



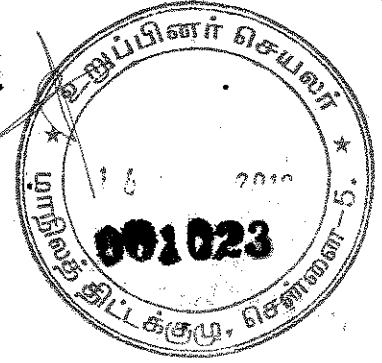
(PC) OK

Micro, Small and Medium Enterprises [B] Department Secretariat, Chennai-9

Letter No.3641/B/2017 - 10, Dated: 10.03.2018

From
Thiru R. Uthanda Krishnan, B.Sc., B.L.,
Deputy Secretary to Government.

To
The Member Secretary,
State Planning Commission,
Ezhilagam, Chepauk,
Chennai-5 (w.e)



Sir,

Sub: State Planning Commission – Tamil Nadu Innovation Initiatives (TANII) – Second Round (2017-18) – State Innovation Fund – Fund sanctioned – Orders issued – Regarding.

Ref: From the Member Secretary, SPC letter No.1644/SPC (PC)/ 2017, dated 14.11.2017.

I am directed to invite your attention to the reference cited and enclose a copy of the Government Order issued for the sanctioned scheme of Sophisticated testing instrument for testing of Metal and Metallic Products for Chemical Testing and Analytical Laboratory, Chennai and Regional Testing Laboratory, Madurai, for information.

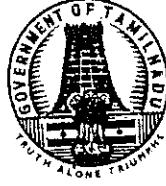
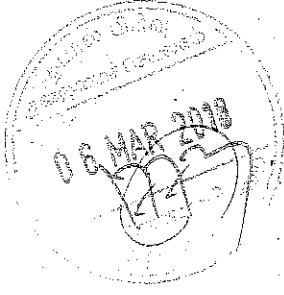
Yours faithfully,

[Handwritten signature]

for Deputy Secretary to Government

2x
15-3-2018
No SPC Ord

14/3/18



ABSTRACT

Tamil Nadu Innovation Initiatives (TANII) – (2017-2018)- State Innovation Fund – Micro, Small and Medium Enterprises Department - Proposal for Upgradation and Modernisation of Chemical Testing and Analytical Laboratory, Chennai and Regional Testing Laboratory, Madurai- Amount of Rs.90.00 lakhs sanctioned – Orders issued.

MICRO, SMALL AND MEDIUM ENTERPRISES (E) DEPARTMENT

G.O. (Ms).No. 03

Dated: 20 .02.2018

திருவள்ளூர் ஆண்டு 2048
ஹேவிஸ்பி வருடம் மாசி 8.
Read:

From the Principal Secretary / Industries Commissioner
and Director of Industries and Commerce Letter
Rc.No.3152/ CW7/ 2017, dated 14.12.2017.

Order:

The Principal Secretary / Industries Commissioner and Director of Industries and Commerce has stated that to upgrade and modernize the testing facilities, Chemical Testing and Analytical Laboratory, Chennai and Regional Testing Laboratory, Madurai, it has been proposed to establish a Modern testing facilities for testing of chemical elements composition in Steel rods, structural Steels, Cast Iron, Steel Alloys, Aluminum and its Alloys, Copper and its alloys with Nickel and its alloys with additional new sophisticated Instrument Optical Emission Spectrometer at a cost of Rs.90.00 lakhs.

The Expenditure details are as follows:-

No.	Item Description	Qty	Total Cost (Rs.in lakhs)
1	<p>Optical Emission Spectrometer Floor standing vacuum emission spectrometer suitable for analysis of Ferrous, Aluminum, Copper, Nickel based alloys with following feature:</p> <ul style="list-style-type: none"> • CCD based instrument allowing full spectrum view. • Full wave length coverage of 175 to 420 nm with additional CCD to facilitate coverage up to 671 nm. • Reciprocal linear dispersion of 1.75 nm/mm in first order. • Argon purged samples stand and optical cell • Pre-calibrated for Fe, Al,Cu and Ni based alloys as per analytical ranges • Computer controlled high frequency Spectro source with HEPS • Licensed copy of application soft ware 	<p>02 nos (CTAL, Chennai & RTL MADURAI</p>	<p>40.00/no.X2=80.00</p>
II	<p>Set of Fe, Al, Cu and Ni based recalibration standards Wire sample adaptor Spares and consumables / tool kit <u>Accessories / Modules</u></p> <ul style="list-style-type: none"> • UHP Grade Argon cylinder with • CCOE certificate\ 		

