



INDUSTRIES DEPARTMENT

MAJOR INDUSTRIES

POLICY NOTE
2020 – 2021

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M.C. SAMPATH
MINISTER FOR INDUSTRIES

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Government of Tamil Nadu
2020

INDUSTRIES DEPARTMENT

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Policy Note

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INTRODUCTION

Tamil Nadu is one of the most progressive and industrialized states in the country. It is at the forefront of India's economic development and its manufacturing sector is one of the principal engines that drive the national vision of becoming a USD 5 trillion economy by 2024. It is the second largest state economy in the country, which contributes 8.4% of India's GDP. Tamil Nadu economy has registered an impressive growth of 8.17% during 2018-2019 and is continuing to maintain its growth momentum amidst national and global economic slowdown. The secondary sector contributes 32.4% and manufacturing contributes 21% to the State's economy.

Tami Nadu takes pride in its long industrial and commercial heritage. Literary, archaeological and numismatic sources confirm that the ancient Tamil Nadu region had thriving commercial relations with ancient Rome, China and Egypt. Over the centuries, our international trade links extended to the whole of South East Asia. In the colonial period, the textile and handloom products of the Tamil region constituted a significant portion of East India Company's exports. It is not very well known that one of India's earliest steel plants was set up around the year 1830 in Parangipettai, and the steel produced there used to be exported to Europe. The mid and later half of the 19th century witnessed the development of cotton textile, sugar and the leather industries. In early twentieth century, Madras became the first presidency to have a separate department for the promotion of Industries. Over the decades, the region built on its industrial headstart by expanding into areas like engineering,

automobiles and components, chemicals and electronics. With the opening of the economy in the 1990s, the State also leveraged its human capital to foray into the services sector and became a leader in the IT/ITES sector. Today, Tamil Nadu is the state with the highest number of factories and industrial workers in the country. It has a highly developed industrial ecosystem and is very strong in sectors like automobiles and auto-components, textiles, leather products, light and heavy engineering, pumps and motors, electronic software and hardware. Many globally renowned companies have set up their manufacturing facilities in Tamil Nadu. This includes Hyundai, Ford, Peugeot, BMW, Daimler, Caterpillar, Ashok Leyland, TVS, Renault-Nissan, Foxconn, Delta, DELL, Salcomp, CEAT, Michelin, MRF, Grundfos and L&T.

It would be illuminating to consider some of the parameters that illustrate Tamil Nadu's dominant position in the industrial sector as

indicated by the Annual Survey of Industries (2017-18).

(a) Number of Persons engaged in the factory sector

Tamil Nadu has over 25 lakh persons engaged in the factory sector, which is the highest in the country. The number of persons engaged in the factory sector in Tamil Nadu is 25% higher than the next ranking state, i.e. Maharashtra, as may be seen in the table below:

State	Number of Persons engaged	Rank
Tamil Nadu	25,23,483	First
Maharashtra	20,07,794	Second
Gujarat	18,26,748	Third
Uttar Pradesh	10,70,841	Fourth
Karnataka	10,65,346	Fifth

(b) Number of factories

Tamil Nadu has 37,787 factories, which is the highest in the country as may be seen in the table below:

State	Number of Factories	Rank
Tamil Nadu	37,787	First
Gujarat	26,586	Second
Maharashtra	26,393	Third
Uttar Pradesh	15,830	Fourth
Karnataka	13,518	Fifth

(c) Invested Capital

Tamil Nadu ranks third in the amount of invested capital in the Industrial sector as may be seen in the table below:

State	Invested Capital (Rs. in lakh)	Rank
Gujarat	8,63,13,999	First
Maharashtra	5,37,25,099	Second
Tamil Nadu	4,04,48,082	Third
Karnataka	2,68,57,251	Fourth
Uttar Pradesh	2,16,92,859	Fifth

(d) Total Output

Tamil Nadu ranks third in terms of total industrial output as may be seen in the table below:

State	Total Output (Rs. in lakhs)	Rank
Gujarat	13,59,97,115	First
Maharashtra	11,99,71,795	Second
Tamil Nadu	8,63,80,870	Third
Karnataka	5,28,93,789	Fourth
Uttar Pradesh	5,14,63,543	Fifth

Tamil Nadu is one of the most attractive investment destinations. Some of the factors that contribute to the State's leadership position in attracting investments are discussed below:

1. Good Governance

Tamil Nadu's governance standards are world class. A recent ranking by the Central Government named Good Governance Index (GGI) has recognised Tamil Nadu as the best

governed State in India among major states. The State offers excellent public security and harmonious labour relations to investors.

2. *Proactive State Policy*

The Government of Tamil Nadu has been very proactive in wooing investors through radical policy interventions. The Industrial Policies of 1992 and 2003 enabled the automobile and electronic investments respectively. The Industrial Policy of 2014 was formulated to enable the goals of Tamil Nadu Vision 2023. This policy offered a very attractive and flexible package of incentives and gave special focus to industrially backward areas. The success of GIM 2015 and 2019 were built on the edifice of this policy. The Government was also quick to respond to the changed tax structure in the GST regime by rapidly refashioning the incentives to suit the new system. This proved decisive in attracting over Rs.3 lakh crore of

investment during GIM 2019. The enactment of Tamil Nadu Business Facilitation Act and the Single Window Clearance System have enormously improved the ease of starting a business in the state. The Government also sagaciously spotted opportunities in sunrise sectors and devised sector specific policies. The Electric Vehicle Policy of 2019 will position the State as the EV hub of India and the Aerospace and Defence Industrial Policy of 2019 will enable the State to move into higher realms of technology.

3. Infrastructure

Tamil Nadu offers unmatched infrastructure to investors. The state has 4 large sea ports and 4 international airports. It is well connected through a vast road and rail network. It is a power surplus state with good and reliable transmission and distribution network. Three submarine cables having their landing points

near Chennai and hence the state offers very high connectivity bandwidth of 14.8 tbps (tera bytes per second). The State Government is investing heavily in infrastructure in areas like desalination, waste water recycling and internet connectivity. The establishment of the new green field airport near Chennai is also a big step in this direction. It is also the only State where all districts are covered by Industrial Corridor projects.

4. *Human Resources*

Tamil Nadu is a leader in higher education, particularly technical education. The state has a very high Human Development Index ranking of 3rd position and enjoys very low poverty level, when compared to the national average. The availability of educated and skilled man power in the State is a major attraction for investors.

5. Land

Tamil Nadu is a pioneer in creating industrial estates in the country. SIPCOT has developed industrial estates and parks in 33,775.70 acres of land and has a large land bank to offer to major industries at a reasonable cost. In addition, several private sector parks are also available, including three parks promoted by Japanese Investors. The Government has also taken up several reforms in the last one year to optimize land and built-up space utilization for industrial purposes.

6. Strong Micro, Small and Medium Enterprises (MSME) Sector

The MSME sector in Tamil Nadu is one of the strongest in the country and provides an efficient supplier eco-system for the major industries. The presence of this pre-existing vendor base is very convenient for foreign investors.

Several independent surveys also confirm the State's premier position in the industrial and investment landscape of the country. Tamil Nadu was ranked second in the State Investment Potential Index (N-SIPI) 2018, published by the National Council of Applied Economic Research, the oldest independent economic policy research organization in India. This index was prepared after studying 6 parameters across Indian states which include economic climate, labour, infrastructure, land, political stability and governance. Similarly, the State was ranked second in Frost & Sullivan's ranking of Indian states in 2019, named Growth, Innovation and Leadership Index for Economic Development in India. In this survey, all states were ranked on 10 parameters including investment potential, government effectiveness, infrastructure and digitization.

Foreign investors have been always enthused by the excellent industrial climate of the State. The State has significant investments from countries like USA, Germany, France, Korea, Japan and Taiwan. Considerable interest is now being shown by investors from China. Tamil Nadu has attracted USD 31.2 billion of FDI from April 2000 – September 2019, making it the 4th largest FDI destination region in the country.

Tamil Nadu contributes to 9.25% of India's exports. It is the third largest exporter of goods in India with exports worth USD 30.525 billion in 2018-19. The state's major exports include automobiles and auto-parts, textiles, leather products and electronic goods. 37.6% of India's automobile and auto component exports, 30.8% of India's apparel exports, 46.4% of India's footwear exports and 25.7% of India's electronic exports are done from Tamil Nadu.

Industrial development has been a key driver in the State's march towards a leadership position among Indian states. It is widely accepted that manufacturing has the highest multiplier effect on general economic growth when compared to other sectors. Manufacturing requires inputs from upstream sectors like mining and utilities and creates jobs and investment opportunities in its output utilizing sectors as well as in sectors like transportation, construction, financing, and retail. It also attracts FDI and contributes to a positive balance of payment in international trade. Hence the Government is keen to give the further impetus to the industrial scenario in the state by encouraging further investment. The Government is conscious of the emerging trends in global manufacturing which include additive manufacturing, automation and artificial intelligence. It is trying to encourage its industries to adopt the trends of Industry 4.0.

The State is also maintaining a balance between job intensive industries and technology driven capital intensive industries. The state is striving to move up the manufacturing value chain to high return high technology intensive sectors like aerospace, defence, power storage systems and bio-technology. The launch of Electric Vehicle Policy and Aerospace and Defence Industrial Policy have been significant steps in this direction. It also needs to harness the emerging opportunities in the service sector in areas of high growth potential like Fintech, SaaS and data storage. A conducive ecosystem where it is easy to do business and that fosters innovation is being designed. The State's Industrial strategy is guided by the Sustainable Development Goals. The Government is committed to create a regionally balanced industrial landscape that fosters both the economy and the ecology.

1. GUIDANCE

1.1 Mandate

Guidance, (formerly Tamil Nadu Guidance and Export Promotion Bureau) was established as a non-profit registered society on 15th July 1992 with the objective of attracting investment proposals into Tamil Nadu. Since its inception, Guidance has facilitated investments for over Rs.4.25 lakh crore into the State. As per Tamil Nadu Business Facilitation Act 2018, Guidance has been given the statutory responsibility of functioning as the Nodal Agency for providing single window clearances for large enterprises. It has been mandated to catalyse industrial development in the State by

- Disseminating information to attract new investments.
- Rendering facilitation services to new investors

- Acting as a single window agency for industrial clearances
- Acting as a sounding board for industry view and policy changes.

1.2 Investment Promotion

1.2.1 Tamil Nadu Global Investors Meet 2019

The State Government organised the second edition of Global Investors Meet (GIM) on 23rd and 24th January 2019 in Chennai and showcased the opportunities in Tamil Nadu to attract new investments.

304 MoUs across various sectors were signed during the event involving a huge investment of Rs. 3,00,501 crore and job opportunities for 10.50 lakh persons. This exceeded all expectations of industry and trade associations. The Sector wise details are given below:-

S.No	Department	No. of MoUs	Investment (Rs. in crore)
1	Industries	147	1,55,248
2	Housing	66	48,980
3	Energy	16	48,200
4	Information Technology	11	11,974
5	Agriculture	2	2,011
6	Higher Education	51	1,084
7	Tourism	8	642
8	School Education	3	157
	Total	304	2,68,296
	MSME	12,360	32,205
	Grand Total		3,00,501

Some of the major investors were CPCL, Hyundai, MRF, Foxconn, Adani Group, PSA France and Eicher Motors and investments were attracted from various countries including USA, Dubai, France, Germany, Italy, Thailand, Singapore, Taiwan, China, South Korea and

Japan. Investors from various sectors, viz., Manufacturing, Information Technology, Housing, Tourism, Energy, Agriculture and Education signed MoUs with the State Government. More than 12,000 MoUs were also signed in the MSME sector. The latest status of these projects is given below:-

S.No	Department	No. Of projects		Investment Rs. in crore	Production started	In progress	Likely to commence
1	Industries	147		1,55,248	18	115	14
2	Housing	CMDA	42	44,598	-	42	-
		DTCP	24	4,382	-	8	16
3	Energy	16		48,200	4	11	1
4	Information Technology	11		11,974	1	8	2
5	Agriculture	2		2,011	-	2	-
6	Higher Education	Collegiate - 22		155	8	14	-
		Technical - 29		929	28	1	-
7	Tourism	8		642	-	5	3
8	School Education	3		157	-	3	-
	Total	304		2,68,296	59	209	36
9	MSME	12,360		32,205	4,739	7,621	
Total				3,00,501			

The State Government has provided facilitation support for all these projects and till date, 59 projects with a committed investment of Rs. 16,739 crore and employment commitment of 85,794 persons, have already commenced commercial production and 209 projects are under various stages of implementation. Thus, 59 / 304 projects (19.40%) have commenced commercial production and 209 / 304 projects (68.75%) are in various stages of implementation, totaling to 88.15%.

