



**INDUSTRIES, INVESTMENT  
PROMOTION AND COMMERCE  
DEPARTMENT**

**POLICY NOTE  
2024-2025**

**DEMAND NO.27**

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MINISTER FOR INDUSTRIES**

©  
**GOVERNMENT OF TAMIL NADU  
2024**

**INDUSTRIES, INVESTMENT PROMOTION &  
COMMERCE DEPARTMENT**

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# **INDUSTRIES, INVESTMENT PROMOTION AND COMMERCE DEPARTMENT**

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### **INTRODUCTION**

Tamil Nadu's welfare-oriented governance model with its progressive culture and receptivity for positive change has been able to create and sustain inclusive institutions that have made it a role model for other Indian States and developing economies, globally. The unwavering focus on institutional development and human capital has created a talent pool of diversely skilled human resources, which has in turn transformed the State into the largest manufacturing base in the country.

Over the decades, through its balanced growth approach, the State has been able to achieve one of the lowest proportion of

multi-dimensional poverty<sup>1</sup>, ensure the highest gross enrolment in higher education<sup>2</sup> and attain the leadership position in accomplishing the Sustainable Development Goals<sup>3</sup>. The progressive workplace policies have resulted in the remarkably higher number of women working in factories than any other State in India<sup>4</sup>. The State prides in having the strongest manufacturing ecosystem with a base of 39000 plus factories<sup>5</sup>. These achievements of the State are milestones in the road to achieving the ambitious trillion-dollar economy by 2030. In 2023-24 the State's GDP reached Rs.27 lakh crores, with a year-on-year growth of 14.19% with a share of 9.19% of India's GDP<sup>6</sup>, thereby retaining its position as India's second largest State economy.

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<sup>1</sup> National Multidimensional Poverty Index 2023, Niti Aayog

<sup>2</sup> Tamil Nadu's Gross Enrolment Ratio

<sup>3</sup> SDG Goals Index, Niti Aayog

<sup>4</sup> Annual Survey of Industries, 2021-22

<sup>5</sup> Ibid.

<sup>6</sup> States of India, CMIE; Reproduced from MOSPI; Data Accessed as on 15.05.2024

To reach the trillion-dollar economy goal, the industries and commerce sectors in Tamil Nadu have a pivotal role to play. Strategic investments need to come in both the manufacturing and services sectors. It is also crucial to have balanced investments in labour-intensive sectors such as textiles, leather, footwear and electronics assembly; with technology and capital-intensive sectors like Research & Development (R&D), Global Capability Centres (GCCs), and advanced electronics & semiconductors sectors which would add growth to the knowledge economy of the State and its share in the global value chain. The Department of Industries, Investment Promotion & Commerce, has been a facilitator par excellence pushing the production possibilities of the State by strategically attracting investments in both labour-intensive and knowledge-oriented projects. The department through its organisations has also

been creating the necessary infrastructure to support the rapid industrial development in the State.

## **1. Overview**

Tamil Nadu's stellar performance in the industrial sector continued to be impressive in 2023-24, contributing 11.46% of India's Industrial Gross Value Addition (GVA) and 13.12% of India's manufacturing GVA. Within the State, the manufacturing sector contributed to 18.33% of the State's GDP<sup>7</sup> generating a GVA of Rs.4.9 lakh crore.

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<sup>7</sup> TN, GVA by Economic Activity at Current Prices; Data Accessed as on 15.05.2024.

**Table 1: Principal Characteristics of States**

State	Operating factories	Fixed Capital	Invested Capital	Total Persons Engaged	Total Input	Total Output
	(Nos.)	(Rs. in lakh crore)		(No. in lakhs)	(Rs. in lakh crore)	
TN's Rank	1	4	3	1	3	3
Tamil Nadu	31606	3.08	4.97	26.25	9.66	11.60
Maharashtra	20372	4.52	7.26	21.38	13.46	16.67
Gujarat	23335	6.87	9.97	21.63	18.48	21.48
Karnataka	11276	2.49	3.71	10.80	6.00	7.55
Uttar Pradesh	14105	1.83	3.07	13.06	6.68	7.89
Haryana	8344	1.48	2.48	11.06	6.32	7.41
Odisha	2692	3.12	3.84	3.21	3.69	4.69
Rajasthan	9088	1.38	2.10	6.53	4.01	4.84
Andhra Pradesh	12507	2.21	3.11	6.73	4.49	5.29

**Source : Annual Survey of Industries 2021-22**

The Gross Fixed Capital Formation (GFCF), which throws light on investment, in new machinery and assets for production, stood at Rs.37.85 thousand crore in 2021-22, capturing an 11% share of India's total GFCF.

Tamil Nadu's industrial base is one of the most diverse in India, with a prominent presence of several industries in key sectors like auto & automotive components, machinery & equipment, textiles, leather, electronics & optical products among others.

The progressive policies of the State has a significant impact on boosting the balanced growth across regions. Sectoral Policies and region-specific incentives have attracted key investments in South Tamil Nadu. Vietnamese electric vehicle (EV) automaker VinFast and several global green hydrogen players have selected South Tamil Nadu for their investment projects. Similarly, several global footwear manufacturers have set up units in Central Tamil Nadu due to availability of skilled work force and the thriving presence of medium and small enterprises ecosystem. The EV clusters in the Western region of the State have produced more



than 40% of India’s EV vehicle output, and the region continues to draw global EV players for setting up their manufacturing base in the State. Along with Chennai, in recent times, tier II cities in the State are also attracting Global Capabilities Centres (GCCs), Engineering R&D Centres, and Business Processing Firms creating higher-order jobs for the technologically strong youth.

**Table 2: Top Sectors for Tamil Nadu**

<b>Sector</b>	<b>TN’s Rank</b>	<b>Total Output (Rs. lakh crore)</b>	<b>Total Output (% share of India)</b>
Motor Vehicles, Trailers	1	2.02	23.34
Wearing Apparel	1	0.63	33.66
Leather & Leather Products	1	0.18	27.54
Textiles	2	1.24	23.01
Machinery & Equipment	2	0.87	17.23
Computer, Electronic & Optical Products	2	0.58	17.32
Printing & Reproduction	2	0.04	14.34
Rubber & Plastics	3	0.45	9.58
Food Products	5	1.23	8.01

**Source: Annual Survey of Industries 2021-22**

Tamil Nadu is a key exporting State with a share of 10.15% of India's total exports in 2023-24 and has been rightly acknowledged as the leading State in the Export Preparedness Index compiled by the Government of India. The electronics sector witnessed an astounding growth with exports touching USD 9.5 billion which is 33% of India's total exports in this sector. Industry-friendly electronics policy, ease of doing business, skilled talent and presence of port infrastructure have been key enablers. Likewise, the State leads in exports of auto & auto components, engineering goods, textiles, leather and other principal commodities, with the State achieving a whopping USD 44 billion export performance in 2023-24.

Empowering all sections of people to achieve their maximum capabilities has been the cornerstone of the State's objectives, and chief among them has been empowering women and

providing them equal employment opportunities. Tamil Nadu leads the nation in industrial employment of women with 42% share of India's total women workforce in the manufacturing sector. With the progressive policies and ambitious plans supported by key enablers, the State has achieved higher levels of growth across sectors and strives to ensure quality of life to its people.

## **2. Investments**

The State has been able to attract investments from domestic and global companies across diverse sectors and value chains, through focussed policy interventions and effective facilitation. This has enabled investments to the tune of Rs.9.74 lakh crores with employment to 18.7 lakh persons since May 2021. These investments have led to creation of new growth centres across the State.

Leading global companies have set up or expanded their advanced manufacturing facilities in the State in the last 3 years. These include Titagarh, Tata Power, Godrej, Corning, Saint Gobain, First Solar and Tata Motors. Tamil Nadu has been making great strides in attracting investments in the services sector, where the State has become home to global marquee technology and R&D centres. Notable companies, such as Coherent, Hitachi, Boeing, AstraZeneca, Roche, Maersk, Ford, Hapag Lloyd, UPS, Bank of America, Standard Chartered, and Wells Fargo, among others, have set their base in Tamil Nadu underscoring the highly skilled talent available in the State.

The Tamil Nadu Global Investors Meet (GIM) 2024, held on the 7<sup>th</sup> and 8<sup>th</sup> of January showcased the State as the most preferred investment destination in the country. The event witnessed investment commitments totalling

Rs.6,64,180 crore with direct employment opportunities for 14,54,712 persons and total employment for 26,90,657 persons. The diverse investments from semiconductors, GCCs, EVs, footwear and textiles, proved the capabilities of the State in effectively sustaining a diverse manufacturing base and a rapidly growing knowledge-economy.

### **3. Infrastructure & Utilities**

For setting up of industries, availability of land with good connectivity and access to utilities is a crucial factor. SIPCOT is developing land bank of around 45,000 acres in strategic locations with a special focus on industrially backward districts. Initiatives have also been taken by SIPCOT and TIDCO to establish sector specific industrial parks with special infrastructure and common facilities and testing centres that would enable mutual growth of large industries, MSMEs and other support services.

Road connectivity, especially link roads are also being ensured in coordination with the Highways Department. Critical roads are also being taken up under the CRIDP scheme.

Water is an important requirement for industries. Supply of water to industries and industrial parks are made available primarily by TWAD. In addition, for process water requirements, treated water is being made available. Presently TTRO water is made available to the industries in the Sriperumbudur industrial belt from the CMWSSB Plant in Koyambedu.

Good power infrastructure and regular power supply is yet another vital requirement for successful operation of industries. Due importance is given by the State in this regard. TNEB and its ancillary corporations viz., TANGEDCO & TANTRANSCO endeavour to ramp up the power infrastructure augmentation and provide seamless power supply to the industries. The State has

significant installed green energy capacity and is readily made available to those industries which require green power.

With a view to enabling industries to save time, efforts and capital costs in setting up manufacturing facilities, Plug and Play infrastructure is being developed by SIPCOT and TIDEL Park Ltd. Moreover, for making available ready-to-occupy office space for fintech, IT / ITeS companies, GCCs, R&D facilities etc, Grade A buildings are being developed in Chennai and tier 2 & 3 towns by TIDCO and TIDEL Park.

#### **4. Sustainable Development Goals**

The United Nations' Sustainable Development Goals (SDGs) are a global call to action aimed at eradicating poverty, safeguarding the environment, and driving sustainable development covering 17 goals and 169 targets to be achieved by 2030. Tamil Nadu, a leading industrial state in India, has adeptly incorporated the SDG principles into its

industrial policies, fostering inclusive and sustainable economic growth with a focus on innovation and due concern for environmental protection.

Tamil Nadu's industrial policies are closely aligned with SDG 8 - Decent Work and Economic Growth and SDG 9 - Industry, Innovation, and Infrastructure. The State has developed a robust framework to attract investments and foster industrial development while ensuring the creation of quality jobs and sustainable economic opportunities. Policies such as the Tamil Nadu Industrial Policy 2021 emphasize the growth of high-potential sectors like automobiles, electronics, textiles, and renewable energy. These policies not only aim to boost economic output but also focus on skill development and employment generation, and balanced growth by providing additional incentives for investments in industrial backward districts.



Tamil Nadu's focus on sustainable industrialization and infrastructure development aligns with SDG 7 - Affordable and Clean Energy and SDG 13- Climate Action. The State's policies promote the adoption of green technologies and renewable energy sources, particularly solar and wind energy. SIPCOT has taken up many initiatives for the development of eco-friendly parks and green buildings. Programs like the Zero Liquid Discharge (ZLD) and wastewater treatment also commit to balanced industrial growth with environmental sustainability. Measures are also being taken to promote a circular economy in industries.

Tamil Nadu's commitment to sustainable development includes social equity, reflecting the principles of SDG 10 - Reduced Inequalities and SDG 5 - Gender Equality. The State's industrial policies are designed to be inclusive, ensuring that women, transgenders and differently-abled

persons, have equitable access to employment and entrepreneurial opportunities. Tamil Nadu shares a whopping 42% of the country's total women factory workforce. In OLA factory in Krishnagiri, which is the world's largest facility for electric two-wheelers, 100% manufacturing activities is undertaken by women reflecting a conducive industrial environment for women employment.

Furthermore, Tamil Nadu's focus on innovation and research aligns with SDG 9 (Industry, Innovation, and Infrastructure) and SDG 4 (Quality Education). The state fosters a culture of innovation by supporting research and development (R&D) activities in industries and academic institutions through Tamil Nadu R&D Policy 2022. The State also collaborates with leading educational institutions to enhance technical education and training, ensuring a skilled workforce driving innovation.

In summary, Tamil Nadu's industrial policies are a testament to its comprehensive approach to sustainable development. By aligning its economic, environmental, and social strategies with the UN's SDGs, the state ensures a holistic development model that promotes prosperity, inclusivity, and sustainability. Through targeted initiatives in green energy, social equity, responsible production, and innovation, Tamil Nadu is paving the way for a sustainable industrial future.

## **1. GUIDANCE**

India's pioneering Investment Promotion Agency (IPA), Guidance, was established in 1992 as Tamil Nadu Industrial Guidance and Export Promotion Bureau. The Government of Tamil Nadu through the Tamil Nadu Business Facilitation Act 2018 has empowered Guidance as the nodal agency to facilitate the setting up of new enterprises or expansion of existing enterprises and provide end-to-end facilitation services, including single window clearances. Further, Guidance has been empowered to recommend the structure of incentives to enterprises as per the Tamil Nadu Industrial Policy 2021 and other sectoral policies.

Guidance in its role as Tamil Nadu's IPA endeavours to promote the State as the most preferred investment destination, and undertakes investment facilitation and aftercare, external collaboration & outreach, policy & research, and

acts as a platform for industry-academia connect. The investment promotion scope of Guidance includes a cohort of companies looking to set up operations or relocate to India, companies not yet having a presence in Tamil Nadu, and existing companies in the State with expansion plans.

For its efforts over the years, Guidance has been recognised and awarded as the best IPA by the United Nations Conference on Trade and Development (UNCTAD) for excellence in the promotion of green industry investments for the year 2023. Guidance has also bagged the Best IPA award for the Asia-Oceania region at the Annual Investment Meeting (AIM) Investment Awards, instituted by the Government of UAE, for the last two years. Tamil Nadu's rapid ascent as the EV capital of India has been further bolstered with the State being honoured as the leader in EV manufacturing by the India Energy Storage Alliance (IESA) for the year 2023.

## **1.1 Investment Promotion**

Between April 2021 and March 2024, Guidance's efforts attracted investment commitments totalling Rs.9,74,419 crore with the potential to create employment opportunities for 31,12,929 persons.

Tamil Nadu has attracted investments across capital-intensive and labour-intensive sectors ensuring a balanced development. Key sectors include non-leather footwear, electric vehicles and electronics manufacturing. The State is the top exporter of electronic goods having a 33% share in India. The total value of electronic goods exports registered an unprecedented growth from USD 5.37 billion in 2022-23 to achieve USD 9.5 billion in 2023-24. Further, in order to leverage the strong knowledge economy in Tamil Nadu, Guidance has been focussing on attracting investments in R&D, GCCs, technology and innovation centres.

### **1.1.1 Investment Roadshows and Conclaves**

Guidance as part of its investment promotion activities undertakes roadshows across key Indian and international markets, showcasing the State's strong industrial ecosystem and potential investment opportunities.

