



Micro, Small and Medium Enterprises Department

**Policy Note
2014 - 2015**

Demand No.44

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Labour**

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**Government of Tamil Nadu
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Micro, Small and Medium Enterprises Department

Policy Note – 2014-15

1. Overview

MSMEs are considered as engines of economic growth in both developed and developing countries. The major advantage of the sector is its employment potential at low capital cost. The labour intensity of the MSME sector is much higher than that of large enterprises. They further help to achieve fair and equitable distribution of wealth by regional dispersion of economic activities. MSMEs assist in fostering a self-help and entrepreneurial culture by bringing together skills and capital through various lending and skill enhancement schemes. 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 MSME Sector in the Global Economy

The MSME sector is the backbone of the economy particularly in developing countries. The Organisation for Economic Co-operation and Development (OECD) reports that, more than 95% of enterprises in the OECD area are MSMEs. These enterprises account for almost 60% of private sector employment, make a large contribution to innovation, and support regional development and social cohesion.

In developing countries, the MSME sector makes a vital contribution to GDP and employment. Higher growth rate of MSME's has a direct effect on GDP growth due to increased output, value addition and profits. MSME growth also impacts GDP indirectly, through increased innovation and macro-economic resilience of the overall economy.

1.2 Role of MSMEs in a Developing Economy

Unemployment and underemployment are the prevailing economic ailment in most of the Asian countries and they are result of a fundamental disproportionate relationship between population the use of available resources. In many Asian countries, large-scale industrialization has been slow particularly attributed to the shortage of supply of capital. Under the circumstances, the problem of unemployment and under-employment can be tackled by the expansion and modernization of the existing small-scale /cottage industry and by the introduction of new industries capable of raising the level of production and improving the present depressed standard of living. The large scale industry has been slow to develop and has succeeded to a very limited extent in absorbing the surplus population of the countryside. MSMEs are still the most extensive tools for controlling unemployment world over.

1.3 Role of MSMEs in the Indian Economy

The micro, small and medium enterprises constitute a very important segment of the Indian economy. Today, it accounts for nearly 45% of the gross value of output in the Manufacturing Sector and over 40% of the total exports from the country. In terms of value added this sector accounts for about 40% of the value addition in the Manufacturing Sector. The sector's contribution to employment is second highest next to agriculture. It has been estimated that every one lakh rupees of investment in fixed assets in the MSMEs sector generates employment for about 0.21 persons as per IV All India Census of MSMEs.

The capability of Indian MSME products to compete in international markets is reflected in its share of about 40% in national exports. In case of items like readymade garments, leather goods, processed foods, engineering items, the performance has been commendable both in terms

of value and their share within the MSME sector while in some cases like sports goods etc., they account for 100% share to the total exports of the sector.

The MSME sector has consistently registered a higher growth rate compared with overall industrial sector. With its agility and dynamism, the sector has shown admirable innovativeness and adaptability to survive the economic downturn and recession.

1.4 MSMEs in Tamil Nadu

The MSME sector has a major contribution to the economy of Tamil Nadu. Tamil Nadu has 9.68 Lakh registered MSMEs as on 31.3.2014. This sector provides employment to about 63.18 Lakh persons and accounts for a total investment of Rs.67,130 crore. MSMEs in Tamil Nadu produce over 6000 varieties of products including engineering products, electrical, electronics,

chemicals, plastics, steel, cement, paper, matches, textiles, hosiery, readymade garments etc.

The table given below indicates the trend in growth of micro, small and medium enterprises during the last ten years and the level of investment, employment, etc, it has created:-

Trend in the Growth of MSMEs in Tamil Nadu

Year	Number of units	Investment (Rs. In crore)	Production (Rs. In crore)	Employment (in Numbers)
2004-05	16253	1105.81	4556.97	60280
2005-06	20399	1705.20	4414.87	67800
2006-07	19201	714.41	2067.87	110026
2007-08	27209	2547.14	8739.95	242855
2008-09	32049	3557.89	13354.86	294255
2009-10	41799	3214.22	10880.01	151743
2010-11	57902	5872.37	12500.86	405233
2011-12	70758	7429.59	15496.00	502381
2012-13	83348	8751.54	17503.08	583436
2013-14	116393	18939.87	16832.25	494990

There has been a phenomenal growth in the number of MSMEs in Tamil Nadu from 3,87,597 in 2000 to 9,67,636 registered MSMEs as on 31.03.2014.

1.5 Vision Tamil Nadu 2023

The Vision Tamil Nadu 2023 released by Hon'ble Chief Minister has listed the following major issues as confronting the SME sector.

- ❖ Access to finance
- ❖ Conducive regulatory and policy environment
- ❖ Access to technology
- ❖ Market access
- ❖ Infrastructure availability

The Vision document has also suggested a strategy for effectively addressing the above issues through a combination of policy measures, skill development and infrastructure facilities. Measures

such as cluster development will be adopted in implementing focused initiatives to make SMEs competitive.

1.6 Special Package of Incentives announced by the Hon'ble Chief Minister

The Hon'ble Chief Minister announced a Special Package to encourage the Micro, Small and Medium Enterprises sector on the floor of the Legislative Assembly under Rule 110 on 7.5.2013. This package contains the following 10 Announcements:

- (i) The subsidy granted on the total cost of the machineries and equipments to Micro, Small and Medium Enterprises set up in the Industrial Backward Areas Micro Enterprises set up in all parts of the State and for the agro based Micro, Small & Medium production Enterprises will be enhanced from 15% to 25%. The subsidy for this will be a maximum limit of Rs.30 Lakh.
- (ii) To further encourage the development of Micro, Small and Medium Enterprises, in order to form new Industrial Estates a land

bank of about 2000 acres will be formed in a phased manner through Small Industries Development Corporation in various places in the State.

- (iii) To facilitate the growth of Micro, Small and Medium Enterprises by having close locational proximity with the large industries so that comprehensive benefits are extended to them, minimum 20% of the total area of land lying contiguous in all the Industrial Estates developed / to be developed by SIPCOT will be set apart for MSMEs and to be handed over to SIDCO on outright sale basis. SIDCO in turn will develop the land obtained from SIPCOT and allot to Micro, Small and Medium Enterprises, unlike in the past where the allotment of plots / sheds more than 5000 sq.ft requires government sanction, hereafter SIDCO would be conferred with power to allot plots / sheds up to the extent of 50 cents.
- (iv) The industrial units functioning in proximity to human habitations / residential areas, are causing pollution and lack of space had made their expansion impossible. The Government would offer all assistance and other facilities to entrepreneurs prepared to shift their units outside town areas. If these scattered units willing to shift outside the

urban areas, the Government would provide 75 % grant of the total project cost and a maximum of Rs.15 crores for getting electricity and water connections and other infrastructure facilities like conference halls, common facility centres etc. Similarly, entrepreneurs associations coming forward to set up new clusters in the outskirts of towns/ cities will be provided 50% grant upto a maximum limit of Rs.10 crores.

- (v) As no consistent, uniform policy of land pricing for Micro, Small and Medium Entrepreneurs is suitably available in SIDCO, and revising the policy of SIDCO in allotting industrial plots / sheds to Micro, Small and Medium Entrepreneurs on outright sale basis or on hire purchase basis, a suitable land pricing policy for the allotment of industrial plots through SIDCO will be formulated to make it consistent and entrepreneurs friendly. The Industrial Plots/Industrial sheds in the Industrial Estates will also be considered for allotment on 30 years lease basis. An option will be given to the entrepreneurs to buy the plot on full cost basis at the end of 30 years lease period.
- (vi) Creation of new industrial estate involves various stages i.e. from getting suitable land

(both private and Government) for the formation of the estate till approval of the layout of the new industrial estate. The entire process involves clearances and approvals from various Government agencies / departments. In order to avoid delay, a state level Single Window Clearance Committee under the Chairmanship of Chief Secretary will be constituted.

- (vii) SIDCO with a mission to accelerate the growth of Micro, Small and Medium Enterprises in the State of Tamil Nadu is developing, upgradation and maintaining the Industrial Estates in various places, for which SIDCO avails the grants received from State and Central Governments in addition to its own funds. In order to strengthen the financial base of SIDCO, a further sum of Rs.16 cores will be additionally provided by the State Government to SIDCO as additional share capital of the Government.
- (viii) The multi-storeyed industrial complexes would be set up since the land cost around Chennai had gone up manifold and there are no adequate land space for expanding the existing industrial units. In order to overcome this, a multi-storeyed Industrial

Complex will be established in Tirumazhisai near Chennai as a first step at a cost of Rs.20 crores and small entrepreneurs will be allotted modules on long term basis.

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- (ix) To achieve the goal set right in Vision 2023 and to create Micro, Small and Medium Entrepreneurs, by considering the necessity of various Industrial clusters, Government have decided to provide training like Technology based Entrepreneur Development Training and Capacity building training through Entrepreneurship Development Institute. Further, to solve the problems faced by the Women Self Employment Group special employment training for women will be designed and implemented. To implement this training programme, a sum of Rs.5 crore will be

provided to Entrepreneurship Development Institute as grant.

- (x) In order to promote joint ventures, if private Industrial Associations come forward to setup Industrial Estates, SIDCO would participate in the equity capital upto 10% to form new estates.

Appropriate orders were issued by the Government on all announcements. The above mentioned announcements were well received by the Micro, Small and Medium Enterprise (MSME) Entrepreneurs and Industrial Associations in the State.

1.7 Micro, Small and Medium Enterprises Department

This Department has following six major organisations under its ambit.

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

- d. The Entrepreneurship Development Institute (EDI)
- e. Tamil Nadu Small Tea Growers Industrial Cooperative Tea Factories Federation (Indcoserve)
- f. Salem Starch and Sago Manufacturers Service Industrial Cooperative Society Ltd. (Sagoserve)

The Commissionerate of Industries and Commerce provides all escort and hand holding support to entrepreneurs through District Industries Centres. Tamil Nadu Small Industries Development Corporation Limited (SIDCO) provides industrial plots/sheds and other infrastructure facilities for MSMEs. TANSI undertakes manufacture of wooden and steel furniture, hand pumps, EB line materials. The Entrepreneurship Development Institute, popularly called EDI was constituted by the Government with the aim of catering to the training needs of Micro, Small and Medium Enterprises. Tamil Nadu Small Tea Growers Industrial Cooperative Tea Factories Federation called 'Indcoserve' was established in 1965 at Coonoor, to market the products of member tea factories to get

better prices. Salem Starch and Sago Manufacturers Service Industrial Cooperative Society Ltd. popularly known as 'Sagoserve' facilitates to market the products, and also provides ware-housing and credit facilities to its members.

1.8 The Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

Government of India enacted the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 to facilitate integrated development of Micro, Small and Medium Enterprises. It provides the first-ever legal framework for recognition of the concept of "enterprises" which comprises both Manufacturing and Service entities. It defines Medium Enterprises for the first time and seeks to integrate the three tiers of these enterprises, namely, Micro, Small and Medium Enterprises. The Act also provides for a statutory consultative mechanism at the National level with balanced representation of all sections of stake-holders, particularly the three classes of enterprises and with

a wide range of advisory functions. As per the MSMED Act 2006, the enterprises are classified into Manufacturing and Service enterprises based on their investment in plant and machinery/ equipment (excluding land and buildings) as indicated below:-

Manufacturing Enterprises

Micro Manufacturing Enterprises	Upto Rs. 25 Lakh
Small Manufacturing Enterprises	Above Rs.25 Lakh and upto Rs.5 Crore
Medium Manufacturing Enterprises	Above Rs. 5 Crore and upto Rs.10 Crore

Service Enterprises

Micro Service Enterprises	Upto Rs. 10 Lakh
Small Service Enterprises	Above Rs. 10 Lakh and upto Rs. 2 Crore
Medium Service Enterprises	Above Rs. 2 Crore and upto Rs. 5 Crore

1.9 Employment generation by MSMEs

Government of Tamil Nadu introduced exclusive policy for the Micro, Small and Medium

Enterprises to provide holistic frame work for annual growth rate of over 10 % on sustainable basis and to generate direct and indirect employment opportunities to the tune of 10 Lakh during the XI Five Year Plan period.

