



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

## **Policy Note Demand No.44**

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

## **Policy Note 2017-18**

### **1. Synopsis**

Micro Small & Medium enterprises (MSMEs) are the growth engines for the economic development of a nation. The significance of MSMEs is attributable to their potential for employment generation, low capital and technology requirement, promotion of industrial development in rural areas, use of traditional, inherited skill, use of local resources, mobilization of resources and exportability of products. Thus MSMEs assume a pivotal role thereby contributing to an equitable distribution of national income, economic diversification and social stability. The entrepreneurial spirit and innovative nature of these enterprises have been crucial in driving competitiveness in the economy.

## **1.1. Role of the MSME Sector in the Indian Economy**

The MSME sector is an important pillar of Indian economy as it contributes greatly to growth of Indian economy with a network of millions of units, creating employment of about 70 million, manufacturing more than 6,000 products, contributing about 45% to manufacturing output and about 40% of exports, directly and indirectly. This sector even assumes greater importance now as the country moves towards a faster and inclusive growth agenda. Moreover, it is the MSME sector which can help to realize the target of proposed National Manufacturing Policy of raising the share of manufacturing sector in GDP from 16% at present to 25% by the end of 2022.

## **1.2. MSMEs in Tamil Nadu**

MSMEs produce a wide variety of products in almost all sectors. The prominent among them are the textile, electrical and electronic products, engineering products, auto ancillaries, leather products, chemicals, plastics, garments, jewellery etc.

Around 15.61 lakh entrepreneurs have registered, providing Employment opportunities to about 99.78 lakh persons with total investment of Rs.1,68,331 crore. The trend in growth of MSME during the last nine years is given at **Annexure 1**

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

#### **1.3.1 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 Policy shall be notified after incorporating the implications of GST roll out.

### **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 prompt online 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, Government have ordered for simplification of applications to be submitted for getting various clearances under Single Window. State Level Single Window Committee has been formed under the Chairmanship of Principal Secretary to Government, MSME Department. The Committee meets regularly to review the progress and sort out inter departmental issues.

#### **1.3.4 State Industries Centre**

Government have 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.

#### **1.4 Definition of MSMEs**

The classification of Micro, Small and Medium Enterprises is defined under the MSMED Act 2006. The enterprises are classified in two classes as

Manufacturing and Service enterprises. Based on the investment in plant and equipment (excluding land and building) the Micro, Small and Medium Enterprises are classified and the same is given below.

<b>Category</b>	<b>Manufacturing Enterprises Investment Level</b>	<b>Service Enterprises Investment Level</b>
Micro	Upto Rs.25 Lakh	Upto Rs.10 Lakh
Small	Above Rs.25 Lakh to Upto Rs.5 Crore	Above Rs.10 Lakh to Upto Rs.2 Crore
Medium	Above Rs.5 Crore to Upto Rs.10 Crore	Above Rs.2 Crore to 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 Tamil Nadu Entrepreneurship Development innovation Institute (EDII-TN)
- 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 and statutory clearances from Government Departments, sanction and disbursement of eligible subsidies.

## **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. Central Government have 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.

Existing enterprises, who have filed EM Part-II 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.

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 R s . 10 crore
	F	Service	More than Rs.2 crore but does not exceed Rs.5 crore

## **2.2 MSME Support Schemes**

The Government is providing following incentives 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 Disabled 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 Industry
  - 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 8,402 beneficiaries from 2011-12 to 2016-17 for Rs.41,000.00 lakh. The achievement during 2016-17 is Rs 8,000.00 lakh for 1,207 beneficiaries (**Annexure 2.1** )
  - Allocation has been doubled to Rs.160 crore for 2017-18.

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

20% low tension power tariff subsidy for 36 months from the date of commencement of production or from the date of power connection obtained 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 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 6,637 beneficiaries from 2011-12 to 2016-17 for Rs.3,664.16 lakh. The achievement during 2016-17 is Rs.664.16 lakh for 857 beneficiaries. (**Annexure 2.2**)

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

100% subsidy on the net value of Value Added Tax (VAT) paid by the MSMEs for the first 6 years after commencement of production upto 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 1,922 beneficiaries from 2011-12 to 2016-17 for Rs.2,334.63 lakh. The achievement during 2016-17 is Rs.684.63 lakh for 390 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 of Rs. 5.00 lakh.



Generator Subsidy was given to 8,422 beneficiaries from 2011-12 to 2016-17 for Rs.9,748.09 lakh. The achievement during 2016-17 is Rs.800.00 lakh for 587 beneficiaries.**Annexure 2.4)**

### **2.2.5 Back-ended Interest Subsidy (BEIS)**

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 Upgradation / modernization schemes and Credit Guarantee Fund Trust Scheme are eligible for 3% Back Ended Interest Subsidy .

- (a) BEIS for Technology Upgradation / Modernisation was given to 426 beneficiaries from 2011-12 to 2016-17 for Rs.448.35 lakh. The achievement

2016-17 is Rs.30.00 lakh for 43 beneficiaries  
**(Annexure 2.5)**

- (b) BEIS for Credit Guarantee Fund Scheme was given to 206 beneficiaries from 2011-12 to 2016-17 for Rs.54.44 lakh. The achievement during 2016-17 is Rs.10.00 lakh for 44 beneficiaries **(Annexure 2.5)**

### **2.3 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.10 lakh, Rs.3 lakh and Rs.1 lakh respectively. Subsidy assistance from the State Government upto 25% of the project cost is provided under this scheme. Maximum Subsidy amount is restricted to Rs.1,25,000/- under Manufacturing Sector.

## **Eligibility:**

- Minimum age limit - 18 years
- Upper age limit – 35 years for General Category and 45 years for Special Category comprising SC / ST / BC / MBC / Minority / Women / Ex-Servicemen / Differently abled / Transgender.
- Pass in VIII Standard

UYEGP subsidy had been given to 28,875 beneficiaries from 2011-12 to 2016-17 for Rs.12,941.55 lakh. During 2016-17 Rs.3,375.00 lakh have been disbursed as Subsidy to 5,368 beneficiaries. **(Annexure2.6 )**

## **2.4. NEW ENTREPRENEUR-CUM-ENTERPRISE DEVELOPMENT SCHEME (NEEDS)**

“New Entrepreneur–cum-Enterprise Development Scheme (NEEDS)” has been introduced by this Government to assist educated youth to become first generation entrepreneurs during 2012-13. The flagship 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.

The beneficiaries should be at the age group of above 21 years and below 45 years with education qualification of any Degree/Diploma / ITI / Vocational training from a Recognised Institution.