The Hon'ble Chief Minister led a delegation to Singapore and Japan in May 2023 resulting in attracting investment commitments of Rs.1,342 crore and employment potential for 2,271 persons. Also, a delegation led by the Hon'ble Chief Minister visited Spain and engaged with several leading global companies resulting in an investment commitment of Rs.3,440 crore and the potential to create 1,150 jobs.

Roadshows and investor meetings were also held in Germany, Denmark, Finland, Switzerland, and Sweden. Similarly, roadshows were held in Mumbai, New Delhi, and Bengaluru to attract investors to expand their presence in India by investing in Tamil Nadu.

Continuing the impressive presence of the State for the third year at the World Economic Forum at Davos, Switzerland, a ministerial delegation held various activities from January 15<sup>th</sup> to 19<sup>th</sup>, 2024. The State established a dedicated Tamil Nadu Lounge, which showcased Tamil Nadu's advanced manufacturing capabilities, ease of doing business, and growing R&D potential.

### **1.1.2 Global Investors Meet 2024**

The Government of Tamil Nadu's flagship Global Investors Meet 2024 was held on January 7<sup>th</sup> and 8<sup>th</sup> at the Chennai Trade Centre. The Hon'ble Chief Minister, inaugurated the two-day mega event, and released the Tamil Nadu Semiconductor and Advanced Electronics Policy 2024, Public-Private Partnership Policy and 'Tamil Nadu Vision \$1 Trillion Economy by 2030' report. Further, the inauguration and foundation stone laying for marquee projects were also



carried out as part of the inaugural ceremony. The pivotal themes of GIM were leadership, sustainability, and inclusivity. The event saw the active participation of nine partner countries - USA, UK, Japan, Australia, France, Germany, Denmark, Singapore, and South Korea, along with international partners, such as the State of Western Australia and the Taipei Economic & Cultural Centre (TECC).

A total of 631 MoUs were signed, with an unprecedented investment commitment of Rs.6,64,180 crore and the creation of direct employment opportunities for 14,54,712 persons and total employment for 26,90,657 persons. Furthermore, the investments committed are spread across the geography of the State, ensuring that balanced regional growth is achieved. These investments covered diverse sectors, including advanced electronic goods manufacturing, green energy, textiles, leather &

non-leather footwear, electric vehicles, aerospace and defence, data centres, global capability centres, and information technology.

Pavilions were set up to showcase the strengths of large industries and micro, small and medium enterprises across eight sectors, start-ups, and also the conducive industrial ecosystem of the State. Seven countries viz., USA, Japan, Australia, Singapore, Germany, South Korea, and France had also set up their international pavilions signifying their deep and long-standing engagement with Tamil Nadu. The meet witnessed the participation of CEOs of several global companies, investors from more than thirty countries, Ambassadors and Consul Generals, and students from Government and private colleges, taking the total number of participants to more than 20,000 over the two days. An estimated 39.3 lakh youth watched the various events of GIM through online mode facilitated by the Government.

A special committee chaired by the Hon'ble Minister for Industries to monitor the progress of MoUs and investments attracted during GIM 2024 has been set up. The committee shall make appropriate recommendations to facilitate expeditious resolution of issues faced in the progress of MoUs.

### **1.1.3 Fostering Investment in Global Capabilities Centres (GCCs) and R&D**

In order to fully leverage the strengths of the knowledge economy ecosystem in the State, Guidance has been actively seeking investments in the GCC and R&D space resulting in leading global brands choosing to set up their GCCs in the State. The Tamil Nadu R&D Policy 2022 has been playing a pivotal role in signalling the State's talent ecosystem and showcasing the State's willingness to support investors in the development of R&D infrastructure through tailored incentives.

The large, diverse talent pool has been a significant driver for attracting GCCs in key sectors, such as Banking, Financial Services & Insurance (BFSI), engineering R&D, software & IT, aerospace, business consulting etc. Tamil Nadu's strong academic R&D ecosystem further strengthens the ecosystem supporting incubation and testing. Active promotion for GCCs undertaken by Guidance resulted in UPS and Hitachi opening their technology centres in Chennai. GIM 2024 witnessed GCC investment announcements and MoUs from globally renowned companies such as Boeing, Adidas, Qualcomm, Pfizer and many more.

In order to promote Tamil Nadu as the most preferred GCC and R&D destination in the country and enable the creation of high-paying jobs in new GCCs, the Government has formulated the 'Special Scheme to promote Global Capability Centres (GCCs) in Tamil Nadu', wherein a Payroll

Subsidy of 30% in the first year, 20% in second year and 10% in third year shall be provided on the payroll cost of high paying jobs in new Global Capability Centres in the State. Further, the announcement also highlights that the Government will support in facilitating the setting up of new GCCs in Coimbatore and Madurai.

## **1.2 Policy and Research**

Guidance as part of its policy and research activities, designs sector-specific investment policies, ecosystem development roadmaps and undertakes industry-focussed research studies in collaboration with external stakeholders. Key outcomes during this year included the launch of Tamil Nadu Semiconductor and Advanced Electronics Policy 2024, the announcement of a Special Scheme to promote GCCs, and a Special Scheme to enhance the employment of women, differently abled, and transgender persons through a payroll subsidy for new industrial units.

The Government has formulated the 'Special Scheme to incentivize employment of women, differently abled and transgender persons in Tamil Nadu', wherein a Payroll Subsidy of 10% of the payroll cost of employees who are women, differently abled and transgendered shall be provided for two years to new manufacturing projects in the State.

Guidance entered into knowledge partnerships with reputed organisations, such as the Council on Environment, Energy and Water (CEEW), Foundation for Economic Development (FED), Foreign, Commonwealth and Development Office (FCDO), Institute for Transportation and Development Policy (ITDP) to undertake research in the areas of renewables, food processing, electric vehicle ecosystem, exports-led growth and other strategic areas.

In 2024, Guidance will develop an industry-focussed dashboard that captures the critical

investment and economic-related parameters which will enable data-supported policy interventions. Further, Guidance in collaboration with relevant stake holders design regional development plans for new growth centres that are rapidly attracting investments.

### **1.3 Ease of Doing Business (EoDB)**

The Government of Tamil Nadu is committed to improving business competitiveness by improving the investment climate through digitization of the Government-to-Business (G2B) interface, judicious and effective business reforms, dissemination of information to investors and providing facilitation support. Tamil Nadu currently holds the honour of being a 'top achiever' State in terms of EoDB.

Guidance has been working closely to digitize the G2B interface and processes, in coordination with over 30-line departments, to ensure a seamless business experience for

investors through the Tamil Nadu Single Window Portal (TNSWP). This portal acts as a one-stop shop for securing all business-related licenses / approvals / NOCs. 183 G2B services covering 29 state agencies have currently been onboarded on the TNSWP. As on 31.03.2024, 45,893 applications have been received and processed through the TNSWP, including applications from MSMEs. 53 more services are under various stages of development and expected to go live by the end of 2025. For its efforts, the Tamil Nadu Single Window Portal was recognised with the Digitech Award 2023 in the Golden Award category organised by the Economic Times.

In alignment with the Government of India's objectives, Tamil Nadu is actively working towards minimizing the regulatory compliance burden. Considerable progress has been made in this regard, including the reduction of 560 compliance



requirements pertaining to business approvals and NOCs. Additionally, 1,299 penal provisions categorized as minor offences have been decriminalized.

The TNSWP is also supported by an active helpdesk team to fix issues faced by applicants / investors such as login issues, payment issues and technical issues. In the last two years, all 7654 help calls received have been resolved. Furthermore, the Biz-Buddy system ensures that the grievances of investors are listened to and solutions provided, and the system boasts a resolution rate of >90%.

The revenue generated by the Tamil Nadu Single Window Portal has also increased from Rs.6.94 crores in 2022-23 to Rs.7.78 crores in 2023-24, bearing testament to the increased faith reposed by investors in the fully online and transparent system for securing approvals / licenses.

Further, the TNSWP has now been successfully technically integrated with the National Single Window System (NSWS) based on the unique identifier (PAN) as stipulated by the Government of India. The State of Tamil Nadu became the first State in India to successfully complete the technical integration process.

The Business Reform Action Plan (BRAP) 2024, as framed by the Government of India is being undertaken by Guidance in coordination with relevant line departments to carry out 287 business-centric reforms.

## **1.4 Work Labs**

Guidance has set up Work labs to promote, facilitate, and expand industry-academia collaboration.

### **1.4.1 Curriculum Design and Development**

Designing industry-relevant curricula and launching new age courses was undertaken in

partnership with industry and academic institutions. A polytechnic curriculum reform in collaboration with the Directorate of Technical Education (DOTE) and key partner industries, such as Tata Electronics, First Solar, Hyundai, and Mando, among several others, was undertaken, and the coursework was successfully launched in the academic year 2023 across all polytechnic colleges in Tamil Nadu.

Further, Guidance facilitated the establishment of five CoEs in Government and private academic institutions as per the requirements and proposals received from industry partners.

#### **1.4.2 Naan Mudhalvan Industrial Partnerships**

In order to support the flagship skilling initiative of the State undertaken by Tamil Nadu Skill Development Corporation (TNSDC), Guidance mobilised about 136 industries to partner with the Naan Mudhalvan scheme for jobs, internships, and training.

## **1.5 External Engagement**

The External Engagement team at Guidance plays a key supportive role in fostering strategic partnerships, and enhancing the organisation's visibility and reputation through engagement with key domestic and international stakeholders in the Government, diplomatic missions, trade associations etc. To provide further impetus in terms of engagement with focus countries, specific points of contact have been established in Guidance.

As part of outreach engagements, Guidance organises investment promotion events, conferences, seminars, and roadshows to showcase the state's economic potential, ease of doing business, investment climate, and key sectors for investment. Country-specific roundtables were organised in collaboration with country consulates and trade associations. Guidance also facilitated site visits for international trade and commerce bodies.

Strategic partnerships were forged with the Kochi, Ehime, and Hiroshima prefectures to improve trade relations between Japan and Tamil Nadu. In addition, delegations visiting Tamil Nadu from Germany, Australia and Denmark were hosted.

## **2. STATE INDUSTRIES PROMOTION CORPORATION OF TAMIL NADU LIMITED**

State Industries Promotion Corporation of Tamil Nadu Limited (SIPCOT) was established in 1971. The objective of SIPCOT is to plan, develop, operate and promote industrial infrastructure in Tamil Nadu. Since its inception SIPCOT has developed 40 industrial parks including 7 SEZs spread across 40,839 acres in 20 districts. SIPCOT also ensures a balance between industry and environment, by providing adequate green cover and well-maintained open space reserve (OSR) area facilities.

This has been instrumental in the establishment and growth of 3,275 industrial units with a cumulative investment of about Rs.1.83 lakh crore generating 8.15 lakh job opportunities over the past 53 years.

SIPCOT caters to the diversified needs of the industrial eco-system and has brought in

several best practices thereby contributing to the investor friendly climate in the State.

The Industrial Parks are provided with basic infrastructure facilities comprising of well-connected road network with storm water drainage systems, water supply distribution systems, administrative offices and robust park surveillance systems.

SIPCOT has a user friendly GIS portal which provides all information about the industrial parks including the available land for allotment. The business facilitation services has been enhanced with increased focus on e-initiatives including digitization of files, data management system, e-office system, e-procurement system and online payment gateway etc. The online land allotment application portal has continued to serve the applicants in a seamless and transparent manner. SIPCOT has adopted flexible plot sizing practices, periodic plot utilization checks, surrender and

sub-leasing policies to ensure efficient use of industrial land. SIPCOT has adopted private negotiation practice with land owners which has quickened the land acquisition process.

SIPCOT aims to provide the benefits of economies of scale with a shared eco-system for various stakeholders in the value chain by establishing sector specific industrial parks viz., furniture, medical devices, electronic manufacturing clusters, food processing, future mobility, textile and footwear sectors. SIPCOT prepares comprehensive industrial park master plans through reputed technical and management consultants with detailed zoning and phasing based on the needs of sector-specific industries.

SIPCOT plays a key role for inclusive and sustainable industrialization in the State by development of world class infrastructure facilities, aligning it with sustainable development goals.



SIPCOT envisages to create a sustainable and comprehensive industrial eco-system in all its upcoming industrial parks. Also, SIPCOT has upgraded its existing industrial parks into greener, environment friendly and sustainable ecosystems through its green initiatives viz., re-use of wastewater, rejuvenation of water bodies and massive avenue plantations to create carbon sinks. SIPCOT endeavours to inculcate the sense of collective responsibility among the allottees through Participatory Infrastructure Development Program (PIDP).

## **2.1 Existing Industrial Parks**

SIPCOT has made significant contributions to the industrial growth of the State through its industrial parks as detailed below:

<b>Sl. No.</b>	<b>Industrial Park</b>	<b>Extent (in acres)</b>
1.	Sriperumbudur (incl. SEZ) & Mambakkam	2374.00
2.	Irungattukottai	1844.00

<b>Sl. No.</b>	<b>Industrial Park</b>	<b>Extent (in acres)</b>
3.	Pillaipakkam	1131.00
4.	Oragadam (incl. SEZ)	3198.57
5.	Oragadam Medical Devices Park	350.00
6.	Vallam Vadagal	1456.00
7.	Vallam Vadagal - Aerospace Park	234.00
8.	Thirumudivakkam	82.00
9.	Nemili	229.00
10.	Gummidipoondi	1478.00
11.	Puduvoyal, Gummidipoondi	72.75
12.	Thervoykandigai	1127.00
13.	Manallur	2040.00
14.	Mappedu	122.00
15.	Siruseri	783.00
16.	Perundurair (incl.SEZ)	2622.63
17.	Hosur	2093.00
18.	Shoolagiri	689.10
19.	Shoolagiri Future Mobility Park	300.00
20.	Bargur (incl. SEZ)	1379.00

<b>Sl. No.</b>	<b>Industrial Park</b>	<b>Extent (in acres)</b>
21.	Kurubarapalli	156.94
22.	Ranipet (incl. SEZ)	1420.71
23.	Manaparai (incl. Food Park)	1097.36
24.	Cuddalore	2625.00
25.	Nilakottai	387.00
26.	Pudukkottai	421.00
27.	Manamadurai	492.00
28.	Thoothukudi	1357.00
29.	Thoothukudi Furniture Park	1130.80
30.	Sillanatham	383.00
31.	Vaippar	1019.00
32.	Gangaikondan (incl. SEZ)	1991.59
33.	Cheyyar	2937.00
34.	A. Sathanur SEZ	190.42
35.	Dharapadavedu	74.34
36.	Tindivanam (incl. Food Park)	694.00
37.	Eraiyur	243.49
38.	Padalur	99.66

<b>Sl. No.</b>	<b>Industrial Park</b>	<b>Extent (in acres)</b>
39.	Theni (incl. Food Park)	424.10
40.	Koolanaickenpatty	89.87
<b>Total</b>		<b>40,839.33</b>

Special Economic Zones (SEZ) have been established within the above industrial parks at Sriperumbudur (191.32 acres), Oragadam (182.83 acres), Perundurai (140.37 acres), Ranipet (133.76 acres), Gangaikondan (128.27 acres), Bargur (149.95 acres) and A.Sathanur (182.75 acres). Private SEZs have also been developed within SIPCOT Industrial Parks by companies like Flextronics Technologies India Private Limited and Nokia India Private Limited in Sriperumbudur, Cheyyar SEZ Developers Private Limited in Cheyyar, Bargur and Tindivanam, Tata Consultancy Services Limited, Syntel International Private Limited, Cognizant Technology Solutions India Private Limited and Hexaware Technologies Limited in Siruseri.

