



ABSTRACT

Micro, Small and Medium Enterprises Department – Tamil Nadu Small Industries Development Corporation Limited (TANSIDCO) - Allotment of plots on 99 years lease basis in 24 Industrial Estates that are in high demand and with high appreciation of land cost – Orders - Issued.

MICRO, SMALL AND MEDIUM ENTERPRISES [C] DEPARTMENT

G.O.(Ms.) No.82

Dated: 29.11.2023

சோபகிருது வருடம் கார்த்திகை 13

திருவள்ளூர் ஆண்டு 2054

Read:

1. G.O (Ms.) No.40, Micro, Small and Medium Enterprises (C) Department, dated 15.12.2016.
2. From the Managing Director, TANSIDCO Letter Rc.No.5500/IE 1-2/2016, dated 16.05.2023.

ORDER:

In the Government order first read above, the Government have issued orders for allotment of plots either under outright sale basis or on 30 year lease basis in the Industrial Estates which were established from 2013-2014 onwards.

2. The Managing Director, Tamil Nadu Small Industries Development Corporation Limited (TANSIDCO) in the letter second read above has stated that, instructions were given during the review of Micro, Small and Medium Enterprises Department conducted by the Principal Secretary-I to Hon'ble Chief Minister held on 19.09.2022, to take effective steps for the utilisation of all the plots allotted to MSMEs so as to make all the industrial units 100% functional in every estate. Further, during the review meeting held on 13.10.2022 Chaired by the Hon'ble Minister for MS&ME, it was also reiterated to ensure that the allottee commences the industrial activity at the earliest.

3. Accordingly, TANSIDCO in order to achieve the said object, prepared revised allotment order, Memorandum of undertaking (MoU) and Sale Deed with terms and conditions incorporating stringent penal action that will be imposed, if the allottees fail to utilise the allotted plot as per the

terms and conditions. The revised allotment order, MoU and Sale deed format was placed before the TANSIDCO Board by circulation vide its circular resolution No.5/2022-2023 dated 09.11.2022 and approved by the Board of Directors on 17.11.2022 for adoption of TANSIDCO.

4. The Managing Director, TANSIDCO has also stated that, SIPCOT is allotting developed plots to large and medium scale industries on 99 years lease basis only. It is observed in the Screening Committee that though the "A" Category Industrial Estates are fixed high rate they are having high demand also. At the same time it takes nearly 3 to 5 years for the allottees to commence the commercial production or to bring it for utilisation.

5. TANSIDCO has also observed that after executing the sale deed many plots are not utilised by the allottee for the purpose for which it was allotted and many plots are kept idle for a long period without utilising the same and in some cases the allottees had sold their plots to someone for non-industrial purpose also which affects the integrity and homogeneity of the Industrial Estates. As sale deed has been executed for those plots, TANSIDCO has no hold on these errant allottees to make them functional and to maintain the homogeneity of the Industrial Estates. In certain cases, allottees purchase the plot on speculation of getting better rate at a later date in future and keep it vacant over a period of time and transfer the plots to others for decently appreciated price.

6. In order to avoid such speculative transaction and also to maintain the homogeneity of the Industrial Estates, TANSIDCO has proposed to allot these plots that are in high demand and those in close proximity to major Corporations on 99 years lease basis only to the needy entrepreneurs and also to avoid unscrupulous transactions of Industrial Plots. Accordingly, Tamil Nadu Small Industries Development Corporation Limited (TANSIDCO) has identified 24 such Industrial Estates where plots are in high demand with high appreciation of plot cost.

7. The Managing Director, Tamil Nadu Small Industries Development Corporation Limited has therefore requested the Government to approve the proposal for the allotment of plots in 24 Industrial Estates, that are in high demand and with high appreciation of land cost to be made only on 99 years lease basis.

8. The Government have examined the proposal of the Managing Director, Tamil Nadu Small Industries Development Corporation Limited and after careful examination decided to accept if and accordingly order that the allotment of plots in 24 Industrial Estates, that are in high demand and with high appreciation of land cost shall be made only on 99 years lease basis, subject to the following conditions:-

- a. Allotment of plots shall be on long term lease of 99 years.
- b. The lease rent for the period of 99 years will be the prevailing total plot cost at the time of allotment.

- c. The lease rent for the plot shall be collected in similar manner as in the outright sale allotment (i.e)
- i. The initial payment of 25% of the lease rent shall be collected within 2 months from the date of allotment order failing which the allotment shall stand automatically cancelled and the Earnest Money Deposit (EMD) will be forfeited and
 - ii. Balance payment of 75% of the lease rent after adjusting the EMD shall be collected within 6 months from the date of allotment Order failing which the allotment shall stand automatically cancelled and the EMD will be forfeited.
 - iii. The initial payment will be refunded within a period of 30 days without Interest.
- d. Lease deed has to be executed within 45 days from the date of payment of entire plot cost.
- e. The lessee shall take possession of the plot within 15 days from the date of execution/registration of lease deed.
- f. The lessee shall commence the industrial activity in the plot within 24 month from the date of taking over of plot.
- g. At the end of 99 years, the allottee has the option of either to renew the lease on payment of prevailing plot cost for another 99 years or to surrender the plot to TANSIDCO.

9. The list of 24 Industrial Estates, wherein plots to be allotted for 99 years lease basis is annexed to this order.

10. This orders issued with the concurrence of Finance Department vide its U.O No.23881/Finance(BPE)/2023, Dated 19.06.2023.

(BY ORDER OF THE GOVERNOR)

**ARCHANA PATNAIK
SECRETARY TO GOVERNMENT**

To
The Managing Director,
Tamil Nadu Small Industries Development Corporation Limited,
Thiru.Vi.Ka Industrial Estate, Guindy, Chennai-32.

Copy to:
The Hon'ble Chief Minister Office, Chennai - 9.
The Special Personal Assistant to
Hon'ble Minister (Micro, Small and Medium Enterprises),
Secretariat, Chennai - 9
The Private Secretary to Secretary to Government,
Micro, Small and Medium Enterprises Department, Chennai -9

The Finance (BPE) Department, Chennai-9.
Micro, Small and Medium Enterprises (OP) Department,
Secretariat, Chennai - 9.
Stock file / Spare copy.

//FORWARDED BY ORDER//

W. 00781/9/9
29/11/2023
SECTION OFFICER
29/11/23

**Annexure in G.O (Ms.) No.82, Micro, Small and Medium Enterprises
(C) Department, Dated 29.11.2023**

**List of Industrial Estates where plots are in high demand with high
appreciation of plot cost**

Sl.No	Industrial Estates
1	Alathur
2	Ambattur (G)
3	Chenkarai
4	Guindy (G)
5	Hosur EE (G)
6	Hosur New
7	Hosur Sipcot
8	Kakkalur (G)
9	Kappalur (G)
10	Kappalur WIP
11	Kurichy (G)
12	Madurai (G)
13	Malumichampatti
14	Perungudi (G)
15	Salem
16	Sooramangalam (G)
17	Thandarai
18	Thirumazhisai
19	Thirumudivakkam (Micro)
20	Thirumudivakkam Main
21	Thirumudivakkam Phase II
22	Thirumudivakkam WIP
23	Thirumullaivoyal
24	Thiruvanmiyur (G)

**ARCHANA PATNAIK
SECRETARY TO GOVERNMENT**

// TRUE COPY //

W. 00181230
 29/11/2023
SECTION OFFICER
 (5)
 29/11/23