Some of the major companies that have commenced commercial production include Foxconn, Mando, Hanon, Salcomp and the expansion project of Hyundai.

***Progress of 147 MoUs signed by Industries
Department***

Particulars of the MoUs		No. of Projects
MoUs signed by Industries Department		147
a.	Commenced Commercial Production	18
b.	Under Implementation	115
c.	Projects likely to commence activity	14

Among the above projects, inauguration / foundation stone have been laid by Honourable Chief Minister for 31 projects as detailed below.

S.No		Number	Committed Investment Rs. in crore	Committed Employment
1	Projects Inaugurated	10	12,130	9,439
2	Foundation Stone Laid	21	8,382	27,932
	Total	31	20,512	37,371

1.2.2 Tamil Nadu Global Investors Meet 2015

Government of Tamil Nadu had organised the first Global Investors Meet on 9th and 10th September 2015 in Chennai.98 Non MSME MoUs and 10,073 MSME MoUs were signed with a cumulative investment ofRs. 2,42,160 crore and employment opportunity to 4,70,065 persons.

Out of the 98 MoUs signed during GIM 2015, 71 projects are in various stages of implementation.This constitutes 72.4% of implementation, i.e., 71 projects out of 98.The total investment committed by the projects under implementation is Rs. 1,51,710 crore.The signatories have informed that they have invested Rs. 69,849 crore till date and created 1,82,486 new jobs.

The single largest investment during the GIM 2015 - from Al Qebila Al Watya is expected

to fructify soon in the Southern District of Thoothukudi with an investment of Rs.49,000 crore. This project is a result of the special incentives for industries announced by the Government to promote industrialization of the Southern Districts.

1.2.3 New investments attracted after GIM 2019

In addition to the 304 MoUs signed during GIM 2019 in January 2019, due to the continuous efforts taken for investment promotion & facilitation, Tamil Nadu has attracted another 103 new projects with a cumulative investment of Rs.22,363 crore and employment for 97,621 persons. During Hon'ble Chief Minister's visit to USA, UAE and UK, MoUs with 41 companies attracting investment commitment to the tune of Rs. 8,835 crore and employment for 35,520 people, were signed. Guidance has been engaging with the signatories of 5 organisational MoUs signed in US. 4 projects

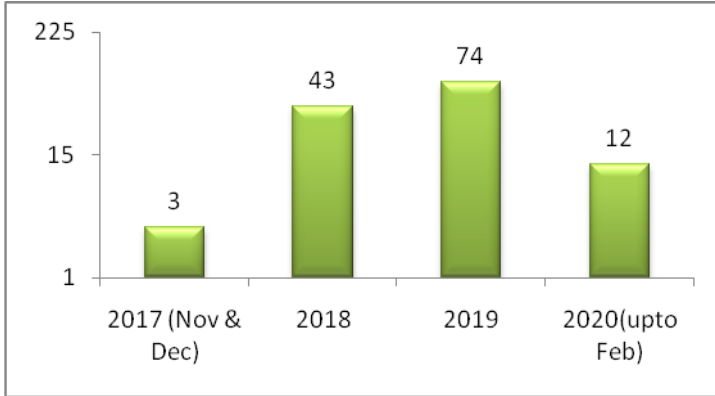
from the MoUs signed during the USA visit and one project from the MoUs signed during UAE visit have already been inaugurated by the Hon'ble Chief Minister, 5 more MoU projects are under various stages of implementation.

Apart from this, during the Hon'ble Chief Minister's visit to USA, UAE and UK, a facilitation MoU was signed with Haldia Petrochemicals, which has proposed to invest Rs. 50,000 crore and create employment for about 5000 persons.

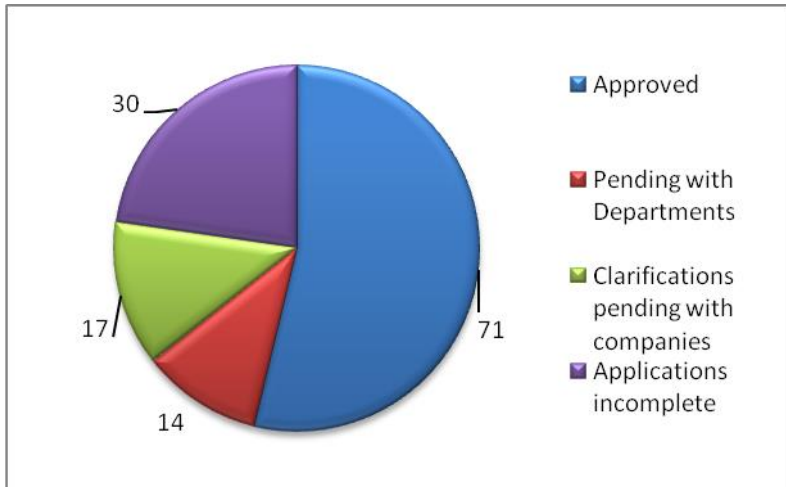
1.3 Single Window Mechanism

Guidance is the Nodal agency for facilitating single window clearances for industries with investment over Rs.10 crore. A Single Window portal viz - www.easybusiness.tn.gov.in was launched by the Hon'ble Chief Minister on 2nd November 2017. Industries from various sectors are applying through this online single window facility.

Details of 132 applications received under the portal is as hereunder:



The status of approvals of these 132 projects are as hereunder:



1.4 New Initiatives

1.4.1 High Powered Committee under the Chairmanship of Hon'ble Chief Minister

The Government vide G.O (MS) No.168, Industries (MIB.2) Department, dated 19th September 2019 has set up a High-Powered Committee under the Chairmanship of the Hon'ble Chief Minister to expedite approvals to industries including single window applications. Two meetings have been held so far in which 36 proposals were expedited. The total investments in the above projects is about Rs. 15000 crore and new employment potential is upto 23,000 persons.

The High Powered Committee also approved significant policy reforms to improve the ease of doing business in the State as hereunder

- (1) Direct Consent to Operate (CTO) for green category industries.

- (2) Land use re-classification for non-plan areas to be included in the single window and accorded deemed approval status.

1.4.2 New logo and name for Tamil Nadu Industrial Guidance and Export Promotion Bureau

During the Investment and Skill Development Conclave held on 30th November 2019, the Hon'ble Chief Minister has launched a rebranded name for Tamil Nadu Industrial Guidance & Export Promotion Bureau as "Guidance" with a new tagline (Invest, Innovate & Create) and a new logo that reflects the ethos of the state and emerging opportunities was also launched.

1.4.3 Strengthening of Guidance

Guidance has been made a statutory body for facilitating single window clearances. The number of new MoUs signed have also increased

manifold after two Global Investor Meets, increasing the workload of the organization. Guidance, after studying the models of other States and Invest India, has restructured and strengthened the organization. It has augmented its human resources with a dedicated investment promotion & facilitation team and a policy support team. Apart from the above, external consultants have been engaged to support EoDB, new Single Window Portal Development, IT initiatives and policy related works. It is also preparing to move to a central location appropriate to its increased workforce and emerging role.

1.4.4Biz Buddy

On 12.07.2019, in the Legislative Assembly, the Hon'ble Chief Minister had announced under Rule 110, a portal for industries to seek help in their business operations / clearances from Government agencies. This was launched by the

Hon'ble Chief Minister during the Investment and Skill Development Conclave held on 30th November 2019. The bilingual portal helps the companies to file "Help call" in an user-friendly interface, and resolve them in a time bound manner.

1.4.5Country Desks

On 12.07.2019, in the Legislative Assembly, under Rule 110 the Hon'ble Chief Minister had announced the starting of Country Desks in a phased manner in Guidance to provide focussed attention to investors from target countries. Accordingly, Guidance has initiated country desks for USA, France, Germany, UK, China, Republic of Korea, Japan, UAE, Indonesia, Singapore and Taiwan. It has signed an MoU with American Tamil Entrepreneurs Association (ATEA) to function as its country desk in USA. Countries have been allocated to individual managers at Guidance to liaise with country

specific investors and diplomatic corps. In case of Taiwan, a full-time employee has also been placed in Taiwan itself to facilitate investors.

Guidance has also started an investment promotion and facilitation desk in New Delhi for coordinating with various Central Government agencies and diplomatic missions for investment promotion and facilitation.

1.4.6 Technical Assistance from Asian Development Bank (ADB)

Asian Development Bank (ADB) has extended technical assistance and support to the Government of Tamil Nadu to improve the investment climate in the State. The objective of this Technical Assistance is to create integrated IT systems and capacity building. ADB has sanctioned Rs. 7 crore as part of the technical assistance.

1.5 International Cooperation

1.5.1 Joint Working Committee agreements

1.5.1.1 Japan

Government, vide G.O. Ms. No.15, Industries (MIB.2) Department, dated 9th January 2012 had constituted a Joint Working Committee (JWC) of Japan and Tamil Nadu. So far, 9 JWC meetings have been convened to discuss various issues related to Japanese investments.

Industries Department also conducts regular meetings to discuss the issues raised by the Japanese Chamber of Commerce and Industry, Chennai (JCCIC) relating to various Japanese projects in Tamil Nadu.

The Tamil Nadu Government has already signed an Economic Cooperation agreement with Kanagawa and Hiroshima Governments. Similar economic cooperation agreements are planned

with Osaka Prefecture and Ministry of Economy, Trade and Industry (METI).

1.5.1.2USA

To strengthen US – Tamil Nadu trade relationship, Guidance proposes to sign an organisational MoU with US – India Business Council covering the areas like strengthening of Tamil Nadu’s position in the global supply chain, facilitating investments to the State of Tamil Nadu and to resolve investment related challenges faced by US companies.

An organizational MoU with US-India Strategic Partnership Forum (USISPF) was signed during the Hon'ble Chief Minister's visit to USA, with an objective of strengthening the US - Tamil Nadu bilateral and strategic partnership.

Also, Guidance has signed an MoU with American Tamil Entrepreneurs Association (ATEA) to function as its country desk in USA.

1.5.1.3 United Kingdom

Guidance is working with the Foreign & Commonwealth Office (FCO), United Kingdom for implementation of the Ease of Doing Business Reforms. The areas covered under this agreement are (i) Inspection reforms, (ii) Property and land registration, (iii) Deregulation and (iv) Commercial Dispute Resolution.

1.5.1.4 UAE

During the Hon'ble Chief Minister's visit to UAE, an organizational MoU was signed with Business Leaders Forum & ITEC, Dubai for strengthening the trade relations with the Arab countries as well as to attract investments into Tamil Nadu.

1.5.1.5 Other countries

Similar consultative arrangements have also been constituted with Federal Republic of Germany and Republic of Korea.

1.6 Ease of Doing Business

Guidance is the nodal agency for coordinating the implementation of reforms by various Departments of the State as per the Business Reform Action Plan. The Government of Tamil Nadu has taken up a series of measures to simplify and rationalize the regulatory processes (registration and inspection processes) and deploying information technology to make governance simpler, responsive, transparent, accountable and efficient.

