



INDUSTRIES DEPARTMENT

MAJOR INDUSTRIES

POLICY NOTE

2021-2022

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THANGAM THENNARASU
MINISTER FOR INDUSTRIES

©

Government of Tamil Nadu
2021

INDUSTRIES DEPARTMENT

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CONTENTS

Sl. No.	Title	Pages
	Introduction	1-16
1.	Guidance	17-52
2.	State Industries Promotion Corporation of Tamil Nadu Limited	53-86
3.	Tamil Nadu Industrial Development Corporation Limited	87-108
4.	Tamil Nadu Industrial Investment Corporation Limited	109-126
5.	Tamil Nadu Newsprint and Papers Limited	127-138
6.	Tamil Nadu Cements Corporation Limited	139-146
7.	Tamil Nadu Salt Corporation Limited	147-160
8.	Department of Sugar	161-170

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INTRODUCTION

Tamil Nadu is the second largest state economy with a 9.84% share of India's GDP in Financial Year 2020-21. Amidst the disruption brought on by the COVID pandemic, Tamil Nadu's economy grew by 5.28% in Financial Year 2020-21(which was higher than other industrialised states such as Andhra Pradesh, Telangana, Uttar Pradesh and Karnataka). The State's growth was even more remarkable when juxtaposed with India's GDP which contracted by 3% during this period. The secondary sector accounts for 29.5% of the State GDP with manufacturing contributing 18.2%.

As an economic lighthouse State, Tamil Nadu has set out an ambitious target of becoming a USD 1 trillion economy by Financial Year 2030-2031 to continue its crucial role in shaping India's growth. Towards this end, the State will endeavour to attract investments of around Rupees 23 lakh crore and create employment for 46 lakh people. Further, the Government of Tamil Nadu shall strive to support the growth of the manufacturing sector in the State from \$48.1 billion in 2020-21 to \$236 billion in 2030-31.

1. Overview

Tamil Nadu has a robust industrial ecosystem and its dominant position among States is supported by the Annual Survey of Industries (ASI) report which provides valuable statistics on the industrial sector in India. The table below provides a snapshot of Tamil Nadu's

performance across several different parameters:-

Table 1: Tamil Nadu's performance across parameters, based on ASI 2018-19

Parameter	TN Rank	Value	Top Ranked State	Top Ranked State Value
Number of factories	First	38,131 factories	-	-
Number of people engaged	First	25,53,599 persons	-	-
Gross Output	Third	Rs.9.39 lakh crore	Gujarat	Rs.16.19 lakh crore
Gross Value Add	Third	Rs.1.68 lakh crore	Maharashtra	Rs.2.32 lakh crore
Invested Capital	Third	Rs.4.22 lakh crore	Gujarat	Rs.9.23 lakh crore

Tamil Nadu has a strong presence across various sectors like automobiles and auto-components (including Electric Vehicles), textiles & wearing apparels, leather, chemicals

(including rubber & plastic), electronics, machinery, and fabricated metal products. The following table showcases the position of Tamil Nadu vis-à-vis the leading state across different manufacturing sectors.

Table 2: Tamil Nadu’s performance across sectors, based on ASI 2017-18

Sector	TN Rank	Output (Rs. in crore)	% Share of India’s output	Top Ranked State	Top Ranked State Output (Rs. in crore)
Automobiles and auto components	First	1,88,603.23	23.03	-	-
Wearing Apparel	First	44,175.20	33.47	-	-
Leather & related products	First	15,677.30	28.34	-	-
Textiles	Second	92,422.84	22.05	Gujarat	96,932.28
Machinery	Second	71,630.63	19.51	Maharashtra	96,784.62
Electronics	Second	30,052.02	15.07	Uttar Pradesh	62,521.02
Fabricated metal products	Second	28,743.32	13.59	Maharashtra	53,587.31
Rubber & plastics	Third	30,804.38	11.03	Maharashtra	46,335.31
Food Processing	Fourth	96,035.55	8.65	Maharashtra	1,50,135.06
Chemicals	Fourth	36,104.34	5.46	Gujarat	2,20,620.65

Tamil Nadu's Index of Industrial Production (IIP) grew 3.8 times from 32.9 in April 2020 to 126.1 in April 2021. In the same period, India's IIP grew at a lower rate of 2.9 times from 42.1 to 125.

In addition to being a strong manufacturing hub, Tamil Nadu is the 3rd largest exporting State with Rs 1.93 lakh crore, accounting for 8.97% of Indian exports in 2020-21. The State's major export products include automobiles and auto components, machinery, textiles & wearing apparel, leather products, and electronics. Tamil Nadu's major export markets are USA, China, Germany, UAE, and UK.

The State is home to manufacturing facilities of numerous globally renowned firms like Hyundai, Peugeot, BMW, Daimler, Caterpillar, Ashok Leyland, TVS, Renault-Nissan,

Foxconn, Delta, DELL, Salcomp, TATA Electronics, CEAT, Michelin, MRF, Grundfos and L&T. Further, the presence of 75 of the Fortune 500 companies in Tamil Nadu serve as a testament of investor confidence in the State.

2. Investors First Port of call – Tamil Nadu

The State has continued to be a major FDI investment destination and has attracted \$34.5 billion between April 2000 – March 2021. It has sustained its position amongst the top 5 FDI attracting States during this period.

The Government of Tamil Nadu under the able leadership of the Honourable Chief Minister has been able to galvanize investments into the State even during the COVID pandemic. This is underscored by the Government of Tamil Nadu signing MoUs with a cumulative investment commitment of Rs.17,141 crore and employment for 55,054 people in the first two

quarters of Financial Year 2021-22. Further, it showcases the trust and confidence reposed in the State by investors.

3. Pro-active Governance

Tamil Nadu recognising the need for an inclusive and forward-looking policy, revised the industrial policy and launched the new Tamil Nadu Industrial Policy 2021. The Policy is designed in a manner to be transparent, innovative, and flexible for investors. Further, the Government of Tamil Nadu aims to launch additional policies including Exports Strategy, Life Sciences R&D and Manufacturing Policy and FinTech Policy in order to strengthen the State's presence in these sectors.

Tamil Nadu has undertaken sustained reforms to reduce and simplify 286 compliances, required by businesses. Further, the State has implemented 301 reforms based on Business

Reforms Action Plan 2020 and 45 reforms (112 services) as part of the District Reforms Action Plan 2020.

In addition, the Hon'ble Chief Minister of Tamil Nadu has launched a Single Window Portal 2.0 on 20.07.2021 which offers 100 services across 24 departments with another 100 services to go live by 2022.

The State has a statutory Investment Promotion and Monitoring Board with the Hon'ble Chief Minister as Chairman to review all issues related to Investor Facilitation and Investment Promotion which is serviced by the Industries Department.

4. National Recognition

Tamil Nadu has been recognised by different independent surveys undertaken on different aspects which showcases its position as a leading State in the country.

- The Good Governance Index which is used to assess States on Governance and impact of various interventions by State Governments, ranked Tamil Nadu 1st amongst large states in its 2019 edition. The Public Affairs Index (PAI – 2020) published by the Public Affairs Centre placed Tamil Nadu second nationally in terms of overall performance and sustainability.
- Tamil Nadu moved up from third to second rank in the annual Sustainability Development Goals India Index 2020-21 published by NITI Aayog.
- The State ranked 3rd in Export Preparedness Index (EPI) 2020 published by NITI Aayog which assessed States on parameters such as Policy, Business

Ecosystem, Export Ecosystem and quantum of Exports.

- The India Skills Report 2020 ranked Tamil Nadu 2nd in terms of states with the highest employability, with Chennai being ranked in the top 10 employable cities.
- Under the India Business Process Outsourcing Promotion Scheme (IBPS) launched by the Union Government, Tamil Nadu ranked 2nd in new job creation among states.
- Tamil Nadu ranked 3rd in the India Innovation Index 2020 released by NITI Aayog.
- The Ease of Living Index released by the Ministry of Housing and Urban Affairs, Government of India utilises pillars such as Quality of Life, Economic Ability, Sustainability across 13 different

categories to examine and rank cities. In the top 10 list of cities with 1 million + residents, Chennai and Coimbatore were ranked 4th and 7th respectively. In the top 10 list of cities with less than 1 million residents, Salem & Vellore were ranked 5th and 6th respectively.

5. Infrastructure

Tamil Nadu offers excellent infrastructure connectivity to investors wishing to set up their manufacturing units. It has a large road network of 2,13,096 km with State and National Highways constituting 17,000 km. The State also has multiple export gateways with 4 large ports and 4 international airports. The major export gateways in the state are Chennai Port, VOC Port, Kattupalli Port, Kamarajar Port and Chennai Airport.

Tamil Nadu has 4 industrial corridors in the works viz. Chennai- Kanyakumari Industrial Corridor, Chennai-Bangalore Industrial Corridor, Bangalore-Kochi Industrial Corridor and Tamil Nadu Defence Industrial Corridor which collectively span most of the districts of the State.

Further, Tamil Nadu has 6 submarine cable landing points which is the second highest in the country behind Maharashtra. Tamil Nadu offers a broadband connectivity of 14.8 Tbps (tera bytes per second) which is amongst the highest State bandwidths available in the country.

6. Industrial Parks & Land Banks

Tamil Nadu has an existing land bank of around 40,000 acres across industrial parks in the State and is focused on increasing the land bank further. The Government shall aim to

increase this by setting up additional parks, with specific focus on industrially backward districts.

The Government is also implementing newer models such as plug and play facilities in SIPCOT parks or Joint Ventures with private players. The Government is also promoting industrial housing projects in close proximity of industrial parks in order to improve labour participation and productivity. Further, the Government plans to establish country specific integrated industrial townships to provide an enhanced ecosystem for foreign investors and their employees in the State.

7. Human Capital

Tamil Nadu is recognised as a bastion of higher education in the country, as it has the highest number of technical universities in the country with more than 2400 colleges offering various courses. The State also has 450+ ITIs

providing vocational training. The private sector is deeply involved in vocational training as nearly 85% of the ITIs are privately owned.

According to the All-India Survey of Higher Education (AISHE) 2019-20 survey, nearly 9,00,000 students come out annually with qualification of various levels, from Certificate courses to Post graduation. The highly skilled and educated workforce available in the State serves as a major attraction for investors looking to invest.

8. Integrated MSME Sector

Tamil Nadu's dominant position in large industries is complemented by an equally strong MSME sector. It has the 2nd highest number of registrations on the Udyog Aadhar registrations. The MSME sector in the State is diversified and provides a robust vendor ecosystem for large industries.

Industrial development and services have been the cornerstone of the State's economic growth story and the key narrative of the State's prominence nationally and globally. Manufacturing and services are considered as the twin growth engines for the State's development as they have a high multiplier effect on economic growth and employment. The State is striving to improve its manufacturing competitiveness and cost effectiveness in services by capitalising on the opportunity of consumption-led growth domestically as well as export markets globally. This has attracted domestic and foreign direct investment and contributes to a positive balance of payments.

The development strategy of the State aims at maximising industrial output and employment, by targeting and creating industries that are higher up the value chain

while building on and supporting the established employment-oriented enterprises and emerging sectors like FinTech, Future mobility, Electronic manufacturing, Data Centres and renewable energy. This is especially important in the context of re-engineering global supply chains during the pandemic. The Government of Tamil Nadu seeks to encourage the trends aligned with increasing manufacturing competitiveness such as Industry 4.0 and in sunrise sectors. The State envisions accomplishing these objectives through its proactive policies, simplification, and rationalization of business regulations. Further, the State is committed to achieving growth that is sustainable, innovative, inclusive and aligned with balanced regional development.

1. GUIDANCE

Guidance (formerly Tamil Nadu Industrial Guidance and Export Promotion Bureau) was established as a non-profit registered Society in 1992 with the objective of attracting major investment proposals into Tamil Nadu. Since inception, Guidance has facilitated investments for over Rupees Five lakh crore across various sectors. Guidance has evolved into an organization that strives to transform the ecosystem in Tamil Nadu for investors to invest, innovate and create.

