



INDUSTRIES DEPARTMENT

POLICY NOTE 2016 – 2017

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Minister for Industries



**Government of Tamil Nadu
2016**

INDUSTRIES DEPARTMENT
POLICY NOTE
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1. INTRODUCTION

Traditionally, Tamil Nadu is one of the leading industrialised states having carved out a special place for itself with a strong presence in automobiles and auto-components, textiles, leather products, light engineering, pumps and motors, electronics hardware, heavy engineering, etc. In the post-liberalisation era since July 1991, Tamil Nadu introduced a pragmatic and far-sighted Industrial Policy in 1992 that enabled the State to attract leading Global companies like Ford and Hyundai paving the way for an automobile revolution in the State. Further, the introduction of an innovative Industrial Policy in 2003 triggered an electronics revolution by way of attracting leading foreign companies like Nokia, Flextronics, Foxconn, etc. Tamil Nadu continues to remain the most favoured investment destination on account of Vision Tamil Nadu 2023, New

Industrial Policy 2014 and Tamil Nadu Global Investors Meet - 2015 that have catapulted the economy of State on to a new growth orbit.

At present Tamil Nadu ranks as one of top ranking states in many of the important indicators as summarised below:

S.No	Indicator	Number/ Value	Rank
1	Size of State Economy (GSDP) at constant prices (2014-15)*	Rs. 5,15,458 crore	Second
2	Number of Factories (2013-14) \$	37,455 (16.60%)	First
3	Invested Fixed capital in factories sector (2013-14) \$	Rs.2,70,816.48 crore	Third
4	Number of workers employed (2013-14) \$	20,46,553 persons	First
5	Value of Industrial output produced (2013-14) \$	Rs.6,76,957.33 crore	Third
6	Net value addition in factories sector (2013-14) \$	Rs.87,212.68 crore	Third
7	New MSMEs in 2014-15 @	1,43,104	First
8	FDI attracted (April 2011 to March 2016) #	Rs. 85,523 crore	Third

(Sources: * <http://www.niti.gov.in>; \$-<http://mospi.nic.in>;
<http://dipp.nic.in>; @ MSME Department Policy Note 2015-16)

According to the “Global Economic Prospects” published by the World Bank in June 2016, global economy continues to be sluggish with recessionary conditions. According to this report, the world Real GDP growth in 2015 was 2.4% and it is expected to remain sluggish in 2016 also with the Real GDP growth rate staying at 2.4%. The World Bank has further predicted that the world Real GDP growth rate will improve to 2.8% in 2017.

According to World Bank, among the big economies, India has registered the highest growth rate of 7.6% in 2015 followed by China with 6.9%. In 2016, India’s growth rate is expected to be 7.6%. Tamil Nadu, the second largest economy among Indian States, remains as one of best performing States achieving a growth rate of 8.79% during 2015-16.

The manufacturing sector in Tamil Nadu is primarily dependent on exports. Industries in Tamil Nadu like automobiles and auto-

components, leather, textiles, software and ITES, etc., have high export intensity. Tamil Nadu's exports were valued at Rs.2,15,400 crore during 2013-14. Tamil Nadu's share in the total export of the country is 11.5% in 2013-14. Tamil Nadu was ranked Third among Indian states in terms of exports.

In terms of approvals for Special Economic Zones (SEZ), at the end of June 2016, the position of Tamil Nadu is as follows:

Type of SEZ approval	Number of approved SEZs
In-Principle approval	4
Formal Approval	48
Notified SEZs	46
Exporting and operational SEZs	36

(Source: (i) [http://sezindia.nic.in.](http://sezindia.nic.in;);
(ii) Report of Development Commissioner)

Tamil Nadu is ranked first among Indian states in terms of exporting and operational SEZs. During the year 2015-16, exports from SEZs in Tamil Nadu was Rs.82,717 crore. **Tamil Nadu is ranked first** among Indian states in terms of quantum of exports from Special Economic Zones.

1.1. TN Global Investors Meet 2015

To accelerate the economic growth by attracting investments in manufacturing, infrastructure and services sectors, Government of Tamil Nadu successfully organised the Tamil Nadu Global Investors Meet (TNGIM) 2015 on 9th and 10th September 2015 at Chennai Trade Centre. This was the first ever Mega Investment Promotion event organised by the State Government. This event had 9 nations, 3 Regional Governments and 23 Chambers of Commerce and Joint Business Councils as partners. TN GIM 2015 attracted the participation of over 1200 foreign delegates and over 7000 Indian delegates. TNGIM 2015 has been widely acknowledged as the most successful investment promotion event organised by any State.

As against the initial investment target of Rs.1,00,000 crore, TNGIM 2015 attracted an investment of Rs.2,42,160 crore by way of 98 projects which is an historic level of investment

achieved in a single year. This included 50 projects attracted by the Industries department with a committed investment of Rs.1,04,286 crore. Thus, TNGIM 2015 was a resounding success.

The State Government reviews and closely monitors the status of implementation of these 98 MoU projects by designating Senior IAS officers as Nodal officers for each of these MoU projects to facilitate their speedy implementation. For bringing the projects to implementation, this step has proved to be very useful. As a result, 64 projects are already under various stages of implementation.

Various publications of Centre for Monitoring Indian Economy (CMIE) as well as Department of Industrial Policy & Promotion (DIPP), Ministry of Commerce & Industry, Government of India also prove that Tamil Nadu remains as the most attractive state for investments.

According to CMIE, at the end of June 2016, Tamil Nadu has attracted an outstanding investment of Rs.11,09,628.36 crore which fall in the categories, namely, (i) announcements, (ii) Proposed investments (where some effective steps have taken to implement the project) and (iii) Investments under implementation. According to CMIE, during the period from 1.4.2011 to 30.6.2016, Tamil Nadu has attracted an incremental investment of Rs.3,75,908.55 crore. *[Source: CMIE Report (this includes both domestic and foreign investments in pipeline)]*

1.2. Investment attracted through Single Window Facilitation

In addition to the investments attracted during TNGIM 2015, Tamil Nadu Investment Promotion and Guidance Bureau, under the aegis of industries department, has facilitated 56 Non-MoU projects through single window facilitation with an investment commitment of Rs.11,282.52

crore during the period from April 2011 to July 2016.

1.3. Foreign Direct Investment

According to DIPP, at the end of April 2011, Tamil Nadu was ranked fourth amongst all states in terms of actual FDI inflow which was Rs.33,024 crore. Whereas, by the end of March 2016, FDI inflow has increased to Rs.1,18,547 crore, improving the ranking of the State to third. Thus, during the period from April 2011 to March 2016, Tamil Nadu attracted Rs.85,523 crore in the form of FDI (actual inflows). **In terms of incremental FDI inflow, Tamil Nadu achieved an unprecedented growth rate of 193.45% for the period between May 2011 to March 2016.** (Source: <http://dipp.nic.in>)

Various data published by CMIE as well as DIPP, Government of India bear ample testimony to the fact that **Tamil Nadu has emerged as**

one of the most preferred investment destinations among Indian States.

Vision Tamil Nadu 2023 envisages an investment of Rs.15 lakh crore being invested in the State before the year 2023. This includes investment in projects falling under manufacturing, infrastructure and services sectors. According to CMIE, at the end of June 2016, Rs.11.09 lakh crore investments are in pipeline in the State. To promote further investment and facilitate infrastructure projects on Public Private Partnership mode, Government of Tamil Nadu has already enacted Tamil Nadu Infrastructure Development Act 2012 and constituted the Tamil Nadu Infrastructure Development Board accordingly. At present, out of 217 infrastructure projects listed in Vision Tamil Nadu 2023, 88 projects are under various stages of implementation. With the implementation of the remaining projects, the milestones envisaged in "Vision Tamil Nadu 2023" will be achieved.

The Government of Tamil Nadu has already put in place the Policy frame work required for the Industrial Development of the State with the release of three Policies namely New Industrial Policy, Automobile and Auto Components Policy and Bio-Technology Policy during the year 2014. The State's strength particularly, in the fields of skilled labour force, world class infrastructure like 4 major ports, 4 international airports, highest density of road network have made it as already a home for several global majors in diverse sectors ranging from agro-engineering to aerospace technology.

Being fully aware of the need for having regional balance in the process of industrialization, the Government in its New Industrial Policy 2014, has included specific provisions for incentivizing investments in the Southern Districts of the State. Recently, several projects, like the Madurai-Thoothukudi Industrial Corridor, National Investment and Manufacturing

Zone at Ramanathapuram, relating to the development of the Southern Districts have been fast tracked. Further, nearly 50 percent of the projects that were signed MoU during the TNGIM 2015 would be located in the Southern Districts. With the implementation of the above projects it is certain that the per capita income and the standard of living of the people of Tamil Nadu will be uniformly raised on par with any developed nation.



Address of Hon'ble Chief Minister of Tamil Nadu during the closing ceremony of Tamil Nadu Global Investors Meet – 2015 on 10.09.2015.

2. STATE INDUSTRIES PROMOTION CORPORATION OF TAMIL NADU LIMITED

State Industries Promotion Corporation of Tamil Nadu Limited (SIPCOT) was established in the year 1971 to promote the industrialisation in the State by way of setting up of Industrial Complexes and Parks as well as extending financial assistance till the year 2000. However, since 2001, in order to give main thrust in providing Infrastructure for Industrial Development, the activities of the Corporation were confined to only creation and maintenance of Industrial Complexes/Parks.

SIPCOT has so far developed 20 Industrial Complexes/Parks/Growth Centres (including six SEZs) in 12 Districts to an extent of 31,645 acres. Out of the allot table extent of 24,100 acres, so far 20,037 acres have been allotted to 2,325 units. By this, attracted an investment of Rs.1,04,247 crore and created direct and indirect employment opportunity for about 6.17 lakh persons.

Due to the positive role played by SIPCOT under the guidance of State Government, several big Industrial giants such as M/s Renault & Nissan, Daimler, Hyundai, Saint Gobain, Samsung, DELL, Ashok Leyland, Growth Link, Apollo Tyres, Michelin Tyres, India Yamaha, etc., have set up their units in the SIPCOT Industrial Complexes which shows the development of infrastructure and economy of the State.

SIPCOT is the agency for development of green Industrial Parks in the State. Further, SIPCOT is also involved in developing certain special infrastructure schemes / projects viz. Industrial Corridor of Excellence, Special Economic Zones, Apparel Park, Footwear Component Park, Skill Development Centres, Construction of Dormitories, Water Augmentation Project, Environmental Protection and Truck Terminal, etc.

SIPCOT has also been the Nodal Agency for implementing and monitoring the Structured Package of Assistance scheme, under which various incentives are extended by the State Government to Mega, Super Mega and Ultra Mega industries established with huge investments and with large employment potential.

2.1. Activities of Corporation

2.1.1. Formation of New Industrial Complexes

Apart from the ongoing development of new industrial parks in southern districts, land acquisition works are in progress towards formation of 12 more Industrial Parks i.e. 10 new Industrial Parks and 2 Expansion of Existing Industrial Complexes in an extent of 12,762.32 acres of land, as listed below:

1. Madurai Industrial Park (1,478.71 acres)
2. Tindivanam Industrial Park (720.27 acres)
3. Manapparai Industrial Park (Trichirapalli District) (1,077.05 acres)
4. Panapakkam Industrial Park (Vellore District) (1,112.41 acres)
5. Kurubarapalli Industrial Park (200.45 acres)
6. Dharmapuri Industrial Park (1,733.40 acres)
7. Maanallur Industrial Park (706.57 acres)
8. Hosur Industrial Complex, Phase-III (834.57 acres)
9. Hosur Industrial Complex, Phase IV (1882.36 acres)
10. Oragadam Industrial Growth Centre Expansion-II (Vaipur-Mathur) (616.30 acres)
11. Cheyyar Industrial Complex Expansion (2300.57 acres)
12. Perambalur Textile Park (99.66 acres)

2.1.2. Industrial Development in Southern Districts

In order to boost the industrial development in the Southern Districts as announced by the Hon'ble Chief Minister under Legislative Assembly Rule 110, SIPCOT is taking action for establishing new Industrial Parks in 9 Southern Districts Viz. Ramanathapuram, Sivagangai, Pudukkottai, Dindigul, Theni, Virudhunagar, Thoothukudi, Tirunelveli and Kanniyakumari. While the acquisition of 8,561.92 acres of land for seven Industrial Parks in six districts, as listed below are in progress:

1. Sivagangai Industrial Park (1451.28 acres)
2. Karaikudi Industrial Park (1,253.24 acres)
3. Virudhunagar Industrial Park (2540.40 acres)
4. Ramanathapuram Industrial Park (224.65 acres)
5. Theni Industrial Park (1,623.01 acres)
6. Kandharvakottai Industrial Park in Pudukkottai Dist.(1,234.29 acres)
7. Kanniyakumari Industrial Park (235.05 acres)

Remaining land acquisition proposal for Administrative Sanction in other three districts are in process in various stages.

2.1.3. Special Package of Incentives

As announced by the Hon'ble Chief Minister has announced under Legislative Assembly Rule 110, the following Special Package of Incentives to encourage the new entrepreneurs those who are willing to set up their industries in the existing industrial complexes as well as new Industrial Parks of SIPCOT to be developed in southern districts.

- (i) Allotment of land at 50% subsidized rate (the subsidy component will be directly remitted to SIPCOT by Govt.)
- (ii) 100 per cent exemption from stamp duty on Lease Deed registration.
- (iii) Capital Subsidy increase from 1.5 to 2 times

- (iv) **Creation of all infrastructure facilities required for industries.**
- (v) Reduction in the minimum investment required for obtaining VAT based incentives from the present level of Rs.50 crore to Rs.10 crore.

By extending the above said incentives, SIPCOT has made allotment of 75.39 acres of land to 42 units in its Nilakkottai, Pudukkottai, Thoothukudi, Manamadurai and Gangaikondan Industrial Complexes / Growth Centre. By this, attracted an investment of Rs.93.91 crore and generated employment opportunity to 1,422 persons.

2.2. Special Economic Zones

To attract foreign direct investment, to promote exports and to generate more employment opportunities, SIPCOT has so far promoted six 'Sector Specific Special Economic Zones' in its Industrial Complexes/Parks as detailed below:

- Hi - Tech SEZ (486.03 acres) in Sriperumbudur
- Hi-Tech SEZ (347.66 acres) in Oragadam
- Engineering Sector SEZ (263.19 acres) in Perundurai
- Transport Engineering Sector SEZ (255.00 acres) in Gangaikondan
- Sector Specific SEZ for Engineering (133.76 acres) in Ranipet
- Granite Processing SEZ (235.98 acres) in Bargur

Many industrial giants like DELL India Pvt. Limited, Sanmina, Nokia Network Solutions, ATC Tyres, WIPRO, etc., have established their industries in these Special Economic Zones with huge investment. So far, 1024.36 acres of land have been allotted to 45 industrial units, through which direct and indirect employment opportunity has been created to about 60,000 persons.

2.3. MoU Units

Untill the Global Investor's Meet held in 2015, the Government of Tamil Nadu has entered

into 73 Memorandum of Understandings with 62 leading industries (including expansion schemes) with a total investment of Rs.77,551 crore, of which 41 industries are located in SIPCOT Industrial Complexes/Parks.

Out of 41 industries, 34 industries have established their units in SIPCOT Industrial Complexes / Parks and commenced their production and the other industries are also establishing their units. The total investment attracted by the MoU companies is Rs.51,000 crore and generated employment to 53,585 persons.

Apart from the above, 50 MoUs have been signed by Industries Dept. during the Global Investor's Meet in 2015. Out of this 18 industries are to be established in SIPCOT. 12 industries have started to establish / expand their industries in SIPCOT Industrial Complexes / Parks and for the balance 6 units, lands are to be allotted.

2.4. Industrial Corridor Excellence

SIPCOT has prepared the study of the following Corridor Development Plans for each Regions separately, through the consultant facilitating for creation of **Industrial Corridors of Excellence (ICE)** along the National Highways.

1. Chennai-Bengaluru Industrial Corridor (CBIC):

This is a Government of India Project and the Nodal Agency is TIDCO.

2. Madurai-Thoothukudi & Coimbatore-Salem Industrial Corridors.

2.4.1. Madurai-Thoothukudi Industrial Corridor

This corridor is to be developed for providing environmentally sustainable and rapid industrialisation in industrially backward southern districts. This corridor will have excellent roads, rail connectivity, specific investment regions and

other industrial and social infrastructure facilities like townships, schools, hospital, etc.

This project aims for an investment outlay of Rs.40,000 crore for infrastructure development over a period of 10 years and it would attract industrial investment of Rs.1,90,000 crore and expected to generate employment opportunity for 18 lakh persons.

Government approved the project structure of Madurai Thoothukudi Industrial Corridor (MTIC). As per this, Tamil Nadu Infrastructure Development Board (TNIDB) shall be the Apex Co-ordinating Agency and SIPCOT will act as project Co-ordinating agency. Accordingly, SIPCOT constituted a new public limited company in the name of Madurai Thoothukudi Industrial Corridor Development Corporation Limited on 17.4.2015 with the authorised share capital of Rs.10 crore to implement the project. Land along the corridor is in various stages of acquisition.

