



ABSTRACT

Micro, Small and Medium Enterprises – Announcement made by Hon'ble Minister (Rural Industries) on the floor of the Assembly - Sanction of relief package for the MSMEs affected due to ban on use of certain types of plastics-Orders issued.

Micro, Small and Medium Enterprises (D2) Department

G.O.(Ms.) No.74

Dated : 24.11.2020

திருவள்ளூர் ஆண்டு 2051
சார்வரி வருடம், கார்த்திகை-9

Read:

1. G.O. (Ms.) No.14, Micro, Small and Medium Enterprises (B) Department, dated 07.05.2008.
2. G.O. (Ms.) No.1, Micro, Small and Medium Enterprises (D2) Department, dated 07.01.2011.
3. G.O. (Ms.) No.84, Environment and Forests (EC.2) Department, dated 25-06-2018.
4. From the Industries Commissioner and Director of Industries and Commerce letter Rc. No.13703/ LC2/2019, dated 22.11.2019, 04.05.2020 and 17.11.2020.

In G.O. (Ms.) No.14, Micro, Small and Medium Enterprises (B) Department, dated 07.05.2008, the Government have issued orders introducing various incentives and concessions including capital subsidy to eligible micro, small and medium manufacturing enterprises in the State based on the Micro, Small and Medium Industries Policy 2008.

2. In G.O. (Ms.) No.1 Micro, Small and Medium Enterprises (D2) Department, dated 07.01.2011, based on the representations received from the MSME associations, the Government have issued orders including Plastic, Food and Rubber industries under thrust sector for sanction of capital subsidy under thrust sector, in order to encourage setting up of these industries, anywhere in the State.



3. In G.O. (Ms.) No.84, Environment and Forests (EC.2) Department, dated 25-06-2018, the Government have issued notification imposing ban on manufacture, storage, supply, sale and use of 'one time use and throwaway plastics' such as plastic sheets used for wrapping food, spreading on dining table etc., plastic plates, plastic coated tea cups / plastic tumblers, water pouches/ packets, plastic straws, plastic carry bags and plastic flags irrespective of thickness with effect from 01-01-2019.

4. In view of the ban, the Tamil Nadu Pandy Plastic Association, Chennai has requested monetary rehabilitation of tiny and small enterprises that have been affected by the plastic ban in Tamil Nadu.

5. Meanwhile, the Hon'ble Minister for Rural Industries has made the following announcement on the floor of the Assembly during the Demand 2020-21 on 24.03.2020.

ஒரு முறை பயன்படுத்தி தூக்கியெறியும் நெகிழிப்பொருட்களின் (One time use and throwaway plastics) மீதான தடையின் விளைவாக, நெகிழிப்பொருட்களான பேப்பர் கோப்பைகள், பால்தீன் பைகள், நெய்யப்படாத பைகள், (Non - Woven) நெகிழி தாளாலான தட்டுகள், அதிக அடர்வு கொண்ட பைகள் குறையடர்வு பாலீஸ்தீனின் பூசப்பட்ட பலகைகள், நெகிழி குவளைகள், போன்ற பொருட்களை உற்பத்தி செய்த குறு, சிறு மற்றும் நடுத்தரத் தொழில் நிறுவனங்கள் அதிகளவில் பாதிக்கப்பட்டுள்ளதால், அந்நிறுவனங்களுக்கு நிவாரணம் அளித்திடும் வகையில், "01.01.2019 அன்றைய நிலவரப்படி நிலுவையில் உள்ள வங்கி கடன் தொகையில் 50 விழுக்காடு, அதிகபட்சமாக நிறுவனம் ஒன்றிற்கு ரூ.50 இலட்சம் வரை (ஏற்கனவே வழங்கப்பட்ட முதலீட்டு மானியத்துடன் சேர்த்து) பாதிக்கப்பட்ட நிறுவனங்களுக்கு வழங்கப்படும். இதனை நடைமுறைப்படுத்த ரூ.15 கோடி செலவிடப்படும்".

