Sl. No.	Name of the Industrial Estate	Year of formation	Area (in Acres)
1	Rasathavalasu (Tiruppur District)	2011	51.80
2	Mathur(New) (Pudukottai District)	2013	19.92
3	Vaniyambadi (Vellore Dt.)	2013	7.08
4	Virudhunagar (Urban) (Virudhunagar District)	2013	37.54
5	Venmaniathur (Villupuram District)	2011	38.88
6	Pattanam(Villupuram District)	2014	60.57
7	Kattuvannanjur (Villupuram District)	2014	42.00
8	Mallur (Ariyalur District)	2014	25.34
9	Parvathanahalli (Dharmapuri District)	2014	29.89
10	Minnur (Vellore District)	2014	10.00
11	Vettampadi (Namakkal District)	2014	15.34
12	Palayapatti(Thanjavur District)	2012	104.37
13	AsanurPhasell, (Villupuram District)	2015	105.55
14	Punjaikalakurichi (Karur District)	2016	52.076
15	Pidaneri(Thoothukudi Dt.)	2016	108.23
16	Periyanesalur (Cuddalore District )	2015	90.80
<b>Total</b>			<b>799.386</b>



## ANNEXURE – 3.4

MSE – CDP (Common facility Centre) Scheme

Projects for which final approval obtained from Govt. of  
India-implemented/under-implementation

(Rupees in lakh)

Sl. No	Cluster name	Project cost of CFC	GOI grant	Govt. of TN grant	SPV contribution	Bank loan	Remarks
1	Sago & Starch, Salem	92.06	73.31	0.00	18.75	0.00	Project completed
2	Safety Matches, Gudiyatham	156.00	85.54	10.73	25.00	34.73	
3	Safety Matches, Virudhunagar	156.00	85.54	10.73	25.00	34.73	
4	Safety Matches, Srivilliputhur.	156.00	85.54	10.73	25.00	34.73	
5	Safety Matches, Sattur	156.00	85.54	10.73	25.00	34.73	
6	Safety Matches, Kazhugumalai	156.00	85.54	10.73	25.00	34.73	
7	Safety Matches, Kovilpatti	156.00	85.54	10.73	25.00	34.73	
8	Printing cluster, Krishnagiri	1072.52	964.14	100.00	108.38	0.00	
9	Wet Grinder, Coimbatore	288.20	99.00	16.52	172.68	0.0	Project under implementation.
10	Brick, Tirunelveli	227.27	122.73	22.72	29.55	52.27	

11	Ceramic, Vridhachalam	73.10	43.86	GO TN has given 2 sheds and + Rs.9.57 Lakh	18.45	10.79	Project under impleme ntation.
12	Coir, Sivaganga	658.90	500.01	65.89	93.00	0.00	Project under impleme ntation.
13	Engineering Ranipet, Vellore.	927.08	616.39	97.21	109.35	104.13	
14	Printing, Sivakasi	1314.17	767.81	90.66	180.28	276.00	
15	Rice Mill, Keelapavoor	690.58	466.03	69.05	145.50	10.00	
16	Auto Components Hosur	690.94	439.89	70.75	105.30	75.00	
17	Rice Mill, Alangulam	787.00	550.25	78.91	83.75	74.09	
18	Rice Mill, Thanjavur	212.06	100.23	40.43	21.40	50.00	
19	Steel Product Fabrication Salem.	1632.74	1277.71	100.00	253.03	0.00	
20	Plastic , Kanchipuram	1485.12	1026.96	100.00	258.16	100.00	
21	Engineering, Paramakudi	498.89	373.80	23.34	53.75	48.00	
22	Gate & Grills, Thirumullai- voyal	284.87	197.93	29.69	57.25	0.00	
23	Garment Cluster (W), Dhalavaipura m	104.24	74.28	9.36	20.60	0.00	
24	Gold Jewellery, Madurai	356.46	255.80	29.14	39.92	31.60	The Project is at the pre-impleme ntation stage.

25	Power and Auto Loom, Salem.	1333.96	886.45	98.78	162.18	186.55	The project is under implementation.
26	Safety Match, O.Mettupatty	346.89	204.64	36.00	42.50	63.75	
27	Stainless Steel, Kumbakonam	126.30	98.83	7.90	19.57	0.00	
28	Coir, Erode	600.00	411.93	48.65	79.42	60.00	
29	Engineering Ambattur	1124.42	805.33	54.44	114.65	150.00	
30	Gold Jewellery, Trichy	365.30	288.24	36.03	36.03	0.00	Final approval given by GOI. Sanction orders awaited.

### Annexure 3.5

#### Distribution of Raw Material – Target & Achievement

Sl. No	Name of the Material	Target for 2015-16		Achievement for 2015-16	
		Qty. in (MT)	Rs. in lakh	Qty. in (MT)	Rs. in lakh
1	Iron & Steel	200.00	85.99	74.91	28.65
2	Wax	3450.00	3374.40	2824.18	2712.33
3	TNPL Paper (Direct Sales)	200.00	130.20	182.06	122.31
4	TNPL Paper (Agency Sales)	925.00	590.00	613.25	406.26
5	Potassium Chlorate	5.50	5.58	0.000	0.000
<b>Total</b>		<b>4780.50</b>	<b>4186.17</b>	<b>3694.40</b>	<b>3269.54</b>

**MICRO, SMALL AND MEDIUM ENTERPRISES  
DEPARTMENT  
BUDGET ESTIMATE  
DEMAND NO. 44**

(Rupees in Thousands)

<b>Major Heads</b>	<b>Budget Estimate 2015-16</b>	<b>Revised Estimate 2015-16</b>	<b>Budget Estimate (Interim) 2016-17</b>	<b>Budget Estimate (Revised) 2016-17</b>
2851 - Village and Small Industries	3037953	2554729	2858140	2859084
2852 - Industries	82302	92505	87276	87276
3451 - Secretariat - Economic Services	28811	29341	31616	31616
4059 - Capital Outlay on Public Works	10000	89172	4255	4255
4425 - Capital Outlay on Co-operation	0	0	0	0
4851 - Capital Outlay on Village and Small Industries	500001	300001	500001	500001
7610-Loans to Government Servants etc.,	1	1	1	1
2425 - Cooperation	1	800	1	1
<b>TOTAL</b>	<b>3659069</b>	<b>3066549</b>	<b>3481290</b>	<b>3482234</b>