2.4.2. Formation of 10MGD Tertiary Treated Reverse Osmosis (TTRO) Plant in Sriperumbudur.

Consequent to the expansion of Industrial Parks and creation of new Industrial Parks in Sriperumbudur Taluk, Kancheepuram District viz. Vallam – Vadagal and Vaipur – Mathur, SIPCOT's requirement of water raised from 5 MGD to 10 MGD. In order to meet out this requirement, SIPCOT is taking steps through Chennai Metro Water Supply and Sewerage Board (CMWSSB) to establish a 10 MGD Tertiary Treated Reverse Osmosis (TTRO) Plant at Koyambedu to supply tertiary treated water to the industries in the above said Industrial Parks. Government, have accorded administrative approval during December 2014 to CMWSSB to implement the project. SIPCOT has released a sum of Rs.2.40 crore to CMWSSB towards consultancy charges to implement the project.

CMWSSB has issued work order to M/s Wabag - IDE Consortium to implement the project

for a value of Rs.594 crore on 3.3.2016. They have carried out preliminary survey work for laying of pipeline and also soil test done for pump room, etc. at Irungattukottai, Sriperumbudur & Oragadam. Further, this project is expected to be completed during the year 2018.

2.5. Environmental Protection

To dispose of the hazardous industrial waste by suitably converting the waste, a massive scheme viz., Hazardous Waste Treatment, Storage and Disposal Facility (HWTSDF) has been implemented in an extent of 26.91 acres at Export Promotion Industrial Park (EPIP), Gummidipoondi by IWMA through Tamil Nadu Waste Management Limited. SIPCOT has initiated action to create the similar facility in two places one at SIPCOT Industrial Complex, Thoothukudi and another one at SIPCOT Industrial Growth Centre, Perundurai to an extent of 20 acres each, through Industrial Waste Management Association (IWMA).

2.5.1. Aerospace Park at Sriperumbudur

Government have granted approval for implementation of Aerospace Park in an area of about 250 acres in SIPCOT Industrial Park, Vallam village of Sriperumbudur Taluk, Kancheepuram District.

This Park is established to an extent of 245 acres at an estimated project cost of Rs.350 crore for manufacturing aerospace components and maintenance & repair services for Avionics after obtaining Environmental Clearance from State Level Environment Impact Assessment Authority (SEIAA). Further, a Common Testing & Technology Centre will be provided in this park. So far, SIPCOT has allotted 36.19 acres of land to 13 industrial units.

This park will attract 1,000 crore of investment in a period of 5 years and will generate direct employment opportunity to

10,000 persons & indirect employment opportunity to 25,000 persons. It is proposed to provide the basic infrastructure facilities viz. roads, street lights, storm water drain, etc. at an estimated cost of Rs.30 crore.

2.6. Integrated Textile Processing Park at Manakudi

In Ramanathapuram District, Thiruvadanai Taluk to an extent of 224.65 acres in Manakudi village, an Integrated Textile Processing Park will be established at an estimated cost of Rs.150.00 crores. In this park, a Desalination plant for supplying 10 MLD water will be established. It will have 30 Textile Processing Units with capital out lay of Rs.450.00 crore. By this, direct employment opportunity for 6,000 persons will be created. Central Govt. subsidy of Rs.70.00 crore, share of Special Purpose Vehicle Rs.40 crore and the share of State & SIPCOT Rs.40 crore will be the project cost.

Enter upon Permission for an extent of 224.65 acres at Manakudi Village, Thiruvadanai Taluk to set up a Textile Park was given by District Collector, Ramanathapuram District on 23.2.2015 and the lands were handed over possession to SIPCOT. Proposal sent to the Textile Ministry of Central Government for getting project approval and sanction of Central Government Grant are awaited. Tenders received, scrutinised and work order issued to the successful tenderer M/s. ITCOT Consultancy and Services Limited in consortium with Centre for Environmental Health & Safety, Annamalai University appointed as consultant for getting combined Environmental Clearance and Coastal Regulatory Zone Clearance for the project.

2.7. Skill Development Centres

In order to upgrade the skill of the youth, SIPCOT has constructed a Skill Development

Centre (SDC) at SIPCOT Oragadam Industrial Growth Centre. SIPCOT is taking action for providing two similar such Skill Development Centres one at Tirunelveli District at Gangaikondan Industrial Growth Centre and the another one at Tiruvallur District at Thervoykandigai Industrial Complex. Youth in and around these Industrial complexes will be trained to upgrade their skills so as to enable them to get suitable employment.

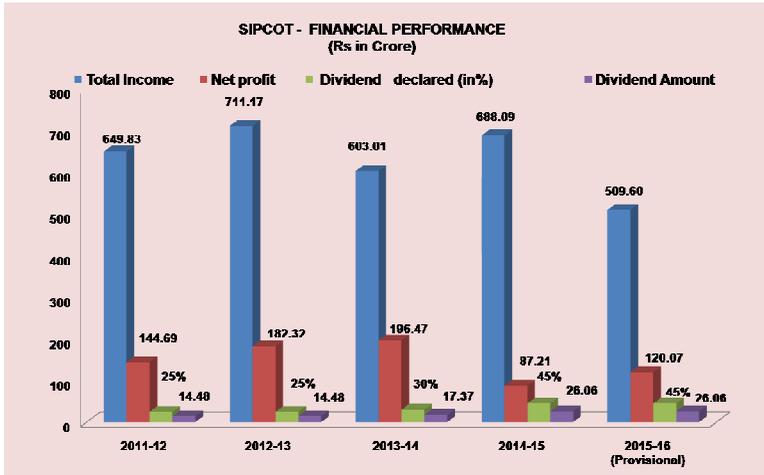
2.8. Construction of Dormitory

In order to provide affordable housing facility for working force, SIPCOT has constructed and provided two dormitories for men (400 persons) and women (600 persons) separately at Sriperumbudur, Kancheepuram District and both are functioning. SIPCOT proposes to construct two dormitory buildings at a cost of Rs.17 crore for men (400 persons) and women (600 persons) workers separately at Nerupperichal village in Tiruppur Taluk and District. The construction of

dormitory building to accommodate women workers structurally completed and other works such as verified tile flooring, electrification, water supply and sanitary works are in progress.



Aerial view of SIPCOT Industrial Park, Vallam – Vadagal



3. TAMIL NADU INDUSTRIAL DEVELOPMENT CORPORATION LIMITED

Tamil Nadu Industrial Development Corporation Limited (TIDCO) is a premier industrial development agency of the Government of Tamil Nadu, established in 1965, endeavours to achieve a balanced, rapid and continual industrial growth by promoting medium and large industries in the State through Joint Ventures in association with Private Sector. TIDCO facilitates large industrial and infrastructure projects in Tamil Nadu involving large investments and huge employment potential with a vision to accelerate the growth of local economy and the society in the state.

TIDCO has established several pioneering industrial projects in sectors such as Chemicals, Fertilizers, Pharmaceuticals, Textiles, Iron and Steel, Food & Agro, Floriculture, Engineering, Petroleum and Petrochemicals and infrastructure

projects such as Special Economic Zones (SEZ), Information Technology (IT) Parks, Agri Export Zones (AEZ) and Bio Technology Parks. Some of the important joint ventures of TIDCO are Titan Industries, Mahindra World City, Tamil Nadu Petro Products, TIDEL Park, Ascendas IT Park, TICEL Bio Park, IT Expressway, Chennai Trade Centre and L & T Shipbuilding Limited.

TIDCO's portfolio of investments valued at cost is Rs.476.59 crore (as on March 2016) are mostly in the form of equity investments in Joint Venture Companies and investments made in on-going projects.

At present, TIDCO is implementing a Liquefied Natural Gas (LNG) Import Terminal in Tiruvallur district, a Petroleum Refinery Project in Cuddalore district, an IT and ITES SEZ at Taramani, a Special Investment Region (SIR) in Krishnagiri district, TICEL Bio Park III in Coimbatore District, a Polymer Industries Park in Tiruvallur district, a Petroleum, Chemicals,

Petrochemicals Investment Region (PCPIR) in Cuddalore and Nagapattinam districts and an Integrated Food Irradiation and Services Facility at Pillaipakkam near Chennai.

TIDCO is also taking steps for establishing an Advanced Computing and Design Engineering Centre for Aerospace Industries in Sriperumpudur Aerospace Park, a Heavy Engineering Components Hub in Ponneri Taluk, Tiruvallur district, a National Investment and Manufacturing Zone (NIMZ) Project in Ramanathapuram District, Development of Ponneri Industrial Node in Chennai Bengaluru Industrial Corridor (CBIC) and a Medi Park near Chengalpattu.

3.1. Current Projects

3.1.1. LNG Import Terminal Project in Thiruvallur District

The Liquefied Natural Gas (LNG) Import Terminal Project is being implemented by TIDCO and Indian Oil Corporation Limited through a Joint Venture at an estimated investment of Rs.5,170

crore near Kamarajar Port in Ennore, Kattupalli village of Thiruvallur District. This LNG Import Terminal will have a capacity to handle 5 Million Tonnes per year of LNG and it will distribute about 180 lakhs cubic metres per day of natural gas for power plants, fertilizer units, other industries, domestic use and transportation sector in Tamil Nadu.

TIDCO and Indian Oil Corporation Limited signed a Heads of agreement during March, 2012 in the presence of the Hon'ble Chief Minister for the implementation of this project. The engineering and design work for this project has been completed. The project has received clearance from Ministry of Environment and Forests, Government of India. About 130 acres of lands have been earmarked for this project, out of the lands transferred by TIDCO to Ennore Kamaraj port earlier. A new Joint Venture company in the name of Indian Oil LNG Private Limited has been formed. The project construction work has been started in September,

2015. The project is expected to be operational in 2018.

3.2. TRIL Infopark Limited at Taramani

TIDCO has been establishing an Information Technology – Information Technology Enabled Services (IT-ITES) Special Economic Zone with an Integrated International Convention Centre on 25.27 acres of in Taramani through a joint venture with M/s. Tata Realty and Infrastructure Limited. The revised estimated cost of the project is about Rs.4,000 crore.

Four Towers with built up space of 3.4 million sq.ft. at Phase-I are operational with marquee tenants like Cognizant, Infosys, Mindtree, HP, TCS, CISCO, WIPRO, Citibank, Fidelity, Pershing, Scientific Publishing Services, SITEL, INAUTIX etc. TRIL Infopark limited has commenced construction activities for Phase-II of the project viz. additional IT space of 1.2 million sq.ft., 100 Serviced Apartments and an Integrated International Convention Centre. This

project has generated direct and indirect employment for 18,000 persons.

3.3. TICEL Bio Park-III Project in Coimbatore

TIDCO & TIDEL Park Limited are jointly establishing TICEL Biotechnology Park – III at Coimbatore at cost of Rs.55 crore. A grant of Rs.10 crore has been released on 05.11.2015. State Level Environment Impact Assessment Authority has granted clearance for this project. Engineering Consultant and Civil Contractor have been appointed. Hon'ble Chief Minister has laid the foundation stone for this project on 29.01.2016. Construction work is in progress. The project is scheduled for completion by September 2018.

3.4. Polymer Industries Park Project in Tiruvallur District

TIDCO has planned to promote a Polymer Industries Park in 306 acres of lands in the Voyalur village, Ponneri Taluk of Tiruvallur District

with a revised estimated cost of Rs.264 crore. This Park will have infrastructure required to accommodate 84 medium and small scale plastic components manufacturing units. When fully developed, this Park will be able to attract investments of about Rs.2,100 crore and also generate employment to 32,000 persons.

As per the Policy announced by the Department of Chemicals and Petrochemicals, this project will be eligible for Rs 40 crore as grant funding by Government of India. Government of India granted In-principle approval for this project in April, 2012. A Detailed Project Report (DPR) prepared by TIDCO was submitted to Government of India. A Special Purpose Company viz., Tamil Nadu Polymers Industries Park Limited has been formed as a Joint Venture of TIDCO and SIPCOT to implement the project. TIDCO has transferred 306 acres of lands earmarked for this project to the new Joint Venture Company. The Department of Chemicals and Petrochemicals, Government of

India has granted final approval for this project on 30.10.2015.

3.5. Special Economic Zone/Special Investment Region project in Krishnagiri District

A multi-product SEZ in an area of about 2800 acres of lands in Krishnagiri District was proposed to be implemented by GMR Infrastructure Limited (GMR) and TIDCO through the Joint Venture company viz., GMR Krishnagiri SEZ Ltd with an estimated investment of Rs.2,300 crore. Subsequent to the revision in the minimum area required for SEZ and changes in the policies of Government of India, GMR has now proposed to develop 2,101 acres of land as a Special Investment Region (SIR) with a few sector specific SEZs within the Region, in a phased manner and the Phase-I covering an extent of 633 acres, is likely to be developed to cater to

Precision Engineering, Auto Components and Electronics.

3.6. Petroleum, Chemicals and Petrochemicals Investment Region (PCPIR) in Cuddalore and Nagapattinam Districts

TIDCO has taken steps to establish an Investment Region having infrastructural facilities required for setting up Petroleum and Petrochemical production units for domestic needs and exports covering an area of 257 sq.km in Cuddalore and Nagapattinam districts. This proposal was approved by the Cabinet Committee on Economic Affairs, Government of India. Of the total area delineated as PCPIR, 40% i.e. about 10,400 hectares will be demarcated as the Processing area.

Total investments for external linkages (i.e) Roads/Railway and utilities projects including a Seawater Desalination plant, Common Effluent Treatment plant for PCPIR, has been estimated is

Rs.13,354 crore. Out of this contribution from Central Government will be @ Rs.2,643 crore. Contribution from State Government will be @ Rs.866 crore and the investment from Private Developers will be @ Rs.9,845 crore. The 12 million tonnes per year capacity petroleum refinery project of Nagarjuna Oil Corporation Limited, a joint venture of TIDCO and Nagarjuna Fertilizers and Chemicals Limited, is the designated Anchor unit of this PCPIR.

A Memorandum of Agreement between Government of Tamil Nadu and Department of Chemicals and Petrochemicals, Government of India was signed on 20.02.2014 for carry forward the implementation of the PCPIR. The Management Board will be constituted shortly for development and management of the PCPIR. Government of Tamil Nadu has issued orders notifying Tamil Nadu PCPIR under the Tamil Nadu

Town and Country Planning Act, 1971 in January, 2016.

3.7. Aerospace Advanced Computing and Design Engineering Centre Project in Kancheepuram District

TIDCO is planning to establish an Advanced Computing and Design Engineering Center Project for Aerospace Component Manufacturing & Design Industries in the proposed Aerospace Park in Sriperumpudhur Taluk, Kancheepuram District. The proposal is to create built in space and facilities for Advance Computing and Design Centre, Avionics Complex and R&D for Aerospace industries. It is expected that atleast 50 aerospace and engineering components designing and product development companies can be housed in this advanced facility. This project will be implemented through a special purpose company to be floated by TIDCO viz. Chennai Aerospace Park Limited.

TIDCO has prepared a pre-feasibility report on this proposal. TIDCO has submitted application for the sanction of ASIDE grant of Rs.50 crore to Government for this project. TIDCO is in the process of preparing the Detailed Project Report (DPR) through consultant for this project. DPR will be prepared by November, 2016.

3.8. Heavy Engineering Components Hub Project in Thiruvallur District

TIDCO has planned to set up a Heavy Engineering Components Manufacture Hub in an area of 700 acres in the Ponneri Taluk of Tiruvallur District. This hub is to be developed as a special investment area for the Ship building support units, electrical and other engineering industry including Auto Component Industry sectors. This location will have road connectivity with the Ennore Kamarajar Port and Kattupalli Port. The cost of development of this Heavy Engineering Components Manufacture Hub is

estimated at Rs.700 crore including cost of land procurement. This hub is expected to attract investments of Rs.3,000 crore in a ten years timeline.

Government has issued Administrative Sanction for acquisition / alienation of 700 acres of lands in Kattur and Ibrahampuram villages of Ponneri Taluk. The Land Acquisition is in progress. A Detailed Project Report for this project is under preparation.

3.9. National Investment and Manufacturing Zone Project in Ramanathapuram District

TIDCO has planned to establish a National Investment and Manufacturing Zone (NIMZ) in the Ramanathapuram District under the National Investment Manufacturing Policy notified by Government of India. An area of about 5,468 Hectares have been identified in the Devipattinam, Chittarkottai, Pullangudi and Athiyuthu villages of Ramanathapuram Taluk. In

Principle approval for setting up this National Investment and Manufacturing Zone in the Ramanathapuram District was obtained from Government of India in February 2015.

For developing this zone, the existing road and rail connectivity infrastructure will be augmented and a sea water desalination plant will be set up to meet the water requirement. The total investment required for developing such infrastructure is estimated at about Rs.7,090 crore. Funds support proposed from Central Government and State Government are estimated up to Rs.6,940 crore and Rs.150 crore respectively.

Four key sectors viz. Textile, Sea Food Processing, Agro Food Processing and Renewable Energy sectors have been identified for investments. It is estimated that over a period of 10 years, this NIMZ may attract investments of about Rs.15,150 crore and may generate employment opportunities for about 1,30,000 persons.

TIDCO has completed a Techno Economic Feasibility Study for this project. This study report will be forwarded to Department of Industrial Policy and Promotion, Government of India for obtaining final approval for this project.

3.10. Chennai Bengaluru Industrial Corridor (CBIC) – Ponneri Industrial Node Development Project

The 'Vision Tamil Nadu 2023' document released during March, 2012, in which the Chennai Ranipet Industrial Corridor Project and Ranipet-Hosur Industrial Corridor Project is included 'Signature Projects'. Both these Corridors have been subsumed in the Tamil Nadu Region of the Chennai-Bengaluru Industrial Corridor (CBIC).

Japan International Cooperation Agency (JICA) was engaged to prepare the Master Plan for CBIC by Department of Industrial Policy and Promotion, Government of India. As a part of preparing a Comprehensive Integrated Master Plan document for the CBIC project, JICA has completed the Development plans for the Nodes

in the CBIC region including for the Ponneri Industrial Node. The final report on Ponneri Node Development Plan from JICA was received on 24.06.2015.