1.1 Mandate

Guidance was established 'to serve as a focal point for dissemination of information and render facilitation to entrepreneurs with a view to giving fillip to the industrial growth of the State'. As per the Tamil Nadu Business Facilitation Act, 2018, Guidance Bureau has

been given the statutory responsibility of functioning as the Nodal Agency for providing incentives and single window clearances for all enterprises other than MSMEs. Guidance is the designated Investment Promotion agency of the state and with this mandate, it undertakes the following functions to facilitate investments and promote the State to prospective investors:

- **Investment Promotion** – Investment promotion in all manufacturing and service sectors, generate leads and develop them into investments generating employment into Tamil Nadu and investment promotion through country specific desks.
- **Investment Facilitation & Aftercare** - Handhold investors setting up their operations in Tamil Nadu, undertake ease of doing business reforms, manage the Single Window Portal, Biz Buddy Portal and

coordinate on any issues relating to approvals and clearances.

- **External Engagement** - Connect with the international investor community and position TN globally, coordinate with Foreign Missions in India, Indian Missions abroad and international trade agencies, multilaterals, and bilateral agencies.
- **Policy and Research** - Conduct applied research and provide recommendations on industrial and investment policies and its implementation, track and monitor economy, industry and investments in the State and serve as a think tank for the Government.
- **Regional Outreach** - Provide ground support to existing investors, industry associations and potential investors across the various regions/districts in the state,

liaison with investors and help resolve their issues through Biz Buddy.

- **Media & Communication** - Promote TN as an investment destination and disseminate information on the State's investment promotion activities through social media, digital and print media, and management of public relations.

1.2 COVID management & recovery initiatives

Guidance, under the aegis of the Industries Department, and in collaboration with other Government departments and agencies, undertook several measures to mitigate the effects of the pandemic for industries and carried out several initiatives to restore the confidence of the investors.

1.2.1 COVID Helpline Team

Guidance operated 24x7 during the pandemic and created two helpline teams for COVID-19 support activities to provide clarification and assistance on issues like truck movement, blockades at district / state borders, movement of groceries and edible items stuck at borders, permissions to operate / do maintenance at factories, vehicle passes, employee passes, shipments stuck at airports, etc. Over 4000 calls were facilitated by the helpline during the first quarter of Financial Year 2021-22, during the peak of the pandemic. Guidance also reached out to more than 200 PPE, ventilators and N95 masks suppliers / distributors and facilitated the logistics involved in the pandemic. Further, Guidance team set up country specific COVID helpline with Consul Generals of various countries including Korea,

Denmark, Japan, USA, UK, Taiwan, Singapore and Australia to ensure swift resolution of issues.

1.2.2 Facilitating Supply of Medical Oxygen and Oxygen Concentrators

With the help of Inox Air Products, Indian Railways, and other stakeholders, 4 ISO containers were airlifted from the Netherlands to West Bengal wherein liquid medical oxygen was filled and containers were moved to Tamil Nadu. Many companies and trade bodies came together to donate oxygen concentrators to the state. The US-India Strategic Partnership Forum (USISPF) generously donated 486 concentrators by airlifting it from Foshan, China for Tamil Nadu. Korean companies that have made Tamil Nadu their home such as Hyundai and Samsung also donated 300+ oxygen concentrators. Licenses were issued swiftly to three companies to convert their industrial

oxygen units to produce medical oxygen. This resulted in an additional 15 MT of medical oxygen generation in the state.

Oxygen demand increased significantly during the second wave of the COVID pandemic. In order to meet the unprecedented demand for oxygen, the Government of Tamil Nadu has taken special measures to bring in Liquid Medical Oxygen from Chhattisgarh, Odisha, West Bengal and Maharashtra. 5751.99 MT of liquid oxygen was brought by road and rail from the above States.

1.2.3 Facilitating Vaccination of Industrial Workforce

In collaboration with SIPCOT, DIC, Health Department and various trade bodies, Guidance facilitated uptake of vaccination among the industrial workforce across the state. Over one lakh employees above the age of 45 were

vaccinated in this initiative. Hon'ble Chief Minister of Tamil Nadu has inaugurated vaccination camp at Tiruppur Nethaji Readymade Textile Park on 21.05.2021. In continuation of this, Hon'ble Chief Minister has also opened a vaccination centre on 26.05.2021 at automobile giant Daimler India's manufacturing unit at Oragadam to facilitate uptake of vaccination in their locality.

1.2.4 Special Incentive Package to promote Oxygen Manufacturing

To meet the increased demand for medical oxygen due to the COVID 19 pandemic's second wave, the Government of Tamil Nadu announced a special incentive package to encourage oxygen production in the State. The incentive package provides 30% capital subsidy in 2 equal instalments to manufacturing units which invest in oxygen concentrators, cylinders, and medical

oxygen in the State. Additional benefits such as priority land allotment, interest subvention on loans and clearances through the Single Window Portal is also being provided. Granting of Special Package of Assistance for promoting the production of medical Oxygen is first of its kind in the Country.

1.3 Investment Promotion (Manufacturing & Services)

Guidance is the nodal agency for investment promotion for all enterprises other than MSMEs. This includes promotion for focus sectors in manufacturing as well as services such as Automobile and Auto Components, Chemicals, Electronics & Hardware, Heavy Engineering, Leather, Textiles, Financial Services and IT/ITeS; and for sunrise sectors such as Aerospace and Defence, Agro & Food Processing, Renewable Energy Components, ESDM, Medical

Devices, EV, Biotechnology, Pharmaceuticals, Petrochemicals and Speciality Chemicals, Footwear, Technical Textiles, Data Centres and FinTech. Promotion activities are undertaken through dedicated country desks, sector desks and promotional events such as investment conclaves.

1.3.1 Country Desks

Guidance has country desks for focus countries such as USA, France, Germany, UK, China, Republic of Korea, Japan, UAE, Indonesia, Singapore and Taiwan. In case of Taiwan, a full-time employee has also been placed in Taiwan itself to facilitate investors. Countries have been allocated to individual managers at Guidance to liaise with country specific investors and diplomatic corps. Guidance has also established an investment promotion and facilitation desk in New Delhi for coordinating

with various Central Government agencies and diplomatic missions.

Guidance Tamil Nadu has entered into an MoU with American Tamil Entrepreneurs Association (ATEA) to promote start-ups in the fields of innovation, Research & Development in Tamil Nadu. This Digital Accelerator Program sanctions grants to start-up projects engaged in innovation, research and development. 75 applications have been received under this programme, out of which 5 organizations (Core Stack, Atsuya Technologies, Pacifyr, Swire Pay & Plethy) have been selected for sanction of grants.

1.3.2 Sector Specific Investment Teams

Guidance has 6 sector teams covering over 12 focus sectors such as Automobiles, Food Processing, Electronics & Hardware, Aerospace & Defence, Renewable Energy Equipment

manufacturing, Heavy Engineering, Textiles & Apparels, Chemicals, IT & ITeS, and Pharma. The teams generate leads in these sectors and drive those leads as investments and employment into Tamil Nadu.

1.3.3 FinTech Cell

The Hon'ble Minister for Finance & Human Resources Management during his inaugural budget address on 13.08.2021, announced the formation of a separate 'FinTech Cell' in Guidance which shall promote and facilitate investments in the areas of FinTech, Global Capability Centres & Data Centres. By harnessing the State's potential to attract investments in these segments, Tamil Nadu can consolidate its position as the leading destination for ICT industry in the country. Guidance has facilitated investment proposals

worth over Rs. 18,000 crore in Data Centes in the last year.

The FinTech Cell shall be set up with members from Guidance and the industry to help the State establish industry connections and attract investments.

1.3.4 Export Cell

Based on the recommendations provided by the Special Investment Task Force Committee constituted by the Government of Tamil Nadu, an "Export Cell" is being set up in Guidance which shall perform the following roles:-

- Create a forum for consulting various stakeholders engaged in foreign trade.
- Strengthen exports from the State and play an intensive role in facilitating International Trade from Tamil Nadu.

- Provide support services to the export-oriented units and answer questions from exporters, match trade partners, and address export issues.

1.3.5 “Investors First Port of Call – Tamil Nadu”- Conclave – July 2021

Guidance with the support of the Industries Department organised an Investors Conclave in July 2021 presided over by the Hon’ble Chief Minister. The event saw 35 MoUs being signed with a cumulative investment commitment of Rs. 17,141 crore that will create employment opportunities for 55,054 persons. The Hon’ble Chief Minister also laid the foundation stone for 9 projects with an investment of Rs. 4,250 crore that will generate employment for 21,630 persons. Further, 5 projects with an investment of Rs. 7,117 crore were inaugurated which shall create 6,798 jobs. These investments are in the fields of Renewable Energy, Electronics, Auto

Components, Industrial Parks, IT / ITeS, General Manufacturing, Food Processing, Footwear, Pharmaceuticals and Textiles among others. These projects will be established across the districts of Tamil Nadu viz., Tirunelveli, Thoothukudi, Dindigul, Virudhunagar, Madurai, Pudukkottai, Karur, Erode, Coimbatore, Salem, Tiruppur, Krishnagiri, Ranipet, Tiruvallur, Chengalpattu, Cuddalore, Villupuram and Tiruvannamalai.

1.3.6 Global Investors' Meet 2015 & 2019

In order to attract investments, the Government organized Global Investors' Meet during the years 2015 and 2019 in Chennai. Through this, employment was generated apart from attracting investments.

1.4 Investment Facilitation & Aftercare

1.4.1 Ease of Doing Business

301 reforms have been implemented under the Business Reforms Action Plan (BRAP) and an additional 45 reforms have been implemented as part of the District Reforms Action plan (DRAP).

The Government of Tamil Nadu has also set up a committee chaired by the Chief Secretary to monitor and track the progress on these reforms.

1.4.2 Reduction in Compliance Burden

Regulatory compliances act as a major deterrent to attract investments and impede day to day operations of the businesses, thus hampering the State's capacity in providing a conducive ecosystem to the investors. Therefore, making the regulatory framework simple and effective is imperative.

Guidance has supported sustained reforms to reduce and simplify 286 compliances, required by businesses. These reforms include doing away with renewals, auto renewal with online payment, increasing the periodicity of renewals, reduction in number of filings, joint inspection, elimination of registers and display requirements and digitization of processes. This will minimise the cost, time and procedural burden on businesses, eliminate physical touch points with the Government and ensure that they are able to concentrate their resources on their core business activities.

Further, Guidance is spearheading the process of re-examining obsolete legislations with various departments to simplify and eliminate redundant laws.

1.4.3 Launch of Single Window Portal 2.0

The Tamil Nadu Business Facilitation Act has been enacted to ensure time-bound delivery of services through the single window portal with defined timelines for 160 clearances. In order to digitise services to improve their time bound delivery, the Single Window Portal (SWP) 2.0 was launched on 20 July 2021 by the Hon'ble Chief Minister which offers 100 digitised services spread across 24 departments. An additional 100 services are planned to be offered through Single Window Portal by 2022.

The SWP 2.0 portal enables investors to apply for various G2B services at various stages of operation in a seamless manner:

- Investors can check the timelines, procedure, fees, and document checklist prior to applying for a clearance.

- Parallel processing of applications i.e., investors can apply for various clearances simultaneously.
- Provision for deemed approval for certain clearances in case the necessary approvals are not given within the defined timelines.
- Online information wizard to help investors identify clearances applicable to their enterprise.
- AI Chatbot equipped to address the queries of the investors .
- Application tracking facility to track the status of the application on real time basis, with provision of SMS/Email alerts.
- Provision for third-party validation of certificates.
- Provision to schedule virtual meetings with Departments and Sector Experts of Guidance.

