

THE TAMILNADU INDUSTRIAL INVESTMENT CORPORATION LIMITED

REGD. OFFICE: 'MHU' COMPLEX, 692, ANNA SALAI,
NANDANAM, CHENNAI - 600 035.



The Growth Catalyst

**SEVENTY THIRD
ANNUAL REPORT AND STATEMENT OF ACCOUNTS
MARCH 31, 2022**

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Board of Directors



Thiru Hans Raj Verma, IAS.,
Chairman & Managing Director, TIIC



Thiru S. Krishnan, IAS.,
Additional Chief Secretary to Government
Industries, Investment Promotion &
Commerce Department, Government of Tamilnadu



Thiru V. Arun Roy, IAS.,
Secretary to Government
MSME Department
Government of Tamilnadu



Tmt. Reeta Harish Thakkar, IAS.,
Special Secretary to Government
Finance Department, Government of Tamilnadu



Tmt. Mariam Pallavi Baldev, IAS
Additional Secretary to Government
Industries, Investment Promotion &
Commerce Department, Government of Tamilnadu



Thiru Ravindran A Lakshmanan
General Manager, Small Industries
Development Bank of India (SIDBI)



Thiru G. Santhanam, IAS (Retd.)
Independent Director



Thiru S. Rajendiran
Independent Director



Thiru D. Srinivasan
Independent Director

Auditors

M/s. P.B. Vijayaraghavan & Co.
Chartered Accountants
Chennai

Principal Bankers

Indian Bank
State Bank of India
Indian Overseas Bank
Bank of Baroda

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Chairman's Speech

in the 73rd Annual General Meeting of the Shareholders at 4.00 pm on 02nd December, 2022

Dear Shareholders,

On behalf of the TIIC Board of Directors, I am happy to welcome you to the 73rd Annual General Meeting of the Corporation. I thank you for your presence and for your continued support and goodwill that is so crucial to the success of the Corporation.

Before I proceed further I would like to inform with the sense of pride that this year (2022) we are celebrating the 130th birth anniversary of our founding Chairman Late Dr. R.K. Shanmugam Chetty. He was a great institution builder who championed both the industrialization of Tamil Nadu as well as the promotion of Tamil language and culture. Apart from TIIC he was the founder of the following institutions:

- i. South India Mills Association (SIMA)
- ii. South India Textile Research Association (SITRA)
- iii. Annamalai University – Founding Vice Chancellor
- iv. Tamizh Isai Sangam
- v. Tamil Chamber of Commerce
- vi. Coimbatore Chamber of Commerce
- vii. Tamil Perur College

The Audited Statement of Accounts for the year ended 31st March 2022 with the Auditor's Report and Comments of the AG and the Directors Report have already been sent to you and with your permission, I take them as read.

With the committed support of all the stakeholders, namely, the Government of Tamilnadu, SIDBI, TIDCO, SIPCOT, Public Sector Banks etc the Corporation recuperated to good health from the year 2003-04. During the Financial Year 2021-22, the Corporation consolidated its financial position and

recorded profits by registering a net profit of Rs.82.94 crore. The Directors' report and the audited financial statements of accounts for the 73rd year ended 31st March 2022 have already been placed with you. I presume you have had an opportunity to go through the report and hence I will take it as read. However, I would like to take this opportunity to share with you some of the salient aspects of the report.

ECONOMIC SCENARIO:

At National Economy

The economies of the world are now transitioning through the end of the COVID-19 pandemic, touted to be one of the worst economic and health care crises the world has seen in a long time. The global economic recovery continues amid a resurging pandemic with the emergence of new COVID-19 variants which might prolong the pandemic induced economic disruptions. With the pandemic trying to strengthen its grip again, rising inflation, contraction of US GDP and Ukraine war present a unique set of challenges for the global economy and increases the uncertainty around economic recoveries around the world. Reflecting continued COVID-19 flare-ups, diminished fiscal support, lingering supply bottlenecks and the Russia Ukraine war, the World Bank in its Global Economic Prospects, the global growth is expected to decelerate markedly to 4.1 percent in 2022. International Monetary Fund, in its World Economic Outlook, expects Global growth to slow down from an estimated 6.1 percent in 2021 to 3.6 per cent in 2022 and in 2023 and beyond 2023, global growth is forecasted to decline to about 3.3 percent.