The Policy provides for incentive schemes, infrastructure development, technology up-gradation, skill development, marketing support, deregulation and simplification, administrative reforms and rehabilitation of sick enterprises in the State.

Against the target of generating 10 lakh employments during the XI Five Year Plan period, 10.57 lakh employments were created in the State.

During the XII Five Year Plan period (2012-2017) it has been proposed to generate direct and indirect employment opportunities to 15 Lakh persons. During the first 2 years (2012-13 & 2013-14) of XII Five Year Plan, employment

opportunities have been created for 6.82 lakh persons in the state as detailed below:

Year	Employment Generated
2012-13	3,38,435
2013-14	3,43,665
Total	6,82,100

2. The Commissionerate of Industries and Commerce

The Commissionerate of Industries and Commerce is the State level agency for the development of industries in general and Micro, Small and Medium Enterprises in particular. District Industries Centres (DICs) are functioning in all the (32) Districts under the control of this Commissionerate. In Chennai, the Regional Joint Director heads the District Industries Centre. District Industries Centres facilitate prospective entrepreneurs in starting and sustaining Industrial enterprises and provide a variety of escort services to the entrepreneurs like, identification of viable activities, preparation of project profiles, obtaining financial assistance from various banks/financial

institutions and statutory clearances from Government Departments, sanction and disbursement of eligible subsidies and facilitation in obtaining payments in delayed cases.

2.1 Filing of Entrepreneur Memoranda

The filing of an Entrepreneur Memorandum is optional for micro and small manufacturing/ service enterprises and medium service enterprises, but compulsory for medium manufacturing enterprises as per the MSMED Act, 2006. Any person who intends to start a micro or small enterprise may file this memorandum, on a voluntary basis, in the prescribed format with the General Manager, District Industries Centre of the concerned District / the Regional Joint Director of Industries and Commerce, in Chennai.

The Department has introduced an user friendly system for the 'Online' filing of the Entrepreneur Memoranda, Part I and II, by which

any MSME entrepreneur can log on to the website www.msmeonline.tn.gov.in and file application through online and obtain the EM Acknowledgement instantly, without visiting the District Industries Centres. From August 2013 onwards, the issue of Entrepreneur Memorandum Part I and Part II has been made 100% online.

This scheme of online filing has evoked a good response from the entrepreneurs. It may be noted that 4,08,605 Entrepreneur Memoranda (Part-I) and 3,22,182 Entrepreneur Memoranda (Part-II) have been issued through online as on 31.03.2014.

Increasing trend in filing online entrepreneur Memoranda

Entrepreneur Memoranda PART - I

Year	Manual	Online	Total	% of EM filed online
2007-08	35072	-	35072	0.0
2008-09	22037	21395	43432	49.3
2009-10	11711	55177	66888	82.5
2010-11	12059	65760	77819	84.5
2011-12	9999	73935	83934	88.1

2012-13	9997	84819	94816	89.5
2013-14	1442	107519	108961	98.68
Total	102317	408605	510922	79.97

Entrepreneur Memoranda PART - II

Year	Manual	Online	Total	% of EM filed online
2007-08	27209		27209	0.0
2008-09	22642	9407	32049	29.40
2009-10	10673	31126	41799	74.50
2010-11	16514	41388	57902	71.50
2011-12	18867	51891	70758	73.30
2012-13	16457	74517	90974	81.91
2013-14	2540	113853	116393	97.82
Total	114902	322182	437084	73.71

2.2 Incentive Schemes

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

2.2.1 Subsidy schemes for micro manufacturing enterprises

- ❖ Based on the representations of the MSME Sector, Government have increased the Capital Subsidy from 15% to 25% in order to give a fillip to the MSMEs and to improve the economic conditions of MSMEs from 07.05.2013.
- ❖ 20% low tension power tariff subsidy for the first 36 months from the date of

commencement of commercial production or from the date of power connection, whichever is later.

- ❖ Reimbursement of 100% subsidy on the net value of Value Added Tax (VAT) paid by them for the first 6 years up to the value of investment made in plant and machinery on quarterly basis.
- ❖ Stamp duty exemption on mortgaged and pledged documents.

2.2.2 Subsidy schemes for industrially backward blocks and agro based enterprises

Micro, Small and Medium Manufacturing Enterprises established in 251 industrially backward blocks, all industrial estates promoted by the Government and Government Agencies like SIPCOT, SIDCO, etc., (excluding Industrial Estates located within a radius of 50 Kms from Chennai city centre) and agro based enterprises set up in all the 385 Blocks in the State are eligible for the following package of incentives:

- ❖ 25% capital subsidy on the value of eligible plant and machinery subject to a maximum of Rs.30 lakh.
- ❖ 5% additional employment intensive subsidy on the value of eligible plant and machinery for providing employment to 25 workers for 3 years within the first 5 years from the date of commencement of commercial production, subject to a maximum of Rs.5 lakh.
- ❖ 5% additional capital subsidy on the value of eligible plant and machinery for enterprises set up by women, SC/ST, differently abled and transgender entrepreneurs subject to a maximum of Rs.2 lakh.
- ❖ 25% additional capital subsidy on the value of eligible plant and machinery installed to promote cleaner and environment friendly technologies subject to a maximum of Rs.3 lakh, if certified by the Tamil Nadu Pollution Control Board.
- ❖ 20% low tension power tariff subsidy for the first 36 months from the date of commencement of commercial production or from the date of power connection whichever is later.

2.2.3 Special Capital Subsidy for Thrust Sector Enterprises

A Special Capital Subsidy of 25% on the eligible plant and machinery subject to a maximum of Rs.30 lakh is extended to 13 thrust sector enterprises setup anywhere in the State viz., 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 materials, Readymade Garments, Food Processing, Plastic and Rubber Industries.

2.2.4 Generator Subsidy

Micro, Small and Medium manufacturing enterprises anywhere in the State, which purchase Generator sets up to 320 KVA capacity are eligible for a Generator Subsidy at 25% of the cost of the generator set, subject to a maximum of Rs.5 lakh.

2.2.5 Back-ended Interest Subsidy

Back-ended interest subsidy at the rate of 3%, subject to a maximum of Rs.10.00 lakh 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).

2.2.6 Value Added Tax Reimbursement Subsidy

All micro manufacturing enterprises are entitled to reimbursement of 100% subsidy on the net Value of Value Added Tax paid by them for the first 6 years from the date of commencement of production, up to the value of the investments made in eligible Plant and Machinery on quarterly basis.

2.2.7 Low Tension Power Tariff Subsidy

The following categories of Micro, Small and Medium Enterprises are eligible for sanction of 20% of total electricity charges for the first 36 months from the date of commencement of production or

from the date of power connection, whichever is later.

- ❖ All new Micro Manufacturing Enterprises set up anywhere in the State
- ❖ All New Micro, Small, Medium, Agro based and Food Processing Enterprises set up in all 385 blocks in the State.
- ❖ All New Small and Medium Manufacturing Enterprises set up in backward areas and industrial estates, excluding the industrial estates located within the radius of 50 Kms from Chennai city's centre.
- ❖ Existing Manufacturing Enterprises of the above three categories which have taken up substantial expansion / diversification of their existing activities.

2.3 Schemes for Technology Development

Government provides assistance to MSME's for technology development through the following schemes:

- ❖ 50% subsidy on the cost of filing a patent application subject to a maximum of Rs.2.00 Lakh per application.
- ❖ 50% of the cost of the application for trade mark registration or Rs.25,000/- whichever is less.
- ❖ Creation of a Technology Development Fund for evolving cleaner / energy efficient / IT enabled technologies.
- ❖ Assistance for creation of Centres of Excellence and Technology Business Incubators for introduction of new production techniques and design development to the tune of Rs.50 Lakh per incubator / centre of excellence.

2.4 Marketing Support

The marketing support is extended by Government to Micro and Small manufacturing enterprises by allowing waiver of Earnest Money Deposit for participation in tenders, granting 50% of hall rent for participation in exhibitions within the

State and also in other States by MSME Associations and also by extending support for marketing under a common banner or brand name

2.5 Prime Ministers' Employment Generation Programme (PMEGP)

Government of India have introduced the credit linked subsidy scheme called "Prime Minister's Employment Generation Programme (PMEGP)" by merging erstwhile Prime Minister's Rozgar Yojana Scheme and Rural Employment Generation Programme (REGP) to empower the first generation entrepreneurs for setting up micro enterprises. The scheme provides loan assistance up to a maximum of Rs. 25 Lakh to set up manufacturing enterprises and upto a maximum of Rs.10 Lakh to set up service enterprises. The Khadi and Village Industries Commission (KVIC) is the National level nodal agency to implement the scheme. Khadi and Village Industries Commission (KVIC), Tamil Nadu Khadi and Village Industries Board (TNKVIB) and the District Industries Centres (DICs) are implementing the Scheme with the assistance of the banks in the State.

Under General Category the beneficiary shall contribute 10% of the project cost and the beneficiary under special category (SC/ST, OBC/Minorities/Women, Ex-serviceman, Differently abled person shall contribute 5% of the Project cost towards the cost of the project . The term loan will be provided by banks for the remaining amount.

Government of India provides subsidy to the beneficiaries as shown below:

Category	Urban area	Rural area
General	15% of project cost	25% of project cost
Special	25% of project cost	30% of project cost

Government of India have released Rs.54.92 crore for the financial year 2013-14, towards Margin Money subsidy to the agencies in the State. Totally, a sum of Rs.47.38 crore, has been released towards Margin Money subsidy to 1985 beneficiaries under the scheme as on 31.03.2014 in the State.

2.6 Unemployed Youth Employment Generation Programme (UYEGP)

Government of Tamil Nadu during the year 2010-11, have introduced a scheme called “Unemployed Youth Employment Generation Programme (UYEGP)” with an objective of mitigating the unemployment problems of socially and economically weaker sections of the society, particularly the educated and unemployed youth to become self employed. Under the scheme the entrepreneur shall set up the Manufacturing / Service / Business enterprises for the projects with project cost upto the maximum of Rs. 5 Lakh, Rs. 3 Lakh and Rs. 1 Lakh respectively, with subsidy assistance from the State Government up to 15% of the project cost. The beneficiaries under General category shall contribute 10% of the project cost and the beneficiary under special category (SC/ST/BC/MBC, Minorities/Women, Ex-Service man, Differently abled person and Transgender) shall contribute 5% of the project cost. The balance

amount of the total project cost will be provided by banks as term loan.

As on 31.03.2014, a sum of Rs.13.90 crore of subsidy has been disbursed benefitting 4293 persons.

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

A scheme “New Entrepreneur-cum-Enterprise Development Scheme” (NEEDS) was launched by the Hon'ble Chief Minister and implemented from 2012-2013 onwards for assisting educated youth to become first generation entrepreneurs. The selected entrepreneurs will be assisted, to prepare their business plans and helped to tie up with financial institutions to set up new business ventures and also will be linked with major industrial clients. The selected beneficiaries will be assisted to avail term loans from Banks /Tamil Nadu Industrial Investment Corporation Limited (TIIC) with a

capital subsidy at the rate of 25% of the project cost (not exceeding Rs.25 lakh), with 3% interest subvention on Bank loan by the Government. The minimum project cost will be above Rs.5 Lakh and the maximum project cost will be Rs.1 crore. For projects costing more than Rs.1 crore, subsidy component will be restricted to Rs.25 lakh.