	<ul style="list-style-type: none"> • 3 KVA UPS with ½ hour battery back up to operate spectrometer • Single disk polishing machine with polishing sheets • Dual stage Argon regulator 		
III	Air conditioner (2 Nos-per Laboratory)	4 Nos.	2.00
IV	Civil and Electrical works @ Rs. 3.50 lakhs for each laboratory		7.00
V	Advertisement Charges		1.00
	Total		90.00

2. The above said scheme has been approved by the Planning Commission under Tamil Nadu Innovation and Initiatives Schemes (TANII) for the year 2017-2018.

3. Based on the approval of the Planning Commission, the Government accord sanction for a sum of Rs.90.00 lakhs (Rupees Ninety lakhs only) for procuring sophisticated testing instrument for testing of metal and metallic products for Chemical Testing and Analytical Laboratory, Chennai and Regional Testing Laboratory, Madurai under TANII Schemes for the year 2017-2018. Format for appraisal on the project under Tamil Nadu Innovation Initiative is enclosed to this order as Annexure I.

4. The expenditure sanctioned in para 3 above, shall be debited the following head of Account:-

2851- 00 Village and Small Industries – 102 Small Scale Industries – State's Expenditure – MX Purchase of Sophisticated testing instrument for testing of Metal and Metallic Products under State Innovation Fund – 19 Machinery and Equipments - 01 Purchase.

(DPC.2851.00 102 MX 1913).

The above expenditure shall be adjusted by deducting under the following head of account:-

2851 00 Village and Small Industries - 902 Deduct - Amount met State Innovation Fund - JF Deduct - Amount met from State Innovation Fund - 30. Inter Account Transfers.

(DPC 2851 00 902 JF 3003).

by contra debiting from

J Reserve Funds (b) Reserve Funds not bearing interest - 8229-00- Development and Welfare Funds - 200- Other Development and Welfare Fund - BE State Innovation Fund.

(DPC. 8229 00 200 BE 0006) (outgo)

5. Necessary funds are provided in first Supplementary Estimates 2017-18. The Principal Secretary / Industries Commissioner and Director of Industries and Commerce is authorised to draw and disburse the amount sanctioned in para 3 above.

6. This order issues with the concurrence of Finance (Industries) Department vide its U.O.No. 3300 / Ind / 2018 dated 08.02.2018.

(BY ORDER OF THE GOVERNOR)

**DHARMENDRA PRATAP YADAV,
SECRETARY TO GOVERNMENT.**

To
The Principal Secretary/ Industries Commissioner and
Director of Industries and Commerce, Chennai-32.
The Accountant General, Chennai-18.
The Pay and Accounts Officer, Chennai-8.
The concerned Treasury Officers.

Copy to:

The Finance (Industries / B.G.I / BG.II) Department,
Secretariat, Chennai-9.
The Micro, Small and Medium Enterprises (B) and (OP)
Department, Chennai-9.

SF/SC.