The World Bank, Asian Development Bank and International Monetary Fund were forecasting India's growth for FY 2022-23 and FY 2023-24 as mentioned below:

Sl.No	Description	Projections	
		FY 2022-23	FY 2023-24
1.	World Bank – Global Outlook	8.7%	6.8%
2.	IMF – World Economic Outlook	8.2%	6.9%
3.	ADB – Asian Outlook	7.5%	8.0%

The Economic Survey 2021-22 states that with widespread vaccine coverage, gains from supply-side reforms and easing of regulations, robust export growth, and availability of fiscal space to ramp up capital spending, the projected growth of the Indian economy will be 8.0- 8.5% in the Year 2022-23.

With India’s underlying economic fundamentals being strong, despite the short-term turbulence, the impact on the long-term outlook will be marginal. However the sharply rising oil and gas, commodity, and food and fertilizer prices may trigger short-term trade shock and result in cost-push inflation. Supply disruptions, adding to global inflation, will also feed into domestic prices. While production-cost escalations across industries will result in higher producer prices, the impact on consumer prices will depend on the degree of pass-through to consumers. This year will be critical for India’s economy as the Government and the RBI work at balancing the stress on inflation, currency, external accounts, and fiscal deficit and hope that the current economic pressures too shall pass.

Credit Flow 2021-22

Credit growth in the banking sector is set to hit double digits with offtake by borrowers rising by 9.6 per cent as on 31st March 2022, signaling that the economy could be showing signs of a comeback. RBI, in its Monetary Policy report, April 2022, remarked that financial conditions remain conducive to growth and credit offtake is gaining traction.

On a year-on-year (y-o-y) basis, non-food bank credit registered a growth of 9.7% in March 2022 from 4.9% in March 2021. Credit growth to industry picked up to 7.1% in March 2022 as against a contraction of 0.4% in March 2021. Credit to medium industries registered a

robust growth of 71.4 per cent in March 2022 as compared to 28.8 per cent last year. Credit growth to micro and small industries accelerated to 21.5 per cent from 0.5 per cent and credit to large industries recorded a marginal growth of 0.9 per cent against a contraction of 0.8 per cent during the same period last year. Credit growth to service sector accelerated to 8.9 per cent in March 2022 as compared to 1.4 per cent a year ago, mainly due to significant improvement in credit growth to NBFCs and robust credit offtake in ‘trade’ and ‘transport operators’.

AT THE STATE LEVEL

- Tamil Nadu’s GSDP growth has been estimated at 7.85 per cent for 2021-22 at constant prices, which shows that the economy has bounced back after the Covid pandemic. The nominal GSDP growth of Tamil Nadu is estimated to be 14.0 per cent in 2022-23 and 14.0 per cent in 2023-24. (As per Tamil Nadu Government Budget)
- Despite the current economic downturn, Tamil Nadu’s growth is higher than that of national GDP, which is a positive sign for the growth of the State.
- To push our Hon’ble Chief Minister’s vision of making Tamil Nadu a USD 1 trillion economy by 2030, the Government of Tamil Nadu unveiled the Tamil Nadu Export Promotion Strategy so as to achieve the export target of \$ 100 billion in Tamil Nadu by 2030. A special fund of Rs.100 crore to build the required public infrastructure for export organizations in Tamil Nadu has been proposed in this regard.
- Non-leather footwear and leather related industries provide immense opportunities for employment and to augment them, a new Footwear and Leather Industry Development Policy will be released in the current financial year.
- For the manufacturing of electronic products, two exclusive clusters will be established at Pillaipakkam in

Kancheepuram District and Manallur in Thiruvallur District.

- The Government will set up new industrial parks in Coimbatore, Perambalur, Madurai, Vellore and Thiruvallur Districts to promote widespread industrial development across the State and through these industrial parks, investments worth Rs.50,000 crore will be attracted.
- The Tamil Nadu Startup and Innovation Mission (TANSIM) will set up Regional Startup Hubs in Erode, Madurai and Tirunelveli to ensure the development of startup ecosystem in all regions across Tamil Nadu. An iconic State Startup Hub Centre with all facilities will be established by the Tamil Nadu Industrial Development Corporation (TIDCO) at Nandambakkam, Chennai, at an estimated cost of Rs. 75 crore.
- To fund climate change initiatives, mitigation and greening projects, the Government will set up the "Tamil Nadu Green Climate Change Fund". The Fund will mobilise necessary resources from various sources including development financial institutions and international climate funds.
- With a view to helping micro enterprise clusters, the Government will launch a new "Micro Cluster Development Programme". Cookware cluster in Tirunelveli District, artificial jewellery making by Narrikuruvars in Kancheepuram District, cashew processing cluster in Cuddalore District and toys cluster in Madurai District will be among the 20 micro clusters that will be taken up in the coming year.
- An amount of Rs.300 crore has been allocated in this year's budget for providing Capital Subsidy for MSMEs and Tamil Nadu Credit Guarantee Scheme for MSMEs has been proposed to be set up with a corpus amount of Rs.100 crores.
- Tamil Nadu has been witnessing the rapid implementation of business reforms

(Ease of doing business initiative) to render the State the most favourable investment destination in the country.

