

Micro, Small and Medium Enterprises Department

Policy Note 2015 - 2016

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Micro, Small and Medium Enterprises Department Policy Note – 2015-2016

1. Overview

Globally, Micro Small and Medium Enterprises (MSMEs) play a vital role in the economic development of a nation. MSMEs are the nursery where small existing businesses have the potential to become world beaters tomorrow. The larger players amongst the MSME space also are in the unique position to become global players attracting partners with technology and funds.

1.1 Role of MSMEs in the Indian Economy

Micro, Small and Medium Enterprises (MSMEs) sector has emerged as a highly vibrant and dynamic sector of the Indian economy over the last five decades. MSMEs not only play a crucial role in providing large employment opportunities at comparatively lower capital cost than large industries but also help in industrialization of rural and backward areas. MSMEs reduce regional imbalances, assuring more equitable distribution of national income and wealth. MSMEs are complementary to large industries as ancillary units and this sector contributes enormously to the socioeconomic development of the country. As per the fourth Census Report of MSMEs published in 2012, the total number of MSMEs in India are 3.6 crore employing over 8 Crore people. Manufacturing segment within the MSMEs contributes to 7.09% of GDP. MSMEs also contribute to 30.50% of services. The total contribution of MSMEs to the GDP is 37.59%

1.2 MSMEs in Tamil Nadu

MSMEs produce a wide variety of products in almost all sectors. The prominent among them are the textile, electronic products, engineering products, auto ancillaries, leather products, chemicals, plastics, garments, jewellery etc.

Tamil Nadu has implemented an online system for filing EM-II through the website <u>www.msmeonline.tn.gov.in</u>. Since the introduction of this system around 5.80 lakh entrepreneurs have filed EM Acknowledgement Part-II, providing employment opportunities to about 33.26 lakh persons with total investment of Rs.74662.27 crore.

Table-1 shows the annual registration of MSMEs during the last eight years.

Table - 1

| Year | Number of Registered units | Investment (Rs. in crore.) | Production (Rs. in crore.) | Employment (Numbers) |
|---------|----------------------------------|-------------------------------|----------------------------------|-------------------------|
| 2007-08 | 27209 | 2547.14 | 8739.95 | 242855 |
| 2008-09 | 32049 | 3557.89 | 13354.86 | 294255 |
| 2009-10 | 41799 | 3214.22 | 10880.01 | 151743 |
| 2010-11 | 57902 | 5872.37 | 12500.86 | 405233 |
| 2011-12 | 70758 | 7429.59 | 15496.00 | 502381 |
| 2012-13 | 83348 | 8751.54 | 17503.08 | 583436 |
| | | | | |
| 2013-14 | 116393 | 18939.87 | 16832.25 | 494990 |
| 2014-15 | 143104 | 24349.65 | 59789.70 | 651180 |

1.3 Definition of MSMEs

The classification of Micro, Small and Medium Enterprises is defined under the MSMED Act 2006. The enterprises are classified in Manufacturing and Service enterprises. Based on the investment in plant and equipment (excluding land and building) the classification of Micro, Small and Medium Enterprises is given in Table-2.

| Manufacturing | Investment level | Service | Investment | |
|---------------|-------------------|-------------|----------------|--|
| Enterprises | | Enterprises | level | |
| Micro | Upto Rs. 25 lakh | Micro | Upto | |
| | | | Rs. 10 lakh | |
| Small | Above Rs.25 lakh | Small | Above | |
| | and upto Rs.5 | | Rs. 10 lakh | |
| | crore | | and upto Rs. 2 | |
| | | | crore | |
| Medium | Above Rs. 5 crore | Medium | Above | |
| | and upto Rs.10 | | Rs. 2 crore | |
| | crore | | and upto | |
| | | | Rs. 5 crore | |

1.4 Micro, Small and Medium Enterprises Department

The Department has the following organizations under its administrative control:

- The Commissionerate of Industries and Commerce
- The Tamil Nadu Small Industries Development Corporation Limited (TANSIDCO)
- The Tamil Nadu Small Industries Corporation Limited (TANSI) and
- The Entrepreneurship Development Institute (EDI)

2. The Commissionerate of Industries and Commerce

The Commissionerate of Industries and Commerce is mandated with the development of industries in general and Micro, Small and Medium Enterprises in particular. To discharge its mandate, the Commissionerate has set up the District Industries Centres (DICs) in 32 Districts. District Industries Centres facilitate prospective entrepreneurs in starting and sustaining Industrial enterprises and provide a variety of escort services to the entrepreneurs like identification of viable activities, preparation of project profiles, obtaining financial assistance from various banks/financial institutions, statutory clearances from Government Departments, sanction and disbursement of eligible subsidies and obtaining payments in delayed cases.

2.1 Filing of Entrepreneur Memoranda

The concept of Entrepreneur Memoranda (EM) has been introduced by the MSMED Act, 2006. The filing of EM is optional for all MSMEs except for medium manufacturing enterprises for whom it is mandatory. Any entrepreneur may now file this memorandum online on the website <u>www.msmeonline.tn.gov.in</u>. They can obtain the EM Acknowledgement instantly without visiting the concerned District Industries Centres.

This scheme of online filing has evoked a good response from entrepreneurs. Since 2014-15

all EMs are filed through online portal. Trend in filing online EM is given in Table-3. Cumulatively 5,27,952 EM-I and 4,65,286 EM-II have been filed through Online Portal.

| Та | ıbl | e | - 3 |
|----|-----|---|-----|
|----|-----|---|-----|

| | EM Part I | | | EM Part II | | | | |
|---------|-----------|--------|--------|----------------------------|--------|--------|--------|----------------------------|
| Year | Manual | Online | Total | % of EM filed online | Manual | Online | Total | % of EM filed online |
| 2007-08 | 35072 | - | 35072 | 0.00 | 27209 | - | 27209 | 0.00 |
| 2008-09 | 22037 | 21395 | 43432 | 49.30 | 22642 | 9407 | 32049 | 29.40 |
| 2009-10 | 11711 | 55177 | 66888 | 82.50 | 10673 | 31126 | 41799 | 74.50 |
| 2010-11 | 12059 | 65760 | 77819 | 84.50 | 16514 | 41388 | 57902 | 71.50 |
| 2011-12 | 9999 | 73935 | 83934 | 88.10 | 18867 | 51891 | 70758 | 73.34 |
| 2012-13 | 9997 | 84819 | 94816 | 89.50 | 16457 | 74517 | 90974 | 81.91 |
| 2013-14 | 1442 | 107519 | 108961 | 98.68 | 2540 | 113853 | 116393 | 97.82 |
| 2014-15 | 0 | 119347 | 119347 | 100.00 | 0 | 143104 | 143104 | 100.00 |
| Total | 102317 | 527952 | 630269 | 83.77 | 114902 | 465286 | 580188 | 80.20 |

2.2 Subsidy Schemes

The following incentives are being extended to Micro, Small and Medium Enterprises in the State:

i. Capital Subsidy

25% capital subsidy on the value of eligible plant and machinery, subject to a maximum of Rs.30 lakh.

- Additional capital subsidy for enterprises set up by Women / Scheduled Caste / Scheduled Tribe / Physically Disabled and Transgender Entrepreneurs at the rate of 5% on the value of eligible plant and machinery, subject to a maximum of Rs.2 lakh.
- Additional capital subsidy for promotion of cleaner and environment friendly technologies at the rate of 25% on the value of eligible plant and machinery/ equipment subject to a maximum of Rs.3 lakh.
- Employment Intensive Subsidy at the rate of 5% on the value of eligible plant and machinery, subject to a maximum of Rs.5 lakh.

Eligibility Criteria

- All new Micro manufacturing enterprises established anywhere in the State
- All new Small and Medium enterprises under following 13 thrust sectors established anywhere in the State excluding additional capital subsidy and employment generation subsidy.

- Electrical and electronic products
- Leather and leather goods
- Auto parts and components
- Drugs and pharmaceuticals
- Solar energy equipment
- Gold and diamond jewellery for exports
- Pollution control equipments
- Sports goods and accessories
- Cost effective building material
- Readymade garments
- Food processing
- > Plastic
- Rubber products
- All new Small and Medium manufacturing enterprises established in all the 251 industrially backward blocks
- All New Agro based Small and Medium manufacturing enterprises established in all the 385 blocks of the state
- Existing Manufacturing Enterprises of the above categories which have taken up substantial expansion / diversification of the existing activities.

ii. Low Tension Power Tariff Subsidy

20% low tension power tariff subsidy for 36 months from the date of commencement of production or from the date of power connection whichever is later.

Eligibility Criteria

- All New Micro manufacturing enterprises established anywhere in the State
- All New Agro based Micro, Small and Medium manufacturing enterprises established in all the 385 blocks of the State
- All New Small and Medium manufacturing enterprises established in all the 251 industrially backward blocks
- Existing Manufacturing Enterprises of the above categories which have taken up substantial expansion / diversification of the existing activities.

iii. Value Added Tax (VAT) subsidy

100% subsidy on the net value of Value Added Tax (VAT) paid by the MSMEs for the first 6 years after commencement of production upto the value of investment made in eligible plant and machinery.

Eligibility Criteria

Micro manufacturing enterprises established anywhere in the State.

iv. Generator Subsidy

Micro, Small and Medium manufacturing enterprises established anywhere in the State are eligible for a subsidy of 25% on the cost of Generator set purchased (upto 320 KVA capacity), subject to a maximum of Rs. 5 lakh.

v. Back-ended Interest Subsidy

Back-ended interest subsidy at the rate of 3% of interest on term loan subject to a maximum of Rs.10 lakh for a period of 5 years to Micro, Small and Medium Manufacturing Enterprises for term loans up to Rs.1 crore obtained for Technology up-gradation / modernization and Credit Guarantee Fund Trust Scheme (CGFTS). Micro and Small Enterprises who have availed term loan under Technology upgradation/ modernization schemes, National Equity Fund Scheme (Renamed as Micro / Small Enterprises Funding Scheme), Scheme for ISO Certification / R & D under NSIC–SIDCO Consortium and Credit Guarantee Fund Trust Scheme are also eligible for 3% Back Ended Interest Subsidy (BEIS).

2.3 Schemes for Technology Development

Government provides assistance to MSMEs for technology development through following schemes:

- 50% subsidy on the cost of filing a patent application subject to a maximum of Rs.2 lakh per application.
- 50% of the cost of the application for trade mark registration or Rs.25,000 whichever is less.
- Establishment of industrial clusters and mini tool rooms under the Public Private Partnership mode by providing 25% of the total project cost subject to a maximum of Rs.1 crore as assistance.
- Creation of a Technology Development Fund for evolving cleaner/energy efficient/ IT enabled technologies.

Assistance for creation of Centres of Excellence and Technology Business Incubators for introduction of new production techniques and design development to the tune of Rs.50 lakh per incubator / centre of excellence.