The Ponneri Industrial Node comprises ten villages in the Ponneri Taluk covering total area of 21,966 acres. As per the development plan prepared by JICA, it is proposed to develop the Ponneri Industrial Node in three Phases; Phase-1 (2016-2019), Phase-2 (2020-2024) in 4500 acres of area and Phase-3 (2025 and beyond) for the remaining areas. The investment for the Phase 1 Development has been estimated at Rs.13,314 crore and the total investment for this Node development has been estimated at Rs.32,713 crore for all the three phases.

For the development of Ponneri Industrial Node an Institutional Framework has been finalized as prescribed by the Department of Industrial Policy and Promotion, Government of India. Based on the application submitted to

Department of Industrial Policy and Promotion (DIPP) by Government of Tamil Nadu in September 2015, the High Level committee of DIPP at its meeting held on 10.12.2015, has granted In Principle Approval for declaring Ponneri Industrial Node Area as a National Investment and Manufacturing Zone (NIMZ).

3.11. Integrated Food Irradiation and Services Facility Project in Kancheepuram District

TIDCO has proposed to set up an Integrated Food Irradiation and Services Facility near Chennai at a project cost of Rs.15 crore through a joint venture partner M/s. Isorad Tech Private Limited (ITPL), Chennai. This facility will have the components of Multi-Purpose Gamma Irradiation facility, Cold Storage, Vapour Heat Treatment, Modern Laboratory facility, Warehousing etc.

M/s. Isorad Tech Private Limited (ITPL), Chennai has submitted a Project Report. An Memorandum of Understanding (MoU) signed between Board of Radiation & Isotope technology,

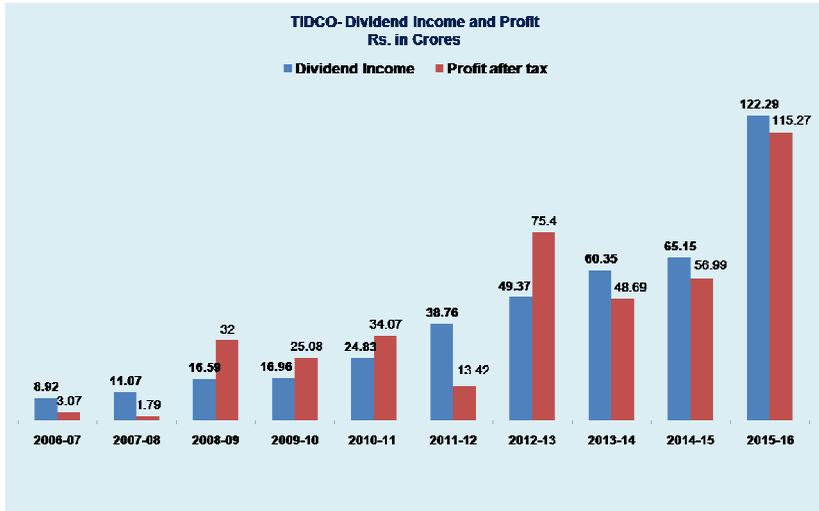
Mumbai and M/s. Isorad Tech Private Limited, for Technology transfer for Radiation Processing Plant. SIPCOT has allotted 1.65 acres of land at Pillaipakkam Industrial Complex. TIDCO and ITPL are taking steps for implementing this project.

3.12. Biotechnology Venture Capital Fund

TIDCO is taking steps to constitute a Biotechnology Venture Capital fund of Rs.50 crore as per the Biotechnology Policy. In this fund, TIDCO will contribute Rs.10 crore, TIDEL Park Ltd & TICEL Bio Park Ltd together will contribute Rs.10 crore and the State Government will contribute Rs.5 crore. In addition, the private sector will contribute Rs.25 crore for this fund. TIDCO Board has approved to appoint Tamil Nadu Infrastructure Fund Management Corporation Limited (TNIFMC) as a Fund Manager for setting up, mobilising fund and managing the Biotechnology Venture Capital Fund. An agreement will be signed between TIDCO and TNIFMC.

3.13. Financial Performance of TIDCO

In the financial year 2014-15, TIDCO has earned a net profit of Rs.56.99 crore and given 30% dividend of Rs.21.60 crore to Government.



4. TAMIL NADU NEWSPRINT AND PAPERS LIMITED

Tamil Nadu Newsprint and Papers Limited (TNPL) was promoted by the Government of Tamil Nadu in the year 1979 to produce Newsprint and Printing and Writing Paper using bagasse as primary raw material. The factory is located at Pugalur in Karur District. The plant with a capacity 90,000 tonnes per annum was commissioned in 1985. The plant capacity has been enhanced to 4,00,000 tonnes per annum in four phases. Simultaneously, the pulp production capacity also has been increased from 275 tonnes per day to 1180 tons per day.

TNPL has set up a state-of-the-art Multi-layer Double Coated Board Plant of a capacity of 2 lakh tonnes per annum at Mondipatti Village, Manaparai Taluk in Tiruchirapalli District, over an extent of 874 acres at a capital investment of Rs.1650 crore. TNPL production capacity has been increased from 4 lakh tonnes per annum to 6 lakh tonnes per annum and thus became the third largest paper mill in the country.

4.1. TNPL – Mission statement

“To emerge as the market leader in the manufacture of world class eco-friendly papers, adopting innovative technologies for sustainable development”

TNPL is the largest bagasse based paper mill in the world and the second largest producer of printing and writing paper in the country. The Government of Tamil Nadu holds 35.32% shares in the company and the Government of Tamil Nadu owned companies hold 4.06% shares. The balance shares are held by Foreign Institutional Investors (FIIs), Indian Financial Institutions, Mutual funds, Insurance companies, Corporate bodies and general public.

TNPL produces a wide variety of high quality papers and coated boards suited for different end uses. TNPL markets its products throughout the country. TNPL exports about 20% of its paper production to over 40 countries across the world.

TNPL has installed two wind farms of capacity 35.5 MW in Tirunelveli district. TNPL has installed captive power generation capacity of 103.62 MW in its Paper Mill complex and 30 MW in its Coated Board Mill complex. Surplus power is exported to the State Grid.

TNPL has also set up a 900 tpd cement plant to produce cement from the mill solid wastes viz. lime sludge and fly ash generated in the process of manufacture of paper.

4.1.1. Production and Capacity Utilization during the year 2015-16

Paper production during the year 2015-16 is 4,03,430 tonnes with capacity utilization of 100.86%. This is the highest production since inception of Tamil Nadu News Print and Papers Limited.

4.1.2. Turnover and Profit during the year 2015-2016

The turnover during the year 2015-16 is Rs.2373.16 crore and the profit before tax is

Rs.317.23 crore. The current year profit before tax is higher than the previous year profit before tax of Rs.230.13 crore. This is the highest profit since inception of Tamil Nadu News Print and Papers Limited.

4.1.3. Dividend

The performance of the company is consistent over the years. The company is functioning profitably and paying reasonable dividend to its shareholders on a regular basis. The company has paid a dividend of 60% for the year 2014-15. Accordingly, the company has paid the dividend of Rs.14.67 crore to the Government of Tamil Nadu for the year 2014-15. The company has increased the dividend to 75 % for the year 2015-16. Accordingly, the dividend payable to the Government for the year shall be Rs.18.33 crore.

4.1.4. Exports

TNPL is the largest exporter of printing and writing paper from India. Export during 2015-16 is 72719 tonnes.

4.1.5. Employment

The company provides direct employment to 2,630 employees and indirect employment to about 3,000 persons.

4.2. Projects implemented during 2015-16

- Installed a state-of-the-art Multi-layer Double Coated Board Plant of a capacity of 2 lakh tonnes per annum at Mondipatti Village, Manaparai Taluk in Tiruchirappalli District, over an extent of 874 acres at a capital investment of Rs.1650 crore.
- Expanded the cement Mill to increase the production capacity from 600 MT per day to 900 MT per day, at a capital investment of Rs 50 crore.
- Set up a Center for Conversion of Paper and Packaging Board Unit at a capital layout of Rs.30 crore in Mayanur, Karur District.
- Upgraded Information Technology, Enterprises Resource Planning (ERP) Server to meet the additional plant requirements, at a capital investment of Rs.6.5 crore.

4.3. Projects under implementation during the 2016-17

- TNPL is implementing additional environmental improvement measures viz. Chloride removal system to reduce the chloride concentration from the ash generated in Chemical Recovery Boiler and Vapour Condensing System to cool the white smoke generated in Chemical Recovery Boiler at a cost of Rs.20 crore. The project will be completed by March 2017.

- TNPL is implementing install a screw press to reduce the moisture content in the wet pith generated in Bagasse Pulping plant and consume the same in the boilers and an additional press roll in Hard wood Plant and equipment for handling bagasse at a cost of Rs.7.5 crore. The project will be completed by October 2016.

4.4. Corporate Social Responsibility (CSR)

As a policy, the company is committed to spend 2% of the average profit before tax of the proceeding three years , for its CSR activities every year. TNPL undertakes social welfare measures under five major heads viz., Education, Health care, Socio Economic development, Environment and Culture in the surrounding areas of the factory.

During the year 2015-16, the company has spent Rs.3.69 crore for various CSR activities.

4.5. Awards

1. Dun & Bradstreet, Mumbai has selected TNPL as the "Top Indian Company under the sector Paper for Dun & Bradstreet Corporate Awards 2016". TNPL has received the award for the Fifth time in a row.
2. Indian Chamber of Commerce has bestowed on TNPL the "Water Stewardship Award 2016" as part of its Corporate Governance and Sustainability Vision Awards.



Hon'ble Chief Minister inaugurated various projects of Industries Department on 29.01.2016.



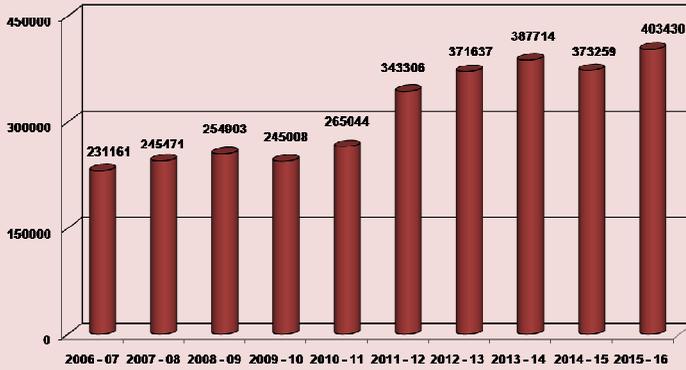
TNPL – Unit I, Kagithapuram, Karur

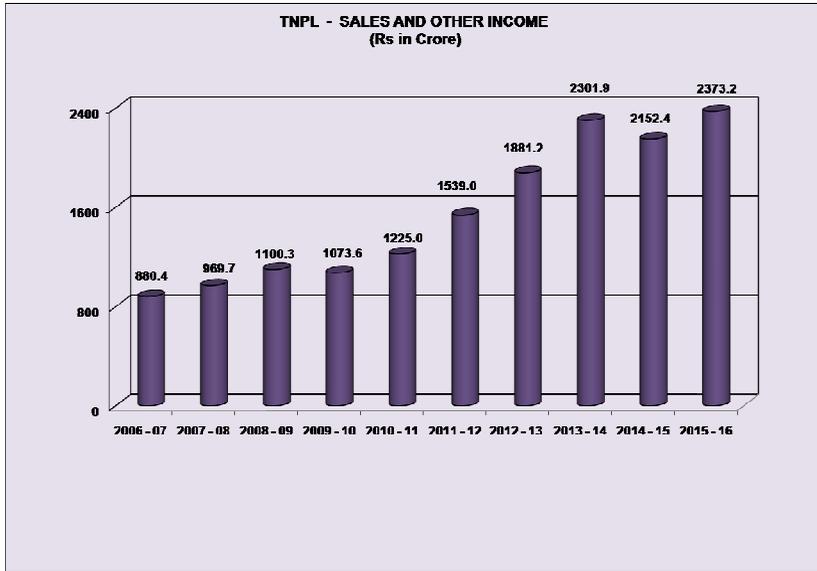


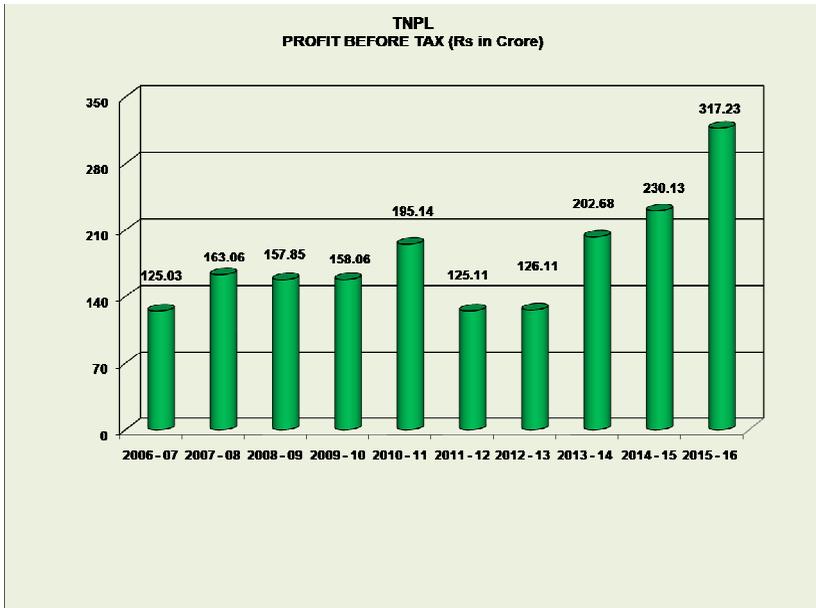
Aerial view of TNPL – Unit II, Multi-layer Double Coated Board Plant, Mondipatti Village, Manaparai Taluk in Tiruchirapalli District

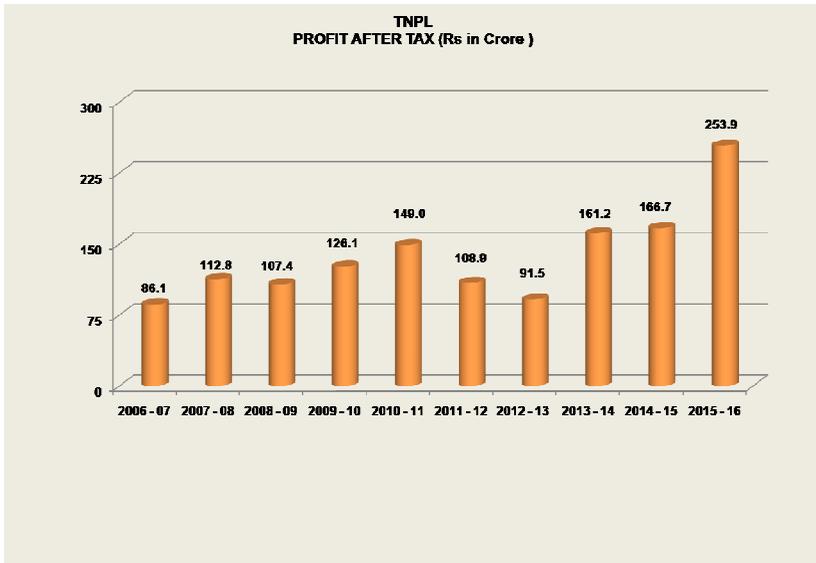


TNPL – Cement Plant, Kagithapuram, Karur

TNPL - PRODUCTION
(Qty. in Tons)







5. TAMIL NADU INDUSTRIAL INVESTMENT CORPORATION LIMITED

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

TIIC has so far assisted 1,19,767 units with a cumulative sanction of Rs.14,549.87 crore till 31.03.2016. The loan portfolio of the Corporation as on 31.03.2016 stands at Rs.1730.01 crore.

With the continued support of the State Government and the focused efforts of the employees of the Corporation, TIIC has been earning profit continuously for 13 years from 2003-04 onwards. TIIC registered a net profit of Rs.15 crore during 2015-16.

5.1. Share Capital

The Share Capital of TIIC as on 31.03.2016 is Rs.321.00 crore and the details are as under:

Share Holder	Share Capital	
	(Rs. in crore)	Percentage
Government of Tamil Nadu	303.52	94.55
Small Industries Development Bank of India (SIDBI)	17.00	5.30
Government of Pondicherry	0.15	0.05
Insurance Companies, Banks including Co-operative Banks	0.33	0.10
Total	321.00	100.00

5.2. Schemes

Some of the schemes operated by TIIC to fulfill the divergent needs/requirements of the industries are General Term Loan for starting up new units and expansion of existing units, New Entrepreneur cum Enterprise Development Scheme (NEEDS) formulated by the State Government, Entrepreneurs Development Scheme, Micro / Small Enterprises Fund Scheme, Wind Power Projects, Bill Finance Scheme for TANGEDCO & TANTRANSCO / TWAD/ TNPL Vendors & Contractors, Working Capital Term Loan for manufacturing units / for certain Service Sector units. The Special Schemes are as follows:

5.2.1. General Term Loan

Financial assistance for new projects or for expansion, modernisation and diversification of existing units both in manufacturing and service sectors are considered under the scheme.

Assistance is given by way of Term Loan upto Rs.30 crore for Private/ Public Limited companies, Rs.20 crore for Partnership / LLP Firms and Rs.15 crore for proprietary concerns. Promoters contribution will be 33.33% of the project cost. Based on the type of project, repayment period can be extended upto 7 years excluding moratorium period for principal from 6 months to 2 years.