Tamil Nadu's rank in ease of doing business improved from 18th rank in 2016 (overall score of 62.80%) to 15th rank in 2017-18 (overall score of 90.68%). The state was categorised in the "Achievers Category" by Department for Promotion of Industry and Internal Trade (DPIIT), Government of India.

In 2019, DPIIT had recommended implementation of Business Reform Action Plan

2019 which comprises of 80 reforms. We have submitted the evidence for the implemented reforms. The ranking is based on the survey of respondents and the results are awaited.

1.7 Action Plan for 2020 – 2021

1.7.1 Revamping Single Window Portal

Guidance is in the process of developing a new state-of-the-art comprehensive single window portal, by adding new services covering more departments.



The Hon'ble Chief Minister flagged off eco-friendly Hyundai Kona Electric-SUV manufactured in Tamil Nadu, on 24.07.2019



The Hon'ble Chief Minister with Investors who signed MoUs during inauguration of "Yaadhum oore" in USA on 04.09.2019



The Hon'ble Chief Minister inaugurated the state-of-the-art Technology and Innovation Center of Ford on 06.02.2020



The Hon'ble Chief Minister inaugurated and visited the production unit of CEAT Tyres on 12.02.2020



The Hon'ble Chief Minister with diplomats during the Diplomatic Outreach and MoUs signing event on 21.02.2020

2.STATE INDUSTRIES PROMOTION CORPORATION OF TAMIL NADU LIMITED

State Industries Promotion Corporation of Tamil Nadu Limited (SIPCOT) was established in the year 1971 to drive industrial growth by setting up Industrial Parks with basic infrastructure such as roads, street lights, water supply and storm water drains, power supply and other amenities. SIPCOT promotes investment in the state by providing readily available developed industrial land investors.

2.1 Development of Industrial Parks

SIPCOT has been in the vanguard of the State's industrialization for nearly five decades by nurturing 23 Industrial Parks including 7 Special Economic Zones (SEZs) in a total extent of 33,775.70 acres in 15 districts. Details of existing SIPCOT Industrial Parks are:

(Extent in Acre)

Sl. No.	Industrial Park	Extent in Acre
1	Ranipet Industrial Complex&SEZ	1420.71
2	Hosur Industrial Complex	2092.50
3	Pudukkottai Industrial Complex	421.10
4	Manamadurai Industrial Complex	492.07
5	Gummidipoondi Industrial Complex and Export Promotion Industrial Park	1490.02
6	Thoothukudi Industrial Complex	2308.73
7	Cuddalore Industrial Complex	2670.71
8	Irungattukottai Industrial Park & SEZ	1843.65
9	Pillaipakkam Industrial Park	1045.89
10	Sriperumbudur Industrial Park & SEZ	2377.09
11	Siruseri Information Technology Park	782.97
12	Nilakkottai Industrial Complex	381.16

Sl. No.	Industrial Park	Extent in Acre
13	Bargur Industrial Complex & SEZ	1389.70
14	Perundurair Industrial Growth Centre & SEZ	2706.44
15	Gangaikondan Industrial Growth Centre & SEZ	2014.36
16	Oragadam Industrial Growth Centre & SEZ	3160.19
17	Cheyyar Industrial Complex	2426.44
18	Mappedu Industrial Park	121.74
19	Thervoykandigai Industrial Park	1127.00
20 (a)	Vallam-Vadagal Industrial Park	1381.54
(b)	Aerospace Park-VallamVadagal	250.00
21	Kurubarapalli Industrial Park	100.22
22	Tindivanam Industrial Park (under development)	694.42
23	Manaparai Industrial Park(under development)	1077.05
	Total	33,775.70

(a) Investment and Employment Generation

SIPCOT has so far allotted 21,983 acres to 2,631 industrial units and attracted investments to the tune of Rs.1,14,419 crore and created direct and indirect employment opportunities for about 6.48 lakh persons. An extent of 4457 acres of land is readily available for immediate allotment in its various Industrial Parks.

(b) Creating Land Bank

Development of nine Industrial Parks (new/expansion) over an extent of 9486 acres is in progress as mentioned hereunder:

1. Acquisition Completed

691.86 acres of Government land was alienated in favour of SIPCOT for the formation of Manallur Industrial Park in Tiruvallur District. Environmental Impact Assessment Study has been completed and obtaining of Environmental Clearance from the Ministry of Environment and Forests, GoI is under process.

2. Acquisition nearing completion

Acquisition proceedings in respect of Vaipur-Mathur Industrial Park - 611.87 acres (Kancheepuram District), Nemili Industrial Park - 228.87 acres (Kancheepuram District), Sriperumbudur Industrial Park (Mambakkam Scheme) - 185.22 acres (Kancheepuram District) and Madurai Industrial Park - 1478.53 acres (Madurai District) are nearing completion. Possession has been taken for 716.35 acres so far.

3. Acquisition in progress

Acquisition proceedings in respect of Panapakkam Industrial Park - 1163.67 acres (Ranipet District), Hosur Industrial Complex Phase-III - 701.43 acres (Krishnagiri District), Kurubarapalli Industrial Park Phase II & III - 104.26 acres (Krishnagiri District) and Dharmapuri Industrial Park - 1733.40 acres (Dharmapuri District) are under progress.

In respect of Maduramangalam Industrial Park - 468 acres (Kancheepuram District), Silanatham Industrial Park - 406.57 acres (Thoothukudi District) and Vaippar Industrial Park - 1129.17 acres (Thoothukudi District), the process of obtaining administrative sanction of the Government for acquisition of these lands is in progress.

(c) Industrialization of Southern Districts

With a view to decentralize industrialisation and to promote balanced growth in the State, SIPCOT is taking necessary steps to establish new Industrial Parks in the southern districts viz., Ramanathapuram, Dindigul, Theni, Virudhunagar, Thoothukudi and Tirunelveli in a total extent of about 11,575.73 acres.

A total of 537.52 acres is available in Ramanathapuram District i.e., Manakudi Village - 224.65 acres, Sakkarakottai & Pattinamkathan Villages - 312.87 acres. Steps are underway to

obtain Environmental Clearance for these land parcels. Acquisition proceedings in respect of Theni Industrial Park(Tappakundu and two other villages) - 554.98 acres and Virudhunagar Industrial

Parke.Kumaralingapuram&E.Muthulingapuram villages) - 1500.36 acres, covering 2055.34 acres in total,are in progress now.

Regarding Gangaikondan Industrial Growth Centre (Expansion) - 1697.54 acres (Tirunelveli District), Dindigul Industrial Park(Vedasandur Taluk) - 1645.20 acres, Thoothukudi Industrial Complex, Phase III (Vilathikulam Taluk) - 5640.13 acres covering a total extent of about 8,982.87 acres, the process for according administrative sanction is in progress.

(d) Allotment of land under 50% subsidized rate

To attract new investments in southern districts, SIPCOT has been allotting land at 50%

subsidised rates for the units established in the existing and new SIPCOT Industrial Parks in the industrially backward southern districts. Accordingly, SIPCOT has so far allotted 233.17 acres of land to 72 industrial units.

(e) Establishment of Industrial Parks through Joint Venture mode

With a view to industrialize all the districts in the State for a balanced industrial growth, as announced by the Hon'ble Chief Minister under Rule 110, SIPCOT would shortly venture into establishing new Industrial Parks in association with private landowners, who are having a minimum of 100 acres on Joint Venture mode. The benefits now available for SIPCOT Industrial Parks have been extended to the Industrial Parks developed through joint venture mode.

2.2 Nodal Agency for MoU Companies

SIPCOT is the Nodal Agency of the Government for implementing the Structured

Package of Assistance scheme to Mega, Super Mega and Ultra Mega projects. Upto 31.12.2019, Rs.11,345.37 crore have been released to 30 industrial units. The amount released during the year 2019-20 is Rs.814.21 crore to 17 industries.

2.3 New Initiatives

2.3.1 Transforming existing Industrial Parks into Eco Industrial Parks

Eco Industrial Parks are part of SIPCOT's strategy to promote sustainable industrial development and to reduce vulnerability due to climate change. The existing SIPCOT Industrial Parks are grouped into three categories as Large (> 2000 acres), Medium (1000 – 2000 acres) & Small (< 1000 acres). Detailed Project Report for the development of seven Industrial Parks as Eco Industrial Parks and comprehensive development of the remaining Industrial Parks is under preparation.

2.3.2. GIS Mapping and preparation of Geo Database

In order to monitor the effective utilization of the allotted plots, there is a need to capture the geo-coordinates of each plot and plot them digitally. The work of GIS mapping & preparation of Geo database for all SIPCOT Industrial Parks has been commenced. On completion of the same, the investors would be able to view the plots anytime, anywhere and may exercise their choices online.

2.3.3 Improved Maintenance

In order to provide systematic maintenance of the basic and common infrastructure facilities viz. roads, street lights, storm water drains, water supply, avenue plantation and administrative building in a homogenous way, it is proposed to entrust the maintenance of all SIPCOT Industrial Parks as a comprehensive maintenance works contract with specified

Service Level Agreement. This will ensure the parks are litter and use and throw plastic free and are well maintained.

2.3.4 Industrial Housing Facility

In order to reduce the commuting time of employees working in SIPCOT Industrial Parks, SIPCOT is in the process of establishing housing facilities for workers within the parks. In the first instance, the facility will be provided at Vallam-Vadagal in 9.50 acres to cater to the Sriperumbudur industrial cluster. The cost of the project is estimated at Rs.384.61 crore to provide housing facility for about 6000 employees. Detailed Project Report for housing facility is under preparation.

2.3.5 Establishment of Trade Facilitation Centre

SIPCOT will establish a Trade Facilitation Centre in 2.16 acres with a built up area of 50,000 sq.ft at SIPCOT Information Technology

Park, Siruseri, at an estimated cost of Rs.34.81 crore. Ministry of Commerce & Industries, Government of India has sanctioned a grant of Rs.13.98 crore under Trade Infrastructure for Export Scheme (TIES). The Trade Facilitation Centre will have facilities like convention hall, office space for trading bodies and car parking.

2.4 Augmenting industrial water supply

2.4.1 TTRO Plant

To augment and provide industrial water on a sustainable basis for the industries located at Irungattukottai, Sriperumbudur, Oragadam, Pillaipakkam & Vallam-Vadagal SIPCOT Industrial Parks, CMWSS Board has established a 45 MLD TTRO Plant at Koyambedu. This plant was inaugurated by the Hon'ble Chief Minister of Tamil Nadu on 29.11.2019 and tertiary treated water supply is available to all the above five SIPCOT Industrial Parks.

2.4.2 Desalination Plant

SIPCOT has proposed to establish a 60 MLD desalination plant to meet the requirement of industries in and around Thoothukudi Industrial area at an estimated cost of Rs.634.00 crore. Detailed Project Report (DPR) has been prepared and CRZ clearance for the project has been obtained. The project will be implemented by the existing SPV of SIPCOT.

A 20 MLD Desalination Plant is proposed to be established at Cuddalore Industrial Park to provide water to the industries in Cuddalore District. Tamil Nadu Water Investment Company (TWIC) has been engaged to prepare a Feasibility Report for the project and it is under preparation.

2.5 Green cover in Industrial Parks

As a measure to protect environment and to maintain greenery, in the year 2019-20, SIPCOT

has planted about 24,750 seedlings in open space reserved (OSR) lands in Pillaipakkam, Irungattukottai and Siruseri Industrial Parks. During the next financial year 2,07,250 seedlings will be planted in other Industrial Parks. These plants will be jointly maintained by SIPCOT and industrial units. Similarly, the other OSR lands will also be maintained in partnership with industrial units.

