ABSTRACT

Micro, Small and Medium Enterprises Department – Revamping of the District Industries Centre in 32 Districts of Tamil Nadu -Sanction of Rs.50,00,00,000/- – Orders – Issued.

Micro, Small and Medium Enterprises (F) Department

G.O.(D) No. 7

Dated: 17.1.2013

Read:


Order:

The Industries Commissioner and Director of Industries and Commerce has informed that as per the Industrial Policy, Government of India, Ministry of Industry have suggested setting up of District Industries Centres in select Districts in order to provide necessary services through single agency, to Small and village Industries. The State Government in G.O.(Ms) No.557, Industries Department dated 6.6.1978, setup eight District Industries Centres in the first phase. Subsequently, in G.O.(Ms) No.1237, Industries Department dated 30.8.1979 and G.O.(Ms) No.1435, Industries Department, dated 28.9.1979, another six District Industries Centres were formed with the total staff strength of 790 @ 56 posts per District on an average. The broad areas of functions proposed for strengthening of District Industries Centres are:

- At the district level, concrete steps will be taken to revamp the District Industries Centres (DICs) and ensure that they emerge as genuine agencies for the promotion of the sector.
- The District Industries Centres should be strengthened for providing comprehensive information on policies / schemes; project profiles on viable activities in the District, marketing support through organizing exhibitions etc.,
- A cell may be set up in District Industries Centres for facilitating revival / rehabilitation of sick Micro, Small and Medium Enterprises.
- The infrastructure of District Industries Centres should be used for running entrepreneurship and skill development course.
- The District Industries Centres should also assist Micro, Small and Medium Enterprises in obtaining credit facilities as well as monitor the credit flow to MSMEs from the financial institutions.
- District Industries Centres should play a more active role in advocacy and capacity building for potential and existing entrepreneurs.
2. The Industries Commissioner and Director of Industries and Commerce has stated that the buildings of District Industries Centres were constructed long ago. Consequent to the withdrawal of Government of India's funding in 1993, fund allocated for the maintenance of District Industries Centre buildings were not sufficient. Further, with passage of time, the role of District Industries Centres have been reduced to registration of Micro, Small and Medium Enterprises and implementation of subsidy / incentive schemes. Thus District Industries Centres at present do not have the required infrastructure to cater to the role for which they were established. It is therefore, the need of the hour to undertake upgradation of the infrastructure facilities in all District Industries Centres, so that they are properly equipped to respond to the needs of the entrepreneurs and industry in view of the changing local and global scenario.

3. The Industries Commissioner and Director of Industries and Commerce has further stated that the Prime Minister's Task Force on Micro, Small and Medium Enterprises constituted by the Government of India in 2009, in its report has observed that the District Industries Centres (DICs) should be strengthened with provision of modern IT-enabled communication facilities and re-training of human resources available with these institutions. As the District Industries Centres form the bedrock of Micro, Small and Medium Enterprise promotion, they should be urgently strengthened, revitalized and transformed to play a more active role in advocacy and capacity building for potential and existing entrepreneurs.

4. The Industries Commissioner and Director of Industries and Commerce has now proposed to construct New Office Building for the following 11 District Industries Centres where offices are presently working in rental building based on the detailed estimates furnished by the Public Works Department:

1. Perambalur
2. Ariyalur
3. Theni
4. Villupuram
5. Nagapattinam
6. Thiruvannamalai
7. Namakkal
8. Karur
9. Thiruvarur
10. Tiruppur
11. Chennai

1. The floor wise area with accommodation details are furnished below:

<table>
<thead>
<tr>
<th>Plinth Area:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Ground Floor</td>
<td>235.80 Sq.m</td>
</tr>
<tr>
<td>First Floor</td>
<td>265.90 Sq.m</td>
</tr>
<tr>
<td>Total</td>
<td>501.70 Sq.m (5400 sq.ft)</td>
</tr>
<tr>
<td>Portico</td>
<td>23.00 Sq.m</td>
</tr>
</tbody>
</table>
6. The Industries Commissioner and Director of Industries and Commerce has also proposed to construct additional building in the existing offices of District Industries Centres and also to renovate the existing building in the following 21 districts.

<table>
<thead>
<tr>
<th>Districts</th>
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<tbody>
<tr>
<td>1. Krishnagiri</td>
</tr>
<tr>
<td>2. Trichy</td>
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<tr>
<td>3. Salem</td>
</tr>
<tr>
<td>4. Madurai</td>
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<tr>
<td>5. Virudhunagar</td>
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<tr>
<td>6. The Nilgiris</td>
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<tr>
<td>7. Kancheepuram</td>
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<tr>
<td>8. Thoothukudi</td>
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<tr>
<td>9. Tirunelveli</td>
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<tr>
<td>10. Kanyakumari</td>
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<tr>
<td>11. Sivagangai</td>
</tr>
<tr>
<td>12. Erode</td>
</tr>
<tr>
<td>13. Dindigul</td>
</tr>
<tr>
<td>14. Cuddalore</td>
</tr>
<tr>
<td>15. Dharmapuri</td>
</tr>
<tr>
<td>16. Thiruvallur</td>
</tr>
<tr>
<td>17. Vellore</td>
</tr>
<tr>
<td>18. Thanjavur</td>
</tr>
<tr>
<td>19. Coimbatore</td>
</tr>
<tr>
<td>20. Ramanathapuram</td>
</tr>
<tr>
<td>21. Pudukottai</td>
</tr>
</tbody>
</table>