Till August 2021, a total of 305 applications have been received on the Single Window Portal with 212 having been completed.

1.4.4 Biz Buddy

Biz Buddy is an industry help desk portal designed to facilitate B2G interactions between investors and the State Government. The primary objectives of the Biz Buddy portal are:-

- To provide a streamlined redressal mechanism for faster turnaround.
- Enhancing aftercare services to improve the State's investment climate.

Till August 2021, a total of 203 applications have been received with 194 having been closed so far. The portal has helped reduce the resolution period by 85%.

1.4.5 Regional Outreach Team

Guidance has a regional outreach team spread across the State providing on-the-ground support for investors, industry associations and potential investors. The team works closely to

resolve issues through Biz Buddy and with different departments as required.

1.4.6 Facilitation & Aftercare

Guidance has set up a project management & facilitation team which supports and facilitates existing and new investors on any issue related to clearances and approvals. The team is also responsible for managing the Single Window Portal and Biz Buddy.

1.5 Upcoming Policies

Guidance is working on several new policies such as FinTech Policy, Life Sciences-R&D and Manufacturing Policy, Exports strategy and updates to the EV policy to accelerate the growth of these sectors in the State.

1.6 External Engagement

Guidance has set up an External Engagement team which engages with the international investor community and positions

Tamil Nadu as a global investment destination. The Government of Tamil Nadu and Guidance have had various engagements with the Consul Generals, embassies of the focus countries and key industry associations.

Guidance set up and participated in country specific round tables with companies, trade associations and consulates from Denmark, Japan, and France. Guidance also participated in the Virtual BRICS Trade Fair 2021 to promote Tamil Nadu as an investment destination.

1.6.1 Institutional Arrangements for International Cooperation

Guidance has signed institutional MoUs that have the capacity to facilitate investments into Tamil Nadu and contribute to relevant research or thought leadership which can enhance Tamil Nadu's image globally. By collaborating with such institutions, Guidance aims to address the specific demands and

sectoral interests of the respective country and respond efficiently thereby facilitating investments from these countries.

A joint working committee of Japan and Tamil Nadu has been constituted and regular meetings have been convened to discuss various issues related to Japanese investments.

- Guidance has signed an MoU with American Tamil Entrepreneurs Association (ATEA) to function as its country desk in USA.
- Organizational MoU with US-India Strategic Partnership Forum (USISPF) to strengthen US - Tamil Nadu bilateral and strategic ties.
- MoUs with the Kanagawa and Hiroshima Prefectural Governments of Japan to boost investments from Japan into Tamil Nadu.
- Organizational MoU with Business Leaders Forum & ITEC, Dubai for strengthening the

trade relations with the Arab countries and attract investments into Tamil Nadu.

- Consultative arrangements have also been constituted with Federal Republic of Germany and Republic of Korea.

1.7 Action Plan for Financial Year 2021-22 Increased focus on Emerging Sectors

- Promoting high value addition segments of existing sectors in manufacturing and services along with sunrise sectors which shall drive growth in the future.
- Host round table discussions with focus countries and sunrise sectors.

Focus on Anchor Clients

- Attracting anchor clients across sectors which will help in the development of upstream and downstream industry linkages.

International Outreach

- Guidance and the Government of Tamil Nadu shall strive to participate and promote the state in key events of international acclaim.

Strengthening Supplier Ecosystem

- Strengthening supplier ecosystem currently present in the State to reduce costs for downstream companies and make the State a more attractive destination.
- Host roadshows and participate in expositions to promote Tamil Nadu.

Industrial Ecosystem Development

- Setting up an advisory council which shall provide advice on emerging technologies and developing industries in the State.
- Utilise the World Economic Forum's Advanced Manufacturing Hub platform to identify and improve the industrial ecosystem by adopting industry 4.0 technologies.
- Promote the digital accelerator program which shall provide funding grants to startups.

- A cell shall be established to enable collaboration with industries in the sunrise sector and universities/colleges for highly technical jobs that require both academic rigour and hands-on training in the industries.

Improve Ease & Reduce Cost of Doing Business

- Amendment to TN Business Facilitation Act & Rules to enable industries to commence operations based on self-certification for 3 years without waiting for such clearances.
- Enhance the capabilities of the Single Window Portal by offering investors with an additional 100+ digitised services on the portal.
- Repeal, subsume or amend archaic Acts, Rules, and compliances in order to reduce regulatory compliance burden for investors.

Proactive Policy Approaches

- Releasing Tamil Nadu's Industrial Development Strategy for a five year period.

- Develop and launch policy guidelines and implementation plans for industrial policies.
- Publish papers on topics such as impact of EoDB on FDI, export led growth in Tamil Nadu, Industry 4.0 in Tamil Nadu etc.



Hon'ble Chief Minister with the Investors during Investment Conclave - 2021

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President & CEO and other officials of Samsung calling on the Hon'ble Chief Minister

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Mr. Bhavish Aggarwal, Co-Founder of Ola Electric Future Factory calling on the Hon'ble Chief Minister

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Mr. Pong Kok Tian, Consul General of Singapore calling on the Hon'ble Chief Minister

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2. STATE INDUSTRIES PROMOTION CORPORATION OF TAMIL NADU LIMITED

With the vision of industrialization of Tamil Nadu, the State Industries Promotion Corporation of Tamil Nadu Limited (SIPCOT) was established in the year 1971 and is now in its Golden Jubilee year. SIPCOT has been in the forefront of the industrial development of the State and has developed 24 industrial parks including 6 SEZs, spread over 15 Districts in a total extent of 34,904 acres. Over the past five decades, the organization adapted itself to the diversified needs of the industrial ecosystem and adopted several best practices to promote and sustain the investor friendly climate in the State.

The growth strategy of SIPCOT is built around the three main objectives of Development of World Class Industrial Infrastructure, Creation of Efficient Park

Governance & Management Systems and Promotion of a Sustainable Industrial Ecosystem. The exemplary policies and best practices effectuated by the Organization include the revamped policies for surrender of land and sub-leasing for optimal utilization of industrial land, private negotiation policy for efficient procurement of land, participatory infrastructure development program for symbiotic development in the industrial parks, e-services for land allotment and incentive disbursal processes, resulting in cost and resource efficiency. Further, SIPCOT has ventured into providing value added services viz. plug and play infrastructure, trade facilitation centres, sustainable water supply projects, innovation centres and necessary social infrastructure like industrial housing projects and skill development centres.

2.1 Development of Industrial Parks

2.1.1 Existing SIPCOT Industrial Parks

SIPCOT has played a pioneering role in the industrialisation of the State by nurturing 24 Industrial Parks including 6 Special Economic Zones (SEZs) in a total extent of 34,904 acres in 15 districts. SIPCOT has allotted lands to 2808 industrial units to an extent of 22,761 acres thereby attracting investments to the tune of Rs.1,29,161 crore and created direct and indirect employment opportunities for about 6.90 lakh persons. Currently, SIPCOT has 5,165 acres of land available for ready allotment. The details of the SIPCOT Industrial Parks are given below:

Sl. No	Industrial Park	Extent (in acres)
1	Ranipet	1,421
2	Hosur	2,093
3	Pudukkottai	421
4	Manamadurai	492

Sl. No	Industrial Park	Extent (in acres)
5	Gummidipoondi	1,490
6	Thoothukudi	2,309
7	Cuddalore	2,671
8	Irungattukottai	1,844
9	Pillaipakkam	1,046
10	Sriperumbudur	2,377
11	Siruseri	783
12	Nilakottai	381
13	Bargur	1,390
14	Perundurai	2,706
15	Gangaikondan	2,014
16	Oragadam	3,490
17	Cheyyar	2,426
18	Mappedu	122
19	Thervoykandigai	1,127
20(a)	Vallam-Vadagal	1,472
20(b)	Aerospace Park-Vallam Vadagal	242
21	Kurubarapalli	124
22	Manapparai	1,077
23	Tindivanam	694
24	Manallur	692
	Total	34,904

2.1.2 Creating new Land Banks

SIPCOT has proposed to create a land bank of 45,000 acres including the following upcoming and new Industrial Parks in the next 5 years. The creation of readily available industrial lands is imperative to attract new investments and retain the State's competitive edge. The land banks will be created with focus on industrially backward districts.

(a) Upcoming Industrial Parks

Apart from the existing 24 Industrial Parks, SIPCOT is in the process of establishing 8 new Industrial Parks over an extent of 5,603 acres, as given below, for which the land acquisition is nearing completion.

Sl. No	Industrial Park	District	Extent (in Acres)
1	Kumaralingpuram	Virudhunagar	1,500
2	Manakudi	Ramanathapuram	225
3	Sakkarakottai	Ramanathapuram	313

Sl. No	Industrial Park	District	Extent (in Acres)
4	Manallur Phase II	Tiruvallur	1,336
5	Nemili	Kancheepuram	229
6	Mambakkam	Kancheepuram	185
7	Thirumudivakkam	Kancheepuram	82
8	Adhagapadi	Dharmapuri	1,733
		Total	5,603

(b) Proposed new Industrial Parks

SIPCOT has also proposed to establish 18 new Industrial Parks, for which preliminary activities to identify / acquire land have been commenced.

Sl. No.	Industrial Park	District	Extent (in acres)
1	Silanatham	Thoothukudi	407
2	Allikulam	Thoothukudi	2,234
3	Gangaikondan Phase II	Tirunelveli	1,665
4	Velayuthapuram	Thoothukudi	355
5	Melma	Tiruvannamalai	3,174
6	Panapakkam	Ranipet	1,208
7	Shoolagiri	Krishnagiri	2,924
8	Kuruparapalli Phase II	Krishnagiri	105
9	Sengaathakulam	Tiruvallur	576

10	Vallapakkam	Kancheepuram	118
11	Maduramangalam	Kancheepuram	468
12	Iluppaikudi	Sivagangai	794
13	Poomalaikundu	Theni	468
14	Vanduvanchery	Nagapattinam	250
15	Virudhunagar	Virudhunagar	Land identification in progress
16	Villupuram	Villupuram	Land identification in progress
17	Namakkal	Namakkal	Land identification in progress
18	Dharmapuri Expansion	Dharmapuri	Land identification in progress

To expedite the procurement of the Land Banks, procedures under the Tamil Nadu Acquisition of Land for Industrial Purposes Act will be simplified. Alternate modes of acquisition like land pooling and private negotiation will be resorted to.

2.2 Sector Specific Parks

SIPCOT is also in the process of developing Sector Specific Parks as detailed below:

2.2.1 International Furniture Park

SIPCOT intends to be a pioneer in setting up the first large scale Furniture Park in the country over an extent of 1,100 acres in a phased manner at SIPCOT Industrial Park, Thoothukudi. This park aims at setting up export oriented manufacturing units of furniture products which shall also attract substantial foreign investments. The first phase is proposed to be developed over an extent of 500 acres and is expected to be launched by December 2021.

2.2.2 Medical Devices Park

Medical Devices and Technology industry has been identified as a Sunrise sector and in order to develop a comprehensive ecosystem for this

industry, SIPCOT shall establish a sector specific park for the manufacture of Medical Devices at SIPCOT Industrial Park, Oragadam. The Medical Devices Park is proposed to be developed over an extent of about 150 acres.

2.2.3 Leather Product Park

As leather industry is one of the traditional industries of the State providing immense employment opportunities, SIPCOT has envisaged to establish a Leather Product Park at the proposed SIPCOT Industrial Park, Panappakam, Ranipet District for manufacturing of leather products under Mega Leather Footwear and Accessories Cluster (MLFAC) Scheme of Government of India. This Park is proposed to be developed over an extent of about 250 acres.

2.2.4 Food Park

With the aim to promote Food Processing Industry in the State, SIPCOT is establishing Food Parks initially at three locations at Manapparai, Tindivanam and Theni over an extent of 100-150 acres each.