SIPCOT industrial parks in specific regions have also emerged as sectoral clusters anchored with the footprint of major industrial conglomerates.

**An Automotive Cluster** comprising of leading auto brands like Hyundai Motors, Yamaha Motors, Eicher Motors, Renault Nissan, Daimler, Mobis, Mando Hella Electronics Automotives, Schwing Stetter among others, has been established around the Sriperumbudur SIPCOT Industrial Park area.

**An Electronics Cluster** comprising of FIH India Developer, Flextronics Technologies, Samsung Electronics, Dell, Salcomp, Sanmina SCI Technology, Nokia Solution & Networks among others, has established in Sriperumbudur region.

**A General Engineering Cluster** has developed in Hosur with prominent manufacturing companies like Ashok Leyland, Titan Industries, Terex, WEG and Prestige. Perundurai has emerged

as a **Textile Cluster** with the presence of KPR Mills, Premier Polyweave, Sri Kannapiran Mills, Amarjothi Spinning Mills and Jay Jay Mills, Chemplast, Cuddalore Vinyls, TANFAC, Tagros, Tata Chemicals and other major players have established Cuddalore as a robust **Chemical Cluster**. A large number of MSMEs are instrumental in the growth of a vibrant **Leather Cluster** in Ranipet.

**An IT Cluster** was pioneered in Siruseri with the footprint of Tata Consultancy Services, Syntel International, Cognizant Technology Solutions, Hexaware Technologies, I-GATE Global Solution, Reliance Jio Infocomm among others. Further, the Park is also emerging as a Data Centre Hub with the presence of companies like, National Payments Corporation of India, Sify Infinit Spaces, Nxtra Data, DC Development Chennai, Techno Infra Developers, Equinix India and STT Global Data Centres India.

SIPCOT Industrial Parks also have the pride of housing other global and Indian manufacturing giants like Saint Gobain, Apollo Tyres, Allison Transmission, Delphi Automotive, Michelin India, ATC Tyres, Mahindra and Mahindra, Delta Electronics, Mylan Laboratories, TP Solar, FS Solar, Danfoss Industries, Ola Electric Technologies, Autoliv Inflators, Grasim Industries, Britannia Industries, Sundaram Clayton, Lucas TVS, PCBL (TN), Schaeffler India, Amararaja Batteries, Century Plyboards India and several others, which have flourished and also contributed to sustainable investment and employment generation in the State.

In 2023-2024, SIPCOT welcomed new entrants including Vinfast Auto India Private Limited, Xylosuisse and OneWeb India Communications in Thoothukudi District, High Glory Footwear in A.Sathanur SEZ - Kallakurichi District, Ramkrishna Titagarh Rail Wheels

in Gummidipoondi - Tiruvallur District, Phoenix Kothari Footwear in Eraiyrur and Padalur - Perambalur District and VVDN Technologies in Koolanaickenpatti - Coimbatore District.

## **2.2 Land Bank**

SIPCOT is creating a land bank of 45,000 acres to cater to the demands of prospective investors. The land bank is being created with focus on industrially backward districts.

### **2.2.1 Lands under upcoming Industrial Parks**

As a part of creation of the land bank, acquisition of land is in progress in the following industrial parks:-

<b>Sl. No.</b>	<b>Industrial Park</b>	<b>District</b>	<b>Extent (in acres)</b>
1.	E. Velayuthapuram	Thoothukudi	355.16
2.	Adhagapadi Phase I	Dharmapuri	1,733.03
3.	Adhagapadi Phase II	Dharmapuri	689.83
4.	E.Kumaralingapuram Phase I	Virudhunagar	1,500.09
5.	E.Kumaralingapuram Phase II	Virudhunagar	581.14



6.	Illupakudi	Sivagangai	775.79
7.	A.Manakudi	Ramanathapuram	224.65
8.	Sakkarakottai	Ramanathapuram	312.64
9.	Gangaikondan (expansion)	Tirunelveli	1,664.73
10.	Allikulam	Thoothukudi	2,233.87
11.	Industrial Poramboke Land	Thoothukudi	227.67
12.	Vallapakkam	Kancheepuram	118.64
13.	Panapakkam	Ranipet	1,213.43
14.	Manallur (expansion)	Thiruvallur	2,433.39
15.	Melma	Tiruvannamalai	3,174.33
16.	Shoolagiri (expansion)	Krishnagiri	1,918.27
17.	Kurubarapalli (expansion)	Krishnagiri	23.67
18.	Nagamangalam	Krishnagiri	1,440.90
19.	Vanduvanchery	Nagapattinam	250.00
20.	Maduramangalam	Kancheepuram	422.35
21.	Salem Textile Park	Salem	110.53
<b>Total</b>			<b>21,404.11</b>

## 2.2.2 Lands identified

SIPCOT has also identified following land parcels for establishing new industrial parks:

<b>Sl. No</b>	<b>Name of the Scheme</b>	<b>District</b>	<b>Extent (in acres)</b>
1.	Vembur	Thoothukudi	2,813.98
2.	Kattupalli	Thiruvallur	768.80
3.	Kodur	Chengalpet	248.98
4.	Agathakulam	Virudhunagar	924.53
5.	Magimandalam	Vellore	316.73
6.	Nagamangalam (expansion)	Krishnagiri	1,593.12
7.	Namakkal	Namakkal	806.29
8.	Thalaivasal	Kallakurichi	724.23
9.	Kazhanivasal	Sivagangai	101.46
10.	Karur	Karur	214.88
11.	Karadiputhur	Tiruvallur	3,027.61
12.	Therkuveerapandiya-puram	Thoothukudi	1,089.83
13.	Sengipatti	Thanjavur	311.07
14.	Jayankondachozhapuram	Ariyalur	133.79
15.	Thallakulam	Madurai	14.49
16.	Vanjinagaram	Madurai	278.26
17.	Meelavittan	Thoothukudi	191.76
18.	Elandhapatti	Tiruchirapalli	150.66
19.	Padalur (additional land)	Perambalur	81.27
20.	Additional land for industrial poramboke	Thoothukudi	34.71
21.	Vengaramperaiyur	Tiruvarur	101.38
22.	Echur	Kancheepuram	741.92
<b>Total</b>			<b>14,669.75</b>

## **2.3 Land cost incentive**

SIPCOT lands in SIPCOT Industrial Parks are allotted at a subsidized rate of 50% of land cost (up-front basis) in 'C' category Districts and 10% of land cost (back ended basis) in 'A and B' category districts, in line with the Tamil Nadu Industrial Policy 2021.

## **2.4 Sector Specific Industrial Parks**

### **2.4.1 International Furniture Park**

SIPCOT is a forerunner in setting up a Furniture Park in the country at a project cost of Rs.1000 crore, in a phased manner at Thoothukudi with a total extent of 1130.80 acres. (Phase-I & II – 957.56 acres, Phase-III-173.24 acres). This park aims to set up export oriented manufacturing units of furniture products which will attract significant foreign investments. The Hon'ble Chief Minister laid the foundation stone for the International Furniture Park. SIPCOT has so far allotted 126 acres to 3 units. The master

plan of the Park has been completed. The core infrastructure work including roads, water supply, etc., are being established at a cost of Rs.279.62 crore with the financial assistance from SIDBI.

#### **2.4.2 Medical Devices Park**

Medical Devices and Technology Sector has been recognized as "Sunrise Sector". In order to develop a comprehensive ecosystem for this industry, SIPCOT is establishing an exclusive Industrial Park for the Medical Devices Sector in an extent of 350 acres at Oragadam, Kancheepuram District. The Park is one of the four approved by the Department of Pharmaceuticals, Government of India with a grant of Rs.100 crore. Hon'ble Chief Minister issued the first allotment order to Genuine Bio System Private Limited on 06.07.2022. So far 39 acres of land were allotted to 20 units.

Core infrastructure works including roads, water supply, etc., are being established at a cost

of Rs.212.40 crore with the financial assistance from SIDBI. This Park will house common infrastructure facilities for medical devices manufacturing units which includes electromagnetic interference (EMI) / Electromagnetic Compatibility (EMC) centre, warehouses, cold storage facility, 3D proto typing, calibration centre, testing centre, metal finishing, microbiology lab and gamma irradiation centre.

### **2.4.3 Electronic Manufacturing Clusters**

SIPCOT envisages to develop two Electronics Manufacturing Clusters (EMC), (i) Manallur over an extent of 474 acres and (ii) Pillaipakkam over an extent of 379 acres. The Electronics Manufacturing Clusters will be established under EMC 2.0 scheme of Ministry of Electronics and Information Technology Government of India grant of Rs.328.35 crore for Manallur and Rs.220.78 crore for Pillaipakkam.

At Manallur EMC, 150 acres of land is allotted to an anchor client viz., Voltas Limited. Similarly at Pillaipakkam EMC, 276 acres were allotted to 4 allottees which includes anchor client viz. FS Solar India Private Limited.

The EMC's envisage the development of an Integrated Manufacturing Hub specific for Electronics Manufacturing sector with an enabling eco-system comprising of physical infrastructure and support facilities.

#### **2.4.4 Mega Food Parks**

In order to promote food processing industry in the state, SIPCOT has established three Food Parks, Manapparai (138 acres), Tindivanam (158 acres) and Theni (152 acres). These Food Parks have been designated as Mega Food Parks by Ministry of Food Processing. Infrastructure works including roads, water supply, etc., are being established at a cost of Rs.348.38 crore with the financial assistance from NABARD.

Hon'ble Chief Minister has inaugurated Manapparai Industrial Park including Food Park on 29.12.2022 and issued the first land allotment order. These Mega Food Parks are provided with core infrastructure which includes wide roads, water supply, street lights, storm water drain. Special infrastructure like multigrading and sorting, cold storage, individual quick freezing, controlled atmosphere storage, pulping line, warehouse, utilities, laboratory, material handling equipment will also be housed in consultation with stakeholders. SIPCOT has so far allotted 53 acres in these Food Parks.

#### **2.4.5 Future Mobility Park & E-Vehicle Park**

SIPCOT is establishing a Future Mobility Park over an area of 300 acres at Shoolagiri, Krishnagiri District at an estimated cost of Rs.300 crore to support the environmental sustainability and modern transportation solutions. So far, 13.43 acres were allotted to

5 industrial units. Core infrastructure works including roads, water supply, storm water drain is being established.

Special Infrastructure facilities such as Two-Lane Testing Track for EV's / Drones / Autonomous Vehicles, Research & testing Facility, Plug & Play Facility, Shared Storage Inventory, Business Centre Culture Centre, Nursing Centre, Childcare Centre, etc., will be taken up in consultation with the stakeholders for the benefit of all the players.

Further, in order to promote new investment in the electric vehicle space, SIPCOT is establishing additional E-Vehicle Park over an extent of 300 acres at Manallur.

#### **2.4.6 Mega Footwear and Accessories Cluster**

SIPCOT envisages to establish a Mega Footwear & Accessories Cluster in an extent of 348 acres (including an SEZ area of 201 acres) at SIPCOT industrial park, Panapakkam. The project



will be implemented at a cost of Rs.271.33 crore with a grant of Rs.125 crore from Department for Promotion of Industry and Internal Trade (DPIIT), Government of India. Core infrastructure works including roads, water supply, storm water drain are under progress. The park will have plug & play factory buildings, warehouse, trade centre, product design centre, testing laboratory etc. In-principle land allotment order for 130 acres was issued on 03.04.2023 to Hong Fu Industrial Group, Taiwan.

#### **2.4.7 PM MITRA PARK**

Tamil Nadu is the leading State in India in textile and apparel manufacturing contributing to over 30% of the textile business in India. Tamil Nadu has been selected by Government of India for the establishment of PM MITRA Park at Virudhunagar under PM MITRA Scheme. An MoU was exchanged between the Government of India and Government of Tamil Nadu in the presence of

the Hon'ble Chief Minister on 22.03.2023, for the development of the India's first PM MITRA Park at Virudhunagar. SIPCOT has earmarked 1,052 acres land for the park, which will be established as a joint venture of the Union and State Governments at an estimated total project cost of Rs.2000 crore including with grant of Rs.500 crore from Government of India. This Park will generate around 2 lakh employment opportunities. The park will boost the economic growth of the Southern Districts. Special Purpose Vehicle (SPV) was incorporated in the name of the "PM Mega Integrated Textile Regions and Apparel Park Tamil Nadu Limited" on 20.2.2024.

MoUs have been made with 11 companies through Guidance Tamil Nadu and Textile Department to start business in this Park. This will bring in an investment of Rs.1,231 crore and create approximate employment for 6,315 persons.

## **2.5 Special Initiatives**

SIPCOT has expanded and diversified the scope of its services through various special initiatives in tune with the requirement of the industries for sustainable development.

### **2.5.1 Training and Incubation**

#### **(a) Naan Mudhalvan Initiatives**

SIPCOT has appraised about the Naan Mudhalvan initiatives to all its allottee companies and has facilitated to enroll the details of the job vacancy / internship available in their units in the Naan Mudhalvan Portal for the benefit of both the industries and the students / job aspirants. SIPCOT's continuous efforts on this initiative would result in the upliftment of the youth, besides economic development.

#### **(b) SIPCOT Industrial Innovation Centre**

SIPCOT Industrial Innovation Centres (SIIC) have been established in SIPCOT Industrial Parks

at Hosur and Sriperumbudur at a project cost of Rs.33.46 crore by availing a grant of Rs.14.20 crore from Tamil Nadu Innovation Initiatives (TANII) scheme under State Planning Commission, Government of Tamil Nadu. These centres are envisioned as world-class incubation centres capable of nurturing and accelerating industrial innovations and technology powered startups. This will also boost the growth of the high-technology sector in Tamil Nadu and further strengthening the productivity and competitiveness in the manufacturing sector.

Each centre has been developed with a total built up area of 23,500 sq. ft. with co-working spaces for innovators / startups, Industry 4.0 equipment, products development centre, proto typing facilities and training centre. Through these centres, SIPCOT intends to evaluate 1000+ innovative ideas, 200+ prototypes and promote 30+ startups till seed investment stage.

The above facilities were inaugurated by the Hon'ble Chief Minister on 24.6.2022. M/s. Coimbatore Innovation & Business Incubator has been engaged as technology partner and the facilities are operational. So far, 11 startups at SIIC Hosur and 6 startups at SIIC Sriperumbudur have commenced utilizing the facilities and many more startups have shown interest in the facility.

Further, SIPCOT is also in the process of establishing a state of the art industrial innovation centre at an estimated cost of Rs.24 crore to support the growth of technology based startups at Madurai.

Also, SIPCOT is establishing a state-of-the art Skill Development Centre at an estimated cost of Rs.80 crore in SIPCOT industrial park, Shoolagiri, Krishnagiri District, which is emerging as the third largest industrial cluster in the State. The project is being implemented through an SPV with Nettur Technical Training

Foundation (NTTF). Civil works for buildings for a value of Rs.34.53 crore is in progress and the work will be completed by February 2025.