HIGHLIGHTS OF THE CORPORATION'S PERFORMANCE DURING THE YEAR 2021-22:

The Annual Report portrays the performance of our Corporation during the financial year 2021-22. I would like to take this opportunity to share with you some of the salient aspects of the Annual report.

The Corporation has registered net profit for the nineteenth consecutive year. The total income of the Corporation for the financial year 2021-22 stood at Rs.249.32 crore and the net profit is Rs. 82.94 crore.

The sanctions, disbursements and recovery of loans for the Financial Year 2021-22 as against the performance in the FY 2020-21 are given below:

	(Rs.in Crore)	
Loan	2021-22	2020-21
Sanctions	1802.23	1,305.33
Disbursements	1520.36	849.78
Recovery	991.53	739.05

The total loan portfolio of the Corporation for the financial year 2021-22 stood at Rs.2054.89 crore as against Rs. 1,310.24 crore during 2020-21, with a share of standard assets at 98.07% of the loan portfolio.

Capital Reserves:

The Net Capital & Reserves and Capital adequacy ratio of the Corporation has increased but interest income declined during the financial year 2021-22 as detailed below:

- 1) Net Capital and Reserves as on 2021-22 stood at Rs.1029.40 crore as against Rs. 747.65 crore during the previous year viz 2020-21.
- 2) Capital Adequacy Ratio has decreased from 38.11% in 2020-21 to 33.50% in 2021-22.
- 3) The Total income of the Corporation has increased from Rs.200.12 crores in 2020-21 to Rs. 249.32 crores during 2021-22.

Strategies adopted to improve the performance during 2021-22:

- Enhanced the loan exposure norms for Individuals/Partnerships to Rs.27.00 crores and Rs.41.00 crores for Limited Company with Group exposure to Rs.50.00 crores in order to attract more customers.
- Extension of Special Schemes viz. PCS (Privileged Customer Scheme), Equipment Finance Scheme - Fast Track and Medical Practitioner Scheme for FY 2021-22 and enhanced the loan ceiling limit.
- Collection of processing fee in two stages for BFS cases was introduced.
- Rate of Interest reduced to 10.95% p.a. for Term Loan above Rs.10 crores and 10.45% p.a. for Bill Finance Scheme.
- The Risk Mitigation measures have been strengthened with the procedure.
 - * To verify PAN and Aadhar Card from respective websites.
 - * To collect GST returns in addition to provisional Financial statements.
 - * To obtain CA certificate for networth for loan more than Rs.2 crores
 - * To obtain networth statement of promoters every 3 years.
 - * To carry out BIR when the loan is more than 2 times the loan originally / previously sanctioned or when they come for additional loan / fresh loan but last BIR before 3 years, whichever is earlier.
 - * To obtain stock statements every quarter.
 - * The disbursement under BFS is restricted to 75% of work orders on hand.
- Change in periodicity of valuation of land & building from one year to two years.
- Not to insist Bankers opinion for all term loans except takeover of high cost

borrowing and to exercise due caution in analysing CIBIL Reports at the time of sanctioning.

- Modification to Flexi WCTL with no principal repayment in first one year & Subsequent renewal/enhancement/repayment system was introduced.

Other Initiatives during the year 2021-22

- To infuse liquidity in the battered MSME ecosystem of the State and provide support to the MSMEs assisted by the Corporation in the time of crisis, TIIC introduced LENS Scheme (Liquidity Enhancement Support for MSMEs) for existing assisted units.
- Adhoc working capital under Flexi WCTL Scheme was introduced to assist our assisted and non-assisted units in Manufacturing / Processing sectors and Service sectors to meet their working capital / additional capital requirements.
- Modification and simplification of procedures of existing Schemes, like Corporate Loan Scheme and EFS-Fast Track Scheme keeping the customer experience in mind.
- Considering the vast potential of the Startups to bring out disruptive inventions and in line with Government of Tamilnadu's Startup vision Schemes, Proto Loan Scheme and Propel Loan Scheme have been introduced by the Corporation to encourage startup units
- To support improved customer experience and to reduce turnaround time (TAT) of loan dispensation, Sanction Memorandum was simplified in respect of small loans upto Rs.50.00 lakhs under General / UYEGP / NEED Scheme.
- Extension of Bill Finance Scheme (BFS) to contractors / suppliers of Greater Chennai Corporation to effectively expand the customer base under the Scheme and is in the process of covering the vendors of Chennai Metropolitan Water Supply and Sewerage Board under its Bill Finance Scheme. Further,

