



**R. Rajagopalan**  
President

**P.S Ponnappa & B. Senthilnathan**  
Vice-Presidents

**Arvind M Adhi**  
Treasurer

**P. Arulanandan**  
Secretary

**Ref: HIA/Repretn – CM TN/009/20-21**

Date: 25.04.2020

To

**Thiru Edappadi K. Palaniswami**  
**The Hon'ble Chief Minister of Tamil Nadu,**  
Government of Tamil Nadu,  
Namakkal Kavignar Maaligai,  
Fort St. George,  
Chennai 600 009 { [cmcell@tn.gov.in](mailto:cmcell@tn.gov.in)}

**Honorable Chief Minister Sir,**

**Sub: Difficulties faced by Hosur Industries in complying with the Directions under the Disaster management act with regard to payment of full wages and prosecution in respect of Covid 19 positive cases emanating from the factories.**

This is a crucial time for the nation and our state. At the outset, HIA (Hosur Industries Association) would like to laud your leadership and the efforts of your cabinet and the administration which has ensured that the Covid – 19 epidemic is under check in the state. It is also gratifying to note that Krishnagiri district has so far been unaffected by the Pandemic. The district administration has taken all preventive measures to ensure that the disease does not spread within the district.

Hosur Industries Association (HIA) represents over 140 Large, medium and small industries located in Hosur and adjoining areas of Krishnagiri district. The members of HIA are engaged in diverse Industries comprising Automobiles, Watches, Jewellery, Pharmaceuticals, Granite, Textiles, Garments, etc. Some of the prominent Companies are TVS, Ashok Leyland, TITAN, Wendt India etc. Apart from the big industries there are hundreds of medium and small ancillary units which produce components for the big Automobile manufacturers. There is a thriving automobile and general engineering cluster in Hosur comprising of these medium and small units. The member Industries of HIA provide employment to over 2.50 lakh people, who are dependent on these companies for their livelihood.

The current lockdown which was declared on 24<sup>th</sup> March 2020, has brought all the industrial units (except for a few which are producing essential commodities and drugs) to a standstill. The shut-down has meant that the cash flow has dried up for all the medium and small industries. Most of the units were already suffering because of the economic downturn which had resulted in lower capacity utilization for the past one year. While the industries were hoping that the current financial year would be better, the Covid – 19 epidemic upset all the calculations. Even in the best of times, MSMEs lead a hand to mouth existence insofar as the Cash flows are concerned.

The current lock down and the lack of liquidity raises concerns over the survival of these units without assistance and support from the government. With considerable difficulty member Industries paid the wages of all the employees for the month of March 2020, keeping in view the guideline issued by the Government as to not deduct any amount for the lockdown period in the month of March 2020. For the month of April 2020, the units are not in a position to pay the full wages of the employees, due to the fact that they completely shut down operations and have not been able to earn any revenue.

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Under the circumstances, the directive of the Government to pay full wages would certainly lead to the closure of many units, resulting in workers losing their jobs. We fully understand the sensitivity of the issue; and would certainly like to ensure financial support to our employees at this critical juncture. However, we seek the support of the government in arriving at an equitable solution so that the workers can be provided with sustenance payment and the threat of prosecution in the event of failure to pay full wages is removed.

Likewise, there is the threat of prosecution for the CEO or the owners of enterprises, if any of their employees test positive for COVID -19, once the units resume operations post the lockdown. Considering that the units would be taking all measures prescribed by the government for ensuring social distancing at the workplace and sanitization for preventing infection, it is indeed unjust to penalize the owner / CEO for the worker contracting the disease. This provision also needs to be withdrawn, since managements would be reluctant to open the units post the lockdown due to fear of prosecution in the event an employee tests positive.

Sir, we are ready to discuss these issues at the appropriate level of the government through teleconferencing or any other digital means. The issues raised are of paramount importance to the member Industries of HIA. We trust that this government will respond to our plea and help in resolving the issue to the satisfaction of all the stakeholders.

Yours truly,

For **HOSUR INDUSTRIES ASSOCIATION,**



**R. Rajagopalan,**  
President -HIA &  
CMO, Titan Company Ltd.

Cc to

1. The chief Secretary, Thiru. Shanmugam IAS, Govt. of Tamil Nadu, Chennai [cs@tn.gov.in](mailto:cs@tn.gov.in)
2. Shri. N. Muruganandam, IAS., (Principal Secretary to Government) Dept. Of Industries, Govt. Tamil Nadu {Email: [indsec@tn.gov.in](mailto:indsec@tn.gov.in)}
3. Dr Rajendra Kumar, IAS ( Principal Secretary to Government )Micro , Small and Medium Enterprises Department. [sindsec@tn.gov.in](mailto:sindsec@tn.gov.in) }
4. Md. Nazimuddin, I.A.S., ( Additional Chief Secretary to Government ) Labour and Employment Department, [labsec@tn.gov.in](mailto:labsec@tn.gov.in)