5.2.2. New Entrepreneur cum Enterprise Development Scheme (NEEDS)

TIIC has an active role to play in the implementation of the **NEEDS** scheme formulated by the State Government during 2012-13 for assisting educated youth to become first generation entrepreneurs. Under the Scheme, State Government will provide capital subsidy of 25% of the project cost which shall not exceed Rs.1.00 crore subject to a maximum of Rs.25 lakh. Besides a 3% interest subvention is also

extended to the entrepreneurs on the loan availed for the project. The special feature of this scheme is low promoter contribution which is 5% for special category entrepreneurs and 10% for others. As on 31.07.2016, 336 beneficiaries have been sanctioned loan to the tune of Rs.144.08 crore under this scheme.

5.2.3. Entrepreneurs Development Scheme

As a part of its commitment to social obligations, TIIC has introduced a "Entrepreneur Development Scheme" aimed at promoting a new generation of entrepreneurs especially from economically and socially disadvantaged backgrounds who are unable to offer required collateral security. Under the scheme, loan upto Rs.5.00 lakh is rendered at a lesser promoter's contribution of 10% without collateral security but backed by one / two guarantors satisfying the norms.

5.2.4. Transport Operators Scheme

Financial assistance is extended for purchase of goods transport vehicles that are registered as public carriers and passenger vehicles with route permit. The promoter's contribution under the scheme ranges from 15% to 30%.

5.2.5. Equipment Finance Scheme

The scheme will facilitate existing industrial units with good track record to purchase capital goods/equipment. The promoters contribution under the scheme is minimum 15% of the cost of capital goods / equipments acquired.

5.2.6. Generator Loan Scheme

The scheme is extended to MSME units for purchase of generator sets. Since 07.12.2012, the promoters contribution has been reduced from 25% to 10% in compliance of the announcement of the Hon'ble Chief Minister. TIIC has further liberalized the collateral security

norms to make the generator loans easily accessible to entrepreneurs.

5.2.7. Wind Power Projects

The scheme aims to encourage entrepreneurs to set up private wind mills for captive consumption of renewable energy as well as for selling power to TANGEDCO. The assistance is extended towards cost of land, equipment, electrical, erection and commissioning etc.

5.2.8. Working Capital Term Loan for Manufacturing units / Rice Mill Units

The scheme aims to extend financial assistance to the existing assisted and non assisted manufacturing units including modern rice mill units to meet their working capital needs. The Scheme is well received by the manufacturing units and rice mills and is being implemented successfully. The maximum financial assistance under the scheme is Rs.2

crore. The Working Capital Term Loan is generally repayable in 42 monthly instalments.

5.2.9. Bill Financing Scheme

TIIC has entered into MoUs with TANGEDCO, TANTRANSCO and TNPL for offering bill discounting facilities to MSME suppliers/contractors of TANGEDCO & TANTRANSCO / TNPL. It is also offering discounting facilities to TWAD MSME contractors against their bills for contract works executed partly/ fully for TWAD. The bill discounting facility loan is offered without any collateral security.

5.3. Subsidy

TIIC is also functioning as an operating agency for various State/ Central Government

incentives for promoting industries in Tamil Nadu as under:

5.3.1. Government of Tamil Nadu Subsidies

(i) Backward areas subsidy and Specific Thrust Sectors subsidy

Subsidy to the tune of 25% on Plant & Machinery subject to a maximum of Rs.30 lakh is provided to the industries set up in backward areas / SIPCOT / SIDCO Estates and to select products specified under thrust sectors. It is available for subsequent expansions also provided there is 25% increase in cost of Plant & Machinery and 25% increase in the average turnover of last 3 years after expansion. The Corporation has disbursed Rs.17.87 crore as State Capital subsidy during the year 2015-16.

(ii) Subsidy under NEEDS

Under the NEEDS Scheme, the Corporation has disbursed a sum of Rs.5.89 crore to 90

beneficiaries for the year 2015-16 as capital subsidy.

(iii) Generator Subsidy

The capacity limit for generator sets has been enhanced from 125 KVA to 320 KVA and the upper limit for subsidy quantum, at 25% of the generator cost, has been enhanced from Rs.1.50 lakh to Rs.5 lakh.

The Corporation has disbursed Rs.6.14 crore to 455 beneficiaries as Generator Subsidy for the year 2015-16.

(iv) 3% interest subvention for loans availed from TIIC by MSME units

Under the scheme, 3% interest subvention is extended by the Government of Tamil Nadu to MSMEs availing loan from TIIC with effect from 03.09.2012. Under the scheme, 4,743 loans to the tune of Rs.2,091.21 crore were sanctioned as on 31.03.2016. The Government has released Rs.30.28 crore towards interest subvention upto 30.06.2016.

This 3% interest subvention scheme has been extended for a further period of 3 years, i.e., upto 2018-19.

5.3.2. Central Government Subsidies

(i) Credit linked Capital Subsidy (CLCS)

15% on the eligible Plant & Machinery subject to a maximum of Rs.15 lakh per unit.

For the year 2015-16, TIIC has drawn from Ministry of Micro, Small and Medium Enterprises, Government of India and disbursed Rs.2.03 crore to 25 beneficiaries as subsidy under this scheme.

(ii) Textile Upgradation Fund Subsidy (TUF)

a) Interest / Capital Subsidy

2% / 5% / 6% interest reimbursement and 10% / 15% capital subsidy is available for specified machinery in textile sector like textile processing/ garment manufacture / spinning with matching capacity/ technical textiles / brand new shuttleless looms, etc. The above is available to MSME and non-MSME units subject to fulfilling conditions stipulated by the Government of India.

b) Margin Money Assistance Subsidy (Capital Subsidy)

8% / 15% / 20% Margin Money Subsidy is available for power loom machinery installed by MSME Enterprises and also textile industry units like spinning, processing, garment manufacture, knitting, weaving, jute sector, carpet manufacturing etc., subject to fulfilling conditions stipulated by Government of India.

During the current financial year, the Corporation has claimed Rs.78.20 lakh in respect of 27 units towards interest and capital subsidy and disbursed subsidies amounting to Rs.12.60 lakh as interest subsidy upto 31.03.2016.

The scheme has been amended with effect from 13.01.2016. Interest subsidy has been removed and only capital subsidy at 10% / 15% is being extended for eligible machinery.

5.4. Insurance

The Corporation has ventured into insurance business over the past 4 years. Through insurance business, it has earned an income of Rs.18.88 lakh in the financial year 2015-16.

5.5. TIIC – Empowering Entrepreneurs

TIIC continues to be the preferred institution for first generation entrepreneurs, people from rural backgrounds and others with little social support, on account of its transparent functioning, long repayment period, quick service and providing loan as well as eligible subsidy under one roof.

5.5.1. Performance

The performance of the Corporation in the various areas of operations viz. Sanction, Disbursement and Collection from May 2011 upto 31.03.2016 is as under:

(Rs.in crore)

Area of operation	11.05.2011 – 31.03.2016
Sanction (including Bill Finance Scheme)	5900.59
Disbursement	4941.73
Collection	5458.29

5.5.2. Performance for the Financial Year 2015-16

(Rs. in crore)

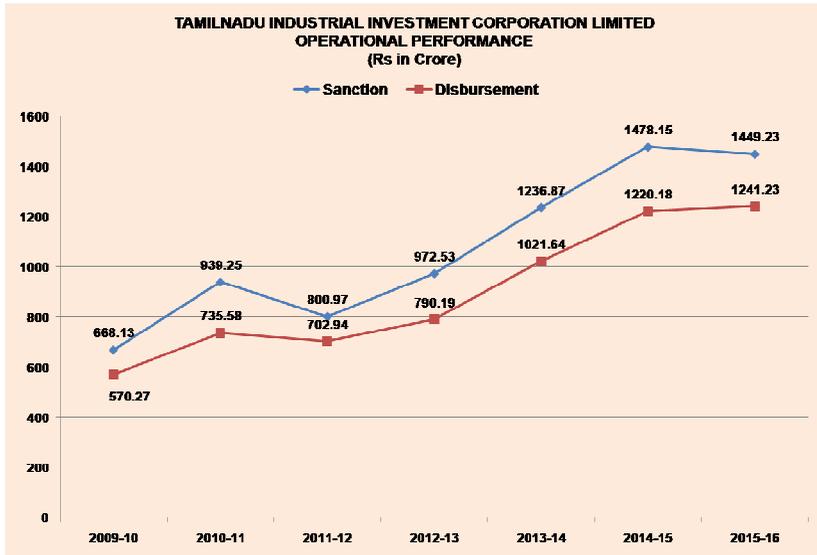
Particulars	Achieved 2015-16	Achieved 2014-15
Sanction	1449.23	1478.15
Disbursement	1241.23	1220.18
Collection	1399.32	1320.85

During 2015-16, most of the financial assistance given by the Corporation was in the Engineering / Auto Components, Textiles, Plastics and Food Processing Sectors.

5.5.3. Action Plan for the year 2016-17 and 2017-18

(Rs.in crore)

Year	Sanction	Disbursement	Collection
2016-17	1600	1400	1400
2017-18	1700	1500	1500



6. TAMIL NADU CEMENTS CORPORATION LIMITED

India is one among the largest cement producers and ranked second in the world next to China and its annual production capacity is about 455 million tonnes. The Tamil Nadu state is the third largest producer of cement in India, having a production capacity of 40.69 million tonnes per annum.

- Major cement plants in Tamilnadu : 20
- Mini cement plants in Tamilnadu : 4
- Total annual production capacity : 40.69 million tonnes

Further by installing Alangulam cement plant in 1969, Tamil Nadu became the first state in India to produce cement under public sector.

Tamil Nadu Cements Corporation Limited (TANCEM) was incorporated on 11th February 1976 as a fully owned subsidiary of Tamilnadu Industrial Development Corporation Limited

(TIDCO). Subsequently, TANCEM become a Government company consequent to the transfer of shares held by TIDCO in favour of Government of Tamilnadu with effect from 30.12.1994. TANCEM is one among the major cement producers in Tamil Nadu having a cement production capacity of 7 lakh tonnes per annum.

6.1. Activities of TANCEM

6.1.1. TANCEM Units

1. Ariyalur Cement Unit, Ariyalur, Ariyalur District.
2. Alangulam Cement Unit, Alangulam, Virudhunagar District.
3. Tamilnadu Asbestos (Sheet) Unit, Alangulam, Virudhunagar District.
4. Stoneware Pipe Factory, Vridhachalam, Cuddalore District.

TANCEM is producing and selling cement and its allied products through the above plants.

The Annual turnover of TANCEM is about Rs.625 crore at present. TANCEM has been using

limestone from various mines on behalf of the Government of Tamil Nadu for the production of Cement. The Cement is being supplied to meet the requirements of various Government Departments, viz., Rural Development and Panchayat Raj Department, Education Department, Co-operation Department etc. and TANGEDCO at concessional price.

TANCEM also provides sustainable direct and indirect employment opportunities in backward districts like Virudhunagar and Ariyalur. Apart from this, TANCEM plays a vital role in the procurement of cement from private manufacturers through tender for the Rural Development and Panchayat Raj Departments and coordinating supply of Cement in a proper units to various Blocks of District Rural Development Agency for the implementation of rural development schemes.

In order to mitigate the hardship of the lower and middle income group, a novel scheme

of “Amma cement” was launched by Hon’ble Chief Minister. This scheme has got overwhelming response from the public. The benefit of the scheme is about 50% savings in the cement usage in the construction.

6.2. Ariyalur Cement Unit

Ariyalur Cement Unit was started in 1979 with an installed capacity of 5 lakh MT per annum by adopting Dry process technology. Presently, 202 permanent employees and 586 Contract employees are working in the Ariyalur Cement Unit.

6.3. Alangulam Cement Unit

The TIDCO had installed a cement plant in 1969 at Alangulam with a capacity of 4 lakh MT per annum by adopting Wet process technology. When TANCEM was established in 1976, it took over the Alangulam Cement plant from TIDCO. Its present capacity is 2 lakh MT per annum. Due to the adoption of the oldest Wet process technology, the cost of production is increasing to

30 to 40% compared to Dry process and the unit was incurring loss in the past years right from inception except for few years. However the Unit has started earning profit from March 2015 onwards by increasing the optimum production and sales. Presently, 137 permanent employees and 260 contract employees are working in the Alangulam Cement Unit.

6.3.1. Tamil Nadu Asbestos (Sheet), Alangulam

TANCEM had set up an Asbestos sheet manufacturing Unit at Alangulam during 1981. Its present capacity is 28,800 tonnes per annum. The unit's main raw materials are Asbestos fibre and cement. Presently, 53 employees are working in the plant. The Plant has been stopped since June 2015 to deplete the huge accumulation of stock of Asbestos Cement Sheets.

6.4. Stoneware Pipe Factory, Vridhachalam

TANCEM took over the Stoneware Pipe Factory from TACEL in 1989 by the directions of Government. The capacity of the plant is 7,200

tonnes per annum. Presently, 7 permanent employees and around 70 contract employees are working in the plant and TANCEM is contemplating its expansion to cover more areas for sale.

6.5. Marketing Activities of Tamil Nadu Cements Corporation Limited

a) Amma Cement Supply Scheme

In order to mitigate the suffering of the lower and middle income group people while constructing their own house, the "Amma Cement" was launched by Hon'ble Chief Minister. The sale was commenced at Srirangam, Tiruchirappalli District, dated 05.01.2015. The specialty of Scheme is to provide cement to the General public at the concession rate of Rs.190/- per bag. Further the Scheme has been extended all over the state at 470 go-downs. At present, the Cement is being procured 2 lakh MT per month from Seven Private Cement Manufacturers.

As per the Scheme, the General Public who undertake repair and renovate their house, may get minimum of 10 and maximum of 100 Cement

bags. The person who is constructing new house with in 1500 sq. ft. may get maximum 750 cement bags.

Tamil Nadu Cements Corporation Ltd. has been designated as "Nodal Agency". Tamil Nadu Civil Supplies Corporation and Rural Development and Panchayat Raj Department act as the implementing agencies through their 220 and 250 go-downs respectively. The Scheme has overwhelming support from the General Public.

Further, the scheme has been extended to Self-Help Groups operated by District level panchayat level federation in 31 Districts under the control of Tamil Nadu Corporation for Women Development.

Amma cement was sold 15,92,872 tonnes (3,18,57,440 bags) upto July 2016. So far 5,00,479 beneficiaries are benefited.

b) Cement supplied to DRDA Schemes

The Annual cement requirement to meet the Rural Development Programmes of the

Government being carried out by DRDA is around 12 lakh tonnes. TANCEM is supplying around 4 lakh tonnes of cement per annum at the rate fixed by the Government and procures cement from Private Cement Manufacturers through Tender to meet the balance requirement.

The cement supplied from the year 2011-12 to 2015-16 and 2016-17 (Up to June 2016) to DRDA is as follows:

(in tonnes)

Year	Total
2011-12	6,22,848
2012-13	16,47,474
2013-14	11,87,821
2014-15	9,38,364
2015-16	9,74,696
2016-17 (Up to July 2016)	1,74,019

RD Department uses the Amma Cement for its Green House and IAY Schemes.

c) Cement sales to other Government / Contractors

Besides, TANCEM has been supplying cement to the Government Departments at the rate fixed by the Government annually and also

supplying at PWD schedule of rates to their contractors who undertake projects on turnkey basis since its inception.

(in tonnes)

Year	TANCEM supply
2011-12	62,128
2012-13	51,910
2013-14	25,601
2014-15	18,947
2015-16	8,116
2016-17 (Upto July 2016)	1,015

d) Open market Cement Sales

To benefit the general public in the State, TANCEM is selling cement produced in its units at Ariyalur and Alangulam at a lesser price in the open market through stockists. This measure acts as check and balance to contain the cement price.

(in tonnes)

Year	TANCEM supply
2011-12	22,381
2012-13	1,12,464

2013-14	1,80,499
2014-15	2,47,303
2015-16	3,50,635
2016-17 (Upto July 2016)	1,25,243

TANCEM has increased its Open Market sale from 2.47 lakh in the year 2014-15 to 3.50 lakh tonnes, During the year 2015-16 which is 40% increase when compared to previous year. Further TANCEM would focus to sell the cement in open market at maximum level.

6.6. The Achievements of TANCEM from May 2011.

6.6.1. Amma Cement supply scheme:

Government of Tamil Nadu has launched **“Amma cement supply Scheme”** to provide cement at a concessional rate of Rs.190/- per bag to lower and middle income group of people in order to mitigate the hardships faced by the increase of cement prices in the open market.

Amma cement was sold to the tune of 15,92,872 tonnes (3,18,57,440 bags) upto July 2016. So far 5,00,479 beneficiaries are benefited.

6.6.2. Operating the Alangulam cement Unit in profit:

Alangulam cement plant was installed in the Year 1970 with production capacity of 4 lakh tonnes per annum by adopting wet process technology. The unit was incurring loss for the past 25 years from the year 1990. As of now, the Unit is earning profit since March 2015 due to the active measures taken by the Government. The unit has earned a net profit of Rs.702.63 lakh during the Year 2015-16.

6.6.3. Employment opportunities in TANCEM

During 2011 to 2013, employment opportunity has been given in TANCEM to about 58 persons inclusive of 27 officers, 21 staff and 10 workers. Appointment orders have been issued by the Hon'ble Chief Minister on 31.01.2013 to 7 persons under land given category and 8 persons under compassionate grounds.

6.6.4. Promotions to motivate employees

As a measure to motivate the employees, around 100 employees in various cadres have been promoted in TANCEM during 2015-16.