- Interest rates and processing fees were reduced for our BFS customers.
- MoU was signed between TIIC & TAICO Bank for sanction of Term Loan and Working Capital Term Loan to the units assisted by either of the Institutions.
 - 13 MoUs were signed with various stakeholders, like Incubation Centres, Tamilnadu Defence Corridor agencies, including BHEL to offer Lending Plus Value Proposition services viz Financial services, Technical guidance, Marketing assistance, Competency building, Raw Material sourcing, GST facilitation, etc.
 - With a view to increase branch network, two Branches viz., Karaikudi and Poonamallee, were opened to better service the customers
 - Intensive **Special Business Campaign** was organized during August 2021 and December 2021 across all Branches of the Corporation to give thrust for sanction and disbursement in the financial year 2021-22.
 - To specially focus on improving sanctions under **NEEDS**, September - December 2021 were observed as NEEDS months. Concession was given to the applicants by way of waiver of processing fee for the applications received during this period.
 - The Corporation's Schemes were showcased and senior level representation and participation were made in various events/exhibitions/annual conferences, like SICCI, SIDM, CII Industry Conclave etc.

Strategies for Business Growth for FY 2022-23 and Future Outlook

The COVID-19 pandemic is truly a tipping point. It has changed everything. Many MSMEs were shut, others were struggling and all were facing a climate of extreme uncertainty. Today, many are on a path back to a form of normalcy and the economic reality is a bit brighter, surpassing expectations. Not only was the Corporation instrumental in delivering

government aid and ensuring continuous credit availability to its customers, it also opened up its resources to lend to the MSMEs.

In its own way, the pandemic has given the Corporation, a look into the art of the possible. The Corporation should take this opportunity to embed this new found speed and agility, adapt its business model to achieve its mission of being a preferred term lending institution in the State. With the imperative to create value for its customers in the aftermath of the pandemic, to achieve its business volume, and for ensuring growth in revenue and profit besides effecting cost reduction the key strategies would be as under:

Total Cost of Ownership (TCO)

The TCO of business account of a customer with TIIC is incomparable and unmatched.

The Key Highlights

a) **Lending Plus Value Proposition:**

A boutique of Value Added Services which includes Regulatory/Government Bodies Interface Facilitation, Access to Markets, Project Management Guidance, Technology Guidance, Doorstep Delivery of Services and "End to End" Handholding.

b) **Upliftment:** TIIC encourages new units as well as first generation entrepreneurs.

c) **All Benefits Under One Roof:** Promoter can avail Term Loan, State/Central Government subsidies.

d) No Hidden Charges.

e) Interest is charged on diminishing balance only.

f) No hike in Interest Rate since 2019 - Interest rate not linked to any benchmark rate. Also, the customers interest rates are not linked with their individual rating.

g) Benefits of BFS: Adjustment of interest at the time of receiving payment from the purchaser

- h) Longer Moratorium
- i) Longer Repayment
- j) Low Promoters Contribution
- k) Low Collateral Security
- l) Invested in the long term and sustainable success of its customers

Lending Plus Service Provider:

The customers, who have experienced the opening up of the lending market place, are more likely than yesterday's customers to be attracted by one or another emerging value proposition. TIIC's value proposition is it is not a mere lender, it is beyond that. It acts as Growth Catalyst and is invested in the long-term success of its valuable customers. TIIC is committed to 'Lending Plus Value Proposition' under which TIIC proactively engages with various Stakeholders in the MSME Eco System and offers its clients a boutique of Services comprising Lending, Financial Services, Technical Guidance, Marketing Assistance, Competency Building, Raw Material Sourcing.

Cultivating partnership-driven lending ecosystems

TIIC will focus on opportunities that cultivate partnerships which enable them to embed it with the MSME life cycle in the State of Tamil Nadu. Creating an integrated partnership with partners like fintech institutions, Banks, NBFCs will create an ecosystem that in addition to systematically increasing the business value of the Corporation will usher in modern advancements in lending process and data driven digital lending practices. As a first step, the Corporation has signed MoU with TAICO bank for providing working capital facilities to its customers. Similar partnerships will be explored by the Corporation to achieve its business potential.

Proactively engaging with the Changing Customer mix

Entrepreneurship and businesses are shifting to Gen-Next and the millennials, who have different expectations than the previous passive generation of the past. If the Corporation can successfully meet the needs

of the new customer mix with responsible service delivery, innovative product offerings, best in class digital experience for the customers, the positive upside growth potential will be multitude.