## **2.5.2 New range of Infrastructure facilities**

### **(a) Industrial Housing Facility**

Safe, quality and affordable housing for industrial workers is imperative for the industrial development. Further, the Covid Pandemic has underscored this need. SIPCOT has formed a Special Purpose Vehicle viz., Tamil Nadu Industrial Housing Private Limited (TNIHPL) jointly with Tamil Nadu Infrastructure Fund Management Corporation (TNIFMC) and aims to provide affordable and sustainable housing for industrial workers. Currently, TNIHPL is developing a 807-bedded working women hostel in SIPCOT Industrial Park, Siruseri. Further, it is identifying suitable industrial housing projects across the State for development.

SIPCOT is also directly developing an Industrial Housing facility with 18,720 beds at a project cost of Rs.706.50 crore at Vallam-Vadagal. The project is being implemented with the Government of India grant of Rs.37.44 crore under the Affordable Rental Housing Complex (ARHC) Scheme and term loan of Rs.498.00 crore from State Bank of India. Civil works are in progress and nearing completion.

Further, SIPCOT and its SPV are establishing dedicated dormitory facilities at the following Industrial Parks:

<b>Sl. No.</b>	<b>Industrial Park</b>	<b>Estimated cost (Rs. in crore)</b>	<b>No. of beds</b>
1.	Perundurai (Women)	7.91	222
2.	Thoothukudi (Women)	6.92	252
3.	Shoolagiri (Men and Women)	49.00	1495
4.	Irungattukottai (Men)	26.69	801
5.	Cheyyar (Men)	13.54	441

Earlier, SIPCOT has constructed three hostels - (i) Irungattukottai for women (330 persons), (ii) Sriperumbudur for men (400 persons) and (iii) Sriperumbudur for women (600 persons), which are currently operational.

SIPCOT has also constructed a hostel for women (600 persons) at a cost of Rs.8.58 crore at Nerupperichal village in Tiruppur District as part of its CSR activity, which is operational. In addition, a hostel at Nerupperichal Village in Tiruppur District at a cost of Rs.10.18 crore for 400 persons for socially & economically backward groups under CSR was completed and was inaugurated by the Hon'ble Chief Minister on 06.07.2022.

### **(b) Truck Parking Facilities**

To provide free-flow vehicular movement and dedicated space for industrial trucks, SIPCOT has established truck parking facilities for



1898 trucks at a total project cost of Rs.72.39 crore in 13 industrial parks viz., Irungattukottai, Vallam Vadagal, Oragadam, Ranipet, Perundurai, Sriperumbudur, Nilakottai, Gangaikondan, Pillaipakkam, Gummidipoondi, Siruseri, Cheyyar and Thervoykandigai. Further truck parking facility is being established at Hosur.

### **(c) Plug and Play Facilities**

Modern manufacturing has shifted its focus from building the infrastructure from scratch to a plug-and-play model where plant and machinery are installed in pre-built factory spaces with all basic provisions for starting commercial operations at the earliest. SIPCOT is establishing a Plug & Play facility at Perundurai (50,000 sft.), Vallam Vadagal (1,50,000 sft.) and a warehousing facility at Oragadam (1,00,000 sft.) at a total project cost of Rs.85.20 crore to promote the fast-paced industrial development. These facilities are being established with a grant of

Rs.34.45 crore under the Trade Infrastructure for Export Scheme (TIES) of the Ministry of Commerce and Industry, Government of India.

### **2.5.3 Green and sustainable initiatives**

#### **(a) TTRO Plant**

With the aim of conserving the water resources and reducing the stress on the groundwater table, SIPCOT is promoting the use of tertiary treated water usage by industries. Accordingly, TTRO water is being supplied to industries in SIPCOT industrial parks located at Irungattukottai, Sriperumbudur, Oragadam, Pillaipakkam & Vallam-Vadagal from the 45 MLD TTRO Plant at Koyambedu established by CMWSSB.

Further, to meet the water requirement of the industries located in Hosur area, SIPCOT is establishing 20 MLD TTRO plant at Kelavarapalli in two stages at a project cost of Rs.182.19 crore with the financial assistance of Rs.104.99 crore

from SIDBI. The Hon'ble Chief Minister laid the foundation stone for this plant on 13.6.2023 and the works are under progress and the work will be completed by September 2024.

### **(b) Desalination Plant**

SIPCOT is in the process of establishing a 60 MLD Desalination Plant at Mullakadu, Thoothukudi to cater to the industrial water requirements in and around Thoothukudi region. Accordingly, a Detailed Project Report has been prepared and it has been decided to establish the facility at a revised project cost of Rs.975.47 crore through the HAM Model with 40% contribution by SIPCOT and 60% private participation. Calling of tender is in progress.

### **(c) Greening of Industrial Parks**

SIPCOT ensures adequate Green Cover Development and well-maintained Open Space Reservation areas (OSR) by taking green initiative action and its Industrial Parks are Greener and

environmentally friendly. SIPCOT handholds with the Forest Department for raising the seedlings to nurture the growth of a sustainable industrial ecosystem. As a part of this green initiative SIPCOT so far planted 5.41 lakh seedlings at a cost of Rs.24.84 crore. SIPCOT is also in the process of planting 1.50 lakh native saplings at a cost of Rs.6.11 crore in seven industrial parks.

#### **2.5.4 Ease of data access**

##### **GIS Mapping and Geo Database**

To enhance the ease of doing business for investors interested in SIPCOT Industrial Parks, a user-friendly GIS database of existing SIPCOT industrial parks has been created by using state-of-the-art techniques including drone survey, 3D imaging and remote sensing applications. This database is linked with the SIPCOT's land allotment portal and is envisaged to provide a hassle-free experience to the investors for obtaining information, related to industrial

park layouts and available plots for submitting the land allotment application in a seamless manner. Further, SIPCOT has conducted a drone survey for 3142.52 acres in SIPCOTs new land bank during the financial year 2023-2024.

### **2.5.5 Export Trade Facilitation Centre**

SIPCOT has established the Export Trade Facilitation Centre over an area of 2.16 acres (built-up area of 85,000 sq.ft.) at Siruseri, at a cost of Rs.34.81 crore by availing Government of India grant of Rs.13.98 crore under the TIES scheme. The Centre was inaugurated by the Hon'ble Chief Minister on 6.7.2022. This centre has co-working spaces, a convention centre, conference facilities, executive board rooms, auditorium and canteen facility.

### **2.6 Nodal Agency for Structured Package of Assistance**

Government of Tamil Nadu has nominated SIPCOT as the Nodal Agency for implementing the

Structured Package of Assistance (SPA) scheme to Mega, Super Mega and Ultra Mega Projects. SIPCOT has so far disbursed an amount of Rs.18,240.97 crore to 57 industrial units under various incentive packages sanctioned by the Government of Tamil Nadu.

Sl. No.	Nature of Incentive	Amount Disbursed (Rs. in crore)
		For the period 2008-09 to 2023-24
1.	Soft Loan	2,312.64
2.	Investment Promotion Subsidy (Including Clean Energy Vehicle Subsidy)	15,734.72
3.	Capital Subsidy	46.33
4.	Environmental Protection - ETP Subsidy	8.42
5.	Training Subsidy	115.66
6.	Reimbursement of Stamp Duty	18.36
7.	Electricity Tax Refund	2.84
8.	Industrial Infrastructure Park Subsidy	2.00
<b>Total</b>		<b>18,240.97</b>

## **Budget Allocation**

For the Financial Year 2024-25, Government have allocated a sum of Rs.1,792 crore in Budget Estimate towards Structured Package of Assistance.

### **2.7 Financial performance of SIPCOT**

SIPCOT has achieved a turnover of Rs.1,493.02 crore and earned a profit of Rs.232.45 crore (unaudited) during the Financial Year 2023-2024. SIPCOT has been consistently distributing dividends to the Government of Tamil Nadu since 2005-2006. With outstanding performance, SIPCOT contributed a dividend of Rs.75.81 crore (66.40% of paid-up capital) to the Government of Tamil Nadu for the financial year 2022-2023.

### **3. TAMIL NADU INDUSTRIAL DEVELOPMENT CORPORATION LIMITED**

Tamil Nadu Industrial Development Corporation Limited (TIDCO) was established in 1965 as an industrial development agency of the Department of Industries with a mission to promote medium and large industries in the State through joint ventures. Presently, TIDCO is in the process of redefining its role and has broad based and diversified its goals and functions in line with the evolving industrial scenario of the State.

#### **3.1 The Investment Arm of Tamil Nadu**

TIDCO, as the investment arm of the State, engages with private companies and other State / Central PSUs through various joint-venture models as below based on the specific project features.

- subsidiary with 50% equity participation / above 50%



- joint sector with equity participation above 11% up to 50%
- associate sector with equity participation between 2% to 11%
- support services with no equity or equity participation up to 1 %

TIDCO has promoted 126 joint ventures across multiple sectors such as manufacturing IT & ITeS, general infrastructure so on. These joint ventures have made a significant positive impact on the economy of the State in terms of investments, job creation, and industrial eco-system development. A few of the prominent joint venture projects of TIDCO are:

#### Manufacturing

- TITAN
- JSW Steels

#### Chemicals & Petrochemicals

- TANFAC
- Southern Petrochemical Industries Corporation Limited (SPIC)
- Tamil Nadu Petro Products

## Floriculture

- Tanflora Infrastructure Park

## IT & ITeS infrastructure

- TIDEL Park
- TIDEL Park, Coimbatore
- Ascendas IT Park
- DLF Info Park

## Life Sciences infrastructure

- TICEL Bio Park, Chennai
- TICEL Bio Park, Coimbatore

## General Industrial Infrastructure

- Tamil Nadu Trade Promotion Organisation (Chennai Trade Centre)
- Mahindra World City

## Mobility, Transport & Logistics

- Marine Infrastructure Developer Private Limited (Kattupalli Port).
- Tamil Nadu Road Development Company
- IT Expressway Limited

## Oil & Gas

- Indian Oil LNG Private Limited

## **3.2 Driving Multi-Sector Industrial Promotion and Growth**

TIDCO has played a pivotal role in promoting and fostering the growth of industries across various sectors in Tamil Nadu. Some of TIDCO's key projects and initiatives are listed below.

### **3.2.1 Mobility, Transport & Logistics Sector**

#### **1) Chennai Greenfield Airport**

The Government of Tamil Nadu has initiated action to set up a Greenfield Airport with the intention of augmenting airport infrastructure and facilities to cater to the ever-growing air connectivity needs for passenger transportation and cargo movement. The Government has nominated TIDCO as the nodal agency for the development of the Greenfield Airport at Parandur in Kancheepuram District with an annual passenger handling capacity of 100 million.

In accordance with the Greenfield Airport Policy & Guidelines of the Government of India, TIDCO has submitted a proposal requesting “Site Clearance” to the Steering Committee under the Ministry of Civil Aviation and the same is under consideration by the Ministry. A consultant has been appointed for preparing a Detailed Techno-Economic Report and the report is under finalization.

The Government has issued orders vide G.O. (Ms.) No.210, Industries, Investment Promotion & Commerce Department, dated 31.10.2023, granting Administrative Sanction for the acquisition and alienation of 5746 acres in 20 villages of Kancheepuram and Sriperumbudur Taluk in Kancheepuram District. The land acquisition works are in progress.

## **2) Expansion and Modernisation of Airports**

Tamil Nadu has the pride of having 6 airports (out of which 4 are international airports).

These and the upcoming airport at Vellore not only cater to the needs of the people, but also play a significant role in augmenting the economic development of the region. To keep pace with the strides made by the State towards holistic development, expansion and modernization of the existing airports has been taken up by the Airports Authority of India (AAI), for which land is of key importance. Government of Tamil Nadu through the Industries, Investment Promotion and Commerce Department acquires the lands for airport expansion and modernization.

So far the Government has acquired 1810.86 acres of patta lands at a cost of Rs.2782.90 crore for expansion and modernisation of airports. Also, 302.08 acres of Government lands have been earmarked for these projects. Moreover, the Government of Tamil Nadu is also in the process of obtaining 315.06 acres of land from Ministry of Defence for expansion of Coimbatore and Tiruchirappalli Airports.

### **3) Multimodal Logistics Parks**

Multimodal Logistics Parks (MMLP) is a key policy initiative of the Government of India, led by National Highways Logistics Management Ltd., (NHLML). TIDCO along with NHLML, Chennai Port Authority and Rail Vikas Nigam Limited (RVNL) is developing MMLP through the SPV, Chennai MMLP Pvt Ltd., (CMPL) on an extent of 182 acres in Mappedu Village, Tiruvallur District at an estimated project cost of Rs.1423 crore.

**The proposed shareholding pattern is as below:**

<b>Sl. No.</b>	<b>Shareholder</b>	<b>Investment (in Rs.crore)</b>	<b>Equity Contribution (in %)</b>
1.	Chennai Port Authority	166.78	26.02
2.	TIDCO	50.00	7.80
3.	RVNL	166.64	26.00
4.	NHLML	257.50	40.18

TIDCO, NHLML, and Chennai Port Authority signed an MoU in the presence of Hon'ble Chief Minister of Tamil Nadu on 12.10.2021. The Hon'ble Prime Minister of India had laid the foundation stone on 26.05.2022 for this project in the presence of Hon'ble Chief Minister of Tamil Nadu. Reliance Industries has been selected as concessionaire for this project. TIDCO is acquiring 88.22 acres to provide rail connectivity and proposals to acquire 23.79 acres for developing a railway yard for this project. This project will be developed in Phases and Phase I of the project is expected to be completed by 2026.

Another MMLP has been proposed to be developed in Coimbatore through an SPV comprising NHLML, RVNL, VOC Port Trust, Thoothukudi and TIDCO. An area of about 216 acres has been identified and land acquisition is under process.

#### **4) Tamil Nadu Logistics Policy and Integrated Logistics Plan, 2023**

The Hon'ble Chief Minister of Tamil Nadu unveiled the "Tamil Nadu Logistics Policy & Integrated Logistics Plan 2023" on 18.03.2023, marking a milestone in the State's developmental trajectory.

This Policy delineates a clear vision for a five-year horizon, emphasizing the promotion of a reliable, cost-efficient and sustainable logistics framework within the State of Tamil Nadu. To bring this vision to realization, the policy emphasizes on strategic focus areas including the establishment of a robust regulatory framework, the advancement of integrated infrastructure, technological innovation, training & skill development initiatives and encouraging private sector participation for overall development of the logistics sector in the State, supported by provisions of tailor-made fiscal incentives.



The State Integrated Logistics Plan (SILP) is a strategic plan outlining 50 interventions / projects identified in the Logistics Sector for the next 10 years to improve the logistics efficiency of the State. These interventions are directed towards enhancing the efficiency of goods movement, upgrading & expanding handling infrastructure and fostering sustainability through the adoption of advanced technology & eco-friendly solutions. The initiatives and interventions identified envisions an initial investment outlay of Rs.63,000 crore across three freight corridors in the State contributing to the creation of 1.60 lakh direct and indirect jobs.

The strategic endeavours undertaken under the Policy and Plan have significantly contributed to the enhancement of the State's Logistics Performance Index, propelling Tamil Nadu into the 'Achiever' category in the latest LEADS Survey 2023 conducted by the Government of India thereby establishing it as a top-performing state with a robust logistics ecosystem.

### **3.2.2 Fintech Sector**

#### **1) Fintech City**

TIDCO is developing Phase-I of Fintech City, spread across 56 acres in Nandambakkam, Chennai at an estimated cost of Rs.82.87 crore. The Hon'ble Chief Minister of Tamil Nadu laid the foundation stone for this project on 17.06.2023. This project will provide developed land modules with the required common infrastructure to fintech companies and financial institutions, including banking, non-banking financial services, financial business process outsourcing and regulatory institutions. The project will include office buildings, hotels, residential buildings and recreational spaces. TIDCO has initiated action for the allotment of land in Fintech City.

