

**THE TAMILNADU INDUSTRIAL INVESTMENT CORPORATION
LIMITED
692, Anna Salai, Nandanam, Chennai – 600 035.**

CITIZENS' CHARTER

1. Introduction:

The Tamilnadu Industrial Investment Corporation Limited (TIIC) is a Government Company incorporated under The Companies Act. TIIC is considered as one of the State Financial Corporations for extending financial assistance towards creation of fixed assets for starting new industrial units as well as for expansion, modernization and diversification of existing units as well as working capital term loan assistance. Lending to service sector projects like hospitals, hotels, convention centres, commercial complex etc., are also considered.

2. Type of Assistance:

i) TIIC offers long and medium term financial assistance to various Industries including service sector in the following forms:

- Term Loans
- Term Loan and Working Capital Term Loans under the Single Window Scheme.
- Special types of assistance like Bill Financing Scheme, etc.

ii) Schemes Operated :**a) SCHEME FOR SOCIALLY AND ECONOMICALLY BACKWARD ENTREPRENEURS:**

- Grow an entrepreneur scheme (GES) under Credit Guarantee Fund Trust

b) SCHEMES FOR MANUFACTURING ENTERPRISES

- General Scheme for New and Expansion Project
- Micro Small Enterprises Funding Scheme (MSEF)
- Single Window Scheme (SWS)
- Equipment Finance Scheme (EFS)
- Technology Upgradation Fund Scheme (TUFS) for Textile Industry
- Open Term Loan (OTL)
- Working Capital Term Loan (WCTL) for Rice Mills and Manufacturing Unit
- Swapping Scheme

c) SCHEMES FOR SERVICE ENTERPRISES

- Information Technology Project
- Hotel Project
- Hospital Project
- Commercial Complex
- Marriage Hall / Community Centre / Convention Centre
- Warehouse / Cold Storage

d) SCHEMES FOR POWER GENERATION

- Wind Power Project
- Generator Loan

e) BILL FINANCING SCHEMES

- TNEB Contractors
- TWAD Contractors

f) SCHEMES FOR PROFESSIONALS

- Doctors Growth Scheme
- IT Professionals
- Engineers / Chartered Accountants

g) SCHEMES FOR TRANSPORT SECTORS

- Auto Rickshaw Loan
- Tourist Cabs
- Heavy Public Carriers (Lorries)
- Omni Bus.

3. Eligible activities:

The assistance of the TIIC is available to the concern engaged in or proposing to be engaged in:-

- Manufacturing, processing or preservation of goods
- Service sector
- Generation of electricity or any form of power including wind mills
- Setting up of nursing homes and purchase of electro medical equipments
- Hotels and Restaurants
- Purchase of public carrier vehicles for material / goods transportation and for transport of passengers.
- Facilities for preservation of marine products and food item including cold storage.

- Commercial complex / storage godown / marriage hall / community hall
- Computer Training Institutions / I.T projects including I.T Parks

4. Quantum of Loan Assistance:

TIIC provides Term Loan assistance normally upto a maximum of Rs.800 lakhs to Proprietary and Partnership concern. In respect of Limited Companies and Co-operative Societies normally a maximum term loan assistance of Rs.2000 lakhs can be considered. However higher loan assistance may also be considered for bigger projects on a case to case basis.

TIIC has 6 Regional Offices, 24 regular Branch Offices, 2 Special Recovery Branch Offices and 4 Field Offices spread all over Tamilnadu.

The regular Branch Offices have been classified into A, B, C categories for the purpose of consideration of loan assistance based on the number of loan account in a Branch Office. Branch Offices can sanction loans upto Rs.50 lakhs for new clients. Regional Loan Sanction Committee can consider sanction of loans upto Rs.100 lakhs for new clients and Rs.150 lakhs for existing clients.

The Board of TIIC has delegated appropriate powers for sanction of loans to the Branch Manager, Branch Sanction Committee and Regional Loan Sanction Committee (RLSC). The Executive Committee consisting of Directors of the Board consider sanction of loans beyond the power of RLSC (i.e) beyond Rs.100/150 lakhs upto Rs.300 lakhs. The Board of TIIC consider sanction of loans above Rs.300 lakhs.

5. How to apply:

For getting financial assistance from TIIC, one has to apply in the prescribed application and the applications are available in all the TIIC Offices. There are separate applications for certain schemes. Application for financial assistance to industrial units can also be downloaded from TIIC's website www.tiic.in. Application is issued free of cost.

6. Appraisal of Project by TIIC:

TIIC appraises the project for its technical feasibility, financial and economic viability while sanctioning loan. The applicant should satisfy TIIC regarding the scope for marketing and furnish the details of the cost of production, cash flow etc., to assess the pay back period and for assessing the various financial ratios / norms.

