



Micro, Small and Medium Enterprises Department

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**Government of Tamil Nadu
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MICRO, SMALL AND MEDIUM ENTERPRISES DEPARTMENT

Policy Note 2019-20

1. Introduction

Micro Small & Medium Enterprises (MSMEs) are a significant driver of growth in the Indian economy. The sector contributes towards the economic empowerment and social inclusion of the marginalized through employment generation. MSMEs, besides contributing to the balanced regional development, are in a unique position to become global players attracting partners with technology and funds. These enterprises impart the resilience to withstand economic upheavals and maintain a reasonable

growth rate since being indigenous is the key to sustainability and self sufficiency.

1.1 Role of MSME Sector in Indian Economy

The MSMEs are contributing significantly to the expansion of entrepreneurial endeavours through business innovation. The MSME are widening their domain across various sectors of the economy, producing diverse range of products and services to meet the demands of domestic as well as global markets. The MSMEs are manufacturing more than 6000 varieties of products and the contribution of manufacturing MSMEs in the country's total manufacturing GVO (Gross Value of Output) at current prices has also been as high as 30%. The sector contributes about 40% to the exports in the country. Moreover, it is the MSME sector which can help to realize the target of the National Manufacturing Policy of raising the share of

manufacturing sector in GDP from 16% at present to 25% by the end of 2022.

The 73rd round of the National Sample Survey (NSS) on Unincorporated, Non-Agricultural Enterprises in Manufacturing, Trade and other Services Sectors gives the latest and most comprehensive account of the performance of the MSME Sector with the estimated number of enterprises at 633.92 lakhs contributing to the industrial development of our country.

1.2 MSMEs in Tamil Nadu

There has been a phenomenal growth of MSMEs in Tamil Nadu. MSMEs produce a wide variety of products in almost all sectors. The prominent among them are textiles, garments, engineering products, auto ancillaries, leather products, plastics, etc.

Around 20.13 lakh entrepreneurs have registered / filed SSI, EM Acknowledgement Part-II & UAM providing employment opportunities to about 128.91 lakh persons with total investment of Rs.2,23,783.75 crores (as on 31.03.2019).

Consequent to the introduction of the Udyog Aadhaar Memorandum (UAM) by the Ministry of Micro, Small & Medium Enterprises of Government of India, Tamil Nadu started the UAM implementation w.e.f. 21.1.2016. As on 31.03.2019, a total of 7,60,901 UAMs have been filed in Tamil Nadu, comprising 6,70,240 Micro Enterprises, 88,355 Small Enterprises and 2,306 Medium Enterprises. **(Annexure – I)**.

1.3 New Initiatives to Reinvigorate MSMEs in Tamil Nadu

1.3.1 Single Window Committee for MSMEs

Tamil Nadu Government supports the entrepreneurs who come forward to set up an enterprise. The entrepreneurs can get various licenses/approvals from various departments under the existing Single Window Clearance Committee. During 2018-19, out of 479 applications received, 348 applications have been given approvals.

The Government of Tamil Nadu takes cognizance of the need for continuously improving the ease of doing business in the State. In order to demonstrate the State's interest in creating an investor friendly climate, conducive to the domestic and global business community, one of the key technology interventions taken by the Government is implementation of the online Single Window Portal to deliver requisite services to the

investors in a time-bound and transparent manner through online mechanism from 11 Departments such as Directorate of Town and Country Planning (DTCP), Tamil Nadu Pollution Control Board (TNPCB), Fire, Directorate of Industrial Safety and Health (DISH), etc during the pre-establishment stage, pre-operation stage, and renewal stage and also it has been facilitated in such a way to utilize the services of the above 11 departments.

The Single Window Portal for MSMEs (<https://www.easybusiness.tn.gov.in/msme>) was launched on 4.5.2018 and is in operation.

1.3.2 Business Facilitation Act/Rules 2018

An Act, namely the Tamil Nadu Business Facilitation Act 2018 was enacted in the Assembly recently to ensure single point receipt of applications for securing clearances that are

required to establish or expand an enterprise and for clearances required during normal course of business including renewals in a time-bound manner. The Act also provides for effective grievance redressal mechanism and fine in case of failure of Competent Authorities to act within a time limit and for matters connected therewith or incidental thereto.

The Act covers 54 clearances which include pre-establishment, pre-operation, renewals, incentives etc. The District Industries Centres and Guidance Bureau are designated as Nodal Agencies for MSMEs and large industries respectively for operating the Single Window mechanism.

The Act provides for a 3 tier institutional structure viz.

1. District MSME Single Window Committee,

2. State MSME Single Window Committee and
3. MSME Investment Promotion and Monitoring Board to monitor and review the progress of Single Window mechanism.

1.3.3 Upgraded Version of Unemployed Youth Employment Generation Programme Portal (UYEGP)

The Micro, Small and Medium Enterprises Department, Government of Tamil Nadu introduced the scheme "Unemployed Youth Employment Generation Programme(UYEGP)" which aims to mitigate the unemployment problems of socially and economically weaker sections of the society, particularly among the educated and unemployed to become self employed. The filing of applications through the online portal is in operation from 1.8.2017.

Now, the portal has been upgraded by adding the documents uploading facility so that the applicants need not visit the office for submitting enclosures.

1.3.4 Upgraded Version of New Entrepreneur – Cum - Enterprise Development Scheme Portal (NEEDS)

New Entrepreneurs cum Enterprise Development Scheme is a flagship scheme of the Government of Tamil Nadu, devised and formulated to assist educated youth to become first generation entrepreneurs. The entrepreneurship training given during the programme helps the educated youth to assist them for entrepreneurial activity, preparation of business plans and helping them to tie up with financial institutions to obtain loan to set up new business ventures, besides linking them with major industrial clients for marketing support and mentoring. The scheme provides 25%

capital subsidy and 3% interest subsidy. The filing of applications through the online portal is in operation.

Now, the portal has been upgraded by adding the document uploading facility so that the applicants need not visit the office for submitting enclosures.

1.3.5 MSME Incentives Portal

The Government of Tamil Nadu is providing various incentives such as Capital Subsidy, Low Tension Power Tariff Subsidy, Generator Subsidy, Back Ended Interest Subvention and Incentive for Promotion of Energy Audit and Conservation Energy. With the objective to ensure complete transparency in processing the incentive applications, all the above incentive schemes have been made online end to end i.e. from receipt of applications to disbursement of subsidies including processing

of applications, raising queries and replying to queries etc., without any manual interface.

Applications for various incentive schemes can be filed at the following URL:

a)	Capital Subsidy	https://msmeonline.tn.gov.in/incentives/capital/index.php
b)	LTPT Subsidy	https://msmeonline.tn.gov.in/incentives/index.php
c)	Generator Subsidy	https://msmeonline.tn.gov.in/incentives/index.php
d)	Interest Subvention	https://msmeonline.tn.gov.in/incentives/is/index.php
e)	Promotion of Energy Audit and Conservation of Energy (PEACE)	https://msmeonline.tn.gov.in/incentives/index.php

1.3.6 Social Media Platforms(Facebook, Twitter and Youtube) for the Commissionerate of Industries and Commerce

In today's digital world, Social Media is a powerful tool to reach out to all sections of the society very fast. To popularise the departmental scheme and to reach out to the youth who are aiming to become entrepreneurs, it is felt necessary to create awareness about

the various Government schemes through the social media platforms such as Facebook, Twitter and Youtube. Accordingly, information and interactive pages for the Commissionerate of Industries and Commerce have been hosted on these social media platforms. These social media platforms also help in getting opinion, feedback and grievances from the public about the scheme, which in turn help in improving/modifying the implementation of the schemes.

1.4 New Initiative on Sustainable Development Goals (SDG)

The SDGs are a bold universal agreement to end poverty in all its dimensions and craft an equal, just and secure world – for people, planet and prosperity by 2030.

The 17 SDGs and 169 targets are a part of Transforming Our World: The 2030 Agenda for Sustainable Development, which was adopted by 193 Member States at the historic UN General

Assembly Summit in September 2015 and came into effect on January 1, 2016. The SDGs have been developed through a consultative process that brought national governments and millions of citizens from across the globe together to negotiate and adopt the ambitious agenda.

With an endeavour to customize the goals and targets in accordance with local challenges, capacities and resources available, the SDG Goal 8 and SDG Goal 9 have been taken up by the MSME Department, Government of Tamil Nadu for development of state-specific indicators in the MSME sector. The SDG Goals 8 and 9 are as follows:

Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

By 2030, achieve sustained economic growth and productive employment (through jobs and self-employment) and decent work conditions for all sections of population.

Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

By 2030, build world class infrastructure to attract investment and create industry led economic growth.

The Micro, Small and Medium Enterprises (MSME) sector is one of the strategic stakeholders for achieving the SDG goals globally. Notwithstanding the diversity of the MSME sector and the differences between high-income and low-income countries, the MSMEs in general play a crucial role in contributing towards the achievement of not only the SDG Goals 8 and 9, which are focused on industrial

innovation and economic development, but also towards other sustainable development imperatives.

The Commissionerate of Industries and Commerce in Tamil Nadu has initiated work towards the localization of the Sustainable Development Goals (SDGs) for the Micro, Small and Medium Enterprises (MSME) sector in the State of Tamil Nadu. This initial work has focused on SDG Goals 8 and 9 and formulating context-specific indicators within these two goals. These indicators are being formulated through participatory engagement with the MSME firms and associations, which will form a basket of indicators that will be adopted and operationalised for the MSME sector in Tamil Nadu.

1.5 Definition of MSMEs

The classification of Micro, Small and Medium Enterprises is defined under the MSMED

Act, 2006. Based on the investment in plant and equipment (excluding land and building), the enterprises are classified as Manufacturing and Service enterprises as given below:

Category	Manufacturing Investment Level	Service Enterprises Investment Level
Micro	Upto Rs.25 lakhs	Upto Rs.10 lakhs
Small	Above Rs.25 lakhs to upto Rs.5 crores	Above Rs.10 lakhs to upto Rs.2 crores
Medium	Above Rs.5 crores to upto Rs.10 crores	Above Rs.2 crores to upto Rs.5 crores

1.6 Micro, Small and Medium Enterprises Department

This Department has the following major organizations under its ambit:

- a. The Commissionerate of Industries and Commerce
- b. The Tamil Nadu Small Industries Development Corporation Limited (TANSIDCO)

- c. The Tamil Nadu Small Industries Corporation Limited (TANSI)
- d. Entrepreneurship Development and Innovation Institute – Tamil Nadu(EDII-TN)
- e. Co-operative Sector Institutions like Tamil Nadu Industrial Co-operative Bank (TAICO Bank) / Indcoserve / Sagoserve

2. The Commissionerate of Industries and Commerce

The Commissionerate of Industries and Commerce governs the development of industries in general and Micro, Small and Medium Enterprises in particular. The District Industries Centres (DICs) in the 32 Districts come under the control of this Commissionerate. District Industries Centres in various districts provide support facilities for starting and sustaining Industrial Enterprises by providing a variety of services to the entrepreneurs like identification of viable activities, preparation of project profiles, obtaining financial assistance from various banks/financial institutions and statutory clearances from Government Departments and sanction and disbursement of eligible subsidies.

2.1 Filing of Udyog Aadhaar Memorandum

In order to achieve the objective of Ease of Doing Business, GOI introduced the filing of Udyog Aadhaar Memorandum (UAM) registration

process. The Government of India specified that every Micro, Small and Medium Enterprise shall file Udyog Aadhaar in the form appended to the notification dated 18.9.2015 and follow the procedure for filing the UAM. There shall be no fee for filing of the Udyog Aadhaar Memorandum. The Udyog Aadhaar Memorandum(UAM) can be filed online at the URL <http://udyogaadhaar.gov.in> in the Udyog Aadhaar Portal maintained by the Ministry of MSME, by every MSME, but in exceptional cases, where online filing is not possible, a hard copy can be submitted to the concerned DIC, which shall file the UAM online for such enterprise on their behalf. The UAM Number so generated will be mailed to the enterprise at the address provided in the UAM.

Existing enterprises, who have filed EM Part-II or the holders of SSI registration prior to the MSMED Act 2006, shall not be required to file UAM. But, if they so desire, they may also file the Udyog Aadhaar Memorandum.

Udyog Aadhaar Memorandum

Enterprises	UAM Category	Type	Investment in plant & machinery/equipment
Micro Enterprises	A	Manufacturing	Does not exceed Rs. 25 lakhs
	D	Service	Does not exceed Rs. 10 lakhs
Small Enterprises	B	Manufacturing	More than Rs.25 lakhs but does not exceed Rs.5 crores
	E	Service	More than Rs.10 lakhs but does not exceed Rs. 2 crores
Medium Enterprises	C	Manufacturing	More than Rs. 5 crores but does not exceed Rs. 10 crores
	F	Service	More than Rs.2 crores but does not exceed Rs.5 crores

2.2 MSME Subsidy Schemes

The Government is providing following incentives to Micro, Small and Medium Enterprises in the State:

2.2.1 Capital Subsidy

- 25% Capital Subsidy on the value of eligible plant and machinery, subject to a maximum of Rs.30 lakhs.
- Additional Capital Subsidy for enterprises set up by Women / Scheduled Caste / Scheduled Tribe / Differently abled and Transgender Entrepreneurs at the rate of 5% on the value of eligible plant and machinery, subject to a maximum of Rs.2 lakhs.
- 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 meant for environment improvement or sustenance subject to a maximum of Rs.3 lakhs.

- Employment Intensive Subsidy at the rate of 5% on the value of eligible plant and machinery, subject to a maximum of Rs.5 lakhs.

Eligibility Criteria

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

- Capital Subsidy of Rs.93,000 lakhs has been disbursed to 14,842 beneficiaries between 2011-12 to 2018-19. During 2018-19, an amount of Rs.36,000 lakhs has been disbursed to 4,338 beneficiaries (**Annexure 2.1**).