Offering Embedded Financial Services:

Attract customers by solving their specific and relevant lending requirements through customer friendly schemes of the Corporation and thereby inducting the customer into an ecosystem connecting them with the Corporation on all business pathways. Offering features to meet customer needs and keep them engaged with our Corporation, where the focus is not on the product offerings but the customer himself. The Corporation will strive to establish its footprint in the customer credit requirement landscape thereby becoming their choice of institution for credit or other requirements.

Maintaining Healthy Capital Cushions:

As the Pandemic is approaching its last leg, liquidity and funding should be secured but primary importance shall be given to securing adequate capital cushions for the Corporation as the government support recede.

Digitization of core processes

The Corporation's rate of adoption of Digitisation for its core processes should increase. TIIC will leverage IT and invest in digitisation through a new project, named Project EDGE (Enterprise Digitisation for Goal Enhancement) in three phases. Starting with the low hanging fruits being harvested in Phase I, TIIC will definitely adopt the existing market practices with best-in-class technology in the coming days.

- Training to scale up the employee's skills and knowledge especially in new digital credit delivery processes will be planned through a structured training calendar.

Strengthening the Human Resources:

- The Corporation should move from its traditional mind-set and prepare cross functional teams with the capability to

work iteratively in sprints to meet the changing operational conditions.

- The Corporation should focus on outsourcing the activities which are repetitive and doesn't require constant monitoring but are time consuming similar to the approach followed by banks and other similar credit market players.
- Developing and hiring people with different skills at all Management levels who can build and manage the Corporation, collaborate with other businesses and bring in the required present lending market place knowledge inside the Corporation.
- Competence and resilience of the employees will be improved through structured investment and knowledge training to match with the market demand.

Putting the enablers in place:

Several enablers need to be in place to make the vision of the Corporation to be a Growth Catalyst of the State, a reality which could include the buildup of supporting IT/data infrastructure, the necessary talent pool, better risk culture, agile operational processes.

- i. **Creation of a Suitable talent mix:** Creation of suitable talent mix that focuses and drives the Corporation towards its vision. Starting now, the Corporation needs to focus on reducing regular staff in operational areas through digitisation.
- ii. **Create data infrastructure:** A flexible data infrastructure (e.g. data lakes) is expected to help the Corporation to create a repository for all types of structured and unstructured data related to its lending practices. Corporation can then use the data for different use cases such as credit underwriting, monitoring and early warning, or fraud detection
- iii. **Enhance risk culture:** Building and maintaining a robust risk culture will be critical to ensure the successful future of

the organisation. Instituting a robust risk culture will be prerequisite element in Corporation's competitive advantage. Enhanced risk culture will most likely promote informed, conscious risk taking based on the Corporation's risk appetite, coupled with the necessary checks and control systems to continuously detect, assess, and mitigate risks, as well as transparent procedures to follow up on breaches and deviations.

Reaching out to Entrepreneurs:

- Conduct Special Business Campaigns during August 2022 / December 2022, to attract more applications and to generate more potential leads which will be followed up closely for early conversion into loan applications.
- Awareness programs for entrepreneurs, outreach programs for imparting knowledge to the entrepreneurs shall be convened by the Corporation at regular intervals

Other Strategies:

- Applications sanctioned and **undisbursed** during last quarter of FY 2021-22 will be **prioritized** to give a push to disbursements.
- Business Continuity Plan and Disaster Recovery Plan will be developed by the Corporation to continue to perform its operations effectively when faced with adverse situations in the future.
- To improve the operational effectiveness and to reduce the work load on its workforce, without deviating from the core values of the Corporation, the appraisal memorandum will be simplified. Thereby it will improve the customer experience, and enhances staff productivity.
- The Corporation will continue to work closely with the District Industries Centres to identify and encourage more young entrepreneurs under Government of Tamilnadu's NEEDS scheme.

- Conducting **SME Outreach programmes** in institutes of importance to attract the new generation entrepreneurs.
- SIPCOT and SIDCO allottees will be targeted for assistance under the Industrial Infrastructure Initiative schemes.
- To effectively market the financing schemes of TIIC, **Special Business Campaigns** will be organized during appropriate time wherein concession in processing fee shall be extended for attracting more business.
- The Corporation will diversify its asset portfolio and prevent concentration of loans to few specific sector /industry. This might help the Corporation to maintain a healthier loan portfolio and help in reducing NPA.
- Constant Monitoring of the portfolio to identify the early warning signs of sickness of the units in the earlier stage and taking remedial action so as to ensure that the Corporation maintains a clean asset portfolio.
- Early identification of stressed assets will be taken up and branches will be given monthly targets on NPA reduction. Continual efforts for upgrading slippages by the monitoring and recovery department will improve standard asset portfolio.
- Loans Monitoring Committee chaired by CMD/MD at Head Office is reviewing the cases of loan sanctions above Rs 1.00 crore.
- Implementation of e-auction in all the branches in order to improve the disposal of assets under possession through auction sale.
- The mantra of "maximise Disbursements and Minimise NPAs" will be effectively implemented throughout the Corporation to increase the loan portfolio without compromising on quality of loans.