#### **2) Fintech Tower**

TIDCO is establishing Fintech Tower, a first-of-its-kind dedicated infrastructure for financial services and fintech companies at

Fintech City, Nandambakkam, Chennai. The Hon'ble Chief Minister of Tamil Nadu laid the foundation stone for this project on 17.06.2023. Fintech Tower is being developed at an estimated cost of Rs.234 crore with a total built-up area of 5.56 lakh sq.ft. along with amenities such as meeting halls, a crèche, a food court, a gym, an auditorium and other allied facilities. The construction work is in progress and the project is expected to be completed by August 2025.

### **3.2.3 IT & ITeS Sector**

#### **1) TIDEL Park**

TIDEL Park Ltd., a joint venture company of TIDCO (25.80%) and ELCOT (5.91%) was established in the year 2000. TIDEL Park established the first IT park in Taramani, Chennai at a cost of Rs.293 crore with a built-up area of 12.80 lakh sq.ft. spread across 8.01 acres. Since its inception, it has been a cornerstone of the State's information technology landscape. As a

beacon for the IT & ITeS industry, this renowned tech hub offers modern workspaces hosting over 40 companies and providing employment opportunities for over 12,000 professionals.

### **Financial performance in 2023-24 (Unaudited)**

<b>Particulars</b>	(Rs. in crore)
Revenue from Operations	90.30
Net Profit	57.17

### **2) TIDEL Park Coimbatore**

TIDEL Park Coimbatore Limited (TPCL), Joint Venture of TIDCO, ELCOT, TIDEL and STPI was established in 2010 to promote the development of IT infrastructure in Coimbatore. The major shareholders of TPCL are TIDCO (26.41%), ELCOT (33.05%), TIDEL (39.56%) and STPI (0.99%).

TPCL established its first IT Park spread across an area of 9.5 acres within the Special Economic Zone of ELCOT in Coimbatore. The IT

Park with a built-up area of 17 lakh sq.ft. (leasable area of 9.14 lakh sq.ft.) presently host to around 80 IT/ITES clients. This Park has a fully furnished contemporary plug-and-play facility with 952 seats and is utilized by SME's and start-ups. At present, leading MNC's and corporates such as Accenture Solutions, IBM India, LTI Mindtree, Tech Mahindra, Cameron, Corrohealth, Value Momentum and Omega Healthcare etc., have occupied the IT Park, proving employment to 24,480 professionals. In the year 2023-24, exports from the IT Park were approximately Rs.2,980 crore.

### **Financial performance in 2023-24**

<b>Particulars</b>	<b>(Rs. in crore)</b>
Revenue from Operations	86.48
Net Profit	38.39
Dividend paid to the Government	7.50

### **3) TIDEL Park, Pattabiram**

TIDEL Park is set to establish a groundbreaking presence in Pattabiram, Avadi with its upcoming Information Technology (IT) Park project. Spanning over 11.41 acres with a built-up area of 5.57 lakh sq.ft., this IT park will host top IT / ITeS, Business Process Management (BPMs) and start-ups companies. This park has various modern amenities for ensuring a holistic environment for tenants. This park is set to be inaugurated shortly.

### **4) TIDEL Park, Madurai**

TIDEL Park is setting up an IT Park in Mattuthavani, Madurai at an estimated cost of Rs.400 crore, spread across 5.60 acres, aimed at providing quality infrastructure for Information Technology and Fintech companies. This landmark project with a built-up area of 6.86 lakh sq.ft. will provide infrastructure for IT / ITeS, Startups, and Business Process Management

(BPM) companies. Designed to be a state-of-the-art IT building, it will feature amenities such as food court, terrace garden, breakout spaces and a crèche. The tender process for the construction of this modern IT park will commence shortly.

### **5) TIDEL Park, Trichirappalli**

TIDEL Park Ltd. is setting up an IT park in Tiruchirapalli along the Trichy-Madurai highway, adjacent to the proposed integrated bus terminus at Panjapur. This IT Park will be built at an estimated cost of Rs.400 crore and will be spread across 14.16 acres with a built-up area of 6 lakh sq.ft. The tender process for the construction of the IT park will commence shortly.

### **6) DLF Info Park at Taramani**

TIDCO in collaboration with DLF Ltd. is developing an IT/ITES Park on a 27.05 acres plot in Taramani, Chennai with a total built-up area of 6.8 million sq.ft. at an estimated cost of

Rs.5000 crore. TIDCO has an equity share of 6.17% (Rs.50 crore) in this company.

Phase-I, with a built-up area of 2.5 million sq.ft. at an estimated project cost of Rs.1200 crore, is nearing completion.

Phase-II is an exclusive building being developed for Standard Chartered Global Business Services (SCGBS) at an estimated project cost of Rs.650 crore with a built-up area of 7.7 lakh sq.ft. The Hon'ble Chief Minister of Tamil Nadu laid the foundation stone on 14.03.2022 for this Phase-II building. The works of the Phase-II building are in progress.

This park is expected to create employment support for more than 70,000 IT professionals and attract an investment of Rs.47,000 crore over a period of 10 years.

## **7) Mini TIDEL Parks**

Following the success of TIDEL Parks in Chennai and Coimbatore, the Government of



Tamil Nadu announced the establishment of mini-IT parks in Tier 2 and Tier 3 cities, to ensure equitable IT infrastructure development Statewide. An SPV called TIDEL Neo has been set up to develop these mini-IT parks in Thanjavur, Thoothukudi, Salem, Vellore, Tirupur, Karaikudi, and Ooty. These Mini IT Parks, with built-up areas ranging from 50,000 to 1 lakh sq.ft. provide an ideal environment for setting up IT companies, BPOs, start-ups, and co-working spaces providing employment for around 500 IT professionals in each location.

TIDEL Neo Villupuram, the State's first mini-IT Park, was inaugurated by the Hon'ble Chief Minister of Tamil Nadu on 17.02.2024. Situated just 8 kms. from Pondicherry, this mini-IT park with a built-up area of 63,000 sq.ft. features a modern design with G+4 floors.

The construction works of the mini-IT parks in Thanjavur, Thoothukudi, Salem, Vellore, and

Tirupur are in progress and the construction of the mini-IT park at Karaikudi and Nilgiris will commence shortly.

### **3.2.4 Life Sciences Sector**

#### **TICEL Bio Parks**

TIDCO in association with TIDEL Park Ltd. created TICEL Bio Park Limited (TIDCO– 37.83% and TIDEL – 44.60%) to provide comprehensive infrastructure facilities and to develop the biotech eco-system to support biotechnology and pharmaceutical companies in Tamil Nadu.

TICEL Phase-1 was established in Taramani, Chennai in 2004 with a built-up area of 1.42 lakh sq.ft. on 5 acres at a cost of Rs.54 crore.

Following its success, TICEL Phase-II was established at the same campus with a built-up area of 6.49 lakh sq.ft. at a cost of Rs.168 crore.

TICEL Phase-III was established in Coimbatore at a cost of Rs.85 crore with a

built-up area of 2.29 lakh sq.ft. All three phases are operational and have been successful in creating and supporting a vibrant biotech ecosystem in the State, generating revenue of Rs.52.63 crore and a profit of Rs.9.58 crore during the year 2022-23.

A common Biotechnology Core Instrumentation Facility (BTCIF) was set up jointly by TIDCO and the Department of Biotechnology, Government of India, inside TICEL Phase-II, Chennai at a project cost of Rs.19.30 crore. BTCIF provides equipment facilities for high-end research, pilot-scale manufacturing and testing to start-ups / incubators and other industries.

TICEL Bio Park has also established the 'TICEL Innovation Hub' to foster innovation, research and entrepreneurship. TICEL Bio Park has created incubation facilities at TICEL Chennai which is being utilized by many start-ups. TICEL Innovation Hub conducts workshops, seminars,

certification programs, hackathons, internships and undertakes joint research proposals, incubation, etc., through a collaborative linkage model with academia, start-ups, industries and research institutes, benefiting the biotech and life sciences ecosystem in Tamil Nadu.

### **3.2.5 Aerospace & Defence Sector (A&D)**

TIDCO is the designated nodal agency for the Tamil Nadu Defence Industrial Corridor (TNDIC) which is one of the two defence industrial corridors in India. The various initiatives of TIDCO in the aerospace and defence sector are as follows:

#### **1) Tamil Nadu Defence Industrial Corridor (TNDIC)**

Tamil Nadu Defence Industrial Corridor project is being implemented at 5 nodes i.e., Chennai, Trichirappalli, Coimbatore, Salem and Hosur. The strategy adopted is as elucidated below:

### **a) Common Facility Centres (CFC)**

The contribution of MSME industries in the Aerospace & Defence manufacturing sector is significant. Based on the gap analysis and to enhance the productivity of MSMEs, TIDCO is establishing Common Facility Centres (CFC). These centres will provide an avenue for industries to utilize capital-intensive cutting-edge technologies and enable them to be part of the A&D supply chain.

Trichy Engineering and Technology Cluster (TREAT), a CFC for advanced fabrication related equipment was set up by TIDCO with an investment of Rs.10 crore. TREAT is also supporting more than 90 MSME's in and around Trichy by taking bulk orders from Tata Projects & other Original Equipment Manufacturers.

TIDCO along with Foundry Development Foundation, Coimbatore is planning to set up a

CFC for Casting & Foundry industries in Coimbatore at a cost of Rs.30 crore.

Post-processing and surface treatment facilities are key requirement for Aerospace Industries. Considering the large number of A & D industries in Coimbatore, TIDCO has enabled a CFC at GTN Industries, Coimbatore for post processing needs of A&D industries.

TIDCO has proposed to establish a Common Engineering Facility Centre at Coimbatore jointly with Tata Technologies Limited (TTL) at an estimated cost of Rs.166.83 crore in Phase-I, out of which Rs.102.97 crore will be borne by TTL. This centre will extend support to start-ups and MSME's in Aero Design & Development, Industrial Robotics, Manufacturing, Electrical, Composites, Avionics and Mechatronics & Testing. This centre comprises of Design and Simulation lab, Machining & Sheet Metal lab, Generative Engineering lab, Inspection and Validation lab. An SPV, TN Engineering

Innovation Centre (TN ENGINE) has been incorporated and the construction activities are slated to commence shortly.

## **b) Common Testing Centres**

TIDCO plans to establish Common Testing Centres in association with industries, under the Defence Testing Infrastructure Scheme (DTIS), Ministry of Defence (MoD). The proposed Common Testing Centres are:

### **i. Unmanned Aerial Systems (UAS) - Common Testing Centre**

A consortium of Keltron, Sense Image, Standard Testing & Compliance and Avishka was selected for developing a UAS Common Testing Centre at a cost of Rs.45 crore, out of which Rs.33.75 crore grant-in-aid will be provided by Ministry of Defence (MoD), Government of India. This centre is proposed to be established at Vallam Vadagal. TIDCO will have an equity share of 40% (Rs.4.50 crore) in the SPV. This SPV,

M/s. Association for Drone Avionics Research and Testing (ADART), will begin the construction activities shortly.

## **ii. Electronic Warfare (EW) - Common Testing Centre**

A consortium of M/s. Bharat Electronics M/s. Hindustan Aeronautics M/s. India Optel and M/s. Bharat Dynamics was selected for developing an Electronic Warfare Common Testing Centre at a cost of Rs.46.9 crore, out of which Rs.35.22 crore grant-in-aid will be provided by MoD. TIDCO will have an equity share of 10% (Rs.1.17 crore) in the SPV. This centre will be established at Chennai Aerospace Park. This SPV, M/s.Electronic Warfare Test (ELEWATE), will begin the construction activities shortly.

## **iii. Electro Optics (EO) – Common Testing Centre**

A consortium of M/s. India Optel, M/s. Armoured Vehicles Nigam, M/s. Bharat



Electronics and Goa Shipyard Limited was selected for establishing the Electro Optics (EO) Common Testing Centre at a cost of Rs.41.22 crore out of which Rs.30.91 crore grant-in-aid will be provided by MoD. TIDCO will have an equity share of 5% (Rs.0.51 crore) in the SPV M/s. Laboratory for Electro optical Navigation System (LENS). This centre will be established at Chennai Aerospace Park Limited.

#### **iv. Mechanical and Material Common Testing Centre**

A consortium of M/s. Microlab, M/s. Bharat Earth Movers, M/s. Hindustan Aeronautics and M/s. Vaidheeswaran Industries was selected for developing the Mechanical and Material Common Testing Centre at a cost of Rs.49.7 crore, out of which Rs.36.86 crore grant-in-aid will be provided by MoD. TIDCO will have an equity share of 30% (Rs.3.84 crore) in the SPV. The testing facilities are proposed to be established at TREAT, Trichirappalli.

## **2) Industrial Parks and facilities**

A&D industrial parks are being established at various nodes of Tamil Nadu Defence Industrial Corridor (TNDIC)

### **a) Defence Component Manufacturing Park at Varapatti**

This park will be developed in an extent of 372 acres in Varapatti village, Coimbatore District to support aerospace and Defence Industries by providing necessary common infrastructure.

This park will be jointly developed by TIDCO and SIPCOT. The developed plots will be allotted to industries for setting up units. An Expression of Interest have been received from industries for 209 acres. Subsequently, in-principal allotment letter was given for 5 industries for an extent of 98 acres.

### **b) Aerospace Industrial Park at Suler**

TIDCO is developing an Aerospace Industrial Park adjoining the Air Force Station of Suler in an

extent of 200 acres. This park will be used for manufacture / assembly of future military platforms as well as establishment of Maintenance, Repair and Overhaul (MRO) facilities. The land acquisition is under process.

### **c) Space Industrial Park and Propellant Park in Thoothukudi**

TIDCO is developing a Space Industrial and Propellant Park in Thoothukudi, close to the new ISRO spaceport at Kulasekarapattinam. This park spread across 1000 acre will support space-related industries and development of upstream and downstream industries leading to creation of a vibrant space ecosystem in the region.

TIDCO has signed an MoU with IN-SPACE on 06.03.2024 to foster collaboration and promote development of Space industries in Tamil Nadu.

#### **d) Establishment of Flying Training Organizations (FTO)**

TIDCO will enable setting up of Flight Training Organizations (FTO's) to cater to the ever-increasing demand for trained pilots. The first FTO is proposed to be located at Kovilpatti, Thoothukudi, for which land acquisition has been completed and the Obstacle Limitation Surfaces (OLS) study is underway.

#### **e) Aero Hub**

Chennai Aerospace Park Ltd. (a JV of TIDCO and TIDEL) is establishing Aerohub project, a state-of-the-art infrastructure to support incubation and innovation for aerospace and defence industries with common facilities. This project is being executed at an estimated cost of Rs.230 crore with a built-up area of 3.04 Lakh sq.ft. in 10.73 acre in Sriperumbudur, Kancheepuram District. The construction of this Aero hub is under progress.