Entrepreneurship Development training will be imparted to the selected beneficiaries for one month by the Entrepreneurship Development Institute. A total of 1000 entrepreneurs are being trained every year from the year 2012-13 onwards. Subject to availability, they will also be provided with reservation up to 25% for allotment of plots / sheds in the Industrial estates of Tamil Nadu Small Industries Development Corporation Limited.

Selection of beneficiaries for training will be done at the District level by a Task Force Committee chaired by the District Collector as its Chairman and General Manager, District Industries

Centres / Regional Joint Director of Industries and Commerce as Member Convenor. The Industries Commissioner and Director of Industries and Commerce periodically review and monitor the progress of this scheme at the State level.

The promoter's contribution under this scheme will be 10% of the project cost for general category and 5% for special category (BC / MBC/ DNC /SC /ST / Women / Minorities / Ex-Servicemen /Transgender / Differently abled). Further, priority will be given by reserving 18% for Scheduled Caste (SC), 1% for Scheduled Tribe (ST), 3% for Differently abled beneficiaries. 50% has been earmarked for women beneficiaries in this scheme.

A sum of Rs.25 crore was allocated towards subsidy component for the implementation of the scheme for the year 2013-14. A sum of Rs.100.00 crore has been allocated for this scheme for the year 2014-15.

2.8 District Enterprises Development Consultative Committee

The existing Single Window Clearance Committee under the chairmanship of the respective District Collector, meets periodically to expedite the process of issue of licences/ clearances in the cases where there is delay. Due to recent developments, it was felt that the Single Window Committee has to be empowered to strengthen its functions.

In order to further streamline the process and to strengthen the existing Single Window Clearance Committee, Government have constituted District Enterprises Development Consultative Committee. All the applications from Micro, Small and Medium Enterprises for issue of various clearances/ licences for proposed Industrial units should be submitted to the General Manager, District Industries Centre in the prescribed common application form. Instances where applications are directly received by the

concerned Departments, the Committee should be informed by the line Departments on a monthly basis about the orders passed on such cases.

The General Manager, District Industries Centre will forward the applications to the concerned departments for issue of various licences /clearance within the prescribed time limit of 30 days, but not exceeding 60 days. The activities of Tamil Nadu Pollution Control Board have also been brought under the purview of the District Enterprises Development Consultative Committee.

If the licences/clearances are not issued to the industrial units within the prescribed time limit by the concerned departments, such cases will be placed before the ensuing meeting of the District Enterprises Development Consultative Committee. During 2013-14, out of 946 applications received, 868 applications have been disposed of till 31.3.2014.

2.9 Rehabilitation of sick Micro, Small and Medium Enterprises

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

The Government have constituted the State Level Rehabilitation Committee (SLRC) under the Chairmanship of the Secretary to Government,

Micro, Small and Medium Enterprises Department to look into the problems and the extent of sickness of MSMEs so as to suggest measures for their rehabilitation. The above Committee has to meet on quarterly basis to review and monitor the implementation of the Rehabilitation Scheme of sick MSMEs in the State.

2.10 Credit Flow to Micro and Small Enterprises Sector

The Commercial Banks provide credit to the entrepreneurs establishing Micro and Small Enterprises. For the period from April 2013 to March 2014, an amount of Rs.18591.68 Crore and Rs.20775.23 Crore have been sanctioned as credit to Micro and Small Enterprises respectively, in the State. The disbursement made from April 2013 to March 2014 is Rs. 39366.91 Crore. The share of advance to Micro Enterprises to total Micro and Small Enterprises upto March 2014 is 47.23%.

2.11 Micro and Small Enterprises Facilitation Councils

Government have constituted four Regional Micro and Small Enterprises Facilitation Councils at Chennai, Tiruchirappalli, Madurai and Coimbatore to facilitate speedy settlement of dues with respect to the goods supplied to major industrial undertakings by the Micro and Small Enterprises in accordance with the Micro, Small and Medium Enterprises Development Act 2006. In the financial year 2013-14, 15 sittings were conducted and an amount of Rs. 5.57 crore has been realised to 62 Micro and Small Enterprises.

2.12 Testing Facilities

2.12.1 Electrical Testing Centre, Kakkalur, Thiruvallur District

Central Electrical Testing Laboratory, Kakkalur was established in the year 1973 to cater

to the needs of Micro, Small and Medium Electrical and Electronics Enterprises and Quality Marking Organizations. This modern laboratory is accredited by the National Accreditation Board for Testing and Calibration Laboratories (NABL) and is recognized by the Bureau of Indian Standards (BIS). It offers testing facilities for more than 160 Electrical Products / Equipments including Electrical Appliances, Cables, Lamps, Energy Meters etc., in accordance with the relevant Indian Standard Specifications besides calibration facilities.

Bureau of Indian Standards (BIS), Directorate General Supply and Disposal(DGS&D), Quality Control / Marking Organisations, Private Manufacturers and various State and Central Government Departments/ Undertakings are major beneficiaries. During 2013-14, 5841 samples have been tested, yielding a revenue of Rs. 2.39 crore to Government.

2.12.2 Chemical Testing Laboratories

With a view to provide comprehensive testing facilities to various types of industries in particular the Micro, Small and Medium Enterprises, five testing laboratories were set up at Chennai, Madurai, Coimbatore, Salem and Thoothukudi. These testing facilities are provided at 50% concession on testing charges to the Micro and Small Enterprises having Entrepreneur Memorandum Part-II issued by the Department of Industries and Commerce.

A technical library with books in the field of Analytical Chemistry, Chemical Engineering, Industrial Chemistry and Small Scale Industrial Projects also with Indian Standard & British Standard Specifications and Pharmacopeia are available at the Chennai Laboratory. During 2013-14, these labs tested 81,451 samples and earned revenue of Rs. 2.44 crore to Government.

2.13 Technical Training Institutes

Based on the announcement made by the Hon'ble Chief Minister, a sum of Rs.3 crore was sanctioned to undertake the infrastructure Development Works in the following training institutes:-

1.	Government Technical Training Centre, Guindy	Rs. 120.00 lakh
2.	Institute of Tool Engineering, Dindigul	Rs. 95.00 lakh
3.	Institute of Ceramic Technology, Vridhachalam	Rs. 85.00 lakh

2.13.1 Government Technical Training Centre (GTTC) , Guindy, Chennai

GTTC, Guindy was established in the year 1962. The Institute is functioning for more than 50 years and is giving the following 3 years Diploma Courses:

1. DME (Tool & Die)
2. DME (Refrigeration & Air-Conditioning)

The candidates' intake strength has increased from 40 to 60 for DME (Tool & Die) course and from 30 to 40 for Refrigeration & Air-Conditioning course. Thus, the Institute is producing 100 Diploma Engineers approximately every year. These courses are being conducted with the approval of AICTE. The sanctioned amount of Rs.120 lakh was fully utilized and upgradation of infrastructure facilities work in this Training Institute was fully completed.

2.13.2 Institute of Tool Engineering(ITE), Dindigul

Institute of Tool Engineering, Dindigul was established in 1961. The Institute is functioning for more than 50 years and running three year DME (Tool & Die) Course. This Institute is producing approximately 44 Diploma Engineers every year. This course is being conducted with the approval of AICTE. The amount of Rs.95.00 lakh sanctioned

was fully utilized and upgradation of infrastructure facilities work in this Training Institute was fully completed.

2.13.3 Institute of Ceramic Technology, Vridhachalam

The Institute of Ceramic Technology, Vridhachalam, is offering a Diploma Course in Ceramic Technology. The duration of the course is 3 ½ years. Every year 50 students (10th pass) and 10 students (+2 pass) are admitted in the first and second year (lateral entry) respectively. The amount of Rs.85.00 Lakh sanctioned was fully utilized and upgradation of infrastructure facilities in this Training Institute was fully completed.

2.13.4 Government Scientific Glass Training Centre, Coimbatore

The Government Scientific Glass Training Centre was established in the year 1950 at Guindy, Chennai to impart practical training to students in the manufacture of Scientific Glass Apparatus and

the duration of the training course is Two years. In view of the poor enrolment of students, this Training Centre was shifted to Coimbatore and action is being taken to commence the training course.

2.13.5 Government Production Centre for Scientific Glass Apparatus, Coimbatore

Government Production Centre for Scientific Glass Apparatus, Coimbatore was established in the year 1972. This unit is engaged in the manufacture of Scientific Glass Apparatus to cater the needs of glass wares for laboratories functioning under Agriculture and Forensic Science Department.

2.13.6 Data Bank and Information Centre for Electrical and Electronics Industries, Chennai

This Centre provides information on relevant enterprises, offers project profiles on select projects and maintains a State wide Directory for the use of entrepreneurs to identify buyers and

sellers in electrical and electronic field. A technical library is also functioning in this centre with 1,517 books and 70 journals.

2.14 Enforcement of Quality Control Orders

The Quality Control Order Enforcement Centre for Domestic Electrical Appliances functioning under the Commissionerate of Industries and Commerce is engaged in creating awareness among consumers in Tamilnadu to use quality electrical products. The electrical and electronic wing of the Commissionerate implements the Household Electrical Appliances (Quality Control) Order, 1981 and the Electrical Wires, Cables, Appliances, and Protection Devices and Accessories (Quality Control) Order, 2003. Contravention of the first Order is punishable under the Essential Commodities Act, 1955. The second Order prohibits manufacture / storage for sale or distribution of specified items without the Bureau of Indian Standard marking. Contravention of this

order attracts penal action under Bureau of Indian Standards Act.

The General Manager, District Industries Centre of the concerned District and the Deputy Director (E&E), Quality Control Order Enforcement Centre, Chennai have been designated as the “Appropriate Authority” for the implementation of the provisions of these Orders. During 2013-14, 1963 inspections were conducted and 76 seizures were effected and criminal cases were filed.

To create better awareness among the general public, advertisement and press releases are issued from the offices of Deputy Director (E&E), Quality Control Order Enforcement Centre, Chennai and various other regional offices.

2.14.1 Steel and Steel Products (Quality Control) Order, 2012

Ministry of Steel, Government of India have notified Steel and Steel Products (Quality Control)

Order, 2012 and Steel and Steel Products (Quality Control) Second Order, 2012 to ensure that quality steel products reach the consumers. These orders cover 16 Steel products under Mandatory Bureau of Indian Standards Certification.

As per these orders “No person shall by himself or through any person on his behalf manufacture or Store for sale, Sell or Distribute any Steel and Steel Products specified in the schedule which do not conform to the specified standards and do not bear standard mark of the Bureau of Indian Standards. In the said order, the General Managers, District Industries Centres have been designated as the “Appropriate Authority” for implementation of the provisions of these orders.

In order to create awareness among the Manufacturers and Consumers about the notification issued by the Government of India for implementation of Steel and Steel Products Quality Control Order, the General Managers of District

Industries Centres are taking action by giving wide publicity through Newspaper and also through District Industries Association Magazines.

2.15 Government Industrial Estates

2.15.1 Ceramic Industrial Estate at Vridhachalam

Government have set up an Industrial Estate at Vridhachalam for the benefit of Ceramic Manufacturers. There are 64 industrial sheds in the industrial estate which are rented at the rate of Rs.1.75 (Rupee One and seventy five paise only) per sq.ft. per month. Industries located in this industrial estate are engaged in the manufacture of Low Tension Insulations, Ceramic Toys, Refractories and other ceramic products. This industrial estate helps to improve rural economy of this region.