2.2.5 E-Vehicle Park

To promote eco friendly and sustainable mobility systems, SIPCOT is establishing an E-vehicle Park over an extent of 300 acres in Manallur SIPCOT Industrial Park.

2.3 Special Initiatives

Apart from allotment of lands to industrial units, SIPCOT has taken steps to provide value added services and promote a sustainable and safe industrial eco system in its Parks. The following initiatives have been taken to achieve this objective

2.3.1 GIS Mapping and preparation of Geo Database

SIPCOT has developed GIS portal capturing Geo data Base and Base Map for its Industrial Parks, which will facilitate the investors to access the geographical location of the Industrial Parks and apply for allotment of plots online.

2.3.2 Water Security Plan

(a) Desalination Plant

SIPCOT is in the process of setting up of 60 MLD Desalination Plant to meet out the water requirement for the industries in and around Thoothukudi through a Special Purpose Vehicle.

(b) TTRO Plants

In order to meet out the water requirement of the industries located in the Sriperumbudur region, 45 MLD TTRO Plants at Koyambedu was established by the Government through CMWSSB. The Government has also

proposed to set up a 20 MLD TTRO Plant at Kelavarapalli Dam to meet out the water requirements of the Hosur region.

2.3.3 Industrial Housing

In order to reduce commuting time of employees working in the Industrial Parks, SIPCOT has proposed to establish Industrial Housing Facility (Dormitory) for accommodation of 18,720 industrial workers of M/s. Foxconn and other industries in SIPCOT Vallam-Vadagal Industrial Park. SIPCOT is also establishing an Industrial Housing Facility jointly with TNIFMC to cater to the housing needs of industrial workers in the Sriperumbudur Industrial cluster through a Special Purpose Vehicle.

2.3.4 Trade Facilitation Centre

SIPCOT has constructed a Trade Facilitation Centre over an area of 2.16 acres with a built up area of 50,000 sq.ft. at SIPCOT

Information Technology Park, Siruseri by availing Central Government grant under TIES scheme, which is expected to be inaugurated by September 2021.

2.3.5 Industrial Innovation Centres

With the aim of catalysing industrial innovations and nurturing several technology powered & innovation led manufacturing enterprises Industrial Innovation Centres (SIICs) are being established by SIPCOT at Hosur and Sriperumbudur in an extent of 20,000 sq.ft. each at a cost of Rs.53.44 crore which includes testing and training equipment, innovation grants and O&M expenditure.

2.3.6 Plug & Play Facilities

SIPCOT has proposed to establish Plug & Play facilities in SIPCOT Industrial Parks at Vallam-Vadagal and Perundurai with a ready built space of 1,50,000 sq.ft. and 50,000 sq.ft.

respectively. The facilities shall be developed with heavy duty lifts, provision to move heavy machineries, weigh bridge and telecommunication systems.

2.3.7 Greening of Industrial Parks

As a measure to protect environment and to maintain greenary, SIPCOT has so far planted 2,64,277 grown saplings in OSR area and will also plant 3,04,627 saplings in 15 SIPCOT Industrial Parks this year. Similarly, certain OSR land parcels will also be maintained in partnership with industrial units.

2.3.8 Security and Surveillance Systems

In order to have surveillance of the Industrial Parks, SIPCOT has provided CCTV cameras in the sensitive locations at vantage points in its Industrial Parks. These cameras are connected to the Control centre at each Project

Office and at Head Office, which will be monitored 24x7.

2.4 Incentive to promote industrialisation of industrially Backward Districts

SIPCOT has evolved a concessional / incentive based land allotment policy which is generally in line with Tamil Nadu Industrial Policy, 2021 granting 10% of land cost as incentive for "A" & "B" Districts (back-ended) and 50% of land cost as incentive for "C" Districts (front-ended) for the lands allotted in SIPCOT Industrial Parks.

2.5 Industrial Eco System Fund

As per G.O.(Ms.)No.187, Industries (MIG.1) Department, dated 26.07.2021, Industrial Eco System Fund has been created with a corpus of Rs.500 crore to support Small Infrastructure Projects and Eco system creation through contribution from SIPCOT and TIDCO

with matching grants from Government of Tamil Nadu and to be scaled up through funding from external agencies. Government has contributed Rs.95.84 crore in the first instance to commence the operation of the fund along with a contribution of Rs.50 crore each from SIPCOT and TIDCO.

2.6 Emergency response to COVID-19 Relief

As per the directions of the Government, SIPCOT has facilitated import of Oxygen cylinders, regulators, flow meters, concentrators, pulse oximeter from Singapore and Middle East. SIPCOT has also sourced and procured Oxygen cylinder related materials viz. flow meter with humidifiers, regulators, copper pipes, outlets and manifolds from the local suppliers for a value of Rs.4.16 crore and supplied to hospitals for converting 1000 non-oxygen beds to oxygen beds.

Also, SIPCOT has facilitated sourcing, filling and distribution of about 3000 oxygen cylinders from the Industrial units to hospitals in various districts. Further, as per G.O.(Ms)No.154, Industries (MIB.1) Department, dated 12.05.2021, SIPCOT is allotting lands to the companies who propose to set up Oxygen Plant on priority basis.

2.7 Promotion of Industrial Townships

SIPCOT has taken a policy decision to develop all future Industrial Parks as Industrial Townships which will be self contained, empowered entities with necessary social and industrial infrastructure. The Government of Tamil Nadu with great vision enacted the Tamil Nadu Industrial Township Area Development Authority Act on 29.04.1997 and two SIPCOT Parks viz., Perundurai and Nilakottai have been notified as Industrial Townships

under the Act. SIPCOT will take efforts to implement all the provisions of this Act and make these Parks as model Industrial Townships. The remaining large SIPCOT Parks will also be notified under this Act in a phased manner.

2.8 Nodal Agency for MoU Companies

SIPCOT is the Nodal Agency for implementing the Structured Package of Assistance scheme to Mega, Super Mega and Ultra Mega projects. Up to 30.04.2021, Rs.14,658.57 crore have been released to 33 industrial units. The amount released during the year 2020-21 is Rs.1070.10 crore to 12 industries.

2.9 Financial Performance

SIPCOT has been showing excellent financial performance and consistently paying dividend to the Government since 2005-06. For

the financial year 2019-20, it has achieved a turnover of Rs.546.60 crore and earned a profit of Rs.289.09 crore and declared highest ever dividend (150%) amounting to Rs.86.87 crore to the Government. SIPCOT has achieved a provisional turnover of Rs.1199.35 crore and profit of Rs.467.46 crore for the financial year 2020-21.

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Former Chief Minister of Tamil Nadu Muthamizh Arignar Dr. Kalaingar laying the Foundation Stone for Hyundai Car Plant at SIPCOT, Irungattukottai in 1996

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Hon'ble Chief Minister of Tamil Nadu flagging off the 10 Millionth Car on 30.6.2021 at the Hyundai Car Plant at SIPCOT, Irungattukottai

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Hon'ble Chief Minister of Tamil Nadu inaugurating the Corona Vaccination Campaign for Industrial Workers at Daimler India Limited on 26.5.2021

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Hon'ble Chief Minister of Tamil Nadu inspecting the oxygen manufacturing facility at Inox Air Products located at SIPCOT, Sriperumbudur

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Upcoming Ola E-Vehicle manufacturing plant at SIPCOT, Bargur

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Hon'ble Minister for Industries inaugurating the scheme of planting 3,04,627 saplings to green SIPCOT Industrial Parks

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Aerial view of SIPCOT Industrial Park, Irungattukkottai

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3. TAMIL NADU INDUSTRIAL DEVELOPMENT CORPORATION LIMITED

Tamil Nadu Industrial Development Corporation Limited (TIDCO) was established in 1965, as a Government of Tamil Nadu Enterprise for establishing large and medium Industries through joint ventures with the Private promoters and Central/State PSUs to stimulate industrial development and leverage capital investment in the State. TIDCO also facilitates large industrial and infrastructure projects to attract big investments and to generate huge employment opportunities in the State.

TIDCO has promoted 116 joint ventures in manufacturing, services and infrastructure sector. Titan Company Limited, Tamil Nadu Petro products, Mahindra World City, Ascendas IT Park, TIDEL Park, TICEL Biopark, Tamil Nadu

Road Development Company, IT Expressway, Chennai Trade Centre and Ramanujan IT City are some of the well-known joint ventures of TIDCO.

3.1. Industrial Infrastructure Development Projects

3.1.1 Polymer Industries Park

TIDCO, in association with SIPCOT, is establishing a Polymer Industries Park in 265 acres of land in Voyalur & Puzhudivakkam Villages, Ponneri Taluk, Tiruvallur District at a cost of Rs.216 crore. This Park will have infrastructure facilities to accommodate medium and small-scale polymer component manufacturing units. This Park is being developed under the Plastic Park Scheme of Department of Chemicals and Petrochemicals (DCPC), Government of India. The DCPC has released Rs.15 crore out of the total sanctioned

grant amount of Rs.40 crore to TPIPL. Construction of basic infrastructure, Administrative Building and Technology Facilitation Centre is under progress and the park will be ready by October 2021.

3.1.2 Aero Hub

TIDCO is establishing an Aero Hub project comprising an advanced computing & design engineering center, avionics components manufacturing complex, testing & certification facilities, warehouse, center of excellence and skill development centre for aerospace and defence Industries at the Aerospace Park in Sriperumbudur. This project will be implemented in two phases. The Phase-1 is being implemented with built up space of 3.5 lakh sq. ft. at a cost of Rs.230 crore and will be completed by February 2023.

3.1.3 Chennai Trade Centre Expansion

Tamil Nadu Trade Promotion Organisation (TNTPO), a Joint Venture of India Trade Promotion Organisation and TIDCO is implementing an expansion project of Chennai Trade Centre, Nandambakkam with an additional built-up area of 86,415 sq. mtrs comprising an exhibition building of 44,360 sq. mtrs along with multilevel car parking, food court and other utilities in 9.13 acres of land at a cost of Rs.309 crore. Construction of the project is under progress. This expansion project will be completed by September 2022.

3.1.4 TIDEL Park, Pattabiram

TIDEL Park, Chennai is implementing an Information Technology Park with built up space of 5.57 lakh sq. ft. in an area of 10 acres of land in Pattabiram village, Avadi Taluk at a cost of

Rs.235 crore. Construction work is underway and will be completed by February 2023.

3.1.5 Multimodal Logistics Park

TIDCO, National Highways Authority of India and Chennai Port Trust have proposed to jointly implement a Multimodal Logistics Park Project in 158 acres of land in Mappedu Village, Tiruvallur Taluk, Tiruvallur District at an estimated cost of Rs.1200 crore. This project will be implemented by Ministry of Road Transport and Highways through National Highways Authority of India. This project will enable seamless logistics with road and rail connectivity for industries, exporters and importers who use the three sea ports: Chennai Port, Kamarajar Port and Kattupalli Port. The Land acquisition for this project is in progress.

3.1.6 FinTech City

TIDCO has proposed to develop a “FinTech City” in the first Phase in around 110 acres of land in Nandambakkam village, Alandur Taluk, Chennai District to attract both domestic and overseas financial institutions in order to transform Chennai as one of the major global financial services centres. The estimated project cost is around Rs.165 crore. This FinTech City will be developed with the requisite supporting infrastructure to accommodate financial institutions such as Banking, Non-banking financial services, Financial Business Process Outsourcing, Regulatory Institutions, Financial Market Operations and Training Centres. Techno - Economic Feasibility report has been completed for this project. The project implementation works will commence shortly.

3.1.7 Medical Equipment Park

TIDCO and Ministry of Health and Family welfare, Government of India are jointly implementing a Medical Equipment Park in 330 acres of land near Chengalpattu at an estimated project cost of Rs.392 crore. This Park will have a Medical Devices and Equipment zone, Bio information zone and Research & Development and Knowledge Management Infrastructure. The first phase will be developed in 120 acres of land at a cost of Rs.49.70 crore. The process of selection of EPC contractor for development of basic infrastructure is underway.