2.6 Integrated Textile Processing Park

SIPCOT will establish an Integrated Textile Processing Park at Manakudi village, Thiruvadanai Taluk, Ramanathapuram District over an extent of 225 acres at a cost of Rs.150 crore. This park will have the facility of marine disposal and desalination plant and accommodate about 30 Textile units. Coastal Regulatory Zone/Environmental Clearance for this project would be obtained shortly and the Park will be established in due course.

2.7 Ease of doing Business

2.7.1 Providing services online

SIPCOT has made online various services required by investors/ allottees like submission of application for land allotment, incentives, NOC to Banks/Financial Institutions, remittance of water charges, maintenance charges, sub-lease charges, track rent charges and plot cost payment.

2.7.2 Easing of norms for sub-leasing and change in management

Sub-leasing charges for built up space have been reduced significantly and rationalised. Transfer fees for change in management have been reduced from 50% to 10% of differential plot cost and exempted for certain categories. SIPCOT has also permitted existing allottees to utilise the excess land available for setting up Plug & Play, warehousing and co-sharing

facilities. These measures help in optimizing the surplus built up space and available land.

2.8 Financial Performance

SIPCOT has been showing excellent financial performance and consistently paying dividend to the Government since 2005-06. For the financial year 2018-19, it has earned profit of Rs.153.88 crore and paid the highest ever declared dividend (90%) amounting to Rs.52.12 crore to the Government. SIPCOT has estimated a profit of Rs.170.15 crore for the financial year 2019-20.

3. TAMIL NADU INDUSTRIAL DEVELOPMENT CORPORATION LIMITED

Tamil Nadu Industrial Development Corporation Limited (TIDCO) is a premier industrial development agency of the Government of Tamil Nadu, established in 1965. TIDCO endeavours to achieve a balanced and continual industrial growth by promoting medium and large industries in the State through Joint Ventures. TIDCO facilitates big industrial and infrastructure projects in Tamil Nadu involving large investments and huge employment potential.

TIDCO is the Nodal Agency for the development of Chennai Bengaluru Industrial Corridor (CBIC), Chennai Kanyakumari Industrial Corridor (CKIC), Kochi – Coimbatore - Bengaluru Industrial Corridor and Defence Industrial Corridor projects in Tamil Nadu.

3.1 Investments

As on 31.12.2019, TIDCO has made equity investments of Rs.500.62crore in various joint venture companies across manufacturing sectors such as Chemicals, Fertilizers, Pharmaceuticals, Textiles, Iron and Steel, Auto Components, Food &Agro, Floriculture, Engineering, Petroleum and Petrochemicals and infrastructure sectors such as IT/ITES Parks, Bio-Tech Parks, Special Economic Zones (SEZ), Road Development Projects and Agri Export Zones.

3.2 Industrial Corridors

Tamil Nadu is the only state in India to have all its districts covered under industrial corridor projects. As the designated nodal agency, TIDCO coordinates industrial and infrastructural development activities in these corridors with different agencies of Government.

3.3 Chennai Bengaluru Industrial Corridor (CBIC)

Japan International Cooperation Agency (JICA) has completed the Comprehensive Integrated Master Plan for this project. The plan contains the Perspective Plan and strategy for development of Industrial investment region and allied infrastructure in the CBIC Region. Ponneri Industrial Node in Tiruvallur District, Tamil Nadu has been identified as one of the three nodes of CBIC.

3.4 Ponneri Industrial Node

Ponneri Industrial Node comprises ten villages in the Ponneri Taluk of Tiruvallur District covering a total area of about 21,966 acres. The Government, in its order G.O. (Ms) No.1, Industries (MIE.1) Department dated 6.1.2020 has notified 1366.11 acres of land owned by Government and TIDCO in five villages of Ponneri Taluk, primarily as Ponneri Industrial

Township Area and has also constituted the Ponneri Industrial Township Area Development Authority (PITADA).

The State Support Agreement (SSA) and Shareholders Agreement (SHA) between Government of Tamil Nadu, National Industrial Corridor Development and Implementation Trust(NICDIT),Ponneri Industrial Township Area Development Authority (PITADA) and Tamil Nadu Industrial Development Corporation has been signed in the presence of the Hon'ble Chief Minister on 21.02.2020to carry forward the development of Ponneri Industrial Township Area. TIDCO will form a Special Purpose Vehicle (SPV) Company for the purpose of industrial development and for administering Ponneri Industrial Township Area. TIDCO and Delhi Mumbai Industrial Corridor Development Corporation Limited (DMICDC) are working on

selection of a consultant agency for the preparation of master plan for this node.

3.5 Chennai Kanyakumari Industrial Corridor

The Chennai Kanyakumari Industrial Corridor (CKIC) is being implemented in partnership with the Asian Development Bank (ADB) as the second phase of the East Coast Economic Corridor to promote port-based economic development. This Corridor covers 23 districts of Tamil Nadu. The CKIC project will focus on increasing the share of manufacturing, promoting balanced regional growth and development of the southern districts.

The Comprehensive Development Plan for development of CKIC has been prepared. Six industrial nodes viz., Madurai–Dindigul–Virudhunagar–Theni, Thoothukudi–Tirunelveli, Ramanathapuram, Cuddalore–Nagapattinam, Tiruchirappalli–Pudukottai–Sivagangai and Ariyalur–Perambalur have been identified for

CKIC with two nodes Madurai–Dindigul-Virudhunagar-Theni and Thoothukudi-Tirunelveli being prioritized for Phase-I development. The preparation of master plan for Phase-I is underway and is expected to be completed by April 2020. Action has been initiated to request funding support from Asian Development Bank under the CKIC scheme for establishing the following:

- (i) 60 MLD desalination plant in Thoothukudi
- (ii) Medi Park in Chengalpattu
- (iii) 20 MLD desalination plant in Manakudi
- (iv) A comprehensive new single window portal

Apart from these, Asian Development Bank has sanctioned financial assistance for the projects viz., (i) Improvement of fifteen State Highways at an estimated project cost of Rs.6448.24 crore and (ii) Establishing 765 KV substation in Virudhunagar and 400 KV

substation in Ottapidaram with their associated lines in Thoothukudi District at an estimated project cost of Rs.4987 crore.

3.6 Kochi–Coimbatore-Bengaluru Industrial Corridor

Government of India has announced the extension of Chennai – Bengaluru Industrial Corridor to Kochi via Coimbatore covering Krishnagiri, Dharmapuri, Salem, Namakkal, Erode, Karur, Tiruppur, Coimbatore and Nilgiris Districts of Tamil Nadu. Dharmapuri-Salem has been identified as the priority node and will be developed as an Integrated Manufacturing Cluster (IMC). About 1700 acres of land in Dharmapuri has been identified in this node for Phase-1 development. TIDCO and Delhi Mumbai Industrial Corridor Development Corporation Limited (DMICDC) are working on selection of a consultant for the preparation of master plan for this node.

3.7 Tamil Nadu Defence Industrial Corridor

Tamil Nadu Defence Industrial Corridor comprising Chennai, Tiruchirappalli, Coimbatore, Salem and Hosur was announced by the Government of India. This corridor will create new defence production facilities and promote clusters with necessary testing and certification facilities, export facilitation centres, technology transfer facilitation, etc. The corridor was inaugurated on 20.01.2019.

- (i) TIDCO has signed MoUs with IIT-Madras and DRDO as Knowledge Partners for the project.
- (ii) IIT-Madras will act as a Knowledge Partner for setting up common testing facilities, common infrastructure, common certification centres, and training facilities.

- (iii) DRDO will act as Knowledge Partner for sharing of ideas, resources and expertise for the development of the Defence Corridor.
- (iv) TIDCO has floated a tender for selection of a Strategic & Advisory Consultant for preparation of DPR for this corridor project.
- (v) An updated "Aerospace and Defence Industrial Policy" with more concessions and subsidies will be launched by May 2020.

3.8 *Projects in the defence sector*

- (i) Several DPSUs like OFB, BEL, BEML, Bharat Dynamics Ltd, Mazagon Dock Shipbuilders Ltd., and many private industries had committed investments upto Rs.3123.50 crore during the inauguration of this Corridor. As on

31.12.2019, investments to the tune of Rs.300 crore have been made by the Public Sector undertakings. In addition, many private companies like L&T Defence, LMW & Roots Industries in Coimbatore, Data Pattern & EASAT Radars in Chennai, Salem Aerospace Engineers in Salem, Titan industries in Hosur have also made their investments to the tune of Rs.700 crore in the Defence Corridor. Boeing India has an Engineering Back up office in Chennai where more than 700 Engineers are working.

- (ii) L&T MBDA Missile Systems Ltd, a JV between Larsen & Toubro and France's MBDA, have obtained the provisional approval for their SEZ unit in Coimbatore from Government of India, for producing missile weapon systems.

- (iii) Tamil Nadu Industrial Explosives Limited has signed an MoU with Bharat Electronics Limited for reviving its defunct factory for producing ammunition and to set up a Centre of Excellence for ammunition related technologies.
- (iv) An Aerospace Division is being established by BHEL in Ranipet with an investment of Rs.200 crore.
- (v) Land acquisition has commenced for the satellite launch station of ISRO at Kulasekarapattinam in Thoothukudi District. This launching station will be established at an estimated investment of Rs.1000 crore. This new infrastructure along with the existing Propulsion Complex of ISRO at Mahendragiri will further enhance the

State's prominent position in the space sector.

(vi) LMW and Boeing have jointly set up a Skill Development Centre in Coimbatore to provide manpower support to the Aerospace & Defence Industries.

(vii) A feasibility study by TIDCO through IIT-Madras for developing Ulunderpet airstrip as an Aviation Technology Development complex including UAV Testing, Flight Academy, Aeromodeling is in progress.

3.9 Advanced Computing and Design Engineering Centre

TIDCO is establishing an Advanced Computing and Design Engineering Centre (ACDEC) for Aerospace and Defence Manufacturing & Design Industries at the Aerospace Park in Sriperumbudur. ACDEC will

comprise an Avionics Complex, a Centre of Excellence, a Skill Development Centre and a warehouse facility. TIDEL Park Ltd. has been entrusted with the responsibility of executing this project.

The Detailed project report for this project has been prepared. This project will be implemented in two phases. The first phase is being established with built up space of 5.54 lakh sq. ft. at an estimated cost of Rs.250 crore. A Project Management Consultant has been engaged for architectural, design and engineering services. EPC Contractor for the project was selected. The construction work is expected to commence in March 2020 and will be completed in 24 months.

3.10 Ongoing projects and joint ventures

TITAN Industries Ltd, TANFAC Industries Ltd, Mahindra World City, Tamil Nadu Petro products Ltd, TIDEL Park Ltd, Ascendas IT Park

(Chennai) Ltd, TICEL Bio Park Ltd, Tamil Nadu Road Development Company Ltd, Chennai Trade Centre, Tanflora Infrastructure Park Ltd, IT Expressway Ltd, TIDEL Park Coimbatore Ltd., L&T Shipbuilding Ltd and Indian Oil LNG Private Ltd are some of the successful joint ventures of TIDCO.

3.10.1 Polymer Industries Park

Tamil Nadu Polymer Industries Park Limited (TPIPL), a joint venture of TIDCO and SIPCOT, is establishing a Polymer Industries Park in 265.66 acres of land at Voyalur and Puzhudhivakkam villages of Tiruvallur District at an estimated cost of Rs.216 crore. This project, being implemented under the Government of India scheme, will accommodate medium and small-scale polymer component manufacturing units.

Out of the total grant of Rs.40 crore sanctioned by the Department of Chemicals and Petrochemicals, Government of India,

Rs.8 crore has been released. The environmental clearance for the project has been obtained. The Hon'ble Chief Minister has laid the foundation stone on 21.02.2020 for this project. The development works will be completed by December 2020.