Plinth Area:

<table>
<thead>
<tr>
<th>Floor</th>
<th>Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ground Floor</td>
<td>197.80 Sq.m</td>
</tr>
<tr>
<td>First Floor</td>
<td>143.40 Sq.m</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>341.20 Sq.m (3673 Sq.ft)</strong></td>
</tr>
<tr>
<td>Portico</td>
<td>23.00 Sq.m</td>
</tr>
</tbody>
</table>

7. The Industries Commissioner and Director of Industries and Commerce has proposed to take up other works such as IT / ICT services and capacity building as indicated below:

**Upgrading and strengthening of Information Technology / Information Communication Technology facilities at District Industries Centres:**

It is proposed to upgrade the existing Information Technology / Information Communication Technology infrastructure in each District Industries Centre. It is also proposed to provide additional facilities, net working, software development, enabling District Industries Centres to provide required facility to office staff as well as entrepreneurs. It is further proposed to update and renew database of all Micro, Small and Medium Enterprise units in each District Industries Centre and to integrate Industries Commissioner and Director of Industries and Commerce with District Industries Centre offices and introduce many more services online for the benefit of stake holders.

It is proposed to provide fund of Rs.15 lakhs for each District Industries Centre. In this connection, the total fund requirement is Rs.4.8 crores.

**Capacity Building:**

It is proposed to take up comprehensive exercise of capacity building for all officers, technical and non-technical staff of the Department by imparting training, undertaking of exposure visits to other States, purchase of books and journals, developing project profiles etc.
8. Funds are proposed to be utilized in the following manner:

i. Taking up of exposure visit to other States in the Country for the Officers in the cadre of General Manager / Project Manager / Assistant Engineer / Junior Engineer and officers in the Cadre of Deputy Director / Assistant Director / Assistant Director (IC) and similar cadre in other wings of the Department.

ii. Visit to other Countries to participate in Trade Fairs / Exhibitions / Seminars. Exposure visits to Countries of bilateral interest and Countries show casing Micro, Small and Medium Enterprise success stories to the General Managers of the District Industries Centres and officers in the rank of Joint Director in various wings in the Directorate.

iii. Technical / Managerial training to Managers / Superintendents / Assistants within the State.

iv. Conducting programmes for Micro, Small and Medium Enterprises/ Micro, Small and Medium Enterprise Associations / Clusters / Entrepreneurs with respect to local and global issues and other current relevant issues with the assistance of professionals and experts.

9. The Industries Commissioner and Director of Industries and Commerce is proposed to provide budget provision of Rs.10.25 lakhs for each District Industries Centre (Rs.10.25 X32 = Rs.. 3.28 crores). It is also proposed to keep a fund of Rs. 50 lakhs at the Commissionerate to take up urgent repairs in Commissionerate and other subordinate offices.

10. Funds allocation proposed above is indicative. Actual allocation will be decided by Commissioner’s Office based on actual requirements with reference to upgrading and strengthening of IT / ICT facilities at District Industries Centres and capacity building.

11. Total fund requirement is indicated below:

<table>
<thead>
<tr>
<th>1</th>
<th>Fund requirement for construction of new office building in respect of 11 districts at Rs. 1.50 Crore per district ( Rs. 1.50 Crore X 11 = 16.50 Crore )</th>
<th>16.50</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Fund requirement for Construction of Additional building in the existing office of the District Industries Centres in 18 districts @ Rs. 1.00 Crore per district ( Rs. 1.00 Crore X 18 = 18.00 Crore )</td>
<td>18.00</td>
</tr>
<tr>
<td>2 i)</td>
<td>Renovation / Repairs of existing DIC buildings in 18 districts @ Rs. 0.25 Crore per District Industries Centre ( Rs. 0.25 Crore X 18 = 4.50 Crore )</td>
<td>4.50</td>
</tr>
<tr>
<td>3</td>
<td>Renovation of existing District Industries Centre building in Coimbatore, Ramanathapuram and Pudukottai Districts ( Coimbatore = Rs. 1.00 Crore, Ramanathapuram = Rs. 0.64 Crore and Pudukottai = 0.78 Crore )</td>
<td>2.42</td>
</tr>
<tr>
<td></td>
<td>Sub Total</td>
<td>41.42</td>
</tr>
<tr>
<td>4</td>
<td>Information Technology/ Information Communication Technology activities</td>
<td>4.80</td>
</tr>
<tr>
<td>5</td>
<td>Capacity Building</td>
<td>3.28</td>
</tr>
<tr>
<td>6</td>
<td>Maintenance fund at Commissioner Office</td>
<td>0.50</td>
</tr>
<tr>
<td></td>
<td>Grand Total</td>
<td>50.00</td>
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</tbody>
</table>
12. The Industries Commissioner and Director of Industries and Commerce has requested the Government to issue orders for sanctioning Rs.50 crores for revamping the District Industries Centers in all 32 districts.