6.6.5. Implementation of Enterprise Resource Planning (ERP)

- TANCEM has implemented ERP (Enterprise Resource Planning) during 2011 at a cost of Rs.1.97 crore.
- TANCEM has established an Online Plant Data Integration system in 2013 at a cost of Rs.97 lakh for online transmission of Data to Corporate Office in Chennai from all Units and Marketing Depots.

6.6.6. Installation of Biometric Attendance System

TANCEM has installed the Biometric attendance system in all Units and Corporate Office in the year 2013 at a cost of Rs.4.05 lakh.

6.6.7. Installation of Video Surveillance System

TANCEM has installed the Video surveillance system at Corporate Office and Ariyalur Cement works during 2015-16 at a cost of Rs.11.64 lakh.

6.6.8. Green Development under Afforestation scheme

Under Afforestation program, 2,96,000 Eucalyptus saplings have been planted in 297 acres of Gopalapuram mines at Alangulam Cement Unit.

6.6.9. Implementation of 7th wage Board 12/3 settlement

TANCEM has implemented the 7th wage Board recommendations in the year 2015-16, thereby the wage Board employees of TANCEM gets benefitted to the tune of Rs.1.36 crore per annum.

6.6.10. Energy Audit

To identify the process flaws and to take up the remedial action, TANCEM have conducted the

Energy Audit at Ariyalur Cement Plant by engaging the renowned FLSmidth at a cost of Rs.25 lakh during September 2015. TANCEM is implementing the recommendations of the Energy Audit.

6.6.11. Expansion Project of Ariyalur Cement Plant

- TANCEM has finalized the tender process pertaining to the engagement of contract for the expansion of Ariyalur Cement Plant in a record time within one year.
- TANCEM has also obtained the Environmental clearance from MoEF on 31.05.2016 for the Ariyalur Expansion Project exceptionally in a faster manner by attending only 2 sittings.

6.6.12. Renovation of Hospital, School and construction of Toilet

TANCEM has carried out the renovation and additional construction of buildings in Ariyalur Cement Unit during 2014-16 at a total cost of Rs.98.79 lakh as per the details given below:

- Construction of 12 additional class rooms and 14 additional toilets in the School.
- Renovation of company Hospital at a total cost of Rs.10 lakh.

6.6.13. TANCEM School Performance

The Schools run by TANCEM at Ariyalur and Alangulam are performing well and achieved the following distinctions:

- TANCEM Matriculation School at Alangulam is achieving 100% result in 10th and 12th Public Exams for the past 5 years.
- Ariyalur Matriculation Higher Secondary School is achieving 100% result in 10th Public exam in the last 5 years.
- The Ariyalur Matriculation Higher Secondary School is ranking between 1st to 4th place at district level in the 10th public examination in the last 5 years.

6.6.14. Improvement in open market cement sales

TANCEM has improved its share in the open market from 22,381 tonnes during 2011-12 to 3,50,635 tonnes during 2015-16. This improvement led to the establishment of brand image in the open market.

6.6.15. Alangulam Limestone reserves reassessment

TANCEM has reassessed the availability of limestone reserves in the captive mines of Alangulam Cement Unit as a measure to implement the modernisation of Alangulam Cement Unit.

6.7. Action plan for the current year 2016-17 & 2017-18

6.7.1. Production plan

The production plan of TANCEM for the year 2016-17 is furnished below:

Particulars	2016-17		
	Production tonnes	Sales tonnes	Net Profit / Loss Rs. in Lakh
Ariyalur Cement Work	5,20,000	5,20,000	3,003.79
Alangulam cement work	2,00,000	2,00,000	707.68
TN Asbestos sheet	-	-	- 264.43
Stone ware pipe factory	5,400	5,400	25.92

6.8. Improvement Activities

6.8.1. Ariyalur Cement Unit

(a) Installation of 2 Nos. of Belt bucket Elevator to reduce power cost

TANCEM propose to modify the existing Air lift pump system of clinker / Raw meal transportation by means of installing Belt bucket Elevator at a cost of Rs.2.44 crore in the year 2016-17, which will result in considerable power savings.

(b) Upgradation of Coal Mill ESP to bring down the emission level

TANCEM propose to upgrade the Coal Mill ESP system by means of either retrofitting the

existing ESP or installing a new Bag House system at a cost of Rs.2 crore in the year 2016-17 in order to bring down the emission level to the present norms of TNPCB.

(c) Improvement in the Pyro system to increase the production capacity

TANCEM propose to make improvement in the pyro system of the existing Plant at a total cost of Rs.306 lakh.

- By modifying the inlet / outlet seals by means of latest version.
- By replacing the kiln tyre with shell in the worn out areas.
- By replacing the worn out support rollers.
- By installing blower arrangement in place of Primary Air Fan in Kiln – I & II.

(d) Strengthening of Cement Mill

TANCEM Propose to replace the damaged Plain Mill Head (PMH) in the Cement Mill with a new Plain Mill Head.

(e) Expansion of Ariyalur Cement Unit from 0.5 to 1.5 million tons per annum

Government Order has been issued on 14.08.2014 for the expansion of Ariyalur Cement Unit. The revised project cost is 750 crore. Subsequently, tender has been called for and Work Order issued for main machineries to M/s. Larsen & Toubro Limited Construction division, Chennai on 22.04.2016. For establishing 110 KV Substation, work order issued to M/s. Larsen & Toubro Limited, Electrical & Automation C & A division, Chennai. 24.05.2016. Now, the expansion works are under progress and the new plant will be commissioned in May 2018.

(f) Strategy of manpower

Since the expansion and modernization works have been already started, TANCEM propose to recruit officers and workers in the areas of Technical, Process, Materials/Stores, Production & Maintenance and mines department to meet out the shortage of man power according

to the necessity. Initially 20 persons will be recruited for the Ariyalur cement plant expansion and subsequently 192 persons will be recruited within May 2018.

6.9. Alangulam Cement Unit

(a) Installation of Mechanical Conveying System to save the power cost

TANCEM propose to modify the existing Air lift pump system of the cement transportation from cement mill to silo by means of Mechanical Conveying System at a cost of Rs.1.48 crore in the year 2016-17 which will result a power saving of 5 units per tonne of cement.

(b) Modernisation of Alangulam Cement Plant

Government has announced in the Budget Speech for the year 2011-12 that the Alangulam Cement Plant will be modernised at a cost of Rs.165 crore. The project cost was estimated in the year 2009 and due to lapsing of time for over 3 years, the project cost has increased in 2012. to

Rs.195 crore inclusive of 50 crore for initial mines development. Subsequently, as per the direction of the Board of TANCEM, the limestone reassessment work has been completed and the report was submitted to the TANCEM Board on 09.06.2016.

Based on the report, TANCEM observed that the reserves would be lost for over 30 years after modernization and the estimated cost of mines development is Rs.57.79 crore.

Since the above points are favourable for modernizing the unit, as per the direction of Board, TANCEM is ascertaining the possibility of M/s.TNPL's participation in the Alangulam Cement Unit's modernization programme. Based on their reply, TANCEM will take further action.

6.10. Strategy of the Marketing Activities

The total cement demand in Tamilnadu is 209 lakh MT approximately. The Tamilnadu Private cement Manufacturers supplied 145.60 lakh tonnes (69.65%), Other state cement

manufacturers supplied 55.80 lakh tonnes (26.53%), TANCEM supplied 6.00 lakh tonnes (3.02%) and TNPL supplied 1.60 lakh tonnes (0.80%) to meet out the Tamil Nadu cement demand.

In the year 2016-17, in order to cater the needs of public in northern districts Chennai, Tiruvallur and Kancheepuram to extend volume of sale in open market by increasing the stockiest sales. Further, it is proposed to open "stock points" in these districts shortly, so that it will be viable even for small consumers.



Tamil Nadu Cements Corporation Limited, Alangulam
Cement Plant, Virudhunagar District



7. TAMIL NADU SALT CORPORATION LIMITED

Tamil Nadu Salt Corporation (TNSC) was established during 1974 with view to provide employment and to improve the socio economic conditions of the people in the most backward Ramanathapuram District. This corporation was allotted with 5,520 acres of Government land, on long term lease basis. TNSC commenced its commercial production during 1978 and gradually started producing various kinds of fortified salts. This corporation is earning profit from 1990-91 and paid a dividend of Rs.3.25 crore and Royalty of Rs. 15.45 crore to the Government. The present turnover of this corporation increased up to Rs. 32 crore. This corporation has been providing employment to about 1350 workers directly and to about 300 workers indirectly to the people belonging to 15 villages.

7.1. Mission

To give impetus to develop the backward region of Ramanathapuram District, for creating and providing employment opportunities for the weaker segments of the society, for the upliftment of the socio economic condition of the region, to exploit the potential resources of the sea for the production of salt, salt based by-products and Marine chemicals, to control and eliminate the commonly prevailing micronutrient deficiencies like Iron and Iodine disorders among the school going children, women and other general population in the state by the supplementation of Iron and Iodine through Iodised and Double Fortified salt.

7.2. Activities of the corporation

7.2.1. Launching of “Amma Salt”

The Hon’ble Chief Minister had launched the sale of AMMA Brand nutritious Double Fortified Salt (Iron and Iodine), Low sodium salt and refined free flow Iodised salt for the open market

on 11th June 2014. This was launched in the interest of the common people at affordable prices i.e. Double Fortified Salt at Rs.14 per kg, Low sodium salt at Rs.21 per kg and Refined Free Flow Iodised salt at Rs.10 per kg., This is around Rs. 6 to Rs. 8 less than the open market price.

Subsequent to the overwhelming response and request from the public TNSC also introduced Crystal Iodised salt under the Brand name Amma salt from November 2014 at affordable price of Rs. 8 per kg. For the benefit of the public the above four varieties of AMMA SALT being distributed in all the Fair price Shops from February 2015. As on 31.7.2016, 27,068 tonnes of Amma Salt were sold in the open market and through Public Distribution System.

TNSC also launched the sale of AMMA SALT in Uttar Pradesh and Kerala states and it has been proposed to launch the sale of AMMA salt in all the other states. Further TNSC is also distributing AMMA salt in bulk packings 5 kg and 25 kg packings to benefit the bulk users like hospitals, hotels, and hostels etc.

7.2.2. Production of Industrial Grade Salt

TNSC has been manufacturing around 1.50 lakh tonnes of good quality Industrial grade salt per annum. The quality of the salt produced by the Corporation is well accepted by the Chlor Alkali Industries in the neighboring states. Further, there is tremendous market potential for our Industrial Grade salt. Around 70% of salt production goes to industries and balance 30% to edible market.

7.2.3. Expansion Activities

TNSC took 5520 acres of land from Government and utilized only 3200 acres up to 2010-2011. During 2012-13, TNSC took up the development of balance 2200 acres and completed the development works. The above developments completed at a cost of around 7 crore. With this developed area TNSC can scale up its production up to 2.75 lakh tonnes. TNSC installed 100 tonnes per hour capacity salt

washery to improve the quality of salt at cost of 2.61 crore. In order to produce value added products TNSC is in the process of establishing a salt refinery to produce 40,000 tonnes of Refined Free Flow Iodised salt per year.

7.2.4. Production of Fortified Salts

TNSC had initially produced only Industrial Grade Salt. Later the Corporation had expanded its activity over a period of time to produce Iodised salt, Di-Ethyl Corbomycine citrate salt used and cured Filariasis, Double Fortified (iron and iodine) Salt and Low sodium salts. TNSC is the pioneer in the production of Iron Fortified salt, commenced its Iron Fortified salt production from as early as 1987. At present TNSC has been supplying Fortified salt to the States of Tamil Nadu, Kerala, Karnataka, Uttar Pradesh under Public Distribution system and Mid day meal schemes for the benefit of the common public and school going children.

7.2.5. Iodised Salt

TNSC obtained Government orders for the distribution of Iodised Salt as an essential commodity through Public Distribution System for the benefit of the common public. Accordingly, TNSC has been supplying Iodised Salt to every nook and corner of the state including hill stations. By distributing Iodised Salt through PDS at an affordable price, there it has been a tremendous increase in the percentage of consumption of Iodised Salt among the population of below the poverty line people. The sale of Iodised salt during 2015-16 was 29,493 tonnes.

7.2.6. Double Fortified Salt

TNSC is pioneer in the production of Double Fortified salt (Iron and Iodine). TNSC is producing Double Fortified Salt using the formulation developed by the National Institute of Nutrition, Hyderabad. As per this formulation, Ferrous

Sulphate is used as nutritive agent and Sodium Hexa meta phosphate is used as stabilizing agent.

The Double Fortified Salt is being supplied to the Mid Day Meal scheme of Tamil Nadu and Karnataka. On an average, 3000 tonnes of Double Fortified Salt is being supplied to the above schemes. Also during 2015-16, 270 tonnes of Double Fortified salt supplied to Uttar Pradesh for the Aksharadasa scheme.

7.2.7. Benefits of Double Fortified salt

Anemia is the major disease that is caused due to the deficiency of Iron vitamin in the human body. Over 25% of men, 55% of women and 73% of children in India are iron deficient. Consumption Double Fortified salt will control the Anemia.

7.2.8. Low Sodium Salt

Further TNSC is also producing Low sodium salt for the benefit of the heart patients. The sale

of Low sodium salt in the open market was launched by the Hon'ble Chief Minister on 11.06.2014. TNSC marketing this health salt at affordable price in the open market. TNSC sold 38 tonnes of Low Sodium salt during 2015-16.

7.2.9. Di-ethyl Carbomycine citrate salt (DEC SALT)

TNSC produced and supplied salt fortified with Di-ethyl Carbomycine citrate through Health Department to eradicate filariasis in Kanyakumari District. During 2015-16, TNSC supplied 24 tonnes of DEC salt to Andaman and Nicobar Islands through Vector Control Department, Government of India.

7.3. Universal Salt Iodisation programme

Tamil Nadu Salt Corporation has been taken active participation in the above World Health Organization's programme. TNSC supplied

5,76,678 tonnes of Fortified salt from 1991 to 2015 for the benefit of the common public.

7.4. Other activities of the corporation

7.4.1. Production of Bromine

TNSC has entered into a Memorandum of understanding (MOU) with M/s South India Bromine and Allied Chemicals (SIBAC), Tuticorin for the production of bromine a by-product of salt by supplying the waste water (Bittern) let out after salt production. As per the arrangement, TNSC is earning an income of Rs.8,00,000 to Rs.10,00,000 per annum.

7.4.2. E-Governance

Under the Good Governance and Best Practices scheme, Department of Electronics and Information Technology, Government of India has sanctioned Rs.76 lakh for providing end to end computerized solution to Tamil Nadu Salt

Corporation. All the works in this project completed and this will be implemented shortly.

7.4.3. Development of new salt works

TNSC proposes to obtain the potential salt lands in Villupuram, Kancheepuram, Ramanathapuram and Nagapattinam Districts from the government and develop salt works to increase the production of salt in Tamil Nadu. For this purpose, Tamil Nadu Salt Corporation taking action to obtain 7,300 acres of land in the above districts.

7.5. Major Achievements

1. For the first time in India, TNSC produced and supplied Iron Fortified Salt from 1991 to the Noon meal programme.
2. Double Fortified salt (salt fortified with Iron and Iodine) was introduced in the year 2001.

3. TNSC has been distributing crystal iodised salt at the lowest price through Public Distribution System.
4. TNSC achieved its highest production of 1,78,675 tonnes of Industrial grade salt during the year 2012.
5. Annual Salt production capacity has been increased from 1.75 lakh tonnes to 3 lakh tone by commencing the production of Industrial Grade Salt in the additional developed area of 2200 acres of land.
6. Launched AMMA salt in four varieties i.e., Refined Free Flow Iodised salt, Double Fortified salt, Low Sodium salt and Crystal Iodised salt in the open market at affordable price.
7. 100 Tonnes per hour capacity salt washery installed in Mariyur Valinokkam Salt complex to upgrade the quality of the salt produced. This type of washery was installed for the first time in Tamil Nadu. This will enable Tamil Nadu Salt

Corporation to market its produce with better margin. And there is vast scope for exporting the washed salt to foreign countries.

7.6. Credentials of TNSC

TNSC obtained ISO 9001:2008 certificates for Quality Management system for the production and supply of Industrial grade salt and Fortified salts. The corporation has obtained IS 7224:2006 certificate from Bureau of Indian Standards for the Manufacture of Iodised salt. Obtained IS 12981:1991 certificate from Bureau of Indian Standards for manufacturing Double fortified salt. The Corporation has obtained a certificate from Food Safety Standard Association of India (FSSAI) for the quality production of Iodised salt and Double Fortified salt.

7.7. Awareness campaign for the Iodised salt

To create more awareness on the usage of Iodised salt and its benefits, TNSC taking various measures by providing advertisement materials like pamphlets, posters, danglers etc. Further

TNSC has come out with attractive audio and visual advertisement materials to promote Amma Salt.

7.8. UNICEF Assistance

Assistance of Rs.102 lakh from the international Organization namely UNICEF, United Nations Children's Fund for increasing the sale of Iodised salt and Double Fortified salt by imparting training to PDS sales men, conducting live Radio Programme and street plays in the districts to create awareness of Iodised salt. UNICEF is continuously assisting Tamil Nadu Salt Corporation for creating awareness to public on the importance of Iodised salt. For the current year, UNICEF has given consent for assisting for awareness creation programme for Double Fortified salt.

7.9. Support from TATA trust

In order to increase the production of Double Fortified salt and expand the market for the Double fortified salt TATA trust came forward

to assist Tamil Nadu Salt Corporation in setting up of the salt refinery. TATA trust granted Rs.4 crore for the setting up of salt refinery. Further the TATA trust given its consent to assist TNSC for creating awareness for the usage of Double Fortified salt and assured to increase the market demand for the Double Fortified salt.