2.4 Marketing Support

The following marketing support is extended by Government to Micro and Small manufacturing enterprises:

- waiver of Earnest Money Deposit for participation in tenders
- granting 50% of hall rent for participation in exhibitions within the State and in other States by MSME Associations
- extending support for marketing under a common banner or brand name

2.5 Prime Minister's Employment Generation Programme (PMEGP)

Prime Minister's Employment Generation Programme (PMEGP) is a Government of India's Scheme with effect from 2008-09. The maximum project cost admissible under manufacturing sector is Rs.25 lakh and under service sector is Rs.10 lakh. The beneficiary has to contribute 10% of the project cost under General Category and 5% of the project cost under Special Category (SC/ST/OBC/ Minorities / Women, Ex-servicemen, Differently abled persons, North-Eastern Regions, Hill and Border areas etc.). The balance amount of total project cost will be provided by Banks as term loan. Government of India provides subsidy to the beneficiaries as shown in Table-4.

Table - 4

| Categories of beneficiaries under PMEGP | Rate of Subsidy | | |
|---|-----------------|-------|--|
| TMEO | Urban | Rural | |
| General Category | 15% | 25% | |
| Special (including SC/ST/OBC/ Minorities / Women, Ex- Servicemen, Physically Handicapped, North Eastern Region, Hill and Border areas etc.,) | 25% | 35% | |

2.6 Unemployed Youth Employment Generation Programme (UYEGP)

With a view to create employment opportunities to the marginalized sections of society the State Government has implemented the Unemployed Youth Employment Generation Programme (UYEGP). This scheme is applicable to Manufacturing / Service / Business enterprises with project cost upto the maximum of Rs. 5 lakh, Rs. 3 lakh and Rs. 1 lakh respectively. Subsidy is provided upto 25% of the project cost subject to eligibility given in Table - 5.

Table - 5

| Eligibility | | | | |
|---------------------------|--|--|--|--|
| Minimum age limit | 18 years | | | |
| Upper age limit | 45 years for Special Category comprising SC / ST / BC / MBC / Minority / Women / Ex-servicemen / Differently abled / Transgender. | | | |
| Educational qualification | Pass in VIII Standard | | | |

2.7 New Entrepreneur-Cum-Enterprise Development Scheme (NEEDS)

New Entrepreneur-cum-Enterprise Development Scheme (NEEDS) is the flagship programme of the State Government launched by the Hon'ble Chief Minister on 20th February 2013 envisages entrepreneurship development training to educated young entrepreneurs, preparation of business plans and helping them to tie up with financial institutions to set up new business ventures, besides linking them with major industrial clients with a view to assist educated youth to become first generation entrepreneurs. To set up manufacturing and service projects, a capital subsidy at the rate of 25% of the project cost (not exceeding Rs.25 lakh) is given along with 3% interest subvention on term loan by the Government. The minimum project cost has to be above Rs.5 lakh. Promoter's contribution should be10% of the project cost for general category and 5% for special category. The eligibility norms are given in Table-6.

Table - 6

| Age | Between 21 & 35 years for General category and Between 21 & 45 years for Special category | |
|---------------------------|--|--|
| Educational qualification | Should possess either Degree / Diploma/ITI /Vocational training from recognized Institutions | |
| | The beneficiary must be a First Generation Entrepreneur | |

2.8 District Enterprises Development Consultative Committee

Tamil Nadu Government supports the entrepreneur who comes forward to set up an enterprise by getting various license/approval from various departments under existing Single Window Clearance Committee.

In order to further streamline the process and to strengthen the existing Single Window Clearance Committee, Government have constituted District Enterprises Development Consultative Committee. All the applications from Micro, Small and Medium Enterprises for issue of various clearances / licenses for proposed Industrial units should be submitted to the General Manager, District Industries Centre in the prescribed common application form. If the licenses / clearances are not issued to the industrial units within the prescribed time limit of maximum 60 days by the concerned departments, such cases will be placed before the ensuing meeting of the District Enterprises Development Consultative Committee for speedy disposal of the application. During 2014-15, out of 695 applications received, 649 applications have been disposed.

2.9 Rehabilitation of sick Micro, Small and Medium Enterprises

The sick Micro, Small and Medium Enterprises are assisted for rehabilitation by conducting a diagnostic study of sick enterprises, and subsequent scrutiny of the above study report by a sub-committee of the State Level Inter-Institutional Committee (SLIIC) constituted by the Reserve Bank of India. The SLIIC is chaired by the Secretary, Micro, Small and Medium Enterprises Department of the State Government for rendering assistance under sick rehabilitation, which meets on every quarter. The Reserve Bank of India does the study on viability of sick units and the Banks provide financial assistance wherever possible along with other hand-holding steps like counselling the borrowers, analyzing the problems faced by the units etc.

The State Level Rehabilitation Committee (SLRC), under the chairmanship of the Secretary to Government, Micro, Small and Medium Enterprises Department, has been constituted to look into the problems and the extent of sickness of MSMEs and suggest measures for their rehabilitation. The Committee meet on quarterly basis to review and monitor the rehabilitation of sick MSMEs in the State.

2.10 Credit Flow to Micro and Small Enterprises Sector

The Micro & Small Enterprises avail credit from Commercial Banks. For the period from April 2014 to December 2014, an amount of Rs.15330.69 crore and Rs.12721.51 crore have been sanctioned as credit to Micro and Small Enterprises respectively in the State. The disbursement made from April 2014 to December 2014 is Rs.28052.20 crore. The share of advance to Micro Enterprises to total Micro and Small Enterprises upto December 2014 is 54.65%.

2.11 Micro and Small Enterprises Facilitation Councils

In the MSMED Act 2006, one of the objective of the act is to facilitate speedy settlement of the delayed payments to Micro and Small Enterprises on goods supplied to major organisations.

Accordingly, the Government have constituted four Regional Micro and Small Enterprises Facilitation Councils at Chennai, Tiruchirappalli, Madurai and Coimbatore.

2.12 Testing Services

The following centres provide various testing services to enterprises as per their need for testing & certification.

- Central Electrical Testing Laboratory, Kakkalur, Thiruvallur District
- Chemical Testing and Analytical Laboratory, Guindy and Regional Testing Laboratories at Madurai, Coimbatore, Salem and Thoothukudi.

2.13 Skilling

The following institutes provide certificate and diploma courses for improving the technical skills in relevant fields.

2.13.1 Government Technical Training Centre, Guindy, Chennai

The Government Technical Training Centre, established during 1962 at Guindy, Chennai is offering the following diploma courses of three years period.

- > DME (Tool & Die)
- DME(Refrigeration & Air-Conditioning)

The above courses are being conducted with the approval of AICTE and the Institute is producing 100 diploma engineers approximately every year.

2.13.2 Institute of Tool Engineering, Dindigul

Established in 1961, the Institute is functioning for more than 50 years and is running 3 year diploma course in Tool and Die. Approved by the AICTE, the Institute is producing approximately 44 Diploma Engineers every year.

2.13.3 Institute of Ceramic Technology, Vridhachalam

The Institute is affiliated to the Department of Technical Education and it offers $3\frac{1}{2}$ years

specialised course in ceramic technology with an intake of 50 students per year. It also admits 10 students in the second year as lateral entry.

2.13.4 Government Scientific Glass Training Centre, Coimbatore

This Institute, shifted from Chennai to Coimbatore, offers 2 year training course in the Manufacture of Scientific Glass Apparatus.

2.14 Government Production Centre for Scientific Glass Apparatus, Coimbatore

Government Production Centre for Scientific Glass Apparatus, Coimbatore is functioning for the past four decades. This unit is engaged in the manufacture of Scientific Glass Apparatus to cater the needs of glassware's for laboratories functioning under Agriculture, Health Department and Forensic Science Department.

2.15 Data Bank and Information Centre for Electrical & Electronics Industries, Chennai.

In order to provide assistance to the Micro, Small and Medium Electrical and Electronics Enterprises this Centre provides information on relevant enterprises, offers project profiles on select projects and maintains a State wide Directory to identify buyers and sellers in electrical and electronic field. A technical library with 1517 books and 70 journals is also functioning in this centre.

2.16 Government Industrial Estates

2.16.1 Ceramic Industrial Estate, Vridhachalam

A Ceramic Industrial Estate was established by the Government at Vridhachalam exclusively for encouraging growth of Ceramic Industries. There are 64 industrial sheds engaged in the manufacture of L.T. Insulators, Ceramic Toys, Refractories and other ceramic products.

2.16.2 Electrical and Electronic Industrial Estates

There are eight exclusive Industrial estates for Electrical and Electronic industries consisting of 517 Developed Plots and 140 Sheds. These industrial estates are located at Thiruvanmiyur (Chennai District), Perungudi (Chennai District), Kakkalur (Thiruvallur District), Kappalur (Madurai District), Suramangalam (Salem District), Kalapatti (Coimbatore District), Hosur (Krishnagiri District) and Thuvakudi (Tiruchirappalli District).

2.17 Awards for entrepreneurs and banks

The Government of Tamil Nadu is giving Awards for the best efforts of the entrepreneurs at State level/District level and also to the bankers as a motivation for the promotion of MSME sector as below:-

- State Level Award for Best Entrepreneur Rs.50,000/- cash prize and Memento, worth Rs.10,000/-
- State Level Award for Agro Based Industries Rs.50,000/- cash prize and Memento, worth Rs. 10,000/-
- State Level Award for Quality and Export Rs.50,000/- cash prize and Memento, worth Rs. 10,000/-
- State Level Award for Best women Entrepreneur Rs.50,000/- cash prize and Memento, worth Rs. 10,000/-
- District Level Award for Best Entrepreneur, a Memento only, worth Rs.10,000/- for each district

Hon'ble Chief Minister Award to Bank leading in Credit to the Micro Industries

- 1st Prize Memento worth Rs.30,000/-
- 2nd Prize Memento worth Rs.20,000/-
- 3rd Prize Memento worth Rs.15,000/-

2.18 Industrial Cooperative Societies

Industrial Cooperative Societies have been established with the principal object of producing articles or finished goods through or with the help of its members or the provision of service facilities to its members who are artisans, labourers, technicians or small producers. The most prominent among them are Indcoserve, Sagoserve, Teaserve etc. To provide adequate financial linkages to this sector, an exclusive financial institution has been formed which is known as TAICO Bank.

2.19 Indcoserve

The Tamil Nadu Small Tea Growers Industrial Cooperative Tea Factories Federation popularly known as Indcoserve was established in 1965 at Coonoor. This apex organisation was established to help its member factories by way of coordinating their activities in all matters. This organisation provides various services to the Industrial Cooperative Tea Factories like warehousing facilities, supply of inputs and marketing of their teas etc.

At present, 15 Industrial Cooperative Tea Factories are functioning in Nilgiris District with a membership of 24,780. The total installed annual production capacity of 188 lakh contribute 17% of total production of tea in the State. Acceding to the long time demand of Small Tea Growers of Nanjanad area in Nilgiris District, the Hon'ble Chief Minister announced the setting up of new Industrial Cooperative Tea Factory at Nanjanad at a total cost of Rs.5 crore. The Government have released Rs.2 crore as its share towards the cost of the project. Similarly, the NABARD sanctioned its financial assistance including grant for a total amount of Rs.2.50 crore. Works related to construction of building and purchase of machineries are going on.