13. After careful consideration, the Government have accepted the proposal of Industries Commissioner and Director of Industries and Commerce and sanction is accorded for a sum of Rs.50,00,00,000/- (Rupees Fifty crores only) as detailed at para 11 above for revamping the District Industries Centres in all the 32 Districts subject to the following conditions:

i. An overall comprehensive study for enhancing the role of District Industries Centres as a single window for Micro, Small and Medium Enterprises;

ii. Preparing an action plan based on the study;

iii. Putting in place a single application system to enable Micro, Small and Medium Enterprise to submit a single form for all relevant permits;

iv. Preparing a comprehensive investment guideline book and website for Micro, Small and Medium Enterprises with relevant district wise information to enable easy access;

v. Having a common data base for all District Industries Centres which should be worked:

vi. Establishing a tracking system for investors to track the status of applications made under the single window system since it is intended to implement all these measures under the Tamil Nadu Investment Promotion Programme (TNIPP) and these are more or less similar to what is being proposed under the present proposal for revamping of the District Industries Centres.

vii. The work relating to Information Communication Technology (ICT) upgradation including net working of District Industries Centres, upgrading website and software will necessarily have to be done and not to be done in phases.

viii. The civil works shall include improvement of physical ambience / environment which is industry friendly to provide counselling and guidance on Project Preparation, Financial Management and Marketing support till the new entrepreneur establishes his unit and becomes sustainable.

14. The expenditure sanctioned in para 13 above shall be debited to the following two new heads of account opened under Demand No.44-02 as detailed below:

1) For Item No.1,2(i), 2 (ii) and 3, Construction Works - Rs.41.42 crore.

“4059 Capital outlay on Public Works
01. Office Building
051.Construction Schemes in the Twelfth Five Year Plan
II. State Plan
KZ. Industries and Commerce Department
16. Major Works”.

[DPC 4059 01 051 KZ 16 02]
2). for Item No.4,5 and 6

“2852 – Industries
80. General
001 Direction and Administration
Schemes in the Twelfth Five Year Plan
II. State Plan
JE. Revamping of District Industries Centres including Head Quarters

18. Maintenance Rs.0.50 crore
01. Periodical Maintenance
[DPC 2852 80 001 JE 1813]

72. Training Rs.3.28 crore
[DPC 2852 80 001 JE 7200]

76. Computer and Accessories
01. Purchase Rs.4.80 crore
[DPC 2852 80001 JE 7611]

15. The Industries Commissioner and Director of Industries and Commerce
is the estimating reconciling and controlling authority for the above new two heads
of account.

16. The Pay and Accounts Officer / Treasury Officer concerned are
requested to open the above new heads of account in their accounts.

17. The expenditure sanctioned in para 13 above is an item of “New
Instrument of Service” for which the approval of the Legislature will be obtained in
due course. Pending approval of the Legislature, the expenditure will be initially met
by sanction of an advance from the contingency fund, orders regarding which will
be issued by the Government in Finance (BG.1) Department separately. The
Industries Commissioner and Director of Industries and Commerce is requested to
send necessary proposals to Government in Finance (BG.1) Department in the
prescribed format, along with a copy of this order for sanctioning of an advance from
the Contingency Fund. He is also requested to send necessary explanatory notes for
inclusion of the above expenditure in the Supplementary Estimates to Finance
(BG.1) Department at an appropriate time without fail.

18. The Industries Commissioner and Director of Industries and Commerce is
authorized to draw and disburse the amount sanctioned in para 13 above.

19. This order issues with the concurrence of the Finance Department
vide its U.O.No. 2013/Ind/2013, dated 17.1.2013 and ASL No.2123 (Two thousand
one hundred and twenty three)

(BY ORDER OF THE GOVERNOR)

K. DHANAVEL
SECRETARY TO GOVERNMENT

To
The Industries Commissioner and
Director of Industries and Commerce,
No.36, South Canal Bank Road,
Mandaivelipakkam, Chennai - 28.
The Secretary to Government,
Public Works Department, Chennai - 9.
The Chief Engineer (Buildings),
Public Works Department, Chepuak, Chennai - 5.
The Accountant General,
Chennai - 18.
The Pay and Accounts Officer, Chennai - 8.
The Treasury Officers concerned,
Copy to
Sc/Sf.

//FORWARDED BY ORDER//

SECTION OFFICER