2.15.2 Electrical and Electronic Industrial Estates

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

Government have issued Administrative sanction for a sum of Rs.2 crore vide G.O.(Ms) No.51, Micro, Small and Medium Enterprises (G) Department, dated 03.10.2013 for upgradation of basic infrastructure facilities for Electrical and Electronics Industrial Estates, Hosur, Suramangalam, Kappalur and Ceramic Industrial Estate in Virudhachalam.

2.16 Revamping of District Industries Centres

As per the announcement of the Hon'ble Chief Minister the Government have issued orders in G.O.(D)No.7 MS&ME(F) Department, dated 17.01.2013, for revamping of District Industries Centres in all 32 districts of the State at a cost of Rs.50 crore.

2.16.1 Upgradation of Infrastructure Facilities

The Government have sanctioned Rs.16.50 Crore for construction of new office buildings for the 11 District Industries Centres which are, at present, functioning in rented buildings. A sum of Rs.11.25 crore has been utilised for the new office buildings during 2013-14. Hon'ble Chief Minister has inaugurated the 5 new buildings for the District Industries Centres at Thiruppur, Nagapattinam, Namakkal, Thiruvarur and Theni through video conferencing on 25.6.2014. The Government have also sanctioned Rs.18 Crore for construction of additional office buildings and Rs.4.50 Crore for repair and renovation of the existing office buildings in 18 District Industries Centre offices.

A sum of Rs.11.46 crore has been utilised. Hon'ble Chief Minister has inaugurated the additional buildings for 7 District Industries Centres at Cuddalore, Dindigul, Krishnagiri, Salem, Madurai, Thanjavur and Vellore through video conferencing on 25.6.2014.

The Government have also sanctioned Rs. 2.42 Crore towards repair and renovation of existing District Industries Centre offices buildings in 3 Districts. A sum of Rs.1.37 crore has been utilised for the above works and they are nearing completion.

The proposed new office buildings will have all the required facilities such as Conference Hall, Video Conferencing, Product Display Centre and Computer Centre so as to cater to the needs of the office staff and entrepreneurs visiting the District Industries Centres.

2.16.2 Capacity Building

The Government have sanctioned Rs.3.28 Crore towards capacity building of the staff and officials of the Department by taking up technical / managerial training for the office staff and officers of all 32 District Industries Centres. It has also been proposed to take up exposure visits to other states and other countries to learn about their innovative projects and success stories. Similarly, seminars / training programmes are also proposed for Micro, Small and Medium Enterprises Associations and individual entrepreneurs on the latest developments and trends in India and global arena with regard to district specific activities/trades. So far, 283 persons were trained at a cost of Rs.21.06 lakh.

2.16.3 Upgradation and strengthening Information and Communication

Technology (ICT) facilities at District Industries Centres

The Government have sanctioned a sum of Rs.4.80 Crore for upgrading the existing information and communication technology (ICT) infrastructure facilities in all District Industries Centres. It is proposed to provide additional computer facilities, networking, software development enabling the District Industries Centres to provide the required facilities to office staff as well as entrepreneurs. So far Rs. 15 lakh have been spent for this work.

2.17 Industrial Cooperative Societies

Industrial Cooperative Societies have been organised with the objective of uplifting the economic conditions of the people living below the poverty line in the State. In addition to this, it also ensures safeguarding the interest of the poorest section against exploitative trends and to provide gainful employment to the economically weaker sections, namely, rural artisans, workers and

labourers. These societies also play an important role in ensuring remunerative prices to the growers like Small Tea Growers and Tapioca cultivators. Besides, the Cooperative Industrial Estates create opportunities to the poor entrepreneurs to start industries in such estates. These estates promote industrial development by way of providing developed industrial plots, constructed industrial sheds along with creation of infrastructural facilities to create a congenial atmosphere to the micro and small entrepreneurs to run the industries mainly providing employment to the women force in rural areas. These societies have been formed in trades like Tea, Sago, Matches, Coir, Banking, Polythene, Handicrafts, Tailoring, Labour Contract Service, Printing, Auto Service, Engineering, Metal, Industrial Estates and special types like Snake Catchers, Lock making, Goods transport, etc.

The Industries Commissioner and Director of Industries and Commerce is the Functional

Registrar of the Industrial Cooperatives in the State. As on 31.3.2014, there are 322 Industrial Cooperative Societies in this department, of which 268 societies are functioning on profit. All these societies have achieved a total sales turnover of Rs.923.78 crore during the year 2013-14. Besides, they have provided employment to more than one lakh persons with wage disbursement of Rs.16.85 crore.

2.18 Tea Sector

The Industrial Cooperatives play a pivotal role in the welfare of Small Tea Growers in Nilgiris District. Out of the total Small Tea Growers of about 63,000, more than 24,000 growers have been brought under the fold of Industrial Cooperatives. Such Tea factories under Cooperative Sector had been organised to safeguard the Small Tea Growers in Nilgiris District from the exploitation of bought leaf factories and with the aim of ensuring remunerative price for their green tea leaves. On seeing the successful functioning of first Indco Tea Factory established during 1961 at Kundah, many more such factories were organised on similar lines.

2.18.1 Industrial Cooperative Tea Factories

Now, there are 15 Industrial Cooperative Tea Factories functioning in Nilgiris district (Annexure-A), with the membership of 24,179. These Tea factories with the installed annual production capacity of 188 lakh kgs. of made tea, contribute 17% of total production of made tea in the State. In addition to providing remunerative price to its member-growers, they also render input services to them like supplying fertilizers, seedlings, tea leaf bags etc.

2.18.2 Upgradation of Green Leaf Weighing System

The Green Leaf collection mechanism being followed at present by Industrial Cooperative Tea Factories has some de-merits, giving room for complaints. In order to provide a fair, transparent and better Green Leaf collection and accounting mechanism at a reduced transaction time and cost, the Government have sanctioned Rs.50 lakh

towards purchase and installation of 100 Digital Green Leaf Weighing Scales in 7 Industrial Cooperative Tea Factories in the Nilgiris district.

2.18.3 Setting up of a new factory at Nanjanad

Based on the announcement made by the Hon'ble Chief Minister, the Government have accorded administrative sanction for setting up of a new Industrial Co-operative Tea factory at Nanjanad in Nilgiris District at a cost of Rs.5 crore. The Hon'ble Chief Minister has laid down the foundation stone on 4.1.2014. The NABARD has already sanctioned Rs.2.50 crore as term loan, the Government share capital is Rs.2 crore and share capital of its members is Rs.50.00 lakh. The construction work was entrusted with the Public Works Department and the tenders have been called for, for the purchase of machineries. On

commencement of the factory, about 1800 small teagrowers will be benefitted.

2.18.4 Indcoserve

After the formation of a number of Industrial Cooperative Tea Factories, there was a felt need to promote an Apex organisation to coordinate the activities of those factories in Nilgiris district. Based on this objective, the Tamil Nadu Small Tea Growers Industrial Cooperative Tea Factories Federation called Indcoserve was established in 1965 at Coonoor. Besides coordinating and facilitating the purchase of various items required by Indco Tea Factories, it also markets the products of member tea factories so as to enable them to get better prices which in turn would help them to provide remunerative prices to their member growers. Its other object is to market the branded and unbranded tea, packeted and straight tea etc. in India and abroad. It also provides ware-housing facilities to its member factories at Coonoor, Coimbatore and

Cochin. It sells Ooty Tea through Fair Price Shops under Public Distribution System to sustain the demand for the Nilgiris tea in the market and to ensure its availability to the consumers at reasonable price. The role of 'Indcoserve' and Industrial Cooperative Tea Factories in improving the economic conditions of Small Tea Growers has been recognized by all.

2.18.5 Teaserve

Towards achieving transparent and better price discovery mechanism for primary marketing of tea, an electronic Tea auction centre called 'Teaserve' was registered in 2002 and commenced its operation in 2003 at Coonoor. Industrial Cooperative Tea Factories, bought leaf factories, and 'Tantea' are the members of this Society. It ensures transparency in the sale of tea in the auction centre and eliminates brokers in the sale of tea, thereby ensures better selling price to the producers. This will ultimately benefit the

Small Tea Growers in getting remunerative price for their produce.

2.18.6 Sagoserve

The manufacturers of Starch and Sago products of Tapioca growing districts faced many problems pertaining to credit and marketing of Tapioca products like Sago and Starch. Merchants used to offer low prices for their goods and middlemen exploited this situation in the absence of organized marketing and ware-housing facilities. To get over these problems, the Salem Starch and Sago Manufacturers Service Industrial Cooperative Society Ltd popularly known as 'Sagoserve' was registered in 1981. After the emergence of Sagoserve, not only the bargaining power of manufacturers of Tapioca products has increased substantially in the field of marketing but also the middlemen were eliminated.

In order to mitigate the problems in testing the samples of members' products, the Sagoserve

has set up its own Testing Laboratory by establishing Common Facility Centre of Starch and Sago Cluster by availing financial assistance in Phase-I from Government of India under Micro and Small Enterprises-Cluster Development Programme (MSE-CDP). However, the Govt. of India have now approved setting up of Common Facility Centre including purchase of Laboratory Equipments, provision for Video Conferencing, installing packing machine and provision for conveyors for loading and unloading of bags at a total project cost of Rs.2.47 crore under Phase II.

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

In order to cater to the credit needs of the Industrial Cooperative Societies, the Tamil Nadu Industrial Cooperative Bank popularly known as TAICO Bank was established in 1961. The Bank is provided with the share capital of Rs.6.49 crore including Government share of Rs.2.68 crore and it has enrolled 415 Societies as its members. There

are 44 branches (Annexure-B) functioning all over the State having the head quarters at Chennai. Though the main object of the bank is to meet out the financial requirements of the Industrial Cooperative Societies, it is now extending various loans to the individuals, entrepreneurs, Government Employees and to the public. Being recognized by the Reserve Bank of India, the bank accepts deposits from the public and operates current accounts and savings accounts to them. The bank is also acting as Implementing Agency for various welfare schemes of TAMCO, THADCO and TABCEDCO. It also extends financial assistance under the departmental schemes like NEEDS, UYEGP and PMEGP and Coir Board scheme of Rejuvenation, Modernization and Technology Upgradation of Coir Industry (REMOT).

2.18.8 Coir Industrial Cooperative Societies

The Coir Industry plays a vital role in providing employment opportunities to a large section of people especially to the women folk in the

State. Tamil Nadu ranks second to Kerala in the Coir industry but stands first in the production of brown fibre in the country. When compared to the national average of husk utilisation, the Tamil Nadu State is better placed at 48% as against the national average of 40%. In the export front, the contribution of the Tamil Nadu State is gradually increasing every year and it exports mainly fibre, pith block, curled coir and rubberised coir mattresses. The coir industry has been developed both in private sector and cooperative sector. Under cooperative sector, there are 69 coir Industrial Cooperative Societies functioning for the benefit of 11,644 members with share capital of Rs.3.06 crore including Government share of Rs.2.62 crore. With a view to market the products of member Societies and to facilitate them to purchase required raw materials, an Apex institution called Tamil Nadu State Coir Cooperative Marketing Federation (TANCOFED) has been formed and is functioning at Chennai.

2.18.9 Market Development Assistance (MDA) for Coir Cooperative Societies

With a view to encourage consumption of coir yarn and coir products in the country so as to provide sustained employment to the coir workers, the Govt. of India through Coir Board have introduced the scheme called Market Development Assistance(MDA), with the value of 10% on the average sales turnover of the preceding 3 years. This MDA is equally shared between Govt. of India and State Government. The Government of Tamil Nadu have sanctioned and released a sum of Rs.65.12 lakh as its share towards MDA to 64 coir Societies for the year 2013-14. The Coir Board, in turn, has also released Rs.65.12 lakh towards Government of India's share.