About 1000 beneficiaries will be selected every year for one month EDP training conducted by Entrepreneurship Development Innovation Institute, Chennai with a priority to assist 50% women to avail term loans from Banks / Tamil Nadu Industrial Investment Corporation Limited (TIIC). Subject to availability, they will also be provided with reservation up to 25% for allotment of plots / sheds in the Industrial estates of Tamil Nadu Small Industries Development Corporation Limited.

As per reservation policy, priority will be given for Scheduled Caste (SC), Scheduled Tribe (ST) and for Differently abled beneficiaries.

To set up manufacturing and service projects, a front end capital subsidy at the rate of 25% of the project cost (not exceeding Rs.25 lakh), is being given along with 3% interest subvention on term loan by the Government. The minimum project cost will be above Rs.5.00 lakh and the maximum project cost will be upto Rs.1.00 crore. For projects costing more than Rs.1.00 crore subsidy component will be restricted to Rs.25 lakh.

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

Being the implementing agency, the Industries Commissioner and Director of Industries and Commerce periodically review and monitor the progress of this scheme at the State level.

Since the inception of the Scheme, 1,932 beneficiaries have been benefited under the Scheme

involving a project cost of Rs.937.89 crore with a Government subsidy of Rs.190.70 crore.  
**(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 Minister's Employment Generation Programme (PMEGP)**

Prime Minister's Employment Generation Programme (PMEGP), a Government of India's Scheme, is being implemented 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:

<b>Categories of beneficiaries under PMEGP</b>	<b>Rate of Subsidy</b>	
	Urban	Rural
General Category	15%	25%
Special Category	25%	35%

PMEGP Margin Money Subsidy had been given to 7,653 beneficiaries from 2011-12 to 2016-17) for Rs.16,040.49 lakh. During 2016-17 Rs.3,425.80 lakh have been disbursed to 1,395 beneficiaries as Margin Money Subsidy (**Annexure 2.8**). Now all the application need to be filed and processed online upto disbursement of Margin Money subsidy. The beneficiary can track the status of the application.

## **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 application. During 2016-2017, out of 454 applications received, 419 applications have been disposed.

## **2.9 Framework for Revival and Rehabilitation of Micro, Small and Medium Enterprises**

In order to provide a simpler and faster mechanism to address the stress in the accounts of MSMEs and to facilitate the promotion and development of MSMEs, the Ministry of Micro, Small and Medium Enterprises, Government of India, vide their Gazette Notification dated May 29, 2015 had notified a 'Framework for Revival and Rehabilitation of Micro, Small and Medium Enterprises'. RBI in consultation with the Ministry of MSME made certain

changes so as to make it compatible with the existing regulatory guidelines on 'Income Recognition, Asset Classification and provisioning pertaining to Advances' issued to banks by RBI. Accordingly, a revised Framework along with operating instructions has been put in place by the banks and the same is in operation.

The action pursued by the Banks as per the framework for revival/rehabilitation of MSMEs are reviewed in the Empowered Committee for MSMEs on a quarterly basis, being conducted by RBI, Chennai.

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**

Disbursement made to the MSME from April 2016 to March 2017 is Rs.85,435.98 crore. The share of advance of Micro Enterprises to total MSME up to March 2017 is 45.23%.

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

- Government have constituted four Regional Micro and Small Enterprises Facilitation Councils at Chennai, Tiruchirappalli, Madurai and Coimbatore to facilitate speedy settlement of the payments of dues with respect to the goods supplied to major industrial undertakings by the micro and small enterprises in accordance with the Micro, Small and Medium Enterprises Development Act 2006.
- In the financial year 2016-2017, 28 MSEFC sittings were conducted and an amount of Rs.1,924.49 Lakh has been realised by 99

Micro and Small Enterprises.  
**(Annexure 2.9)**

- In view of the above 99 Micro and Small Enterprises have received payment of dues with respect to the goods supplied to major industrial undertakings.

## **2.12 Testing Services**

Five Chemical Testing Laboratories functioning under Department of Industries and Commerce at Chennai, Madurai, Coimbatore, Salem and Thoothukudi, are providing testing facilities to the Micro, Small and Medium Enterprises for testing their raw materials and products. The Micro and Small Enterprises having E.M Acknowledgment Part-II and UDYOG Aadhar Memorandum from this department are extended 50% concession on the nominal testing charges.

Central Electrical Testing Laboratory, Kakkalur in Tiruvallur District provides testing services on various electrical products with reference to the India Standard

Specifications and also ensure to maintain NABL accreditation for its testing activities. Laboratory is being strengthened regularly. A scheme for testing of LED Lamps and Fittings has been sanctioned at a cost of Rs.5.35 crore.

## **2.13 TRAINING INSTITUTES**

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, established in 1962 at Guindy, Chennai, offers two 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 144 students (120 students in first year (regular) + 24 students in lateral second year) in 3 years Diploma

Engineering every year. An additional new building has been constructed at a cost of Rs. 7.02 crore as per the announcement made by Hon'ble Chief Minister to fulfil the norms of AICTE and it has been inaugurated on 04.03.2017.

### **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 (45 students in regular first year + 9 students in lateral second year) in Diploma Engineering every year.

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

The Institute of Ceramic Technology, functioning at Vridhachalam is offering a 3½ years Diploma Course in Ceramic Technology. Every year 50 students with a qualification of pass in S.S.L.C (X Std.) are admitted in the first year and 10 students passed in +2 (XII Std) are admitted in the second year as lateral entry. This

institute is affiliated to the Directorate of Technical Education and approved by All India Council for Technical Education (AICTE).

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

The Government Scientific Glass Training Centre, Coimbatore is offering one year practical training course and two months Skill Development Training Course in the Fabrication of Scientific Glass Apparatus to the 8th standard passed students.

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

Government Production Centre for Scientific Glass Apparatus, Coimbatore is functioning since 1972. This unit is engaged in the manufacture of laboratory glasswares to cater to the needs of Agriculture, Forensic Science Department, Health Department laboratories.



## **2.15 Government Industrial Estates**

### **2.15.1 Government Industrial Estate for Ceramics**

Ceramic Industrial Estate was established by the Government at Vridhachalam exclusively for encouraging growth of Ceramic Industries. There are 64 industrial sheds in the industrial estate. Ceramic industries functioning in the industrial estate are manufacturing products such as Toys, Agal Vilakku, Industrial Refractory products, Insulators etc.