7.10. R & D Activities

TNSC is giving at most importance to upgrade the quality of its products through R&D activities. All its products are subjected to rigorous quality control tests, for which a well equipped laboratory has been established at MVSC, Valinokkam. With the help of GAIN (Global Alliance for Improved Nutrition) TNSC installed two modern laboratories, one at valinokkam and other one at Corporate office, Chennai at a cost of Rs.25 lakh in order to improve the quality. At the laboratory set up at Corporation Office, the

finished products of TNSC and the raw material to be required for the production of Fortified Salt are being tested.

7.11. Action Plan for 2016-17

1. TNSC planned to produce 2,50,000 tonnes of Industrial grade salt and 5,00,50 tonnes of Fortified salt during 2016-17.
2. TNSC planned to commission 7 tonnes per hour capacity salt refinery during 2016 and to be completed by November 2016 which will enable TNSC to produce 30,000 tonnes of Refined Free Flow Iodised salt and 10,000 tonnes of Double Fortified salt per annum.
3. TNSC has planned to distribute around 1,000 tonnes of Double Fortified salt in the PDS system at affordable price to benefit the common public.
4. TNSC has proposal to provide training to the salt workers in leading salt

manufacturing state like Gujarat to educate themselves on the latest techniques in the salt production and to produce quality salt.

7.12. Labour Welfare Activities

TNSC has extended various welfare measures like providing purified RO water, Tea & Biscuits at their work spot, to the workers. Besides safety items like Sun goggles, light weight gumboots are also provided to the workers every year to protect them from the hot sun.

TNSC has been extending all statutory benefits to its salt workers. TNSC is conducting periodical medical health camps to take care of the health condition of the salt workers.

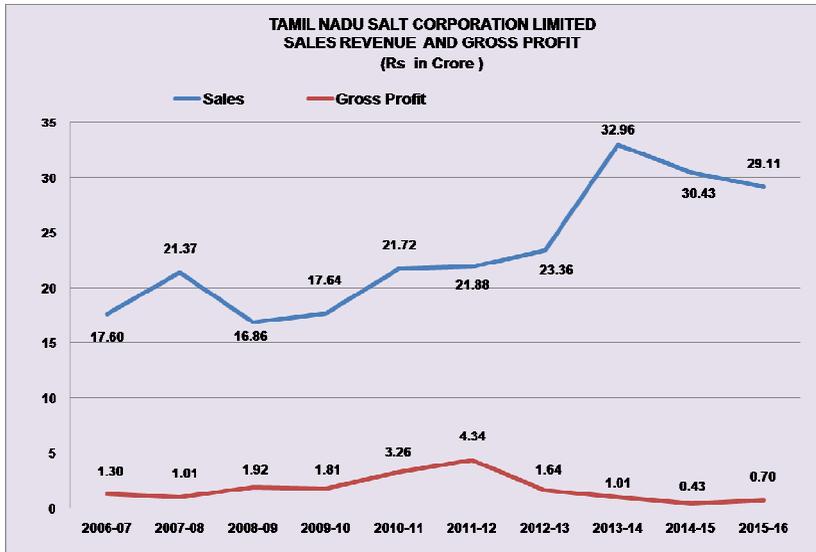
7.13. Corporate Social Responsibility

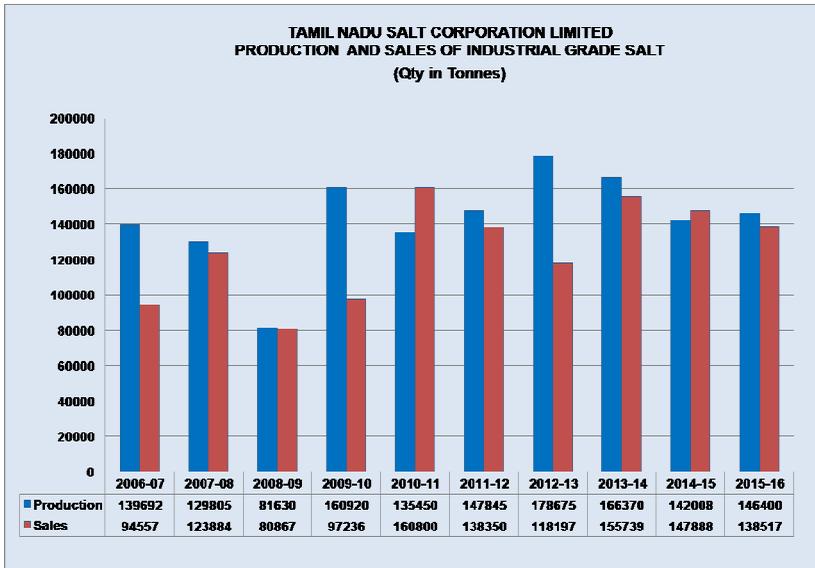
As a part of Corporate Social Responsibility, TNSC has provided furniture like tables and benches to the schools which are situated in the

villages in and around of the factory in Valinokkam. During the year 2015-16, TNSC has paid a sum of Rs.2 lakh for conducting a Book fair at Ramanathapuram by the Ramanathapuram District Administration.



Erection of 100 TPH salt washery in TNSC Salt works
Valinokkam, Ramanathapuram District







8. TAMIL NADU INDUSTRIAL GUIDANCE AND EXPORT PROMOTION BUREAU

Tamil Nadu Industrial Guidance and Export Promotion Bureau (shortly Guidance Bureau) was constituted by Government of Tamil Nadu in January, 1992 with the objective of attracting major industrial projects to the State. Apart from this, Guidance Bureau is mandated to provide Single Window facilitation to large industries, implement ASIDE programme to improve export related infrastructure, etc.

To accelerate the growth rates by attracting investments in Manufacturing, Infrastructure and Services, Government of Tamil Nadu organised the Global Investors Meet (GIM) 2015 in 9th and 10th September 2015 in Chennai Trade centre. This was the first ever Mega Investment Promotion event organised by the State Government. Nine countries were Partner Nations, 3 Regional Governments were Partner States and 23 Chambers of Commerce & Joint Business

Councils were partner Organisations to this event. GIM 2015 attracted the participation of over 1200 foreign delegates apart from over 7000 Indian delegates from all over India. This event and was widely acknowledged as the most successful investment promotion event organised by any State. Guidance Bureau was mandated to attract investments and to coordinate various activities relating to GIM 2015.

During the period 2015-16, Guidance Bureau successfully handled **62** major investment proposals with a total investment of around **Rs.1,05,759.18 crore**. Out of this, Rs.1,04,286 crore is proposed in 50 MoU projects signed during GIM-2015 by Industries department. Besides, Guidance Bureau attracted another 12 Non-MoU projects through Single Window facilitation with an investment of Rs.1,473.18 crore. Guidance Bureau took considerable efforts to attract these investment proposals.

Details of these projects are summarized as under:

8.1. MoU projects signed during GIM-2015

Sl. No.	Company Name	Commitment in the MoU	
		Investment (Rs. crores)	Employment
1	TNPL	1,600	600
2	Growth Link Overseas Company Limited Cheyyar expansion	100	5,000
3	Zynergy Capital Private Limited	275	500
4	Timah Langat Holdings Berhad & Emrail, Sdn. Bhd.	12,600	2,000
5	JSW Steel - Expansion	1,025	300
6	Apollo Tyres	2,700	450
7	KEF, Krishnagiri	390	500
8	Saint Gobain	800	400
9	ITC Limited, Pudukkottai	1,077	1,998
10	Delta Electronics, Taiwan	4,000	5,000
11	SPEL Semiconductor Limited	500	2,000
12	Nagarjuna Oil Corporation	18,000	1,500
13	MRF Limited - Expansion	4,500	2,300
14	CPCL- Expansion	2,740	400
15	Amway - Expansion	300+250	--

16	Sudhan Spinning Mills Private Limited	284	200
17	Mahindra & Mahindra	Phase I: 2,000 Phase II: 2,000	Phase I: 2,500 Phase II: 1000
18	Lotus Footwear, Bargur	360	10,000
19	Mando – Hella	250	566
20	Sekisui-DLJM, Japan	110	225
21	Jinhap Automotive Private Limited, South Korea	100	400
22	TVS Motors - Expansion	350	1,000
23	Emerald Haven Realty Private Limited	450	-
24	NCR Corporation India Private Limited	250	850
25	JanarResources SDN. BHD, Malaysia	700	500
26	ApolloPolyvinyl Private Limited	146	250
27	Kapoor Imaging	168	250
28	Kone, Finland	375	400
29	Sojitz Motherson Industrial Park	500	5,000
30	TAFE	150	-
31	Leo Prime Payment Solutions Private Limited	182	600
32	Codissia Industrial Park	226	-
33	Maruchan Ajinomoto India Private Limited, Japan	100	45

34	Takasago, Japan	61	100
35	SPIC	6,000	20,000
36	MPL	500	600
37	Greenstar Fertilizer (SPIC Group)	320	200
38	Wonderla	500	900
39	Realify Properties	300	4000
40	Siddhivinayaga Spinning Mills	52	1,625
41	GOPIO Integrated Industrial Township	3700	9,500
42	Embassy Logistics Park	900	5,000
43	Samsung	800	2500
44	TCI	270	500
45	Gulf Oil Lubricants	200	800
46	Mizuho Bank	-	-
47	Bank of Tokyo Mitsubishi	-	-
48	Sumitomo-Mahindra & Mahindra Industrial Park	925	15,000
49	AL Kharafi (Al Qebala Al Watya)	30,000	7,000
50	Anther Sugars and Chemicals Limited	500	2,500
	Total	1,04,286	1,14,455

7.2. Non MoU projects

During 2015-16, Guidance Bureau attracted another 12 Non-MoU projects through Single

Window facilitation with an investment of Rs.1,473.18 crore. Guidance took considerable efforts to attract these investment proposals.

Current status of each of these projects is also summarized as under:

Sl. No.	Name of the Project	Products	Investment proposed (Rs. in crore)	Employment Proposed	Location
1	M/s. Manna Foods Private Limited	Bakery Products	34.60	450	Vadipatti Village, Madurai
2	M/s. Heat and Control (South Asia) Private Limited	Food Processing, Packaging equipment	64.41	70	Mahindra World City, Maraimalai Nagar
3	Modern Building Materials Private Limited	Cement	220.00	150	Tuticorin District
4	Eicher Motors (Unit: Royal Enfield)	Motor Cycles, IC Engines, parts and spares etc.	355.00	1,000	SIPCOT Vallam Vadagal Industrial Park
5	TAG Corporation	Transmission Line hardware and accessories	60.00	315	SIDCO Industrial Estate, Thirumudivakkam
6	M/s. Harsha Exito Engineering	Glass products	91.00	120	SIPCOT Thervoy Kandigai Industrial park
7	M/s. Honeywell Technology Solutions Lab Private Limited	Software development for aerospace applications	64.79	530	Madurai ELCOT Ilandhaikulam IT SEZ

8	M/s.Prabha Industries	Press tolls	19.76	45	Enathur B village, Kancheepuram District
9	M/s.Clariant Medical Specialities India	Dessicant Canister for medical applications	65.64	40	Cuddalore
10	M/s.Eicher Motor	R&D and Testing centre	265.00	1,000	Sholinganallur, Chennai
11	M/s. KMCH Super Specialty Hospital	Super Specialty Hospital	200.00	1,500	Sholinganallur, Chennai
12	M/s. International Bakery Products Limited	Bakery products	32.98	150	Oragdam
Total			1,473.18	5,370	

8.3. Investments handled in 2016-17

During the year 2016-17, i.e., (from April 2016 to 18th July 2016), Guidance Bureau attracted 4 Non-MoU projects with a cumulative investment of **Rs.6,169.40** crore through Single Window Facilitation. The details are hereunder:

Sl. No	Project	Product	Investment (Rs. in crore)	Employment	Location
1	M/s. Britannia Industries Limited	Bakery products (Biscuits, Cakes and Pastries)	61.00	794	SIPCOT Perundurai
2	M/s. Ford Motor India Private Limited	Global R & D-Product Development Centre	1,300.00	12,500	ELCOT IT / R&D Sholinganallur

3	M/s. DLF Limited	IT / ITES	491.40	10,438	Manapakkam
4.	IOC	LNG Import Terminal Project at Ennore	4,317.00	2,529	Ennore
	Total		6,169.40	26,261	

8.4. ASIDE

Guidance Bureau – Member Secretary of the State Level Export Promotion Committee (SLEPC) on ASIDE, compiled the agenda and placed it before the Fifteenth meeting of the SLEPC on 9th April 2015. SLEPC sanctioned financial assistance to the tune of **Rs.56.50 crore for 6 project proposals.**

8.5. JCCI Meetings

Industries Department convened Meetings to discuss the issues raised by the JCCI relating to various Japanese projects in Tamil Nadu. The meetings were convened on 28.7.2015, 20.11.2015, 24.2.2016 and 19.07.2016. During

these meetings, various issues relating to the Japanese projects were discussed and decisions taken to resolve the same.

8.6. Joint Working Committee meetings

The Japanese Consulate in Chennai had proposed that a Joint Working Committee may be constituted under the Chairmanship of Chief Secretary to discuss various issues of interest to Japanese investors. So far 6 meetings of the JWC have been convened.

8.7. Ennore Port Monitoring Committee meetings

During the year 2015-16, Industries Department have convened several meetings for monitoring the progress of works – connectivity to Toshiba site. As a result, the works relating to improvement of Ennore Port Connectivity have been completed.

9. TAMIL NADU MAGNESITE LIMITED

The Government of Tamil Nadu established the company known as TANMAG by taking over the mines from a private company M/s. Salem Magnesite Private Limited for preservation and proper exploitation of Magnesite, in January 1979. It is an ISO 9001-2008 (Quality Management System) and ISO 14001-2004 (Environment Management System) Certified Company.

9.1. Motto

- Optimal utilization of mineral by broad basing product range.
- Scientific Mining
- Building long term committed relationship with customer

9.2. Mission

- Scientific and systematic exploitation of mines and judicious management of mineral resources
- Conservation and proper utilization of available mineral resources.

- Eco-friendly mining
- To maintain strict quality control standards
- Sustainable Exploitation of the mineral wealth towards the industrial growth.
- Promoting Socio-economic development of the Region.
- Protecting the Environment and preserving the ecology of the region.

9.3. Company's Divisions

1. Mining Division-Produces Raw Magnesite and Dunite

2. Rotary Kiln Division- Produces Dead Burnt Magnesite (DBM)

3. Shaft Kiln Division-Produces Lightly Calcined Magnesite (LCM)

9.3.1. Mining Division

TANMAG Mines are situated in Salem District at the bottom skirt of Shervaroy's Hills, Shervaroy's South Forest range at Kurumbapatti Reserve Forest area over an extent of 96.34 hectares (238 acres) under lease from

Environment and Forests Department for 20 years from 12.8.2008.

Magnesite ore is an essential raw material for manufacturing Refractory Materials used by the Steel Industries. This is a rare mineral available in Salem District of Tamil Nadu. It is found in other states like Uttaranchal, Karnataka and Jammu & Kashmir.

TANMAG operates the mines using machineries and workers (semi-mechanized) in open cast system. The annual Target of production for the year 2016-17 is 1,14,000 tonnes. It is used as Raw Material for the production of DBM and LCM. While mining Magnesite mineral, Dunite is obtained as a Secondary ore.

9.3.2. Rotary Kiln Division (RKD)

Dead Burnt Magnesite (DBM) is manufactured in its modernized Rotary Kiln Division with an installed capacity of 30,000 tonnes per annum which was commissioned

during 1985. The Raw Magnesite is sintered at a high temperature of 1750^oc using Furnace oil as fuel to produce Dead Burnt Magnesite.

DBM is used for manufacturing Refractory Bricks and for Monolithics required for Steel Industries. The target of production of DBM is 30,000 tonnes(100 TPD) for the year 2016-17. About 2.7 tonne of Raw Magnesite and 220 litres of Furnace oil is required to produce one tonne of DBM.

9.3.3. Shaft Kiln Division (SKD)

The installed capacity is 20,000 tonne per annum. Raw Magnesite is Calcined in Shaft Kiln using Furnace Oil as fuel at a temperature in the range of 1000^oc to 1100^oc to produce chemically reactive grade which is highly reactive in nature. About 2.2 tonne of Raw Magnesite and 140 litres of Furnace oil is required to produce one tonne of LCM.

This Lightly Calcined Magnesite (LCM) is used for manufacturing Chakki Stones which is

used for wheat flour grinding, magnesite chemicals, animal feeds, for making polish stones used for granite polishing, rayon and in paper industries. The target of production of LCM is 17,000 tonne for the current year.