3.1.8 DLF Info Park Limited

TIDCO in association with DLF Ltd is setting up an Information Technology Park with 7 million sq. ft. of built-up space in 26.64 acres of land at Taramani, Chennai at an estimated project cost of Rs.5000 crore. The development

of Phase I with 2.5 million sq. ft. at a cost of Rs.1200 crore is in progress and will be completed by March 2022.

3.1.9 TIDEL-Neo

TIDEL, a Joint Venture of TIDCO will be developing mini TIDEL Parks in an area of around 50,000 to 1,00,000 sq.ft in Tier-2 and Tier-3 towns of Tamil Nadu. Government will provide land for the development of these mini TIDEL Parks. TIDCO will represent Government as the equity holder formed for this Special Purpose Vehicle by TIDEL. TIDEL proposes to set up these mini Tidel Parks in Villupuram, Thoothukudi, Vellore and Tiruppur in the first phase and in other Towns in Phases.

3.2 Industrial Corridor Projects

3.2.1 Tamil Nadu Defence Industrial Corridor

In order to transform Tamil Nadu into one of the global manufacturing & service hubs in Aerospace & Defence sector, Tamil Nadu Defence Industrial Corridor project with five nodes at Chennai, Tiruchirappalli, Coimbatore, Salem and Hosur is being implemented. This corridor will create new defence production facilities and clusters with necessary testing and certification facilities and export facilitation centers. The detailed project report for this project is under preparation. So far, various Aerospace & Defence PSUs such as BEL, OFB and companies such as TVS, Data Patterns, Crown Corporation, L&T, Polyhose and LMW have made investments of around Rs.2000 crore in this corridor.

An Aerospace Park in around 250 acres of land has been established in Sriperumbudur, Kancheepuram District. TIDCO has identified around 500 acres of land at Varapatti near Sular and 1000 acres of land in Annur in Coimbatore District to develop Industrial Parks to accommodate defence industries.

3.2.2 Chennai - Bengaluru Industrial Corridor

TIDCO and National Industrial Corridor Development and Implementation Trust (NICDIT) are jointly developing a Ponneri Industrial Node in Tiruvallur District in the Chennai - Bengaluru Industrial Corridor(CBIC) region. This node will be developed as a self-sustained industrial township with world-class infrastructure, a logistics hub, road and rail connectivity for freight movement along with reliable power and social infrastructure. Around

650 acres of land in Ponneri Taluk, Tiruvallur District and around 530 acres of land in Madhavaram and Tiruvottiyur Taluks, Chennai District will be primarily developed under this project. The work of preparation of master plan for these land parcels is being carried out by the consultant.

3.2.3 Kochi - Coimbatore - Bengaluru Industrial Corridor

Chennai - Bengaluru Industrial Corridor project has been extended upto Kochi via Coimbatore covering Krishnagiri, Dharmapuri, Salem, Namakkal, Erode, Karur, Tiruppur, Coimbatore and Nilgiris Districts of Tamil Nadu. In the first phase, around 1700 acres of land in Dharmapuri will be developed as an Industrial Node with world class infrastructure. This node is proposed to be developed as a Mega Textile Park under the Government of India scheme.

Master plan for this node is being prepared by the consultant.

3.2.4 Chennai - Kanniyakumari Industrial Corridor

The Chennai Kanniyakumari Industrial Corridor (CKIC), which forms part of the East Coast Economic Corridor is being developed to promote port based economic development in the State of Tamil Nadu. This Corridor covers 23 districts of Tamil Nadu. The Asian Development Bank (ADB) has been supporting the development of this corridor. The comprehensive development plan for CKIC has been completed. ADB has sanctioned financial assistance for

- (i) Improvement of sixteen State Highways at an estimated project cost of Rs.6641 crore and
- (ii) Establishing 765 KV substation in Virudhunagar and 400 KV substation in Ottapidaram with their associated lines in

Thoothukudi District at an estimated project cost of Rs.4526 crore.

For industrial node development along the corridor region, six nodes viz., Madurai-Dindigul-Virudhunagar-Theni, Thoothukudi-Tirunelveli, Ramanathapuram, Cuddalore-Nagapattinam, Tiruchirappalli-Pudukottai-Sivagangai and Ariyalur-Perambalur have been identified with two nodes Madurai-Dindigul-Virudhunagar-Theni and Thoothukudi-Tirunelveli have been prioritized for Phase-I development. The master plan for Phase-I has been completed. It was informed that the funding of ADB under CKIC scheme will be considered after the existing pipeline of proposed projects from Government of Tamil Nadu is exhausted and SIPCOT is now developing industrial parks at many locations such as Thoothukudi, Virudhunagar, Theni, Sivaganga, Manapparai, Ramanathapuram and Gangaikondan along this CKIC region with own funds.

3.3 Initiatives to promote Industry 4.0 and emerging technologies

3.3.1 Emerging Sector Seed Fund

TIDCO, in association with TNIFMC has set up an Emerging Sector Seed Fund with a corpus size of Rs.500 crore. This fund will focus investment in Emerging Sectors such as FinTech, Electric Vehicles, Medical Devices, Aerospace and Defense, Robotics, Biotechnology, Agro Tech, MedTech, Technical Textiles, Electronics and Renewable Energy. Out of the fund size of Rs.500 crore, TIDCO and TIDEL will contribute Rs.30 crore and Rs.20 crore respectively and the balance corpus of Rs.450 crore will be raised by TNIFMC. An indenture of Trust has been executed between TIDCO & M/s.SBI Caps, as Trustee for implementation of Emerging Sector Seed Fund. The registration of fund before SEBI is expected to be completed shortly.

3.3.2 Centres of Excellence (CoEs)

TIDCO is setting up Centres of Excellence in Emerging Technologies and Industry 4.0 to facilitate the existing industry to adopt new technologies and remain competitive. The Government has approved a scheme for sanctioning a grant of Rs.100 crore to set up at least four CoEs in partnership with industry players. TIDCO has signed an MoU for establishing a CoE in additive manufacturing with GE Aviation and is also working with National Institute of Electronics and Information Technology to set up a CoE on Automotive Electronics. TIDCO has received four more proposals for establishing CoEs which are under consideration.

TIDCO will work closely with Department of Employment and Training and Department of Technical Education to upgrade the skills of ITI

and Polytechnic students to Industry 4.0 standards.

3.4 Greenfield International Airport near Chennai

To meet the increasing needs of aviation infrastructure in Tamil Nadu, Government has initiated the work of development of a Greenfield Airport near Chennai. TIDCO has been nominated as a nodal agency for this Project. As directed by the Government, TIDCO with the help of SIPCOT is in the process of identification of a suitable location for the proposed Airport.

3.5 Manufacturing facilities for production of COVID related drugs, medical equipments and oxygen

The Hon'ble Chief Minister of Tamil Nadu, has directed to improve COVID related manufacturing facilities such as Oxygen plants, Vaccines unit, Drug manufacturing, Manufacturing High End Medical units &

Combined units in Tamil Nadu. Based on the Expression of Interest called by TIDCO for establishing their manufacturing facilities through Joint Ventures in Tamil Nadu, 45 organizations have expressed interest. Of the eligible applicants, one has signed an MoU with the Government for manufacturing of drugs & vaccines at an estimated cost of Rs.140 crore and 23 applicants are in the process of preparing detailed project report and identification of suitable site.

3.6 Financial Performance

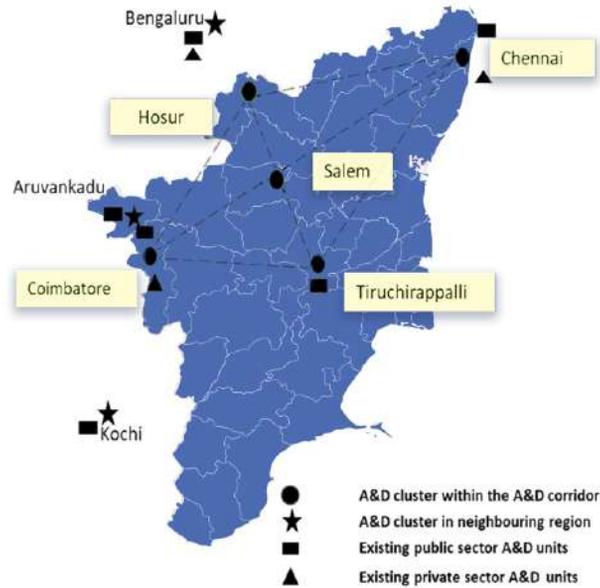
During the financial year 2019-20, TIDCO has earned a net profit of Rs.182.57 crore and has given a 30% dividend of Rs.54.77 crore to the Government. For the Financial year 2020-21, TIDCO has earned a net profit of Rs.136.32 crore.

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Proposed FinTech city in Nandambakkam, Chennai

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Tamil Nadu Defence Industrial Corridor project

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4. TAMIL NADU INDUSTRIAL INVESTMENT CORPORATION LIMITED

Tamil Nadu Industrial Investment Corporation Limited (TIIC) is a pioneer among the State Financial Corporations in the country and incorporated in 1949 under the Companies Act to foster industrial development in Tamil Nadu. TIIC's focus is on catering to the financial needs of Industries in the State, especially first generation entrepreneurs in the State. More than 90% of TIIC's assistance goes to the Micro, Small & Medium Enterprise (MSME) sector and 40% of its total assistance goes to first generation entrepreneurs.

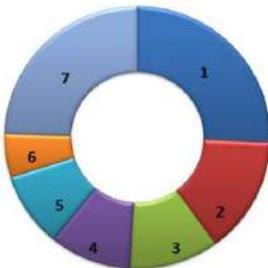
TIIC has so far assisted 1,27,227 units with a cumulative sanction of Rs.19,441.93 crore till 31.03.2021. With the continued support of the State Government and the sustained efforts of the employees of the Corporation, TIIC has been earning profit continuously for 18

years from 2003-04 onwards. TIIC's provisional net profit for Financial Year 2020-21 is Rs.32 crore.

4.1 Loan Portfolio

The Corporation's total loan portfolio stands at Rs.1354.68 crore as on 31.03.2021. The composition of the Corporation's loan portfolio is as mentioned below:

SECTOR WISE



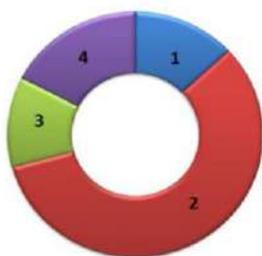
1. Engineering -26%
2. Plastics -14%
3. Food Processing Industries - 11%
4. Paper and Paper Products- 10%
5. Textiles -9%
6. Electrical Machinery -5%
7. Others -25%

SCHEME WISE



1. General Scheme-51%
2. Equipment Finance Scheme-13%
3. NEEDS - 6%
4. Working Capital - 3%
5. Special Corporate Loan-7%
6. Bill Finance Scheme -6%
7. Others -14%

INDUSTRY WISE



1. Micro Industries -13%
2. Small Industries -58%
3. Medium Industries - 12%
4. Large Industries- 17%

4.2 Special Initiatives taken for COVID 19 Pandemic

4.2.1 CORUS (COVID RELIEF AND UPLIFTMENT SCHEME)

TIIC, in order to provide relief to the Micro, Small and Medium Enterprises affected by the economic adversity caused by the global Corona pandemic, has introduced a new scheme "COVID Relief and Upliftment Scheme (CORUS)" on 01.04.2020. Under this scheme, TIIC has been providing financial assistance upto Rs.25 lakh to its MSME customers with 6% interest subvention, without additional collateral security and processing fee. As on 31.03.2021, as many as 1828 MSME units have been sanctioned financial assistance to the tune of Rs.218.43 crore by the Corporation.

