



## **ABSTRACT**

Micro, Small and Medium Enterprises Department - MSME Policy, 2021 - Capital Subsidy - Installation of Green House Driers / Mechanical Drier, Pollution prevention equipments and ETP plant for the New and existing Coir Sector enterprises - To make eligible for Capital Subsidy - Incorporation of the sub chapter 7.7 of Chapter 7 of the guidelines of MSME Policy, 2021 - Amendment - Orders - Issued.

### **Micro, Small and Medium Enterprises (D2) Department**

**G.O. (Ms.) No.38**

**Dated 18.05.2023**

திருவள்ளூர் ஆண்டு 2054  
சோபகிருது வருடம், வைகாசி 4

#### **Read:**

1. G.O. (Ms.) No.37, Micro, Small and Medium Enterprises (B) Department, dated 06.07.2021.
2. Announcement made by the Hon'ble Minister for MS&ME on the floor of the Assembly on 06.04.2023.
3. From the Industries Commissioner and Director of Industries and Commerce Letter Rc. No.8576/LC3/2023, dated: 13.04.2023.

#### **ORDER:**

During the Demand for grants for Micro, Small and Medium Enterprises Department, the Hon'ble Minister for MS&ME among others has made the following Announcement on the floor of the Assembly on 06.04.2023:-

“தென்னை நார் பொருட்கள் சுற்றுச்சூழலுக்கு உகந்த இயற்கை பொருட்கள் என உறுதியளிக்கும் வண்ணம் தென்னை நார் சார் நிறுவனங்கள், மாசுக்கட்டுப்பாட்டு வாரியம் விதித்துள்ள நிபந்தனைகளுக்கு இணங்க உலர்த்தும் கருவிகள் இயந்திரங்கள் மற்றும் உபகரணங்களின் மீது செய்யப்படும் முதலீடுக்கு மூலதனமானியத் திட்டத்தின் கீழ் 25 சதவிகிதம் மானிய உதவி வழங்கப்படும்.”



2) In the Government Order first read above, orders have been issued introducing various incentives and concessions including 25% Capital Subsidy to the eligible Micro, Small and Medium manufacturing enterprises in the State, subject to a maximum of Rs.150.00 lakh and also issued guidelines for MSME Policy, 2021.

3) In order to implement the announcement made by the Hon'ble Minister for MS&ME, the Industries Commissioner and Director of Industries and Commerce in the letter third read above has stated that based on the repeated representations made by the Coir MSME associations, considering the importance and the worth / cost involvement in procuring for the vertical integration such as installation of drier and pollution prevention equipments and ETP etc., to assist the Coir industries to comply with the conditions imposed by Tamil Nadu Pollution Control Board (TNPCB) to meet the prescribed standards, it has been proposed to include drier and pollution prevention equipments and relevant civil structures etc., under eligible items qualify for sanction of capital subsidy for both new and existing enterprises. By including ETP plant, Pollution control equipments, Green House drying or Mechanical drying system eligible under capital subsidy for Coir sector will result in (i) Reduction in Air Pollution, (ii) Controlled Environment, (iii) Reduction in Water Pollution, (iv) Reduction in Wastewater Production, (v) Elimination of weeds, (vi) Improved Product Quality, (vii) Increased Production and Efficiency, (viii) Compliance with Environmental Regulations. The investment made on the Drying Systems and Pollution prevention equipments will be treated as part of the plant and machinery value.

4) The Industries Commissioner and Director of Industries and Commerce has therefore requested the Government to issue necessary amendments to the guidelines of MSME Policy, 2021 by incorporating the sub chapter 7.7 of chapter 7.

5) The Government after careful examination have decided to accept the above proposal and issue the following amendment to the guidelines of MSME Policy, 2021 issued vide G.O. first read above:-

### **Amendment**

The following shall be incorporated as sub chapter 7.7 to chapter 7:-

#### **7.7 CAPITAL SUBSIDY FOR INSTALLATION OF GREEN HOUSE DRIER / MECHANICAL DRIER, POLLUTION PREVENTION EQUIPMENTS AND ETP PLANT FOR THE NEW AND EXISTING COIR SECTOR ENTERPRISES**

##### **1. Eligible Enterprises:**

All New / Existing Micro, Small and Medium Manufacturing Enterprises set up anywhere in the State.



**2. Quantum of subsidy:**

25% on the cost of installation of drier system subject to a maximum of Rs.25 lakhs.

**3. Eligible components:**

- i. Green house Solar drier: Structure made of a sturdy frame made of materials like steel, aluminum, or PVC, transparent Poly carbonate sheet or transparent poly ethylene sheet of minimum 200 gsm thick that allows sunlight to enter and trap heat inside the dryer, drying trays, Air circulation system, Temperature control system, Moisture control system, Insulation, Power source in case of hybrid mode of drier and concrete flooring.
- ii. All types Mechanical driers such as sack driers, rotary drier, continuous flow drier, tray drier, fluidised bed drier etc., along with dewatering screw press.
- iii. Pollution prevention equipments and devices intended for preventing air pollution in coir industry including cyclone separator, Fabric filter, Baghouse filter, Tarpaulin of minimum 200 gsm thickness, water springling arrangements, Wind net arrestor and tin sheet cover over beater, rotary sieve and conveyors and for preventing water pollution in coir industry such as LDPE/HDPE sheets for making impervious platforms, including Screening unit, Equalization tank, Aerobic treatment unit, Clarifier, Sludge treatment unit, Disinfection unit, Monitoring and control equipments, ZLD treatment system etc.,
- iv. Civil structures such as Open Concrete yard for washing and drying with collecting basin, drier, Collection tank for concrete yard

**4. Period for applying:**

Within one year from the date of purchase of drier/equipments or six months from the date of installation of drier/equipments whichever is earlier. Installation certificate can be obtained by the machinery supplier.

Within 6 months from the date of installation of Civil structures and the installation certificate.

**5. Mode of applying:**

To apply in the portal [msmeonline.tn.gov.in/](http://msmeonline.tn.gov.in/) incentives



**6. Other conditions:**

- a) One enterprise can claim subsidy for both water and air pollution prevention equipments.
- b) One enterprise can claim subsidy for one type of drier only and not for multiple drying systems.
- c) For civil structures, CE (Civil) certificate for valuation and date of installation should be attached.
- d) The conditions made in the para 5.2 for expansion / diversification will not apply for this incentive.

6) This order shall take retrospective effect from 06.04.2023.

7) This order issues with the concurrence of Finance Department vide its U.O. No.17978/Finance (Industries)/2023, dated 10.05.2023.

**(BY ORDER OF THE GOVERNOR)**

**V.ARUN ROY  
SECRETARY TO GOVERNMENT**

To  
The Industries Commissioner and Director of Industries and Commerce,  
Guindy, Chennai-32.  
The Pay and Accounts Officer, Chennai-8.

**Copy to:**

The Personal Assistant to Hon'ble Minister (MS&ME), Chennai-9.  
The Personal Assistant to Minister (Finance and Human Resources Management), Chennai-9.  
The Private Secretary to Secretary to Government,  
Micro, Small and Medium Enterprises Department, Chennai-9.  
The Finance (Ind) Department, Chennai-9.  
The Micro, Small and Medium Enterprises (B/OP) Department,  
Secretariat, Chennai-9.  
Stock file / Spare copy. (C. No.2520/D2/2023)

**// FORWARDED BY ORDER //**

*N. S. Srinivasan*  
18.05.23  
**SECTION OFFICER**