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

Eight exclusive industrial estates were developed by the State Government 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 banks – as a motivation for the promotion of MSME sector as below :-

- State Level Best Entrepreneur Award Rs.50,000/- cash prize and Memento, worth Rs.10,000/-.
- State Level Best Entrepreneur Award for Agro Based Industries Rs.50,000/- cash prize and Memento, worth Rs.10,000/-.
- State Level Best Entrepreneur Award for Quality and Export Rs.50,000/- cash prize and Memento, worth Rs.10,000/-.
- State Level Best Entrepreneur 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.
- Chief Minister's award 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 9<sup>th</sup> and 10<sup>th</sup> 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 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 through Single Window Clearance.

As on 31.3.2017, 4,111 MOUs signed enterprises have commenced production with an investment of Rs.4,469.48 crore, creating employment of 49,179 persons.

## **2.18 Industrial Cooperative Societies**

Industrial Cooperative Societies occupy a key position in developing small and cottage industries in the State. These societies play an important role in generating employment to the rural people. These societies now mainly provide gainful employment to rural artisans, skilled and un-skilled workers, and labourers. They also ensure to provide remunerative prices to the growers like small tea growers and tapioca cultivators. These societies not only ensure getting orders to micro and small units but also provide developed plots and constructed sheds along with infrastructural facilities to the entrepreneurs by way of organising Cooperative Industrial Estates. The most prominent among them are Indcoserve, Sagoserve, Teaserve etc. To provide adequate financial linkages to this sector, an exclusive financial institution has been formed which is known as TAICO Bank.

## **2.19 Indcoserve**

In order to coordinate the activities of Industrial Cooperative Tea Factories, an apex organisation called

The Tamil Nadu Small Tea Growers Industrial Cooperative Tea Factories Federation popularly known as “INDCOSERVE” was established in 1965. The main object of this organisation is to market the products of its member tea factories so as to enable them to get competitive rate for their products. It also facilitates the purchase of various items required by its constituent members and provides warehousing facilities at Coonoor, Coimbatore and Kochi. Besides selling Ooty Tea, the Indcoserve also markets its own branded tea in the market.

There are 15 Industrial Cooperative Tea Factories functioning at present in Nilgiris District with a membership of 25,188. The total installed annual production capacity of these factories is 210.00 lakh kgs of made tea contributing 17% of total production of tea in the State.

Acceding to the long time demand of Small Tea Growers of Nanjanad area in Nilgiris District, the Government sanctioned the scheme of setting up of new Industrial Cooperative Tea Factory at Nanjanad at

a total cost of Rs.5.00 crore. Out of this, the NABARD sanctioned its financial assistance including grant for a total amount of Rs.2.50 crore. Besides, the Government have released Rs.2.00 crore as its share towards the cost of the project. Construction work is completed and machineries have been installed and production will be commenced shortly.

## **2.20 Scheme of Price Stabilization Fund**

The tea market is facing high fluctuations in tea prices as a result of which all 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 and to find out permanent solution, a scheme called “Price Stabilization Fund” has been created by Government, with an initial corpus of Rs.12.00 crore with contribution of Rs.4.00 crore by Indcoserve and Government contribution of Rs.8.00 crore as onetime non recurring grant during the year 2014-15. So far, Rs.20.31 crore, has been

disbursed to 23,000 grower members under the scheme.

## **2.21 Teaserve**

Tea is the mainstay of Nilgiris District. The livelihood of Small Tea Growers mainly depends on Tea Industry. Before establishment of e-Auction Centre, the Tea auction was conducted manually under traditional method. As this system was found disadvantageous to the tea producers on various aspects, the Small Tea Growers represented to the Government to set up an Auction Centre in a more transparent manner. Accordingly, the Government launched the e-auction centre at Coonoor on 1.10.2003 in the name of Tamil Nadu Small Tea Manufacturers Service Industrial Cooperative Society called Teaserve. The basic objective of this e-Auction centre is to provide fair, transparent and better price discovery mechanism for the sale of Tea at a reduced transaction time and cost.

## **2.22 Sagoserve**

With a view to help the Sago and Starch manufacturers of Tapioca growing districts by way of marketing their products thereby to ensure fair and remunerative prices for their products, the Salem Starch & Sago Manufacturers Industrial Co-operative Society commonly known as “SAGOSERVE” was registered in 1981 at Salem and commenced its production on 27.02.1982. 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, it provides warehousing facilities and financial assistance to its member units. In order to improve its testing facility, the Sagoserve has set up a testing laboratory as a Common Facility Centre in the name of Sago and Starch Industry Cluster under Micro and Small Enterprises-Cluster Development Programme (MSE-CDP) of Govt. of India.



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

In order to mitigate many hindrances faced in obtaining financial assistance by the Industrial Cooperative Societies in their day to day affairs, the Tamil Nadu Industrial Cooperative Bank popularly known as TAICO Bank was established in 1961 with the Industrial Cooperative Societies as its members. The bank with its head quarter at Chennai, has 44 branches functioning all over the State. The object of the bank is to meet out the financial requirements of Industrial Cooperative Societies in the State. However, now the bank is extending all types of loans to the individuals, entrepreneurs under MSME Sector, Government employees and to the public thereby expanded its banking operations. In addition to this, it also accepts deposits from the public, operates current accounts and savings accounts for them. Further, the Bank is implementing various State schemes like TAMCO, THADCO and TABCEDCO by

acting as one of the implementing agency of such schemes.

## **2.24 Coir Industrial Cooperative Societies**

The Coir Industry is a traditional, labour intensive, export oriented and agro based cottage industry. Tamil Nadu ranks next to Kerala in the Coir Industry but stands first in the production of brown fibre in the country. The industry provides gainful employment to the people in rural areas. These Societies are mainly engaged in activities like, fibre extraction, spinning of coir, Mat and Matting and production of rubberised coir mattresses. At present, there are 65 Coir Industrial Cooperative Societies functioning in the State providing employment to more than 10,894 members/workers out of which 80% are women members. With a view to cater to the needs of member societies especially in marketing their products, an apex cooperative society, namely the Tamil Nadu State Coir Cooperative Marketing Federation (TANCOFED) has been established with its Headquarters at Chennai.

Further, the Coir Board have introduced the scheme of Market Development Assistance to the Coir Societies to the value of 10% on their average sales turnover of preceding 3 years. The main object of the scheme is to dispose of the coir products through rebate in order to enable the Coir Cooperatives to provide continuous employment to their workers. This MDA assistance is equally shared between Government of India and State Government. For the year 2016-17, the State Government have released a sum of Rs.106.87 lakh as its contribution to the 64 coir societies. The first instalment of Rs.31,87,500/- has been released by Coir Board as Central Government contribution.