4.2.2 CORUS Plus Scheme

TIIC also introduced CORUS Plus Scheme on 18.06.2020 to provide loans to non-assisted MSME units affected by COVID pandemic with

6% interest subvention upto Rs.50 lakh so as to meet their emergent expenses. As on 31.03.2021, 32 MSME units have been sanctioned financial assistance to the tune of Rs.11.71 crore by the Corporation.

4.2.3 COVID Moratorium

Due to COVID 19 pandemic, many of the assisted units of our Corporation are facing financial constraints. To address this and in line with RBI guidelines, the repayment of the Principal Instalments falling due between March 1, 2020 and August 31, 2020 was extended by six months. Further, the interest repayable for the said six month period has been made payable in seven instalments from 30.09.2020. Out of 2223 eligible units, 1752 units opted for the moratorium. The remaining 471 units have been remitting their dues without availing the moratorium.

4.2.4 Front end Interest Subvention till 31.03.2021

Considering the COVID pandemic and its adverse impact on MSME eco System in the State, Government of Tamil Nadu vide G.O.(Ms.) No.173, dated 18.08.2020 has approved for upfront payment of 6% interest subvention till 31.03.2021 to Micro and Small Enterprises which have availed loans from TIIC.

4.3 New Financial Products

TIIC, in order to satisfy the dynamic needs of the customers has introduced the following schemes in the current financial year:-

4.3.1 Scheme for FinTech Institutions

The scheme is to provide assistance to FinTech Companies which leverage technology to meet the credit needs of entrepreneurs in Tamil Nadu. Maximum financial assistance under the scheme is Rs.10 crore per borrower.

4.3.2 Scheme for Microfinance Institutions

To serve the target groups which are outside the purview of TIIC's present portfolio, TIIC introduced the scheme to assist Microfinance Institutions. Maximum financial assistance under the scheme is Rs.10 crore per borrower.

4.4 Existing Financial Products

The following financial products are already being offered by TIIC to entrepreneurs to fulfill their divergent needs.

4.4.1 General Term Loan

Financial assistance for new projects for expansion, modernization and diversification of existing units both in manufacturing and service sectors are considered under this scheme.

Assistance is given by way of Term Loan upto Rs.30 crore for Private/ Public Limited

Companies, Rs.20 crore for Partnership / LLP Firms and Rs.15 crore for Proprietary concerns. Under this scheme, 227 entrepreneurs have been sanctioned loan of Rs.336.02 crore during the Financial Year 2020-21.

4.4.2 New Entrepreneur cum Enterprise Development Scheme (NEEDS)

TIIC plays an active role in implementation of the New Entrepreneur cum Enterprise Development Scheme (NEEDS) for assisting educated youth to become first generation entrepreneurs. Under this Scheme, State Government will provide capital subsidy of 25% of the project cost subject to a maximum of Rs.50 lakh. Besides, interest subvention of 6% is also extended to the entrepreneurs on the loan availed for the project. The special feature of this scheme is the low promoter's contribution which is 5% for special category entrepreneurs like Women, Backward Community, Most

Backward Community, Scheduled Caste /Tribes entrepreneurs and 10% for others. From the inception of the scheme upto 31.03.2021, 803 first generation entrepreneurs have been sanctioned loan of Rs.418.43 crore. During the Financial Year 2020-21, the Corporation has sanctioned Rs.78.96 crore to 115 entrepreneurs under this scheme.

4.4.3 Working Capital Term Loan for Manufacturing & Processing Units

The scheme aims to extend financial assistance to manufacturing & processing units including rice mills to meet their working capital needs and the Scheme is well received and is being implemented successfully. The maximum financial assistance under this scheme is Rs.2 crore per unit. Similar Working Capital Term Loan Scheme is available for units undertaking job works with reduced quantum of Rs.50 lakh.

4.4.4 Flexi Working Capital Term Loan

The scheme aims to extend financial assistance to manufacturing and processing units, to meet their working capital/additional working capital requirements on a continual basis. The maximum financial assistance under this scheme is Rs.2 crore per unit. Under this scheme, 23 entrepreneurs have been sanctioned loan of Rs.16.58 crore during the Financial Year 2020-2021.

4.4.5 Wind Power Projects / Solar Power Projects

The scheme aims to encourage entrepreneurs to set up private wind mills / solar power plants for captive consumption of renewable energy as well as for selling power to TANGEDCO. The assistance is extended towards cost of land, equipment, electrical, erection and commissioning.

4.4.6 Equipment Finance Scheme

The scheme will facilitate existing industrial units with good track record to purchase capital goods/equipment. The promoter's contribution under this scheme is minimum 15% of the cost of capital goods / equipment acquired. During the Financial Year 2020-21, 50 units have been sanctioned loan of Rs.61.84 crore under this scheme.

4.4.7 Transport Operators Scheme

Financial assistance is extended for purchase of transport vehicles that are registered as public carriers with minimum promoter's contribution of 15%.

4.4.8 Generator Loan Scheme

The scheme is extended to MSME units for purchase of generator sets. The promoter's contribution under this scheme is 10%. TIIC has further liberalized the collateral security norms

to make the generator loans easily accessible to entrepreneurs.

4.4.9 Privileged Customer Scheme

The Scheme facilitates existing good track record customers by providing them financial assistance to meet certain emergent and business related expenses. The facility is offered without any stipulation for promoters' contribution. Under this scheme, 31 entrepreneurs have been sanctioned loan of Rs.10.51 crore during the Financial Year 2020-21.

4.4.10 Fast Track Equipment Finance Scheme

The scheme facilitates existing industrial units with good track record for acquisition of plant and machinery for their expansion/diversification/modernization/replace ment of existing machinery based on simple and

quick loan appraisal. Under this scheme, the promoter's contribution will be only 10% of the cost of machinery and fixed deposit will be accepted as collateral security. Under this scheme, 110 entrepreneurs have been sanctioned loan of Rs.62.48 crore during the Financial Year 2020-21.

4.4.11 Thulir Scheme

The Scheme caters to Startup enterprises in the State by providing financial assistance to technically qualified and experienced entrepreneurs with innovation in projects for setting up micro and small enterprises including service sector enterprises. The minimum and maximum financial assistance under the scheme is Rs.50 lakh and Rs.3 crore respectively.

4.4.12 Medical Practitioners Scheme

The Scheme is to extend quick finance against fixed deposit to qualified medical

practitioners for purchase of medical and related assets for their practice. The minimum and maximum financial assistance under the scheme is Rs.10 lakh and Rs.1 crore respectively.

4.4.13 Bill Financing Scheme

TIIC has entered into MoUs with TANGEDCO, TANTRANSCO and TNPL for offering bill discounting facilities to their suppliers / contractors. It is also offering discounting facilities to TWAD contractors against their bills. The bill discounting facility is offered without any collateral security. Under this scheme, 71 contractors/vendors have been sanctioned loan of Rs.189 crore during the Financial Year 2020-21.

4.5 Subsidy

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

4.5.1 Interest subvention for MSMEs

In order to provide Micro and Small enterprises with concessional credit, the Government of Tamil Nadu has enhanced the interest subvention to Micro and Small enterprises availing assistance from TIIC to 6% from 3% vide G.O.(Ms).No.177, Industries (MIF.2) Department, dated 09.10.2019. Under the scheme, since inception i.e. from 01.04.2019, the Corporation has sanctioned loans to the tune of Rs.1182.33 crore and Government has released Rs.17.94 crore upto 31.3.2021.

The 3% interest subvention scheme for MSME units availing loan from TIIC has been extended upto Financial Year 2021-22. Since inception of the scheme, the Corporation has sanctioned loans to the tune of Rs.4166.79

crore and Government has released Rs.133.44 crore as subsidy till 31.03.2021.

4.5.2 Backward area subsidy and Specific Thrust Sector Subsidy

Subsidy to the tune of 25% on Plant & Machinery subject to a maximum of Rs.50 lakh is provided to the industries set up in backward areas of the State, SIPCOT / SIDCO Estates and to select products specified under thrust sectors. The Corporation has disbursed Rs.34.52 crore as State Capital subsidy to 247 beneficiaries during the Financial Year 2020-21.

4.6 Performance

The performance of the Corporation during Financial Year 2020-21 is as under:

Particulars	Achievement 2020-21 (Rs. in crore)
Sanction	1303.00
Disbursement	849.14
Loan Portfolio (After Write off)	1320.00

Gross NPA (%)	2.75%
Operating Profit (provisional)	92.00
Net Profit (provisional)	32.00

The Corporation had declared dividend in 2015-16 after a gap of 15 years. Subsequently, it has declared dividend for Financial Years 2016-17, 2017-18, 2018-19 and also has paid Rs.3.03 crore as dividend for the Financial Year 2019-20 to the Government of Tamil Nadu.

4.7 Target for the year 2021-22 and 2022-23

(Rs. in crore)

Year	Sanction	Disbursement	Outstanding Portfolio
2021-22	1500	1215	1960
2022-23	1870	1450	2660

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5. TAMIL NADU NEWSPRINT AND PAPERS LIMITED

Tamil Nadu Newsprint and Papers Limited (TNPL) was promoted by the Government of Tamil Nadu in the year 1979 to produce Newsprint, Printing and Writing Paper using bagasse as primary raw material. TNPL commenced its paper production with a capacity of 90,000 tonne per annum during the year 1985 at Pugalur (Unit I) in Karur District. Since then, the Mill's capacity has been enhanced to 4,00,000 tonne per annum in four phases. Simultaneously pulp production capacity also increased from 250 tonne per day to 1180 tonne per day at various stages.

TNPL has set up a Multi-layer Double Coated Board Plant, with a capacity of 2,00,000 tonne per annum during the year 2016 at Mondipatti Village, Manaparai Taluk in

Tiruchirappalli District. Thus, TNPL has emerged as the third largest Paper Mill in producing printing & writing paper and coated board in the country with a total capacity of 6,00,000 tonne per annum.

TNPL produces and markets a range of high quality paper and coated boards suited for different end users. It 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.

TNPL has set up a Cement Plant with a capacity of 900 tonne per day to produce cement from the mill's solid wastes viz, lime sludge and fly ash generated during manufacture of paper.

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 undertook the implementation of pulp wood plantation with the participation of farmers. As on 31st March 2021, TNPL has developed 1,87,680 acres of pulp wood plantations involving 35,964 farmers across the state.

TNPL has become self sufficient in power generation. It has captive power generation capacity of 103.62 MW in its Paper Mill complex and 30 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).

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.

5.1 Production and Capacity Utilization

During the financial year 2020-21, the paper sales was affected in the first 9 months due to closure of all Educational institutions and many Industrial Units across India due to Corona.

Even with these constraints, the company has achieved paper production of 3,23,588 tonne with 81% capacity utilization, Board production of 1,71,711 tonne with 86% capacity utilization and Cement production of 3,08,992 tonne with 104% capacity utilization.

5.2 Turnover and profit

During the year 2020–21, the turnover of the company was Rs.2819.10 crore and loss

before tax was 98.69 crore. The significant drop in profit was due to impact of COVID pandemic.

5.3 Dividend

The company has paid its shareholders a dividend of 60% for the year 2019-20. The Government of Tamil Nadu received a dividend of Rs.14.66 crore from TNPL for the year 2019-20.

The company has declared 30% dividend for the year 2020-21.

5.4 Export

During the year 2020-21, the company exported 70,873 tonne of printing and writing paper and 11,415 tonne of coated Board.

5.5 Employment

The company is providing direct employment for about 2500 employees and indirect employment for about 3000 persons.

5.6 Projects

5.6.1 TNPL Unit II-Mill Expansion Plan

TNPL has taken up the Mill Expansion Plan in Unit II at Mondipatti Village, Manaparai Taluk, Tiruchirappalli District to be implemented in two phases at a capital outlay of Rs.2520 crore.