2.2.2 Low Tension Power Tariff Subsidy

20% subsidy on low tension power tariff is provided to the MSME Units for 36 months from the date of commencement of production or from the date of power connection obtained, 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 the 251 industrially backward blocks.
- Existing Manufacturing Enterprises of the above categories which have taken up substantial expansion / diversification of the existing activities.
- An amount of Rs.4,964.16 lakhs was disbursed as LTPT Subsidy to 8,164 beneficiaries between 2011-12 to 2018-19. During 2018-19, an amount of Rs.700.00 lakhs was disbursed to 856 beneficiaries. (**Annexure 2.2**)

2.2.3 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 (up to 320 KVA

capacity), subject to a maximum of Rs.5 lakhs.

An amount of Rs.10,148.19 lakhs was disbursed as Generator Subsidy to 8,759 beneficiaries between 2011-12 to 2018-19. The achievement during 2018-19 was Rs.200.10 lakhs benefitting 176 beneficiaries. **(Annexure 2.3)**

2.2.4 Back-ended Interest Subsidy

Back-ended interest subsidy at the rate of 3% subject to a maximum of Rs.10 lakhs for a period of 5 years is being provided 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 which have availed term loan under technology upgradation are also eligible for 3% Back Ended Interest Subsidy (BEIS).

- (a) An amount of Rs.518.33 lakhs has been disbursed as BEIS subsidy for Technology Upgradation / Modernisation to 612 beneficiaries between 2011-12 to 2018-19. The achievement during 2018-19 was Rs.39.98 lakhs benefitting 113 beneficiaries (**Annexure 2.4 (a)**).
- (b) BEIS subsidy amounting to Rs.119.44 lakhs was given to the loanees under Credit Guarantee Fund Scheme covering 503 beneficiaries between 2011-12 to 2018-19. The achievement during 2018-19 was Rs.40.00 lakhs benefitting 196 beneficiaries (**Annexure 2.4(b)**).

2.2.5 Scheme for Promotion of Energy Audit and Conservation of Energy (PEACE)

The Government have introduced Promotion of Energy Audit and Conservation of Energy (PEACE) scheme for promoting Energy efficiency in MSME units. Under this scheme, the

Government will reimburse 50% of the cost of conducting energy audit and 25% of the cost of machinery & equipments replaced, retrofitted and technology acquired for the purpose of improving energy efficiency based on the recommendation of Energy Audit.

There are four components in the scheme:

- a. Conducting awareness camp
- b. Conducting training programme
- c. Incentive for undertaking energy audit
- d. Incentive for implementing the recommendation of energy audit

i) Incentive for conducting detailed energy audit

50% of the energy audit cost subject to a maximum of Rs.75,000 per unit.

ii) Incentive for implementing energy audit recommendation

25% of the cost of eligible components, subject to a maximum limit of Rs.2,00,000/-.

2.3 Unemployed Youth Employment Generation Programme (UYEGP)

With a view to create employment opportunities to the marginalized sections of the society, the State Government is implementing the Unemployed Youth Employment Generation Programme (UYEGP). Under the scheme, loan can be availed to start manufacturing / service / business enterprises with project cost upto the maximum of Rs.10 lakhs/ Rs.3 lakhs and Rs.1 lakh respectively. Subsidy assistance @ 25% of the project cost subject to a maximum of Rs.1,25,000/- is provided under this scheme. An online web portal has been developed to file applications online. The applicants who intend to apply under this scheme can

file their applications online at www.msmeonline.tn.gov.in/uyegp

Eligibility

- Minimum age limit - 18 years
- Upper age limit – 35 years for General Category and 45 years for Special Category comprising SC / ST / BC / MBC / Minority / Women / Ex-Servicemen / Differently abled / Transgender
- Pass in VIII Standard

UYEGP subsidy amounting to Rs.18,698.14 lakhs has been given to 37,880 beneficiaries between 2011-12 to 2018-19. During 2018-19, Rs.2,756.59 lakhs has been disbursed as Subsidy to 4,298 beneficiaries. (**Annexure 2.5**)

2.4 NEW ENTREPRENEUR – CUM - ENTERPRISE DEVELOPMENT SCHEME (NEEDS)

“New Entrepreneur-cum-Enterprise Development Scheme (NEEDS)” has been formulated by the Government of Tamil Nadu to assist educated youth to become first generation entrepreneurs and is being implemented from the year 2012-13 onwards.

The beneficiaries should be in the age group of above 21 years and below 35 years for General Category, below 45 years in case of special categories and women with education qualification of any Degree/ Diploma/ ITI/ Vocational training from Recognised Institution.

About 1000 aspirants are selected every year following reservation policy in force. 50% of target is to be assigned to women with the priority for destitute women. Selected candidates are given Entrepreneurship

Development Programme training for 3 weeks by the Entrepreneurship Development and Innovation Institute, Chennai. Necessary hand holding will be done to assist them in preparing the project for starting their own manufacturing or service venture and to avail term loans from the Banks / Tamil Nadu Industrial Investment Corporation Limited (TIIC). Subject to availability, they will also be provided with plots / sheds in the Industrial estates of Tamil Nadu Small Industries Development Corporation Limited (TANSIDCO).

Individual based Capital subsidy at the rate of 25% of the project cost (not exceeding Rs.30 lakhs) is being given along with 3% interest subvention on term loan through-out the repayment period by the Government. The eligible minimum project cost is above Rs.10.00 lakhs and the maximum project cost is Rs.5.00 crores. Promoter's contribution is 10% of the

project cost for general category and 5% for special category.

Being the implementing agency, the Industries Commissioner and Director of Industries and Commerce periodically review and monitor the progress of this scheme at the State level.

As on 31.3.2019, from inception, 3,559 projects at the cost of Rs.1780.06 crores with subsidy component of Rs.381.77 crores have been offered final sanctions. Rs.305.49 crores was disbursed towards individual based subsidy. Rs.22.71 crores has been disbursed towards 3% interest subvention, so far **(Annexure 2.7)**.

2.5 Schemes for Technology Development

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

- 50% subsidy on the cost of filing a Patent application subject to a maximum of Rs.2 lakhs per application.
- 50% of the cost of the application for Trade Mark Registration or Rs.25,000/-, whichever is less.
- 25% subsidy for establishment of Industrial Clusters and Mini Tool Rooms under Public Private Partnership subject to a maximum of Rs.1 crore.
- 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 lakhs per incubator / centre of excellence.

2.6 Prime Minister's Employment Generation Programme (PMEGP)

Prime Minister's Employment Generation Programme (PMEGP), a Government of India Scheme, is being implemented with effect from 2008-09. The maximum cost of the project admissible under manufacturing sector is Rs.25 lakhs and under service sector is Rs.10 lakhs.

The beneficiaries belonging to general category have to contribute 10% of the project cost as their fund while those belonging to Special Category (SC / ST / OBC / Minorities / Women, Ex-servicemen, Differently abled persons, North-Eastern Regions, Hill and Border areas, etc.) have to contribute 5% of the project cost as their contribution. The balance amount of total project cost will be provided by banks as loan. Applicants, who intend to benefit under this scheme, can file applications online at

www.kviconline.gov.in. Government of India provides subsidy to the beneficiaries at the following rates:

Categories of beneficiaries under PMEGP	Rate of Subsidy	
	Urban	Rural
General Category	15% of the Project Cost	25% of the Project Cost
Special Category	25% of the Project Cost	35% of the Project Cost

PMEGP Margin Money Subsidy amounting to Rs.26,678.39 lakhs has been disbursed to 12,320 beneficiaries from 2011-12 to 2018-19. During 2018-19, Rs.6,027.94 lakhs have been disbursed to 2,628 beneficiaries as Margin Money Subsidy **(Annexure 2.6)**.

2.7 Marketing Support

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

- Exemption from payment of Earnest Money Deposit for participation in tenders.
- Granting 50% of hall rent as subsidy 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.
- A minimum of 25% of the goods and services procured by the Government Departments and State Public Sector Undertakings have to be mandatorily procured from the domestic MSMEs.

2.8 Framework for Revival and Rehabilitation of Micro, Small and Medium Enterprises

In order to provide a simpler and faster mechanism to address the stress in the accounts of MSMEs and to facilitate promotion and development of MSMEs, the Ministry of Micro, Small and Medium Enterprises, Government of India, vide their Gazette Notification dated 29.5.2015 have notified a 'Framework for Revival and Rehabilitation of Micro, Small and Medium Enterprises'. Even though the framework developed by RBI in consultation with Ministry of MSME, for the stressed assets of MSMEs is compatible with the existing regulatory guidelines on "Income Recognition, Asset classification and provisioning pertaining to Advances" issued by RBI to the banks, the revival and rehabilitation of MSMEs having loans upto Rs.25 crores will be in terms of the revised framework so as to facilitate early identification

of stress by the banker and initiate remedial measures.

2.9 Credit Flow to Micro, Small and Medium Enterprises (MSME) Sector

The MSME disbursements made from April 2018 to March 2019 is Rs.35,230.84 crores of which disbursements to Micro sector is Rs.16,747.13 Crores (47.54%).

2.10 Micro and Small Enterprises Facilitation Councils

In the MSME Development Act 2006, one of the objectives is to facilitate the settlement of delayed payments to Micro and Small Enterprises on goods supplied to major industrial undertakings.

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

In the financial year 2018-19, 38 MSEFC sittings were conducted and an amount of Rs.1,218.62 lakhs has been realised for 104 micro and small enterprises.

Year	MSEFC Sittings	Cases Settled	Amount Realised (Rs. lakh)
2011-2012	15	38	233.86
2012-2013	35	115	396.65
2013-2014	18	62	556.52
2014-2015	27	45	233.93
2015-2016	09	12	78.57
2016-2017	28	99	1924.49
2017-2018	24	83	829.65
2018-2019	38	104	1218.62
Total	194	558	5472.29

2.11 Testing Services

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

- (i) Central Electrical Testing Laboratory, Kakkalur, Thiruvallur District.
- (ii) Chemical Testing and Analytical Laboratory, Guindy and Regional Testing Laboratories at Madurai, Coimbatore, Salem and Thoothukudi are providing testing facilities.

The Central Electrical Testing Laboratory (CETL) was established by the Government of Tamil Nadu at Kakkalur in Tiruvallur District in the year 1973 to cater to the needs of Micro, Small and Medium Electrical and Electronics Enterprises and Quality Marking Organizations functioning not only in the state of Tamil Nadu but throughout the nation.

CETL, Kakkalur is accredited by the National Accreditation Board for Testing and Calibration Laboratories (NABL), Department of Science and Technology, Government of India

and recognized by the Bureau of Indian Standards (BIS), Ministry of Consumer Affairs, Government of India.

This laboratory offers testing facilities to the entrepreneurs manufacturing electrical products and is equipped to test presently as many as 160 items of electrical wiring accessories & electrical appliances as per the Indian Standard Specifications benefitting Micro, Small and Medium enterprises in India. This laboratory is being strengthened by procuring and installing equipments periodically to maintain the accreditation status.

Samples of electrical products collected from the open market by designated officers of Quality Control Order Enforcement Centres are tested in the laboratory in addition to the samples supplied by DS&T, BIS etc.

Government of Tamil Nadu have appointed this Laboratory as a quality consultant for the purchase of electrical goods and appliances by the Government Departments / Quasi Government Organizations.

Chemical Testing and Analytical Laboratories are providing testing facilities to cater to the needs of Micro, Small and Medium Enterprises for testing their raw materials and products.

2.12 Training Institutes

The following Institutes provide Diploma Courses for improving the technical skills in relevant field.

2.12.1 Government Technical Training Centre, Guindy, Chennai

The Government Technical Training Centre, established in 1962 at Guindy, Chennai,

offers two diploma courses for three years period: 1. DME (Tool & Die) 2. DME (Refrigeration & Air-Conditioning) These courses are conducted with approval of AICTE and the institution is giving admission for 144 students (120 students in first year (regular) + 24 students in lateral second year) in 3 years Diploma Engineering every year.

2.12.2 Institute of Tool Engineering, Dindigul

The Institute of Tool Engineering, Dindigul was established in 1961 and offers 3 year Diploma in Tool & Die Course which is approved by the AICTE. The Institute is giving admission for 54 students (45 students in regular first year + 9 students in lateral second year) in Diploma Engineering every year.

2.12.3 Institute of Ceramic Technology, Vridhachalam

The Institute of Ceramic Technology, Vridhachalam functioning at Vridhachalam is offering a 3½ years Diploma Course in Ceramic Technology. Every year 50 students with a minimum qualification of pass in S.S.L.C (X Std.) are admitted in the first year and 10 students passed in +2 (XII Std) are admitted in the second year as lateral entry. This institute is affiliated to the Directorate of Technical Education and approved by the All India Council for Technical Education (AICTE).

2.12.4 Government Scientific Glass Training Centre, Coimbatore

The Government Scientific Glass Training Centre, Coimbatore is offering one year practical training course and two months Skill Development Training Course in the Fabrication

of Scientific Glass Apparatus to the 8th standard passed students.

2.13 Government Production Centre for Scientific Glass Apparatus, Coimbatore

Government Production Centre for Scientific Glass Apparatus was established in 1972 at Coimbatore. This centre is engaged in the manufacture of laboratory glasswares to cater to the needs of Agriculture, Forensic Science Department and Health Department laboratories.