Scheme of Price Stabilization Fund

The tea market is facing high fluctuations in tea prices as a result of which all the Industrial Cooperative Tea Factories are incurring losses every month which in turn affected them in paying reasonable price for green tea leaf supplied by their member growers. In order to overcome this, Price Stabilization Fund has been created by Government, with an initial corpus of Rs.12 crore with contribution of Rs.4 crore by Indcoserve and Government contribution of Rs.8 crore as onetime nonrecurring grant for the year 2014-15.

To help the small producers in tea sector the following steps have been taken.

Upgradation of Green Leaf Weighing System

In order to provide a fair, transparent and better green leaf collection and accounting system, all Industrial Cooperative Tea Factories have been provided 200 Digital Green Leaf Weighing Scales at a total cost of Rs.113 lakh granted by the Government during 2013-14 and 2014-15.

> Energy Conservation Measures

The Government have released Rs.105 lakh in two phases towards implementation of Energy conservation scheme by way of purchase and installation of energy conservation equipments in Industrial Cooperative Tea Factories.

2.20 Teaserve

The Tea Manufacturers Service Industrial Cooperative Society called Teaserve is the first electronic tea auction centre established in the country at Coonoor in Nilgiris District. It was registered in 2002 and commenced its operation during 2003. The Industrial Cooperative Tea Factories, Private Bought Leaf Factories & Estate Tea Factories and Tantea are its members. The main object of Teaserve is to provide transparency in sale of tea in the auction centre and thereby ensuring better prices for the tea manufacturers.

2.21 Sagoserve

The Salem Starch and Sago Manufacturers Service Industrial Cooperative Society known as Sagoserve was established in 1981 at Salem with the objective of helping Sago and Starch manufacturers of Tapioca growing districts by way of marketing their products thereby ensure fair and remunerative prices for them. Before its formation, the Sago and Starch manufacturers especially small scale units suffered in the hands of middlemen who exploited them in the absence of organised marketing. To ameliorate their sufferings in marketing their products, the Sagoserve was established. Besides marketing its member products, it also arranges financial assistance and extends warehousing facilities to them.

2.22 Tamil Nadu Industrial Co-operative Bank (TAICO Bank)

In the early sixties, the Industrial Cooperative Societies faced many hindrances in obtaining financial assistance even for their day to day affairs. With a view to mitigate such problems, the Tamil Nadu Industrial Cooperative Bank popularly known as Taico Bank was established in 1961. Originally it was started with the objective of providing financial assistance to Industrial Cooperative Societies in the State. It has subsequently extended its banking services to other sectors also. It is now extending loans to the individuals also. It also accepts deposits from the public and operates current accounts and savings account. It participates in the credit related schemes of all Government departments. With the share capital of Rs.631.44 lakh including the Government share of Rs.268.30 lakh, the Bank has enrolled 417 societies as its members. Having head office at Chennai, the Bank is having 44 branches through the State.

2.23 Coir Industrial Cooperative Societies:

An apex cooperative society, namely the Tamil Nadu State Coir Cooperative Marketing Federation (TANCOFED) has been established with its Headquarters at Chennai to cater to the needs of its member societies besides marketing their products. There are 66 coir societies functioning under cooperative sector with the share capital of Rs.281.96 lakh including Government share of Rs.252.47 lakh. This sector provides employment to more than 11,073 member workers out of which 80% are women members.

The Market Development Assistance (MDA) scheme has been introduced by the Coir Board during 2000-2001 to promote the sale of coir and coir products manufactured by the coir cooperatives and committed to payment of minimum wages and other obligatory benefits to coir workers thereby encouraging sustained production and better employment opportunities.

2.24 Other Cooperative Societies

In order to provide continuous employment, many other societies have been organised by this Department in various trades like brick manufacturing, polythene manufacturing, auto services, printing services, labour contract, handicrafts, tailoring, engineering etc. Through these societies, sustained employment is provided to marginalized sector workers in the State. With the formation of these societies, the skilled and semi-skilled workers are not only able to get regular and continued employment but also to avail full statutory benefits entitled for them.

2.25 Scheme of Fund for Regeneration of Traditional Industries (SFURTI)

The Scheme of Fund for Regeneration of Traditional Industries popularly known as SFURTI is formulated and approved by the Government of India with the aim of making traditional industries including coir more productive and competitive and to facilitate their sustainable development. The scheme provides various facilities like replacement of equipments, setting up of common facilities, support for development of new products, designs, packaging, market promotion, capacity building etc. Under XII Plan period, the Government of India accorded in-principle approval for establishing 9 Coir Clusters at Coimbatore, Madurai, Dindigul, Kanyakumari, Dharmapuri, Krishnagiri, Tiruppur,

Pudukkottai and Tirunelveli Districts. Various activities like production of Coir pith block, Coir brush, Needle felt mattresses, Garden articles, Jewellery, Coir ply board, Geo-textiles are proposed to be undertaken in those Coir Clusters. Diagnostic Study Reports (DSR) were prepared by the agencies empanelled by the Central Scheme Steering Committee of Government of India according to which the activities as well as project cost have been revised as Rs.25.86 crore than Rs.8.81 crore as found in the original project reports, recommended by the State Government. These Diagnostic Study Reports were evaluated with reference to their viability and sustainability by the Project Screening Committee of Coir Board during March 2014. In the meantime, the Government of India released Revamped SFURTI guidelines and Coir Board appointed the ITCOT as Technical Agency for all these Clusters. The Technical Agency has commenced preliminary works towards preparation of Detailed Project Reports (DPR).

2.26 Employment generation in the MSME Sector

The details on employment generated through various schemes implemented by the State during the XI Plan period is in Table-7.

Table - 7

| Year | Employment Generated |
|---------|-------------------------|
| 2007-08 | 150599 |
| 2008-09 | 110346 |
| 2009-10 | 146029 |
| 2010-11 | 330145 |
| 2011-12 | 320165 |
| Total | 1057284 |

During the XII Five Year Plan period it has been proposed to generate direct and indirect employment opportunities to the tune of 15 lakh. For the period upto 31.03.2015 in the XII Five Year Plan, employment opportunities has been created for 10.34 lakh persons in the State as in Table-8.

| Year | Employment Generated |
|---------|-------------------------|
| 2012-13 | 3,38,435 |
| 2013-14 | 3,43,665 |
| 2014-15 | 3,52,152 |
| Total | 10,34,252 |

Table - 8

2.27 Achievement under various Subsidy Schemes or the period 2011-12 to 2014-15 under MSMI Policy 2008.

i. Capital Subsidy

Capital Subsidy was given to 5930 beneficiaries from 2011-12 to 2014-15 for Rs.25000 lakh. The achievement during 2014-15 is Rs.7000 lakh for 1460 beneficiaries as in Table–9.

| Table - 9 |
|-----------|
|-----------|

| Year | Amount | Amount in | No. of |
|---------|----------|-----------|--------|
| real | allotted | lakh | Units |
| 2011-12 | 5000.00 | 5000.00 | 1316 |
| 2012-13 | 6000.00 | 6000.00 | 1613 |
| 2013-14 | 7000.00 | 7000.00 | 1541 |
| 2014-15 | 7000.00 | 7000.00 | 1460 |
| Total | 25000.00 | 25000.00 | 5930 |

ii. LTPT Subsidy

LTPT Subsidy was given to 4776 beneficiaries from 2011-12 to 2014-15 for Rs.2400 lakh. The achievement during 2014-15 is Rs.600 lakh for 1106 beneficiaries as in Table-10.

Table – 10

| Year | Amount | Amount in | No. of |
|---------|----------|-----------|--------|
| real | allotted | lakh | Units |
| 2011-12 | 600.00 | 600.00 | 1371 |
| 2012-13 | 600.00 | 600.00 | 1130 |
| 2013-14 | 600.00 | 600.00 | 1169 |
| 2014-15 | 600.00 | 600.00 | 1106 |
| Total | 2400.00 | 2400.00 | 4776 |

iii. Generator Subsidy

Generator Subsidy was given to 4188 beneficiaries from 2011-12 to 2014-15 for Rs.4748.09 lakh. The achievement during 2014-15 is Rs.800 lakh for 734 beneficiaries as in Table-11.

Table – 11

| Year | Amount | Amount in | No. of | |
|---------|----------|-----------|--------|--|
| Tear | allotted | lakh | Units | |
| 2011-12 | 800.00 | 800.00 | 852 | |
| 2012-13 | 2348.09 | 2348.09 | 1936 | |
| 2013-14 | 800.00 | 800.00 | 666 | |
| 2014-15 | 800.00 | 800.00 | 734 | |
| Total | 4748.09 | 4748.09 | 4188 | |

iv. VAT Subsidy

VAT Subsidy was given to 1165 beneficiaries from 2011-12 to 2014-15 for Rs.1300 lakh. The achievement during 2014-15 is Rs.350 lakh for 365 beneficiaries as in Table-12.

| Year | Amount allotted | Amount in lakh | No. of Units |
|---------|--------------------|-------------------|-----------------|
| 2011-12 | 250.00 | 250.00 | 285 |
| 2012-13 | 350.00 | 350.00 | 234 |
| 2013-14 | 350.00 | 350.00 | 281 |
| 2014-15 | 350.00 | 350.00 | 365 |
| Total | 1300.00 | 1300.00 | 1165 |

Table – 12

v. Back Ended Interest Subsidy Scheme

a. Technology Upgradation/ Modernisation

Back Ended Interest Subsidy (BEIS) for Technology Upgradation/Modernisation was given to 346 beneficiaries from 2011-12 to 2014-15 for Rs.388.35 lakh. The achievement during 2014-15 is Rs.30 lakh for 60 beneficiaries as in Table-13.

Table – 13

| Year | Funds Allotted | Funds Utilised | No. of Units |
|---------|-------------------|-------------------|-----------------|
| | (Rupee | | |
| 2011-12 | 303.87 | 303.87 | 172 |
| 2012-13 | 24.48 | 24.48 | 89 |
| 2013-14 | 30.00 | 30.00 | 25 |
| 2014-15 | 30.00 | 30.00 | 60 |
| Total | 388.35 | 388.35 | 346 |

b. Credit Guarantee Fund Trust Scheme

Back Ended Interest Subsidy (BEIS) for Credit Guarantee Fund Scheme was given to 135 beneficiaries from 2011-12 to 2014-15 for Rs.44.62 lakh as in Table-14.