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

The Government of India approved a Scheme called Scheme of Fund for Regeneration of Traditional Industries popularly known as

SFURTI under which it has been envisaged to set up Common Facility Centre, Market Promotion, Capacity Building, etc., This scheme includes both coir as well as village industries. During XII Five Year Plan period, the Govt. of India have accorded in-principle approval for setting up of 9 Coir clusters at Coimbatore, Dindigul, Kanyakumari, Dharmapuri, Krishnagiri, Tirupur, Pudukottai, Madurai and Tirunelveli at a total project cost of Rs.8.81 crore. The activities like coir pith block, needle felt mattresses, geo-textiles, automatic yarn spinning are proposed to be undertaken in those coir clusters. The Diagnostic Study Report has been conducted for these clusters and the study reports have been forwarded to the Govt. of India by Coir Board for final approval.

2.18.11 Other Cooperative Societies

This Department has also organised Societies in other important trades like polythene bags manufacturing, brick manufacturing, auto services, printing services, labour contract,

handicrafts, tailoring, engineering, etc. In order to eradicate exploitation of labour and to provide regular and continued employment with statutory benefits to the skilled and semi-skilled workers, Labour Contract Societies have been organised both in Organised and Unorganised sectors. To provide continuous employment to unemployed women of the Adi Dravida Community in rural areas, the polythene bags manufacturing societies were set up. Further, to uplift the economic conditions of poor Auto Drivers of all categories and to make them owners of the Autorickshaw through hire purchase system, Autorickshaw Drivers Industrial Cooperative Societies have been formed. To alleviate the sufferings of small printing units under unorganized sector in obtaining printing orders, they were grouped and printing cooperative societies have been formed in the State. In order to provide employment to poor Adi-dravida skilled labourers in rural areas many brick making societies were set up. With a view to provide employment to

the rural artisans and to market their products, Handicrafts Societies are functioning in the State.

Further, to promote the Industrial Development as well as to encourage the entrepreneurs to start industries, Industrial Estates were formed under Cooperative sector through which developed plots/work sheds are provided to them along with creation of infrastructural facilities.

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

3.1 SIDCO – Vision and Mission

The Tamil Nadu Small Industries Development Corporation Limited (SIDCO) was established in 1970 by the Government of Tamil Nadu with the main objective of assisting and promoting the interests of Micro, Small and Medium Enterprises in the State.

The main objectives of SIDCO are

1. Establishment and maintenance of Industrial Estates.
2. Distribution of Raw Materials.
3. Marketing Assistance.
4. Promotion of Clusters and Common Facility Centres.
5. Enabling the access of MSMEs towards Technology, Inputs, Best Practices, Capital and Markets.

Since its inception, SIDCO is actively striving to achieve its goal and commitment towards its vision:

“To forge sustainable partnerships with the MSMEs for enhancing their competitiveness”.

Currently, SIDCO is maintaining 35 Industrial Estates created by Government of Tamil Nadu and 62 Industrial Estates established on its own. (Annexure – C)

3.2 Establishment of New Industrial Estates

3.2.1 Identification of Land

SIDCO conducts demand survey for the establishment of Industrial Estate in a given District through Branch Offices. On receipt of reports from Branch Offices, a team of senior officials inspect the site selected along with the local revenue officials to validate the suitability of the land for the formation of new Industrial Estates. On satisfaction, the Land

Plan and Schedule will be sent to the respective District Collector for alienating / acquiring the lands in favour of SIDCO.

The District Collector will send alienation proposals to the Government through the Commissioner of Land Administration. If the land chosen is a patta land, proposals for getting administrative sanction for acquiring the land either through private negotiation or under the provisions of Tamil Nadu Industrial Purposes Act, 1997, will be sent to Government.

The Government will issue orders under the provisions of RSO 24 alienating the Government poramboke lands and SIDCO will pay land value and take possession of the land.

In the case of patta land, as soon as the administrative sanction is accorded by the Government, the committee under the chairmanship of District Collector will negotiate the cost of land to be purchased with the landowners. If the land owners do not accept the land value fixed by the negotiation committee, then the District Collector may recommend acquisition of the land under the provisions of Tamil Nadu Industrial Purposes Act, 1997. As soon as the acquisition process is over and the SIDCO will pay the Land Value and take possession of the land.

3.2.2 Development of land taken possession for the formation of new Industrial Estates

New Industrial Estates are being formed in various locations after the lands have been taken

possession by SIDCO. The development works will be carried out by utilizing SIDCO's own fund or with the funds received from Government of India under MSE-CDP scheme.

The development works include providing infrastructure facilities like formation of new roads, construction of storm water drains, culverts, providing water supply, sewage system, street lighting, tree planting, other amenities etc. In addition to that, the construction wing of SIDCO will prepare the Layout plan as per DTCP/CMDA norms and send it to DTCP/CMDA for approval. SIDCO will also take up the up-gradation, renovation, strengthening of infrastructure facilities in existing Industrial Estates.

3.2.3 Allotment of Plots/Sheds in Industrial Estates

A transparent procedure is followed in allotting the sheds / plots by advertising the availability of shed/ plots in newspapers. A Screening Committee constituted with the officials

of SIDCO, Directorate of Industries and Commerce, TIIC and representatives of TANSTIA as members, interview the applicants and the eligible applicants are selected on merit. Plots are allotted by way of lot system.

SIDCO develops industrial plots of various sizes ranging from 5 cents to 100 cents (1 acre) and above as per the requirements of the manufacturing units in the Industrial Estates and the industrial plots are allotted to them on Outright Sale basis only in the existing Industrial Estates. 335 plots and 11 sheds were allotted to new entrepreneurs in the year 2013-14.

3.3 New Allotment Policy of SIDCO

SIDCO has been making allotments in its Industrial Estates on Outright Sale Basis. To promote the interests of the MSMEs, a new allotment policy has been ordered vide G.O. (Ms). No. 66, MSME (C) Department, dated 18.11.2013 in all the new Industrial Estates to be formed from

the year 2013-14. Under this new policy allotment will be made on 30 years lease basis with an option to the entrepreneurs to buy the sheds / plots on outright purchase basis at the end of 30 years in the new Industrial Estates.

3.4 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 are earmarked for Micro Enterprises.

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

1. 30% for Women Entrepreneurs.
2. 10% for Ex-servicemen
3. 10% for SC/ST and Transgender.

If sufficient numbers of the applicants are not available in these categories, these reserved

plots/sheds will be taken up for allotment to other categories.

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

3.5 Status of the new Industrial Estates to be formed

Among the 22 new Industrial Estates were announced to be established during the year 2011-14, five Industrial Estates have been established in Rasathavalasu (Tiruppur District), Mathur (Pudukottai Dist.), Vaniyambadi (Vellore Dist.), Virudhunagar(urban) (Virudhunagar Dist.), and Venmaniathur (Villupuram District). The remaining 17 Industrial Estates are in various stages of completion as detailed below.

Sl. No.	Name of location	District	Area (acres)	Present Stage
1	Kattuvannanjur	Villupuram	42.00	Development works in progress.
2	Vettampadi	Namakkal	15.33	Development works in progress.
3	Mallur	Ariyalur	29.00	Development works in progress.
4	Parvathanahalli	Dharmapuri	29.90	Development works in progress.
5	Pattanam	Villupuram	60.55	Development works in progress.
6	Kurukkalpatti	Tirunelveli	68.77	Lands taken possession. Awaiting Layout Approval.
7	Pidaneri	Thoothukudi	108.23	Sanction order awaited from Government of India.
8	Palayapatti	Thanjavur	103.03	GOI sanction obtained. Preliminary works under progress.

9	Marikundu	Theni	79.43	Project report sent to GOI and sanction awaited.
10	A. Sathanur	Villupuram	219.52	Land alienation orders awaited
11	Ponnakudi	Tirunelveli	82.18	Alienation order issued. Lands to be taken possession after re-fixation of Land Cost.
12	Asanur (Phase-II)	Villupuram	105.50	Lands taken possession Layout under preparation.
13	Sengarai	Thiruvallur	36.53	Lands taken possession. Layout under preparation.
14	Echampadi	Dharmapuri	51.20	Layout under preparation
15	Periyanesalur	Cuddalore	90.68	Proposal to be sent to GOI under MSE-CDP Scheme for availing grant
16	Sakkarakottai	Ramnad	100.00	Land alienation orders awaited.
17	Minnur	Vellore	10.00	Layout approval awaited.

	Total		1231.85	
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Apart from the above, lands have been identified in 16 locations for the purpose of land bank for the formation of new Industrial Estates in future in a total extent of 956 acres.

3.6 Women Industrial Estates

To encourage Women entrepreneurs, it was decided to develop 5 Industrial Estates exclusively for women in 2001 as one of the strategies announced by Hon'ble Chief Minister of Tamil Nadu for Women empowerment. Accordingly, 5 Women Industrial Estates were developed as detailed below:

Sl. No.	Name of the Industrial Estate	Year of formation	Area (in Acres)	No. of Plots Developed
1.	Thirumullaivoyal, Thiruvallur District	2001	225.80	785
2.	Thirumudivakkam, Kancheepuram	2002	10.75	76

	District			
3.	Valavanthankottai, Trichy District	2003	51.70	110
4.	Karuppur, Salem District	2004	51.74	154
5.	Kappalur, Madurai District	2008	18.45	70
Total			358.44	1195

3.7 Creation and up-gradation of Infrastructure facilities in New/Existing Industrial Estates

Availability of industrial infrastructure and utilities is a critical requirement of SMEs. SMEs need certain common infrastructure such as effluent/sewage treatment, testing and laboratory facilities etc. which can be set up on a cluster basis apart from the regular infrastructure facilities such as water supply, street lights, roads, storm water drains etc.

Vision Tamil Nadu 2023 envisages that SIDCO shall ensure that the common facilities and

utilities are adequately provided in the Industrial Estates developed for SMEs as a strategic initiative to make SMEs more vibrant.

Government of India and Government of Tamil Nadu are extending their support for creation and up-gradation of infrastructure facilities in new/existing Industrial Estates through various schemes like Micro, Small Enterprises-Cluster Development Programme (MSE-CDP) – Modified Industrial Infrastructure Up-gradation Scheme (MIUS), Assistance to States for Infrastructure Development of Export and Allied Activities (ASIDE) and the Part II Scheme of Government of Tamil Nadu by sanctioning of grants.

3.8 Micro and Small Enterprises - Cluster Development programme (MSE-CDP)

Under this Scheme, the grant is availed from the Government of India for the following:

- ❖ MSE – CDP (Infrastructure Development)
- ❖ MSE – CDP (Common Facility Centre)

3.8.1 Infrastructure Development under the MSE – CDP Scheme

Under this Scheme, the Government of India sanctions 60% of the project cost (maximum project cost of Rs. 10 Crores) subject to a ceiling of Rs.6 Crores as grant for the creation and up-gradation of infrastructure in new and existing Industrial Estates respectively. The Government of India have approved projects with a project cost of Rs. 40.74 Crore for the creation of infrastructure facilities in 12 new Industrial Estates upto 2011-12. Of the sanctioned projects, 10 projects have been completed in Uranganpatti, Thirumudivakkam, Thirumullaivoyal, Vichoor, Valavanthankottai, Karuppur, Elambalur, Kadagathur, Asanur(Ph-1) and Arakonam Industrial Estates.

The remaining two projects at Pollupalli and Karaikudi Industrial Estates are nearing completion.