2.14 Awards for Entrepreneurs and Banks

The Government of Tamil Nadu confers Hon'ble Chief Minister Awards to the outstanding entrepreneurs at State level / District level and also to the banks – as a motivation for the promotion of MSME sector as below :-

1. State Level Best Entrepreneur Award:
Rs.50,000/- cash prize and Memento worth Rs.15,000/-.
2. State Level Best Entrepreneur Award for Agro Based Industries: Rs.50,000/- cash prize and Memento worth Rs.15,000/-.
3. State Level Best Entrepreneur Award for Quality and Export: Rs.50,000/- cash prize and Memento worth Rs.15,000/-.
4. State Level Best Entrepreneur Award for Best Women Entrepreneur: Rs.50,000/- cash prize and Memento worth Rs.15,000/-.
5. District Level Award for Best Entrepreneur: A Memento only, worth Rs.15,000/- for each District.

Chief Minister's award to Bank:

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

2.15 Global Investors Meet-2019

During the 2nd edition of the Global Investors Meet held on 23rd and 24th January 2019, MoUs have been signed for an investment of Rs.32,205.75 crores by 12,360 MSMEs. The Government of Tamil Nadu is committed to facilitate the entrepreneurs who have signed MoUs in obtaining necessary financial assistance, statutory clearances from the concerned Government Departments, availing of eligible incentives etc., for setting up their enterprises. Accordingly, the Government is taking proactive steps to issue clearances within the timelines prescribed in the Tamil Nadu Business Facilitation Act.

As on 31.3.2019, a total of 612 enterprises, who have signed MoUs, have commenced production with an investment of Rs.929.12 crores, creating employment for 8,994 persons.

2.16 Industrial Cooperative Societies

Industrial Cooperative Societies have been established with the principal objective 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.

2.17 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, 16 Industrial Cooperative Tea Factories are functioning in Nilgiris District with a membership of 26,331. The total installed annual production capacity is 200.00 lakh kgs of made tea contributing 13% of total production of tea in the State.

Most of the Tea factories are formed during the period of 1950 to 1980. Better facilities are now required for improving the productivity of the Tea factory. New patronage and efforts are being made to cater to the needs of having promotional activities. A new Industrial Cooperative Tea Factory at Nanjanad

with the total cost of Rs.5.00 crores has been inaugurated on 30.12.2017.

2.18 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 loss every month which in turn affects them in paying reasonable price for green leaf supplied by their member growers. In order to overcome this, Price Stabilization Fund has been created by Government, with an initial corpus fund of Rs.12.00 crores with contribution of Rs.4.00 crores by Indcoserve and Government contribution of Rs.8.00 crores as one time non recurring grant for the year 2014-15. So far Rs.20.06 crores have been disbursed to 18,000 grower members under the scheme. For the year 2017-18, the Government has released Rs.8.00 crores towards supportive price of

Rs.2.00/- per Kg of green leaf procured from the small tea growers of Indco Tea Factories. The balance of Rs.4.00 crores will be borne by the Indcoserve.

2.19 Teaserve

The Tea Manufacturers Service Industrial Cooperative Society called Teaserve is the first electronic tea auction centre established in the country at Coonoor. 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 at the auction centre and thereby ensuring better prices to the tea manufacturers and the small tea growers of green leaves.

2.20 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 ensuring 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.

In order to improve its testing facility, the Sagoserve has set up a testing laboratory as a Common Facility Centre in the name of Sago and Starch Industry Cluster under Micro and Small Enterprises-Cluster Development Programme (MSE-CDP) of Govt. of India.

Further, in order to widen the growth opportunity and access in the global market and also to conduct the auction in a transparent manner with the adoption of perfect technically developed system, it has set up an e-Auction facility at Sagoserve which was inaugurated on 12.12.2018. After establishing the e-Auction facility, the Sagoserve have achieved the sales percentage of 149% in excess of the average sales in a month.

2.21 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. However, now the bank is extending all types of loans to the individuals, entrepreneurs under MSME Sector, Government Employees and to the public thereby expanding its banking operations. In addition to this, it also accepts deposits from the public, operates current accounts and savings accounts for them.

The TAICO Bank has constructed its own building for Sattur and Ambattur Branches during the year 2015-16 and the Branches are working in those buildings now. Further, during the year 2017-18, 2 new branches at Tambaram and Coimbatore have been established. Further, the 47th new branch at Madurai was inaugurated on 12.12.2018. In obedience to RBI instructions, the TAICO Bank has successfully implemented the Core Banking Solution in all the 47 branches, where all the

branches have been computerised. All the branches offers SMS alert and RTGS/NEFT facilities to the customers. Further, it has installed 3 ATM centres at Egmore, Chepauk and Neyveli branches. Further, ATM / Debit Cards are issued to its customers on request. The Bank has proposed to introduce mobile and net banking facilities.

2.22 Coir Industrial Cooperative Societies

The Coir Industry in Tamil Nadu provides gainful employment to the people in rural areas. These Societies are mainly engaged in activities like fibre extraction, spinning of coir, mat and mattings and production of rubberised coir mattresses. At present, there are 65 Coir Industrial Cooperative societies functioning in the State providing employment to more than 10,896 members/workers, out of which 80% are

women members. In order to market their products, an apex cooperative society, namely the Tamil Nadu State Coir Cooperative Marketing Federation(TANCOFED) has been established with its headquarters at Chennai.

Further, 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. The scheme is committed to payment of minimum wages and other obligatory benefits to coir workers thereby encouraging sustained production and better employment opportunities. The Market Development Assistance was provided to the coir societies to the value of 10% on their average sales turnover of preceeding 3 years and was equally shared between Government of India and State Government till 31.3.2017. However,

on request by the State Government, as a special case, Coir Board has released Rs.116.49 lakhs as its share for the year 2017-18. Accordingly, the State Government have also released its share of Rs.116.49 lakhs and as such an amount of Rs.232.98 lakhs was disbursed as MDA to 64 coir societies.

2.23 Other Cooperative Societies

In order to provide continuous employment, many other societies have been organised by this Department in various trades like polythene bag making, brick manufacturing, auto services, printing services, labour contract, handicrafts, tailoring, engineering, etc. Through these societies, sustained employment is provided to workers in the marginalized sector 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 avail full statutory benefits entitled to them.

2.24 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 Five Year Plan period, the Government of India accorded final approval for 9 coir clusters viz. Dharmapuri, Madurai,

Tiruppur (Kangeyam and Palladam), Coimbatore, Tirunelveli, Nagercoil, Salem and Dindigul Districts under SFURTI Scheme at a total project cost of Rs.37.79 crores. Further, one more coir cluster namely Krishnagiri coir cluster has been approved by the Coir Board as the 10th coir cluster at a project cost of Rs.376.31 lakhs on 29.5.2018. Out of the total clusters, 2 clusters, i.e. Kangeyam & Palladam have already been inaugurated on 18.05.2018. The remaining clusters, except Pollachi coir cluster, Madurai Coir cluster and Krishnagiri coir cluster are ready for inauguration. In respect of Pollachi and Madurai coir clusters, erection of machinery is under process. Other 5 coir clusters have commenced production.

Further, the State Government had approved for the formation of three coir clusters

in Coimbatore, Thanjavur and Erode districts at a total estimated cost of Rs.22.00 crores under the scheme of “**Developing coir clusters in Tamil Nadu**” for promoting value added coir products. The Government have accorded administrative sanction for Rs.22.00 crores and released a sum of Rs.6.00 lakhs for the preparation of the Detailed Project Reports for the above three coir clusters. The DPR for the above 3 clusters have been received from ITCOT and the Project Approval Committee has approved the project reports on 4.2.2019. First instalment of Funds towards Government contribution will be released shortly.

2.25 AMMA Skill Training & Employment Scheme

The scheme envisages to fulfill the requirement of skilled manpower in the manufacturing sector through on the job training. The candidates fulfilling the norms of

NSDC / NSDA / Sector skill council / MES and possessing the required educational qualification and age limits prescribed for the trade will be considered for training. Under the programme, on the job training for a period of maximum six months will be given through the MSME units and a stipend of Rs.5,000/- including State Govt. subsidy of Rs.2,000/- per month per candidate will be given, subject to maximum of Rs.12,000/- per candidate.

For the year 2018-19, a total of 25,246 candidates have been trained under the Amma Skill Training and Employment Scheme, against a target of 25,000 candidates.

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

3.1 Formation of SIDCO

Tamil Nadu Small Industries Development Corporation Limited (SIDCO) was established in 1970 by the Government of Tamil Nadu with the objective of assisting and promoting Micro, Small and Medium Enterprises (MSMEs) in the State of Tamil Nadu. SIDCO has been playing a significant role in facilitating the promotion and development of MSMEs in Tamil Nadu.

The main activities of SIDCO include establishing its own Industrial Estates, assisting promotion of Private Industrial Estates, extending raw material support, promotion of Common Facility Centres under cluster programme, assisting Export Promotion and Marketing support and providing technical and managerial guidance to the MSMEs.

The Corporation has a paid up capital of Rs.25.14 crores. It is estimated to earn a profit of Rs.1.73 crores for the financial year 2018-19.

3.2 Industrial Infrastructure

SIDCO establishes Industrial Estates at various locations in the State providing developed plots of various sizes from 15 cents to 1 acre to the SMEs and 5 cents to 15 cents to Micro Enterprises for setting up their industrial units.

New Industrial Estates are developed by providing infrastructural facilities like motorable roads, storm water drains, culverts, water supply, sewage system, street lighting, green belt, parks and other amenities. The layout plan for the Industrial Estates are approved by DTCP / CMDA.

There are 119 Industrial Estates developed with 8,204 Developed Plots and

4,714 Industrial Sheds in the State for MSMEs as on 31.3.2019 and these Industrial Estates are under the management of SIDCO. List of Industrial Estates is in **Annexure - 3.1**

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 1986, 41 Industrial Estates spreading over 4,511.40 acres were set up by the Directorate 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 1,167 acres was established in 1963. The Government transferred all these 41 Government Industrial Estates to SIDCO and SIDCO has been managing these Government Industrial Estates

as an agent of the Government. The list of SIDCO managed Government Industrial Estates is given in **Annexure – 3.2.**

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 and industrial plots are laid out there on.

After its formation in 1970, SIDCO of its own, has established 54 Industrial Estates till 2010 covering an extent of 2,332.67 acres.

During 2011-19, 35 new Industrial Estates were announced to be established by SIDCO. Of these, 22 Industrial Estates have been established. The list is given in **Annexure -3.3.**

SIDCO has taken action for formation of remaining estates. In addition to development of 22 said Industrial Estates during 2011-19, SIDCO has also developed 2 more Industrial Estates viz. (i) Thirumudivakkam (Micro) & (ii) Thirumudivakkam (Phase – II).

3.2.2.1 Women Industrial Parks

Out of the 78 Industrial Estates set up by SIDCO till date, 5 Industrial Estates are Women Industrial Parks. These Women Industrial Parks have been developed as per the announcement made by Hon'ble Chief Minister in 2001 for empowerment of women. The list of 5 women Industrial Parks is given below.

Sl. 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

3.2.3 Shifting of existing Industrial units to the outskirts of town/city

The Industrial units functioning in proximity of human habitations / residential areas are causing pollution and lack of space has also made expansion of industrial units impossible.

The Government realizing the above issue, during the year 2013-14 announced incentive, when the industrial units located in urban areas in a scattered manner form a group are willing to shift their units outside the urban areas, the Government would provide 75% grant of the total development cost up to a maximum of Rs.15 crores for getting electricity, water connection, roads and to have other

infrastructure facilities like conference hall, common facility centre etc.

Under this scheme, approval has been given to 3 projects at a total project cost of Rs.3,184.75 lakh. Out of the 3 projects, the Namakkal Truck Body Building project has been completed at a total project cost of Rs.1,367.75 lakh. The remaining 2 projects are ongoing and details are given below:

(Rupees in lakh)

Sl. No.	Name of the Clusters	Extent in acres	Project cost considered for sanction	Grant Sanctioned	Grant released
1.	M/s. Tea Cluster, Mettupalayam	13.45	600.00	450.00	225.00
2.	M/s. Southern District Textile Processing Cluster, Virudhunagar	100.46	1,217.00	912.75	456.38
Total		113.91	1,817.00	1,362.75	681.38

3.2.4 Formation of Private Industrial Estate

There has been scarcity of availability of land for development of industrial estate near

major cities. Whereas, there is an increasing need for additional space for expansion of MSME units and allotment of plots to the upcoming entrepreneurs. Finding Government poramboke land and acquisition of private land for formation of new Industrial Estate has become challenge. During the year 2013-14, a special incentive was announced by the Hon'ble Chief Minister of Tamil Nadu under Rule 110 to provide 50% grant with maximum grant limited to Rs.10 crore to the association of entrepreneurs coming forward to set up new private industrial estates at the outskirts of towns / cities.

Under this scheme, approval has been given to 2 projects at a total project cost of Rs.3,796.66 lakh as detailed below:

(Rs. in lakhs)

SI. No.	Name of the Cluster	Extent in acres	Project cost considered for sanction	Grant Sanctioned	1 st instalment grant released
1.	M/s. Madurai Engineering Cluster	54.00	1364.66	682.33	341.17
2	M/s. CODISSIA Industrial Park Ltd., Coimbatore	250.00	2432.00	1000.00	500.00
	Total	304.00	3796.66	1682.33	841.17

3.2.5 Industrial Estates through Joint Venture mode

Government has also announced scheme of setting up of private Industrial Estate under Joint Venture mode. Under this scheme, the interested companies will have to enter into Joint Venture agreement with SIDCO in which SIDCO will have minimum 11% stake in the company.

3.2.6 Infrastructure Development (ID) under the MSE-CDP Scheme of Govt. of India

Under MSE-CDP scheme of Government of India, assistance is provided for MSME Infrastructure Development for (i) Creation of new Industrial Estates and (ii) Upgradation of infrastructure in existing Industrial Estates. Under this scheme, 60% of the project cost (maximum project cost of Rs.10.00 crores)

subject to a ceiling of Rs.6.00 crores is provided as grant for the creation and upgradation of infrastructure in the new and existing Industrial Estates respectively. SIDCO avails this grant and develops new Industrial Estates as well as upgrades infrastructure of its existing Industrial Estates in the State.