## **2.25 Other Cooperative Societies**

Besides the above Industrial Cooperative Societies, the Department has also established societies in other important trades like polythene bag making, brick manufacturing, auto services, printing services, labour contract, handicrafts, tailoring, engineering, etc. Through these societies, sustained

employment is provided to marginalized sector workers especially rural women in the State. 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 in view of the formation of these societies.

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

The Government of India approved the Scheme of Fund for Regeneration of Traditional Industries (SFURTI) with a view to make the traditional industries more competitive with more market driven, productive, profitable and sustained employment for traditional industry artisans and rural entrepreneurs. This scheme envisages the activities like Capacity Building, Development of Common Facility Centre, Market Promotions, Exports, Product Development and Design Intervention etc., Under XIIth Plan period, the Government of India accorded final approval for 7 coir clusters viz, Dindigul, Nagercoil, Pollachi, Tirunelveli, Tirupur, Madurai and Dharmapuri under SFURTI

Scheme at a total project cost of Rs. 28.65 crore. In the approved clusters, works like construction of building, finalisation of machineries are in progress.

### **2.27 Employment generation in the MSME Sector during the XII Plan**

During the XII Five Year Plan period (2012-17) a target of 15.00 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
2016-17	6,15,482
<b>Total</b>	<b>18,82,210</b>

### **2.28 Amma Skill Training & Employment Scheme**

Under the programme for the educated unemployed youth on the job training for a period of maximum six months will be given in Micro, Small and

Medium Enterprises with a stipend of Rs. 5000/- each per month and out of this Rs. 2000/- will be given per month per candidate as Government subsidy to the MSME units, subject to maximum of Rs. 12,000/- per candidate. During 2016-17, 16,237 candidates have completed training.

### **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 2015-16, it

earned profit of Rs.8.65 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 MSMEs and other industries. As on 31.3.2017, SIDCO has developed 105 Industrial Estates with 7,576 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 spread 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. During 1974, Government transferred all the 35 Industrial Estates which were under the control of Director of Industries and Commerce to SIDCO. SIDCO has been managing these Industrial Estates on agency basis. 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 mostly 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 established till 2010**

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 some 90,000 persons.

### **3.2.2.2 Establishment of Industrial Estates during 2011-17**

During 2011-17, 31 new Industrial Estates were announced to be developed. Of these, 16 Industrial Estates have been established. The list is given in **Annexure – 3.3.**

For the remaining 15 Industrial Estates, SIDCO has already identified the land and these Industrial Estates are in various stages of establishment.

### **3.2.2.3 Women Industrial Parks**

Out of the 70 Industrial Estates set up by SIDCO till March 2017, 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 a below:

<b>Sl. No</b>	<b>Name of the Women Industrial Park</b>	<b>Year of formation</b>	<b>Area (in Acres)</b>
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>

The Government also sanctioned Rs.8.447 crore for setting up of Centres of Excellence in these estates. Works are nearing completion.

### **3.2.3 Private Industrial Estates**

Based on the announcement of the Hon'ble Chief Minister made during the Collectors Conference held on 14.11.2011 that "The construction of a bus body chassis unit in the outskirts of Namakkal in Joint Venture mode will be taken up", a truck body building estate has been developed at Vellagoundampatty Village, about 17 kms away from Namakkal town with

an extent of 52.23 acres at a total project cost of Rs.1,367.75 lakh.

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.

The total grant of Rs.1,219.26 lakh has been sanctioned by the Government and the infrastructure works like road, storm water drainage, culvert, water supply arrangements and underground sewage system have been completed. Establishment of EB sub-station and street light works are under progress.

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 to a large extent in Namakkal town.

### **3.2.4 Shifting of existing industrial units to the outskirts of town/city / Formation of Private Industrial Estate**

As a part of a Special Package of Incentives announced by the Hon'ble Chief Minister, 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 centers 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, 7 proposals have been received from the SPVs out of which 4 projects have been given final approval by the State Steering Committee. Government has released the first instalment to the SPVs as given below:

(Rupees in lakh)

Sl. No.	Name of the Clusters	Project cost considered for sanction	Grant considered	Grant released
1.	M/s.Tea Cluster, Mettupalayam	600.00	450.00	112.50
2.	M/s.Madurai Engineering Cluster	1,364.66	682.33	341.00
3.	M/s.Southern Textile Cluster, Virudhunagar	1,217.00	912.75	456.00
4	M/s.CODISSIA Industrial Park Ltd., Coimbatore	2,432.00	1,000.00	500.00

### **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, SIDCO has been allowed to participate upto 11% in the equity with the private industrial association for formation of new Industrial Estates through Joint Venture mode.

### 3.2.6 Upgradation of Existing Industrial Estates

During 2011-17, upgradation of infrastructure was undertaken by SIDCO in the following Industrial Estates:

(Rupees in lakh)

Sl. 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.	Ganapathipalayam Tiruppur District	45.82	27.49	13.75	4.58
6.	Alathur, Kancheepuram District	444.96	266.98	133.49	44.50
7.	Malumichampatti, Coimbatore District	200.00	113.25	56.62	30.13
8.	Thiruverambur, Trichi District	432.00	259.20	129.60	43.20
<b>Total</b>		<b>2,439.25</b>	<b>1,456.81</b>	<b>728.40</b>	<b>250.06</b>

First 7 projects have been completed. In respect of Thiruverambur Estate in Trichy District, the Government

of India have given final approval on 05.10.2016 and work is under progress.

### **3.3 Fair Allotment Policy**

SIDCO follows a transparent procedure 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 there are more than one applicants desire for the same plot.

SIDCO develops smaller 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 2016-17, 178 plots have been allotted to the entrepreneurs.



### **3.3.1 Modified Allotment Policy of SIDCO**

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

Further, considering the representation of various MSMEs regarding mode of allotment Government issued G.O.(Ms) No.40 MSME(C) Department, dated 15.12.2016 have further liberalised the Policy giving option to MSMEs to take allotment of Industrial plots / sheds either long term lease basis or outright sale basis. In case of long term lease basis the allottee has to pay only 60% of plot cost upfront and balance 40% will be paid over a period of 30 years and at the end of 30 years sale deed will be issued without collecting any additional cost.

### **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 are 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
- 20% 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 Implementing 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 marketing competitiveness.