6. Based on the above announcement, the Industries Commissioner and Director of Industries and Commerce has stated that as per the particulars furnished by the General Manager / Regional Joint Director, regarding the Plastic Units closed consequent to the ban on one time use and throwaway plastics, it is estimated that 166 MSMEs were engaged in manufacture of banned 'one time use and throwaway plastics' either by availing financial assistance from banks or with their own funds. 138 MSMEs had availed loan from financial institutions and the outstanding loan as on date is Rs.2947.93 lakhs.

7. The Industries Commissioner and Director of Industries and Commerce has therefore requested the Government to issue orders approving the relief package proposed for the MSMEs affected due to ban order issued in G.O. (Ms.) No.84, Environment and Forests (EC.2) Department, dated 25-06-2018 banning use of certain types of plastics.

8. The Government after careful examination decided to accept the proposal of the Industries Commissioner and Director of Industries and Commerce and accordingly issue orders for sanction of relief package for the MSMEs affected due to ban on use of certain types of plastics with mode of relief and the modalities for sanction of relief as below:-

Mode of Relief

- i) 50% of the outstanding principal loan amount, as on, any of the following dates, whichever is less shall be given as a grant to the affected MSMEs subject to the maximum of Rs.50.00 lakhs, which is the maximum cap on the existing Capital Subsidy Scheme.
 - 25.06.2018, the date of issue of G.O. (Ms) No.84, Environment and Forests (EC2) Department.
 - 01.01.2019, the date from which the ban came into effect.
 - Date of filing application seeking relief under this relief package scheme.
- ii) The relief amount sanctioned under this relief package and already availed Capital Subsidy under the Capital Subsidy / New Entrepreneur – cum - Enterprise Development Scheme (NEEDS) / Prime Minister's Employment Generation Programme (PMEGP) / Unemployed Youth Employment Generation Programme (UYEGP) put together shall not exceed Rs.50.00 lakhs.
- iii) The above relief shall not be applicable to loans covered under Credit Gurarantee Fund Trust for Micro and Small Enterprises (CGTMSE) and the loan accounts already settled/closed.
- iv) This relief shall be made applicable only to the loan accounts of those entrepreneurs who were regular in repayment as on the date of issue of Government order banning use of certain types of plastics or as on date of making application seeking relief under this relief package scheme.

Modalities for sanction of Relief

- i) The affected MSMEs shall apply to General Manager, District Industries Centre / Regional Joint Director, Chennai in the prescribed format along with the enclosure within six months from the date of issue of the Government Order.
- ii) The affected Micro, Small and Medium Enterprises which have availed loan from Tamil Nadu Industrial Investment Corporation (TIIC) shall apply to Tamil Nadu Industrial Investment Corporation (TIIC) and the funds will be provided through the Industries Commissioner and Director of Industries and Commerce.
- iii) The relief amount shall be released directly to the bank to the term loan account of the beneficiary unit.

- iv) The relief amount shall be reckoned on the outstanding principal term loan amount excluding the working capital/cash credit limit.
- v) The relief shall be eligible to the Micro, Small and Medium Enterprises which were regular in repayment, as on date of issue of Government Order banning use of certain types of plastics or as on date of filing application seeking relief under this relief package scheme.

9. This order issues with the concurrence of the Finance Department vide its U.O. No.43637 / Finance (Industries) / 2020, dated 21.11.2020.

(BY ORDER OF THE GOVERNOR)

Dr. K.GOPAL

PRINCIPAL SECRETARY TO GOVERNMENT (FAC)

To

The Industries Commissioner and Director of Industries and Commerce,
Guindy, Chennai – 32.

All District Collectors.

The Accountant General, Chennai-18.

Copy to:-

Hon'ble Chief Minister's Office, Chennai-9.

The Special Personal Assistant to Hon'ble Deputy Chief Minister, Chennai-9.

The Special Personal Assistant to Hon'ble Minister (Rural Industries), Chennai-9.

The Senior Private Secretary to Principal Secretary to Government (FAC),
Micro, Small and Medium Enterprises Department, Chennai-9.

The Environment and Forests (EC.2) Department, Secretariat, Chennai-9.

The Finance (Ind) Department, Chennai-9.

The Micro, Small and Medium Enterprises (B / OP) Department, Chennai-9.

Stock file / Spare copy.

// FORWARDED BY ORDER //

[Handwritten Signature]
24/11/2020

SECTION OFFICER

[Handwritten initials]
24/11