### **3) Tamil Nadu Aerospace and Defence Industrial Policy, 2022**

Tamil Nadu Aerospace & Defence Industrial Policy which envisages providing a large number of technical, skilling, financial, infrastructural and operational enablers for A&D companies to thrive in Tamil Nadu was released on 08.11.2022 by the Hon'ble Chief Minister of Tamil Nadu. The policy aims to attract investments to the tune of Rs.75,000 crore (USD \$10 Billion) over a period of 10 years and aims to create direct & indirect employment prospects for nearly 1 lakh persons in 10 years.

#### **3.2.6 Research, Knowledge and Emerging Sectors**

##### **1) Tamil Nadu Knowledge City (TKC)**

The Tamil Nadu Knowledge City (TKC) is envisioned as a knowledge hub that will bring together top-notch universities and institutes, knowledge-based hi-tech industries

and world-class sustainable living in one location, creating a truly global knowledge eco-system.

TKC will be a unique education-focused Greenfield city, attracting renowned international and national universities and institutions as well as technologically advanced product and service companies across sectors. The city will offer an open and conducive environment, fostering the acquisition and exchange of knowledge between Tamil Nadu / India and the rest of the world and vice versa.

Land for the project has been identified in Uthukottai, Tiruvallur District. Presently, land acquisition and techno-economic feasibility studies are underway.

## **2) University Research Parks (URP)**

University Research Parks (URPs) are collaborative eco-systems that bring together academia, industry and Government to foster

innovation, research, intellectual property (IP) creation and entrepreneurship development. These parks serve as a bridge between academic research and the commercialization of research outcomes, creating a conducive environment for the exchange of knowledge, technology transfer and the development of entrepreneurial ventures. URPs will house enterprise R&D units, start-ups, incubators, accelerators and several state-of-the-art common infrastructure facilities, labs and centers of excellence across multiple domains.

In the initial phase, a University Research Park is being established in Coimbatore for which land has been identified. Multiple stakeholder consultations were held with industry and academia representatives from Coimbatore to identify industry problems to be addressed through this research park. The University Research Park in Coimbatore is presently being

set up as a Section 8 company and research activities are planned to be initially kick-started from TICEL campus in Coimbatore.

### **3) Tamil Nadu Emerging Sector Seed Fund (TNESSF)**

To boost Innovation, R&D and Entrepreneurship, the Government of Tamil Nadu through TIDCO and TIDEL sponsored a corpus of Rs.500 crore for the establishment of Tamil Nadu Emerging Sector Seed Fund (TNESSF) as a SEBI-registered Category I – Venture Capital Fund with TNIFMC as the fund manager. TNESSF received its registration with SEBI on 09.03.2022.

The focus areas for TNESSF, amongst others include Aerospace and Defence, DeepTech, Advanced Manufacturing, Robotics, E-Commerce, Mobility & Logistics, Agri & Food Processing, Life Sciences, EdTech, FinTech and SpaceTech etc.,

Applications are invited through TIDCO, TNIFMC and StartupTN, shortlisted through a



multi-step process and are selected by a professional investment committee. TNESSF has invested Rs.36.40 crore in the following nine start-ups (E-Sandhai, Kaigal, Planytics, Surinova, Mr.Med, Torus Robotics, Fullfily, Oxyzen Express and Payagri) as of June 2024.

### **3.2.7 Centres of Excellence**

TIDCO has established three “Centres of Excellence (CoE) in Emerging Technologies in Manufacturing”. These have been established as wholly owned subsidiaries of TIDCO, in partnership with global majors GE Aviation, Dassault Systemes and Siemens, at a total project cost of Rs.600 crore.

#### **a) Tamil Nadu Centre for Advanced Manufacturing (TANCAM)**

TANCAM has been established in association with Dassault Systemes at a cost of about Rs.210 crore. This CoE was inaugurated by the Hon’ble Chief Minister of Tamil Nadu on 24.06.2022.

TANCAM caters to different industry segments like Aerospace & Defence, Automotive and Electric Vehicles. TANCAM enables start-ups and MSME's leverage the use of technology and innovation in business models by employing their 3D Experience platform. So far, 54 MSME's and start-ups have benefitted from this CoE. TANCAM has imparted training to about 10,200 students as part of Naan Mudhalvan Scheme. Five institutional spokes (Salem, Namakkal, Chennai and two in Coimbatore) and four industrial spokes (Trichy, Coimbatore, Salem and Chennai) of these centres have been established.

**b) Tamil Nadu Smart and Advanced Manufacturing Centre (TANSAM)**

TANSAM has been established in association with Siemens Industrial Software Ltd. at a cost of Rs.250 crore. This CoE was inaugurated by the Hon'ble Chief Minister of Tamil Nadu on 08.11.2022. The Centre has seven specializations,

including Product Innovation, Centre for Predictive Engineering Analytics, Smart Factory Research, Centre for Asset Performance Management (IoT) research, Research Centre for Product Lifecycle Management, Innovative Manufacturing, AR/VR/MR research and Skill training. TANSAM provides services to large industrial units, MSMEs and start-ups for their new innovation and product development. So far, 71 MSME's and start-ups have benefitted from this CoE. TANSAM has imparted training to about 60,239 students under the Naan Mudhalvan Scheme.

### **c) Tamil Nadu Advance Manufacturing Centre of Excellence (TAMCOE)**

TAMCOE has been established in partnership with GE Aviation at a project cost of Rs.140 crore. TAMCOE was inaugurated by the Hon'ble Chief Minister of Tamil Nadu on 08.11.2022. TAMCOE enables and facilitates technology development of aviation engine parts, medical device components

and automotive precision. It also offers design facility for additive manufacturing, prototype development and reverse & re-engineering services for various industrial domains.

### **3.2.8 Other Industrial Infrastructure interventions / initiatives**

#### **1) Chennai Trade Centre**

TIDCO in association with India Trade Promotion Organization (ITPO) developed the Chennai Trade Centre through the SPV, Tamil Nadu Trade Promotion Organisation (TNTPO). ITPO and TIDCO hold 51% and 49% of the equity share capital respectively. Initially, the Chennai Trade Centre had developed an Exhibition Space of 1,13,666 sq.ft. and a Convention Centre with a seating capacity of 2000 persons. To conduct large national and international events, the Chennai Trade Centre was expanded with a total built up area of 9,02,000 sq.ft. The salient features of this project are exhibition halls with a

total area of 1,22,063 sq.ft. and convention centre covering an area of 43,200 sq.ft. providing seating capacity for 4000 persons, and multilevel car parking capable of accommodating 1306 cars. The facility also has Conference Halls, VIP rooms and medical center. This project was developed at a total cost of Rs.384 crore. The third edition of the Global Investors Meet 2024 was held in this new facility on 7<sup>th</sup> and 8<sup>th</sup> January 2024.

### **Financial Performance**

(Rs. in crore)

<b>Sl. No.</b>	<b>Year</b>	<b>Revenue</b>	<b>Net Profit</b>
1.	2020-21	19.62	5.78
2.	2021-22	18.85	3.67
3.	2022-23	46.87	28.85

### **2) Plug and Play Manufacturing Facility – Vallam Vadagal**

TIDEL Park is developing a pre-constructed 'plug-and-play' facility at an estimated cost of Rs.45.37 crore at Vallam Vadagal. This initiative

aims to expedite industrial set up, minimizing the time and capital expenditure for setting up manufacturing units. Spanning across 11.74 acres, these facilities will offer a leasable area of 1.25 lakh sq.ft. The construction work is under progress and is likely to be completed by January 2025.

### **3) Polymer Industries Park**

Tamilnadu Polymer Industries Park, a joint venture company of TIDCO and SIPCOT, is developing the Polymer Park on 239.82 acres in Puzhuvdivakkam and Voyalur Villages, Ponneri Taluk, Thiruvallur District. The estimated cost of the project is Rs.216 crore. TIDCO and SIPCOT are 50% equity partners (each Rs.49.40 crore) in this company. This park will house small and medium-scale polymer product manufacturing units. The Polymer Park is being developed under the scheme of the Department of Chemicals and Petrochemicals (DC&PC), Government of India for

'Setting up of Plastic Parks.' Development of Phase I (180.91 acres) comprising creation of basic infrastructure, administrative building, technology centre and training centre cum admin block is in advanced stage of completion.

#### **4) Industrial Housing Project in Krishnagiri District**

An affordable industrial housing project is being developed by TATA Electronics Private Limited (TEPL) to accommodate the employees of TEPL, in about 64 acres at Nagamangalam village, Denkanikottai Taluk, Krishnagiri District. A Joint Venture Company named Vidiyal Residency Private Limited (VRPL) with TEPL, TIDCO and Tamil Nadu Shelter Fund as shareholders.

The proposed Shareholding Pattern is as below:

<b>Sl. No.</b>	<b>Name of the Shareholder</b>	<b>Investment (Rs. in crore)</b>	<b>Equity Contribution (in %)</b>
1	TEPL	1.48	74
2	TIDCO	0.22	11
3	TNSF	0.30	15

VRPL is being implemented under Affordable Rental Housing Complexes scheme of Government of India. At present, Phase-I of the project is being developed with 13 residential blocks capable of accommodating 10,400 persons. Out of these 13 blocks, 8 blocks are expected to be completed shortly. The other supporting facilities such as dining, commercial and recreational areas are also being developed along with residential blocks.

### **5) Industrial Eco-system Fund (IEF)**

Government of Tamil Nadu has setup the Industrial Eco-system Fund with a corpus of Rs.500 crore to aid small infrastructure projects and the development of industrial eco-systems. TIDCO as the nodal agency receives proposals from SIPCOT, TIDCO, Guidance Tamil Nadu and other departments, which are then presented to the Empowered Committee for evaluation and sanction.



Twelve proposals for IEF assistance, totaling Rs.272.90 crore, have been sanctioned by the Committee. During the fiscal year 2023-2024, Rs.156.12 crore has been spent on various ongoing projects.

### **3.2.9 Oil & Gas Sector**

TIDCO is the nodal agency for coordination and facilitation of various activities concerned with the implementation of the Petroleum & Natural gas pipeline and the City Gas Distribution (CGD) projects in the State.

#### **1) City Gas Distribution (CGD) projects**

Government of Tamil Nadu released the "Tamil Nadu City Gas Distribution Policy 2023", the first State in the country to announce a dedicated policy. This policy facilitates the seamless implementation of CGD infrastructure by the seven authorized CGD entities, with effective coordination by TIDCO.

In order to achieve an increase in the gas energy mix ratio from 6.70% to 15% by 2030, the Government of India has authorized 7 CGD Companies implement city gas distribution networks in all 38 districts of Tamil Nadu. This initiative is expected to attract an investment of Rs.35,000 crore and includes the establishment of 2,785 Compressed Natural Gas (CNG) retail outlets and provision of 2.30 crore domestic Piped Natural Gas (PNG) connections to households over an eight-year period.

Until now, 326 CNG retail outlets covering major towns across various districts are in operation. The CGD entities have registered 30,000 households, and gas supplies have been provided to 1,000 households through PNG connections. Additionally, gas supply has been extended to around 11 industries.

## **2) Petroleum & Natural Gas Pipeline Projects**

Pipeline projects are being implemented in Tamil Nadu to ensure a safe, efficient,

cost-effective and uninterrupted supply of petroleum and natural gas in an eco-friendly manner to industries, transportation and households. These pipelines will also act as feeders to the City Gas Distribution (CGD) networks in Tamil Nadu.

TIDCO has been designated as the nodal agency by Government of Tamil Nadu to facilitate the seamless implementation of the pipeline projects.

### 3.3 Financial Performance of TIDCO

(Rs. in crore)

<b>Particulars</b>	<b>Financial Year 2022-23</b>	<b>Financial Year 2023-24 (Unaudited)</b>
Revenue from Operations	279.40	353.97
Other Income	5.61	27.88
<b>Total</b>	<b>285.01</b>	<b>381.85</b>
Net Profit	228.79	337.79
Dividend paid to the Government	204.01	Yet to be declared

#### **4. TAMIL NADU INDUSTRIAL INVESTMENT CORPORATION LIMITED**

Tamil Nadu Industrial Investment Corporation Limited (TIIC) is the pioneer State Level Development Financial Institution which was incorporated in 1949 under the Companies Act. TIIC's focus is on catering to the financial needs of MSME sector in the State and to encourage first generation entrepreneurs to realise their dreams thus fostering industrial development in Tamil Nadu. More than 90% of TIIC's assistance goes to the MSME sector.

For the past 74 years, TIIC has been playing a significant role in the industrial development of Tamil Nadu and has made possible the dreams of more than 1,33,000 entrepreneurs come true. A cumulative loan assistance of Rs.24,705.80 crore has been extended by TIIC to 1,33,889 units as on 31.03.2024. TIIC has been earning profits

continuously for the last 21 years since 2003-04. With the sustained support of the State Government and the continuous efforts of the employees of the Corporation, it has earned Net Profit of Rs.139 crore (provisional) during the financial year 2023-24.

The Corporation has repositioned itself as the premier MSME lending institution by providing holistic assistance to MSMEs in the State which has resulted in remarkable financial performance with the Corporation's AUM (Asset Under Management) touching Rs.2526.77 crore during the financial year 2022-23. As a result, the rating of the Corporation has improved from 'BBB+' to 'A' band. With a steady growth momentum, TIIC has achieved a top-notch loan portfolio of Rs.2753.07 crore during the financial year 2023-24, registering a growth of 8.95% over the previous year.

The Corporation has consistently declared dividend from 2015-16 and paid Rs.15.17 crore as dividend for the financial year 2022-23 to the Government of Tamil Nadu.

#### **4.1 Loan Portfolio**

The Corporation's total loan portfolio stands at Rs.2753.07 crore as on 31.03.2024. The sector wise exposure is as follows:

<b>Sector</b>	<b>Exposure (%)</b>
Engineering	17.66
Electrical & Electronic	17.42
Plastics	13.17
Food Processing Industries	11.25
Bill Finance	10.42
Textiles	8.53
Automobile	6.52
Stone Quarrying & Clay	5.34
Miscellaneous	9.69

## **4.2 Financial Products**

The funding cap is Rs.59 crore for Private / Public Limited Company, Rs.39 crore for Partnership / LLP firms and Rs.31 crore for Proprietary / One Man Company.

The financial products which were being offered by TIIC have been rationalized into 15 schemes during 2023-24, to fulfill the divergent financial needs of entrepreneurs. Some of the major schemes successfully operated by the Corporation are given below:

### **4.2.1 General Term Loan**

Assistance is given by way of Term Loan for new projects and existing projects undertaking expansion, modernization and diversification. Under this scheme, 248 entrepreneurs have been sanctioned loan of Rs.320.72 crore during the financial year 2023-24.

#### **4.2.2 Flexi Working Capital Term Loan:**

The aim of the scheme is to extend financial assistance to manufacturing and processing units, to meet their working capital requirements on a continual basis. The maximum financial assistance under this scheme is Rs.1 crore for new units and Rs.4 crore for existing units, with an option to renew the loan after one year or to convert it to a Working capital Term Loan for 30 monthly instalments. Under this scheme, 84 units have been sanctioned loan of Rs.63.60 crore during the financial year 2023-2024.

#### **4.2.3 Machinery Finance Scheme**

The scheme facilitates existing industrial units with good track record for acquisition of plant and machinery for their expansion / diversification / modernization / replacement of existing machinery with low promoter's contribution ranging from 0% to 15% and collateral norms not exceeding 25%. During



financial year 2023-24, 232 units have been sanctioned loan of Rs.238.86 crore under this scheme.