The Mill Expansion Plan in Phase-I, consists of 400 tonne per day Chemical Hardwood Pulp Plant with required Chemical Recovery system and 20 MW Turbo generator at a capital outlay of Rs.1100 crore.

The implementation of Phase-I was started in August 2019. The Mill Expansion plan got delayed by about 5 months due to COVID lock down during March-July 2020 and thereafter again in April-May 2021. The commissioning activities are scheduled to commence from October 2021 and the pulp production is expected from December 2021.

The Phase-II consisting of installation of Board Machine and Power Plant at a capital outlay of Rs.1,420 crore shall be taken up after completion of Phase-I and financial closure. This project will provide direct and indirect employment opportunities for about 2,000 persons.

5.6.2 Model Primary School at Chithanatham Panchayat, Manaparai Taluk

TNPL has proposed to establish a Model Primary School near Unit-II, at Chithanatham Panchayat, Manaparai Taluk, Tiruchirappalli District at capital outlay of Rs.3.7 crore. The school consists of 14 classrooms which will accommodate about 300 students from LKG to 5th Standard. The building construction is in progress.

5.7 Corporate Social Responsibility (CSR)

As a part of Corporate Social responsibility, TNPL undertakes regularly social

welfare measures such as conducting health camps, vocational training programmes, development of infrastructure in the neighbourhood, education, etc. The company spends 2% of the average net profit, made during the three preceding financial years, for its CSR activities. For the year 2021-22, the company has allocated Rs.3.07 crore for CSR activities

As a part of CSR activities, TNPL converted the Community Hall at Kagithapuram, Karur District into a COVID Care Center with 200 beds (152 beds with oxygen facility and 48 beds for treatment without oxygen) and the company has spent about Rs.75 lakh for this facility. This COVID Care Center was inaugurated by the Hon'ble Chief Minister of Tamil Nadu on 31.5.2021.

Further, the company has installed an Oxygen Booster Compressor and filling stations to supply the medical grade Oxygen in cylinders to the nearby Hospitals at cost of Rs.100 lakh.

5.8 Awards

1. TNPL has received the prestigious Golden Peacock National Award for Corporate Social Responsibility for the year 2020 from Institute of Directors, India, in the Virtual event held on June 10, 2021.
2. TNPL has bagged the 'Promotion of Education Award 2020' under CSR activities during the 7th CSR India Summit 2020 organized by M/s. Greentech Foundation, New Delhi, on 1st October 2020.
3. TNPL has received the "Water Stewardship Award" from Indian Chamber of Commerce, Kolkata during the vision summit in March 2021.

4. TNPL has received the "HR SCORE 2021" Award from Federation of Indian Chambers of Commerce and Industry (FICCI), for the best HR practices in April 2021.



Hon'ble Chief Minister of Tamil Nadu inaugurating the 200 bed
COVID Care Center sponsored by TNPL at Kagithapuram, Karur District

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6. TAMIL NADU CEMENTS CORPORATION LIMITED

India is one of the largest cement producers and ranks second in the world next to China. In recent years, Cement industry is adopting state-of-the-art technology and has achieved spectacular results in terms of energy conservation and environmental impact.

Tamil Nadu is the third largest cement manufacturing state in India with an approximate installed capacity of 40 million tonne per annum. At present Tamil Nadu has 19 cement plants in the private sector and 4 cement plants in public sector.

Tamil Nadu Cements Corporation Limited (TANCEM) was established on 11th February 1976 as a wholly owned subsidiary of TIDCO. Consequent to transfer of shares from TIDCO to Government, TANCEM became a Government

owned Public Sector Undertaking from 31.12.1994. TANCEM is operating one cement plant at Alangulam in Virudhunagar District with a capacity of 2 lakh MT per annum and two cement plants at Ariyalur in Ariyalur District with a total capacity of 15 lakh MT per annum. TANCEM has an annual turnover of around Rs.423 crore.

It is to be highlighted that TANCEM has provided significant employment in backward districts of Ariyalur and Virudhunagar where its units are located. At present, TANCEM provides direct employment to 1400 persons and indirect employment to 3000 persons.

6.1 PPC supply to Government Departments

TANCEM has been supplying cement to various Government Departments especially to DRDA at a rate fixed by the Pricing Committee

of the Government. Since PPC Cement is considered to be environmental friendly, Government issued orders to use PPC cement in DRDA and other Government Departments schemes.

TANCEM has been supplying PPC cement to Government Departments as detailed below:-

Year	PPC supplied (in MT)
2018-19	4,06,918
2019-20	3,39,436
2020-21	3,36,575
2021-22 (up to 31.07.2021)	1,08,906

6.2 Cement Pricing

TANCEM is selling cement at a reasonable price in the open market compared to Private Cement Manufacturers which helps to moderate the price of Cement. TANCEM is undertaking the following measures to increase the sale of

cement in the open market at an affordable price and to improve the market share:-

- Empaneling 450 stockists and 42 contractors.
- Enhancing Cement sales in neighboring states.
- Substantially increasing the bulk cement sales.
- Implementing dynamic discount structure to incentivize the stockists.

6.3 Mining operations

To ensure uninterrupted supply of limestone to TANCEM cement plants, the following measures have been taken:-

- Environmental Clearance has been obtained for the enhancement of limestone production at Anandavadi mine in Ariyalur District from 2.6 lakh MT per annum to 15 lakh MT per annum.
- Action has been taken to obtain Environmental Clearance to mine limestone in 1,495 hectares.

6.4 Achievements

6.4.1 New Cement plant in Ariyalur

A new state-of-the-art cement plant with a capacity of 10 lakh MT per annum has been established in Ariyalur at a cost of Rs.809.09 crore. A new 110 KV Sub-station for feeding power supply to the new plant has been installed and energized. Whilst the Clinker production started on 01.11.2019, the Commercial Cement production started on 21.03.2020. The plant was handed over by the EPC contractor M/s.L&T to TANCEM on 01.04.2021. With the commissioning of the new plant, TANCEM's production capacity has increased to 17 lakh MT per annum. During May 2021, the new plant has achieved 98% of the clinker production capacity for the first time.

6.4.2 Enterprise Social Commitment

As a part of new project related Enterprise Social Commitment (ESC) activities, TANCEM

has undertaken community development activities for a value of Rs.12.32 crore in and around Ariyalur.

6.4.3 ISO certification

TANCEM has obtained ISO: 9001-2015 certification for its Corporate Office on 26.02.2019, its Ariyalur Cement Works on 17.07.2019 and its Alangulam Cement Works on 25.06.2020. This has boosted the image of TANCEM besides ensuring the quality of cement.

6.5 Performance for the year 2020-21

During the year 2020-21, TANCEM has produced 8,13,863 MT and sold 8,08,340 MT as detailed below:-

Details	Ariyalur		Alangulam Cement Plant	Total
	New Plant	Old Plant		
Cement Production (MT)	2,97,799	3,51,544	1,64,520	8,13,863
Cement Sales (MT)	2,96,506	3,51,546	1,60,288	8,08,340

The Turnover for the year 2020-21 was Rs.423 crore.

6.6 Projection for the year 2021-22

During the year 2021-22, TANCEM plans to produce and sell 13.86 lakh MT of cement in total from all the three plants. The clinker requirement to achieve the production of 13.86 lakh MT of cement will be 9.35 lakh MT and will be produced at the New Plant and distributed to the other Plants proportionately for cement production. The projected Turn over for the year 2021-22 is approximately Rs.705 crore and the expected profit will be around Rs.53 crore.

Till 31st July 2021, TANCEM has produced 5,23,448 MT of cement and sold 5,26,500 MT and the break up details are given below:

Details	Ariyalur		Alangulam Cement Plant	Total
	New Plant	Old Plant		
Cement Production (MT)	2,58,735	1,77,713	87,000	5,23,448
Cement Sales (MT)	2,58,061	1,79,407	89,032	5,26,500

During this year, TANCEM proposes to introduce a new Cement brand 'Valimai' in the open market in addition to its existing Arasu Cement brand.

7. TAMIL NADU SALT CORPORATION LIMITED

Tamil Nadu Salt Corporation (TNSC) was established in the year 1974. TNSC is manufacturing salt in an area of 5236 acres of land in Valinokkam, Keelakidaram, Thanichiyam, Melakidaram and Mariyur villages of Kadaladi Taluk in Ramanathapuram District. TNSC commenced its commercial production during the year 1978. The products include Industrial Grade Salt, Iodised salt, Double Fortified Salt and Low Sodium Salt. TNSC is employing 48 full-time employees and nearly 1200 seasonal workers. It also generates indirect employment to 300 persons.

TNSC supplies Iodised salt and Double Fortified Salts to public through Public Distribution Scheme in Tamil Nadu and also supplies Double Fortified salt (DFS) to various

Government schemes like PTMGR Nutritious Meal Programme and Integrated Child Development Scheme (ICDS). TNSC also supplies Double fortified salt to the Government of Andhra Pradesh and Karnataka.

7.1 Mission

- To create employment opportunities in Kadaladi Taluk, Ramanathapuram District and Thirupporur Taluk in Chenglepet District and to uplift the socio-economic conditions of the people.
- To produce salt and its by-products on a large scale by utilizing the favorable conditions prevailing in this area.
- To provide fortified salt to the common people at an affordable price for controlling and eradicating deficiencies due to lack of micronutrients like iodine and iron.

7.2 TNSC's Infrastructure

TNSC has the following infrastructure facilities for production of salt and fortified salt.

- i. 5236 acres of salt land in Valinokkam, Ramanathapuram District
- ii. Crystal Iodized Salt Plant with a production capacity of 20 MT per hour.
- iii. Double Fortified Salt Plant with a production capacity of 3.6 MT per hour.
- iv. 7 MT per hour salt refinery to produce 40,000 MT of Refined Free Flow Iodised Salt per annum.

7.3 Production activities

7.3.1 Industrial Grade Salt

TNSC is producing around 1.75 lakh MT of good quality Industrial Grade Salt (IGS) per annum at its Valinokkam salt works by using sea brine. This salt is supplied to the major chlor-alkali industries in Tamil Nadu and Andhra Pradesh. Many private salt refineries are also procuring salt from TNSC for producing Refined Free Flow Iodised Salt.

7.3.2 Fortified Salt

Since 1990, TNSC is producing fortified edible Salt like Crystal Iodised Salt, Refined Free Flow Iodised Salt & Double Fortified Salt and supplies through PDS at an affordable price.

TNSC has active role in the 'Universal Iodization of Salt Programme' of World Health Organization. From the year 1998 to 2020, TNSC distributed 7,33,401 MT of Iodised salt.

TNSC is supplying Double Fortified Salt (DFS) (salt fortified with iron & iodine) to the PTMGR Nutritious Meal Programme and ICDS Scheme. TNSC distributed 45,954 MT of Double Fortified Salt in Tamil Nadu and Andhra Pradesh up to March, 2021.

7.3.3 Development of crystalliser beds

TNSC after conducting study to increase the production in Valinokkam salt works with the help of CSMCRI, Bhavnagar Semi Mechanised

Salt production method was introduced during 2020-21 and extended in additional 22.5 acres during this year 2021-22. TNSC is planning to commence production in this newly developed beds during the current salt season.

7.3.4 Upgrading of Crystal Iodised salt plant

TNSC is presently packing the crystal iodised salt manually. In order to pack in a more hygienic way and to reduce the loss of salt, the existing Crystal Iodised plant has been upgraded by installing auto packing machine. As of now TNSC is distributing crystal Iodised salt through PDS system only. With these modifications, TNSC has proposed to go for private sales by making marketing tie up arrangements with TATA Chemicals, ITC and other reputed firms.

7.3.5 Creating additional pumping capacity

TNSC is producing salt in its salt works at Valinokkam by using the sea water pumped from the Gulf of Mannar. The main raw material for the production of salt is sea water. TNSC is increasing the pumping capacity of its existing pump house by providing two additional pipe lines from the sea to increase salt production capacity to 2.5 lakh MT per annum.