9.4. Achievements

- First time in the history of TANMAG, during the year 2014-15, the company has achieved a sales turnover of Rs.109.91 crore. The turnover for the year 2015-16 is Rs.100.35 crore (subject to audit).
- The estimated profit before tax for the year 2015-16 is Rs.33.23 crore (subject to audit). This is the highest profit ever earned by the company.
- TANMAG has produced 29,300 tonne of Dead Burnt Magnesite during the year 2015-16, which is the highest production during the past six years.
- During the year 2015-16 first time in the history, TANMAG had paid Rs.166.50 lakh

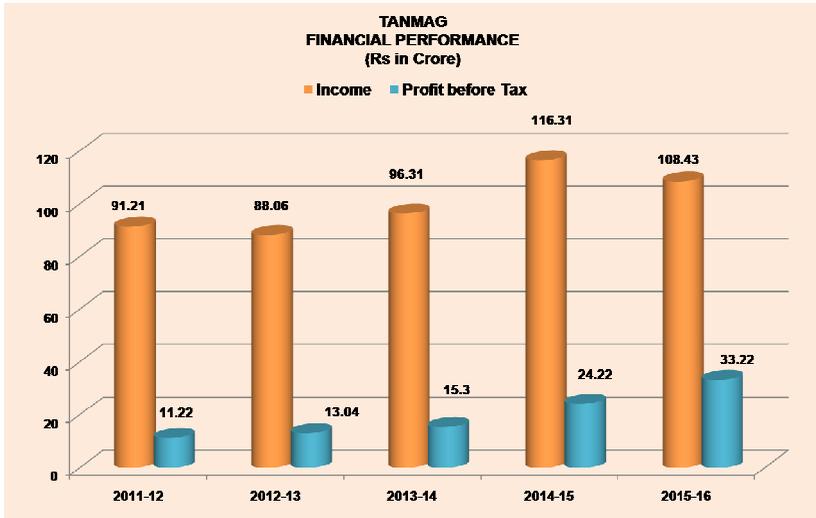
as Interim Dividend to the State Government.

9.5. Action Plan for the year 2016-17 and 2017-18

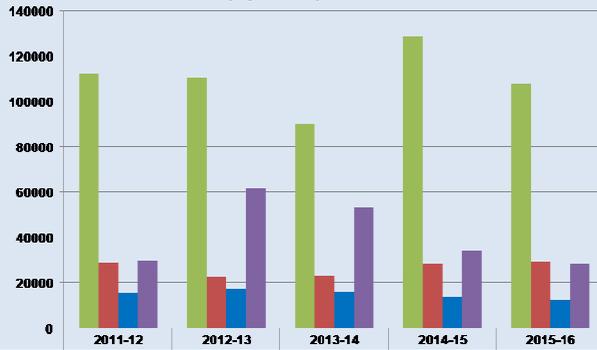
The production and sales targets for the year 2016-17 and 2017-18 are as detailed below:

(Qty in tonnes)

Particulars	2016-2017		2017-2018	
	Production	Sales/ Transfer	Production	Sales/ Transfer
Raw Magnesite	1,14,000	1,14,000	1,20,000	1,20,000
Dead Burnt Magnesite	30,000	30,000	30,000	30,000
Lightly Calcined Magnesite	17,000	17,000	18,000	18,000



TANMAG - PRODUCTION
(Qty in Tons)



Raw Magnesite	112356	110440	90180	128829	108066
Deadburnt Magnesite	28808	22721	23005	28539	28300
Lightly Calcined Magnesite	15413	17292	15806	13555	12186
Dunite	29686	61491	53446	34360	28220

10. TAMIL NADU INDUSTRIAL EXPLOSIVES LIMITED

Tamil Nadu Industrial Explosives Limited (TEL) was started in the year 1986 in Vandranthangal village, Katpadi Taluk, Vellore District. The Company was started with the intention to industrially develop Vellore District and to provide employment to people of Vellore District. The Company started production of NG based explosives in 1986 and subsequently Detonator, Detonating Fuse, Slurry, Emulsion and MMAN and provided direct employment to 1,100 people and indirect employment to 300 people.

The Company is situated in 700 acres of Vellore district forest land with the infrastructure facilities to produce explosives and accessories. The share capital was invested by Government of Tamil Nadu, Financial Institutions and by general public. The present share capital of the Tamil Nadu Industrial Explosives Limited is Rs.22.14 crore (82.14%) from the Government of Tamil

Nadu, Rs.1.99 crore (7.42%) from IDBI & IFCI, Rs.2.66 crore (9.86%) from general public Rs.2.87 Lakh (0.11%) from employees and Rs.12.90Lakh (0.47%) from NRI.

10.1. TEL's product, capacity and its uses:

Sl. No	Product	Production capacity/annum	Applications
1	Detonators	45 million	As an accessory for igniting explosives
2	Detonating Fuse	12 million mtrs	As an accessory for igniting explosives
3	Slurry Explosives	10000 tonne	Open cast mining purpose
4	Emulsion Explosives	9000 tonne	Used in well digging, quarrying & rock blasting
5	Mono Methyl Amine Nitrate	6000 tonne	Used as a base chemical in the manufacture of explosives in foreign countries.

TEL started production of NG explosives in the year 1986. NG explosives production increased from 1552 tonnes in the year 1986 to 8073 tonnes in the year 2002-03. The company supplied its products to private and public sector

undertaking and was earning profit. In the year April 2004, Central Government banned production and sale of NG explosives and the company started production of alternate Explosives such as; Emulsion and MMAN.

The Company started MMAN production in the year 2006-07 at 25 tonnes and increased it to 1286 tonnes in the year 2013-14. Though there was competition in the Emulsion market, the company had increased Emulsion production from 211 tonnes in the year 2004 to 3997 tonnes in the year 2014-15. The company started with the exports of Rs.0.31 crore in the year 2000-01 and increased to 16.43 crore in the year 2015-16.

Tamil Nadu Industrial Explosives Limited has been engaged in the manufacture of quality explosives used for mining and related activities. It has built up a very good reputation in the market for maintaining very high quality standards. It has also received a number of times awards from State and Central Government for

safety and environmental protection. The Company has obtained ISO 9001:2008, ISO 14001: 2004 and OHSAS 18001: 1999 certifications for maintaining quality, safety and pollution free environment.

The Company supplies its products to Organised sector Companies like ONGC, Singerani Collieries, Hutti Gold Mines, NLC, Hindustan Copper Ltd, Vizagapattinam Steel Plant, Rajasthan Minerals, TANCEM, TANMAG, and private traders in Tamil Nadu, Andhra Pradesh, Kerala and Karnataka. In view of the stiff competition in the local market, TEL started giving importance to exports. TEL's products are being exported to Africa, Latin American, Europe, Australia and East Asian Countries and recently company started exporting to Egypt and Turkey.

Government of India had completely banned the manufacture, possession and sale of Nitro Glycerine (NG) Explosives with effect from 1.4.2004 onwards which contributed more than

70% of its turnover. This has adversely affected the performance of TEL and TEL started incurring losses from 2003-2004. During 2015-16, Chief Controller of Explosives had implemented and enforced Ammonium Nitrate Rules strictly and consumption of Detonators had come down drastically, pulling down the price of Detonators market in India which resulted in fall in sale of the product.

During the year 2015-16, the company's turnover came down by 50% to Rs.22 crore against the turnover of Rs.42 crore in the year 2014-15. This was also mainly due to low demand for Detonators and consequent reduction in selling price. At present, in view of non availability of working capital, production had come down heavily during the year 2015-16. Further, the company could not get orders from organised sector because competitors were quoting a rate which could not even meet the company's raw materials cost. The company could achieve an

export turnover of Rs.16.43 crore which is about 70% of turnover for the year 2015-16.

10.2. Action plan for current year 2016-17 and 2017-18

(1) TEL is planning to get export order to the tune of Rs.20 crore for the year 2016-17 and Rs.25 crore during 2017-18.

(2) To relieve 150 workers under VRS and reduce production cost.

(3) The following cost savings measures are planned:

Emulsion division

- To reduce the quantity of basic raw material of Ammonium Nitrate.
- To replace Aluminum wire by Galvanized Iron wire.
- To remove the Molesan – (PIPSA) in the Emulsion composition.

Detonator Division

- To Reduce the length of Fuse head, Brass strip.
- To use Annealed Aluminium rod directly

Detonating Fuse

- To use higher denier polypropylene.

Slurry Division

- To reduce the quantity of raw material Ammonium Nitrate without affecting quality.
- To reduce Aluminium flakes to 2.3%.
- Removing Aluminium granules in slurry composition.

11. TAMIL NADU MINERALS LIMITED

Minerals are finite and exhaustible and hence, Tamil Nadu Minerals Limited's (TAMIN) endeavour is to exploit prudently the available natural resources and market the minerals profitably. The main objective is production and marketing of minor minerals like black, white, paradiso, multicolour granites blocks, silica sand and major minerals like Graphite, Limestone, and Vermiculite are being exploited by adopting scientific mining and are marketed through fair trade practices as "value added products".

11.1. Vision

Aspire to be top in the minerals sector for value creation and conservation of natural minerals on a scientific basis.

11.2. Mission

- Continuous search for new mineral deposits.

- Continuous updation of technology in safe mining operations, quality control measures and mineral processing and marketing.
- Export of granites and minerals with value addition for earning foreign exchange for the State and the Country.
- Generate gainful employment to people in rural and backward areas by the development of quarries and mines and offering opportunities to qualified technicians in the manufacture of value added quality products.
- Sustainable development of Quarries and Mines and recovery of maximum useful granite and other minerals.

11.3. Lease details

Sl. No	No. of Leases	No. of Leases	Extent (in Hects)
1	Black Granite	64	869.355
2	Colour Granite	45	696.855
3	Major Minerals	18	324.942
	Total	127	1891.152

11.4. Employee details

Staff & Officers	540
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Workers	643
Total	1183

- TAMIN is continuously achieving better performance and during 2015-16 it has achieved sales turnover of Rs.149 crore and also achieved second highest profit before tax of Rs.23.06 crore (unaudited) as compared to the profit earned in 2013-2014. Despite global recession, the better turnover and second highest profit before tax were achieved.
- Sales revenue of Rs.7.66 crore was achieved in Indian Standard Sand during the year 2015-2016 which is the highest ever turnover since 1978.
- Sales revenue of Rs.2.12 crore was achieved in Exfoliated Vermiculite during the year 2015-2016 which is the highest ever turnover since 1978.
- TAMIN has achieved highest ever Production from the inception in Indian Standard Sand (3909 tonnes) and Raw Silica Sand (7854

tonnes) and Exfoliated Vermiculite (1460 tonnes) during 2015-2016.

- TAMIN has contributed to the government exchequer to the tune of Rs.20.18 crore for 2014 - 2015. This contribution consists of royalty, seigniorage fees, dead rent, and dividend on shares.

11.5. Significant Initiatives during 2015-2016

- A new Factory at Ernavoor, Chennai to produce Vermiculites at the cost of Rs.1 crore is being set up.
- TAMIN has taken up studies to modernize its graphite beneficiation plant at Sivaganga to enhance production.
- Modernization of Indian Standard Sand unit at Ennore and setting up of a new Vermiculite plant at Sevathur, Vellore District at a cost of Rs.1.95 crore and Rs.1.80 crore respectively, were taken up. After modernisation, IS Sand has started its commercial production.

- For the first time in the history, TAMIN has formed R&D Team to do research and development on various new products.
- TAMIN has developed new products, from its own research and development team, Vermitiles (Cool Roof tiles) and Graphi Paver blocks inducting waste to wealth concept. The products have been successfully rolled out in the market. These products envisage green building concept and will make remarkable change in the construction industry in near future.
- TAMIGOLD is a Grade IV Vermiculite mineral which was hitherto supplied only to the forest department and some of the industrial units. New market sector of horticulture and agriculture was explored by introducing TAMIGOLD which is suitable for roof gardening and organic gardening.
- Efforts are being taken to produce Manufactured sand (M-sand) in TAMIN. In some of the lease hold areas of TAMIN, country rocks which are suitable for conversion into M-sand is available. TAMIN

has initiated action to convert those country rocks into M-sand. Further a study has been initiated with the help of Central Electro Chemical Research Institute (CECRI) to convert tailing waste produced during graphite into useable sand for construction purpose in Sivaganga Graphite Plant.

11.6. Quarry Management System Software

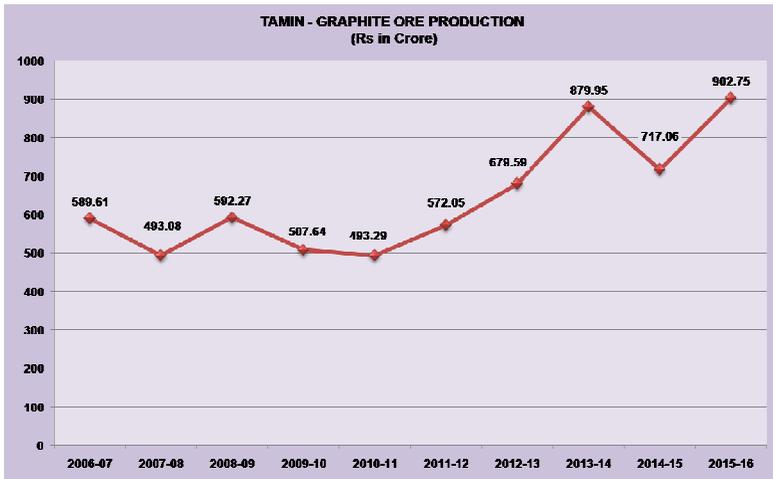
TAMIN has made an innovative effort by introducing a software called Quarry Management System (QMS v1) in 2012. For that, TAMIN was awarded the prestigious National e-governance Award during 2015. The QMS v1 has been upscaled with new advanced features and going to be operationalized shortly as QMS v2.

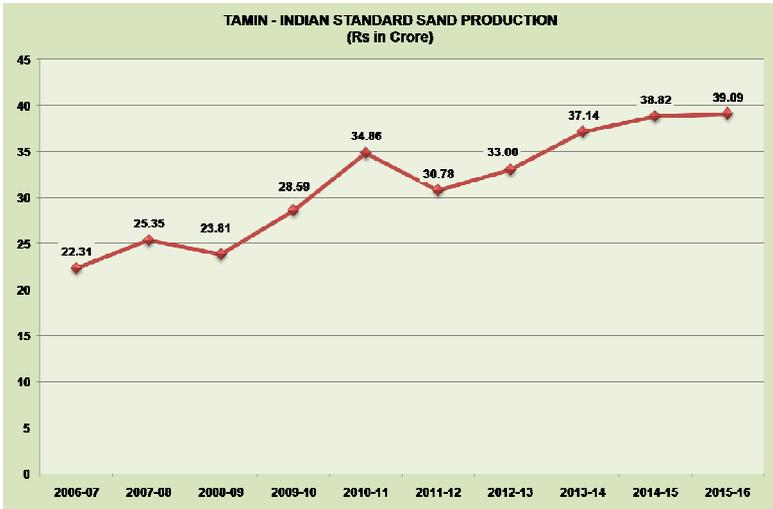
The QMS version 2 covers Production, Sales, Purchase, Stores, Inventory, Human Resources, Payroll and Financial accounting. It will be a holistic management tool for effective monitoring of quarries and mines. Apart from that TAMIN Mobile App is being developed so as to

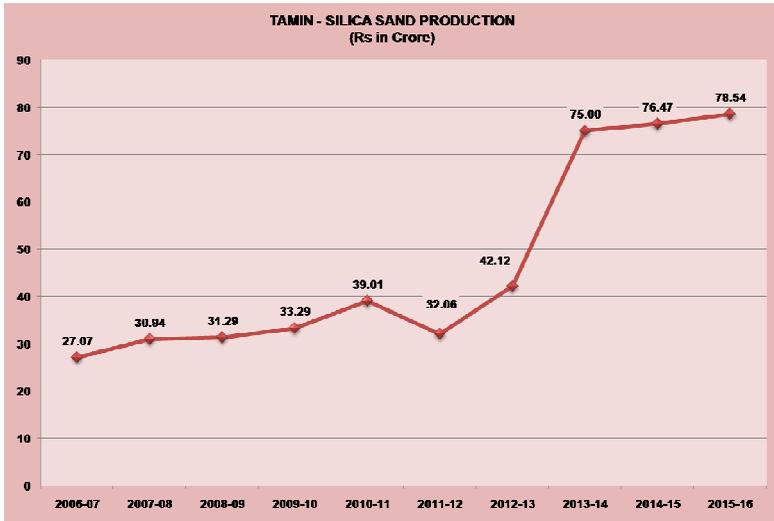
monitor the entire day to day activities with the help of this Mobile App.

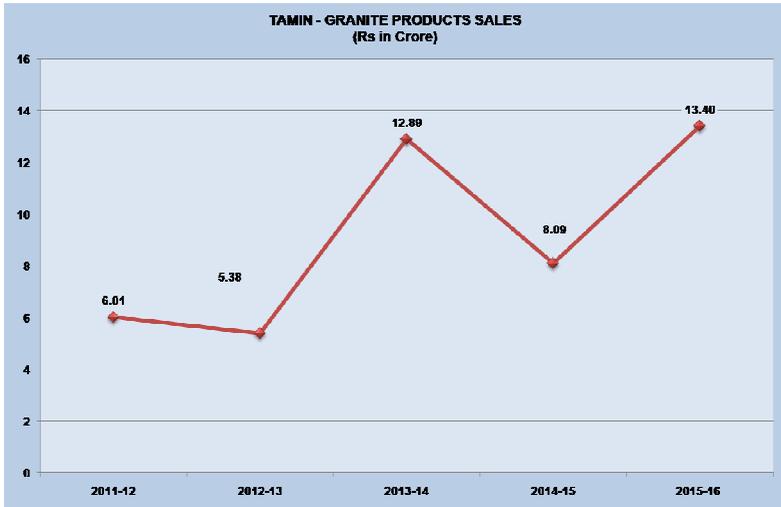
11.7. Management of Mines and Quarries

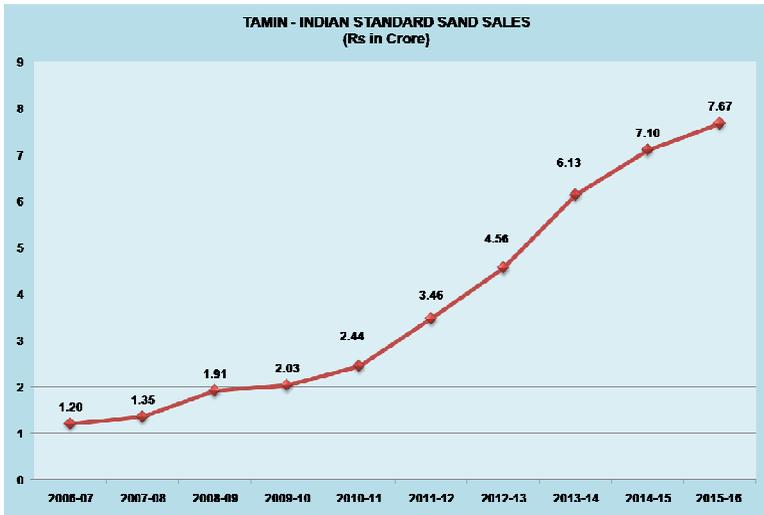
TAMIN is always carrying out quarry operations in a systematic and scientific manner by adopting modern techniques with State of the art mining machineries in all its mines to protect the environment against noise, dust, smoke and vibrations.