#### **4.2.4 New Entrepreneur cum Enterprise Development Scheme (NEEDS)**

TIIC plays an active role in the implementation of the State Government's flagship self-employment scheme of New Entrepreneur cum Enterprise Development Scheme (NEEDS) for assisting educated youth to become first-generation entrepreneurs. Under this scheme, the State Government provides a capital subsidy of 25% and an additional Capital Subsidy of 10% to SC/ST and differently-abled persons, subject to a maximum of Rs.75 lakh. Interest subvention of 3% is also extended to the entrepreneurs on the loan availed. The special feature of this scheme is the low promoter's contribution which is 5% for special category entrepreneurs like women, differently abled persons and those from Backward Communities, Most Backward Communities,

Scheduled Castes, Scheduled Tribes and 10% for others. Since the launch of the scheme, 1044 first generation entrepreneurs have been sanctioned loan of Rs.618.93 crore with capital subsidy of Rs.72.71 crore upto 31.03.2023. During the financial year 2023-2024, the Corporation has sanctioned Rs.53.64 crore with capital subsidy of Rs.13.74 crore to 67 entrepreneurs.

#### **4.2.5 Annal Ambedkar Business Champions Scheme (AABCS)**

In July 2023, TIIC has adopted the Annal Ambedkar Business Champions Scheme (AABCS), a Government Scheme, to provide support for the establishment and growth of enterprises set up by SC/ST entrepreneurs. The Government provides capital subsidy of 35% and 6% Interest Subvention during the tenure of loan, not exceeding 10 years. During financial year 2023-2024, 4 units have been sanctioned loan of Rs.4.17 crore with capital subsidy of Rs.0.37 crore.

#### **4.2.6 Industrial Infrastructure Initiative Scheme**

Under this scheme, financial assistance to new / existing units is being provided to purchase industrial plots in SIPCOT and TANSIDCO industrial estates. Financial assistance is provided based on the allotment order issued to the units by SIPCOT / TANSIDCO, in accordance with the MoUs signed with them by TIIC. During financial year 2023-24, 39 units have been sanctioned loan of Rs.52.97 crore.

#### **4.2.7 Corporate Loan Scheme**

The scheme provides financial assistance up to Rs.10 crore to industrial units to meet unanticipated investment / urgent expenditure needs. During financial year 2023-2024, 26 units have been sanctioned loan of Rs.45.73 crore.

#### **4.2.8 Bill Financing Scheme**

TIIC offers bill discounting facilities to the suppliers / contractors registered with

TANGEDCO, TANTRANSCO, TWAD, CMWSSB, Greater Chennai Corporation against the supplies/work done for these Government Agencies. This facility of upto Rs.59 crore is offered without any collateral security. TIIC has been onboarded onto the TReDS (TN Trade Receivables Discounting System) platform to capitalize on the opportunities for expanding its Bill Finance portfolio. During financial year 2023-24, 86 units have been sanctioned with loan of Rs.437.49 crore.

#### **4.2.9 Open Term Loan Scheme**

The scheme facilitates borrowers with the Corporation with good track record for more than three years. The maximum financial assistance under this scheme is Rs.2 crore. During financial year 2023-2024, 58 units have been sanctioned loan of Rs.49.69 crore.

#### **4.2.10 Privileged Customer Scheme**

The Scheme facilitates existing customers of TIIC with good track record with financial assistance to meet certain emergent and business related expenses. This facility is offered without any stipulation for promoter's contribution. The maximum financial assistance under this scheme is Rs.2 crore. During financial year 2023-2024, 228 units have been sanctioned loan of Rs.141.18 crore.

#### **4.2.11 Fintech Scheme**

Financial assistance is extended to rated fintech NBFCs. The loan shall be utilized by the fintech companies for supporting MSMEs and also for supporting small road transporters to purchase commercial vehicles. The maximum financial assistance under this scheme is Rs.15 crore. During 2023-24, TIIC has sanctioned loan assistance of Rs.13.50 crore.

#### **4.2.12 Microfinancing Scheme**

Financial assistance is extended to established and rated micro finance institutions (MFI). The MFIs in turn will assist micro enterprises / self help groups / individuals-both in the organised and unorganised sectors. The maximum financial assistance under this scheme is Rs.15 crore. During financial Year 2023-24, the Corporation has sanctioned loan assistance of Rs.10 crore.

#### **4.2.13 Flood Relief Scheme**

To support the MSMEs affected by the Michaung Cyclone in Chennai and adjoining districts and in Southern Districts of Tamil Nadu during December 2023, the Hon'ble Chief Minister of Tamil Nadu announced special "Flood Relief Scheme for MSMEs". Accordingly, TIIC launched the scheme and has assisted the flood affected MSMEs of Chennai, Tiruvallur, Kancheepuram, Chenglepatthu, Tirunelveli, Thoothukudi districts,

to re-build their business. Under this scheme, an amount of Rs.100 crore was allocated to benefit 3330 MSMEs under the manufacturing and services sector with a cap of Rs.3 lakh per MSME unit, at a special concessional interest rate of 6% p.a. The loan is to be repaid in 18 monthly instalments excluding a moratorium of 3 months and is covered under the Tamil Nadu Credit Guarantee Scheme (TNCGS). Until 13.05.2024, 3723 applications were received for loan of Rs.108.41 crore and 2363 units have been sanctioned loans amounting to Rs.61.37 crore.

### **4.3 Subsidy**

TIIC is functioning as the nodal agency for various Government incentives for promoting industries in Tamil Nadu as under

#### **4.3.1 Backward area subsidy and Specific Thrust Sector Subsidy**

Capital subsidy to the tune of 25% on plant & machinery subject to a maximum of

Rs.150 lakh is provided to industries set up in SIPCOT / SIDCO estates in backward areas of the State and to units manufacturing select products specified under thrust sectors. The Corporation has disbursed Rs.40.39 crore as State capital subsidy to 197 beneficiaries during the financial year 2023-2024.

#### **4.3.2 Interest subvention Scheme for MSMEs**

In order to help the Micro, Small and Medium enterprises to get credit at a concessional interest rate to function viably, the interest subvention scheme of Government of Tamil Nadu with 3% interest subvention for medium enterprises and 6% interest subvention for micro & small enterprises is available for TIIC assisted units. Under the 3% interest subvention, TIIC has sanctioned loans to the tune of Rs.2763.51 crore and under the 6% interest subvention, the Corporation has sanctioned loans to the tune of Rs.1569.33 crore. The Government has so far



released Rs.152.80 crore and Rs.107.11 crore as interest subvention under the 3% and 6% subvention categories respectively till 31.3.2024.

#### **4.3.3 5% Back Ended Interest Subsidy Scheme**

TIIC has adopted 5% back ended interest subsidy scheme for technology upgradation / modernisation by existing micro and small enterprises as listed in the guidelines on Credit Linked Capital Subsidy Scheme (CLCSS). The maximum amount of back ended interest subsidy under this scheme shall be Rs.25 lakh on loans taken upto Rs.5 crore. The Corporation has disbursed Rs.4.70 crore as 5% back ended interest subsidy to 235 beneficiaries during the financial year 2023-2024.

#### **4.4 Financial Performance**

For the financial year 2022-23, TIIC has sanctioned loans of Rs.1777.03 crore and disbursed loans of Rs.1720.44 crore. The total loan portfolio of the Corporation stood at

Rs.2517.73 crore and has earned an operating profit of Rs.185.54 crore with net profit of Rs.136.15 crore. TIIC has disbursed dividend of Rs.15.17 crore to the State Government.

## **5. TAMIL NADU NEWSPRINT AND PAPERS LIMITED**

Government of Tamil Nadu established Tamil Nadu Newsprint and Papers Limited (TNPL) in 1979 to produce newsprint and printing & writing paper using bagasse as primary raw material. The TNPL Unit I factory is located at Pugalur in Karur district. The paper plant with machine capacity of 90,000 tonnes per annum was commissioned in the year 1985. The paper production capacity of the mill has been increased to 4,00,000 tonnes per annum through process improvements at various stages.

TNPL has set up a state of the art multi-layer double coated board plant TNPL-Unit II, with capacity of 2,00,000 tonnes per annum during 2016 at Mondipatti Village, Manapparai Taluk in Tiruchirappalli District.

Thus, TNPL has emerged as the third largest paper mill to produce printing & writing paper and coated board in the country with a total capacity of 6,00,000 tonnes per annum. Simultaneously, the pulp production capacity (Unit 1 & 2) has also been increased to meet the above production capacity (1580 tonnes per day).

TNPL produces a wide variety of high quality paper and coated boards suited for different end users. TNPL markets its products throughout the country and also exports about 20% of its production to over 35 countries across the globe. TNPL is the largest exporter of printing and writing paper in India.

### **5.1 Cement Plant**

TNPL established a cement plant with a capacity of 2,97,000 MT per annum to produce cement from the mill's solid wastes viz., lime sludge and fly ash generated during manufacture of paper.

## **5.2 Contract farming for raw material sourcing**

To meet the growing raw material requirement and to become self-reliant in pulp wood, TNPL has introduced two contract farming schemes namely farm forestry and captive plantation schemes. Under these schemes, TNPL has undertaken the implementation of pulp wood plantation with the participation of farmers. As on 31<sup>st</sup> March 2024, TNPL has developed 2,56,756 acres of pulp wood plantations involving 51,676 farmers throughout the state.

## **5.3 Power Generation**

TNPL has become self-sufficient in power generation. It has captive power generation capacity of 103.62 MW in its paper mill complex and 50 MW in its Board Mill complex. TNPL has also installed two wind farms with a capacity of 35.5 MW in Tirunelveli District. The surplus power

generated is exported to the state grid (TANGEDCO).

#### **5.4 Shareholding**

The Government of Tamil Nadu holds 35.32% shares in the company and companies owned by Government of Tamil Nadu hold 4.06% shares. The balance shares are held by Foreign Institutional Investors (FIIs), Indian Financial Institutions, Mutual funds, Insurance companies, corporate bodies and general public.

#### **5.5 Production and capacity utilization**

Paper Production	:	4,22,742 Tonnes
Paper Capacity Utilization	:	106%
Board Production	:	1,95,437 Tonnes Tonnes
Board Capacity Utilization	:	98%
Cement Production	:	2,00,155 Tonnes
Cement Utilization	Capacity	:
		67%

Sales of paper and coated board for the nine months ended 31<sup>st</sup> March, 2024 are 3,81,860 tonnes and 1,77,748 tonnes respectively.

## **5.6 Total Revenue and Profit**

The total revenue ended 31<sup>st</sup> March, 2024 is Rs.4761.80 crore. The profit before tax ended 31<sup>st</sup> March, 2024 is Rs.324.76 crore and after tax is Rs.208.16 crore. The company made a profit after tax of Rs.387.87 crore in the financial year 2022-2023.

## **5.7 Dividend**

The company has paid its shareholders a dividend of 50% for the financial year 2022-23 and accordingly the company has paid a dividend of Rs.12.22 crore to Government of Tamil Nadu. For the financial year 2023-2024, the company has declared an interim dividend of 30% (7.33 crore distributed) and a final dividend of 10% (2.44 crore) to be remitted.

## **5.8 Export**

For the period ended 31<sup>st</sup> March 2024, the company has exported 83,718 tonnes of paper and 4,807 tonnes of coated Board.

## **5.9 Employment**

The company provides direct employment for about 3000 persons and indirect employment for about 3,000 persons.

## **5.10 Projects**

### **5.10.1 Revamp of Steam and Power System at TNPL Unit I**

To have a reliable supply of utilities like steam and power for mill operations, the revamping of the existing steam and power system in Unit I has been taken up in phases. The installation of two high-pressure boilers is proposed to retire and replace the old low-pressure boilers installed since the mill's inception in 1985. As part of Phase 1, procurement of one High-Pressure Boiler with ancillaries has



been initiated at an estimated project cost of Rs.100 crore. The work is likely to be completed by June 2026.

### **5.10.2 Rooftop Solar Power Plant at TNPL Unit I & II**

In line with the commitment to environment and renewable energy, 1 MW rooftop solar power plants are under installation on buildings at both units. This project with an estimated cost of Rs.8 crore would contribute to our efforts to reduce our carbon footprint and is likely to be completed by July 2024.

### **5.11 Social Welfare Measures**

The company spends 2% of the average net profit made during the three preceding financial years on Corporate Social Responsibility (CSR) activities. As part of CSR, TNPL undertakes regular social welfare measures such as conducting health camps, vocational training programmes, development of infrastructure in

the neighbourhood, education and other activities. During 2023-24, the company has spent Rs.3.71 crore in this regard.

### **5.12 Corporate Environment Responsibility (CER):**

TNPL has spent Rs.66.60 lakh on CER activities for the year 2022-23 for various purposes like education, health, social-economic development, environment, culture and heritage. For the year 2023-24, so far TNPL has spent Rs.1.04 crore on CER activities.

### **5.13 Awards**

- ❖ TNPL has been honored as the "WINNER" of the "Prestigious Golden Peacock Business Excellence Award" for the year 2024 by the Institute of Directors, New Delhi.
- ❖ TNPL has been bestowed with the title of "Most Sustainable & Innovative Manufacturing Practices" for the year 2024 by the World Manufacturing Congress, Mumbai.

- ❖ TNPL was selected as the "WINNER" in the 8<sup>th</sup> Annual OHSSAI HSE "Excellence & ESG Global Award 2023" for its outstanding achievements in safety excellence.
- ❖ TNPL has been bestowed with the esteemed "WINNER" title in the category of "Best Technology Procurement" of the year 2024 by M/s. Invention Business Intelligence, Mumbai.
- ❖ TNPL has been recognized and honored as a "WINNER" in the 23<sup>rd</sup> Annual "Greentech Environment Awards 2023" for its outstanding contribution to environment protection and outstanding achievements in quality improvement.
- ❖ TNPL's dedication to energy efficiency was acknowledged with two prestigious awards during the 24<sup>th</sup> National Award for Excellence in Energy Management instituted by CII, at Hyderabad in September 2023.
- ❖ TNPL has been honored with the "11<sup>th</sup> Golden Globe Tigers Award 2023" in the category of "Best HR Company" and "Best Corporate Social Responsibility Practices" by M/s. Fun and Joy at Work, Mumbai.

## **6. TAMIL NADU CEMENTS CORPORATION LIMITED**

TIDCO promoted Alangulam Cement Plant in 1969. Thereby, Tamil Nadu became the first State in India to produce cement by a Public Sector Undertaking. Thereafter, Tamil Nadu Cements Corporation Limited (TANCEM) was incorporated on 11<sup>th</sup> February, 1976 as a wholly owned subsidiary of TIDCO and subsequently became a Government owned Public Sector Undertaking with effect from 31.12.1994 consequent to transfer of shares from TIDCO to Government.

Presently, TANCEM operates two cement plants in Ariyalur District with a combined capacity of 15 lakh MT per annum and one cement plant at Alangulam in Virudhunagar District with a capacity of 2 lakh MT per annum. TANCEM sells cement under four brand names namely Arasu, Arasu Super Star, Valimai and Valimai Super Star. TANCEM also functions as the State Level Nodal Agency for the Amma Cement Supply Scheme.

TANCEM supplies cement to District Rural Development Agencies and other Government Departments for the development schemes implemented by Union Government and Government of Tamil Nadu for the benefit of the lower and middle rung of the society at a very reasonable rate fixed by the Government. Also, TANCEM sells cement in the open market at a considerably lower price than the private cement manufacturers and is therefore instrumental in moderating cement price in the open market.