Table - 14

| Year | Funds Allotted | Funds Utilised | No. of Units |
|---------|-------------------|-------------------|-----------------|
| | (Rupees | | |
| 2011-12 | 14.74 | 14.74 | 33 |
| 2012-13 | 10.00 | 9.88 | 22 |
| 2013-14 | 10.00 | 10.00 | 27 |
| 2014-15 | 10.00 | 10.00 | 53 |
| Total | 44.74 | 44.62 | 135 |

c. National Equity Fund Scheme

Back Ended Interest Subsidy (BEIS) for National Equity Fund Scheme was given to 362 beneficiaries from 2011-12 to 2014-15 for Rs.10.725 lakh as in Table-15.

| | Funds | Funds | No. of |
|---------|----------|----------|--------|
| Year | | | |
| | Allotted | Utilised | Units |
| | | | |
| | (Rupees | in lakh) | |
| | | - | |
| 2011-12 | 8.85 | 8.85 | 284 |
| 0040.40 | | | |
| 2012-13 | 1.875 | 1.875 | 78 |
| 2013-14 | 0.00 | 0.00 | |
| 2010 14 | 0.00 | 0.00 | - |
| 2014-15 | 0.00 | 0.00 | - |
| | | | |
| Total | 10.725 | 10.725 | 362 |

| Та | ble | 15 | |
|----|-----|--------|--|
| ıа | DIC | 10 | |

- 2.28 Achievement under various employment generation schemes for the period 2011-12 to 2014-15
- i. Prime Minister's Employment Generation Programme (PMEGP)

PMEGP subsidy was given to 5168 beneficiaries from 2011-12 to 2014-15 for Rs.10,362.03 lakh. The achievement during 2014-15 is Rs.2827.71 lakh for 1256 beneficiaries as in Table-16.

Table - 16

| Financial Year | Nos. | Margin Money Released (Rs.in lakh) |
|-------------------|------|--|
| 2011-12 | 1560 | 2909.03 |
| 2012-13 | 1316 | 2258.40 |
| 2013-14 | 1036 | 2366.89 |
| 2014-15 | 1256 | 2827.71 |
| Total | 5168 | 10,362.03 |

ii Unemployed Youth Employment Generation Programme (UYEGP)

UYEGP subsidy was given to 17758 beneficiaries from 2011-12 to 2014-15 for Rs. 6121.79 lakh. The achievement during 2014-15 is Rs. 1817.68 lakh for 3465 beneficiaries as in Table-17.

Table - 17

| Financial Year | Nos. | Subsidy Released (Rs.in lakh) |
|-------------------|-------|----------------------------------|
| 2011-12 | 4750 | 1314.17 |
| 2012-13 | 4892 | 1490.41 |
| 2013-14 | 4651 | 1499.53 |
| 2014-15 | 3465 | 1817.68 |
| Total | 17758 | 6121.79 |

2.29 Micro and Small Enterprises Facilitation Councils (MSE-FC)

Under MSE-FC, in 92 sittings, an amount of Rs.1420.96 lakh was settled for 260 cases from 2011-12 to 2014-15. During the year 2014-15, 27 sittings were conducted. An amount of Rs.233.93 lakh was settled for 45 cases as in Table-18.

Table-18

| Year | No. of MSE-FC sittings conducted | No. of cases settled | Amount Settled (Rs. in lakh) |
|---------|---|----------------------------|---------------------------------------|
| 2011-12 | 15 | 38 | 233.86 |
| 2012-13 | 35 | 115 | 396.65 |
| 2013-14 | 15 | 62 | 556.52 |
| 2014-15 | 27 | 45 | 233.93 |
| Total | 92 | 260 | 1420.96 |

2.30 New Entrepreneur-Cum- Enterprise Development Scheme(NEEDS)

NEEDS subsidy was given to 846 beneficiaries from 2012-13 to 2014-15 for Rs.7716.70 lakh. The year–wise achievement details is as in Table-19.

| Table-19 | |
|----------|--|
|----------|--|

| | | | | | | (Rs. | in lak | h) |
|-----------------------------|-----------------|------------------|------|-----------------|------|----------|--------|----------|
| Description | 20 ⁻ | 2012-13* 2013-14 | | 2013-14 2014-15 | | 4-15 | Total | |
| Description | Nos | Subsidy | Nos | Subsidy | Nos | Subsidy | Nos | Subsidy |
| Recommended Applications | 559 | 6531.39 | 1247 | 12380.70 | 1397 | 11720.17 | 3203 | 30632.26 |
| Provisional Sanctions | 305 | 3902.94 | 744 | 7847.27 | 857 | 7673.00 | 1906 | 19423.21 |
| EDP Trained | 284 | - | 645 | - | 789 | - | 1718 | - |
| Formal Sanctions | 224 | 2504.57 | 482 | 4952.01 | 555 | 5157.00 | 1261 | 12613.58 |
| Disbursement of Subsidy | 218 | 2385.76 | 456 | 4335.52 | 172 | 995.42 | 846 | 7716.70 |

* The Scheme was launched in the financial year 2012-13.

3. The Tamil Nadu Small Industries Development Corporation Limited (SIDCO)

3.1 The Mandate

The Government of Tamil Nadu established Tamil Nadu Small Industries Development Corporation Limited (SIDCO) in 1970 "to aid, counsel, assist, finance, protect and promote the interests of MSMEs in the State and to provide them with assistance of all kinds including capital, credit, means, resources, technical and managerial assistance for the performance of their work and business to enable them to develop and improve their methods of manufacture, management and marketing and their technique of production". The focus of the Corporation has been largely on developing and providing quality infrastructure to the MSMEs. Besides, SIDCO also extends Marketing Assistance and supplies Raw Materials to MSMEs.

The Corporation has a paid up capital of Rs. 24.70 crore. For the financial year 2013-14 it earned profit of Rs.2.59 crore and paid dividend of Rs.2.47 crore.

3.2 Industrial Infrastructure

SIDCO undertakes development and management of Industrial Estate for the benefit of MSME and other industries. As on 31.03.2015, SIDCO has developed 101 Industrial Estates with 6993 Developed Plots and 4510 Industrial Sheds. Besides 13 Estates are under development. List of Industrial Estate is at Annexure-A.

3.2.1 SIDCO Managed Government Industrial Estates

The Government of Tamil Nadu pioneered establishment of Industrial Estates for the Micro. Small and Medium Enterprises in the State. During 1958 to 1974, 35 Industrial Estates spreading over 4230 acres were set up by the Director of Industries and Commerce. The first Industrial Estate was formed at Guindy in the year 1958 in an extent of 404.08 acres. Ambattur Industrial Estate, the largest MSME Industrial Estate spread over 1167 acres was established in 1963. The Government vide G.O.(Ms).No.720. Industries Department. dated 17.05.1974 transferred all the Industrial Estates which were under the control of Director of Industries and Commerce to SIDCO. Since 01.06.1974, SIDCO has been managing these Industrial Estates as an agent of the Government. The list of SIDCO managed industrial estates is given in Table-20.

Table - 20

| | | Gover | nment Industrial Esta | ates | |
|------------|-----------------|-------------|-----------------------|-------------------|--------------------------|
| SI. No. | District | Name of the | Industrial Estates | Year of Formation | Total Extent in Acres |
| 1 | Chennai | 1. | Guindy | 1958 | 404.08 |
| 2 | Thiruvallur | 2. | Ambattur | 1963 | 1167.00 |
| | | 3. | Kakkalur | 1988 | 283.01 |
| 3 | Kancheepuram | 4. | Kancheepuram | 1968 | 37.95 |
| 4 | Vellore | 5. | Katpadi | 1968 | 19.48 |
| | | 6. | Arakkonam | 1968 | 51.74 |
| 5 | Thiruvannamalai | 7. | Thiruvannamalai | 1968 | 15.56 |
| 6 | Krishnagiri | 8. | Krishnagiri | 1965 | 41.86 |
| 7 | Dharmapuri | 9. | Dharmapuri | 1965 | 20.28 |
| 8 | Salem | 10. | Salem | 1967 | 19.55 |
| | | 11. | Mettur | 1967 | 184.38 |
| 9 | Erode | 12. | Erode | 1959 | 25.13 |
| 10 | Coimbatore | 13. | Kurichi | 1972 | 88.43 |
| 1 | Cuddalore | 14. | Cuddalore | 1971 | 15.60 |
| | | 15. | Vadalur | 1972 | 26.22 |
| 2 | Thanjavur | 16. | Thanjavur | 1968 | 21.94 |
| | | 17. | Kumbakonam | 1968 | 32.30 |
| 13 | Nagapattinam | 18. | Nagapattinam | 1966 | 20.97 |
| 14 | Tiruchirapalli | 19. | Thuvakudi | 1974 | 478.38 |
| | | 20. | Thiruverambur | 1974 | 74.50 |
| | | 21. | Ariyamangalam | 1974 | 17.64 |
| 15 | Karur | 22. | Karur(Vellalapatti) | 1974 | 26.63 |
| 16 | Pudukkottai | 23. | Pudukkottai | 1974 | 23.18 |
| 7 | Theni | 24. | Theni | 1963 | 26.59 |
| 18 | Dindigul | 25. | Dindigul | 1965 | 39.90 |
| | Ť | 26. | Batlagundu | 1965 | 16.26 |
| 9 | Madurai | 27. | K.Pudur | 1960 | 56.05 |
| | | 28. | Kappalur | 1966 | 534.64 |
| 20 | Sivaganga | 29. | Sivaganga | 1966 | 70.61 |
| | | 30. | Karaikudi | 1966 | 180.19 |
| 21 | Virudhunagar | 31. | Virudhunagar | 1958 | 45.65 |
| 22 | Tirunelveli | 32. | Pettai | 1959 | 50.55 |
| 23 | Thoothukudi | 33. | Kovilpatti | 1962 | 85.54 |
| 24 | Kanyakumari | 34. | Konam | 1964 | 20.70 |
| | | 35. | Marthandam | 1964 | 7.50 |
| - | | т | otal | 1 1 | 4229.99 |

3.2.2 SIDCO Industrial Estates

Developing Industrial Estates is the most important function of SIDCO. The land is acquired either through Government alienation or directly purchased from the land owners.

3.2.2.1 SIDCO Industrial Estates established till 2010

SIDCO of its own, has established 54 Industrial Estates till 2010 covering an extent of 2332.67 acres. 5207 MSMEs are located in these Estates giving employment to some 90000 people.

3.2.2.2 Women Industrial Parks

Out of the 54 Industrial Estates set up by SIDCO till 2010, 5 Industrial Estates are Women Industrial Parks. These Women Industrial Parks have been developed as a follow up to the announcement made by Hon'ble Chief Minister in 2001 for empowerment of women. The list of 5 women industrial parks is given in Table–21.

| SI. No | Name of the Women Industrial Park | Year of formation | Area (in Acres) |
|-----------|---|----------------------|--------------------|
| 1 | Thirumullaivoyal, (Thiruvallur District) | 2001 | 246.07 |
| 2 | Thirumudivakkam, (Kancheepuram District) | 2002 | 11.48 |
| 3 | Valavanthankottai, (Trichy District) | 2003 | 51.70 |
| 4 | Karuppur, (Salem District) | 2004 | 51.24 |
| 5 | Kappalur, (Madurai District) | 2008 | 18.87 |
| | Total | | 379.36 |

Table - 21

3.2.2.3 Establishment of Industrial Estates during 2011-15

During 2011-15, 25 new Industrial Estates were announced to be established. Of these, the following 12 Industrial Estates have been established. The list is given in Table-22.

| | Total | | 442.73 |
|------------|---|----------------------|--------------------|
| 12 | Palayapatti (Thanjavur District) | 2012 | 104.37 |
| 11 | Vettampadi (Namakkal District) | 2014 | 15.34 |
| 10 | Minnur (Vellore District) | 2014 | 10.00 |
| 9 | Parvathanahalli (Dharmapuri District) | 2014 | 29.89 |
| 8 | Mallur (Ariyalur District) | 2014 | 25.34 |
| 7 | Kattuvannanjur (Villupuram District) | 2014 | 42.00 |
| 6 | Pattanam (Villupuram District) | 2014 | 60.57 |
| 5 | Venmaniathur (Villupuram District) | 2011 | 38.88 |
| 4 | Virudhunagar (Urban) (Virudhunagar District) | 2013 | 37.54 |
| 3 | Vaniyambadi (Vellore District) | 2013 | 7.08 |
| 2 | Mathur (Pudukottai District) | 2013 | 19.92 |
| 1 | Rasathavalasu (Tiruppur District) | 2011 | 51.80 |
| SI. No. | Name of the Industrial Estate | Year of formation | Area (in Acres) |

| Τá | ab | le | - | 22 |
|----|----|----|---|----|
|----|----|----|---|----|

For the remaining 13 Industrial Estates, SIDCO has already identified the land. These Industrial Estates are in various stages of implementation.