ASSET QUALITY:

Maintaining a qualitative credit portfolio being the top priority for successful operations, being the Corporation vigorously pursues the following strategies:

- Emphasis on comprehensive Risk Management.
- Improving appraisal system for qualitative sanctions.
- Monitoring of special mention accounts and focused follow up of larger advances.
- Introduction of a Comprehensive Credit Management and Recovery Manual to enhance Branch Credit Control Systems.
- Continuous training for its personnel for skill development.
- An Exclusive Department for monitoring the Asset Quality.
- Comprehensive set of one time settlement schemes for elimination of chronic NPAs.

The Corporation accords utmost priority to maintaining the quality of Loan Portfolio. As on 31-03-2022, the share of Standard Assets stood at 98.07% of the Loan Portfolio. Despite the stresses witnessed in National Banking Scenario on account of growing NPAs, TIIC is by strenuous recovery efforts and persistent monitoring has been successful in maintaining its Standard Assets components in its Loan Portfolio.

Presidentship of COSIDICI:

Established in 1976, the Council of State Industrial Development and Investment Corporations of India (COSIDICI) is a National Federation of state level financial and investment corporations comprising State Financial Corporations (SFCs), State Industrial Development Corporations (SIDCs) and State Infrastructure Development Corporations engaged in promotion, development and financing of industry in small, medium and large sectors , besides developing industrial infrastructural facilities like industrial estates,

industrial parks, industrial townships, etc. As on 30th September, 1999, COSIDICI has a membership of 56 state level institutions.

The member constituents of COSIDICI have elected me as the President for the year 2021-22 which is the testimony to the power of Brand Tamil Nadu. TIIC is providing Thought Leadership to the various members of COSIDICI for reorienting, reinventing and repositioning themselves so as to remain relevant and contemporary in the emerging competitive landscape of the financial world. Also, guidance is being provided for harnessing the emerging Technology Trends, forging partnership with Stake-holders, gaining access to Defence Markets, capitalizing on the ESG sector and entering into TReDS platform so as to enable the SFCs to regain their pride of place in the Ecosystem of MSME financing.

ACKNOWLEDGEMENTS:

I take this opportunity to place on record my thanks to the Government of Tamilnadu, Small Industries Development Bank of India (SIDBI), Commercial Banks, MSME Development Institute and other State Level Institutions viz., State Industries Promotion Corporation of Tamilnadu (SIPCOT), Tamilnadu Small Industries Development Corporation Limited (TANSIDCO), ITCOT Consultancy and Services Limited, Electronics Corporation of Tamilnadu Limited (ELCOT) and the Tamilnadu Small and Tiny Industries Association (TANSTIA) for the continuous co-operation and support extended by them.

I have great pleasure in placing on record my appreciation to the officers and staff of the Corporation for their sincere and dedicated service.

I also thank my colleagues on the Board for their valuable contribution in formulating and monitoring the policies and programmes of the Corporation.

Last but not the least, I take this opportunity to express my sincere thanks to all investors including Government of Tamilnadu, SIDBI, TIDCO, SIPCOT, and the nationalized Banks, etc., who have reposed faith in the Corporation and continued their support as shareholders.

TIIC, the growth catalyst in partnership with other stakeholders will strive ceaselessly to undertake its mandated role of being a major force in contributing to the Hon'ble CM's vision of making the Tamil Nadu economy a USD 1 trillion by 2030. TIIC will continually strive to promote Brand Tamil Nadu with focus on Thought Leadership, Technology Leadership and Throughput Leadership.

Thanking you.

