



ABSTRACT

Industries – Implementation of the Tamil Nadu Automobile and Auto Components Policy, 2014 – Orders – Issued.

INDUSTRIES (MID.1) DEPARTMENT

G.O.(Ms).No.103

Dated: 4.08.2014

ஐய- ஆடி 19,

திருவள்ளூர் ஆண்டு -2045

Read:

1. G.O.(Ms).No.52, Industries (MID1) Dept., dt.26.2.2007.
2. G.O.(Ms).No.15, Industries (MIB1) Dept., dt.4.2.2008.
3. G.O.(Ms).No.101, Industries (MIB1) Dept., dt.4.8.2014.

ORDER:

Automobiles and Auto components sector constitute a very important segment in the State economy due to its multiplier effect and its potential to create large scale employment. Further, Tamil Nadu is known for Automobile manufacturing and a number of Automobile and Auto Component mother plants have been established in the State. Except the offering of a package of incentives for Ultra Mega Auto Projects in G.O. first cited, a separate integrated and comprehensive policy has not been formulated so far to retain the State's leadership position, to enhance its competitive edge and to address the critical issues faced by this industry. Therefore, considering the strength and opportunities for Auto Industries in Tamil Nadu, formulation of a separate sector specific policy for Automobile and Auto Components Industry has become imperative.

2. Based on the suggestions / inputs from the relevant Govt. Departments / Agencies and Industry associations, the Government of Tamil Nadu framed the Automobile and Auto Components Policy, 2014 and it was unveiled by the Hon'ble Chief Minister on 21.2.2014.

3. In respect of the various provisions relating to Industries Department as found in the Automobile and Auto Components Policy, 2014,

the Government issue the following order towards the implementation of the same: -

(1) Infrastructure development:

Steps will be taken

- (a) to form an Automotive Industrial Development Centre (AIDC) offering investment facilitation services to companies wishing to invest in the automotive industry in Tamil Nadu.
- (b) to establish an Automotive Suppliers Park (ASP) to improve the logistics competitiveness for the units set up.
- (c) to set up an Auto City, a state-of-the-art industrial park as a joint venture, spread over 1000 ha. catering to domestic and global automotive /component design, prototyping, manufacturing and remanufacturing units for
 - Cars, Buses, Trucks and derivatives
 - Earthmoving equipment
 - Machined auto components, Castings and Forgings and
 - Cold-rolled Close Annealed (CRCA) rolling and servicing.
- (d) to promote new auto clusters in Tiruchirapalli, Tirunelveli and Thoothukudi.
- (e) to strengthen the existing clusters in Madurai and Coimbatore.
- (f) to promote Auto Industrial Parks through SIPCOT in Coimbatore, Tiruchirapalli, Thoothukudi, etc. and extend all infrastructure and other common facilities to attract more investment from small and medium auto component industries.
- (g) to ensure that infrastructure in the proposed as well as existing Industrial Parks / Estates will include provision for a solid waste disposal yard, waste water treatment plant, common effluent treatment plants, etc. and
- (h) to provide through SIPCOT land and facilitate the creation of common facility centres in each Industrial Park for testing, metrological centre, tool room, training facilities for workers, dormitory facilities for workers, housing near the place of work for employees, education facility for worker's children, medical facilities, vehicle parking locations/ terminals, and public transport facilities.

(2) Fiscal incentives:

- (a) The incentives offered in the Tamil Nadu Industrial Policy 2014 will be applicable to the Automobile and Auto Components Industry as well.
- (b) Apart from this, Ultra Mega and Super Mega Auto & Auto Component Projects either new or expansion units will be offered a rebate in the cost of land procured from SIPCOT at 10% and 5% respectively in order to encourage setting up of Integrated Ultra Mega / Super Mega Automobile Projects.
- (c) Automobile Hubs & Clusters will be incentivized by providing 50% Stamp duty concession and additional capital subsidy of 5%.
- (d) 'Training Incentives' award will be introduced for Automobile and Auto Components Manufacturers respectively to encourage industries to impart basic industry practices and skills, so as to produce skilled labour employable by the auto industry.

(3) Automobile and Auto Components Industry Consultative Committee:

An "Automobile and Auto Components Industry Consultative Committee" will be constituted under the Chairmanship of Hon'ble Minister for Industries with leading industrialists, organisations like The Automotive Component Manufacturers Association of India (ACMA), Society of Indian Automobile Manufacturers (SIAM), The Confederation of Indian Industry (CII) etc. to meet periodically to discuss the major issues confronting the industry and advise Government on remedial measures needed.

4. The concerned agencies like SIPCOT, TIDCO and Guidance Bureau should formulate and submit proposals urgently to operationalise the above decisions.

(BY ORDER OF THE GOVERNOR)

C.V. SANKAR
PRINCIPAL SECRETARY TO GOVERNMENT

To

The Chairman & Managing Director (i/c), TIDCO
Egmore, Chennai-8.

The Managing Director,
State Industries Promotion Corporation of Tamil Nadu Limited,
Egmore, Chennai-8.

The Chairperson,
Tamil Nadu Industrial Investment Corporation Limited,
692, Anna Salai, Chennai-35.

The Principal Secretary / Chairman,
Tamil Nadu Electricity Board,
144, Anna Salai, Chennai-2.

The Chairman,
Tamil Nadu Pollution Control Board,
76, Anna Salai, Guindy, Chennai-32.

The Executive Vice Chairman,
Guidance Bureau,
Egmore, Chennai-8.

Copy to:

The Principal Secretary to Government,
Finance Department, Chennai-9.

The Secretary to Government,
Finance (expenditure) Department,
Chennai-9.

The Principal Secretary to Government,
L & E Department, Chennai-9.

The Principal Secretary to Government,
HW & MP Department, Chennai-9.

The Principal Secretary to Government (i/c),
Environment & Forests Department, Chennai-9.

The Secretary to Government,
Energy Department, Chennai-9.

The Secretary to Government,
MSME Department, Chennai-9.

Industries (MIB / MIE / MIF / MIG / Budget / OP.II) Department, Chennai-9.
Sf/Scs.

// Forwarded by Order //

SECTION OFFICER