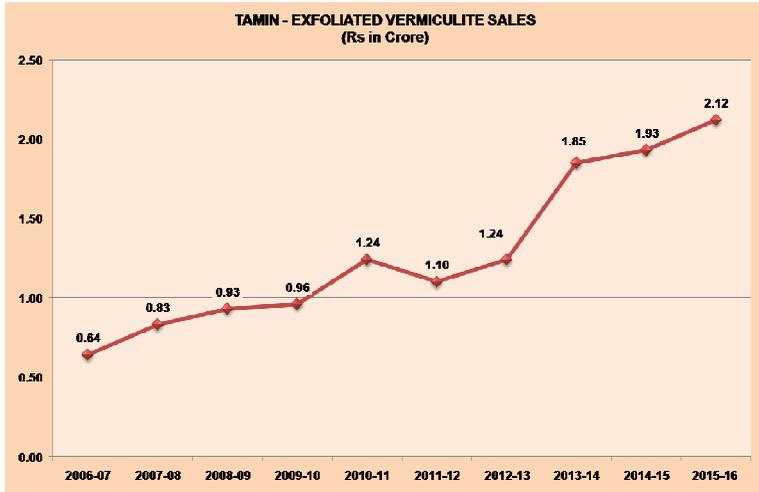












12. DEPARTMENT OF GEOLOGY AND MINING

Minerals are inevitable for the economic development of a country. Raw material requirements of many industries to run successfully are contributed by the mineral resources. Minerals plays important role to develop infrastructures such as roads building etc., creating thereby, employment opportunities both directly and indirectly.

Tamil Nadu is endowed with several Industrial Minerals like Lignite, Limestone, Garnet Sand, Silica Sand, Quartz and Feldspar, Graphite, Oil and Natural Gas, Magnesite, Iron Ore etc. and also common use minor minerals including Black and Multi Colour Granite.

Since, the mineral resources are depleting and non-replenishable, the minerals should be systematically and scientifically exploited for the mineral conservation and for effective mineral administration. The main responsibility of the

Department is to achieve optimum mineral revenue to the State exchequer by effective mineral administration.

12.1. The Objectives of the Department

- (i) To expedite investigation of new mineral deposits by adopting modern exploration techniques
- (ii) To make available mineral based information / data to the interested entrepreneurs for setting up of mineral based industries.
- (iii) To encourage competitiveness in the mineral industry through optimum use of minerals.
- (iv) To ensure economic prospecting in the State and protection of environment and ecological balance during the course of mining and thereafter.
- (v) To encourage the human resources development for meeting the requirement of mining and mineral based industries.

- (vi) To provide for safety and welfare of the people engaged in mining activities.
- (vii) To take action against those engaged in illegal mining / quarrying and transportation of minerals.
- (viii) To increase the Mineral revenue through effective mineral administration.

12.2. The Department of Geology and Mining is performing the following important main functions:

1. Mineral Exploration and evaluation of minerals.
2. Geotechnical studies in the hilly areas of Nilgiris and Kodaikanal.
3. Mineral Administration.

12.2.1. Geo technical studies in the Hill areas of the Nilgiris and Kodaikanal

The Geotechnical cells have studied the hilly areas of Nilgiris district and Palani hill Ranges of

Kodaikanal taluk of Dindigul district and prepared the thematic maps, zonation maps etc., deciphering the vulnerable points of landslides. The Geotechnical Cells created by the Government are functioning to study the Geo-Technical aspects and monitor the landslides in the Hilly terrain of Nilgiris and Kodaikanal. The Geo technical cells are providing technical guidance to the District Administration in the landslide disaster management and suggesting the remedial and preventive measures for safeguarding the lives and properties in these vulnerable areas.

Further, the Geo-technical cells are furnishing feasibility reports in selecting the areas for any construction activity in the hilly areas after studying and examining the safety and suitability of the site from the view point of prevention of landslide. During the year 2015-16, the geotechnical cell have inspected and furnished feasibility reports for 83 site clearance.

12.2.2. Mineral Administration

The Mineral Administration work includes the grant of mineral concessions for both major and minor minerals in accordance with the relevant provisions of the Act and Rules. Ensuring scientific mining without affecting environment, regulation of mining operations for the conservation and development of minerals, prevention of illicit mining and illegal transportation of minerals, collection of seigniorage fee / royalty are the works related to mineral administration.

For the purpose of effective mineral administration, this department has established 28 District Offices and they are functioning under the charge of either a Deputy Director or Assistant Director. The District Offices are functioning under the administrative control of the respective District Collectors and under the overall control of the Commissioner of Geology and Mining.

The details of existing mining / quarrying leases and their extent for important minerals are furnished below:

Mineral	Total No. of existing leases	Total extent (in hecets.)
1. Major Minerals		
A) Oil & Natural gas	24	48940.00.0
B) Lignite	1	25900.00.0
C) Limestone, Magnesite, Bauxite, Garnet, Ilmenite, Rutile, and the newly reclassified 31 minor minerals viz., Quartz and Feldspar, Gypsum, Fireclay, Lime Kankar, Silica Sand, etc.,)	898	10057.39.0
Sub total	923	84897.39.0
2. Minor Minerals		
A) Granite	902	3610.23.0
B) Other minor minerals (Rough stone, Earth/Gravel/Savudu etc)	2274	4615.64.0
Sub total	3176	8225.87.0
Grand total	4099	93123.26.0

12.3. Mineral Revenue

The effective and diligent measures taken by the Department in mineral administration have brought out considerable increase in mineral revenue for the State exchequer. The

Department of Geology and Mining has been striving hard to show better progress in revenue generation for the Government. The stupendous growth from Rs.2.83 crore in the year 1983-84 to Rs.1007.74 crore (excluding sand) in the year 2015-16 bears testimony to the efforts of the department.

The details of mineral revenue (excluding sand) for the past five years is given as below:

Year	Revenue (in crore)
2010-11	671.38
2011-12	835.84
2012-13	943.99
2013-14	969.70
2014-15	993.63
2015-16	1007.74

12.4. Online Mining Tenement Registry System

Online Mining tenement Registry System is an information system in which the details of mining leases are displayed online in the

Geographical Information System based on geo-referenced cadastral maps. By implementing this scheme, the leased areas can be effectively monitored.

Government have sanctioned Rs.108 lakh for the preparation of Online Mining Tenement Registry. At the first instance, the preparation of Online Mining Tenement Registry for three districts viz Coimbatore, Salem and Tirunelveli has been completed. The Online Mining Tenement Registry Application has been hosted at Tamil Nadu State Data Centre. With respect to Tiruchirappally district the work is in progress.

**DEPARTMENT OF GEOLOGY AND MINING
REVENUE REALISED FROM MINERALS (OTHER THAN SAND)
(Rs in Crore)**



13. DEPARTMENT OF SUGAR

Sugarcane crop is one among the major crops of Tamil Nadu. Sugar production based on sugarcane is providing economic development to cane growers, investors and workers of sugar factories. Wholesalers, retailers, subsidiary industries labourers in the rural areas thrive on the development of Sugar Industry. Tamil Nadu is one of the leading producers of sugar in the country and is in the 4th position at the National level.

Out of 46 sugar mills in the state 43 sugar mills viz. 25 in Private Sector, 16 in Cooperative Sector and 2 in Public Sector are functioning.

13.1. Performance

All operating 43 Sugar Mills in Tamil Nadu have programmed to crush about 144.31 lakh tonnes of cane and to produce 13.08 lakh tonnes of sugar with an average recovery of 9.06% for this current (2015-16) crushing season. During

this season (up to 15.7.2016), the Co-operative, Public Sector and Private Sugar Mills in our state have crushed 128.30 lakh tonnes of cane and produced 11.33 lakh tonnes of sugar with an average recovery of 8.84%. The details of cane crushed for the season 2014-15 and estimate for 2015-16 season are shown in the performance particulars of this Department.

For the year 2014-2015 the State Advised Price (inclusive of Transport charges of Rs.100) was Rs.2,650. The State Government announced Rs.2,850 as State Advised Price for sugarcane inclusive of transport charges of Rs.100 per tonne for 2015-16 season.

The Government of Tamil Nadu with an aim to augment sugarcane production and to achieve 100% capacity utilization by the sugar mills is implementing various technologies such as Sustainable Sugarcane Initiative under the Sustainable Sugarcane Initiative Scheme.

Tamil Nadu Cooperative Sugar Federation Limited is the Nodal Agency to sell the sugar

produced by all Cooperative and Public Sector Sugar Mills in our state. During the financial year 2015-16, a quantity of 2.92 lakh tonnes of Sugar has been sold and an amount of Rs.826.52 crore has been realized. During 2016-17 upto June 2016, 0.98 lakh tonnes of sugar has been sold and an amount of Rs.343.55 crore has been realized.

The by product, bagasse is used as fuel to generate steam and power for operation of the mills. The surplus bagasse after meeting the internal consumption is being sold to other Industries on tender basis. During the financial year 2015-16, a quantity of 74,264 tonnes of bagasse has been sold and an amount of Rs.13.24 crore has been realised. During 2016-17 upto June 2016, 9685 tonnes of bagasse has been sold and an amount of Rs.1.60 crore has been realised.

Molasses is a valuable by-product of sugar mill, utilized for production of Alcohol, Chemicals and cattle feed. After meeting the molasses

demand of two Cooperative distilleries, Molasses is sold to distilleries, chemicals manufacturers and others. During the financial year 2015-16, a quantity of 1.59 lakh tonnes of molasses has been sold and an amount of Rs.61.14 crore has been realized. During 2016-17 upto June 2016, 0.43 lakh tonnes of molasses has been sold and an amount of Rs.13.99 crore has been realized.

Press mud is also another by-product of sugar mills. By utilizing Press mud, Vermi Compost, a bio-compost is produced in the sugar mills. In some of the sugar mills enriched press mud is made by adding micro nutrients and bio organisms. The balance quantity of press mud is sold at a subsidised price to the cane farmers of the concerned sugar mill.

During the financial year 2015-2016, Distillery units of Salem and Amaravathi Co-operative Sugar Mills, have sold 122.95 Lakh Litres of ethanol and Rectified Spirit for the value of Rs.40.70 crore. In the financial year 2016-17

up to June 2016, 7.40 lakh litres for the value of Rs.2.38 crore has been sold.

Blending of Ethanol with petrol upto 5% is permitted. So far, 8 ethanol plants having production capacity of 9.60 crore litres per annum have been established in Tamil Nadu, of which 2 ethanol plants have been set up in Amaravathy and Salem Co-operative Sugar Mills with a total capacity of 1.80 crore litres per annum.

In Cooperative Sector, Co-generation Plants are functioning with a capacity of 7.5 MW each at M.R. Krishnamurthy Cooperative Sugar Mills and Cheyyar Cooperative Sugar Mills and with a capacity of 5 MW at Subramaniya Siva Cooperative Sugar Mills. During the financial year 2015-16, surplus power have been exported to State Grid resulting in earning Rs.1.07 crore.

13.2. Co-generation & Modernisation

The cogeneration project in 12 Cooperative and Public Sector Sugar Mills with a total capacity

of 183 MW is undertaken through TANGEDCO at a total cost of Rs.964.88 crore.

13.2.1. Mill wise Capacity & cost of Co-generation project

(Rs. in crore)

S. No	Name of the Sugar Mills	District	Capacity in MW	Project cost
1	Salem Coop. Sugar Mills	Namakkal	15	79.18
2	Subramania Siva Coop. Sugar Mills	Dharmapuri	15	78.83
3	Dharmapuri District Coop. Sugar Mills	Dharmapuri	12	60.20
4	Vellore Coop. Sugar Mills	Vellore	15	79.51
5	Cheyyar Coop. Sugar Mills	Thiruvanna-malai	15	81.03
6	Kallakurichi -I Coop. Sugar Mills	Villupuram	15	84.12
7	Kallakurichi -II Coop. Sugar Mills	Villupuram	15	76.81
8	Chengalrayan Coop. Sugar Mills	Villupuram	18	94.25
9	M.R. Krishnamoorthy Coop. Sugar Mills	Cuddalore	15	75.54
10	National Coop. Sugar Mills	Madurai	15	80.61
11	Perambalur Sugar Mills	Perambalur	18	96.14
12	Arignar Anna Sugar Mills	Thanjavur	15	78.66
	Total		183	964.88

The works under this project are almost nearing completion. The project work at Chengalrayan Coop. Sugar Mills has been completed and trial started on 8.2.16 and ended on 3.5.2016. 48,684 tonnes of cane has been

crushed and 26.36 lakh units of power has been exported.

Along with the co-generation programme these 12 sugar mills are being modernized at a cost of Rs.276.27 crore to reduce power and steam consumption in sugar manufacturing process, and also to increase quantity of power for export.

13.3. Mill wise Project cost for Modernisation (Rs. in crore)

S.No.	Name of the Sugar Mill	District	Project cost
1	Salem Coop. Sugar Mills	Namakkal	7.88
2	Subramania Siva Coop. Sugar Mills	Dharmapuri	11.15
3	Dharmapuri District Coop. Sugar Mills	Dharmapuri	11.21
4	Vellore Coop. Sugar Mills	Vellore	37.07
5	Cheyyar Coop. Sugar Mills	Thiruvanna-malai	14.68
6	Kallakurichi –I Coop. Sugar Mills	Villupuram	9.02
7	Kallakurichi –II Coop. Sugar Mills	Villupuram	10.96
8	Chengalrayan Coop. Sugar Mills	Villupuram	40.95
9	M.R. Krishnamoorthy Coop. Sugar Mills	Cuddalore	13.63
10	National Coop. Sugar Mills	Madurai	39.94

11	Perambalur Sugar Mills	Perambalur	42.72
12	Arignar Anna Sugar Mills	Thanjavur	37.06
	Total		276.27

In Salem, Subramaniya Siva, Dharmapuri, Kallakurichi-I, Kallakurichi-II, and Chengalrayan Cooperative Sugar Mills, modernisation works have been completed.

13.4. Establishment of New Distillery cum Ethanol Plant

Steps have been taken to establish 45 KLPD Distillery-cum-Ethanol plant at Cheyyar Coop. Sugar Mills. Environmental clearance from the Ministry of Forest and Environment, Government of India has been obtained. Action is being taken to obtain NCDC loan for the project.

Steps have been initiated for establishment of 45 KLPD Distillery cum-Ethanol plant in Kallakurichi-II and in Subramaniya Siva Coop. Sugar Mills. Action is being taken for calling of tender and obtaining permission from other Departments.

14. CONCLUSION

Recognising that the industrial sector plays an important role in realizing higher economic growth, under the able leadership of Honourable Chief Minister of Tamil Nadu, the Government of Tamil Nadu has implemented a number of policy initiatives for creating an enabling environment for industrial growth and to facilitate the growth in the manufacturing and service sectors. Tamil Nadu is amongst the well developed States in India in terms of industrial development. In the post liberalization Era, it has emerged as a front runner by attracting a large amount of foreign and domestic investments.

The robust overall economic development of the State in recent times, has been significantly aided by the industrialization. The State has always had a strong manufacturing culture which has been instrumental in attracting investments in the manufacturing sector, particularly in Automobiles, Automotive Components, leather,

engineering and Textiles Sectors, where it has a clear leadership position. The industrial infrastructure has been upgraded to meet the spurt of industrialization. Tamil Nadu has become a chosen destination for attracting foreign direct investment (FDI) in India, thanks to a large number of investor friendly policy measures such as Single window facilitation, Ease of doing business, structured incentive package etc.

The State has been transformed to a power surplus State and is a leader in the renewable energy sector. Successful completion of Global Investors Meet last year is a land mark event and effective follow up measures are being taken to make Tamil Nadu, the numero uno State with the best investment climate.

Against the tumultuous global economic environment with major world economies showing signs of slowdown in growth, India has emerged as the fastest growing economy with a high growth rate of over 7 per cent. Tamil Nadu is

growing even faster under the dynamic leadership of the Honourable Chief Minister of Tamil Nadu aided by a strong manufacturing and services sector. Due to the several initiatives taken by the Government and the leadership position in the industry sector, it is hoped that this will be maintained in the future also.

This Department endeavours to develop the State industrially in all its spheres by facilitating investments through the implementation of various reformatory measures under the ease of doing business platform and co-ordinating with various agencies to bring about the state-of-the-art infrastructure required for the industrial growth to take Tamil Nadu and its people further on the path of progress and prosperity.

M.C. SAMPATH,
Minister for Industries.