TANCEM provides direct and indirect employment to about 1,165 and 3,000 persons respectively.

TANCEM has obtained ISO 9001:2015 (Quality Management System) Certification and also is in the process of obtaining ISO 14001:2015 (Environmental Management System) and ISO 45001:2018 (Occupational Health and Safety Management System)

certification. This has boosted the image of TANCEM besides ensuring the quality of cement, Environment, Health and Safety Management System.

### **6.1 Open Market sales**

TANCEM is selling cement through stockists. This helps to contain the increase in price of cement in the market. TANCEM sold 13,14,694 MT cement in 2022-23 and 10,71,285 MT cement in 2023-24. This reduction in volume is due to drastic sales price reduction by the private cement manufacturers, stagnation in construction work and climate change.

### **6.2 Cement supply to Government Departments**

TANCEM supplies superior grade cement at a reasonable price to various Government Departments & Rural Development and Panchayat Raj (RD & PR) Department for their construction activities. During 2023-24, TANCEM

has supplied 2,23,514 MT of cement to Government departments.

### **6.3 Valimai Cement**

The new premium brand of “Valimai Cement” was launched by the Hon’ble Chief Minister on 16.11.2021 to sell cement at an affordable price to general public. Subsequent to the introduction of new brand of “Valimai” cement, the private cement manufacturers drastically reduced their cement price in the market and TANCEM paved the way for the availability of cement at low cost to the general public. 20 lakh MT of Valimai cement has been sold up to March 2024. During 2023-24, 9.68 lakh MT of Valimai cement has been sold.

### **6.4 Limestone Mines**

Limestone is the major raw material for cement manufacturing. TANCEM operates limestone mines at Ariyalur in Ariyalur District and Alangulam in Virudhunagar District.

**(a) Alangulam Cement Unit Limestone Mines**

TANCEM possesses five limestone mining leases at Alangulam Cement Unit granted by the Government. The mines are spread over 901.76.0 hectares an estimated reserve of 31 million tonnes. Further TANCEM has obtained Environmental Clearance for Pandapuli Limestone Mines at Alangulam Cement Unit and is in the process of obtaining Environment Clearance for four mining leases.

**(b) Ariyalur Cement Unit Limestone Mines**

TANCEM possesses eight limestone mining leases at Ariyalur Cement Unit granted by the Government over an extent of 703.79 hectares. The usable mining reserves is 63 million tonnes as per the re-assessment report which will increase the life of the Ariyalur Cement Plant.



TANCEM has obtained environmental clearance for six limestone mining leases and in the process of obtaining environment clearance for remaining mining leases.

### **6.5 Amma Cement Supply Scheme**

The Amma Cement Supply Scheme was introduced on 05.01.2015 to provide cement at the concessional rate to the general public. Under this scheme, cement is being procured from seven designated private cement manufacturers and sold at the rate of Rs.216/- per bag with effect from 11.12.2020 through 501 godowns. Under the scheme, a maximum of 750 bags is given at the rate of 50 bags per 100 sq.ft., subject to a maximum of 1,500 sq.ft. of construction in respect of new house. Annual income of the beneficiary should be less than Rs.3 lakh per annum. For repair & maintenance works eligible bags is 10 to 25 per beneficiary. Totally,

57,85,853.30 MT of cement (11,57,17,066 bags) have been sold and 19,58,248 persons have benefited under Amma Cement Supply Scheme till 31.03.2024.

## **6.6 Initiatives undertaken in 2023-24**

- (1) TANCEM constructed a new coal shed with storage capacity of 10,000 MT of coal to preserve coal during rainy season at an estimated cost of Rs.2.38 crore at Ariyalur Cement Works.
- (2) TANCEM installed an air slide conveyor system for transferring cement from the new plant cement mill to the 4 old plant cement silos to enhance cement storage capacity at a cost of Rs.4.57crore at Ariyalur Cement Works.
- (3) Smart classes have been introduced for technically advanced teaching-learning process in TANCEM Matriculation Higher Secondary School at Ariyalur with a financial spend of Rs.30 lakh.

## 6.7. Performance in 2023-24

During the year, TANCEM produced and sold 12.95 lakh MT of cement. This has earned a Net Profit of Rs.60.69 crore (Profit Before Tax).

### Production and Financial Performance

Name of the Unit	2022-23			2023-24 (Provisional)		
	Prodn. MT	Sales MT	Net Profit/Loss	Prodn. MT	Sales MT	Net Profit/Loss
			(in Rs. Lakhs)			(in Rs. Lakhs)
Ariyalur Cement Works – Old Plant	4,88,636	4,85,844	4,211.40	2,85,465	2,87,728	1,231.07
Ariyalur Cement Works – New Plant	9,62,685	9,59,618	8,422.72	7,72,900	7,72,131	4,558.30
Alangulam Cement Works	3,55,160	3,51,934	3,055.22	2,36,360	2,34,943	339.21
Tamil Nadu Asbestos Sheet, Alangulam	-	-	-20.77	-	-	-4.25
Stone ware Pipe Factory, Virudhachalam	-	-	-65.58	-	-	-34.58
Amma Cement Supply Scheme	2,80,485	2,80,159	35.05	1,51,380	1,49,914	-20.15
<b>Total</b>			<b>15,638.04</b>			<b>6,069.60</b>

## **7. TAMIL NADU SALT CORPORATION LIMITED**

Tamil Nadu Salt Corporation (TNSC) was established in 1974 to provide employment and improve the socio-economic conditions of the people in Ramanathapuram District. The main functions of TNSC are manufacture of salt and its by products and to market these at a reasonable price. Earlier, the State Government allotted an area of 5,236 acres of land in Valinokkam and surrounding villages of Kadaladi Taluk, Ramanathapuram District. Another 3,010 acres of land in Thiruporur Taluk, Chengalpattu District was allotted in the year 2019 on long-term lease for salt production.

TNSC commenced its commercial production in Ramanathapuram District in the year 1976. The products include industrial-grade salt, iodised salt and double-fortified salt.

## **7.1 Activities of the Corporation**

### **1) Production of Industrial Grade Salt**

TNSC produces around 1.50 lakh MT of salt per annum in Mariyur Valinokkam Salt Complex, Ramanthapuram District. Around 70% of the salt produced is supplied to chlor-alkali industries and the balance 30% is converted into value-added products like iodised salt and double-fortified salt which is supplied to PDS and noon meal schemes. During the year 2023-24, a total of 1,55,444 MT of salt was produced. For the year 2024-25, the planned production is 1.70 lakh MT salt in Valinokkam salt works.

In Thiruporur, TNSC has developed salt works on 500 acres in the 1st phase on the 3,010 acres of land allotted by the Government of Tamil Nadu on lease. However, salt could not be produced due to unseasonal rains and lack of backwater in the Buckingham Canal.

## **2) Production of Fortified Salt**

Mariyur Valinokkam Salt Plant is producing fortified edible salt like crystal iodised salt, refined free flow iodised salt and double fortified salt. The iodised salt produced confirms to IS 7224:2006 and is distributed through PDS at affordable price.

TNSC has been playing an active role in the “Universal Iodisation of Salt Programme” of World Health Organization. From 1998-99 to 2023-24 TNSC has produced and distributed 8,00,029 MT of iodised salt.

During the year 2023-24, a total of 22,541 MT of salt has been supplied through PDS in the State. The double fortified salt i.e., salt fortified with iron and iodine is supplied to Government school noon-meal Centers and anganwadis in order to reduce the iron and iodine deficiency in the vulnerable category children. During the year 2023-24, 2,287 MT of double fortified salt was supplied to the Noon Meal Programme.

## **7.2 Mechanical harvesting of Salt**

In order to increase the salt production, semi-mechanization was introduced in the year 2020-21. Initially, 30 acres were taken for semi-mechanization. As per the Assembly announcement made during 2021-22, additional 80 acres have been taken up for semi-mechanized production in Valinokkam. TNSC has produced a total of 23,483 MT of salt through semi-mechanization during 2023-24 in the Valinokkam project.

## **7.3 Operation of Salt Refinery**

A new salt refinery was established at Valinokkam, Ramanathapuram District with CSR funds from Tata Trust in the year 2017. TNSC has produced 6,379 MT of refined free flow iodised salt and double fortified salt during 2023-24 in the refinery.

## **7.4 Credentials of TNSC**

TNSC has necessary quality certifications for the production of iodised salt and double fortified salt as per BIS, namely IS 7224:2006 and IS 16232:2014. TNSC is an ISO 9001:2015 certified organization. License from the Food Safety and Standards Authority of India (FSSAI) for the quality production of iodised salt and double fortified salt has also been obtained.

## **7.5 Launch of “Neithal Salt” in open market**

As per the Assembly announcement made by the Hon'ble Minister for Industries, TNSC launched the open market sale of crystal iodised salt and refined free flow iodised salt under the new brand name 'Neithal Salt'. TNSC has appointed dealers in Chennai and other districts and commenced the sale of Neithal Salt in the open market. Continuous efforts are being made to promote Neithal Salt through sales representatives appointed in all districts. Neithal



Salt is also sold through co-operative outlets like Amutham. TNSC has so far sold 444 MT of Neithal salt in the open market.

## **7.6 Employment Opportunity**

TNSC is providing employment opportunities which benefits around 1,250 workers directly and 500 people indirectly in the villages around Valinokkam, Ramanthapuram District.

## **7.7 Welfare and Basic Amenities to the workers**

TNSC extends monetary benefits to workers engaged in salt production including minimum wages, bonus, dearness allowance statutory benefits like leave wages, gratuity, EPF and compensation of Rs.1 lakh to the nominee of the deceased worker in the event of unfortunate death during working period. Basic amenities like protected drinking water and clean toilet facilities, safety gears like goggles, gumboots and towels are provided. Periodical

medical camps are also conducted for the welfare of the workers.

### **7.8 State level nodal agency**

The State Government has nominated TNSC as the coordinating and nodal agency for salt production related issues in the State. Annual production of salt in Tamil Nadu is around 24 lakh MT which takes place in 9 coastal districts. More than 4,100 salt producers are engaged in salt production including small, medium and large-scale producers. About 48,000 acres of Government and private land are used for the production of salt in the State.

### **7.9 Scheme for providing financial assistance to the salt workers families during the rainy season.**

The salt industry is seasonal in nature. Salt workers get work for only 9 months during the year. The Hon'ble Minister for Industries announced in the Assembly in 2021 that

Government will provide financial assistance of Rs.5,000 per annum during the rainy season from October to December to the salt workers families.

The Hon'ble Chief Minister of Tamil Nadu launched the scheme on 12.08.2022. The relief assistance provided during the past three years, is as follows:

<b>Sl. No.</b>	<b>Year</b>	<b>No of salt workers families</b>	<b>Amount disbursed (Rs. in crore)</b>
1.	2021-2022	6,472	3.230
2.	2022-2023	6,332	3.166
3.	2023-2024	8,478	4.239

During December 2023, the southern districts of Tamil Nadu experienced heavy rainfall followed by floods which caused heavy damage to the salt industry in Thoothukudi District. The State Government came to the rescue of salt workers and sanctioned additional relief assistance of Rs.1.59 crore at the rate of Rs.3,000 each to the 5,300 salt workers families in Thoothukudi District.

## 7.10 Performance during 2023-24

### 1) Sales performance

TNSC made a revenue of Rs.39.65 crore by sale of 1.47 Lakh MT of Salt during the year 2023-2024.

### 2) Financial performance (Tentative)

Sl. No.	Description	Amount (Rs. in lakh)
	<b>Income</b>	
1.	Revenue from sale of salt	33,965.30
2.	Other incomes	79.64
3.	Increase / decrease in value of stock of salt	-19.41
	<b>Total</b>	<b>4,025.53</b>
	<b>Expenditure</b>	
1.	Manufacturing expenses	1,741.58
2.	Salary, wages and employee benefits	1,050.75
3.	Administrative expenses	152.91
4.	Selling and distribution expenses	383.56
5.	Corporate Social Responsibility	0.50
	<b>Total</b>	<b>3,329.30</b>
	Gross Profit	696.23
	Depreciation	259.55
	<b>Net Profit before Tax</b>	<b>436.68</b>

## **CONCLUSION**

While taking pride and celebrating the fabulous performance of the industrial sector and economic growth during 2023-24, the Government has ambitious plans and a clear roadmap to reach newer heights of achievement in the current financial year 2024-25.

The focus will be on drawing more investments into the State while continuing to provide facilitation and support to the existing ones. To further the knowledge economy in the State, efforts will be undertaken to create platforms that provide for systematic collaborations between Government, industries and academia to ideate, design and create new products and services. Initiatives will be undertaken to deepen knowledge among all key stakeholders in the ecosystem through several dialogues, and collaborations with international institutions of repute. Policy

interventions and schemes shall be developed to boost R&D activities between industries and academia to counter the challenges impacting the future of manufacturing.

Global roadshows and investor conclaves will be undertaken to attract investments from new-age industries and services sectors, with a focus on engaging with companies creating products and services with a higher added value.

Due attention will be given for ramping up the industrial infrastructure while also offering better facilities and adopting sustainable practices in the industrial parks. Plug & play facilities and ready-to-operate Grade-A Buildings for IT, ITeS and GCC in Chennai and Tier 2 cities will also be an area of focus.

There will be continued emphasis on bettering the Ease of Doing Business while also improving the performance in Business Reforms. Carefully thought out measures would

be implemented to accelerate the economic growth, balanced regional development and better quality of life to the people of Tamil Nadu.

**Dr. T.R.B. RAJAA**

MINISTER FOR INDUSTRIES



Tamil Nadu Global Investors Meet 2024, inaugurated by the Hon'ble Chief Minister, was held on 7<sup>th</sup> and 8<sup>th</sup> January 2024. It resulted in the signing of 631 MoUs worth ₹6.64 lakh crores and the creation of over 26 lakh jobs.





Hon'ble Chief Minister released the "Tamil Nadu Semiconductor and Advanced Electronics Policy 2024" on 07.01.2024 during Tamil Nadu Global Investors Meet 2024.



A delegation led by the Hon'ble Chief Minister met eminent industry leaders during their visit to Singapore from 23.05.2023 to 25.05.2023 to attract investments into Tamil Nadu.



The Hon'ble Chief Minister led a delegation to Japan from 26.05.2023 to 30.05.2023 to attract investments into Tamil Nadu.



Hon'ble Minister for Industries participated in the World Economic Forum 2024 held at Davos in Switzerland.



Hon'ble Chief Minister virtually inaugurated the JR-One Foot Wear manufacturing unit located at SIPCOT Erayur Industrial Park on 28.11.2023.



Hon'ble Chief Minister laid the foundation stone for the EV manufacturing unit of VinFast Auto Limited at SIPCOT Sillanatham Industrial Park on 25.02.2024.



Hon'ble Chief Minister led the signing of MoU with TATA Motors Group for setting up their car manufacturing facility on 13.03.2024.



Hon'ble Chief Minister laid the foundation stone for Fintech City and Fintech Tower at Nandambakkam, Chennai on 17.06.2023.





Hon'ble Chief Minister laid the foundation stone for Mini TIDEL Parks in Thoothukudi, Thanjavur and Salem Districts on 19.05.2023.



Hon'ble Chief Minister inaugurated Mini TIDEL Park in Villupuram District on 17.02.2024.