3.2.6.1 Creation of New Industrial Estate under MSE-CDP Scheme

Under the scheme, SIDCO has already availed grant and completed creation of 16 new Industrial Estates. Currently, 2 sanctioned projects (i) at Pidaneri (Thoothukudi District) at a project cost of Rs.805.00 lakhs and ii)at Periyanasalur (Cuddalore District) at a project cost of Rs.1,250.00 lakhs are under implementation.

In the Financial Year 2018-2019, the Govt. of India has given final approval for the following 2 projects

(Rupees in lakhs)

S. No	Name of the Project	Project Cost	Share	
			GOI Grant	SIDCO
1.	SIDCO Industrial Estate,Uthangarai, Dharmapuri District	496.00	265.00	231.00
2.	SIDCO Industrial Estate,Marikundu, Theni District	850.00	369.60	480.40
	Total	1,346.00	634.60	711.40

In the current financial year the following remaining 2 projects are awaiting approval from Govt. of India

(Rs. in lakhs)

S.No	Name of the Project	Project Cost	Share	
			GOI Grant	SIDCO
1.	SIDCO Industrial Estate Kurukkalpatti, Tirunelveli District	650.00	343.20	306.80
2.	SIDCO Industrial Estate, Perundurai, Erode District	350.00	177.00	173.00
	Total	1,000.00	520.20	479.80

3.2.6.2 Upgradation of Existing Industrial Estates under MSE-CDP Scheme

Under the scheme, SIDCO has already availed grant and completed upgradation of 13 existing Industrial Estates and currently 1 project at Thiruverumbur (Trichy District) is under implementation at a project cost of Rs.378.50 lakhs.

Further the following 6 projects have been given final approval by Government of India for upgradation of infrastructure facility.

(Rs. in lakhs)

S. No	Name of the Project	Project Cost	Share		
			GOI Grant	GOT Grant	Bene-ficiaries Contri-bution
1.	K.Pudur Industrial Estate in Madurai District	520.00	219.60	248.40	52.00
2.	SIDCO Industrial Estate, Hosur (New) in Krishnagiri District	400.00	139.20	220.80	40.00

3.	SIDCO Industrial Estate, Nanjikottai in Thanjavur Dist.	285.00	105.00	151.50	28.50
4.	SIDCO Industrial Estate, Ranipet in Vellore District	955.00	342.60	516.90	95.50
5..	SIDCO Industrial Estate, Nanjaiuthukuli in Erode District	230.00	94.20	112.80	23.00
6.	Dindigul Industrial Estate in Dindigul District	405.00	192.00	172.50	40.50
Total		2,795.00	1,092.60	1,422.90	279.50

3.2.7 Japan International Co- Operation Agency (JICA) Projects

Development of product specific integrated MSME clusters in 4 locations namely, a textile cluster each in Kancheepuram and Karur District, a food product cluster in Dharmapuri District and a sea food cluster in Ramanathapuram District under the second phase of JICA assisted Tamil Nadu Investment Promotion Programme at a total project cost of

Rs.88 crores has been announced during 2017-18 as detailed below:

(Rs. in crores)

Sl. No.	Name of JICA Project	JICA Assistance	State Government Assistance	Own (SIDCO) resources	Total
1.	Integrated Technical Textile Park at Thandarai, Kancheepuram District	13.00	2.00	10.00	25.00
2.	Integrated Textiles/ Apparels Park at Punjaikalakurichi, Karur District	14.00	2.00	5.00	21.00
3.	Integrated Food Park at Eachambadi, Dharmapuri District	15.00	2.00	3.00	20.00
4.	Integrated Seafood Park at Sakarakottai, Ramnathapuram District	16.00	2.00	4.00	22.00
Total Project Cost					88.00

The development of infrastructure are under progress in all above 4 locations and the allotment of plots to MSMEs in all 4 locations is under progress.

3.3 Allotment Policy

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

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 MSMEs. During 2018-19, 248 plots and 10 sheds have been allotted to MSMEs.

3.3.1 New Allotment Policy of SIDCO

SIDCO has been making allotments in its Industrial Estates on Outright Sale Basis till 2013. In order to ease financial burden for the MSMEs in procurement of plots during the financial year 2013-14, a new allotment policy was implemented vide G.O (Ms). No.66, MSME (C) Department, dated 18.11.2013 where in plots in SIDCO Industrial Estates developed from the financial year 2013-14 onwards were allotted on 30 years lease basis alone with option to purchase the plots on outright sale basis at the end of 30 years. However, based upon representation from various MSME associations, allotment policy was again revised vide G.O.(Ms) No.40 MSME(C) Department dated 15.12.2016 wherein option was given to MSME units to either purchase the plots on outright purchase basis or lease cum purchase basis in all SIDCO Industrial Estates developed from 2013-2014

onwards. In case of lease cum purchase, the allottee has to pay only 60% of the plot cost upfront and balance 40% shall be paid over a period of 30 years and at the end of 30 years sale deed will be issued without collecting any additional cost.

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
- 20% for SC/ST and Transgenders.

If sufficient number of the applicants are not available in these categories, the 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 Establishment of Common Facility Centres (CFCs) under the MSE – CDP Scheme of Government of India

The Ministry of Micro, Small and Medium Enterprises (MSME), Government of India (GOI) has adopted the cluster development approach as a key strategy for enhancing the productivity and competitiveness as well as capacity building of Micro and Small Enterprises (MSEs) and their collectives in the country.

Objectives of the scheme is (i) to support the sustainability and growth of MSEs by addressing common issues such as technology up-gradation, skills and quality, market access, access to capitals etc., (ii) to build capacity of MSEs for Common supportive action through formation of self-help groups, consortia etc., (iii) to create / upgrade infrastructure facilities in the new / existing industrial area / cluster of MSEs and (iv) to set up Common Facility Centre (for testing, training centre, raw material depot, effluent treatment, complementing production processes, etc.)

The funding pattern of MSE-CDP (CFC) scheme is given below.

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

Out of 44 projects identified under this scheme, 30 projects at a total project cost of Rs.163.26 crores have been sanctioned by the

Government of India with a grant for a sum of Rs.111.51 crores. The Govt. of Tamil Nadu have sanctioned a grant of Rs.12.99 crores. Out of the sanctioned 30 projects, 22 projects have already been completed. The remaining 8 projects are under various stages of implementation. The expected total employment generation from these clusters will be around 25,500 persons. The list of 30 projects implemented under MSE-CDP(CFC) scheme is given in **Annexure – 3.4**.

Further, in-principle approval for 9 projects and final approval for 1 project, totally for 10 projects at a total project cost of Rs.145.71 crores, has been obtained from Government of India and the list of 10 projects is given in **Annexure - 3.5**. The Govt. of Tamil Nadu has further cleared 4 new projects at a total project cost of Rs.59.48 crores and recommended to Govt. of India for approval and the list of 4 new projects is given in **Annexure-3.6**.

3.4.1 Micro Cluster

The Hon'ble Finance Minister during the Budget Speech on 13.2.2014 has announced that the Govt. of Tamil Nadu will support clusters of micro industries and launched a New Scheme for establishment of "Common Production Infrastructure", besides raw material bank and marketing infrastructure.

Under the above scheme, the Government have sanctioned 6 projects with grant assistance of Rs.1,320.98 lakhs and the projects are under implementation. Out of approved 6 projects, first instalment grant of Rs.535.49 lakhs has been released to 5 projects as given below.

(Rs. in lakhs)

S. No	Name of the Micro Cluster	Project Cost	Grant considered	Grant released as 1 st instalment
1	Setting up of Common Facility centre at Erode Industrial Estate, Erode District.	652.00	233.00	116.50

2	Setting up of Common Facility centre at Kakkalur Industrial Estate, Thiruvallur District.	464.00	233.00	116.50
3	Setting up of Common Effluent Treatment Plant at Thirumudivakkam Industrial Estate Phase-I, Kancheepuram District.	260.00	180.00	90.00
4	Setting up of Common Facility Centre in Multistoried Industrial Complex at Thirumudivakkam Industrial Estate Phase-II, Kancheepuram District.	501.00	250.00	125.00
5	Setting up of Common Facility Centre for Silver Anklet Cluster, Salem, Salem District	249.96	174.98	87.49
6	Setting up of Common Facility Centre for Corrugated box Cluster, Tirupur, Tirupur District	389.80	250.00	-
Total		2,516.76	1,320.98	535.49

3.5 Export Promotion and Marketing Support

The Scheme for Export Promotion and Marketing Support has been introduced by the Government during 2017-18 to facilitate MSMEs

access to global market and new technology and thereby promote their competitiveness in marketing their products and services. Under the scheme, MSMEs are facilitated to participate in International Exhibitions / Trade / Buyer-Seller Meets and Technology Fairs. As a state sponsored scheme, in the short span of time, the scheme gained wide acceptance among MSMEs across the State and resulted in a prominent business generating promotional activity.

With a successful outcome of MSMEs participation in 5 international events in 2017-18, the year 2018-19 has turned out to be very fruitful and business oriented to the MSMEs. The list of 13 International events in which MSMEs participation and State's representation was made is furnished below:

Sl.No	Name of the event
1	10 th DEFEXPO India held from 11-14 April 2018 in Tamil Nadu
2	International SME Convention held from 22-24 April 2018 in New Delhi

3	Hannover Messe Global Exhibition held from 23-27 April 2018 at Hannover, Germany
4	National Manufacturing Week 2018 held from 9-11 May 2018 at Sydney, Australia
5	Asia America Trade Show held from 14-15 Sep 2018 at Miami, USA
6	National Seminar and Exhibition on Defence Production-PPP-NEW (MSME Outsourcing and VDP) held from 14-16 Sep 2018 in Kolkata
7	India International Mega Trade Fair held from 14-25 Dec 2018 in Kolkata
8	23 rd Aquatherm Global Show held from 12-15 Feb 2019 in Moscow, Russia
9	State Partnering of International Engineering Sourcing Show – VIII held from 14-16 March 2019 in Chennai
10	State Partnering in First Logix India International Business Meet held from 31 st Jan-2 nd Feb 2019 in New Delhi
11	8 th Edition of Global Economic Summit on Services held from 6-8 March 2019 in Mumbai
12	4 th Edition of CAPINDIA 2019, RBSM, held from 26-28 March 2019 in Mumbai
13	First Global Economic Zone (GEX) Expo and Convention held from March 27-29, 2019 in New Delhi

The scheme has facilitated in promoting State branding through such global business platforms and bring new investment proposals to

the State besides generating business opportunities and technology trends to the MSMEs. In spite of the limitation in the number of units to be assisted under the scheme, 187 MSMEs have directly benefited in taking part in such international trade meets and exhibitions bringing additional export earnings of about Rs.225 crores.

The activities hitherto undertaken under the special scheme for export promotion and marketing support has been found beneficial to the MSMEs in promoting exports and keeping them abreast with the innovation and new technology. The scheme has also enabled the Government of Tamil Nadu in projecting availability of developed infrastructure and entrepreneurial eco-system in Tamil Nadu to mobilise new investment in MSME sector. Underlining the significant outcome of the scheme and scope for broad basing the activities

to enhance exports and promote investment in MSME sector, Government has issued orders to set up an independent autonomous body, registered under the Tamil Nadu Societies Registration Act., to function as MSME Trade and Investment Promotion Bureau (M-TIPB), vide G.O. Ms No.8 MSME (G) Dept Dated 24.1.2019. The registration of M-TIPB is completed. The Department will kick-start the functioning of M-TIPB to become the first of its nature among all states in India.

3.6 Distribution of Raw Material

The raw materials such as Paraffin Wax 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 2018-19 are given below:

Sl. No.	Name of the Material	Target for 2018-19		Achievement for 2018-19	
		Qty. in (MT)	Rs. in lakhs	Qty. in (MT)	Rs. in lakhs
1	Paraffin Wax	2,300	1,734.520	1,934.950	1,522.272
2	TNPL Paper(Direct Sales)	137	103.890	125.810	86.745
3	TNPL Paper (Agency Sales)	480	310.000	225.708	161.912
	Total	2,917	2,148.410	2,286.468	1,770.929

3.7 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 prompt execution of these orders. Payments received from the Government Departments / Undertakings / Local Bodies for the supplies affected are released to the units after deducting 3% as consultancy fees.

SIDCO has executed purchase orders worth of Rs.86.111 lakhs for the year 2018-19 through Micro and Small Industries under the Marketing Assistance Scheme.

3.8 e-Governance

In keeping pace with e-Governance initiatives and to realize full potential of ICT in serving MSMEs, SIDCO has computerized its activities to implement IT system for end to end automation capturing the complete life cycle of business processes for efficient and transparent working, enhancement of ease of doing business and improve investment climate for MSMEs by providing online delivery of various services to industry and all other

stakeholders. The software has been brought into use for its stakeholders. The software which captures business process of all the core activities of SIDCO under different modules is functioning live and can be accessed at <https://www.tansidco.in>. The e-Governance initiative comprises GIS linked monitoring of all business processes / activities of SIDCO like allotment of plots / sheds and related issues, procurement and distribution of raw materials, tendering process, accounting, HR management, etc.

4. TAMIL NADU SMALL INDUSTRIES CORPORATION LTD. (TANSI)

4.1 Introduction and Formation

The Tamil Nadu Small Industries Corporation Limited (TANSI) was incorporated in 1965 as a Company by taking over 64 industrial units which were under the control of the Directorate of Industries and Commerce and was registered under the Companies Act, 1956. TANSI started its production in these units from 1.12.1965.

Number of units

Based on the market requirements, TANSI has reorganized its activities and its production units. At present, it has 24 Production units all over Tamil Nadu and 2 Showroom in Namakkal and Trichy.