Further, Government of India have approved projects for the up-gradation of infrastructure

facilities in 12 existing Industrial Estates with a total project cost of Rs.23.90 Crore. Of these, up-gradation works have been completed in the following 11 Industrial Estates viz. Hosur, Kurichi, Kappalur, Virudhunagar, Mukundrayapuram, Ooty, Ganapathipalayam, Kakkalur, Kovilpatti, Mettur and Alathur except Athur (Karur) which is nearing completion.

SIDCO has taken up creation of infrastructure facilities at a total project cost of Rs.13.09 Crore from 2012 to 2014,. under MSE-CDP Scheme in four new Industrial Estates at Vaniambadi, Mathur (new), Virudhunagar (Urban) and Palayapatti and up gradation of infrastructure facilities in one existing Industrial Estate at Malumichampatti. Of the above, development works have been completed in Mathur(New), Virudhunagar (urban) and Vaniambadi. SIDCO has taken up creation of infrastructure facilities from its own reserves in 5 new Industrial Estates namely Pattanam, Kaatuvannanjur, Parvathanahalli, Mallur

and Vettampadi at a total project cost of Rs.19.10 Crore in which development works are under progress.

In 2014-15, SIDCO has proposed to create infrastructure facilities in 5 new Industrial Estates and to upgrade infrastructure facilities in 1 existing Industrial Estates under MSE-CDP Scheme as follows:

Creation of New Industrial Estates (2014-15)

(Rs in Lakh)

Sl. No	Location	Project Cost	GOI Grant	SIDCO contribution
1	Pidaneri, Thoothukudi District	447.95	268.77	179.18
2	Marikundu, Theni District	850.00	398.00	452.00
3	Kurukkalpatti, Tirunelveli District	890.00	534.00	356.00
4	Periyanesalur, Cuddalore District	1250.00	519.00	731.00
5	Eachampadi, Dharmapuri District	550.00	330.00	220.00
Total		3987.95	2049.77	1938.18

It has also been proposed to create infrastructure facility in Asanur (Phase-II), Villupuram District at a cost of Rs.5.85 crore by SIDCO's own fund.

Upgradation of Existing Industrial Estates

(Rs in Lakh)

Sl. No.	Name of the Industrial Estate	Project cost	GOI Grant	GoTN Grant	Beneficiaries contribution
1	Thiruverumbur, Trichy District	432.00	259.20	129.60	43.20

In addition to the above, SIDCO will be creating infrastructure facilities in Sengarai (Thiruvallur District) and Ponnakudi (Tirunelveli District) through its own funds at a total project cost of Rs. 12 Crore.

3.8.2 Common Facility Centres (CFCs) under the MSE – CDP Scheme

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

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

Salient features of a cluster are as follows:

- a) The methods of production, quality control and testing, energy consumption, pollution control etc. are similar in nature.
- b) Technology and marketing strategies are similar.
- c) Easy communication among the members of the cluster
- d) Opportunities and Challenges are common.

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

improving the availability of services for these enterprises.

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

The funding pattern of MSE-CDP(CFC) scheme is as follows:

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

SIDCO has been nominated as the implementing Agency for establishing Common Facility Centres in Tamil Nadu under MSE-CDP scheme. In total, 53 Projects have been identified in Tamil Nadu for implementation. Out of these, 29 projects at a total project cost of Rs.152.83 Crores have been sanctioned by the Government of India with a grant for a sum of Rs.104.46 Crores. The Government of Tamil Nadu has sanctioned a grant of Rs.11.50 Crores. Out of the above 29 projects, 7 projects have already been completed. The remaining 22 projects are under various stages of implementation. The expected total employment generation from these clusters will be around 25,000 persons.

The Hon'ble Chief Minister of Tamil Nadu has announced during the Golden Jubilee Celebrations of the Kuntha Industrial Cooperative Tea Factory that a Tea cluster with a Common Facility Centre will be established at Mettupalayam in Coimbatore District at an

estimated project cost of Rs.15 Crore to boost the development of Tea industry in the Nilgiris District. The Common Facility Centre will have the facilities for Tea Mixing, Tea Packeting, Warehousing, Testing Laboratory and Marketing Centre. Hon'ble Chief Minister has laid down the foundation stone on 4.1.2014. Steps have been taken for availing funds under ASIDE.

The status on implementation of MSE-CDP (CFC) scheme in the state has been categorised as given below:

A.	Projects for which final approval from Government of India (Annexure-D)	29
B.	Projects for which in-principle approval given by Government of India (Annexure-E)	04
C.	Projects which have been recommended/ to be recommended to Government of India and at (Annexure-F,G,H,I,J and K) various stages of preparation.	20

3.9 Raw Material Distribution

The raw materials such as Iron and Steel, Wax, Potassium Chlorate and TNPL paper (direct and agency) are distributed through various depots

situated in Ambattur, Coimbatore, Madurai, Trichy, Sattur, Sivakasi and from its Branch Offices located at Erode, Salem, Thanjavur, and Vellore.

The details of target and achievements for the year 2013-14 are as follows:

Sl. No.	Name of the Material	Target		Achievement (upto Mar' 2014)	
		Qty. in MT	Rs in Lakh	Qty. in MT	Rs in Lakh
1	Iron & steel	4700.00	2238.00	1813.56	929.64
2	Wax	5400.00	5443.00	3349.90	3310.23
3	Paper (Direct Sales)	300.00	180.00	177.61	120.89
4	Paper (Agency Sales)	1000.00	600.00	822.56	525.60
5	Potassium Chlorate	5.00	4.80	0.00	0.00
	Total	11405.00	8465.80	6163.64	4886.36

3.10 Marketing Assistance Scheme

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

SIDCO has executed orders worth Rs.2.47 Crore in the year 2013-14.

3.11 e-Governance

Computerization of activities of SIDCO with an objective to revamp the organisation has been taken up to simplify the office procedures and

formalities and to accelerate the performance of the Corporation. This will in turn enhance the productivity and efficiency. As a first step, SIDCO has introduced downloading of application forms for allotment through website. With the assistance of ELCOT, software is being developed to bring all the activities of SIDCO online.

M/s. ELCOT has been entrusted with the works to develop a GIS Database containing all the vital information of all the estate layouts, sheds / plots, allotment details, activities of the individual units, employment generated, products / services of the individual units, markets, raw materials etc., in all the SIDCO managed industrial estates in Tamil Nadu. The Database will be uploaded in the official SIDCO website for providing free access to any interested persons.

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

4. Tamilnadu Small Industries Corporation Limited (TANSI)

4.1 Formation

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

Since some of the units had lost their relevance and viability with the growth of private entrepreneurs, TANSI gradually phased out its activities and closed down some of the unviable units. At present it has 26 Production Units all over Tamil Nadu including Chennai (Furniture Units - 13, Engineering Units - 10 and Special Units - 3) and 3 Show Rooms at Chennai, Namakkal and Trichy.

4.2 Main Activities

TANSI undertakes manufacture of wooden and steel furniture, fabrication works and

manufacture of hand pumps, spirit based surgical items, paints, Civil Interior works, Fabrication of EB line materials, Baby Weighing bar scales, etc. It has earned a good name for itself in the manufacture of quality wooden and steel furniture, deep bore well hand pumps, spirit based surgical products, paints etc. and has been supplying various types of furniture items required for schools under the 'Sarva Shiksha Abhiyan', steel cots required for Government hostels, and hand pumps required for drinking water supply and spares for the hand pumps etc.

It is a matter of pride that the two Pump Units namely, Tansi Pump Unit, Ambattur and Tansi Tool & Engineering Works, Trichy, 3 Fabrication Units viz. Tansi Fabrication Works, Palani, Tansi Fabrication Works, Rajapalayam and Tansi Fabrication Works, Vellore and the Tamil Nadu Paints and Allied Products Limited (TAPAP) have obtained ISO-9001:2008 Certification.

4.3 Performance

The performance of TANSI for the year 2013-14 (upto March, 2014) is furnished hereunder :

(Rs. in crores)

	2013-14		2014-15
	Target 2013-14	Achievement for 2013-14	Target 2014-15
Production	100.00	97.02	110.00
Sales	100.00	99.33	110.00
Profit before Tax	7.18	17.80	19.20
Provision for Income Tax	2.39	6.03	6.51
Net profit (approx.)	4.79	11.77	12.69

4.4 Categories and product lines

Category	Product Lines
(i) Structural & Engineering	Light structurals of various kinds such as factory sheds, bus shelters etc., Doors and Windows, EB Line materials, Pillar Boxes, Sheet Metal Fabrication.
(ii) Furniture	Wooden furniture, furnishing and interior decoration, paneling etc., Steel furniture for domestic, Office, College Hostels and Hospital uses.
(iii) 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.

4.5 Nomination Fee

TANSI has been making profits continuously for the last eight years thanks to the support from

Government and various Government Departments / agencies especially School Education Department, Higher Education Department, ICDS, TNEB, Animal Husbandry, Judicial Department etc. In view of the concession granted by Government for placing orders directly with TANSI, the performance of TANSI improved and the Corporation has paid a total nomination fee of Rs. 75.35 crore in the last five years.

4.6 Major Orders executed

With the Government's support, TANSI has completed the supply of furniture to Higher Education Department to the value of Rs.44.50 crore, Baby Weighing Bar Scale under Integrated Child Development Scheme to the value of Rs.7.83 crore, line materials to EB to the value of Rs.10.00 crore and supply of furniture to the tune of Rs.23.00 crore against orders received from various departments during the year 2013-2014.

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

This unit was started as a fully owned subsidiary of TANSI for the manufacture and supply of paints and allied products. Accordingly, TAPAP came into existence on 18.11.1985 with registered office at Ambattur. The main objective of the corporation is to manufacture and supply red oxide paints, rubberized paints for road marking and various enamel paints to various Government departments and Transport Corporations. The share capital of the Corporation is Rs.10.00 lakh. TAPAP achieved a turnover of Rs. 3.08 crore for 2013-14.

5. Entrepreneurship Development Institute (EDI)

The Entrepreneurship Development Institute (EDI), Chennai was constituted by Government of Tamil Nadu as a 'not-for-profit society' during November 2001 primarily to fulfill the entrepreneurial training requirements thereby promoting Micro, Small and Medium Enterprises in the State of Tamil Nadu. Since inception, the EDI has conducted various training programmes benefitting the target groups for 86,000 candidates till 2012-13. The number of candidates trained during the year 2013-14 is 17,525.

5.1 AIM

- (i) Promotion of micro and small enterprises through entrepreneurship training
- (ii) To assist potential entrepreneurs to start their own enterprise,
- (iii) To evolve multipronged strategies to entrepreneurship development
- (iv) To conduct training programmes under various schemes of the Government.

- (v) To facilitate employment generation through skill upgradation trainings.

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

5.2 Modern Training Complex

In addition to the existing building, EDI has expanded its activities in the new building constructed at an estimated cost of Rs. 5.15 Crore in 1.91 acres of land allotted in the Industrial Estate, Guindy by the Government. The Hon'ble Chief Minister has inaugurated the Modern Training Complex on 25.6.2014 through video conferencing. The modern training complex construction is completed and ready for inauguration. The modern training complex has facilities like smart class rooms and Trainees Hostel.

5.3 New Training Programmes

To address the problems of educated unemployed, especially women, a special employment training programme has been launched by EDI during 2013-14. A sum of Rs.5 crore have been sanctioned by the Government to EDI as assistance in the year 2013-14. This assistance covers Rs. 4 crore for imparting entrepreneurship and skill training programmes and Rs. 1 crore for administrative expenses of EDI.