7.3.6 Bromine Production

TNSC has entered into a Memorandum of Understanding with M/s. South India Bromine & Allied Chemicals, Thoothukudi for production of Bromine from the effluent of salt works. Accordingly, it supplies final residual discharge of salt brine (bittern) to the above company to produce chemical bromine and thereby earns revenue of Rs.10 lakh per annum.

7.3.7 Quality Certification

The Corporation has obtained licenses for producing Iodised Salt and Double Fortified Salt as per IS 7224:2006 and IS 16232:2014. The Corporation has obtained license from the Food Safety and Standards Authority of India (FSSAI) for the quality production of Iodised Salt and Double Fortified Salt. TNSC has also obtained ISO 9001:2015 certificate for its upgraded Quality Management system for the production and supply of Industrial Grade Salt and Fortified Salt.

7.4 Sales performance 2020-21

Sl. No.	Product	Sales MT
1	Industrial Grade salt	98,827
2	Crystal Iodised salt	17,798
3	Refined Free Flow Iodised salt	20,075
4	Double Fortified salt	551

TNSC has distributed 23,143 MT of Fortified salt through Public Distribution System

and for PTMGR Nutritious Meal Programme during 2020-21. TNSC has made a sales turnover of Rs.35.68 crore in the financial year 2020-21.

7.5 Major clients of TNSC

The quality of Industrial grade salt produced by the Corporation is well accepted by the Chlor Alkali Industries not only in Tamil Nadu but also by the States of Andhra Pradesh and Kerala. The major customers for Industrial Grade salt are Tuticorin Alkali Chemicals, Dharanga Dhara Chemical Works, Shree Rayalaseema Alkalies and Chemicals, Travancore Cochin Chemicals, Tamil Nadu Petro Products, Chemplast Sanmar Limited, and Chemfab Alkali Limited.

TNSC is marketing its fortified salt to the Government Schemes in the State and also to

the States of Andhra Pradesh, Karnataka and Kerala.

7.6 Labour Welfare

Around 1200 workers are engaged at the salt works in Valinokkam and the following amenities are provided to them:

- TNSC pays Government approved minimum wages to the workers with all statutory benefits like leave wages, gratuity, EPF etc.
- Rs.1 lakh to the nominee of the deceased worker in the event of unfortunate death of worker, while in service.
- Protected drinking water to the workers.
- Safety items like sun goggles, gumboots and towels.
- Medical camps are conducted periodically.

7.7 Nodal agency for Salt Industries

Tamil Nadu is the third largest producer of salt in India. Tamil Nadu produces around 25 lakh MT per annum. In Tamil Nadu Salt manufacturing takes place in 9 coastal Districts. There are around 4,108 salt producers including tiny, medium and large-scale producers. Around 48,406 acres of land is being used for the production of salt in Tamil Nadu. Around 95% of the salt production is being done by the private salt producers in Tamil Nadu.

In order to monitor the functioning of the salt industry in Tamil Nadu, the Government vide G.O.(Ms.)No.104, Industries (MIF.2) Department, dated 14.09.2018 has appointed Tamil Nadu Salt Corporation as the Nodal Agency.

7.8 Management of COVID 19 Pandemic

During initial lock down period, the salt manufacturers faced hardships in continuing the production due to restrictions on movement and functioning of the salt industry. The Salt Manufacturers requested the Nodal Agency to assist for the smooth functioning of the industries. TNSC coordinated with the Collectors of the Salt producing Districts and resolved the issues relating to engagement of labour for salt production, movement of labour from other Districts and transportation of goods.

TNSC ensured all safety measures to the staff and workers for safe working in view of pandemic. The Office and the project premises were disinfected every week periodically to avoid infection. By co-ordinating with the local PHC, the workers and staff were vaccinated.

7.9 Action plan for 2021-22

i. Sales Target

Sl. No	Product	Quantity in MT
1	Industrial Grade salt	75,000
2	Crystal Iodised salt	24,500
3	Refined Free Flow Iodised salt	10,850
4	Refined Free Flow Non-Iodised salt	10,000
5	Double Fortified salt	900

- ii. The sales turnover for the year 2021-22 is projected at Rs.38 crore.
- iii. Explore the opportunities to market its value-added salt products like Crystal Iodised Salt, Double Fortified Salt and Refined Free Flow Iodised Salt to bulk purchasers.



Aerial view of Tamil Nadu Salt Corporation complex located at Valinokkam

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8. DEPARTMENT OF SUGAR

There are 42 sugar mills in Tamil Nadu, out of which 16 are in Cooperative Sector, 2 are in Public Sector and 24 are in Private Sector. Out of these, 12 in Cooperative Sector, 2 in Public Sector and 14 in Private Sector, in total 28 sugar mills only were operated during 2020-21 season. Less cane availability in the State is the major reason for the operation of lesser number of sugar mills.

The non-availability of promising new high sugar variety sugarcane, vagaries of monsoon, increase in cost of cultivation, paucity of farm labour and stagnant cane price during the last four seasons are the contributory factors for low cane availability and low capacity utilization of Tamil Nadu sugar mills. This has resulted in higher cost of production and as a result, the sugar mills in Tamil Nadu are facing acute

financial crisis and are not able to pay the cane price to the farmers in time.

Sugar Industry is the source of direct and indirect employment to lakhs of rural population through cane cultivation, harvesting, transport and allied services. Hence, the Government is determined to take steps to improve the financial status of the sugar industry by increasing sugarcane productivity, improving sugar recovery and effective utilization of byproducts for value addition in the sugar mills.

8.1 Department of Sugar

The Department of Sugar is headed by the Commissioner of Sugar. The Commissioner of Sugar is also the Cane Commissioner for the State, the Functional Registrar for Cooperative sugar mills and the Chairman & Managing Director for Tamil Nadu Sugar Corporation Limited.

Tamil Nadu Sugar Corporation Limited (TASCO) was established during the year 1974. The objectives of TASCO are, setting up of new sugar mills, expansion of existing sugar mills and providing consultancy services to the Cooperative and Public Sector sugar mills.

Three sugar mills, viz. Arignar Anna Sugar Mills, Kurungulam, Thanjavur District; Perambalur Sugar Mills, Eraiyyur, Perambalur District and Madura Sugar Mills, Pandiyarajapuram, Madurai District are under the control of TASCO. Out of these 3 sugar mills, Madura Sugar Mills is defunct since 28.02.2005.

Tamil Nadu Cooperative Sugar Federation (TNCSF) was established during the year 1961 and is functioning under the control of Directorate of Sugar. TNCSF coordinates and facilitates the working of the affiliated member sugar mills, provides technical services, makes

centralized purchase of chemicals, Polypropylene bags, gunny bags, lime, lubricants and bearings and also sale of sugar and by-products.

The Main Bio Control Research Laboratory (MBRL), Chengalpattu is an unit of TNCSF and a Research and Production unit recognized by Department of Scientific and Industrial Research (DSIR), Government of India. It is engaged in the production of bio-fertilizer and bio-pesticides required for cane cultivation activities of Cooperative and Public Sector sugar mills.

8.2 Steps to improve productivity and sugarcane production

Multi pronged strategy has been adopted to bring more area under micro irrigation to sustain sugarcane production and to ensure more yield per drop of water utilized. In order to promote Micro irrigation, 100% subsidy is given to small and marginal farmers and 75% to other

farmers under Pradhan Mantri Krishi Sinchai Yojana (PMKSY) scheme.

In addition to Micro Irrigation, various steps have been taken such as implementation of Sustainable Sugarcane Initiative (SSI) scheme, distribution of breeder seed materials and tissue culture seedlings for the rejuvenation of Co 86032 and other new sugarcane varieties, trash shredding, distribution of quality budchip seedlings, inter cropping, distribution of manual detrashing tools, bio-control measures and installation of hydraulic tippers under National Agricultural Development Programme (NADP).

Mechanization in sugarcane cultivation is being emphasized to bring down the cost of cultivation. To improve productivity and reduce dependency on human labour, various farm implements viz., Power tillers, Power Weeders, Rotary Mulchers, Trash Shredders and

Sugarcane Harvesters are being distributed to sugarcane farmers at subsidized rates under Sub-Mission on Agricultural Mechanization (SMAM) scheme through Agricultural Engineering Department.

The Sugarcane Breeding Institute, Coimbatore, through various experimental trials, has identified a new variety Co 11015 to be superior to the existing Co 86032 variety both in quality and in yield. Measures are being taken to ensure multiplication of the above variety in more areas in all the sugar mills to improve the yield and sugar recovery percentage. So far the above variety is multiplied in an area of 10,658 hectare.

8.3 Achievement during season 2020-21

The sugar mills in Tamil Nadu have crushed 72.49 lakh Metric Ton of sugarcane with an average recovery of 9.12% and produced

6.67 lakh Metric Ton of sugar during the season 2020-21 up to 31.05.2021.

8.4 Sales Realization

8.4.1 Sugar Sales Realization

The sugar produced by all the Co-operative and Public Sector Sugar mills is sold through Tamil Nadu Cooperative Sugar Federation Limited. During the financial year 2020-21, 1.90 lakh Metric Ton of sugar have been sold and an amount of Rs.655.48 crore has been realized.

8.4.2 Bagasse Sales Realization

The surplus bagasse produced by the sugar mills, after meeting the fuel demand of the Mills is sold to paper and bio-energy manufacturers. During the financial year 2020-21, 18,202 Metric Ton of bagasse have been sold and an amount of Rs.4.16 crore has been realized.

8.4.3 Molasses Sales Realization

The surplus Molasses after meeting the demand of the distillery units in Amaravathi and Salem Cooperative Sugar mills is sold to private distilleries, cattle feed producers and other users. During the financial year 2020-21, 1.43 lakh Metric Ton of molasses have been sold and an amount of Rs.128.51 crore has been realized.

8.4.4 Alcohol Sales Realization

In the Distillery units of Salem and Amaravathi Co-operative Sugar mills, during the financial year 2020-21, 10 lakh litres of rectified spirit have been sold and an amount of Rs.4.63 crore has been realized.

8.5 Co-Generation and Modernization Project

Establishment of Co-generation Plants along with modernization of sugar mills in 10 Cooperative and 2 Public Sector sugar mills

through TANGEDCO has been one of the major steps taken to improve performance of mills. As on date, 5 projects in Chengalrayan, Vellore, Cheyyar, Arignar Anna and Perambalur sugar mills have been commissioned. During the financial year 2020-21, 646.981 lakh units of power have been exported by these 5 Mills to the State Grid.

As on date modernization projects have been commissioned in 10 mills viz. Salem, Subramania Siva, Dharmapuri, Kallakurichi-I, Kallakurichi-II, Chengalrayan, Vellore, Cheyyar, Arignar Anna and Perambalur Sugar mills.

8.6 Focus Area for the Year 2021-22

- 1) By utilizing the good rainfall (984.6 mm) received during the year 2020, efforts are being taken to increase the sugarcane cultivation area to 1.25 lakh Hectare during 2020-21 planting season.

- 2) Considering the best quality of Co 11015 variety and to increase the sugar recovery of sugar mills, it is programmed to cover an area of 20,000 Hectare during 2020-21 planting season in all the command area of the sugar mills. Further, new sugarcane varieties viz., CoG 6 and CoC 13339 are being multiplied in all the sugar mill areas to increase the sugar recovery.
- 3) Sugarcane crop is a water intensive crop. To cultivate the sugarcane crop with minimum water and to increase the production and productivity of sugarcane in Tamil Nadu, it is proposed to implement Micro Irrigation scheme in an area of 35,000 Hectare by utilizing the subsidies extended by the Government of Tamil Nadu and Government of India.

THANGAM THENNARASU
MINISTER FOR INDUSTRIES