3.2.3 Private Industrial Estates

Based on the announcement of the Hon'ble Chief Minister made during the Collectors Conference held on 14.11.2011 that **"The construction of a bus body chassis unit in the outskirts of Namakkal in PPP mode will be taken up"**, a truck body building estate has been developed at Velagoundampatty Village, about 17 kms away from Namakkal town with an extent of 52.23 acres at a total project cost of Rs.1367.75 lakh.

The Government of Tamil Nadu vide G.O.Ms.No.53, MSME (C) Department, dated 10.10.2013 have sanctioned the State Government grant of Rs.1267.75 lakh for the truck body building units in the outskirts of Namakkal in Joint Venture mode at a project cost of Rs.1367.75 lakh. The remaining Rs.1 crore will be shared by the beneficiaries / SPV.

1st installment of Rs.633.87 lakh has been received and the work is under progress.

Due to the formation of above private Industrial Estate about 305 truck body units will be relocated from the city and traffic congestion will be reduced drastically in Namakkal town.

3.2.4 Shifting of existing industrial units to the outskirts of town/city

During the year 2013-14, a Special Package of Incentives was announced by the Hon'ble Chief Minister of Tamil Nadu under Rule-110. Accordingly, the Government issued orders that "the Government shall provide 75% grant of the total development cost upto a maximum of Rs.15 crore for getting electricity, water connections and to have other infrastructure facilities like conference halls, common facility centers etc., to the entrepreneurs prepared to shift their existing units outside the town areas and shall provide 50% of grant with maximum grant limited to Rs.10 crore to the entrepreneurs in the outskirts of towns / cities".

So far, 4 proposals have been received from the SPVs which are under consideration of the Government.

3.2.5 Industrial Estates through Joint Venture mode

Based on the Special Package of Incentives announced by the Hon'ble Chief Minister of Tamil Nadu under Rule-110, the Government issued orders that, SIDCO may be allowed to participate upto 10% in the equity with the private industrial association for formation of new Industrial Estates through Joint Venture mode. Action is taken for receiving proposals from the entrepreneur associations.

3.2.6 Upgradation of Existing Industrial Estates

SIDCO also upgrades the infrastructure in the existing Industrial Estates. During 2011-15, upgradation of infrastructure was undertaken in the Industrial Estates given in Table-23.

| | | | | (Rupees in Lakh) | | | |
|-----------|---|-----------------|-----------|------------------|----------------------------|--|--|
| S. No. | Name of the Industrial Estate | Project cost | GOI Grant | GoTN Grant | Beneficiaries contribution | | |
| 1. | Kovilpatti, Thoothukudi District | 202.00 | 121.20 | 60.60 | 20.20 | | |
| 2. | Athur, Karur District | 397.38 | 238.43 | 119.21 | 39.74 | | |
| 3. | Kakkalur, Thiruvallur District | 423.33 | 254.00 | 127.00 | 42.33 | | |
| 4. | Mettur, Salem District | 293.76 | 176.26 | 88.13 | 25.38 | | |
| 5. | Ganapathipalayam Tiruppur District | 45.82 | 27.49 | 13.75 | 4.58 | | |
| 6. | Alathur, Kancheepuram District | 444.96 | 266.98 | 133.49 | 44.50 | | |
| 7. | Malumichampatti, Coimbatore District | 200.00 | 113.25 | 56.62 | 30.13 | | |
| 8. | Thiruverambur, Trichirappalli District | 432.00 | 259.20 | 129.60 | 43.20 | | |
| | Total | 2439.25 | 1456.81 | 728.40 | 250.06 | | |

Table - 23

Out of the 8 projects, 6 projects in Kovilpatti-Thoothukudi District, Athur-Karur District, Kakkalur-Thiruvallur District, Mettur-Salem District, Ganapathipalayam-Tiruppur District and Alathur in Kancheepuram District have been completed. Works in Malumichampatti in Coimbatore District are nearing completion. In respect of Thiruverambur in Trichy District the Government of India have given in principle approval and final approval is awaited.

3.3 Allotment Policy

A transparent procedure is followed in allotting the sheds / plots by advertising the availability of sheds/ plots in newspapers. A Screening Committee constituted with the officials of SIDCO, Directorate of Industries and Commerce, TIIC and representatives of TANSTIA as members, interviews the applicants and the eligible applicants are selected on merits. Plots are allotted by way of lot system.

SIDCO develops industrial plots of various sizes ranging from 5 cents to 100 cents (1 acre) and above as per the requirements of the manufacturing units in the Industrial Estates and the industrial plots are allotted to them on Outright Sale basis only in the existing Industrial Estates. 79 plots and 1 shed were allotted to new entrepreneurs in the year 2014-15.

3.3.1 New Allotment Policy of SIDCO

SIDCO has been making allotments in its Industrial Estates on Outright Sale Basis. To promote the interests of the MSMEs, a new allotment policy has been ordered vide G.O.(Ms). No.66, MS&ME (C) Department, dated 18.11.2013, for all the new Industrial Estates to be formed from the year 2013-14. Under this new policy, allotment will be made on 30 years lease basis with an option to the entrepreneurs to buy the sheds / plots on outright purchase basis at the end of 30 years in the new Industrial Estates.

3.3.2 Priority given to various sectors in allotment of Plots/ Sheds

As per G.O.(Ms).No.7, Micro, Small and Medium Enterprises Department, dated 31.01.2009, 30% of the saleable area of the Industrial Estates is earmarked for Micro Enterprises.

Priority is given in allotment of developed plots / sheds to the following categories:

- > 30% for Women Entrepreneurs.
- > 10% for Ex-servicemen
- > 10% for SC/ST and Transgenders.

If sufficient numbers of the applicants are not available in these categories, these reserved plots/sheds will be taken up for allotment to other categories.

As per G.O.(Ms).No.49 Micro, Small and Medium Enterprises Department dated 29.10.2012, consideration in allotment of plots/sheds is given to the first generation entrepreneurs who have successfully completed Entrepreneurship Development Programme (EDP) training under NEEDS Scheme, on application, subject to availability.

3.4 Common Facility Centres (CFCs) under the MSE – CDP Scheme of Government of India

SIDCO is the Implementing Agency for the Micro and Small Enterprises – Cluster Development Programme (MSE – CDP) which aims at addressing the needs of the industries, through formation of well-defined clusters and geographical areas to enable the Micro and Small Enterprises to have better access to resources, linkages to credit and to enhance their marketing competitiveness.

A cluster is a group of similar and related enterprises in a defined geographic area that share common markets, technologies, skill needs and are producing same/similar products.

Salient features of a cluster are as follows:

- The methods of production, quality control and testing, energy consumption, pollution control etc., are similar in nature.
- Technology and marketing strategies are similar.

- Easy communication among the members of the cluster
- Opportunities and Challenges are common.

The Government of India and also the State Government have adopted the cluster development approach as an important tool for enhancing the competitiveness and productivity of the Micro and Small Enterprises. Clustering of units also enables providers of various services to them, including banks and credit agencies, to provide their services more economically, thus reducing costs and improving the availability of services for these enterprises.

This scheme is being implemented to support the sustainability and growth of Micro and Small Enterprises by addressing common issues, building their capacity for common supportive action through formation of self-help groups, consortia etc. and to set up common facility centres (for testing, training centre, raw material depot, effluent treatment, complementing production processes etc.,)

The funding pattern of MSE-CDP(CFC) scheme is given in Table-24.

Table - 24

| Grant from GOI | 70% (maximum project cost of Rs.15 crore) |
|---------------------------------|---|
| Grant from GoTN | 10% (maximum of Rs.1 crore) |
| SPV Contribution / Bank Loan | 20% |

In total, 29 projects at a total project cost of Rs.157.36 crore have been sanctioned by the Government of India with a grant for a sum of Rs.106.37 crore. The Government of Tamil Nadu have sanctioned a grant of Rs.12.99 crore. Out of the above 29 projects, 7 projects have already been completed. The remaining projects are under various stages of implementation. The expected total employment generation from these clusters will be around 25000 persons.

Further, the Government of Tamil Nadu have sanctioned an amount Rs.25 lakh towards establishment of First Aid Centre Cum Dispensary at Kappalur in Madurai District and Kurichi in Coimbatore District, during the year 2014–15. The work is under progress.

The Hon'ble Chief Minister of Tamil Nadu has announced during the Golden Jubilee Celebrations of the Kundah Industrial Co-operative Tea Factory that a Tea cluster with a Common Facility Centre will be established at Mettupalayam in Coimbatore District at an estimated project cost of Rs.15 crore to boost the development of Tea industry in Nilgiris District. The Common Facility Centre will have the facilities for Tea Mixing, Tea Packeting, Warehousing, Testing Laboratory and Marketing Centre. The Hon'ble Chief Minister has laid down the foundation stone on 04.01.2014. Funds of Rs.6.50 crore have been sanctioned under ASIDE Scheme through TIDCO, for warehousing facility. After completion of warehousing facility, CFC will be taken up under MSE-CDP Scheme.

The status on implementation of MSE-CDP (CFC) scheme in the State has been categorised and is given in Table-25.

Table - 25

| A | Projects for which final approval obtained from Government of India (Annexure-B) | 29 |
|---|---|----|
| В | Projects for which in principle approval given by Government of India | 3 |
| С | Projects which have been recommended to Government of India and at various stages of preparation | 20 |

3.4.1 Micro Cluster

During the Budget Speech of the Hon'ble Finance Minister on 13.02.2014 in the Assembly, it was announced that the Government of Tamil Nadu have decided to support clusters of Micro Industries and propose to launch a New Scheme for "Common Production Infrastructure", besides raw material bank and marketing infrastructure.

Initially, Government of Tamil Nadu will allocate an amount of Rs.25 crore for the year 2014-2015 to develop clusters (10 Clusters). In this regard, Government have issued order in G.O.(Ms) No.26, MS&ME (C) Department, dated 18.05.2015.