3.10.2 TICEL Bio Park - III

TICEL Bio Park Ltd, a Joint venture of TIDCO and TIDEL Park Ltd is developing TICEL Bio Park-III at Coimbatore comprising of 14 floors including Ground floor with built up space of 2.29 lakh sq. ft. along with other infrastructure facilities in 10 acres of land in Anna University Campus, Somayampalayam Village, Coimbatore District. The revised cost of this project is Rs.85 crore. The project is expected to be completed by June 2020.

3.10.3 Chennai Greenfield International Airport

The Hon'ble Chief Minister has made an announcement during the centenary birth anniversary celebrations of former Chief Minister Dr. MGR, that a new Greenfield airport will be set up near Chennai. Industries Department is taking actions for development of Greenfield Airport. SIPCOT and TIDCO are jointly working towards identifying a suitable location for the proposed Greenfield Airport.

TIDCO has floated an RFP for selection of a consultant for preparing the Techno Economic Feasibility Report for development of the Greenfield Airport. Further action will be initiated for obtaining necessary approvals/clearances for setting up the airport.

3.10.4 TRIL Info Park Limited

Tata Realty and Infrastructure Limited (TRIL) along with TIDCO, is establishing a Sector

Specific Special Economic Zone for an Information Technology & Information Technology Enabled Services (IT & ITES) and an Integrated International Convention Centre in 25.27 acres of land at Taramani through a joint venture company viz., TRIL Info Park Ltd, at an estimated cost of Rs.4,213 crore. The Company has constructed 4.6 million sq.ft space in six towers for IT-ITES which has been leased out and become operational.

This IT Park is providing employment to 47,000 IT professionals and also indirect employment for over 5000 persons involved in day-to-day operations of the campus. The company has completed the construction of Integrated International Convention Centre and Serviced Apartments in the domestic tariff area based on the approval from Government of India. The interior works for the convention centre and serviced apartments are in progress

and it is expected to be completed in all respects by April 2020.

3.10.5 DLF Info Park Limited

TIDCO, in association with DLF Ltd, is setting up an Information Technology Park in 26.64 acres in Taramani, Chennai. In this park, DLF will develop about 7 million sq. ft. space at an estimated project cost of Rs.5000 Crore. The project is expected to generate employment opportunities for 70,000 IT professionals.

The Hon'ble Chief Minister has laid the foundation stone on 23.01.2020 for the construction of 2.50 million sq.ft in Phase I. The works have been commenced by DLF and are expected to be completed by March 2021.

3.10.6 Medi Park, Chengalpattu

TIDCO in association with Government of India is implementing Medi Park in 330 acres near Chengalpattu at an estimated project cost

of Rs.205 crore.The Park will have a Medical Devices and Equipment zone, Bio information zone and Research & Development and Knowledge Management Infrastructure.

A new SPV, M/s. HLL Medi Park Ltd, has been formed for implementing this project. TIDCO has subscribed to 10% equity in HLL Medi Park Ltd. The preparation of the Detailed Project Report is underway and is expected to be completed by April 2020.

3.10.7 TIDEL Park, Pattabiram

TIDEL Park, Chennai is establishing an IT Park with built up space of 5.57 lakh sq. ft. in Phase-I in an area of 10 acres of land in Pattabiram village, Avadi Taluk at an estimated project cost of Rs.235 crore.This project will provide direct employment to around 5000 persons.

The ASIDE grant of Rs.20 crore has been sanctioned for this project. TIDEL has engaged an engineering consultant for Architectural and Detailed Engineering Consultancy Services. EPC Contractor was selected. The construction of this IT Park is expected to commence in March 2020 and will be completed in 24 months.

3.10.8 Special Investment Region, Krishnagiri

GMR Infrastructure Limited along with TIDCO is establishing a Special Investment Region (SIR) in about 2,101 acres of land in Krishnagiri District through a joint venture company viz., GMR Krishnagiri SIR Ltd., at an estimated project cost of Rs.2300 crore, in a phased manner. The implementation of Phase-IA covering an extent of 275 acres at an estimated cost of Rs.212 crore, has commenced. Phase-1A of the project is expected to attract a minimum investment of Rs.500 crore from Precision Engineering, Auto Components and Electronics

companies and generate employment opportunities for about 5,000 persons in about three years period.

The development of supporting infrastructure like arterial roads, water storage of one million litre capacity, internal water supply & storm water network for Phase-IA, is in progress and is expected to be completed by March 2021. An exclusive substation for this project has been constructed and commissioned. GMR is finalizing investments to the tune of Rs.200 crore with 4 units proposing to set up their respective facilities in Phase IA.

3.10.9 Heavy Engineering Hub

TIDCO has proposed to establish a Heavy Engineering Components Manufacturing Hub in an area of about 700 acres in the Ponneri Taluk of Tiruvallur District to accommodate shipbuilding support units, electrical and other

engineering industries including auto component industries.

Government has accorded administrative sanction for acquisition of 250 acres of patta land and alienation of 450 acres of grazing ground poramboke land in Kattur and Ebrahampuram villages of Ponneri Taluk. Detailed Project Report for this project has been prepared. The project is proposed to be developed in two phases. The first phase will be developed in 400 acres of grazing ground poramboke land and the second phase will be developed in the remaining land. The proposal for exchange of land for grazing ground poramboke land is under consideration of Government; acquisition of 108 acres of patta lands through private negotiation has been commenced by the District Collector.

3.10.10 Biotechnology Venture Capital Fund

As mentioned in the Tamil Nadu Biotechnology Policy, Tamil Nadu Infrastructure

Fund Management Corporation is in the process of setting up a Biotechnology Venture Capital Fund of Rs.500 crore. TIDCO will contribute Rs.30 crore and TIDEL will contribute Rs.20 crore to this fund and the balance contribution of Rs.450 crore will be raised from the market.

The fund will have two components, viz, Incubator Fund and Venture Capital Fund, at a corpus of Rs.20 crore and Rs.480 crore respectively. A Biotech Venture Capital Fund proposal has been prepared through a consultant in November 2019. The fund is expected to be registered with SEBI by March 2020.

3.11 Financial Performance

During the financial year 2018-19, TIDCO has earned a net profit of Rs.154.29 crore and has given 30% dividend of Rs.46.28 crore to the Government. For the Financial year 2019-20,

TIDCO has earned a net profit of Rs.258.05 crore (provisional) till 31.12.2019.

Tamil Nadu Industrial Development Corporation Limited will continue to act as a catalyst in creating new employment opportunities by private investment projects through joint ventures. The corridor based industrial development projects being implemented by TIDCO will ensure a spatially converged and balanced industrial and infrastructural growth across the State.



The Hon'ble Chief Minister laid the foundation stone for the DLF Down Town IT Park on 23.01.2020

4.TAMILNADU INDUSTRIAL INVESTMENTCORPORATION LIMITED

Tamil Nadu Industrial Investment Corporation (TIIC) is a pioneer among the State Financial Corporations in the country. Incorporated in 1949 under the Companies Act to foster industrial development in the State of Tamil Nadu, it provides financial assistance to Micro / Small / Medium / Large Scale Industrial Units and Service Sector Projects. TIIC's focus is on catering to the needs of MSMEs, especially first generation entrepreneurs in the State. More than 90% of TIIC's assistance goes to the Micro, Small & Medium Enterprise (MSME) sector and 40% of its total assistance goes to first generation entrepreneurs.

4.1 Share Capital

With the infusion of additional capital of Rs.45.00 crore by State Government through TIDCO, the share capital of TIIC (as on

31.12.2019) has increased from Rs.376 crore to Rs.421crore.

4.2 Vision

To be a viable and vibrant financial institution committed to serving industries in Tamil Nadu.

4.3 Mission

- To continuously evolve schemes and processes which are customer-centric.
- To work closely with the Government of Tamil Nadu and other central agencies to channelize appropriate incentives and services for the development of MSMEs in the State.
- To become the preferred destination for seeking term finance in the State.

- To network with other Stakeholders in the MSME Ecosystem for enhancing in-house domain knowledge.
- To explore newer options to reach out to MSMEs by working with Fintech companies, NBFC, SFB, MFI and other Financial Institutions.

TIIC has so far assisted 1,24,147 units with a cumulative sanction of Rs.17,765.73 crore till 31.12.2019. The loan portfolio of the Corporation as on 31.12.2019 stands at Rs.1,118.34 crore.

With the continued support of the State Government and the sustained efforts of the employees of the Corporation, TIIC has been earning profit continuously for 17 years from 2003-04 onwards. TIIC's provisional net profit for FY 2019-20 (as on 31.12.2019) is Rs.13.73 crore.

4.4 Interest rate on loans

On account of the 6% interest subvention scheme of Government of Tamil Nadu, introduced during the FY 2019-20, the interest rates for new loans from TIIC to Micro and Small enterprises are in the range of 5.95% to 7.95%.

4.5 New Initiatives taken during Financial Year 2019-20

4.5.1 Improving Service Delivery

(a) Opening of Branches / Satellite Offices

To enable the Corporation to effectively operate in close proximity to the entrepreneurs and provide them timely and adequate service, the Corporation is opening its branches / Satellite offices close to Industrial clusters. In the first phase, Maraimalai Nagar, Sriperumbudur, Gummidipoondi and Cuddalore SIPCOT Estates are covered. In the second phase,

opening of Kallakurichi and Ranipet branches will be taken up.

(b) Creation of Regional Appraisal Cells

To streamline sanctioning procedures and to avoid delay in processing of applications, Regional Appraisal Cells have been created in all the 6 Regional Offices of the Corporation, exclusively for the purpose of appraisal and sanction of loans.

(c) Digitalization

The Corporation has redesigned its website, to provide users with easy interface experience to know about the schemes / services offered by the Corporation and the incentives offered by the Government of Tamil Nadu. The Corporation has developed a user friendly Customer Portal with provision for e-payment, e-statement, online loan enquiries, online loan application for select

schemes, customer feedback and grievance reporting facilities. Online subsidy portal is being developed and will be linked to the Single Window Portal.

(d) Marketing

To reach out to customers on a wider basis and to create awareness about Government subsidies and Corporation's financing schemes, Marketing Support Executives are being engaged from Financial Year 2019-2020 on contract basis.

To actively engage with the new generation entrepreneurs, the Corporation has commenced digital marketing and branding activities. It has marked its presence in social media platforms like Facebook, Twitter and they have started generating business leads.

An MoU has been signed with Tamil Nadu Small and Tiny Industries Association (TANSTIA) for feebased referral arrangement and the same will be extended to other industrial associations all over the State.

4.5.2 New Financial Products

TIIC, in order to satisfy the dynamic needs of the customers, has introduced the following schemes in the current financial year.

(a) Privileged Customer Scheme

The Scheme facilitates existing good track record customers of TIIC by providing them financial assistance to meet certain emergent and business related expenses. The facility is offered without any stipulation for promoters' contribution. Under this scheme, 175 entrepreneurs have been sanctioned loan of Rs.61.89 crore during

the Financial Year 2019-20 (as on 31.12.2019).

(b) Fast Track Equipment Finance Scheme

The scheme facilitates existing industrial units with good track record for acquisition of plant and machinery for their expansion/diversification/modernization/repacement of existing machinery based on simple and quick loan appraisal. Under this scheme, the promoter's contribution will be only 10% of the cost of machinery and fixed deposit will be accepted as collateral security. So far, 35 units have been sanctioned loan of Rs.20.46 crore during the Financial Year 2019-20 (as on 31.12.2019).

(c) *Thulir Scheme*

The Scheme caters to Startup enterprises in the State by providing financial assistance to technically qualified and experienced entrepreneurs for setting up micro and small enterprises including service sector enterprises. The minimum and maximum financial assistance under the scheme are Rs.50 lakh and Rs.3 crore respectively.