➤ Engineering units	-	10
➤ Furniture units	-	11
➤ Special units	-	3
Total	-	24

4.2 Activities

TANSI undertakes manufacture of TNEB line materials, wooden & steel furniture, sheet metal fabrication works, manufacture of India Mark II hand pumps, spirit based surgical items, paints, civil interior works, baby weighing bar scales, etc. It has earned a name for itself in the manufacture of quality of above products. TANSI has been supplying various types of classroom furniture items required for schools under the 'Sarva Shiksha Abhiyan', College furniture for Higher Education Department, steel cots required for Government hostels, TNEB line materials to TANGEDCO, spirit based products to Tamil Nadu Medical Services Corporation and hand pumps required for drinking water supply and spares for the hand pumps etc. to Panchayats and District Collectorates.

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 Categories and product lines

Category	Product Lines
a. Structural & Engineering	Light structural of various kinds needed for factory sheds, bus stand, Metal Doors & Windows, TANGEDCO Line materials, Pillar Boxes, Sheet Metal Fabrication, Metal Garbage bins etc.
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, Pump spares, spirit based medicinal products, surgical spirit, De-natured Spirit, Tincture Cetrimide and Povidone Iodine; Spirit based industrial products like Gasket Shellac, French Polish, Thinner, disinfectant solutions like Lysol, Phenyle.
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4.4 Job orders in hand

During the year 2018-19, orders for an amount of Rs.47 crores are executed from Government Departments, Public Sector Undertakings and Universities.

The following major orders have been executed during the year 2018-19:

- Supply of Students Learning Maths Kit (SLM Kit) to Upper Primary Schools through Sarva Shiksha Abhiyan (SSA) for Rs.12.00 crores.
- Supply of steel and wooden furniture to Directorate of Employment and Training for Rs.2.00 crores
- Supply of line materials to TANGEDCO for Rs.6.00 crores

- Supply of furniture to Police Department for Rs.1.86 crores
- Supply of steel rack to Directorate of Public Libraries for Rs.1.50 crores
- Supply of furniture to the Department of Collegiate Education for Rs.1.80 crores

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

This Company 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 Company 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.

5. ENTREPRENEURSHIP DEVELOPMENT AND INNOVATION INSTITUTE TAMIL NADU (EDII-TN)

Introduction

Entrepreneurship Development and Innovation Institute-Tamil Nadu (EDII-TN), is a leading organisation in the field of building an entrepreneurial ecosystem was established in 2001 as a not-for-profit society by Government of Tamil Nadu. It also serves as a nodal agency for the startup ecosystem in the State. With 2.33 lakhs entrepreneurs trained in various programmes since its inception, EDII-TN offers training solutions from mind to market. It has a wide clientele ranging from students, existing and aspiring entrepreneurs and Clusters. In addition to facilitating entrepreneurship development, EDII-TN also supports research and innovation promotion in MSME and public sector.

Tamil Nadu leads the country in terms of number of registered enterprises in the manufacturing and service sector, which is advancing in leaps and bounds. EDII-TN plays a key role in entrepreneurship development through training programmes, partnerships, networks, innovation promotion and business facilitation services, which in turn effectively contributes to the State's GDP.

Listed below are the vision, mission and core values of EDII-TN:

Vision

An aspirational and inclusive entrepreneurship and business innovation culture spread across Tamil Nadu with EDII emerging as the State resource hub in education, training, research & practice in Entrepreneurship & Innovation.

Mission

Rapid, sustainable and inclusive growth of micro, small and medium enterprises and innovation across Tamil Nadu through effective entrepreneur competency development, business linkages and partnerships, business network development, advocacy, training, communication, innovation promotion and business facilitation services, leading to job growth and economic development.

Core Values

EDII will foster Entrepreneurship, Integrity, Objectivity, Timeliness, Teamwork, Excellence, Leadership, Innovation and Quality Consciousness as core values.

Objectives

EDII has set upon itself the following goals and objectives:

- a) Spread an aspirational entrepreneurship & innovation culture across Tamil Nadu
- b) Build entrepreneurial competencies of aspiring youth and entrepreneurs, including those from disadvantaged sections of society
- c) Enhancement of support ecosystem for entrepreneurs, including technology Startups
- d) Reduction in risk of enterprise and innovation failures
- e) Embedding entrepreneurship education in the formal education system
- f) Research, surveys and publications on entrepreneurship and innovation
- g) Vibrant partnerships with Government and non-government players in the entrepreneurship and innovation ecosystem
- h) Policy advocacy for entrepreneurship and innovation with Government

Administration of EDII-TN

EDII-TN is headed by an officer in the cadre of Principal Secretary to Government and is administered by a General Council, consisting of core departments represented by Secretaries to Government and representatives of Industries. Other than the Administration and Accounts Divisions, there are 5 programme Divisions in EDII- TN. They include:

1. Entrepreneurship Development Programmes (EDP)
2. Coordination and Programme Monitoring (C&PM)
3. Academic Innovation and Entrepreneurship Development Programmes (AIEDP)
4. Innovation & Incubation (I&I) and
5. ICT (Information, Communication and Technology).

Activities of EDII -TN

The activities of EDII-TN can be majorly categorized into

5.1 Entrepreneurship Development

1. Entrepreneurship Development Programmes
2. Cluster Development Programmes

5.2 Innovation facilitation

1. Tamil Nadu Manufacturing Business Incubators Programme
2. Research
3. Women Technopreneurship
4. Bio- entrepreneurship
5. Student based Innovation & Entrepreneurship Development Programme
6. Tamil Nadu Startup and Innovation Mission.

5.3 ICT

5.4 Special Programmes

5.5 Finance

Activities during 2018-2019

5.1 Entrepreneurship Development

By embracing a *process-based life-cycle oriented* training approach, EDII-TN offers a slew of services to suit the needs of an entrepreneur, whether it is facilitation, mentoring, networking support or any topic of interest to an entrepreneur which will help further their business interests. The programme accommodates the Student community, budding and established entrepreneurs, apart from Clusters.

EDII-TN is implementing the comprehensive *Strategic Plan* for Entrepreneurship & Innovation for 2016-21 which encompasses the training, facilitation, mentoring, networking, conducting workshops and events along with the documentation of entrepreneurship and innovation related activity. All of these initiatives involve several

stakeholders who are from the entrepreneurial and innovation ecosystem. Tangible results were brought about with the establishment of the brand EDII-TN in the entrepreneurship ecosystem in the State.

Given below is the report on the activities carried out by EDII-TN in the year 2018-2019.

5.1.1 Entrepreneurship Development Programmes (EDP)

During the year 2018-2019, a total of 33,685 people were trained in EDII-TN as per the *Strategic Plan* for the years 2016-2021. This includes various Entrepreneurship Development Programmes (EDP) covering aspiring, emerging and existing entrepreneurs. The programmes were conducted in phases and the activities are given below in detail:

➤ **First phase (ideation)**

- By covering all the districts in the State, and through association with District Industries Centres (DIC) and District MSME associations, Entrepreneurship Awareness Camps (EAC) were conducted in 59 towns in which 6,220 potential entrepreneurs participated.
- Establishing Help desks to assist both budding and existing entrepreneurs at EDII-TN Chennai Campus and in the 9 Districts, where MSME Associations are being engaged. 5,037 potential entrepreneurs were assisted and guided through mentors under this initiative.
- Two Entrepreneurship Awareness Campaigns were organized for progressive farmers at Vellore and Dindigul Districts. 40 farmers from Vellore and 45 farmers from Dindigul benefitted from the campaign.

➤ **Second phase (business planning)**

- To validate the business model prepared by an aspiring entrepreneur and develop their business plans and file applications for various loan schemes available under Government schemes, 6 camps were organised in which 247 people attended.

➤ **Third Phase (business launch)**

- The training programmes focuses on various Government Schemes like UYEGP, NEEDS, TAHDCO, etc. which are available to entrepreneurs and include themes like Go To Market study, Business compliances and Operation management.
- Between the years 2018-19, 788 candidates under NEEDS, 4,613 beneficiaries under UYEGP, 996 candidates under TADHCO scheme have been provided EDP training for a period of 15, 7 and 6 days respectively.

- Under the General 15 Days EDP training Program, 159 aspiring entrepreneurs were trained.

➤ **Phase-IV (for existing Entrepreneurs)**

- This phase focuses on existing entrepreneurs who need inputs on topics of interest. This is a highly flexible and adaptable programme built to suit the requirements of a busy entrepreneur. The training period varies from a half-day to 3 days on a variety of topics significant to the day to day operations and future expansion of MSMEs.
- A monthly Networking Meet with a talk by a successful entrepreneur is being conducted at EDII-TN"s campus every second Friday to facilitate the needs of entrepreneurs.
- Under the Business Facilitation Service Programme (BFSP) One to One' mentorship

service is provided through its walk-in enterprise clinic in Chennai and in 9 districts in Tamil Nadu through a collaboration with MSME District Associations every Thursday evening since June 2016. 5,037 prospective entrepreneurs have been counselled by experts for fine tuning their business proposals and expansion.

5.1.2 Cluster Development Programme (CDP)

Cluster Development is one of the key strategies for the sustainability of MSMEs. It plays a vital role in enhancing productivity, quality, competitive pricing, marketing of MSME products, etc. EDII-TN is extending its support for the development of Clusters through soft interventions by organizing various programmes for Cluster Special Purpose Vehicle (SPV) members and cluster members across the State through 'Cluster Development Programmes'.

Under MSE-CDP, programmes for both existing and new clusters are conducted to aid the cluster members right from awareness, trust building, formation and are aimed at achieving sustainability. Besides, support in the form of cross cluster visit and preparation of DSR (Diagnostic Study Report) /DPR (Detailed Project Report)'s, are also extended for the benefit of MSME Cluster communities.

Workshop for Cluster Development Executives

A five day Workshop on "Cluster Development Executives" programme in collaboration with Entrepreneurship Development Institute of India, Ahmedabad was organised at EDII-TN, Chennai. Twenty one members attended this programme. The training programme targeted the Officials of Cluster Associations and was designed to promote the dissemination of cluster development

methodology in order to support cluster based development initiatives in Tamil Nadu.

Workshop on Preparation of Detailed Project Report

A Three day Workshop on 'Preparation of DPR' for Establishment of Hard Interventions in MSME Clusters was conducted in collaboration with the Foundation for MSME Clusters at EDII-TN, Chennai. 24 members attended and benefitted from the program.

Lean Manufacturing Awareness Programme

A Two Days Lean Manufacturing Awareness Programme including a Field visit and an Awareness meeting was organised through the Salem Productivity Council (SPC) at Clusters and Industrial Estates in Madurai to create awareness on Lean Manufacturing

implementation in MSME Units / Clusters. The programme was attended by 16 participants.

Workshops on Design Aspects and Value Addition

Three 1-day Workshops on “Design Aspects and Value Addition” were organized in Chennai, Madurai and Coimbatore for the benefits of MSME units/ Clusters in the State. The idea of the programme was to educate the MSME unit holders on the importance of designs and its effect in improving their product’s sale in a wider market. The workshop was attended by 52 participants.

Workshop on current topics and its impact on production

One day Workshops on ‘Lean Techniques and its impact on production’ as part of Phase IV Programme for Clusters was

organized at Thirumudivakkam SIDCO Industrial Estate to impart knowledge about Lean Techniques to the Cluster members in association with TIEMA.

Similarly, a one day workshop on latest technology in the field of Designing and Offset Printing was organized for the consortium members of Krishnagiri Print Private Ltd. Cluster. Members and staff from 70 cluster units benefitted from the workshop.

Cluster Awareness Programmes for various Micro and Traditional Clusters

To create awareness and address the advantages of MSE Cluster development programme in terms of productivity, quality, marketing etc., Six Cluster Awareness Programmes for various Micro and Traditional

Clusters were organized for Stainless steel manufacturing Cluster units at Thirupur, Korai Mat Cluster units at Trichy, Electrical Cluster Units at Ramanathapuram and Chennai, Cashewnut, Fishnet, Rubber and Coir, Clusters at Nagercoil and Printing Cluster units at Kancheepuram; 423 participants benefitted from these programmes.

5.2. Innovation facilitation

5.2.1 Tamil Nadu Manufacturing Business Incubators Programme

A flagship initiative of EDII-TN 'Tamil Nadu Manufacturing Business Incubation Infrastructure Development Programme' (TNMBIIDP) serves to support small businesses and tech Start-ups across a spectrum of thrust sectors. The domains supported are veterinary biological, agro-forestry, horticulture, agriculture, fisheries, pharmacology, food and

nutrition. We are pioneers of the Veterinary and Agro-forestry incubation centers in India. The incubation centers are being supported by a grant-in-aid of Rs.2.5 crores over a period of 3 years. So far 9 institutions have been recommended for support and 5 incubators were established. Apart from this, with fund under EDII Strategic Plan, the following programmes for incubation support were carried out.

- Two day induction programme by EDII-TN at IITM Research Park for Incubation Managers.
- 'Leadership Course for Incubation Managers' spread over a period of 4 months in collaboration with PSG-STEP. The Incubation Managers visited nearly 20 incubators located in different places of Southern India (Chennai, Coimbatore, Cochin, Trivandrum, Bangalore, and Chennai)
- Learn & Lead Workshop was conducted in collaboration with IITM Incubation Cell.

5.2.2 Research

Augmenting research & innovation in the MSME sector is crucial to assess the prevailing ecosystem of MSMEs and to educate the entrepreneurs. EDII-TN furthers the mandate of innovation through Research studies to help policymakers craft the right policy and identify gaps in technopreneurship and capacity building trainings. With this goal, a series of initiatives were undertaken by EDII-TN.