Necessary scheme guidelines have been prepared and sent to the Government for consideration and approval.

3.4.2 State Government's Part II Scheme

SIDCO has been availing grants from the Government of Tamil Nadu under the Part-II Scheme towards the strengthening of infrastructure in the existing Industrial Estates and has received a grant of Rs.107.50 lakh in 2011-2015 and works have been completed except one work which is under progress.

3.5 Distribution of Raw Material

The raw materials such as Iron & Steel, Wax, Potassium Chlorate and TNPL paper (direct and agency) are distributed through various depots situated in Ambattur, Coimbatore, Madurai, Trichy, Sattur, Sivakasi and from Branch Offices located at Erode, Salem, Thanjavur and Vellore.

The details of target and achievement for the year 2014-15 are given in Table-26.

| SI. No. | Name of the Material | Target for 2014-15 | | Achievement for 2014-15 | | |
|------------|------------------------------|--------------------|----------------|----------------------------|----------------|--|
| | inatorial | Qty. in (MT) | Rs. in Lakh | Qty. in (MT) | Rs. in Lakh | |
| 1 | Iron & Steel | 4400.000 | 1981.00 | 68.92 | 30.74 | |
| 2 | Wax | 5170.000 | 5017.00 | 3116.23 | 3013.09 | |
| 3 | TNPL Paper (Direct Sales) | 240.000 | 150.00 | 179.843 | 127.86 | |
| 4 | TNPL Paper (Agency Sales) | 1210.000 | 726.00 | 460.046 | 307.35 | |
| 5 | Potassium Chlorate | 5.500 | 5.28 | 4.000 | 4.06 | |
| | Total | 11025.500 | 7879.28 | 3829.034 | 3483.09 | |

Table - 26

3.6 Marketing Assistance Scheme

SIDCO assists the Micro and Small Entrepreneurs through Marketing Assistance Scheme. SIDCO approaches the Government Departments / Undertakings / Local Bodies on behalf of these Micro and Small units which are registered with SIDCO for obtaining work order under this scheme. The orders so received are distributed among Micro and Small Enterprises and SIDCO ensures the prompt execution of these orders. Payments received from the Government Departments / Undertakings / Local Bodies for the supplies effected are released to the units after deducting 3% as consultancy fees.

SIDCO has executed purchase orders worth of Rs.330.24 lakh for the year 2014-15 through Micro and Small Industries under the Marketing Assistance Scheme.

3.7 E-Governance

Computerization of activities of SIDCO with an objective to revamp the organisation has been taken up to simplify the office procedures and formalities and to accelerate the performance of the Corporation. This will in turn enhance the productivity and efficiency. As a first step, SIDCO has introduced downloading of application forms for allotment of plots / sheds through website. M/s.ELCOT has been entrusted with the works to develop a GIS Database containing all the vital information of all the estate layouts, sheds / plots, allotment details, activities of the individual units, employment generated, products / services of the individual units, markets, raw materials etc., in all the SIDCO managed industrial estates. The Database will be uploaded in the official SIDCO website for providing free access to interested person.

Digitisation of the layouts of the Industrial Estates and incorporation of the information of the plots / sheds at the field level are under way.

| ANNEXURE – A 101 Industrial Estates currently managed by SIDCO | | | | | | | |
|---|--------------|--------|----------------------------|---------------------|-------------------|-----------------------------|--|
| SI. No. | District | SI. No | Location | Govt. (OR) SIDCO | Year of formation | Total Extent in Acres | |
| 1 | Chennai | 1 | Guindy | Govt. | 1958 | 404.08 | |
| | | 2 | Arumbakkam | SIDCO | 1979 | 3.92 | |
| | | 3 | Villivakkam | SIDCO | 1979 | 2.04 | |
| | | 4 | Kodungaiyur | SIDCO | 1979 | 7.88 | |
| 2 | Tiruvallur | 5 | Ambattur | Govt. | 1963 | 1167.00 | |
| | | 6 | Kakkalur | Govt. | 1988 | 283.01 | |
| | | 7 | Thirumazhisai | SIDCO | 1988 | 160.85 | |
| | | 8 | Gummidipoondi | SIDCO | 1988 | 25.24 | |
| | | 9 | R.K.Pet | SIDCO | 1996 | 8.15 | |
| | | 10 | Vichoor | SIDCO | 1994 | 59.16 | |
| | | 11 | Thirumullaivoil(WIP) | SIDCO | 2001 | 246.07 | |
| 3 | Kancheepuram | 12 | Kancheepuram | Govt. | 1968 | 37.95 | |
| | | 13 | Maraimalainagar | SIDCO | 1981 | 39.50 | |
| | | 14 | Alathur | SIDCO | 1984 | 150.00 | |
| | | 15 | Thirumudivakkam (Main) | SIDCO | 1993 | 201.11 | |
| | | 16 | Thirumudivakkam (Micro) | SIDCO | 2013 | 5.262 | |
| | | 17 | Thirumudivakkam (WIP) | SIDCO | 2002 | 11.48 | |
| 4 | Vellore | 18 | Katpadi | Govt. | 1968 | 19.48 | |
| | | 19 | Arakkonam | Govt. | 1968 | 51.74 | |
| | | 20 | Ranipet | SIDCO | 1972 | 113.44 | |
| | | 21 | Mukuntharayapuram | SIDCO | 1980 | 86.19 | |
| | | 22 | Vannivedu | SIDCO | 1987 | 16.44 | |
| | | 23 | Vinnamangalam | SIDCO | 2009 | 10.49 | |

| ai 6 Krishnagiri 26 Krishnagiri Govt. | | 5.56 |
|--|---------|-------|
| | | |
| | 1965 4 | 1.86 |
| 27 Uthangarai SIDCO | 1995 4 | 1.28 |
| 28 Hosur(SIPCOT) SIDCO | 1976 9 | 5.15 |
| 29 Hosur(New) SIDCO | 1999 1 | 8.80 |
| 30 Bargur SIDCO | 1995 3 | 1.64 |
| | | |
| | | 60.96 |
| 7 Dharmapuri 32 Dharmapuri Govt. | 1965 2 | 0.28 |
| 33 Kadagathur SIDCO | 2009 | 7.02 |
| 34 Parvathanahalli SIDCO | 2014 2 | 9.89 |
| 8 Salem 35 Salem Govt. | 1967 1 | 9.55 |
| 36 Mettur Govt. | 1967 18 | 4.38 |
| 37 Karuppur WIP SIDCO | 2004 5 | 1.24 |
| 38 Veerapandi SIDCO | 1993 | 9.79 |
| 9 Namakkal 39 Namakkal SIDCO | 1977 1 | 0.09 |
| 40 Thiruchengodu SIDCO | 1980 | 9.18 |
| 41 Vettambadi SIDCO | 2014 1 | 5.34 |
| 10 Erode 42 Erode Govt. | 1959 2 | 5.13 |
| | | 3.05 |
| 11 Coimbatore 44 Kurichi Govt. | 1972 8 | 8.43 |
| | | 6.14 |
| | | 7.10 |
| 47 Tiruppur SIDCO | 1978 1 | 0.14 |
| 48 Gudimangalam SIDCO | 1992 | 6.74 |
| 49 Rasathavalasu SIDCO | 2011 5 | 1.80 |
| 13 Nilgiris 50 Ooty SIDCO | 1981 1 | 0.65 |
| 14 Cuddalore 51 Cuddalore Govt. | 1971 1 | 5.60 |

24

Vaniyambadi

SIDCO

2013

7.08

Govt.

1972

26.22

52

Vadalur

| 15 | Villupuram | 53 | Patanam | SIDCO | 2014 | 60.55 |
|----|----------------|----------|------------------------------|-------|--------------|----------------|
| | | 54 | Asanur | SIDCO | 2009 | 107.80 |
| | | 55 | Kattuvannanjur | SIDCO | 2014 | 42.00 |
| | | 56 | Venmaniathur | SIDCO | 2011 | 38.88 |
| 16 | Perambalur | 57 | Elambalur | SIDCO | 2009 | 44.48 |
| 17 | Thanjavur | 58 | Thanjavur | Govt. | 1968 | 21.94 |
| | | 59 | Kumbakonam | Govt. | 1968 | 32.30 |
| | | 60 | Pillaiyarpatti | SIDCO | 1974 | 10.96 |
| | | 61 | Nanjikkottai | SIDCO | 1996 | 26.30 |
| | | 62 | Palayapatti | SIDCO | 2012 | 104.37 |
| 18 | Nagapattinam | 63 | Nagapattinam | Govt. | 1966 | 20.97 |
| | | 64 | Mayiladuthurai | SIDCO | 2009 | 12.56 |
| 19 | Tiruchirapalli | 65 | Thuvakudi | Govt. | 1974 | 478.38 |
| | | 66 | Thiruverambur | Govt. | 1974 | 74.50 |
| | | 67 | Ariyamangalam | Govt. | 1974 | 17.64 |
| | | 68 | Kumbakudy | SIDCO | 2009 | 24.46 |
| | | 69 | Valavanthaankottai (WIP) | SIDCO | 2003 | 51.70 |
| | | 70 | Valavanthankottai | SIDCO | 2008 | 179.02 |
| 20 | Karur | 71 | Karur (Vellalapatti) | Govt. | 1974 | 26.63 |
| | | 72 | Karur(Athur) | SIDCO | 1993 | 36.29 |
| 21 | Pudukottai | 73 | Pudukottai | Govt. | 1974 | 23.18 |
| | | 74 75 | Pudukottai(SIPCOT) Mathur | SIDCO | 1988 1975 | 51.45 26.00 |
| | | 76 | Mathur (New) | SIDCO | 2013 | 19.92 |
| | | 10 | matriar (New) | 3000 | 2013 | 19.92 |

| 22 | Theni | 77 | Theni | Govt. | 1963 | 26.59 |
|----|--------------|-----|---------------------------|-------|------|--------|
| | | 78 | Andipatti | SIDCO | 1994 | 22.34 |
| 23 | Dindigul | 79 | Dindigul | Govt. | 1965 | 39.90 |
| | | 80 | Batlagundu | Govt. | 1965 | 16.2 |
| 24 | Madurai | 81 | K.Pudur | Govt. | 1960 | 56.0 |
| | | 82 | Kappalur | Govt. | 1966 | 534.6 |
| | | 83 | Kappalur WIP | SIDCO | 2008 | 18.8 |
| 25 | Ramnad | 84 | Paramakudi | SIDCO | 1976 | 10.0 |
| | | 85 | Urapuli | SIDCO | 1993 | 12.1 |
| | | 86 | Keelanagachi | SIDCO | 1993 | 10.0 |
| 26 | Sivaganga | 87 | Sivaganga | Govt. | 1966 | 70.6 |
| | | 88 | Karaikudi | Govt. | 1966 | 180.1 |
| | | 89 | Krungakottai | SIDCO | 1993 | 21.8 |
| 27 | Virudhunagar | 90 | Virudhunagar | Govt. | 1958 | 45.6 |
| | | 91 | Rajapalayam | SIDCO | 1995 | 41.1 |
| | | 92 | Virudhunagar (Urban) | SIDCO | 2013 | 37.5 |
| 28 | Tirunelveli | 93 | Pettai | Govt. | 1959 | 50.5 |
| | | 94 | Kadayanallur | SIDCO | 1992 | 10.0 |
| | | 95 | Valliyur | SIDCO | 2005 | 39.9 |
| 29 | Thoothukudi | 96 | Thoothukudi (Phase I) | SIDCO | 1988 | 9.7 |
| | | 97 | Thoothukudi (Phase II) | SIDCO | 2003 | 14.4 |
| | | 98 | Kovilpatti | Govt. | 1962 | 85.5 |
| 30 | Kanyakumari | 99 | Konam | Govt. | 1964 | 20.7 |
| | | 100 | Marthandam | Govt. | 1964 | 7.5 |
| 31 | Ariyalur | 101 | Mallur | SIDCO | 2014 | 25.3 |
| | | | TOTAL | | | 7020.3 |