HANS RAJ VERMA, IAS
 CHAIRMAN & MANAGING DIRECTOR

SYNOPSIS OF BALANCE SHEET

		Rs. in lakhs
As on 31.03.2021	CAPITAL & LIABILITIES	As on 31.03.2022
42,100	Paid up Capital	42,100
32,664	Reserves & Surplus	60,840
1,250	Loan in lieu of capital	—
28,061	Deposits	27,793
45,055	Line of Credit – Banks	1,06,913
21,174	Other Liabilities	21,124
<u>1,70,304</u>	Total	<u>2,58,770</u>
PROPERTY & ASSETS		
8,562	Cash & Bank Balances	6,143
4,122	Investments	4,731
1,29,823	Loans & Advances	2,03,203
17,275	Fixed Assets	38,475
10,522	Other Assets	6,218
—	Profit & Loss A/c	—
<u>1,70,304</u>	Total	<u>2,58,770</u>

YEARS AT A GLANCE

Rs. in lakhs

RESOURCES	As on March 31st	
	2021	2022
Share Capital	42,100	42,100
Reserves & Surplus	32,664	60,840
Loan in lieu of Capital	1,250	—
Deposits	28,061	27,793
Line of Credit – Banks	45,055	1,06,913

FINANCIAL HIGHLIGHTS

2020-2021 2021-2022

Gross Income	20,012	24,932
Financial cost	4,839	6,347
Establishment and administrative expenses	4,770	5,227
Other provisions / writeoff	3,355	1,320
Net Profit before tax	7,048	12,038
Net Profit after tax	5,044	8,294

OPERATIONS	2020-2021		2021-2022	
	No.	Amount	No.	Amount
(i) Total assistance sanctioned (All types gross)	2,690	1,30,533	1,933	1,80,223
(ii) Amount of assistance disbursed	—	84,978	—	1,52,036
(iii) Amount of assistance outstanding (All types)	—	1,31,024	—	2,05,489

THE TAMILNADU INDUSTRIAL INVESTMENT CORPORATION LIMITED
692, Anna Salai, Nandanam, Chennai - 600 035

NOTICE is hereby given that the 73rd Annual General Meeting of the Company will be held at the Registered Office at No.692, Anna Salai, Nandanam, Chennai 600 035 on Friday, the 02nd December, 2022 at 4.00 P.M. to transact the following business.

I. ORDINARY BUSINESS:

- a) To receive, consider and adopt the Audited Financial Statement of the Corporation for the Financial Year ended 31st March, 2022 and Reports of the Board of Directors and Auditors' Reports thereon and Certificate of Comptroller & Auditor General of India.
- b) To Declare the dividend for the year 2021-22.
- c) To transact other business of which due notice is given to the company.

II. SPECIAL BUSINESS:

- a) To increase the borrowing powers of the Board of Directors of the Corporation to Rs. 3000 crores.
- b) To include a sub-clause No. 106(a) to main clause No.106 of the Articles of Association of the Corporation as detailed below:

The borrowing powers of Board of Directors enhanced from Rs. 1800 crores to Rs. 3000 crores.

(By order of the Board)

Place : Chennai-35

Dated : 07.11.2022

D. DURAIRAJ

COMPANY SECRETARY

- N.B.**
1. A member entitled to attend and vote, may appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the company. The instrument appointing the proxy should, however, be deposited at the registered office of the company not less than forty eight hours before the commencement of the meeting.
 2. Explanatory statement as required under Section 102(1) of the Companies Act 2013 is enclosed.

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102(1) OF THE COMPANIES ACT 2013

As per Section 180 (1) (c) of the Companies Act 2013, the Board of Directors of a company shall borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business only with the consent of the company by a special resolution.

As per Section 180(2) of the Companies Act 2013, every special resolution passed by the company in general meeting in relation to the exercise of powers referred to in Section 180(1)(c) shall specify the total amount up to which monies may be borrowed by the Board of Directors. In the Annual General Meeting held on 08.09.2021, the Board of Directors were permitted to borrow money at any time the aggregate of borrowings does not exceed Rs. 1800 crores (Rupees One Thousand Eight Hundred Crores only). Considering the business plan for the Financial Year 2022-23 and to meet the Asset Under Management target of Rs. 3000 crores, the Corporation needs to avail the additional borrowings which will exceed Rs. 1800 crores. So in view of the above,

- i) the Board of Directors may be permitted to borrow money that the aggregate of such Borrowings does not exceed Rs.3000 Crores (Rupees Three Thousand Crores only) at any time.
- ii) to include a sub-clause No. 106(a) to main clause No. 106 of the Articles of Association:
The borrowing powers of Board of Directors enhanced from Rs. 1800 crores to Rs. 3000 crores.

REPORT OF THE BOARD OF DIRECTORS

The Board of Directors takes immense pleasure in presenting the **73rd Annual Report** of the Corporation along with Audited Balance Sheet as at 31.03.2022 and Profit & Loss Account for the financial year ended 31st March 2022. The highlights of performance for the financial year 2021-22 are given below.