The types of programmes are detailed below:

5.3.1 Entrepreneurship Development programme

An Entrepreneurship Development programme (EDP) aims at providing training in the essentials of conceiving, planning, initiating and launching an economic activity or an enterprise, successfully. The programme content includes class room training on essentials of entrepreneurship, identification of business opportunities, schemes of

assistance offered by various components of the support system, preparation of a technically feasible and economically viable project report, Achievement Motivation Training and also the importance of management of an enterprise. During the year 2013-14 the EDI has trained 736 persons under this programme.

5.3.2 Faculty Entrepreneurship Development Programme

Faculty Entrepreneurship Development Programme aims at equipping teaching Staff of colleges with skills and knowledge that are essential for inculcating entrepreneurial value in students. 150 Faculties drawn from Colleges will be trained in the next academic year.

5.3.3 Entrepreneurship cum skill Development programme

The object of this training programme is to provide training for skill upgradation so as to equip the trainees with modern technological skills and facilitating project selection. They are given

training in Machine shop practice, two wheeler repairs, welding, fashion garments, Food and Fruit processing industries, Web Designing, Hardware Maintenance and Networking, Leather products, servicing of Household Electrical Appliances etc. Under this programme 502 candidates have benefitted during year 2013-14.

5.3.4 Technology Based Entrepreneurship Development programme

In this TEDP training programme training is given in specific technology areas i.e., Leather, Electronics and Communication, Solar energy, Automobile Technology etc., with the financial assistance of EDI. Under this programme 206 candidates were given training during the year 2013-14.

5.3.5 Agripreneurship Development programme

The objective of the training programme is to supplement the efforts of general expansion in the agriculture sector by technology and management inputs to promote a new brand of entrepreneurs in Agriculture called 'Agripreneur'. Under this programme 117 agricultural graduates were trained through the Tamil Nadu Agricultural University, Coimbatore and the Annamalai University, Chidambaram.

5.3.6 Cluster Awareness Programme

The cluster awareness programme is aimed at the development of MSEs in the Aluminum, Rice Mill, Auto Components, Motor pumps, Textile, Safety matches, cashew, and coir industry clusters in the State. The programme will improve their operational performance and help them to sustain themselves in the face of global competition. 80 entrepreneurs were given cluster awareness

programme during the year 2013-14. 320 entrepreneurs will be trained.

5.3.7 Establishment of Entrepreneurship Development Cell in Colleges

EDI is implementing a scheme to provide an institutional mechanism to set up Entrepreneurship Development Cell in 50 Higher Educational Institutions all over the State. A grant of Rs.1 lakh was given to each institution to support this programme. The EDCs will evoke innovative activities for promotion of entrepreneurship culture among the students.

5.3.8 Entrepreneurship Awareness Camp

Entrepreneurship Awareness Camps are conducted in order to create awareness among faculty and students of Engineering, Arts and Science colleges about various facets of entrepreneurship as an alternative career option. In each EAC about 75 students have been exposed in different aspects of entrepreneurship. 3750

students will be benefitted in the next academic year.

5.3.9 Women Entrepreneurship Development Programme

The aim of this WEDP is to provide training to plan, initiate and implement economic activities and to promote own enterprise by Women. The educated unemployed women are the target group and they will be trained in starting and running business activities successfully. 375 women were trained during the year 2013-14.

5.3.10 Women Entrepreneur cum Skill Development Programme

The WESDP is imparting skill training in traditional and non-traditional activities in chosen trades in addition to the basic entrepreneurial inputs required for a new entrepreneur. The training modules on achievement, motivation, opportunity guidance, procedural guidance, preparation of Business Plan, Management guidance and skill

training are part of this WESDP. In the year 2013-14, 500 Women Entrepreneurs have been trained.

5.3.11 Mentorship Training

Mentorship training is given to avail the timely information relating to the market trends in the economy, and to understand business and to access financial institutions and knowledge of acts, rules and regulations of the Government. The EDI has provided Rs 10 Lakh to ten Industrial Associations for setting up Mentorship Centres.

5.3.12 Women Entrepreneurship Development Cell in EDI

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

infuse the spirit of entrepreneurship through conferences specially organized for Women.

The Women Entrepreneurship Development Cell has organized three women conferences at Srirangam, Chidambaram and Madurai to create awareness among women students.

5.4 Solar Equipments Maintenance and Usage

The EDI in association with the Women Development Corporation of Tamil Nadu has undertaken a massive programme to train 4,000 self help group rural women on the usage and maintenance of solar energy devices and equipments. These programmes are being implemented in 385 Blocks in the State and has imparted training for 2100 women candidates. Further 1900 women candidates will be trained.

5.5 Training under Unemployed Youth Employment Generation Programme (UYEGP)

Under this scheme training has been imparted for 5,311 entrepreneurs during the year 2013-14.

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

Under this scheme training has been imparted for 1,536 entrepreneurs during the year 2013-14.

5.5.2 New Entrepreneur cum Enterprise Development Scheme (NEEDS)

Under this scheme, special training programmes were conducted for the first generation entrepreneurs in several batches throughout the State and totally 883 persons were trained February 2014.

5.6 Other Programmes

In addition, various sponsored programmes were also conducted by the EDI, as given below:-

Sl. No.	Name of the Programme	Sponsored by	No. of Persons trained
1.	Food processing	National Mission in Food Processing(NMFP)	600
2.	Facility Development Programme for Teachers of Industrial Training Institutes.	Tamil Nadu Skill Development Corporation	39
3.	Solar Appliances Training	Tamil Nadu Skill Development Corporation	536
4.	Entrepreneurship Awareness Training Programme	Tamil Nadu Skill Development Corporation	20,000
5.	Entrepreneurship Awareness Camp	Department of Science and Technology & Canara Bank	2085 300
6.	Entrepreneurship cum- Skill Development Programme	National Institute of MS&ME, Hyderabad	300
7.	Capacity Building	IC&DIC	313

5.7 Skill Development Programmes

In addition, to free training programmes fully funded by the Government 'Paid Programmes' were also organised from time to time. During 2013-2014 the following 'Paid Programmes' have been organised.

Sl. No.	Name of the Programme	Conducted by	No. of Persons trained
1.	Solar Photo Voltaic installation and Solar Appliances training	EDI	241
2.	Training on gold jewellery appraisal techniques	EDI	97
3.	Training on Aari and Zardosi	EDI	14
4.	Waste to Wealth	EDI	404

5.8 Programmes sponsored by the Department of Science and Technology, Government of India

1.	Women Entrepreneurship Development	75 Beneficiaries
2.	Facility Development	50 Beneficiaries
3.	Entrepreneurship Development Programme	75 Beneficiaries
4.	Technology Entrepreneurship Development Programme -	55 Beneficiaries

P.Mohan
Minister for Rural Industries
and Labour

ANNEXURE-A**List of 15 Industrial Cooperative Tea Factories**

1	Karumbalam
2	Mahalinga
3	Ithalar
4	Pandalur
5	Kattabettu
6	Salisbury
7	Frontier
8	Bitherkad
9	Kundah
10	Mercunad
11	Kinnakorai
12	Bikkatty
13	Ebbanadu
14	Kaikatty
15	Manjoor

ANNEXURE-B**List of 44 TAICO Bank's Branches**

S.No	BRANCHES	S.No	BRANCHES
1	ALWARPET	18	KOVILPATTI
2	AMBATTUR	19	MADURAI
3	ATTUR	20	NAGERCOIL
4	CHEPAUK	21	NAMAKKAL
5	COONOOR	22	NAGAPATTINAM
6	COIMBATORE	23	NEYVELI
7	DINDIGUL	24	ODDANCHATRAM
8	DHARMAPURI	25	PERAMBALUR
9	EGMORE	26	POLLACHI
10	ERODE	27	PUDUKOTTAI
11	EKKATTUTHANGAL	28	RAJA ANNAMALAIPUR
12	GUDALUR	29	RAMANATHAPURAM
13	KARUR	30	SATTUR
14	KARAIKUDI	31	SALEM
15	KANCHEEPURAM	32	SIVAKASI
16	KRISHNAGIRI	33	THANJAVUR
17	KUMBAKONAM	34	THENI

S.No	BRANCHES	S.No	BRANCHES
35	THIRUVARUR	40	TRICHY
36	THIRUVOTRIYUR	41	TUTICORIN
37	TIRUPPUR	42	VELLORE
38	THIRUNELVELI	43	VILLUPURAM
39	TIRUVANNAMALAI	44	VYASARPADI

ANNEXURE – C
Existing Industrial Estates in the State

S.No.	District	Location	Year of formation	Total Extent (in acres)
1	Chennai	Guindy (G)	1958	404.08
2		Arumbakkam (S)	1979	3.92
3		Villivakkam (S)	1979	2.04
4		Kodungaiyur (S)	1979	7.88
5	Thiruvallur	Ambattur (G)	1963	1167.00
6		Kakkalur (G)	1988	199.00
7		Kakkalur-Phase –II (G)	2009	84.01
8		Thirumazhisai (S)	1988	160.85
9		Gummidipoondi (S)	1988	25.24
10		R.K.Pet (S)	1996	8.15
11		Vichoor (S)	1994	59.16
12		Thirumullaivoyal (WIP) (S)	2001	225.80
13	Kancheepuram	Kancheepuram (G)	1968	37.95
14		Maraimalainagar (S)	1981	39.50
15		Alathur (S)	1984	150.00
16		Thirumudivakkam (S)	1993	201.11

		including WIP		
17	Vellore	Katpadi (G)	1968	19.48
18		Arakonam (G)	1968	11.09
19		Arakonam- Phase II (G)	2009	40.65
20		Ranipet (S)	1972	113.44
21		Mukuntharayapuram (S)	1980	86.19
22		Vannivedu (S)	1987	16.44
23		Vinnamangalam (S)	2009	10.49
24		Vaniyambadi (S)	2013	7.08
25	Thiruvanna-malai	Thiruvannamalai (G)	1968	15.56
26	Krishnagiri	Krishnagiri (G)	1965	41.86
27		Uthangarai (S)	1995	41.28
28		Hosur(SIPCOT) (S)	1976	95.15
29		Hosur (New) (S)	1999	18.80
30		Bargur (S)	1995	13.05
31		Bargur – Phase II (S)	2009	18.59
32		Pollupalli (S)	2009	60.96
33	Dharmapurai	Dharmapuri (G)	1965	20.28
34		Kadagathur (S)	2009	7.02
35	Salem	Salem (G)	1967	19.55

36		Mettur (G)	1967	184.38
37		Karuppur (WIP) (S)	2004	51.74
38		Veerapandi (S)	1993	9.79
39	Namakkal	Namakkal (S)	1977	10.09
40		Thiruchengodu (S)	1980	9.18
41	Erode	Erode (G)	1959	25.13
42		Nanjaiuthukuli (S)	1995	13.05
43	Coimbatore	Kurichi (G)	1972	88.43
44		Malumichampatti (S)	1994	36.14
45	Tiruppur	Ganapathipalayam (S)	1993	17.10
46		Tiruppur (S)	1978	10.14
47		Gudimangalam (S)	1992	6.74
48		Rasathavalasu (S)	2011	51.80
49	Nilgiris	Ooty (S)	1981	10.65
50	Cuddalore	Cuddalore (G)	1971	15.60
51		Vadalur (G)	1972	26.22
52	Villupuram	Asanur (S)	2009	107.80
53		Venmaniathur (S)	2011	38.88
54	Perambalur	Elambalur (S)	2009	44.48
55	Thanjavur	Kumbakonam (G)	1968	32.30
56		Thanjavur (G)	1968	21.94