The Government of India and also 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. 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 set 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%

In total, 32 projects 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.115.99 crore. The Government of Tamil Nadu have sanctioned a grant of Rs.12.86 crore. Out of the above 32 projects, 2 projects have been dropped by SPV and 9 projects have already been completed. The remaining 21 projects are under various stages of implementation. The expected total employment generation from these clusters will be around 25,500 persons. The list of 30

projects under MSE-CDP (CFC) scheme is given in **Annexure – 3.4.**

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 04.01.2014. Funds of Rs.6.50 crore have been sanctioned under ASIDE Scheme through TIDCO, for warehousing facility. A sum of Rs.112.50 lakh has been released as first instalment for the establishment of warehousing of infrastructure facility.

### **3.4.1 Micro Cluster**

During the Budget Speech of the Hon'ble Finance Minister on 13.02.2014 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 18.05.2015.

Four proposals for setting up of Common Production Infrastructure for Micro Clusters viz. at Erode, Kakkalur, Thirumudivakkam Phase-I and Phase- II with a total project cost of Rs.18.77 crore have been recommended for availing Government grant.

### 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 2016-17 are given below:

Sl. No.	Name of the Material	Target for 2016-17		Achievement for 2016-17	
		Qty. in (MT)	Rs. in lakh	Qty. in (MT)	Rs. in lakh
1	Iron & Steel	150.00	58.63	39.19	13.46
2	Wax	3,335.00	3,235.27	2,441.98	1,838.16
3	TNPL Paper (Direct Sales)	215.00	144.89	137.90	93.15
4	TNPL Paper (Agency sales)	670.00	450.00	627.03	404.64
5	Potassium Chlorate	5.50	5.32	0.00	0.00
<b>Total</b>		<b>4,375.50</b>	<b>3,894.11</b>	<b>3,246.10</b>	<b>2,349.41</b>

### **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 affected are released to the units after deducting 3% as consultancy fees.

SIDCO has executed purchase orders worth of Rs.97.13 lakh for the year 2016-17 through Micro and Small Industries under the Marketing Assistance Scheme.

### **3.7 e-Governance**

In Keeping pace with e-Governance initiatives and to realize full potential of ICT in servicing MSMEs,



SIDCO is implementing IT system project at a cost of Rs.1.77 crore for end to end automation for completing 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 software developing company. This e-Governance initiative comprises GIS linked all 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 the project is nearing completion.

### **3.8 Japan International Cooperation Agency(JICA)**

A special project to develop product specific integrated MSME clusters in four locations namely, a textile cluster each in Kancheepuram and Karur District, a food products cluster in Dharmapuri and a seafood cluster in Ramanathapuram is being taken up under the

second phase of JICA assisted Tamil Nadu Investment Promotion Programme(TNIPP) at a total estimated cost of Rs.100 crore. The project will be implementing by using JICA project funds.

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

### **4.1 Introduction and Formation**

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.

### **Number of units**

Based on the market requirements, TANSI has reorganized its activities and its production units. At present, it has 24 Production units all over Tamil Nadu and 2 Showrooms in Namakkal and Trichy.

Engineering units	-	10
Furniture units	-	11
Special units	-	3
<b>Total</b>	<b>-</b>	<b>24</b>

## **4.2 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 name for itself in the manufacture of quality of above products. 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

### 4.3 Performance

The performance of TANSI for the year 2015-16 (upto March, 2016) and for the year 2016-17 (upto March, 2017) is furnished hereunder:

( Rupees in crore)

Description	2015-16		2016-17	
	Target	Achievement (Upto Mar,16)	Target	Achievement (Upto Mar, 17)
Production	77.00	47.18	66.00	53.88
Sales	77.00	51.80	66.00	61.80
Profit before Tax		8.24		7.11
Provision for Income Tax		3.36		2.42
Net profit (approx.)		4.88		4.69

## 4.4 Categories and product lines

Category	Product Lines
<b>(a) Structural &amp; Engineering</b>	Light structural 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.

The following products have been supplied during the year 2016-17:

- Supply of line materials to TANGEDCO to the value of Rs.12.00 crore.
- Supply of Dual Desk to various Government Schools through the Department of School Education to the value of Rs.7.00 crore.

- Supply of Students Learning Maths Kit (SLM Kit) to Upper Primary Schools through Sarva Shiksha Abhiyan (SSA) to the value of Rs. 2.00 crore.
- Supply of lab furniture to various Government Colleges through the Department of Higher Education to the value of Rs. 3.50 crore.
- Supply of Compactors to High Court, Chennai to the value of Rs. 2.00 crore.
- Supply of steel and wooden furniture to Integrated Child Development Service (ICDS) to the value of Rs. 2.00 crore.
- Supply of steel and wooden furniture to Animal Husbandry Department to the value of Rs.1.00 crore.
- Supply of steel and wooden furniture to Directorate of Employment and Training to the value of Rs. 1.00 crore.
- Supply of office furniture to Law University to the value of Rs.1.00 crore.
- Supply of office furniture to Public Works Department to the value of Rs. 0.78 crore.

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

This Company 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 Company is to manufacture and supply of red oxide paints, rubberized paints for road marking 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 (upto March, 2016) and in 2016-17, has achieved a turnover of Rs.1.50 crore (upto March, 2017).



## **5. TAMIL NADU ENTREPRENEURSHIP DEVELOPMENT AND INNOVATION INSTITUTE (EDII-TN)**

### **5.1 Introduction:**

India has a strong entrepreneurial ecosystem which is based largely on need, rather than opportunity or innovation. Global Entrepreneurship Index 2017 has indicated that India has moved up by 29 ranks to 69<sup>th</sup> position worldwide. However, areas like networking skills, start-up skills, opportunity perception, risk taking strategy and technology adoption, etc., are special areas of concern.

Accelerating opportunity and innovation driven entrepreneurship and business creation is crucial for such large-scale employment generation. Moreover, innovation-driven opportunity entrepreneurship will help generate solutions to India's myriad social problems including high-quality education, affordable health care, clean energy and waste management, and financial inclusion.

Tamil Nadu Entrepreneurship Development and Innovation Institute (EDII-TN), Tamil Nadu, established in 2001 by the Government of Tamil Nadu as a not-for-profit society administered by the Department of Micro, Small and Medium Enterprises (MSME), Government of Tamil Nadu, for facilitating the entrepreneurial ecosystem through training of existing and aspiring entrepreneurs. In addition to entrepreneurship development, EDII-TN has commenced supporting research and innovation promotion in MSME and public sector. Till date, since inception, EDII-TN has trained over 1.45 lakh entrepreneurs in various fields.

Government of Tamil Nadu Vision 2023 released by Hon'ble Chief Minister in 2013 identifies ten thrust areas which form the basis of acceleration in the economy and achievement of the long term goals. Increasing the share of manufacturing in TN economy, making SMEs vibrant, and making TN Knowledge Capital & Innovation hub of India are three most relevant to EDII-TN.

