

What lockdown-hit MSME industries want from new Tamil Nadu government? A wishlist

By C Shivakumar | Express News Service | Published: 09th March 2021 03:56 AM



CHENNAI: With the State getting ready to face polls, industries here have come up with several expectations from the government that will be sworn in after the elections. Hit by lockdown, small-scale industries are struggling due to labour crisis, raw material shortage and decline in cash flow.

“The State has more than nine lakh Micro, Small and Medium Enterprises, and many of them had been shut during the lockdown,” said TV Hariharan, Federation of Associations of Small Industries of India.

Reeling under shortage of workforce as migrant workers have not returned and rising prices of raw materials and fuel and as a result transportation cost, the industries needed a helping hand from the government, he said.

He also wanted the working capital to be increased.

D Ravi, Chair, MSME Committee, South Indian Chamber of Commerce and Industry, said that MSMEs found it difficult to receive payment on time from many Tier-1 and original equipment manufacturer (OEM) customers.

Even though there was a rule to pay all MSMEs within 45 days, in reality it was not honoured.

He suggested that the government set up a body to sort out the issue of delayed payments. Madras Chamber of Commerce and Industry president Srivats Ram highlighted the need of the State to look at upskilling the workforce across industries, particularly MSMEs.

“The State could incentivise service sector companies (healthcare, fintech, etc., with a focus on job creation. We have supply-side advantages in terms of educational institutions that could make the State the knowledge capital and a R&D hub in the country,” he said.

Satyakam Arya, Managing Director and Chief Executive Officer, Daimler India Commercial Vehicles Pvt Ltd, also vice-chairman of CII Tamil Nadu State Council, suggested setting up of an automated car fitness centre. The country doesn't have one at present and therefore needs it.

Dr GSK Velu, Chairman, FICCI Tamil Nadu, and Chairman and Managing Director, Trivitron Group of Companies, mentioned that the key expectations of the industry from the new government include improving the ease of doing business in the State through reforms, enabling a favourable business climate, thereby positioning the State as the most-preferred investment destination, making investments in social and physical infrastructure, encouraging mass entrepreneurship and empowering the MSMEs by addressing their issues and hand-holding them for access to finance and digital adoption.

Focus

“Election debates should focus on extension of Eastern Dedicated Freight corridor to Chennai and Kaniyakumari and completion of the elevated expressway from ORR to Chennai ports,” said Ravi.