57		Pillaiyarpatti (S)	1974	10.96
58		Nanjikottai (S)	1996	26.30
59	Nagapattinam	Nagapatinam (G)	1966	20.97
60		Mayiladuthurai (S)	2009	12.56
61	Tiruchirapalli	Thuvakudi (G)	1974	478.38
62		Thiruverambur (G)	1974	74.50
63		Ariyamangalam (G)	1974	17.64
64		Valavanthankottai(WIP) (S)	2003	51.70
65		Valavanthankottai (P- II)(S)	2008	87.18
66		Valavanthankottai(P- III)(S)	2009	26.84
67		Kumbakudy (S)	2009	24.46
68	Karur	Karur (G)	1974	26.63
69		Karur (Athur) (S)	1993	36.29
70	Pudukottai	Pudukkottai (G)	1974	23.18
71		Pudukkottai (SIPCOT) (S)	1988	51.45
72		Mathur (S)	1975	26.00
73		Mathur (New) (S)	2013	19.92
74	Theni	Theni (G)	1963	26.59
75		Andipatty (S)	1994	22.34

76	Dindigul	Dinidigul (G)	1965	39.90
77		Batlagundu (G)	1965	16.26
78	Madurai	Madurai – K.Pudur (G)	1960	56.05
79		Kappalur (G)	1966	534.64
80		Kappalur- WIP (S)	2007	18.45
81	Ramnad	Paramakudi (S)	1976	10.00
82		Keezhanagachi (S)	1993	10.00
83		Urapuli (S)	1993	12.14
84	Sivagangai	Karaikudi (G)	1966	180.19
85		Sivagangai (G)	1966	70.61
86		Kirungakottai (S)	1993	21.85
87	Virudhunagar	Virudhunagar (G)	1958	45.65
88		Rajapalayam (S)	1995	41.13
89		Virudhunagar (Urban) (S)	2013	37.54
90	Tirunelveli	Pettai (G)	1959	50.55
91		Kadayanallur (S)	1992	10.00
92		Valliyur (S)	2005	16.75
93		Valliyur- Phase- II (S)	2010	23.16
94	Thoothukudi	Kovilpatti (G)	1962	85.54
95		Thoothukudi (S)	1988	24.18

96	Kanyakumari	Konam (G)	1964	20.70
97		Marthandam (G)	1964	7.50

G - Government Estates

S - SIDCO Estates.

WIP - Women Industrial Park

ANNEXURE – D

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

S. No.	Cluster name	Project cost	GOI grant	Govt. of TN grant	SPV contribution	Bank loan	Remarks
1	Sago & Starch, Salem/ Phase-I	92.06	73.31	0.00	18.75	0.00	Project completed
2	Safety Matches, Gudiyatham	156.00	85.54	10.73	25.00	34.73	Project completed
3	Safety Matches, Virudhunagar	156.00	85.54	10.73	25.00	34.73	Project completed
4	Safety Matches, Srivilliputhur.	156.00	85.54	10.73	25.00	34.73	Project completed
5	Safety Matches, Sattur	156.00	85.54	10.73	25.00	34.73	Project completed
6	Safety Matches, Kazhugumalai	156.00	85.54	10.73	25.00	34.73	Project completed
7	Safety Matches, Kovilpatti	156.00	85.54	10.73	25.00	34.73	Project completed
8	Wet Grinder, Coimbatore	288.20	99.00	16.52	172.68	0.0	Project under implementation
9	Brick, Tirunelveli	227.27	122.73	22.72	29.55	52.27	Project under implementation

10	Ceramic, Vridhachalam	73.10	43.86	GO TN has given 2 sheds and Rs.9.57 Lakh	18.45	10.79	Project under implementation.
11	Coir, Sivaganga	658.9	500.01	65.89	93.00	0.00	Project under implementation.
12	Engineering Ranipet, Vellore.	927.08	616.39	97.21	109.35	104.13	Project under implementation.
13	Printing, Sivakasi	1314.1 7	767.81	90.66	180.28	276.00	Project under implementation.
14	Rice Mill, Keelapavoor	690.58	466.03	69.05	145.5	10.00	Project under implementation.
15	Auto Components, Hosur	690.94	439.89	70.75	105.30	75.00	Project under implementation.
16	Printing, Krishnagiri	1072.5 2	964.14	100.00	108.38	0.00	Project under implementation
17	Rice Mill, Alangulam	787.00	550.25	78.91	83.75	74.09	GOI approved the Project and yet to release their grant.
18	Sago & Starch Phase II, Salem	247.17	221.64	0	25.53	0	Final approval of GOI received. The project is at the pre- implementation stage.
19	Rice Mill, Thanjavur	212.06	100.23	40.43	21.40	50.00	Final approval of GOI recd. The Proj is at the pre- implementation

							stage.
20	Steel Product Fabrication Cluster, Salem.	1632.7 4	1277.71	100.00	255.03	0.00	Final approval GOI received. The project is the pre implementation stage.
21	Plastic Cluster, Kancheepuram	1485.1 2	1026.96	100.00	258.16	100.00	Final approval GOI received. The project is the pre implementation stage.
22	Refractory, Virudhachalam	896.46	571.44	89.85	135.17	100.00	Final approval GOI received. The project is the pre implementation stage.
23	Enginee-ring, Parama-kudi	498.89	373.80	23.34	53.75	48.00	Final approval GOI received. The project is the pre implementation stage.
24	Gate & Grills, Thirumullaivoyal	284.87	197.93	29.69	57.25	0.00	Final approval GOI received. The project is the pre implementation stage.
25	Garment Cluster (Women), Thalavaipuram	104.24	74.28	9.36	20.60	0.00	Final approval GOI received. The project is the pre implementation

							stage.
26	Gold Jewellery, Madurai	356.46	255.80	29.14	39.92	31.60	Final approval of GOI received. The project is at the pre implementation stage.
27	Power and Auto Loom, Salem.	1333.5 1	886.45	98.78	162.18	186.10	Final approval of GOI received. The project is at the pre implementation stage.
28	Safety Match Cluster, O. Mettupatty	346.89	204.64	36.00	42.50	63.75	Final approval of GOI received. The project is at the pre implementation stage.
29	Stainless Steel, Kumbakonam	126.30	98.83	7.90	19.57	0.00	Final approval of GOI received. The project is at the pre implementation stage.

Annexure-E
MSE-CDP (Common Facility Centre) Scheme
Projects for which In-principle approval given
by Govt. of India (4)
(Rupees in Lakh)

Sl. No.	Cluster Name	Project Cost	GOI grant	Govt. of TN grant	Bank Loan	SPV Contribution	Remarks
1	Engineering, Dindugul	971.29	651.34	97.13	90.00	132.82	Final approval awaited from Govt. of India.
2	Rice Mill, Kangayam	750.53	525.37	75.05	55.00	95.11	Final approval awaited from Govt. of India.
3	Engineering, Ambattur	1124.42	805.33	54.44	150.00	114.65	Final approval awaited from Govt. of India.
4	Coir, Erode	600.00	411.93	48.65	79.42	60.00	Final approval awaited from Govt. of India.

Annexure-F

MSE-CDP (Common Facility Centre) Scheme

Projects which have been recommended to Government of India and yet to be approved (Rs in Lakhs)

S. No.	Cluster name	Project cost of CFC	GOI grant	Govt. of TN grant	SPV contribution	Bank loan	Remarks
1	Cement Pipes, Chinnadharapuram	722.52	486.46	55.85	85.75	94.96	Project recommended to GOI and its approval awaited
2	Garment, Dhalavaipuram	1363.70	991.37	99.00	137.91	135.42	Project recommended to GOI and sanction awaited
3	Safety Match Cluster, Sattur (Phase - II)	135.76	105.09	0.00	13.87	16.80	Project under revision as per GOI instructions
4	Rice Mill, Trichendur	1070.00	711.60	100.00	123.40	135.00	Project recommended to GOI and sanction awaited
5	Gold Jewellery, Trichy	365.80	292.84	36.58	36.58	0.00	Project recommended to GOI and sanction awaited
6	Printing Cluster, Salem	1450.00	1250.00	0.00	200.00	0.00	DSR recommended to GOI

7	Engineering, Perungudi	77.00	59.60	7.45	5.50	4.45	Project report under revision
8	Plastic, Madurai	524.42	342.96	33.11	73.35	75.00	Project report under revision
9	Lime, Tirunelveli	788.45	630.73	78.85	78.87	0.00	Proposal sent to GOI and sanction awaited
10	Silk weaving Cluster, Salem (DSR Project Cost)	25.00	19.25	3.17	2.58	0.00	Project recommended to GOI

Annexure-G

MSE-CDP (Common Facility Centre) Scheme

Projects under consideration in the State Government

(Rs in Lakhs)

S. No.	Cluster name	Project cost of CFC	GOI grant	Govt. of TN grant	SPV contribution	Bank loan	Remarks
1	Power Loom, Rasipuram	550.54	371.86	45.51	59.12	74.05	Project recommended to GOI
2	Safety Match Cluster, Sivakasi	293.77	177.80	29.38	36.59	50.00	Project recommended to GOI

Annexure-H

MSE-CDP (Common Facility Centre) Scheme

Project under consideration with implementing agency (i.e) SIDCO

(Rs in Lakhs)

S. No.	Cluster name	Project cost of CFC	GOI grant	Govt. of TN grant	SPV contribution	Bank loan	Remarks
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1	Cashew, Kanniyakumari	1486.95	1277.16	61.09	148.69	0.00	Proposal under preparation
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Annexure-I

MSE-CDP (Common Facility Centre) Scheme

Projects for which Diagnostic Study Report is to be received from the Land Administration Department

(Rs in Lakhs)

S. No.	Cluster name	Project cost	GOI grant	Govt. of TN grant	SPV contribution	Bank loan	Remarks
1	Leather, Ranipet	2183.17	1500.00	0.00	683.17	0.00	Proposal under preparation

Annexure-J

MSE-CDP (Common Facility Centre) Scheme

Projects not approved by Government of India and to be revised

(Rs in Lakhs)

S. No.	Cluster name	Project cost	GOI grant	Govt. of TN grant	SPV contribution	Bank loan	Remarks
1	Coir, Pollachi	1067.89	736.93	100.00	110.96	120.00	Project report under revision
2	Corrugated Box, Thiruvallur.	1884.35	1050.00	100.00	534.35	200.00	Project report under revision
3	Lorry Body Building, Namakkal	1473.61	1107.29	98.53	232.79	35.00	Project report under revision
4	MicalPharma, Chennai	342.63	266.11	34.26	42.26	0.00	Project report under revision
5	Electronics, Coimbatore	1482.00	1037.40	100.00	197.16	147.44	Project report under revision

Annexure-K

MSE-CDP (Common Facility Centre) Scheme

Cluster Project considered under ASIDE scheme

(Rs in Lakhs)

S. No.	Cluster name	Project cost	GOI grant	Govt. of TN grant	SPV contribution	Bank loan	Remarks
1	Tea, Mettupalayam	1500.00	1200.00	100.00	200.00	0.00	State level Committee approved the project and sanctioned a sum of Rs.12 crore as ASIDE assistance

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

(Rupees in Thousands)

Major Heads	Budget Estimate 2013-14	Revised Estimate 2013-14	Budget Estimate 2014-15
2851 – Village and Small Industries	2621861	1830687	2841067
2852 – Industries	75014	116077	76563
3451 – Secretariat – Economic Services	27346	25486	27595
4059 - Capital Outlay on Public Works	-	250000	150000
4425 – Capital Outlay on Co-operation	1	1	2700
4851 – Capital Outlay on Village and Small Industries	665401	672792	501002
7610–Loans to Government Servants etc.,	1	1100	1
2425 – Cooperation	1	1	1
TOTAL	3389625	2896144	3598929