//FORWARDED BY ORDER//

N. K. S. S. S.
20-2-18
SECTION OFFICER

20-2-18

ANNEXURE-I

Format for Appraisal of the Department
(To be forwarded along with the detailed proposal for funding under TAN II)

2017-18 (Round-I)

S.No.	Items	Details
1	General	
1.1	Name of the Project	UPGRADATION AND MODERNISATION OF CHEMICAL TESTING AND ANALYTICAL LABORATORY, CHENNAI AND REGIONAL TESTING LABORATORY MADURAI WITH SOPHISTICATED INSTRUMENT OPTICAL EMISSION SPECTROMETER (OES) FOR TESTING METALS AND METALLIC PRODUCTS.
1.2	Project ID Number	
1.3	Sector	General
1.4	Implementing Agency/ Government Department	CHEMICAL TESTING AND ANALYTICAL LABORATORY-CHENNAI, REGIONAL TESTING LABORATORY-MADURAI, DEPARTMENT OF INDUSTRIES AND COMMERCE
2	Project description	
2.1	Brief description of the project	<ul style="list-style-type: none"> • Chemical Testing and Analytical Laboratory, Chennai and Regional Testing Laboratory, Madurai proposed to equip specialized sophisticated precision instrument OES for testing of chemical elements composition in metal and its alloys • This project will facilitate testing of the constituents elements in steel rods, structural steel cast iron, stainless steel, aluminum and its alloys, copper and its alloys, nickel and its alloys.
2.2	Specify the public issue/ problems addressed by the project.	<ul style="list-style-type: none"> • As per the Steel and Steel products Quality Control Order 2015 & 2016 and subsequent orders notified by the Ministry of Steel, Government of India many steel and steel products are brought under mandatory BIS certification for manufacture and sale of steel and steel products. • Steel and its products with ISI mark has to be tested for confirmation of their grades as per quality control order 2015 notified by Ministry of Steel, Government of India.

		<ul style="list-style-type: none"> • The conventional method of testing with acids and hazardous chemicals could be overcome by Optical Emission spectrometer. • Steel and Steel products and other metallic products manufacturing MSME's and consumers of metallic products can utilize the fast robust precise and reliable technology.
2.3	Is the problems being addressed important enough to warrant an innovation? (for instance a gap in the existing services being provided or an issue not tackled so far but needs to be addressed)	<p>YES. As per the Steel and Steel products Quality Control Order 2012 and subsequent orders notified by the Ministry of Steel, Government of India many steel and steel products are brought under mandatory BIS certification for manufacture and sale of steel and steel products. Hence this laboratories already equipped with sophisticated instruments for testing of physical parameters of the steel and steel products is proposed to modernize the laboratories with the sophisticated instrument Optical Emission Spectrophotometer (OES) for testing of chemical elements of the metal and metallic products as per the Indian Standards Specification and to issue test reports to the customers. Hence it is proposed to upgrade the existing testing services.</p> <p>The merits of the scheme proposed is detailed below.</p> <ul style="list-style-type: none"> • Non- destructive method of analysis of metal is the need of the hour. • Simplicity: Easy sample preparation. • Savings: Low operating costs. • Range: From trace to alloy concentration levels. • Extremely fast and simple quantitative analysis method. Determination of all the elements needed in pure metals and alloys in less than 1 minute. • Unmatched technique for fast analysis of iron aluminum and copper based metals and its alloys.
2.4	Can the innovation be characterized as (tick the appropriate item)	New Service
2.5	Target population (socio-Economic benefit)	<ul style="list-style-type: none"> • Steel re-rolling industries and metal and metallic product manufacturing industries in MSME sector, Chennai corporation ,TNHB, TNSCB, CPWD, state highways, PWD, CMDA, central government departments like Southern Railways, Metro Rail Project private builders etc., would get benefit.

2.6	Basic design / components developed	Yes. Chemical Testing Laboratories functioning under the Department of Industries and Commerce is engaged in the testing of chemical products and construction materials for more than six decades. Hence with the vast experience in the field of testing and allied products, it is decided to create a new testing facility in line with the latest technology.
2.7	Preliminary studies undertaken	Yes. During the year 2016-17, Chemical Testing and Analytical Laboratory, Chennai and Regional Testing Laboratory, Madurai have earned a revenue of Rs. 199.51 lakhs by testing charges. It is anticipated that CTAL would receive 1200 samples per annum and RTL Madurai would receive 1800 samples per annum together 3000 No of samples per annum and testing fees @ Rs. 840 per samples would fetch additional revenue of 25, 20,000 per annum. The estimated cost of Rs 90.00 lakhs for the scheme would be realized in 3 to 4 year of time and would earn profit from 4 th year onwards.
2.8	Statutory clearances required	No
2.9	Statutory clearances obtained	Not applicable
2.10	Project implementation schedule prepared	Yes, Annexed-A
2.11	Assessment on possible risks and challenges	No (not required).
2.12	Does the project linkages with similar project	No
2.13	Whether similar project undertaken previously	No. Proposal is to purchase sophisticated instrument to upgrade and modernize the existing testing facilities of Chemical Testing and Analytical Laboratory, Chennai and Regional Testing Laboratory, Madurai.
2.14	Would the project generate indirect employment?	No
2.15	Whether the project is to be executed in collaboration with non- governmental organization (NGOs)	No
2.16	If Yes whether independent evaluation is made?	Not applicable