ANNEXURE – B

MSE – CDP (Common facility Centre) Scheme Projects for which final approval obtained from Govt. of India-implemented/under-implementation (29)

| | (Rupees in lakh) | | | | | | in lakh) |
|-----|---------------------------------|---------|--------|----------|---------|--------|----------------------|
| SL. | Cluster name | Project | GOI | Govt. of | SPV | Bank | Remarks |
| No. | | cost of | grant | TN | contrib | loan | |
| | | CFC | | grant | ution | | |
| 1 | Sago & Starch, | 92.06 | 73.31 | 0.00 | 18.75 | 0.00 | Project |
| | Salem | | | | | | completed |
| 2 | Safety Matches, | 156.00 | 85.54 | 10.73 | 25.00 | 34.73 | Project |
| | Gudiyatham | | | | | | completed |
| 3 | Safety Matches, | 156.00 | 85.54 | 10.73 | 25.00 | 34.73 | Project |
| | Virudhunagar | 170.00 | | 10.00 | | | completed |
| 4 | Safety Matches, | 156.00 | 85.54 | 10.73 | 25.00 | 34.73 | Project |
| | Srivilliputhur. | | | | | | completed |
| 5 | Safety Matches, | 156.00 | 85.54 | 10.73 | 25.00 | 34.73 | Project |
| | Sattur | 450.00 | 05.54 | 40.70 | 05.00 | 04.70 | completed |
| 6 | Safety Matches, | 156.00 | 85.54 | 10.73 | 25.00 | 34.73 | Project |
| 7 | Kazhugumalai Safety Matches, | 156.00 | 85.54 | 10.73 | 25.00 | 34.73 | completed Project |
| | Kovilpatti | 156.00 | 85.54 | 10.73 | 25.00 | 34.73 | completed |
| 8 | Wet Grinder, | 288.20 | 99.00 | 16.52 | 172.68 | 0.0 | Project under |
| 0 | Coimbatore | 200.20 | 99.00 | 10.52 | 172.00 | 0.0 | implementation. |
| 9 | Brick, Tirunelveli | 227.27 | 122.73 | 22.72 | 29.55 | 52.27 | Project under |
| 3 | Drick, Hituneiven | 221.21 | 122.75 | 22.12 | 23.00 | 52.27 | implementation. |
| 10 | Ceramic, | 73.10 | 43.86 | GO TN | 18.45 | 10.79 | Project under |
| 10 | Vridhachalam | 70.10 | 10.00 | has | 10.10 | 10.10 | implementation. |
| | Vitandonalam | | | given 2 | | | implomonitation. |
| | | | | sheds | | | |
| | | | | and + | | | |
| | | | | Rs.9.57 | | | |
| | | | | Lakh | | | |
| 11 | Coir, Sivaganga | 658.90 | 500.01 | 65.89 | 93.00 | 0.00 | Project under |
| | | | | | | | implementation. |
| 12 | Engineering | 927.08 | 616.39 | 97.21 | 109.35 | 104.13 | Project under |
| | Ranipet, Vellore. | | | | | | implementation. |
| 13 | Printing, Sivakasi | 1314.17 | 767.81 | 90.66 | 180.28 | 276.00 | Project under |
| | | | | | | | implementation. |
| 14 | Rice Mill, | 690.58 | 466.03 | 69.05 | 145.50 | 10.00 | Project under |
| | Keelapavoor | | | | | | implementation. |
| 15 | Auto Components, | 690.94 | 439.89 | 70.75 | 105.30 | 75.00 | Project under |
| | Hosur | | | | | | implementation. |
| 16 | Printing, | 1172.52 | 964.14 | 100.00 | 108.38 | 0.00 | Project under |
| | Krishnagiri | | | | | | implementation |
| 47 | Disc Mill | 707.00 | 550.05 | 70.01 | 00.75 | 74.00 | 001 |
| 17 | Rice Mill, | 787.00 | 550.25 | 78.91 | 83.75 | 74.09 | GOI approved |
| | Alangulam | | | | | | the project and |
| | | | | | | | released part |
| 1 | | 1 | | | 1 | | grant. |

| 40 | Diss Mill | 040.00 | 400.00 | 40.40 | 04.40 | 50.00 | The projectio |
|------|-------------------------|---------|--------|--------|--------|--------|----------------------------|
| 18 | Rice Mill, Thanjavur | 212.06 | 100.23 | 40.43 | 21.40 | 50.00 | The project is under |
| | | | | | | | Implementation |
| 19 | Steel Product | 1632.74 | 1277.7 | 100.00 | 253.03 | 0.00 | The project is at |
| | Fabrication | | 1 | | | | pre – |
| | Cluster, Salem. | | | | | | implementation |
| | | | | | | | stage. |
| 20 | Plastic Cluster, | 1485.12 | 1026.9 | 100.00 | 258.16 | 100.00 | The project |
| | Kancheepuram | | 6 | | | | under |
| | | | - | | | | implementation |
| 21 | Refractory, | 896.46 | 571.44 | 89.85 | 135.17 | 100.00 | The project is at |
| | Virudhachalam | | - | | | | the pre |
| | | | | | | | implementation |
| | | | | | | | stage. |
| 22 | Engineering, | 498.89 | 373.80 | 23.34 | 53.75 | 48.00 | The project is |
| 22 | Paramakudi | 430.03 | 575.00 | 23.34 | 55.75 | 40.00 | under |
| | i aramakuui | | | | | | implementation. |
| - 22 | Gate & Grills. | 004.07 | 407.00 | 20.00 | 57.05 | 0.00 | The project is |
| 23 | | 284.87 | 197.93 | 29.69 | 57.25 | 0.00 | |
| | Thirumullaivoyal | | | | | | under |
| | | | | | | | implementation. |
| 24 | Garment Cluster | 104.24 | 74.28 | 9.36 | 20.60 | 0.00 | The project is at |
| | (Women), | | | | | | the pre |
| | Dhalavaipuram | | | | | | implementation |
| | | | | | | | stage. |
| 25 | Gold Jewellery, | 356.46 | 255.80 | 29.14 | 39.92 | 31.60 | Final approval of |
| | Madurai | | | | | | GOI received. |
| | | | | | | | The project is at |
| | | | | | | | the pre- |
| | | | | | | | implementation |
| | | | | | | | stage. |
| 26 | Power and Auto | 1333.96 | 886.45 | 98.78 | 162.18 | 186.80 | Final approval of |
| 20 | Loom, | 1333.90 | 000.45 | 90.70 | 102.10 | 100.00 | GOI received. |
| | | | | | | | |
| | Salem. | | | | | | The project is at |
| | | | | | | | the pre- |
| | | | | | | | implementation |
| | | | | | | | stage. |
| 27 | Safety Match | 346.89 | 204.64 | 36.00 | 42.50 | 63.75 | The project is |
| | Cluster, | | | | | | under |
| | O. Mettupatty | | | | | | implementation |
| | | | | | | | stage. |
| 28 | Stainless Steel, | 126.30 | 98.83 | 7.90 | 19.57 | 0.00 | The project is |
| | Kumbakonam | .20.00 | 00.00 | | | 0.00 | under |
| | | | | | | | implementation. |
| 29 | Coir, | 600.00 | 411.93 | 48.65 | 79.42 | 60.00 | Final approval of |
| 23 | Erode | 000.00 | 411.33 | 40.00 | 13.42 | 00.00 | GOI received. |
| | LIUUE | | | | | | The project is at |
| | | | | | | | the pre- |
| | | | | | | | the pre- implementation |
| | | | | | | | |
| | | | | | | | stage. |

4. TAMIL NADU SMALL INDUSTRIES CORPORATION LTD (TANSI)

4.1 Formation and number of units

The Tamil Nadu Small Industries Corporation Limited (TANSI) was incorporated in 1965 as a Company by taking over 64 industrial units previously under the control of the Director of Industries and Commerce. TANSI started its production in these units from 1.12.1965.

Based on the market requirements, TANSI has reorganised its activities and production units. At present, it has 29 Production units all over Tamil Nadu. (12 furniture units, 14 engineering units and 3 special units)

4.2 Main Activities

TANSI undertakes manufacture of wooden and steel furniture, fabrication works and manufacture of hand pumps, spirit based surgical items, paints, civil interior works, fabrication of EB line materials, baby weighing bar scales, etc. It has earned a name for itself in the manufacture of quality wooden and steel furniture, deep borewell hand pumps, spirit based surgical products, paints etc. TANSI has been supplying various types of furniture items required for schools under the 'Sarva Shiksha Abhiyan', steel cots required for Government hostels and hand pumps required for drinking water supply and spares for the hand pumps etc.

TANSI is moving towards excellence in manufacturing systems by implementing modern technology and management tools. The following units have obtained ISO-9001:2008 certification:

- > Tansi Pump Unit, Ambattur
- > Tansi Tool & Engineering Works, Trichy
- Tansi Fabrication Works, Palani
- Tansi Fabrication Works, Rajapalayam
- Tansi Fabrication Works, Vellore
- Tamil Nadu Paints and Allied Products Limited, Ambattur

4.3 Performance

The performance of TANSI for the year 2014-15 (upto March, 2015) and for the year 2015-16 (upto July, 2015) is furnished hereunder:

(Rs. in crore)

| | 2014-15 | | 2015-16 | | |
|------------|---------|--------------------------------------|---------|---|--|
| | Target | Achievement (Upto March, 2015) | Target | Achievement (Upto 31 st July,2015) | |
| Production | 66.00 | 57.59 | 77.00 | 19.59 | |

| Sales | 66.00 | 57.53 | 77.00 | 23.97 |
|--------------------------------|-------|-------|-------|-------|
| Profit before Tax | 17.07 | 15.05 | 19.23 | 2.26 |
| Provision for Income Tax | 5.80 | 4.76 | 6.54 | 0.77 |
| Net profit (approx.) | 11.27 | 10.29 | 12.69 | 1.49 |

4.4 Categories and product lines

| Category | Product Lines |
|---------------------------------|---|
| (a) Structural & Engineering | Light structural of various kinds needed for factory sheds, bus stand etc., Doors and Windows, TANGEDCO Line materials, Pillar Boxes, Sheet Metal Fabrication. |
| (b) Furniture | Wooden furniture, furnishing and interior decoration, panelling etc., Steel furniture for domestic, Office, School, College, Hostels and Hospital uses. |
| (c) Special Products | Deep bore well Hand Pumps, Extra Deep bore well Hand Pumps, Pump spares, spirit based medicinal products, surgical spirit, De-natured Spirit, Tincture Cetrimide and Povidone lodine; Spirit based industrial products like Gasket Shellac, French Polish, Thinner, disinfectant solutions like Lysol, Phenyle. |

In addition to the above, the following products have been supplied:

- TANSI has completed the supply of push carts to Department of Town Panchayat to the value of Rs.4.50 crore.
- Supply of line materials to TANGEDCO to the value of Rs.9.79 crore.
- Supply of SLM Kits to the value of Rs.7.50 crore to the Department of School Education.

