



ABSTRACT

Industries – Sanction of Special Incentive Package to promote manufacturing of COVID -19 related medical equipment and drugs in Tamil Nadu – Orders – Issued.

Industries (MIB.1) Department

G.O (Ms) No.113

Dated: 02.04.2020

விகாரி, பங்குனி 20
திருவள்ளூர் ஆண்டு 2051

ORDER:

The Government of Tamil Nadu has been taking several proactive initiatives to combat the COVID-19 Pandemic. As a part of these measures, it is considered very essential to augment the local manufacturing capacity of essential medical equipment and drugs and to implement a special incentive package to promote their manufacturing. This package will be a combination of financial incentives and ease of starting business related facilitations.

2. Accordingly, the following Special Incentive Package is sanctioned to promote manufacturing of COVID -19 related medical equipment and drugs such as ventilators, PPE Kits, N-95 Masks, Multi Para Monitors and anti-malarial and anti-viral drugs in Tamil Nadu:-

- i. The package will apply to the manufacture of ventilators, PPE Kits, N-95 Masks, Multi Para Monitors and anti-malarial and anti-viral drugs used in the management of COVID-19. The equipment and drugs must confirm to applicable national standards. Subsequently, other items will also be added if requirement arises.
- ii. The package will apply to all manufacturers of aforesaid items who will commence production in Tamil Nadu before July 31, 2020.
- iii. The package will apply to large industries and MSMEs.
- iv. 30% capital subsidy, subject to a ceiling of Rs.20 crore, on the investment made in Eligible Fixed Assets will be provided to eligible manufacturers. Capital Subsidy will be disbursed as equal annual instalments over 5 years. The investment made for manufacturing of essential equipment including modifications/ up-gradations of existing lines will be taken into account.
- v. In case of MSMEs, the aforesaid eligible manufacturing activities will also be included under the category of "Thrust Sector" for the purposes of availing various applicable existing incentives.
- vi. Investors may commence manufacturing of these items and related activities without any prior approval mandated by State laws including

approval from DTCP. Necessary permissions may be obtained subsequently after commencement of production.

- vii. SIPCOT and SIDCO will provide necessary land / sheds on short term or long term leases on priority basis.
- viii. 100% stamp duty waiver will be provided.
- ix. 6% interest subvention will be provided to these manufacturers for Working Capital loans availed from commercial banks or Financial Institutions for two quarters (till 31.12.2020), through TIIC.
- x. Minimum 50% of the equipment and drugs produced under the package during 3 months (May – July, 2020) will be purchased by Tamil Nadu Medical Services Corporation at negotiated rates.
- xi. Priority will be given under NEEDS scheme for MSMEs who come forward to manufacture the aforesaid equipment / drugs.
- xii. This package will be implemented by SIPCOT for large industries and IC&DIC for MSMEs. Guidance Tamil Nadu for large industries and MSME Trade and Investment Promotion Bureau for MSMEs will provide the necessary guidance and facilitation including Single Window Clearance.

3. The Principal Secretary to Government, Industries Department is authorised to add additional items within the scope of the incentive package in consultation with the Finance Department.

(BY ORDER OF THE GOVERNOR)

**N.MURUGANANDAM
PRINCIPAL SECRETARY TO GOVERNMENT**

To
The Additional Chief Secretary to Government,
Finance Department,
Chennai – 600 009.

The Principal Secretary to Government,
Micro, Small and Medium Enterprises Department,
Chennai – 600 009.

The Principal Secretary to Government,
Commercial Taxes & Registration Department,
Chennai – 600 009.

The Principal Secretary to Government,
Energy Department,
Chennai – 600 009.

The Principal Secretary to Government,
Labour & Employment Department,
Chennai – 600 009.

The Principal Secretary/ Commissioner of Commercial Taxes,
Chepauk, Chennai – 600 005.

The Managing Director and Chief Executive Officer,
Guidance Tamil Nadu,
19-A, Rukmini Lakshmi pathy Road,
Egmore, Chennai – 600 008.

The Managing Director,
State Industries Promotion Corporation of Tamil Nadu Limited,
19-A, Rukmini Lakshmi pathy Road,
Egmore, Chennai – 600 008.

The Industries Commissioner and Director of Industries & Commerce,
SIDCO Industrial Complex, Guindy, Chennai-32.

The Managing Director,
SIDCO,
SIDCO Industrial Complex, Guindy, Chennai-32.

The Managing Director,
TIIC,
Nandanam, Chennai-35.

The Principal Secretary / Chairman and Managing Director,
TANGEDCO,
144, Anna Salai, Chennai – 600 002.

The Managing Director,
TWAD Board,
31, Kamarajar Salai,
Chepauk, Chennai - 600 005.

The Director of Information & Public Relations, Chennai-9.

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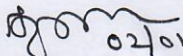
The CMO, Chennai – 600 009.

Finance (Industries) Department, Chennai – 600 009.

The Industries (MIA/ MID/ MIE/ MIF/ MIG/ Budget/OPII)
Department, Chennai – 600 009.

SF/SC

// Forwarded / By order //


02/04/20
SECTION OFFICER

Co-2
24/2020