- To evaluate the impact of MSME-supporting State and Central Government schemes/programmes in implementation, and to develop suitable measures to reach the expected outcomes; the annual report 'Tamil Nadu MSME 2018' was prepared. This

was done to plan and execute strategies for the growth of MSME.

- Also, to study and analyse the constraints and challenges found by MSMEs and explore the opportunities available to them, in the context of liberalization and globalization of the economy, research studies on Motor & Pump and Fireworks cluster has been initiated.
- RFP (Request For Proposal) was invited to study the 'Start-up Ecosystem in Tamil Nadu' based on empirical data, to understand the opportunities and challenges faced by start-ups in Tamil Nadu in their journey over the stages of ideation, validation, early traction and scaling.
- Training & Workshop on 'Research Methods' and 'Business Development' were conducted in collaboration with IFMR LEAD(Institute of

Financial Management and Research, Leveraging Evidence for Access and Development), to embed the research and innovation in entrepreneurship.

- **Innovation Voucher Programme:** The Government of Tamil Nadu has announced a programme called “Innovation Voucher Programme” with aim to forge and sustain collaboration between industry, academia and Government and also to enhance participation of MSMEs in science and innovation. It is planned to support 400 entrepreneurs of MSMEs and Start-ups every year with a grant-in-aid upto Rs.5 lakhs.

5.2.3 Women Technopreneurship

Tamil Nadu has the highest number of women entrepreneurs in India. And harnessing

the technical skills of women in the fields of Science, Technology, Engineering and Mathematics (STEM) into a business model turns them into empowered women. Research on the existing ecosystem on women entrepreneurship and domain-specific trainings to women plays a vital role in the development of skills and policy design. The efforts taken by EDII-TN in fostering women technopreneurial spirit in the recent years are,

Studies

- To capture critical barriers in the entrepreneurial journey of women across various districts of the State, a detailed report on “Women in Tamil Nadu MSME Report 2018” was prepared and published.
- A study has been initiated in collaboration with IITM to identify and validate the determining factors of

entrepreneurial spirit among educated women through landscape-wise survey to arrive at policy recommendations and decisions to the Government and to design women-technopreneurship-centric schemes and programmes.

➤ **Capacity Building Programmes**

- A one-day awareness programme on 'Design' and 3-weeks Start-up Sandbox programme for prototype development were conducted in association with IIITDM, Kancheepuram exclusively for women.
- A Food Safety and Quality Assessment Course was conducted in collaboration with Golden Jubilee Bio-tech Park for Women, Siruseri.

5.2.4 Bio-entrepreneurship

Enormous efforts are being taken-up by EDII-TN in building the bio-technology industrial ecosystem and entrepreneurship development in the State of Tamil Nadu. Technopreneurship Training Programmes and Boot camps are being organized.

- EDII-TN in partnership with IITM Bio-Incubator conducted a 'Recombinant Protein Production Course'.
- An Agripreneurship Boot camp was conducted for agripreneurs for the business canvas model preparation at TNAU, Coimbatore
- An International Conference (Avidadham 2019) on "Metamorphosis from Academia to Bio-industrialisation" at Anna University, Chennai was supported by EDII-TN.

5.2.5 Academic Innovation & Entrepreneurship Development Programme (AIEDP)

Targeting the Higher Educational Institutions in the State, EDII-TN launched a broad programme for Colleges, Polytechnics and ITIs, in 2016-17. This initiative is to generate a constructive and active Entrepreneurship & Innovation ecosystem within and around the higher educational institutions. Towards this effort the programme targets faculty, students and alumni through a range of programmes.

The programme is run under a Hub and Spoke model. Leading academic institutions are recognised as Hubs to coordinate and support 25-30 colleges in that region. AIEDP is supporting institutions through sensitising top-management, training faculty through learn-by-doing methodologies, raising student competencies in entrepreneurship and creativity

through online entrepreneurship learning courses and practice, running campus companies in institutions, various workshops and seminars, innovation challenges etc. Till this financial year the following activities were completed:

- 9 hubs have been identified in the State and they are located at Chennai, Thanjavur, Madurai, Salem, Coimbatore, Tiruchirappalli, Tirunelveli, Karaikudi and Villupuram.
- A total of 490 educational institutions have enrolled in the programme.
- An Online course developed by the Wadhwani Foundation-National Entrepreneurship Network is offered to students through AIEDP. 1001 faculty members from spoke institutions have been trained so far on online courses. 1,794 student e-leaders were trained on running E-cells and various

entrepreneurship related activities in campus since inception of the programme. 29,186 students have taken this online course. 6859 students have cleared the first level course.

- A 6-month Certificate Programme on Entrepreneurship has been launched during Feb. 2019 through the Tamil Nadu Open University.
- A special one day programme under Academic Innovation Entrepreneurship Development Programme (AIEDP) was exclusively devised and implemented for the Government Arts College Students from which 6,380 final year students benefitted.
- University-Industry collaboration was launched to enable IEDP colleges to understand and tap partnerships. Programmes on bio-technology and IPR

were also launched for college students.

- 282 faculty members and 515 students from ITIs were provided orientation on entrepreneurial opportunities.
- 695 School children were trained on entrepreneurship competencies.

5.2.6 Tamil Nadu Startup and Innovation Mission (TANSIM)

The Tamil Nadu Startup and Innovation Policy 2018-23 has been launched by the Hon'ble Chief Minister of Tamil Nadu on 19.1.2019 to nurture startups in the State. EDII-TN will be the nodal agency for policy implementation through formation of the Tamil Nadu Startup and Innovation Mission. EDII-TN is taking efforts to encourage Universities and autonomous institutions to include Entrepreneurship into their curriculum.

Various startup promotional programmes and trainings were organised including innovation contests for students such as the Tamil Nadu Student Innovators Programme (TNSI) and Grand Challenges for professionals – the Tamil Nadu Innovation Grand Challenge (TNIGC) as part of the Strategic Plan of EDII-TN.

- Since 2016-17, 79 teams were sanctioned Rs.82 lakhs as seed money and cash award, ranging from Rs.10,000 to Rs.5 lakhs, for developing their prototypes so far.
- TNSI-2018 had been organised to encourage innovation among student community. The programme included awareness, Ideation Programme, Boot camps and final Pitch. 18 teams were awarded seed money ranging from Rs.10,000 to Rs.1 lakh.

- TNIGC-2018 has been organised during the year, which was participated by 21 teams. The programme included Sprint Hack, Boot Camp and Final Pitch, which was completed during Feb., 2019. Five teams were awarded Rs.5 lakh each as seed money.
- Under the 'Startup Mania' programme organised by TBI Kongu Engineering College Erode, EDII sponsored 3 successful student teams with seed money of Rs.1 lakh.
- The Enantra Pitch fest was organised by the student E-Cell of Anna University, Chennai with the financial support of EDII. 5 successful teams were provided seed money of Rs.6.75 lakhs.
- E-Summit 2019 sponsored by Entrepreneurship Development and Innovation Institute was organised by the

Entrepreneurship Cell of SASTRA Deemed to be University Hub during February 22-24, 2019.

- 6-day Student Startup Acceleration Programme was organised at Thiagarajar College of Engineering - Madurai Hub and Anna University-Trichy Hub. A total of 81 students participated in the programme.

- Startup Ula - This programme is designed exclusively for the Startup communities with an objective to create viable Startup ecosystem in the State. This unique programme covers various successful Startup companies and facilitates the participants to learn and exchange their ideas with the CEOs of those companies. The journey that provides on wheel mentoring also enlightened the participants about Government support, funding, mentorship, marketing,

technology, etc., Two Startup Ulas, one from Coimbatore to Chennai and another from Thirunelveli to Chennai were organized. There were 55 Startups/ aspiring Startups across Tamil Nadu who participated and got benefitted in this programme.

- EDII along with SPI Cinemas, organized the Co-create'19, a Humanistic co-design initiative which was participated by Professors from Massachusetts Institute of technology, USA and students from various disciplines from MIT along with students, industry leaders and corporate executive from Tamil Nadu. The goal is to provide practical solutions to improve the quality of life of differently abled people. In all, 80 people participated.
- EDII has also sponsored the following events during the year 2018-19.

- 'SaaS BOOMi' an initiative by successful Chennai-based SaaS founders to help SaaS-focused entrepreneurs learn the ropes about creating technology for customers in the country, and beyond. It was organised during 18-19 Jan, 2019.
- The National Final Event of Climate Launch pad was conducted on along with 22.9.2018 at Chennai.
- One day Startup Conclave "startuppeneurs" was organised by CII Southern Region at Chennai on 20.09.2018.
- Two startups from Tamil Nadu selected in the Climate Launch Pad National Finals were sponsored to participate in the Global Finals conducted at Edinburgh, Scotland during 1st - 2nd November' 2018. Among them, the

startup M/s JSP team won the 2nd place in the Global competition among the 135 teams from 50 countries.

5.3 Information & Communication Technology (ICT)

For spreading information to the general public pertaining to MSME development and the activities of EDII-TN, a detailed communication plan covering social media, electronic media and print media was prepared by EDII-TN. The web portal www.editn.in maintained by EDII-TN is quite useful for new entrepreneurs and contains exhaustive information. Information dissemination is also being carried out through social media via Face book, twitter and YouTube accounts. This gives information and guidance while portraying the developmental activities of EDII-TN to the general public. Facilities are being extended by EDII-TN to avail online registration of candidates and e-certificates for

the successful candidates as well. The Certificates issued by EDII-TN can be verified online.

5.3.1 Mass Outreach Programmes

- **All India Radio Programme:** A regular weekly programme in All India Radio FM Rainbow on Wednesdays between 4.45 and 5.00 pm titled '**Thozhilum Vaazhvum**' is broadcast. Forty seven radio programmes have been done so far. Stories of successful entrepreneurs trained by EDII-TN benefitted under various Government schemes including that of UYEGP, PMEGP, NEEDs and THADCO among others are made available.
- **DDK Pothigai Program:** EDII-TN has telecast 26 weekly episodes in DDK Pothigai channel titled, 'Nimirnthu Nil' on

every Saturday between 11.30 am to 12.00 noon. The programme contained various aspects like opportunities for self-employment, Government support, schemes, technologies available, marketing, sectoral opportunities, export marketing, etc. The feedback received from the viewers across Tamil Nadu through phone calls and visits to EDII-TN were overwhelmingly positive.

5.3.2 Celebration of International Day for MSMEs

In accordance with the declaration of the United Nations General Assembly, 27th June is celebrated as International Day for MSMEs in order to recognise the importance of micro, small, and medium enterprises in achieving new global development goals. Accordingly, EDII-TN celebrated International day for MSMEs-2018.

Entrepreneurs, stake holders, partnering organizations, mentors, industrial clusters, MSME associations and many others participated. Successful entrepreneurs, stake holders and service providers were honoured with mementos and felicitation. The programme was enriched with a panel discussion on 'Prospects of MSMEs in the Current Scenario' which gave insight about MSMEs in the State.

5.3.3 Exposure Visits

EDII-TN is venturing into new and innovative areas where abundant opportunities are available for MSMEs. One such area identified is the promotion of fragrance and aroma based industries in Tamil Nadu. EDII-TN has signed a MoU with FFDC (Fragrance and Flavour Development Centre), Ministry of MSME, Kannauj, UP for technology transfer, training etc.

➤ **Mint farmers**

As part of the Interstate Field Exposure Visit, eight progressive farmers from different pockets of Tamil Nadu who were interested to become entrepreneurs through Mint based activities. They were taken to FFDC, Kannauj, UP for a three day training program on Cultivation, Distillation and Marketing of Mint. They were exposed to modern cultivation of Mint, technologies for value addition, marketing, including a visit to the distillation units in Kannauj and interaction with entrepreneurs.

➤ **DIC and Horticulture Officers**

A Field Exposure Visit on Cultivation Distillation and Marketing of Essential Oils was arranged for equipping the officials of Industries and Commerce and Horticulture department at

the grass root level by providing them with hands on knowledge on Aroma based industries at FFDC, Kannauj. 30 officials from both the DIC and the Horticulture Departments from 15 districts attended the training. They were given inputs on Global scenario of Essential Oil, Opportunities in India, Cultivation, distillation, solvent extraction etc. Visits to the local distillation units were arranged to gain a first-hand knowledge about the distillation process. The officials are expected to prepare an action plan in order to promote essential oil based industries in their respective district.

➤ **Vettiver Farmers**

Though cultivation of Vettiver is taking place in some parts of Tamil Nadu, there is no value addition. To enhance the farmers' income and convert them into potential entrepreneurs,

EDII-TN organized a special program exclusively for Vettiver farmers from Cuddalore district on Cultivation, Distillation and Marketing of Vettiver and other essential oil crops at FFDC, Kannauj. 12 farmers from Cuddalore district were taken to FFDC, Kannauj to impart knowledge on value addition of Vettiver such as oil, powders, and other products.

5.3.4 Participation in Trade Fairs / Exhibitions

EDII-TN has been supporting startups and innovators by way of creating platforms to commercialize their innovative products and technologies through various fairs, events and exhibitions held in India. In this regard, EDII-TN accommodates innovative startups to display their products and technologies. This effort creates a constructive platform for the startups

to commercialize their technologies and products at a global level. During the year 2018-19, EDII-TN participated in the following Fairs and Exhibitions along with innovative Startups:

- i) Agro Tech-2018 at Madurai
- ii) Elektrotech-2019 at Coimbatore
- iii) IESS VIII – 2019 at Chennai
- iv) TIE - 2018 at Thoothukudi

5.3.5 Tamil Nadu Global Investors Meet 2019

The Government of Tamil Nadu organized 'Global Investors Meet-2019' in Chennai at the Chennai Trade Centre in order to attract foreign direct investment and global investors to strengthen the industrial segment and the overall development of Tamil Nadu. EDII-TN

participated with an exclusive stall in the TNGIM (Tamil Nadu Global Investors Meet) 2019 in the Tamil Nadu State Pavilion.