3	Financial	
3.1	Estimated total project cost with break up /phasing of investment	<p>Total project cost - Rs.90 Lakhs (Two Testing Instruments)</p> <p>i. Cost of testing instrument @ Rs. 40.00 lakhs / no. for 2 nos. - Rs. 80.00 lakhs</p> <p>ii. Development of infrastructure facilities in the laboratory such as Air-conditioner, Civil & Electrical works @ Rs. 4.50 lakhs for each laboratory - Rs. 9.00 lakhs</p> <p>Advertisement charges - Rs. 1.00 lakhs</p> <p style="text-align: right;">-----</p> <p style="text-align: right;">Total Project Cost - Rs. 90.00 lakhs</p>
3.2	Sources of financing (if available)	From the Innovation fund only.
3.3	Cost of the machinery included in the project	Rs.80.00 Lakhs
3.4	Percentage of the machinery cost to the project cost	88.89 %
3.5	Cost of the computers and accessories included in the project	Computer aided Instrument
3.6	Percentage of the computers and accessories included in the project	Not applicable
3.7	Whether machinery is indispensable for implementation of the project	<p>Yes. As per the Steel and Steel products Quality Control Order 2015 & 2016 and subsequent orders notified by the Ministry of Steel, Government of India many steel and steel products are brought under mandatory BIS certification for manufacture and sale of steel and steel products. Hence this laboratories already equipped with sophisticated instruments for testing of physical parameters of the steel and steel products is proposed to modernize the laboratories with the sophisticated instrument Optical Emission Spectrophotometer (OES) for testing of chemical elements of the metal and metallic products as per the Indian Standards Specification and to issue test reports to the customers. Hence it is proposed to upgrade the existing testing services and is absolutely essential for complete testing of steel and steel products as per the BIS standards.</p>
3.8	Cost of experts/ consultants included in the project cost	Nil
3.9	Percentage of the cost of experts / consultants in the project cost	Nil

3.10	Has new staffing been proposed	No. Additional staff is not required, existing staff will be utilized.
3.11	Is the budgetary support requested under the proposed innovation within the prescribed ceiling of Rs 20 crore	Yes
4	Others	
4.1	Identification of likely economic benefits generated by the project	During the year 2016-17, Chemical Testing and Analytical Laboratory, Chennai and Regional Testing Laboratory, Madurai have earned a revenue of Rs. 199.51 lakhs by testing charges. Additional revenue of Rs.25,20,000.00 per annum is anticipated by testing fees collection.
4.2	Further steps needs to complete project preparation	Nil
4.3	Resources required to complete the project preparation process	Nil
4.4	Roll on responsibilities of involved parties	Nil

Annexure-A
Project implementation schedule

Year	Particulars
1	<ol style="list-style-type: none"> 1. Proposal & sanction. 2. Government approval for development. 3. Providing basic infrastructure facilities for housing the testing instruments in the laboratory. 4. Capacity building for training personnel. 5. Purchase of testing instruments. 6. Commencement of testing activity in the new instrument.
2	Calibration of test instruments / equipments newly purchased for its accuracy.

DHARMENDRA PRATAP YADAV
SECRETARY TO GOVERNMENT

// TRUE COPY //

[Signature]
SECTION OFFICER

[Signature]
20.2.18