4.5 Tamil Nadu Paints and Allied Products Limited (TAPAP) (a Subsidiary Unit of TANSI)

This unit was started as a fully owned subsidiary of TANSI for the manufacture and supply of paints and allied products. Accordingly, TAPAP came into existence on 18.11.1985 with its registered office at Ambattur. The main objective of the Corporation is to manufacture and supply of red oxide paints, rubberized paints for road marking and enamel paints to various Government Departments and to transport undertakings etc. TAPAP achieved a turnover of Rs.1.67 crore for the year 2014-15 (upto March, 2015) and in 2015-16, has achieved a turnover of Rs.0.83 crore as on 31st July, 2015.

5. Entrepreneurship Development Institute (EDI)

The Entrepreneurship Development Institute (EDI), Chennai was constituted by Government of Tamil Nadu as a 'not-for-profit society' in November 2001 primarily to fulfill the entrepreneurship training requirements in the State and to promote Micro, Small and Medium Enterprises in Tamil Nadu. From inception until 31.03.2015, EDI has conducted training programmes benefitting almost 1 lakh candidates.

5.1 AIM

- To promote Micro and Small Enterprises through entrepreneurship training,
- To assist potential entrepreneurs who have ambitions to start their own enterprise,
- To evolve multipronged strategies for entrepreneurship development,
- To conduct training programmes under various schemes of the Government,
- To facilitate employment generation through skill upgradation training.

Entrepreneurship development is a key aspect of employment generation and equitable economic growth. EDI's mission is expected to be achieved by using innovative training techniques, using competent faculty, support and consultancy and quality teaching.

5.2 Training Programmes

5.2.1 To address the problems of the educated unemployed, including women, a special grant of Rs. 5 crore was sanctioned by the Government to EDI in 2013-14. The assistance included Rs.4 crore for imparting entrepreneurship and skill training programmes and Rs.1 crore for administrative expenses of EDI. A total of 3757 persons were trained under various schemes.

5.2.2 Entrepreneurship Development Programme

The Entrepreneurship Development programme (EDP) is aimed at providing training in the essentials of conceiving, planning, initiating and launching an economic activity or an enterprise. During the year 2013-14, 736 persons were trained under this programme.

5.2.3 Faculty Entrepreneurship Development Programme

The programme is aimed at equipping teaching staff of colleges with skills and knowledge essential for inculcating entrepreneurial awareness and interest in students. 100 faculty members from 50 Engineering Colleges were provided training in 2014-15. The training was conducted in Chennai,

Coimbatore, Madurai, Salem, Trichirappalli and Vellore.

5.2.4 Entrepreneurship cum Skill Development programme.

The objective of this training programme was to provide skill ugradation so as to equip the trainees with modern technological skills and facilitating project selection. Training was organized in various trades, including machine shop practice, two wheeler repair, welding, fashion garments, food and fruit processing, web designing, hardware maintenance and networking, leather products, servicing of household electrical appliances etc. Under this programme 475 candidates were benefitted in 2013-14 and 400 during 2014-15.

5.2.5 Technology Based Entrepreneurship Development programme

Training was given in specific technology areas i.e., leather, electronics and communication, solar energy, automobile technology etc., Under this programme 206 candidates were given training during the year 2013-14.

5.2.6 Agripreneurship Development programme

The objective of the training programme was to supplement the efforts towards expansion in the

agriculture sector by technology and management inputs and to promote 'Agripreneurs'. Under this programme 117 agricultural graduates were trained through the Tamil Nadu Agricultural University, Coimbatore (2 batches), Tiruchirapalli, Madurai and the Annamalai University, Chidambaram in 2013-14.

5.2.7 Cluster Awareness Programme

The cluster awareness programme was aimed at the development of enterprises in the aluminum, rice mill, auto components, motor pumps, textile, safety matches, cashew and coir industry clusters in the State. The Programme is expected to improve their operational performance and help them to sustain themselves in the face of global competition. 360 entrepreneurs participated in cluster awareness programmes during the year 2013-14.

5.2.8 Establishment of Entrepreneurship Development Cells in Colleges

EDI has implemented a scheme to set up Entrepreneurship Development Cells in 50 Higher Educational Institutions across the State. A grant of Rs.1 lakh was given to each institution to support this programme. The EDCs will implement activities for promotion of entrepreneurship culture among the students.

5.2.9 Women Entrepreneurship Development Programmes (WEDP)

The aim of the WEDP was to provide training to women to plan, initiate and implement economic activities and to promote own enterprises. 375 women were trained during the year 2013-14 and they were educated on opportunities and financial assistance available. The women entrepreneurs were motivated to start and manage their own business ventures.

5.2.10 Women Entrepreneur cum Skill Development Programme (WESDP)

Skills training in traditional and non-traditional activities in chosen trades were imparted to women, in addition to the basic entrepreneurial inputs required for a new entrepreneur. A total of 350 women were trained in 2014-15.

5.2.11 Mentorship Training

Mentorship training is provided to new entrepreneurs to avail the timely information relating to the market trends in the economy and to understand how to approach financial institutions and updated knowledge of acts, rules & regulations of the Government. The EDI has provided Rs.10 lakh to ten industrial associations at the rate of Rs.1 lakh per association for setting up Mentorship Centres in Coimbatore, Erode, Madurai, Chennai, Hosur, Salem, Ambattur, Guindy, Tiruchirapalli and Tirupur.

5.3 Women Entrepreneurship Development Cell in EDI

A Women Entrepreneurship Development Cell has been established in the EDI to monitor the training programmes run by EDI for Women. The Cell guides women entrepreneurs to upgrade their technical skills, provide entrepreneurship training to women for self employment, to improve managerial capacity and infuse the spirit of entrepreneurship through various programmes.

The Women Entrepreneurship Development Cell has conducted three conferences in colleges at Srirangam, Chidambaram and Madurai to create awareness among college students.

5.4 Solar Equipment Maintenance and Usage

EDI, in association with the Women Development Corporation of Tamil Nadu, had undertaken a programme to train 4000 women belonging to rural Self Help Group's (SHG) on the usage and maintenance of solar energy devices and equipments. These programmes have been implemented in all blocks across the State.

5.5 Training under Unemployed Youth Employment Generation Programme (UYEGP)

Under this scheme, training has been imparted to 4975 prospective entrepreneurs during the year 2014-15.

5.6 Training under Prime Minister's Employment Generation Programme (PMEGP)

Under this scheme, training has been imparted to1829 entrepreneurs during the year 2014-15.

5.7 New Entrepreneur cum Enterprise Development Scheme (NEEDS):

Under this scheme, for the year 2014-15 training programmes were conducted for the first generation entrepreneurs in several batches throughout the State and 811 persons were trained.

5.8 National Mission on Food Processing

During 2014-15 Entrepreneurship Development Programmes on Food Processing have been conducted in Thanjavur, Chennai, Dindigul, Vellore, Madurai and Thoothukudi for 300 candidates.

5.9 EDP and ESDP's sponsored by National Institute for Micro, Small and Medium Enterprises, Government of India

NIMSME, which is a nodal agency under the Ministry of MSME, Government of India, had sanctioned Entrepreneurship Development Programmes and Entrepreneurship cum Skill Development Programme for 395 candidates in 2014-15. Programmes were conducted on fashion designing for 30 candidates, two wheeler repair and maintenance for 30 candidates, leather products for 30 candidates, desktop publishing for 30 candidates, air conditioning, refrigeration and water cooler repair for 30 candidates, TIG / MIG welding for 30 candidates and Entrepreneurship Development Programme for 215 candidates totalling 395 candidates. A talent mela was conducted for the trainees of the EDI training programmes.

5.10 Entrepreneurship Awareness Programme in Colleges.

During 2014-15, EDI has launched a programme to create entrepreneurship awareness in 112 colleges in the state, including 62 Government Arts and Science Colleges and 50 Engineering Colleges. It is expected that 30000 students will be benefitted in the selected colleges. The programme is being conducted in 3 phases and is being implemented in collaboration with ICT Academy of Tamil Nadu. It is proposed to continue such programme in future also. In 2014-15, the first phase was taken up in 112 colleges. The programme will be completed in 2015-16.

5.11 Mentoring and support for Technology Incubators in Engineering Colleges

The EDI has launched an initiative to support the establishment and functioning of technology incubators in Engineering Colleges in the State. It is envisaged that EDI will function as a nodal agency to facilitate technical, financial and other advisory support to such incubators which are established in the State under schemes of the State / Central Government.

5.12 Efforts to improve efficiency / productivity.

The EDI has initiated efforts to work with the National Productivity Council to create awareness among existing industrial clusters in the State for improving efficiency and productivity. During 2014-15, awareness programmes on lean manufacturing were conducted in Kumbakonam (stainless steel cluster), Chennai (printing cluster), Sivaganga (coir cluster) and Thoothukudi (salt cluster). The EDI shall provide requisite services to enable industries in these and other clusters to access funds and implement schemes to improve productivity and efficiency.

P. MOHAN Minister for Rural Industries and Labour

MICRO, SMALL AND MEDIUM ENTERPRISES DEPARTMENT BUDGET ESTIMATE DEMAND NO.44

| (Rupees in Thousa | | | |
|--|-------------------------------|--------------------------------|-------------------------------|
| Major Heads | Budget Estimate 2014-15 | Revised Estimate 2014-15 | Budget Estimate 2015-16 |
| 2425-CO-OPERATION | 1 | 1 | 1 |
| 2851-VILLAGE AND SMALL INDUSTRIES | 2841067 | 2050116 | 3037953 |
| 2852-INDUSTRIES | 76563 | 78955 | 82302 |
| 3451-SECRETARIAT ECONOMIC SERVICES | 27595 | 27470 | 28811 |
| 4059-CAPITAL OUTLAY ON PUBLIC WORKS | 150000 | 140000 | 10000 |
| 4425-CAPITAL OUTLAY ON CO- OPERATION | 2700 | 22700 | 0 |
| 4851-CAPITAL OUTLAY ON VILLAGE AND SMALL INDUSTRIES | 501002 | 1002 | 500001 |
| 7610-LOANS TO GOVERNMENT SERVANTS ETC. | 1 | 400 | 1 |
| Total | 3598929 | 2320644 | 3659069 |