5.3.6 Trainings and Workshops

➤ **Workshop on Essential Oil, Perfumery and Aromatherapy:**

Considering the opportunities for Essential oil and perfumery products in the global market, EDII-TN, organized a three days training cum Workshop on Essential Oil, Perfumery and Aromatherapy to create new entrepreneurs to explore the opportunities for fragrance industries in Tamil Nadu. The training program was conducted with the technical support of the FFDC. 31 candidates attended the program and benefitted from it.

➤ **Workshop on Social Entrepreneurship**

A One day workshop on Social Entrepreneurship was organized in association with the MSSW (Madras School of Social Work) at Chennai. Eminent Social Entrepreneurs contributed by way of delivering lectures and panel discussions. 70 young and aspiring social entrepreneurs participated in the workshop.

5.3.7 Documentation

➤ **Video documentation**

Documenting the products of 11 innovative startups who participated in various exhibitions and trade fairs in EDII-TN stall, about their product/technology, application, and commercial viability was done. Apart from this,

10 Video documentations were also made on successful entrepreneurs under NEEDS and UYEGP from districts. The ICT Division has made a promotional video on the activities of EDII-TN including the Startup related activities. This is being displayed in all our training programmes.

➤ **Monthly News Letter**

Monthly newsletter of EDII-TN's activities and services offered are prepared and published periodically. The Newsletter is shared with all those registered in the EDII TN website.

➤ **Posters/Pamphlets**

To disseminate the activities of EDII, 6000 multi-colour posters were displayed in various organizations. 5000 numbers of the EDII-TN brochure both in English and Tamil were

printed for circulation in various workshops, trainings, startup camps, fairs and exhibitions.

➤ **Manuals**

The following manuals were prepared by EDII-TN under various programmes viz:

1. Mentor Manual for BFSP
2. Business Model and Business Plan Guide.
3. Sigaram Thoduvom for RD project of TNCDW.
4. Capacity Building for IC & DIC.
5. EDII-TN Handbook – Revamping and Updation.
6. Manadhil Urudhivendum under GAP of Tourism Dept.
7. Ippadium Samaikalam under GAP of Tourism Dept.

➤ **Display boards**

Standeers, Sandwich boards, stickers, etc., containing useful information was prepared and displayed at the office and while conducting various programmes.



➤ **e-Learning**

23 numbers of the session on various topics relevant to MSMEs have been recorded and made available on the web portal.

5.4 Special programmes

To motivate and invigorate the Officers and Staff, a three day Re-Orientation training programmes being are organized for the Department of Industries and Commerce personnel as a result of which, 548 people benefitted.

Trademark has been obtained for Innovation logo to conduct a series of conferences / trainings. Trade marks registry, GOI_has approved the design and certified EDII-TN on 31st July 2018. The unique innovative initiatives of EDII-TN are branded under  registered trade mark.

Apart from this, Innovation and Start step logos have also been registered for Trade mark,  is being used to refer business incubation promotional activities whereas  is being used in the promotional activities of early stage/student start steps.

All the staff of EDII-TN were given capacity building programmes on specific areas of their choice including computer skills, spoken english among many others to improve their

capacity to perform better and to improve the productivity of the Institute.

5.5 Financial Achievement

The State Government outlay for EDII-TN for 2018-19 was Rs.21.73 crores has been received. EDII-TN has incurred an expenditure of Rs.11.66 crores as on 31.3.2019.

P. BENJAMIN
Minister for Rural Industries

Annexure -1
Trend in the Registration of MSMEs in Tamil Nadu

Year	Number of Registered units	Investment (Rs. in crores)	Production (Rs. in crores)	Employment (Numbers)
2007-08	27,209	2,547.14	8,739.95	2,42,855
2008-09	32,049	3,557.89	13,354.86	2,94,255
2009-10	41,799	3,214.22	10,880.01	1,51,743
2010-11	57,902	5,872.37	12,500.86	4,05,233
2011-12	70,758	7,429.59	15,496.00	5,02,381
2012-13	83,348	8,751.54	17,503.08	5,83,436
2013-14	1,16,393	18,939.87	16,832.25	4,94,990
2014-15	1,43,104	24349.65	59,789.70	6,51,180
2015-16 (up to 21.1.2016)	1,42,136	34,411.90	59,332.19	8,15,315
UAM * (as on 31.3.2016)	41,656	6,218.69	-	2,96,687
2016-17**	2,67,310	36,221.78	-	18,97,619
2017-18	2,17,981	25,373.12	-	13,78,544
2018-19	2,33,954	30,078.85	-	15,33,804

* Registration details as per UAM portal of Government of India.

** Consequent to the introduction of UAM filing w.e.f. 21.1.2016, the enterprises which have obtained EM Part-II earlier have also filed UAM subsequently, resulting in an increase in the filing of UAM during 2016-17.

Annexure 2.1
Capital Subsidy

(Rupees in lakhs)

Year	Amount allotted	Amount utilised	No. of Units
2011-12	5,000.00	5,000.00	1,316
2012-13	6,000.00	6,000.00	1,613
2013-14	7,000.00	7,000.00	1,541
2014-15	7,000.00	7,000.00	1,460
2015-16	8,000.00	8,000.00	1,265
2016-17	8,000.00	8,000.00	1,207
2017-18	16000.00	16000.00	2102
2018-19	36000.00	36000.00	4338
Total	93000.00	93000.00	14842

**Annexure 2.2
LTPT Subsidy**

(Rupees in lakhs)

Year	Amount allotted	Amount utilised	No. of Units
2011-12	600.00	600.00	1,371
2012-13	600.00	600.00	1,130
2013-14	600.00	600.00	1,169
2014-15	600.00	600.00	1,106
2015-16	600.00	600.00	1,004
2016-17	664.16	664.16	857
2017-18	600.00	600.00	671
2018-19	700.00	700.00	856
Total	4964.16	4964.16	8164

**Annexure 2.3
Generator Subsidy**

(Rupees in lakhs)

Year	Amount allotted	Amount Utilised	No. of Units
2011-12	800.00	800.00	852
2012-13	2,348.09	2,348.09	1,958
2013-14	800.00	800.00	666
2014-15	800.00	800.00	734
2015-16	4,200.00	4,200.00	3,625
2016-17	800.00	800.00	587
2017-18	200.00	200.00	161
2018-19	200.00	200.10	176
Total	10148.09	10148.19	8759

Annexure 2.4

Back-ended Interest Subsidy scheme a. Technology Upgradation/ Modernisation

(Rupees in lakhs)

Year	Funds Allotted	Funds Utilised	No. of Units
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
2015-16	30.00	30.00	37
2016-17	30.00	30.00	43
2017-18	30.00	30.00	73
2018-19	40.00	39.98	113
Total	518.35	518.33	612

b. Credit Guarantee Fund Trust Scheme

Year	Amount allotted (Rs. in lakhs)	Amount utilised (Rs. in lakhs)	No. of Units
2011-2012	4.56	4.56	9
2012-2013	10.00	9.88	22
2013-2014	10.00	10.00	27
2014-2015	10.00	10.00	53
2015-2016	10.00	10.00	51
2016-2017	10.00	10.00	44
2017-2018	25.00	25.00	101
2018-2019	40.00	40.00	196
Total	119.56	119.44	503

Annexure 2.5
Unemployed Youth Employment Generation Programme
(UYEGP)

Financial Year	Nos.	Subsidy Released (Rs.in lakhs)
2011-12	4,759	1,319.86
2012-13	4,804	1,466.31
2013-14	4,657	1,499.53
2014-15	3,465	1,817.67
2015-16	5,822	3,463.18
2016-17	5,368	3,375.00
2017-18	4,707	3,000.00
2018-19	4,298	2,756.59
Total	37,880	18,698.14

Annexure 2.6
Prime Minister's Employment Generation
Programme (PMEGP)

Financial Year	No's	Margin Money Released (Rs.in lakhs)
2011-12	1,560	2,909.03
2012-13	1,316	2,258.40
2013-14	1,036	2,366.89
2014-15	1,256	2,827.71
2015-16	1,090	2,252.66
2016-17	1,395	3,425.80
2017-18	2,039	4,609.96
2018-19	2,628	6,027.94
Total	12,320	26,678.39

Annexure 2.7
New Entrepreneur-cum-Enterprise Development Scheme (NEEDS) (Rupees in lakhs)

Description	2012-13		2013-14		2014-15		2015-16		2016-17		2017-18		2018-19		Total	
	Nos	Subsidy	Nos.	Subsidy	Nos.	Subsidy	Nos.	Subsidy	Nos.	Subsidy	Nos.	Subsidy	Nos.	Subsidy	Nos.	Subsidy
Recommended Applications	559	6531.39	1247	12380.70	1397	11720.17	1263	13177.31	1264	12560.51	1274	14045.89	1468	17352.52	8472	70415.97
Provisional Sanctions	305	3902.94	744	7847.27	857	7681.80	856	9765.04	765	8525.97	823	9915.96	888	11695.52	5240	58334.50
EDP Trained	284	-	645	-	789	-	822	-	602	-	610	-	772	-	4524	-
Formal Sanctions	224	2504.57	482	4952.01	555	5157.25	466	4600.28	536	5765.33	605	7024.95	691	8172.42	3559	38176.80
Disbursement of Subsidy	218	2395.76	456	4333.52	172	995.42	585	4280.52	501	7072.55	480	5591.97	555	5887.06	2967	30549.13

Annexure – 3.1
119 Industrial Estates currently managed by SIDCO

Sl. No	District	Sl. No.	Location	Govt. or SIDCO	Yr. 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
		5	Perungudi	Govt.	1974	112.55
		6	Thiruvanmuyur	Govt.	1967	28.91
2	Tiruvallur	7	Ambattur	Govt.	1963	1167.00
		8	Kakkalur	Govt.	1988	328.13
		9	Thirumazhisai	SIDCO	1988	160.85
		10	Gummidipoondi	SIDCO	1988	25.24
		11	R.K.Pet	SIDCO	1996	8.15
		12	Vichoor	SIDCO	1994	59.16
		13	Thirumullaivoil (WIP)	SIDCO	2001	246.07
		14	Sengarai	SIDCO	2017	36.25
3	Kancheepuram	15	Kancheepuram	Govt.	1968	37.95
		16	Maraimalnagar	SIDCO	1981	39.50
		17	Alathur	SIDCO	1984	150.00
		18	Thirumudivakkam (Main)	SIDCO	1993	201.11
		19	Thirumudivakkam (Micro)	SIDCO	2013	5.262
		20	Thirumudivakkam (WIP)	SIDCO	2002	11.48

		21	Thirumudi-vakkam Phase-II	SIDCO	2017	22.44
		22	Thandarai	SIDCO	2017	44.30
4	Vellore	23	Katpadi	Govt.	1968	19.48
		24	Arakkonam	Govt.	1968	51.74
		25	Ranipet	SIDCO	1972	113.44
		26	Mukuntharayapuram	SIDCO	1980	86.19
		27	Vannivedu	SIDCO	1987	16.44
		28	Vinnamangalam	SIDCO	2009	10.49
		29	Vaniyambadi	SIDCO	2013	7.08
		30	Minnur	SIDCO	2014	9.75
5	Thiruvannamalai	31	Thiruvannamalai	Govt.	1968	15.56
6	Krishnagiri	32	Krishnagiri	Govt.	1965	41.86
		33	Uthangarai	SIDCO	1995	41.28
		34	Hosur	Govt.	1974	12.34
		35	Hosur(SIPCOT)	SIDCO	1976	95.15
		36	Hosur(New)	SIDCO	1999	18.80
		37	Bargur	SIDCO	1995	31.64
		38	Pollupalli	SIDCO	2009	60.96
7	Dharmapuri	39	Dharmapuri	Govt.	1965	20.28
		40	Kadagathur	SIDCO	2009	7.02
		41	Parvathanahalli	SIDCO	2014	29.89
		42	Echampadi	SIDCO	2017	50.46
8	Salem	43	Salem	Govt.	1967	19.55
		44	Mettur	Govt.	1967	184.38
		45	Karuppur WIP	SIDCO	2004	51.24
		46	Veerapandi	SIDCO	1993	9.79

		47	Koranampatti	SIDCO	2017	16.61
		48	Sooraman- galam	Govt.	1986	27.50
9	Namakkal	49	Namakkal	SIDCO	1977	10.09
		50	Thiruchengodu	SIDCO	1980	9.18
		51	Vettambadi	SIDCO	2014	15.34
10	Erode	52	Erode	Govt.	1959	25.13
		53	Nanjaiuthukuli	SIDCO	1995	13.05
		54	Perundurai	SIDCO	2017	49.47
11	Coim- batore	55	Kurichi	Govt.	1972	88.43
		56	Malumicham- patti	SIDCO	1994	36.14
		57	Kalapatti	Govt.	1972	13.46
12	Tiruppur	58	Ganapathi- palayam	SIDCO	1993	17.10
		59	Tiruppur	SIDCO	1978	10.14
		60	Gudimangalam	SIDCO	1992	6.74
		61	Rasathavalasu	SIDCO	2011	51.80
13	Nilgiris	62	Ooty	SIDCO	1981	10.65
14	Cuddalore	63	Cuddalore	Govt.	1971	15.60
		64	Vadalur	Govt.	1972	26.22
		65	Periyanesalur	SIDCO	2015	90.80
		66	Vriddhachalam	Govt.	1961	41.53
15	Villupuram	67	Patanam	SIDCO	2014	60.55
		68	Asanu Part I & II	SIDCO	2009 & 2015	212.83
		69	Kattuvannanjur	SIDCO	2014	42.00
		70	Venmaniathur	SIDCO	2011	36.82
16	Peram- balur	71	Elambalur	SIDCO	2009	44.48
17	Thanjavur	72	Thanjavur	Govt.	1968	21.94