7. Rate of Interest:

The rate of interest for the term loan for the current year is in the range of 13.50 % p.a. to 15.00 % p.a. based on the quantum of loan and nature of industries (SME or Non SME sector). The Corporation may modify the interest rate for all loans every year based on its cost of funds.

8. Financial Norms:**i) Debt Equity Ratio:**

The maximum Debt Equity Ratio (DER) for both Small and Medium Enterprises shall be 2:1.

ii) Promoter's Contribution:

Promoter's contribution varies from 15% to 40% depending upon the scheme of assistance. A higher promoters contribution will be fixed if the risk perception of the proposal is high.

iii) Collateral Security:

In addition to primary security of assets, collateral security is also stipulated based on the risk perception of the proposal.

iv) Repayment period:

Loan repayment is generally spread over a period of 5 to 9 years with a moratorium ranging from 3 months to 2 years depending on the project and the cash flow projections.

9. Subsidies from Government :

TIIC is the Nodal Agency for its assisted units for the following incentives / concessions provided by the Government of Tamilnadu and Government of India.

i) State Government Subsidy:

Following Incentives and Concessions provided by Tamilnadu Government as per MSMI Policy 2008:

- Backward Area Capital Subsidy
- Additional Capital Subsidy for Women/SC/ST/Physically Handicapped / Transgender Entrepreneurs
- Employment Incentive subsidy
- Special Capital Subsidy to Thrust Sector Enterprises
- Subsidy Schemes for Agro based Enterprises
- Generator Subsidy
- Back-ended Interest Subsidy

ii) Central Government Subsidy:

- Credit Linked Capital Subsidy (CLCS) for Technology Upgradation
- Capital Subsidy, Back-ended Interest Subsidy for Textile Industries provided by Ministry of Textiles under Technology Upgradation Fund Scheme (TUF)
- Food Processing subsidy provided by Ministry of Food Processing Industries (MOFPI)

10) Norms set up in TIIC for sanctioning loans :

- Immediate issue of loan application to the applicant who requires in person and within 3 days by post.
- Immediate issue of acknowledgement for receipt of loan application form.
- Status of information about loan application within 5 days, if all the required particulars have been furnished with the application.

- Loan sanction within 18 working days by Branch Sanction Committee for loans upto Rs.50.00 lakhs
- Loan sanction within 25 working days for loans above Rs.50.00 lakhs and upto Rs.3.00 crores by Executive Committee and RLSC.
- Loan sanction within 35 working days for loans of above Rs.3.00 crores by Board.
- Simultaneous scrutiny of legal documents within 15 working days, if, within office and 4 weeks if external legal advise is needed.

11) Requests for Loan:

Time limit for compliance of request for inspection of assets:

- 10 working days for requests not involving valuation of asset
- 15 working days for requests involving valuation of assets

Time Limit for compliance of requests for loan disbursal:

- 10 working days for inspection of site, machinery and building by TIIC officials
- 15 working days for inspection of site, machinery and building by external agencies

Time Limit for compliance of other requests:

- 45 working days from the date of receipt of full particulars for consideration of change in management in fit cases.
- 30 working days from the date of receipt of particulars for request for time for payment of dues.

12) Complaints:

- E-mail facility to receive complaints/suggestions
- Immediate acknowledgment for all complaints received
- Reply to complaints normally within 30 working days.

13) Guidance and help:

- All 6 Regional Offices, 24 Branch Offices and 4 Field Offices in the State will guide and help the customers.
- 2 Special Recovery Branches to guide and help the customers in settling their accounts, which have become non-performing assets.
- Separate Entrepreneurs' Guidance Cell and Grievance Cell functioning at the Head Office, Chennai, guide citizens and redress their grievances in all matters.
- Separate Business Development Officers at Head Office and Branch Offices to guide entrepreneurs.
- Records maintained for receipt and disposal of complaints at Head Office, Branch Offices and Regional Offices.

14. Contact Address:

Principal Secretary / Chairperson & Managing Director,
 The Tamilnadu Industrial Investment Corporation Limited
 (TIIC)
 New No.692 (Old No.473), Anna Salai,
 Nandanam,
 Chennai 600 035.

Telephone Numbers (Direct)	-	2434 9475	
	-	2434 9396	
Head Office Telephone Numbers	-	2433 1203	
	-	2433 1485	
	-	2433 1498	
Fax No.	-	2434 7209	
E-Mail	-	tiicltd@vsnl.com	
Website	-	http://www.tiic.in	
All 6 Regional Offices]	Addresses available	
24 Branch Offices,]	in TIIC's website	
4 Field Offices,]		
2 Special Recovery Branches			