



ASSOCIATION OF INDIAN ENTREPRENEURS

Voice of the Voiceless

13, Jayalakshmiapuram First Street, Nungambakkam, Chennai, India, 600034

Press Release – 9th Dec 2023

Rain Ends but Pain Continues: Time for relief Measures.

How do we recover from Rs.11,000 crores Loss?

The last few days have made life at KTCC (Kanchipuram, Tiruvallur, Chennai and Chengalpattu districts) in TN miserable for many. It is easy to blame anything or everything. However, there are sections of people like **Street Vendors, Micro and Small-scale industries, GIG workers like Mob app-based delivery agents, Auto & Taxi Drivers with own vehicles who are attached or detached with Mob apps, Daily wage earners, Contractors, Perishable goods sellers, show room and traders situated in water logging areas** whose life has gone for a toss. It takes months for them to come to terms with. Some recover and many go into deep coma. They are numbered close to about 25 lakhs of people in these four districts.

The population in KTCC alone is assumed to be 1.75 crores because most of them are here for earning their livelihood as we have more than 3.50 lakhs of industries in a spread of over - 12 SIDCO/ SIPCOT constructed industrial estates at **Kakalur, Thirumalisai, Goomidipoondi, Ambattur, Guindy, Thirumudiwakkom, Oragadam, Siruseri, Sriperumbudur, Kanchipuram, Kodungaiyur, Maraimalainagar** apart from Private created Industrial parks and IT sector office buildings.

As per the estimate of K. E. Raghunathan, National President of Association of Indian Entrepreneurs, the loss due to this heavy rain is expected to be over **Rs.11,000 crores**. The detailed estimates have been done and it spreads into a) business loss due to production stop, b) machinery or asset loss and c) Material loss.

LOSS IN 4 DISTRICTS OF TN - KTCC - DUE TO CYCLONE TOWARDS TRADE AND INDUSTRY							
Sl No	Category of Segment	Number of People involved	Loss due to water logging and non working days in crores	Loss due to Assets in crores	Loss due to Goods in crores	Total in crores	Remarks
1	Traders	10,00,000	₹ 70.00	₹ -	₹ 25.00	₹ 95.00	3 to 6 days
2	Micro & Small Scale Industries	3,05,000	₹ 3,000.00	₹ 6,000.00	₹ 1,450.00	₹ 10,450.00	5 to 50 days
3	Street Vendors	1,00,000	₹ 13.00	₹ -	₹ 2.00	₹ 15.00	4 to 6 days
4	Vehicle Drivers	20,000	₹ 25.00	₹ 20.00	₹ -	₹ 45.00	4 to 6 days
5	Delivery Agents	40,000	₹ 30.00	₹ 10.00	₹ -	₹ 40.00	4 to 6 days
6	GIG workers	25,000	₹ 120.00	₹ -	₹ -	₹ 120.00	4 to 6 days
7	Show Rooms	10,000	₹ 110.00	₹ 25.00	₹ 100.00	₹ 235.00	4 to 15 days
						₹ -	
	TOTAL	15,00,000	₹ 3,368.00	₹ 6,055.00	₹ 1,577.00	₹ 11,000.00	INSURANCE MIGHT BE POSSIBLE FOR CLAIM BUT UNSURE OF RECOVERY

* SOURCE - ASSOCIATION OF INDIAN ENTREPRENEURS - ESTIMATE - 8th Dec 2023 - Mob 9840947485

Over 10 lakhs of Job workers' livelihood are also at stake if they are not recovered.

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It is unfortunate – the Government of TN has not taken this into account in their claim of loss due to the Cyclone. According to *K. E. Raghunathan, National President of Association of Indian Entrepreneurs*

What TN government should do at this moment?

- ❖ Visit all the Industrial Estates by a high-level team to ascertain cause and sufferings and provide immediate evacuation of water and restoration of power as a priority.
- ❖ Create larger Storm water drain in all industrial Estate immediately. Make sure no water enters any premises in Government estate or private industrial parks.
- ❖ Create protection from Lake water entry points for those Estates prone to lake breach. Construct an obstruction wall around.
- ❖ Raise all EB cable, Transformer, Distribution box, Meter above water level to a minimum of 10 feet from ground level so that not to cut power during such times.
- ❖ Cancel for three months EB Fixed charges, Property Tax, Metro water and sewerage Taxes from all those Establishments situated in the 4 districts to allow them liquidity and recovery time.
- ❖ Set up a Facilitation centre at each estate for faster Insurance claims settlement, in partnership with the Industrial associations at the respective locations and conduct a camp to ascertain claims.
- ❖ Offer Scheme like state govt guarantee for 20% ad hoc increase in loan sanctioned limits like ECGLS of Government of India
- ❖ TIIC to offer affected industries in these districts loan at concessional interest – loan to refurbish or repair or get new machines spoiled due to rain.
- ❖ Offer Raw material on credit to Micro and Small enterprises through TANSI.
- ❖ Write to RBI to offer 3 months moratorium for term loans or offer that as loan from TIIC immediately.
- ❖ Clear all pending payments held by SU and Government Departments to help them have sufficient cash flow.
- ❖ Keep all GST notices and other claims pending for three months so that they are focused on recovery.

He also suggests that on a focus during upcoming Global Investor Meet – TN Government must decentralise large Industries in and Around Madurai area so as to decongest KTCC. This has become evident as it is impossible to hold any further dense population in KTCC. In the end, K E Raghunathan asks - Will they do? And replies saying, they Should if serious about revival of MSMEs in the State.

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