(d) *Medical Practitioners Scheme*

The Scheme is to extend quick finance against fixed deposit to qualified medical practitioners for purchase of medical and related assets for their practice. The minimum and maximum financial assistance under the scheme is Rs.10 lakh and Rs.1 crore respectively.

(e) *Scheme for Micro Finance Institutions and Fintech Companies*

The Corporation's Board has recently approved a scheme for financing Micro Finance Institutions (MFI) in the State which in turn will lend to Micro Industries and a scheme for financing Fintech Companies which will leverage digital technology platforms to finance Micro and Small Enterprises.

4.6 Existing Financial Products of TIIC

The following financial products are already being offered by TIIC to entrepreneurs to fulfill their divergent needs.

4.6.1 General Term Loan

Financial assistance for new projects for expansion, modernization and diversification of existing units both in manufacturing and service sectors are considered under this scheme. Assistance is given by way of Term Loan upto

Rs.30 crore for Private/ Public Limited Companies, Rs.20 crore for Partnership / LLP Firms and Rs.15 crore for Proprietary concerns. Promoter's contribution ranges from 25% to 33.33% of the project cost. Based on the type of project, repayment period can be upto 9 years including moratorium period ranging from 6 months to 2 years for repayment of principal. Under this scheme, 154 entrepreneurs have been sanctioned loan of Rs.151.90 crore during the Financial Year 2019-20 (as on 31.12.2019).

4.6.2 New Entrepreneur cum Enterprise Development Scheme(NEEDS)

TIIC plays an active role in implementation of the New Entrepreneur cum Enterprise Development Scheme (NEEDS) for assisting educated youth to become first generation entrepreneurs. Under this Scheme, State Government will provide capital subsidy of 25% of the project cost subject to a maximum of Rs.30 lakhs. Besides, interest subvention of 6%

is also extended to the entrepreneurs on the loan availed for the project. The special feature of this scheme is the low promoter's contribution which is 5% for special category entrepreneurs like Women, Backward Community, Most Backward Community, Scheduled Caste / Tribes entrepreneurs and 10% for others. So far, upto 31.12.2019, 640 first generation entrepreneurs have been sanctioned loan of Rs.312.48 crore.

4.6.3 Working Capital Term Loan (WCTL) for Manufacturing & Processing Units / Job Work Units

The scheme aims to extend financial assistance to manufacturing & processing units including rice mills to meet their working capital needs. This Scheme is well received by the manufacturing units and rice mills and is being implemented successfully. The maximum financial assistance under this scheme is Rs.2 crore per unit. Similar Working Capital Term Loan Scheme is available for units

undertaking job works only with reduced quantum of Rs.50 lakh. Under this scheme, 9 entrepreneurs have been sanctioned loan of Rs.4.43 crore during the Financial Year 2019-2020 (as on 31.12.2019).

4.6.4 Flexi Working Capital Term Loan

The scheme aims to extend financial assistance to manufacturing and processing units including rice mills, to meet their working capital/additional working capital requirements on a continual basis. The maximum financial assistance under this scheme is Rs.2 crore per unit. Under this scheme, 13 entrepreneurs have been sanctioned loan of Rs.4.97 crore during the Financial Year 2019-2020 (as on 31.12.2019).

4.6.5 Wind Power Projects / Solar Power Projects

The scheme aims to encourage entrepreneurs to set up private wind mills / solar power plants for captive consumption of

renewable energy as well as for selling power to TANGEDCO. The assistance is extended towards cost of land, equipment, electricals, erection and commissioning.

4.6.6 Equipment Finance Scheme

The scheme will facilitate existing industrial units with good track record to purchase capital goods/equipment. The promoter's contribution under this scheme is minimum 15% of the cost of capital goods / equipment acquired. So far under this scheme, 1347 units have been sanctioned loan of Rs.753.93 crore.

4.6.7 Transport Operators Scheme

Financial assistance is extended for purchase of transport vehicles that are registered as public carriers with minimum promoter's contribution of 15%.

4.6.8 Generator Loan Scheme

The scheme is extended to MSME units for purchase of generator sets. The promoter's contribution under this scheme is 10%. TIIC has further liberalized the collateral security norms to make the generator loans easily accessible to entrepreneurs.

4.6.9 Bill Financing Scheme

TIIC has entered into MoUs with TANGEDCO, TANTRANSCO and TNPL for offering bill discounting facilities to their MSME suppliers/contractors. It is also offering discounting facilities to TWAD contractors against their bills. The bill discounting facility is offered without any collateral security. Under this scheme, 36 contractors have been sanctioned loan of Rs.117.13 crore during the Financial Year 2019-20 (as on 31.12.2019).

4.7 Subsidy

TIIC is also functioning as a nodal agency for various State/ Central Government incentives for promoting industries in Tamil Nadu as under:

4.7.1 Government of Tamil Nadu Subsidies

(a) Interest subvention of 6% for micro and small enterprises

In order to provide Micro and Small enterprises with concessional credit, the Government of Tamil Nadu has enhanced the interest subvention to Micro and Small enterprises availing assistance from TIIC to 6% from 3% vide G.O. (Ms).No.177, Industries (MIF.2) Department, dated 09.10.2019. The enhancement of Interest Subvention from 3% to 6% for loans availed by Micro and Small Enterprises from TIIC is effective from 01.04.2019. Under this Scheme 351 enterprises have been assisted during the Financial Year 2019-2020 (as on 31.12.2019).

(b) Interest subvention of 3% for MSME units

The 3% interest subvention scheme for MSME units availing loan from TIIC has been extended upto Financial Year 2021-22. Since inception of the scheme, the Corporation has sanctioned loans to the tune of Rs.3746.36 crore and Government has released Rs.103.45 crore as subsidy till 31.12.2019. During the Financial Year 2019-20 (as on 31.12.2019) the Government has released Rs.12.64 crore towards interest subvention and has been disbursed to the beneficiaries.

(d) Backward area subsidy and Specific Thrust Sector Subsidy

Subsidy to the tune of 25% on Plant & Machinery subject to a maximum of Rs.50 lakhs is provided to the industries set up in backward areas / SIPCOT / SIDCO Estates and to select products specified under thrust sectors. The Corporation has disbursed Rs.17.00 crore as

State Capital subsidy to 123 beneficiaries during the Financial Year 2019-20 (as on 31.12.2019).

(d) Incentives & Subsidies for Large/Mega Industries

TIIC has been appointed vide G.O.(Ms).No.85 Industries (MIF.2) Department dated 08.03.2019 as the Nodal Agency for sanction and disbursement of back ended Capital Subsidy, Environment Protection Infrastructure Subsidy and Soft Loan against VAT+CST paid, for all non-MoU projects with investment above Rs.10 crore and below Rs.300 crore. During the FY 2019-20 (as on 31.12.2019)the Corporation hassanctioned subsidy of Rs.118.62 lakh under this scheme.

(e) Subsidy under NEEDS

Under this Scheme, Rs.2.28 crore has been disbursed to 39 beneficiaries as capital subsidy for the FY 2019-20 (as on 31.12.2019).

4.8 Performance

The performance of the Corporation in the various areas of operations viz. sanction and disbursement during Financial Year 2019-20 is as under:

(Rs. in crore)

Particulars	Achievement 2019-20 (as on 31.12.2019)
Sanction	484.47
Disbursement	359.71
Operating Profit (provisional)	59.74
Net Profit(provisional)	13.73

The Corporation has declared dividend in 2015-16 after a gap of 15 years. Subsequently, it has declared dividend for 2016-17, 2017-18 and also has paid Rs.3.04crore as dividend for the Financial Year 2018-19 to the Government of Tamil Nadu.

4.9 Target for the year 2020-21 and 2021-22

(Rs. in crore)

Year	Sanction	Disbursement
2020-21	1400	1150
2021-22	1700	1400



TIIC assisted industrial conveyor belt manufacturing unit at Coimbatore

5. TAMIL NADU NEWSPRINT AND PAPERS LIMITED

Tamil Nadu News Print and Papers Limited (TNPL) was promoted by the Government of Tamil Nadu in the year 1979 to produce Newsprint, Printing and Writing Paper using bagasse as primary raw material. The Paper factory is located at Pugalur in Karur District. The first plant with paper machine capacity of 90,000 tonne per annum was commissioned in 1984. Since then, the Mill's capacity has been enhanced to 4,00,000 tonne per annum in four phases. Simultaneously, the pulp production capacity also has been increased from 250 tonne per day to 1180 tonne per day.

TNPL has set up a state-of-the-art Multi-layer Double Coated Board Plant, with a capacity of 2,00,000 tonne per annum during the year 2016 at Mondipatti Village, Manaparai Taluk in Tiruchirappalli District. Thus, TNPL has emerged as the third largest Paper Mill in producing

printing & writing paper and coated board in the country with a total capacity of 6,00,000 tonneper annum.

TNPL has set up a Cement Plant with a capacity of 900 tonne per day to produce cement from the mill's solid wastesviz, lime sludge and fly ash generated duringmanufacture of paper.

To meet the growing raw material requirement and to become self-reliant in pulp wood, TNPL has ventured into farm forestry and captive plantation schemes during the year 2004-05. Under these schemes, TNPL undertook the implementation of pulp wood plantation with the participation of farmers. As on 31st December 2019, TNPL has developed 1,63,506 acres of pulp wood plantations involving 30,625farmers throughout the state.

TNPL has become self sufficient in power generation. It has captive power generation

capacity of 103.62 MW in its Paper Mill complex and 30 MW in its Board Mill complex. TNPL has also installed two wind farms with a capacity of 35.5 MW in Tirunelveli district. The surplus power generated is exported to the state grid (TANGEDCO).

TNPL produces and markets a range of high quality paper and coated boards suited for different end users. It also exports about 20% of its production to over 35 countries across the globe. TNPL is the largest exporter of printing and writing paper in India.

The Government of Tamil Nadu holds 35.32% shares in the company and companies owned by Government of Tamil Nadu hold 4.06% shares. The balance shares are held by Foreign Institutional Investors (FIIs), Indian Financial Institutions, Mutual funds, Insurance companies, corporate bodies and general public.

5.1 Expected Production and Capacity Utilization for the year 2019-2020

Paper Production	: 4,00,000 Tonne
Paper Capacity Utilisation	: 100%
Board Production	: 1,78,553 Tonne
Board Capacity Utilisation	: 89.27%
Cement Production	: 2,60,000 Tonne
Power Generation	: 6012 lakh units

5.2 Total Revenue and Profit for the year 2019-2020

The total revenue for the year 2019-20 is expected to be about Rs.3698 crore. The profit before tax is expected to be about Rs.286 crore against the previous year of Rs.155 crore. The profit after tax is expected to be about Rs.194 crore against the previous year of Rs.94 crore.

5.3 Dividend

The performance of the company has been consistent over the years. The company has been paying good dividend to its shareholders on a regular basis. The company has paid its

shareholders a dividend of 75% for the year 2018-19. Accordingly, the Government of Tamil Nadu has received a dividend of Rs.18.33 crore from TNPL.

5.4 Export

For the year 2019-20, the company's exports of printing and writing paper is expected to be around 80,000 tonne and the company's coated Board exports is expected to be 2,500 tonne.

5.5 Employment

The company is providing direct employment to 2580 employees and indirect employment to about 3000 persons.

5.6 Projects implemented during 2019-20

- To improve the operational performance at TNPL Unit II an additional sheet cutter machine has been installed at a capital cost of Rs.9 crore to increase the sheeting capacity.

- TNPL has developed Postage Stamps from Department of Posts, Government of India, under the brand name '**My Stamp**'. The Stamp was released by Hon'ble Chief Minister of Tamil Nadu on 1.11.2019. The release of stamp has increased the visibility of TNPL's brand name and enhanced TNPL's image among its customers.