Taking note of Global Entrepreneurship Index 2017 and TN Vision 2023 statements of the Government of Tamil Nadu, EDII-TN has prepared a comprehensive Strategic Plan for Entrepreneurship & Innovation 2016-21 shifting to a process-based life-cycle oriented training, facilitation, mentoring, networking support along with recognition, celebration and documentation of entrepreneurship and innovation. As part of this effort, EDII-TN has launched a comprehensive Innovation & Entrepreneurship Development Program (IEDP) for colleges, polytechnics, ITIs, as well as facilitation for technology, design and competitiveness in MSME Clusters.

The EDII-TN aims to spread an aspirational and inclusive entrepreneurship and business innovation culture spread across Tamil Nadu with EDII emerging as the State resource hub in education, training, research & practice in Entrepreneurship & Innovation EDII-TN will foster Entrepreneurship, Integrity, Objectivity, Timeliness, Teamwork, Excellence, Leadership, Innovation and Quality Consciousness as core values.

## **5.2 Focus areas of EDII-TN**

Major focus of EDII-TN is organising entrepreneurship awareness programs, business launch training programs for prospective entrepreneurs for establishment of new business ventures and business enhancement courses for existing MSMEs or clusters. The institute offers a wide array of programs on entrepreneurship, including:

- Entrepreneurship Development Programs
- MSME Cluster Development Program
- Student Innovation & Entrepreneurship Development Programs
- Startup & Innovation Promotion Programs

## **5.3 Activities during 2016-17**

EDII-TN prepared a comprehensive Strategic Plan for Entrepreneurship & Innovation for 2016-21 encompassing training, facilitation, mentoring, networking, celebration programs and documentation of

entrepreneurship and innovation involving various stakeholders in the entrepreneurship and innovation ecosystem focused on bringing about a new shift in the entrepreneurship ecosystem in the State. Funding for the activities under the Strategic Plan is provided by the Government. Implementation of the Strategic Plan has commenced with following major activities in 2016-17

#### **5.4 Entrepreneurship Development Programs**

Based on the Strategic Plan 2016-2021, EDII-TN switched to providing life-cycle based facilitation services for entrepreneurs, focusing on specific needs at every stage of enterprise development. During 2016-2017, a total of 15,834 persons have been trained in EDII-TN through various programme covering students, academic institutions, clusters, budding and existing entrepreneurs across Tamil Nadu.

- In the first phase (ideation stage), a one-day entrepreneurship awareness camp 9,409 potential entrepreneurs participated. These prospective entrepreneurs were briefed about

the benefits and challenges of starting businesses, entrepreneurial competencies to be developed and Government schemes.

- The Help Desk at EDII-TN Chennai campus assisted and guided 884 potential entrepreneurs from till date. These candidates were supplied a copy of the EDII Entrepreneurs Handbook and referred for an EDI training program.
- A pilot walk-in enterprise clinic is being run in Chennai every Thursday evening at EDII-TN campus. 376 prospective entrepreneurs have been counselled till date by experts for fine tuning their business proposals. This program is being expanded to 10 districts under the Business Facilitation Services Program (BFSP) in collaboration with MSME District or Product Associations.
- EDII-TN has setup a Business Opportunity Guidance Centre in EDII-TN campus with computer terminals with access to an online

database of business plans in helping to choose business ideas.

- In the second phase (business planning phase), five-day business model and plan preparation camps were organised in collaboration with Rural Self Employment Training Institutes (RSETIs) in 33 locations between August and October 2016 in which 759 persons participated. They were assisted in validating their business model and preparing their business plans and applications for loans under various Government schemes.
- In the third Phase (business launch phase), entrepreneurs who have availed loans through Government Schemes like UYEGP, PMEGP, NEEDS, TAHDCO, etc, were given training in business launching and operations management. Under the flagship NEEDS program, in 2016-17, 590 applicants sanctioned loans under NEEDS have been trained. Similarly, 4,182 UYEGP

entrepreneurs and 547 PMEGP entrepreneurs have been provided training for a period of 6 days and 10 days respectively in 2016-17.

- EDII-TN will also serve as the nodal training institution for TAHDCO for training of all TAHDCO beneficiaries from current year. EDII-TN has trained 1,727 entrepreneurs covering all districts across the State.
- New entrepreneurs under the above schemes are also attached to experienced industry professionals and entrepreneurs to receive mentoring support during the initial years of the business.
- In Phase-IV of training (for running MSMEs), EDII-TN focuses on issues of day-to-day relevance to daily operations and future expansion of MSMEs.
- A monthly networking meet with a talk by a successful entrepreneur is being organized by TiE and EDII-TN at EDII's campus every second Friday to enable entrepreneurs to



exchange cards and build on each other connections.

## **5.5 Cluster Development Program**

Entrepreneurship Development Institute has taken steps to support MSME clusters assisted by SIDCO under MSE-CDP of Ministry of MSME, Government of India, through training workshops for Special Purpose vehicle (SPV) members and cluster officials.

EDII-TN is also working jointly with National Productivity Council (NPC) in implementing "Lean Manufacturing Competitiveness Scheme" (LMCS) at cluster levels and with National Institute of Design in implementing "Design Clinic Scheme (DCS)". The Student Project Design program will be implemented under DCS is done through IEDP Colleges of EDI.

EDII has also commenced implementation of the Zero-Effect, Zero-Defect (ZED) program in coordination with Quality Council of India (QCI) nominated by Ministry of MSME of the Government of India. Through

ZED, MSMEs in Tamil Nadu, especially in manufacturing sector can improve their production or service delivery processes and get themselves rated. This rating will help them in getting linked to OEM supply chains.

## **5.6 Research and Innovation**

EDII General Council has approved amendment of EDI society Bye-laws providing for promotion of innovation in MSME and public sector. Henceforth, EDII-TN will also serve as the State nodal institution for innovation in Tamil Nadu.

As part of an effort to promote innovation and research efforts by MSMEs, EDII-TN has also commenced coordination with with the Global Innovation and Technology Alliance to syndicate funds for research and innovation.

## **5.7 Innovation & Entrepreneurship Development Program (IEDP)**

Entrepreneurship Development Institute, has launched Innovation and Entrepreneurship Development Program (IEDP), a comprehensive program for entrepreneurship and innovation development for all Colleges, Polytechnics.

Six leading academic institutions in Chennai, Thanjavur, Madurai, Salem and Coimbatore have been selected as regional hubs to support 20-25 colleges in that region to support student or alumni entrepreneurs within and around the campus to launch businesses.