		73	Kumbakonam	Govt.	1968	32.30
		74	Pillaiyarpatti	SIDCO	1974	10.96
		75	Nanjikkottai	SIDCO	1996	26.30
		76	Palayapatti	SIDCO	2012	104.37
18	Nagapattinam	77	Nagapattinam	Govt.	1966	20.97
		78	Mayiladuthurai	SIDCO	2009	12.56
19	Tiruchirappalli	79	Thuvakudi	Govt.	1974	478.38
		80	Thiruverambur	Govt.	1974	74.50
		81	Ariyamangalam	Govt.	1974	17.64
		82	Kumbakudy	SIDCO	2009	24.46
		83	Valavanthakkottai (WIP)	SIDCO	2003	51.70
		84	Valavanthakkottai	SIDCO	2008	179.02
20	Karur	85	Karur (Vellalapatti)	Govt.	1974	26.63
		86	Karur(Athur)	SIDCO	1993	36.29
		87	Punjaikalakurichi	SIDCO	2016	52.076
21	Pudukottai	88	Pudukottai	Govt.	1974	23.18
		89	Pudukottai (SIPCOT)	SIDCO	1988	51.45
		90	Mathur	SIDCO	1975	26.00
		91	Mathur (New)	SIDCO	2013	19.92
22	Theni	92	Theni	Govt.	1963	26.59
		93	Andipatti	SIDCO	1994	22.34
		94	Marikundu	SIDCO	2017	79.40
23	Dindigul	95	Dindigul	Govt.	1965	39.90
		96	Batlagundu	Govt.	1965	16.26
24	Madurai	97	K.Pudur	Govt.	1960	56.05
		98	Kappalur	Govt.	1966	534.64

		99	Kappalur WIP	SIDCO	2008	35.37
25	Ramana-thapuram	100	Paramakudi	SIDCO	1976	10.00
		101	Keelanagachi	SIDCO	1993	10.00
		102	Urapuli	SIDCO	1993	12.14
		103	Sakarakottai	SIDCO	2017	100.00
26	Sivaganga	104	Karaikudi	Govt.	1966	180.19
		105	Sivaganga	Govt.	1966	70.61
		106	Kirungakottai	SIDCO	1993	21.85
27	Virudhu-nagar	107	Virudhunagar	Govt.	1958	45.65
		108	Rajapalayam	SIDCO	1995	41.13
		109	Virudhunagar (Urban)	SIDCO	2013	37.54
28	Tirunelveli	110	Pettai	Govt.	1959	50.55
		111	Kadayanallur	SIDCO	1992	10.00
		112	Valliyur	SIDCO	2005	39.91
29	Thoothu-kudi	113	Kovilpatti	Govt.	1962	85.54
		114	Thoothukudi Phase-I	SIDCO	1988	9.72
		115	Thoothukudi Phase-II	SIDCO	2003	14.46
		116	Pidaneri	SIDCO	2016	108.23
30	Kanya-kumari	117	Konam	Govt.	1964	20.70
		118	Marthandam	Govt.	1964	7.50
31	Ariyalur	119	Mallur	SIDCO	2014	25.34
Total						8080.998

Annexure – 3.2
Government Industrial Estates

Sl. No.	District	Name of the Industrial Estates	Year of Formation	Total Extent in Acres
1	Chennai	1. Guindy	1958	404.08
		2. Perungudi	1974	112.55
		3. Thiruvanmiyur	1967	28.91
2	Thiruvallur	4. Ambattur	1963	1167.00
		5. Kakkalur	1988	328.13
3	Kancheepuram	6. Kancheepuram	1968	37.95
4	Vellore	7. Katpadi	1968	19.48
		8. Arakkonam	1968	51.74
5	Thiruvannamalai	9. Thiruvannamalai	1968	15.56
6	Krishnagiri	10. Krishnagiri	1965	41.86
		11. Hosur	1974	12.34
7	Dharmapuri	12. Dharmapuri	1965	20.28
8	Salem	13. Salem	1967	19.55
		14. Mettur	1967	184.38
		15. Sooramangalam	1986	27.5
9	Erode	16. Erode	1959	25.13
10	Coimbatore	17. Kurichi	1972	88.43
		18. Kalapatti	1972	13.46
11	Cuddalore	19. Cuddalore	1971	15.60
		20. Vadalur	1972	26.22
		21. Vriddhachalam	1961	41.53

12	Thanjavur	22. Thanjavur	1968	21.94
		23. Kumbakonam	1968	32.30
13	Nagapattinam	24. Nagapattinam	1966	20.97
14	Tiruchirapalli	25. Thuvakudi	1974	478.38
		26. Thiruverambur	1974	74.50
		27. Ariyamangalam	1974	17.64
15	Karur	28. Karur (Vellalapatti)	1974	26.63
16	Pudukkottai	29. Pudukkottai	1974	23.18
17	Theni	30. Theni	1963	26.59
18	Dindigul	31. Dindigul	1965	39.90
		32. Batlagundu	1965	16.26
19	Madurai	33. K.Pudur	1960	56.05
		34. Kappalur	1966	534.64
20	Sivaganga	35. Sivaganga	1966	70.61
		36. Karaikudi	1966	180.19
21	Virudhunagar	37. Virudhunagar	1958	45.65
22	Tirunelveli	38. Pettai	1959	50.55
23	Thoothukudi	39. Kovilpatti	1962	85.54
24	Kanyakumari	40. Konam	1964	20.70
		41. Marthandam	1964	7.50
		Total		4511.40

Annexure – 3.3
Establishment of Industrial Estates during 2011-19

Sl. No.	Name of the Industrial Estate	Year of formation	Area (in Acres)
1	Rasathavalasu (Tiruppur District)	2011	51.80
2	Mathur (New) (Pudukottai District)	2013	19.92
3	Vaniyambadi (Vellore District)	2013	7.08
4	Venmaniathur (Villupuram District)	2011	36.82
5	Virudhunagar (Urban) (Virudhunagar District)	2013	37.54
6	Palayapatti (Thanjavur District)	2012	104.37
7	Pidaneri (Thoothukudi district)	2016	108.23
8	Pattanam (Villupuram District)	2014	60.55
9	Minnur (Vellore District)	2014	9.75
10	Kattuvannanjur (Villupuram District)	2014	42.00
11	Mallur (Ariyalur District)	2014	25.34
12	Parvathanahalli (Dharmapuri District)	2014	29.89
13	Vettampadi (Namakkal District)	2014	15.34
14	Asanur Phase-II, (Villupuram District)	2015	105.55
15	Periyanesalur (Cuddalore District)	2015	90.80
16	Punjaikalakurichi (Karur District)	2016	52.076
17	Sengarai(Tiruvallur District)	2017	36.25
18	Kornampatti(Salem District)	2017	16.61
19	Thandarai (Kancheepuram District)	2017	44.30
20	Echampadi(Dharmapuri District)	2017	50.46
21	Sakkarakottai(Ramanathapuram District)	2017	100.00
22	Marikkundu (Theni District)	2017	79.40
Total			1124.076

Annexure – 3.4

MSE – CDP (Common facility Centre) Scheme
Projects for which final approval obtained from Govt. of India-
implemented/under-implementation (30)

(Rupees in lakhs)

S. No.	Cluster name	Project cost of CFC	GOI grant	Govt. of TN grant	SPV contribution	Bank loan	Pre- sent Status
1	Sago & Starch, Salem	92.06	73.31	0.00	18.75	0.00	Project compl e- ted
2	Safety Matches, Gudiyatham	156.00	85.54	10.73	25.00	34.73	
3	Safety Matches, Virudhunagar	156.00	85.54	10.73	25.00	34.73	
4	Safety Matches, Srivilliputhur	156.00	85.54	10.73	25.00	34.73	
5	Safety Matches, Sattur	156.00	85.54	10.73	25.00	34.73	
6	Safety Matches, Kazhugumalai	156.00	85.54	10.73	25.00	34.73	
7	Safety Matches, Kovilpatti	156.00	85.54	10.73	25.00	34.73	
8	Printing, Krishnagiri	1172.52	964.14	100.00	108.38	0.00	
9	Auto components Hosur	690.94	439.89	70.75	105.30	75.00	
10	Wet Grinder, Coimbatore	288.20	99.00	16.52	172.68	0.0	
11	Ceramic, Vridhachalam	73.10	43.86	GO TN has given 2 sheds and + Rs. 9.57 lakhs	18.45	10.79	

S. No.	Cluster name	Project cost of CFC	GOI grant	Govt. of TN grant	SPV contribution	Bank loan	Pre-Status
12	Coir, Sivaganga	658.90	500.01	65.89	93.00	0.00	
13	Rice Mill, Keelapavoor	690.58	466.03	69.05	145.50	10.00	
14	Rice Mill, Alangulam	787.00	550.25	78.91	83.75	74.09	
15	Brick, Tirunelveli	227.28	122.72	22.72	29.55	52.27	Project under implementation
16	Engineering Ranipet, Vellore.	927.08	616.39	97.21	109.35	104.13	
17	Printing, Sivakasi	1314.75	767.81	90.66	180.28	276.00	Project completed
18	Rice Mill, Thanjavur	212.06	100.23	40.43	21.40	50.00	
19	Steel Product Fabrication Cluster, Salem.	1632.74	1277.71	100.00	253.03	0.00	
20	Plastic Cluster, Kancheepuram	1485.12	1026.96	100.00	258.16	100.00	
21	Engineering Cluster Paramakudi	498.89	373.80	23.34	53.75	48.00	
22	Gate & Grills, Thirumullai-voyal	284.87	197.93	29.69	57.25	0.00	Project under implementation

S. No.	Cluster name	Project cost of CFC	GOI grant	Govt. of TN grant	SPV contribution	Bank loan	Present Status
23	Garment Cluster (Women), Dhalavai-puram	104.24	74.28	9.36	20.60	0.00	Project completed
24	Gold Jewellery, Madurai	356.46	255.80	29.14	39.92	31.60	
25	Power and Auto Loom, Salem.	1333.96	886.45	98.78	162.18	186.55	Project under implementation
26	Safety Match Cluster, O. Mettupatty	346.89	204.64	36.00	42.50	63.75	
27	Stainless Steel, Kumbakonam	126.30	98.83	7.90	19.57	0.00	
28	Coir, Erode	592.51	404.44	48.65	60.00	79.42	
29	Engineering Cluster Ambattur	1124.42	805.33	54.44	114.65	150.00	Project completed
30	Gold Jewellery, Trichy	360.30	288.24	36.03	36.03	0.00	Project under implementation
	Total	16317.17	11151.29	1289.85	2354.03	1519.98	

Annexure 3.5

MSE – CDP (Common facility Centre) Scheme

Projects for which In-principle (10) approval obtained from Govt. of India

(Rupees in lakhs)

Sl. No.	Cluster name	Project cost of CFC	GOI grant	Govt. of TN grant	SPV contribution	Bank loan	Remarks
1	Design Cluster, Tirupur,	1479.64	987.78	147.96	343.90	0.00	In-principle approval received from Govt. of India.
2	Lorry Body Building Cluster, Namakkal	1661.99	1310.07	166.19	185.73	0.00	
3	Home Furnishing Cluster, Karur	1507.20	1178.99	150.70	177.51	0.00	
4	Furniture Cluster, Salem	1446.33	1112.22	144.63	189.48	0.00	
5	Printing Cluster, Salem	1350.23	1124.60	90.60	135.03	0.00	
6	Power Loom Cluster, Palladam,	1762.23	1173.78	176.22	412.23	0.00	
7	Auto Loom and Power Loom Cluster Rasipuram,	2010.66	1248.94	201.06	560.66	0.00	
8	Apparel cluster, Tiruppur	1556.94	856.94	300.00	400.00	0.00	
9	Sweater Cluster (Women), Coonoor,	260.58	227.18	28.40	5.00	23.40	
10	Textile Knitting Cluster	1535.93	835.93	300.00	400.00	0.00	Final approval accorded by Govt. of India.
Total		14571.73	10056.43	1705.76	2809.54	23.40	

Annexure 3.6

MSE – CDP (Common Facility Centre) Scheme

4 New Projects cleared by Government of Tamil Nadu and recommended to Govt. of India for approval.

(Rupees in lakhs)

Sl. No.	Cluster name	Project cost of CFC	GOI grant	Govt. of TN grant	SPV contribution	Bank loan
1	Print and Pack Products Cluster, Hosur	1395.22	1143.22	100.00	152.00	0.00
2	Warping and Sizing Cluster, Erode	1868.08	1050.00	100.00	718.08	0.00
3	Fabrication (Agricultural Implemen-tation) Cluster, Perambalur	1218.68	953.05	100.00	125.63	40.00
4	Textile Printing Cluster, Tirupur	1466.86	1184.80	100.00	182.06	0.00
Total		5948.84	4331.07	400.00	1177.77	40.00

**MICRO, SMALL AND MEDIUM ENTERPRISES DEPARTMENT
BUDGET ESTIMATE**

DEMAND NO.44

(Rupees in thousands)

Major Heads	Budget Estimate 2018-19	Revised Estimate 2018-19	Budget Estimate 2019-20
2851-VILLAGE AND SMALL INDUSTRIES	430,68,07	403,82,02	388,63,11
2852-INDUSTRIES	11,56,87	12,23,31	12,57,35
3451-SECRETARIAT ECONOMIC SERVICES	4,38,34	4,31,41	4,05,70
4059-CAPITAL OUTLAY ON PUBLIC WORKS	1	29,65	-
4851-CAPITAL OUTLAY ON VILLAGE AND SMALL INDUSTRIES	94,03,01	48,32,65	71,00,00
7610-LOANS TO GOVERNMENT SERVANTS ETC.	1	1	1
Total	540,66,31	468,99,05	4,76,26,17