5.7 Projects under implementation

5.7.1 TNPL Unit II Mill Expansion Plan

To achieve the next phase of growth in the year 2017-2018, the Government of Tamil Nadu had announced that TNPL will expand its capacity in Unit II at Mondipatti Village, Manaparai Taluk in Tiruchirappalli District.

In pursuance of the above announcement, the company has initiated action and has

obtained Environmental Clearance on 04.04.2019 from the Ministry of Environment, Forest and Climate Change.

The total capital outlay of Mill Expansion Plan will be Rs.2520 crore. The Mill Expansion Plan of TNPL Unit II is proposed to be implemented in two phases. The Phase-I of the Mill Expansion Plan, would be at a capital outlay of Rs.1100 crore. It would house a Chemical Hardwood Pulp Plant of 400 tonne per day capacity with required Chemical Recovery System and 20 MW Turbo Generator. Thus, import of hardwood pulp will be avoided after installation of home Hardwood Pulp Plant.

The requirement of hardwood will increase from 5 lakh tonne per annum to 12 lakh tonne per annum. So, the company has increased the plantation of pulp wood from 10,000 to 25,000 acres per annum from the year 2018-19.

The second phase of the project covering installation of Paper Machine and Power Plant will be taken up later.

The Hon'ble Chief Minister of Tamil Nadu has laid the Foundation Stone for implementation of the first phase of Mill Expansion Plan in Multilayer Coated Board Plant on 01.11.2019. The first phase of Mill Expansion Plan is targeted for commissioning in January 2021.

Procurement actions have been taken in time for completing the project by January 2021 and orders have been issued for major plant and machineries. Major Civil works are under progress as per schedule.

This project will provide direct and indirect employment opportunities for about 2000 persons.

5.8 Corporate Social Responsibility (CSR)

As a part of Corporate Social responsibility, TNPL undertakes welfare measures such as health camps, vocational training programs, development of infrastructure in the neighbourhood and education. The company spends 2% of the average net profit before tax, made during the three preceding financial years, for its CSR activities. For the year 2019-2020, the company has set apart Rs.3 crore for CSR activities.

To promote culture and create awareness among the public, Department of Archaeology had conducted a special Exhibition on Keezhadi in January 2020 in 43rd Chennai Book Fair. TNPL contributed Rs.16 lakh and sponsored stalls displaying excavated objects, Keezhadi photos and videos.

5.9 Awards

- (1) TNPL has received the prestigious **Golden Peacock Energy Efficiency National Award 2019** from Institute of Directors, India for large organisation under the sector paper manufacturing industry.
- (2) TNPL has received the **Industry Excellence Award 2019**, from the Institution of Engineers India.



Aerial view of TNPL Unit-II, Mondipatti Village, Tiruchirappalli district

6. TAMIL NADU CEMENTS CORPORATION LIMITED

Cement industry plays a very significant role in the industrial and economic growth of Tamil Nadu. In view of rapid growth in infrastructure and construction activities, housing, highways, energy and port sectors, the demand of cement has been increasing every year. To cater to the needs, new cement plants have been established and Tamil Nadu is the third largest cement manufacturing state in India with an approximate installed capacity of 40 million tonne per annum. At present there are 19 cement plants in the private sector and 4 cement plants in public sector.

Tamil Nadu Cements Corporation was established on 11th Feb, 1976 as a wholly owned subsidiary of Tamil Nadu Industrial Development Corporation (TIDCO). Consequent to transfer of shares from TIDCO to Government, Tamil Nadu Cements Corporation Limited became a

Government owned Public Sector Undertaking from 31.12.1994.

Tamil Nadu Cements Corporation Limited (TANCEM) has been operating one cement plant at Alangulam in Virudhunagar District with a capacity of 2 lakh MTs per annum and another one at Ariyalur in Ariyalur District with a capacity of 5 lakh MTs per annum. As a part of expansion program of Ariyalur Cement works, a new cement plant with a capacity of 10 lakh MTs per annum has been set up and clinker production started on 01.11.2019. TANCEM is also the State Level Nodal Agency for Amma Cement Supply Scheme. TANCEM has an annual turnover of around Rs.500 Crore.

After expansion, the total production capacity of TANCEM will become 17 lakh MTs per annum, including 10 lakh MTs from the new plant. This will help TANCEM to fulfill the requirement of cement from various

Government Departments especially from District Rural Development Agencies. Further, TANCEM can sell quality cement at reasonable price in the open market.

It is to be highlighted that TANCEM has provided significant employment in backward districts of Ariyalur and Virudhunagar where its units are located. At present, TANCEM provides direct employment to 1400 persons and indirect employment to 3000 persons.

6.1 Modernization of Alangulam Cement Unit

Tender has been called to appoint a consultant to prepare a detailed feasibility report to modernisation Alangulam Cement Plant units with a view to reduce the cost of operations.

6.2 Cement supply to Government Departments

Rural Development and Panchayat Raj (RD&PR) Department requires 16 lakh MTs of cement every year to undertake various scheme

works. Presently, TANCEM is supplying around 4 lakh MTs of cement to RD&PR Department. With the commissioning of new plant at Ariyalur, TANCEM will be in a position to supply their entire requirement.

6.3 PPC supply to Government Departments

Since PPC is considered to be environmental friendly, Government issued orders to use PPC cement in DRDA and other Government Departments schemes.

TANCEM has been supplying PPC cement to Government Departments as detailed below:

Year	PPC supplied (in MTs)
2018-19	4,09,750
2019-20 (up to 31.12.2019)	2,59,717

During the year 2019-2020 (till 31.12.2019), TANCEM has sold 1,01,791 MTs of cement in the open market. While the private cement manufacturers are selling cement at a rate around Rs.360/- per bag of OPC and around Rs.350/- per bag of PPC in the open market, TANCEM is selling at a reasonable rate of Rs.325/- per bag of OPC and Rs.315/- per bag of PPC. Thereby, TANCEM is in a position to moderate the cement price in the market.

The following measures have been taken to increase the sale of cement in the open market and to improve the market share:

- (1) 342 stockists and 59 contractors have been appointed.
- (2) Cement sales in Kerala State has been resumed.
- (3) Bulk cement sales have been encouraged.

- (4) A new discount structure has been implemented to incentivize TANCEM cement stockists.

6.4 Amma Cement Supply Scheme

To mitigate the hardship faced by the general public while constructing their own houses, the former Chief Minister of Tamil Nadu Honourable Amma introduced Amma Cement Supply Scheme on 05.01.2015. Under this scheme, cement is sold at a concessional rate of Rs.190 per bag while open market price is around Rs.350/- per bag.

Amma Cement is sold through 501 godowns which are under the control of RD&PR Department, Tamil Nadu Civil Supplies Corporation Ltd., (TNCSC) and Tamil Nadu Corporation for Development of Women (TNCDW).

Under the Scheme, a maximum of 750 bags are sold at the rate of 50 bags per 100 sq.ft. subject to a maximum of 1,500 sq.ft. of construction in respect of new house and 10 to 100 bags for repairs and maintenance works.

The beneficiaries under Chief Minister's Solar Powered Green House Scheme (CMSPGHS), Prime Minister's Awaas Yojana (PMAY) and Individual Household Latrine (IHHL)(Swachh Bharath) are also benefited under Amma Cement Supply Scheme.

For efficient implementation of the scheme, a "HIGHLY INTEGRATED SUPPLY CHAIN MANAGEMENT SYSTEM" was introduced in 2017. Since 01.04.2018, all transactions of Amma cement Scheme are online.

Totally, 46,76,364 MTs of cement has been sold till 31.12.2019 and 15,43,216 persons have been benefited under Amma Cement Supply Scheme.

6.5 Mining operations

To ensure uninterrupted supply of limestone to TANCEM cement plants, the following measures have been taken:

- (1) Action has been taken to obtain Environmental Clearance to mine limestone in 1612.04.0 hectares.
- (2) Steps are being taken to enhance the lime stone production at Anandavadi mine in Ariyalur District from 2.6 lakh MTs per annum to 15 lakh MTs per annum.
- (3) New Mining lease have been obtained for two lime kankar mines to an extent of 8.61.0 hectares in Ariyalur District and mining operation is being carried out.

6.6 ACHIEVEMENTS

6.6.1 New Cement plant in Ariyalur

The new cement plant in Ariyalur has been established at a cost of Rs.809.09 crore.

The Hon'ble Chief Minister of Tamil Nadu inaugurated the new plant on 01.11.2019. This plant adopts the state-of-the-art-technology.

6.6.2 Corporate Social Responsibility

As part of new plant project, TANCEM has undertaken community development activities such as constructing a new building for the Ariyalur District Headquarters Government Hospital, new equipments for hospital, providing basic amenities such as additional class rooms and bore wells for the Government Schools situated in the nearby villages of Ariyalur, Implementing Green schemes such as plantation, formation of ponds and rain water harvesting structures in the surrounding areas of Ariyalur. TANCEM has spent around Rs.10 crore till date on such activities.

6.6.3 ISO certification

TANCEM has obtained ISO: 9001-2015 certification for its Corporate Office on 26.02.2019 and its Ariyalur Cement Works on 17.07.2019. This has boosted the image of TANCEM besides ensuring the quality of cement. Steps are being taken to obtain ISO certification for Alangulam Cement Works.

6.7 Introduction of "V collect system"

With a view to improve the performance of Amma cement supply scheme further, "V collect" system (collection by NEFT) has been introduced instead of Demand draft fund collection system.

6.8 Performance

During the year 2019-20 (Up to 31st December 2019), TANCEM has produced 3,64,180 MTs and sold 3,56,411MTs. With the commissioning of the new plant, TANCEM will additionally produce 10 lakh MTs of cement annually.

7. Tamil Nadu Salt Corporation Limited

Tamil Nadu Salt Corporation (TNSC) was established in the year 1974. TNSC is manufacturing salt in an area of 5236 acres of land in Valinokkam, Keelakidaram, Thanichiyam, Melakidaram and Mariyur villages of Kadaladi Taluk in Ramanathapuram District. TNSC commenced its commercial production during the year 1978. The products include Industrial Grade Salt, Iodised salt, Double Fortified Salt (DFS) and Low Sodium Salt. TNSC employs 53 full-time employees and nearly 1200 seasonal workers. It also generates indirect employment to 300 persons.

TNSC supplies 'AMMA' brand salt to Public Distribution Scheme in Tamil Nadu and also supplies Double Fortified salt to various Government schemes like Puratchi Thalaivar MGR Nutritious Meal Programme and Integrated Child Development Scheme (ICDS). TNSC also

supplies Double fortified salt to Government of Andhra Pradesh and Karnataka.

7.1 Mission

- To create employment opportunities in Kadaladi Taluk and to uplift the socio economic conditions of the people.
- To produce salt and its by-products on a large scale by utilizing the favorable conditions prevailing in this area.
- To provide fortified salt to the common people at an affordable price for controlling and eradicating deficiencies due to lack of micronutrients like iodine and iron.

7.2 Production facilities

TNSC has the following assets for production at Valinokkam village in Ramanathapuram district.

- (i) 5236 acres of salt lands.
- (ii) Crystal Iodised Salt Plant with a production capacity of 20 MT per hour.
- (iii) Double Fortified Salt Plant with a production capacity of 3.6 MT per hour.
- (iv) Seven MT per hour salt refinery to produce Refined Free Flow Iodised Salt.

7.3 Production activities

7.3.1 Industrial Grade Salt

TNSC is producing around 2 lakh tonne of good quality of Industrial Grade Salt (IGS) per annum by using sea brine. This salt is supplied to the major chlor-alkali industries in Tamil Nadu and Andhra Pradesh. Many private salt refineries are also procuring salt from TNSC for producing Refined Free Flow Iodised Salt.

7.3.2 Fortified Salts

Since 1990, TNSC is producing fortified edible Salt like Crystal Iodised Salt, Refined Free Flow Iodised Salt & Double Fortified Salt and supplies through PDS at an affordable price.