Student Innovation & Entrepreneurship Development Program is supporting creation of an entrepreneurial & innovative ecosystem in Universities, Colleges, Polytechnics and ITIs through training and sensitising management, training faculty and raising student competencies in entrepreneurship in college campuses.

## **5.8 Startup Action Plan**

Government announced a Startup initiative in colleges for which Rs.1 crore was announced under the NEEDS program in the Budget for 2016-17. Selected teams will be rewarded with suitable financial assistance by EDII-TN under startup program.

EDII-TN will also be supporting Incubator initiatives from other colleges across the State with the goal of enabling launch of student startups. EDII-TN will be organising ideation contests, Grand challenges on specific themes and seed grant support for successful startups.

A detailed communication plan covering social media, electronic media and printed media. EDII-TN web portal ([www.editn.in](http://www.editn.in)) has been thoroughly revamped and new features are very useful for new entrepreneurs. Users can create their own account with several services including training alerts, mentor linkages, business opportunity alerts, etc.

Responding to the shifting needs of the entrepreneur based on market demands, existing MSMEs will continue to be facilitated through short-term training opportunities from ½ day to 5 days on a range of topics like GST preparedness, digital payments, digital marketing, social media marketing strategy etc., across the State in the coming months.

### **5.9 Financial Achievement**

The State Government outlay for EDII-TN for 2016-17 was Rs17.98 crore out of which only Rs.1.09 crore. has been received. EDII-TN has incurred an expenditure of Rs.3.81 crore so far as on 31.3.2017, out of which Rs.1.50 crore was on programs and Rs.2.31 crore on administrative expenditure.

**P.BENJAMIN**  
**Minister for Rural Industries**

## ANNEXURE 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	27,209	2,547.14	8,739.95	2,42,855
2008-09	32,049	3,557.89	13,354.86	2,94,255
2009-10	41,799	3,214.22	10,880.01	1,51,743
2010-11	57,902	5,872.37	12,500.86	4,05,233
2011-12	70,758	7,429.59	15,496.00	5,02,381
2012-13	83,348	8,751.54	17,503.08	5,83,436
2013-14	1,16,393	18,939.87	16,832.25	4,94,990
2014-15	1,43,104	24,349.65	59,789.70	6,51,180
2015-16 (up to 21.1.2016)	1,42,136	34,411.90	59,332.19	8,15,315
UAM (22.1.2016 – 31.3.2016)	41,656	6,218.69	--	2,96,687
2016-17	2,67,310	36,221.78	--	18,97,619

**Annexure 2.1**  
**Capital Subsidy**

(Rs in lakh)

Year	Amount allotted	Amount utilised	No. of Units
2011-12	5,000.00	5,000.00	1,316
2012-13	6,000.00	6,000.00	1,613
2013-14	7,000.00	7,000.00	1,541
2014-15	7,000.00	7,000.00	1,460
2015-16	8,000.00	8,000.00	1,265
2016-17	8,000.00	8,000.00	1,207
<b>Total</b>	<b>41,000.00</b>	<b>41,000.00</b>	<b>8,402</b>

**Annexure 2.2**  
**LTPT subsidy**

(Rs. in Lakh)

Year	Amount allotted	Amount utilised	No. of Units
2011-12	600.00	600.00	1,371
2012-13	600.00	600.00	1,130
2013-14	600.00	600.00	1,169
2014-15	600.00	600.00	1,106
2015-16	600.00	600.00	1,004
2016-17	664.16	664.16	857
<b>Total</b>	<b>3,664.16</b>	<b>3,664.16</b>	<b>6,637</b>

**Annexure – 2.3**  
**VAT Subsidy**

**(Rs. in lakh)**

Year	Amount allotted	Amount Utilised	No. of Units
2011-12	250.00	250.00	285
2012-13	350.00	350.00	234
2013-14	350.00	350.00	281
2014-15	350.00	350.00	365
2015-16	350.00	350.00	367
2016-17	684.63	684.63	390
<b>Total</b>	<b>2,334.63</b>	<b>2,334.63</b>	<b>1,922</b>

**Annexure – 2.4**  
**Generator Subsidy**

**(Rs. in lakh)**

Year	Amount allotted	Amount Utilised	No. of Units
2011-12	800.00	800.00	852
2012-13	2,348.09	2,348.09	1,958
2013-14	800.00	800.00	666
2014-15	800.00	800.00	734
2015-16	4,200.00	4,200.00	3,625
2016-17	800.00	800.00	587
<b>Total</b>	<b>9,748.09</b>	<b>9,748.09</b>	<b>8,422</b>



## Annexure 2.5

### Back-ended Interest Subsidy scheme a. Technology Upgradation/ Modernisation

(Rs. in Lakh)

Year	Funds Allotted	Funds Utilised	No. of Units
2011-12	303.87	303.87	172
2012-13	24.48	24.48	89
2013-14	30.00	30.00	25
2014-15	30.00	30.00	60
2015-16	30.00	30.00	37
2016-17	30.00	30.00	43
<b>Total</b>	<b>448.35</b>	<b>448.35</b>	<b>426</b>

### b. Credit Guarantee Fund Trust Scheme

(Rs. in Lakh)

Year	Amount allotted (Rs. in Lakh)	Amount utilised (Rs. in Lakh)	No. of Units
2011-2012	4.56	4.56	9
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
2016-2017	10.00	10.00	44
<b>Total</b>	<b>54.56</b>	<b>54.44</b>	<b>206</b>

**Annexure – 2.6**  
**Unemployed Youth Employment Generation Programme**  
**(UYEGP)**

<b>Financial Year</b>	<b>Nos.</b>	<b>Subsidy Released (Rs.in lakh)</b>
2011-12	4,759	1,319.86
2012-13	4,804	1,466.31
2013-14	4,657	1,499.53
2014-15	3,465	1,817.67
2015-16	5,822	3,463.18
2016-17	5,368	3,375.00
<b>Total</b>	<b>28,875</b>	<b>12,941.55</b>

**Annexure 2.7**  
**New Entrepreneur-cum-Enterprise Development Scheme**  
**(NEEDS)**

Description	2012-13		2013-14		2014-15		2015-16		2016-17	
	Nos	Subsidy	Nos.	Subsidy	Nos.	Subsidy	Nos.	Subsidy	Nos.	Subsidy
Recommended Applications	559	6531.39	1247	12380.70	1397	11720.17	1263	13177.31	1264	
Provisional Sanctions	305	3902.94	744	7847.27	857	7681.80	856	9765.04	765	8525.97
EDP Trained	284	-	645	-	789	-	822	-	602	-
Formal Sanctions	224	2504.57	482	4952.01	555	5157	466	4600.28	536	5765.33
Disbursement of Subsidy	218	2385.76	456	4333.52	172	995.42	585	4280.52	501	7072.55