TNSC has been playing an active role in the 'Universal Iodization of Salt Programme' of World Health Organization. From 1998 to 2019 TNSC distributed 6,96,783 MT of iodised salt.

TNSC has been supplying DFS (salt fortified with iron & iodine) to the PTMGR Nutritious Meal Programme and ICDS Scheme. TNSC distributed 1965 MT of Double Fortified salt in Tamil Nadu and Andhra Pradesh states during the current year upto 31.12.2019.

7.3.3 Bromine

TNSC is having a Memorandum of Understanding (MoU) with M/s. South India Bromine & Allied Chemicals (SIBAC),

Thoothukudi for the production of Bromine from the effluent of salt works. Accordingly it supplies final residual discharge of salt brine (bittern) to the above company to produce chemical bromine and thereby earns revenue of around Rs.10 lakh per annum.

7.3.4 Quality Certification

The Corporation has obtained licenses for producing Iodised Salt and Double Fortified Salt as per IS 7224:2006 and IS 16232:2014. The Corporation has obtained license from the Food Safety and Standards Authority of India (FSSAI) for the quality production of Iodised Salt and Double Fortified Salt. TNSC has also obtained ISO 9001:2015 certificate for its upgraded Quality Management system for the production and supply of Industrial Grade Salt and Fortified Salts.

7.4 Sales performance

Sales performance of TNSC for the year 2019-20 is furnished below:-

Sl. No	Product	Sales in MT (Up to 31.12.2019)
1	Industrial Grade Salt	1,68,019
2	Crystal Iodised salt	17,022
3	Refined Free Flow Iodised salt	4,434
4	Double Fortified salt	1,965

A total quantity of 1,20,438 MT of 'Amma Salt' has been sold, since its launch in June 2014 till 31.12.2019. TNSC distributed 23,420 tonne of Fortified salts in Public Distribution system and PTMGR Nutritious Meal Programmeduring 2019-20 (up to 31.12.2019).

Till 31.12.2019, TNSC has made a sales turnover of Rs.30.41 crore in the financial year 2019-2020.

7.5 Labour Welfare Activities

Around 1200 seasonal workers are working at its salt works and TNSC is providing the following welfare amenities.

- (i) TNSC is paying a sum of Rs.One lakh to the nominee of the deceased worker in the event of the unfortunate death of worker, while in service.
- (ii) TNSC is providing RO drinking water by erecting five ROplants.
- (iii) Safety items like sun goggles, gumboots and towels are provided to the workers.
- (iv) Medical camps are conducted periodically.

7.6 Nodal agency for Salt Industries

Government of Tamil Nadu vide G.O.MS.No.104, Industries Department, dated 14.09.2018 has appointed Tamil Nadu Salt Corporation as the Nodal Agency to coordinate with the salt industries in the State.

As Nodal agency, TNSC organized meeting with the salt manufacturers on 02.06.2019 to understand their issues and to take remedial action. It is also collecting data about salt manufacturers and salt workers in Tamil Nadu.

A Buyer Seller meet was conducted on 02.08.2019 and discussed issues relating to salt industry and trade.

7.7 Action plan for 2020-21

(i) Sales target

Sl. No	Product	Quantity in MT
1	Industrial Grade Salt	2,00,000
2	Crystal Iodised salt	30,000
3	Refined Free Flow Iodised salt	12,000
4	Double Fortified salt	7,800

(ii) Projected sales turnover of TNSC for the year 2020-21 would be Rs. 45 crore.

(iii) TNSC will explore the opportunities to market its value added salt products like Crystal Iodised Salt, Double Fortified Salt and Refined Free Flow Iodised Salt to bulk purchasers.

(iv) Action will be taken on the study being conducted by Central Salt and Marine

Chemicals Research Institute (CSMCRI) to increase the overall salt productivity.

- (v) Government has allotted 3010 acres of land in the Thiruporur Taluk, Chengalpattu District to TNSC vide G.O.No.291 dated 10.08.2018. Steps are being taken to explore the possibilities of effectively using this land for salt production.

8. DEPARTMENT OF SUGAR

Sugar Industry plays a vital role in improving the socio- economic conditions of the farmers in the rural areas of Tamil Nadu. Further, it generates direct and indirect employment to lakhs of rural population through cane cultivation, harvesting, transport and allied services.

The sugar production of Tamil Nadu has come down during the recent years due to various reasons like vagaries of monsoon, increase in cost of cultivation, scarcity of farm labourers, non-availability of alternate new sugarcane varieties. Due to drop in sugarcane production and higher cost of production, the sugar mills in Tamil Nadu are facing acute financial crisis. Several steps are being taken by the Government to improve the sugar production of the State by increasing sugarcane productivity and sugar recovery.

At present, there are 42 sugar mills in Tamil Nadu out of which 16 are in Cooperative Sector, 2 in Public Sector and 24 in Private Sector.

8.1 Directorate of Sugar

The Commissioner of Sugar is the Head of the Department of Sugar and also the Cane Commissioner for the State. In addition, the Commissioner of Sugar is also the Functional Registrar for Cooperative sugar mills in the State.

8.2 Tamil Nadu Sugar Corporation Ltd

Tamil Nadu Sugar Corporation Limited (TASCO) was established during the year 1974 with the main objective of setting up new sugar mills and expansion of existing sugar mills. Further, TASCO provides consultancy services to the Cooperative and Public Sector sugar mills.

Arignar Anna sugar mills, Kurungulam, Thanjavur District and Perambalur sugar mills, Eraiyyur, Perambalur District are functioning under the control of TASCOS.

8.3 Tamil Nadu Cooperative Sugar Federation Limited

Tamil Nadu Cooperative Sugar Federation (TNCSF) is the apex Co-operative Society functioning under the control of Directorate of Sugar. TNCSF coordinates and facilitates the working of the affiliated member sugar mills, provides technical services, makes centralized purchase of chemicals, gunny bags, lime, lubricants and other spares and also sale of sugar and by-products.

The Main Bio Control Research Laboratory (MBRL), is a unit of TNCSF and a Research and Production unit recognized by Department of Scientific and Industrial Research (DSIR), Government of India. It is engaged in the

production of biofertilizer and biopesticides required for cane cultivation activities of Cooperative and Public Sector sugar mills.

8.4 Steps to increase sugarcane production and productivity

To improve sugarcane productivity and sugar recovery, steps are being taken to bring more area under drip irrigation by utilizing the 100% subsidy assistance to small and marginal farmers and 75% to other farmers under PMKSY scheme and by utilizing the allocation of Rs.68.35 crore by the State Government for the purchase of essential additional components needed for the installation of micro irrigation scheme.

In addition to Micro Irrigation, the Government of Tamil Nadu has taken various steps viz., Sustainable Sugarcane Initiative (SSI) scheme, distribution of breeder seed materials and tissue culture seedlings for the

rejuvenation of Co 86032 and other new sugarcane varieties, trash shredding, distribution of quality budchip seedlings, inter cropping and biocontrol measures under various subsidy schemes viz., National Agricultural Development Programme (NADP) and Pradhan Mantri Krishi Sinchayee Yojana (PMKSY).

To reduce the cost of cultivation of sugarcane, mechanization of cane cultivation is encouraged by distribution of various farm implements viz., Power tillers, Power Weeders, Rotary Mulchers, Trash Shredders and Sugarcane Harvesters to sugarcane farmers at subsidized rates under Sub-Mission on Agricultural Mechanization (SMAM) scheme through Agricultural Engineering Department.

The varietal trials conducted by the Sugarcane Breeding Institute, Coimbatore have found Co 11015 variety to be superior to the existing Co 86032 variety both in quality and in

yield, right from 8 months to 12 months. Steps are being taken to propagate this variety in Tamil Nadu.

As a permanent solution to the problems faced by the sugar mills and to ensure farmers get Fair and Remunerative Price (FRP) in time, Government of Tamil Nadu has enacted Tamil Nadu Sugarcane (Regulation of Purchase Price) Act 2018. In order to facilitate this transition and to protect the interests of the farmers by assuring them a price which is not less than 2016-17 crushing seasons' State Advised Price (SAP) of Rs.2750/- per MT. Government of Tamil Nadu has announced the Transitional Production Incentive to the sugarcane farmers. Accordingly, an amount of Rs.136.43 crore and Rs.89.12 crore have been disbursed to the bank accounts of the farmers directly for the cane crushed during 2017-18 whole season and 2018-19 main crushing season respectively.

8.5 Performance of Sugar mills

During the season 2019-20 up to 15.01.2020, the sugar mills in Tamil Nadu have crushed 20.12 Lakh MT of sugarcane and produced 1.61 Lakh MT of sugar with an average recovery of 8.10%.

8.6 Sales of Sugar and Byproducts

8.6.1 Sugar

Sugar produced by all the Co-operative and Public Sector Sugar mills in our State are sold through Tamil Nadu Cooperative Sugar Federation Limited. During the financial year 2019-20 up to 15.01.2020, 1.62 lakh MT of sugar have been sold and an amount of Rs.549.82 crore has been realized.

8.6.2 Bagasse

The surplus bagasse produced by the sugar mills, after meeting the fuel demand to produce steam and power in captive and cogeneration

facility of the Mills is also sold to other Industries like paper and bio-energy. During 2019-20, upto 15.01.2020, 11201MT of bagasse have been sold for an amount of Rs.2.77 crore.

8.6.3 Molasses

The surplus Molasses after meeting the demand of the distillery units in Amaravathi and Salem Cooperative Sugar mills is sold to private distilleries, cattle feed producers and other users. During the financial year 2019-20, upto 15.01.2020, 0.44 lakh MT of molasses have been sold for an amount of Rs.42.87 crore.

8.6.4 Distillery

In the Distillery units of Salem and Amaravathi Co-operative Sugar mills, during the financial year 2019-2020 upto 15.01.2020, 45.05 lakh litres of Rectified Spirit have been sold for an amount of Rs.17.78 crore. Further, during the financial year 2019-2020 upto 15.01.2020, 78.90 lakh litres of ethanol have been sold and Rs. 36.12 crore realized.

8.7 Co-Generation and Modernization

The Government had decided to establish Co-generation Plants along with Modernization of sugar mills in 10 Cooperative and 2 Public Sector sugar mills through TANGEDCO. The cogeneration projects have been commissioned in Chengalrayan, Vellore, Cheyyar, Arignar Anna and Perambalur sugar mills. During the financial year 2019-20, upto 15.01.2020, 303.74 lakh units of power have been exported by these 5 Mills to the State Grid.

Modernization units have been commissioned in 10 mills namely Salem, Subramania Siva, Dharmapuri, Kallakurichi-I, Kallakurichi-II, Chengalrayan, Vellore, Cheyyar, Arignar Anna and Perambalur Sugar mills.

8.8 Action Plan 2020-2021

The area under sugarcane registered by the sugar mills during 2018-2019 planting season was 95,968 ha. By taking advantage of good rainfall (918.6mm) received during the year 2019, efforts are being taken to bring 1.25 Lakh ha of area under sugarcane cultivation during 2019-20 planting season.

It is programmed to cover 5000 ha area under Co 11015 variety both in Cooperative, Public and Private Sector Sugar mills. At present, the area covered under Co 11015 variety is 1050 ha. Further, a new sugarcane variety released from Sugarcane Research Station, Melalathur namely CoG 6 which is suitable for tannery effluent affected soil and saline soil is being encouraged in Vellore and Tirupattur districts.

The cogeneration project work is in progress in Dharmapuri and Kallakurichi – 2 Cooperative sugar mills. Both the projects are expected to be commissioned during 2020-2021 crushing season.

M.C. SAMPATH
Minister for Industries



15 MW Co-generation Plant at Cheyyar Co-operative Sugar Mill