## Annexure 2.8

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

Financial 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
2016-17	1395	3425.80
<b>Total</b>	<b>7653</b>	<b>16040.49</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)
2011-12	15	38	233.86
2012-13	35	115	396.65
2013-14	18	62	556.52
2014-15	27	45	233.93
2015-16	09	12	78.57
2016-17	28	99	1,924.49
<b>Total</b>	<b>132</b>	<b>371</b>	<b>3,424.02</b>

**Annexure – 3.1**  
**105 Industrial Estates currently managed by SIDCO**

Sl. No.	District	Sl. No.	Location	Govt. or SIDCO	Yr. 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	Thirumudivakkam (Micro)	SIDCO	2013	5.262
		17	Thirumudivakkam (WIP)	SIDCO	2002	11.48
4	Vellore	18	Katpadi	Govt.	1968	19.48
		19	Arakkonam	Govt.	1968	51.74
		20	Ranipet	SIDCO	1972	113.44
		21	Mukuntharayapuram	SIDCO	1980	86.19
		22	Vannivedu	SIDCO	1987	16.44
		23	Vinnamangalam	SIDCO	2009	10.49
		24	Vaniyambadi	SIDCO	2013	7.08

5	Thiruvanna malai	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	Parvathanahalli	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	Thiruchengodu	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	Malumichampatti	SIDCO	1994	36.14
12	Tiruppur	46	Ganapathipalayam	SIDCO	1993	17.10
		47	Tiruppur	SIDCO	1978	10.14
		48	Gudimangalam	SIDCO	1992	6.74
		49	Rasathavalasu	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	Periyanesalur	SIDCO	2015	90.80

15	Villupuram	54	Patanam	SIDCO	2014	60.55
		55	Asanur	SIDCO	2009	212.79
		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	Nagapattinam	64	Nagapattinam	Govt.	1966	20.97
		65	Mayiladuthurai	SIDCO	2009	12.56
19	Tiruchirapalli	66	Thuvakudi	Govt.	1974	478.38
		67	Thiruverambur	Govt.	1974	74.50
		68	Ariyamangalam	Govt.	1974	17.64
		69	Kumbakudy	SIDCO	2009	24.46
		70	Valavanthaankottai (WIP)	SIDCO	2003	51.70
		71	Valavanthankottai	SIDCO	2008	179.02
20	Karur	72	Karur (Vellalapatti)	Govt.	1974	26.63
		73	Karur(Athur)	SIDCO	1993	36.29
		74	Punjaikalakurichi	SIDCO	2016	52.076
21	Pudukottai	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	Virudhunagar	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
29	Thoothukudi	99	Kovilpatti	Govt.	1962	85.54
		100	Thoothukudi (Phase I)	SIDCO	1988	9.72
		101	Thoothukudi (Phase II)	SIDCO	2003	14.46
		102	Pidaneri	SIDCO	2016	108.23
30	Kanyakuma ri	103	Konam	Govt.	1964	20.70
		104	Marthandam	Govt.	1964	7.50
31	Ariyalur	105	Mallur	SIDCO	2014	25.34
			TOTAL			7445.228

**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	167.00
		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>		<b>4229.99</b>

### Annexure – 3.3

#### Establishment of Industrial Estates during 2011-17

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 District)	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	Asanur Phase-II, (Villupuram District)	2015	105.55
14	Punjaikalakurichi (Karur District)	2016	52.076
15	Pidaneri (Thoothukudi District)	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 (30)  
(Rupees in lakh)

S. 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, Krishnagiri	1172.52	964.14	100.00	108.38	0.00	
9	Auto Components, Hosur	690.94	439.89	70.75	105.30	75.00	
10	Wet Grinder, Coimbatore	288.20	99.00	16.52	172.68	0.0	Project under implementation.
11	Brick, Tirunelveli	227.27	122.73	22.72	29.55	52.27	
12	Ceramic, Vridhachalam	73.10	43.86	GO TN has given 2 sheds and + Rs.9.57 Lakh	18.45	10.79	
13	Coir, Sivaganga	658.90	500.01	65.89	93.00	0.00	
14	Engineering Ranipet, Vellore.	927.08	616.39	97.21	109.35	104.13	
15	Printing, Sivakasi	1314.17	767.81	90.66	180.28	276.00	
16	Rice Mill, Keelapavoor	690.58	466.03	69.05	145.50	10.00	
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 Cluster,	1632.74	1277.71	100.00	253.03	0.00	The project is at pre –

S. No.	Cluster name	Project cost of CFC	GOI grant	Govt. of TN grant	SPV contribution	Bank loan	Remarks
	Salem.						implementation stage.
20	Plastic Cluster, Kanchipuram	1485.12	1026.96	100.00	258.16	100.00	The project under implementation
21	Engineering, Paramakudi	498.89	373.80	23.34	53.75	48.00	
22	Gate & Grills, Tirumullaivoyal	284.87	197.93	29.69	57.25	0.00	
23	Garment Cluster (Women), Dhalavaipuram	104.24	74.28	9.36	20.60	0.00	The project is at pre implementation stage.
24	Gold Jewellery, Madurai	356.46	255.80	29.14	39.92	31.60	Final approval of GOI received. The project is at pre-implementation stage.
25	Power and Auto Loom, Salem.	1333.96	886.45	98.78	162.18	186.80	Final approval of GOI received. The project is at the pre-implementation stage.
26	Safety Match Cluster, O. Mettupatty	346.89	204.64	36.00	42.50	63.75	The project is under implementation stage.
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	365.03	288.24	36.03	36.03	0.00	Final approval given by GOI. Sanction orders awaited.

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

(Rupees in Thousand)

<b>Major Heads</b>	<b>Budget Estimate 2016-17</b>	<b>Revised Estimate 2016-17</b>	<b>Budget Estimate 2017-18</b>
2851-VILLAGE AND SMALL INDUSTRIES	2859084	2870815	4681376
2852-INDUSTRIES	87276	102322	106763
3451-SECRETARIAT ECONOMIC SERVICES	31616	32766	34725
4059-CAPITAL OUTLAY ON PUBLIC WORKS	4255	32225	-
4851-CAPITAL OUTLAY ON VILLAGE AND SMALL INDUSTRIES	500001	400000	500304
7610-LOANS TO GOVERNMENT SERVANTS ETC.	1	1	1
<b>Total</b>	<b>3482233</b>	<b>3438129</b>	<b>5323169</b>