Highlights

- The Corporation has registered net profit for the **nineteenth** consecutive year. For the Financial year ended 31.03.2022, it has made a net profit of Rs.82.94 crores as against Rs.50.44 crores last year.
- The Operating Profit (profit before write-off of loans and Taxes) for the financial year 2021-22 is Rs.122.70 crores as against Rs.109.08 crores during the last year.
- The total loan portfolio for the financial year 2021-22 stood at Rs.2,054.89 crores registering a growth of Rs. 56.83% as against Rs.1,310.24 crores during the last year.
- Standard Assets for the financial year 2021-22 is Rs.2,015.32 crores as against Rs.1,285.23 crores during last year.
- The Gross NPA as on 31.03.2022 is 1.93% as against 1.91% in Financial year 2020-21. Likewise, the net NPA as on 31.03.2022 is 0.82% as against 1.00% during the last year.
- The Capital Adequacy Ratio is 33.50% as on 31.03.2022 as against 43.71% in previous year i.e. 31.03.2021.
- Gross recoveries is Rs.991.53 crores for 2021-22 as against Rs.739.05 crores during 2020-21.

1.0 Economic Scenario:

The economies of the world are now transitioning through the end of the COVID-19 pandemic, touted to be one of the worst economic and health care crises the world has seen in a long time. The global economic recovery continues amid a resurging pandemic with the emergence of new COVID-

19 variants which might prolong the pandemic induced economic disruptions. With the pandemic trying to strengthen its grip again, rising inflation, contraction of US GDP and Ukraine war present a unique set of challenges for the global economy and increases the uncertainty around economic recoveries around the world. Reflecting continued COVID-19 flare-ups, diminished fiscal support, lingering supply bottlenecks and the Russia Ukraine war, the World Bank in its Global Economic Prospects, the global growth is expected to decelerate markedly to 4.1 per cent in 2022. International Monetary Fund, in its World Economic Outlook, expects Global growth to slow down from an estimated 6.1 per cent in 2021 to 3.6 per cent in 2022 and in 2023 and beyond 2023, global growth is forecasted to decline to about 3.3 per cent.

The World Bank, Asian Development Bank and International Monetary Fund were forecasting India's growth for FY 2022-23 and FY 2023-24 as mentioned below:

Sl.No	Description	Projections	
		FY 2022-23	FY 2023-24
1.	World Bank – Global Outlook	8.7%	6.8%
2.	IMF – World Economic Outlook	8.2%	6.9%
3.	ADB – Asian Outlook	7.5%	8.0%

The Economic Survey 2021-22 states that with widespread vaccine coverage, gains from supply-side reforms and easing of regulations, robust export growth, and availability of fiscal space to ramp up capital spending, the projected growth of the Indian economy will be 8.0- 8.5% in the Year 2022-23.

With India's underlying economic fundamentals being strong, despite the short-term turbulence, the impact on the long-term outlook will be marginal. However the sharply rising oil and gas, commodity, and food and fertilizer prices may trigger short-term trade shock and result in cost-push inflation. Supply disruptions, adding to global inflation, will also feed into domestic prices. While production-cost escalations across industries will result in

higher producer prices, the impact on consumer prices will depend on the degree of pass-through to consumers. This year will be critical for India's economy as the Government and the RBI work at balancing the stress on inflation, currency, external accounts, and fiscal deficit and hope that the current economic pressures too shall pass.

1.1. Credit Flow 2021-22

Credit growth in the banking sector is set to hit double digits with offtake by borrowers rising by 9.6 per cent as on 31st March 2022, signalling that the economy could be showing signs of a comeback. RBI, in its Monetary Policy report, April 2022, remarked that financial conditions remain conducive to growth and credit offtake is gaining traction.

On a year-on-year (y-o-y) basis, non-food bank credit registered a growth of 9.7% in March 2022 from 4.9% in March 2021. Credit growth to industry picked up to 7.1% in March 2022 as against a contraction of 0.4% in March 2021. Credit to medium industries registered a robust growth of 71.4 per cent in March 2022 as compared to 34.5 per cent last year. Credit growth to micro and small industries accelerated to 21.5 per cent from 3.9 per cent and credit to large industries recorded a marginal growth of 0.9 per cent against a contraction of 2.5 per cent during the same period last year. Credit growth to services sector accelerated to 8.9 per cent in March 2022 as compared to 3.0 per cent a year ago, mainly due to significant improvement in credit growth to NBFCs and robust credit offtake in 'trade' and 'transport operators'.



M/s. Sanjana Speciality Hospital

1.2. Tamil Nadu Economy

- Tamil Nadu's GSDP growth has been estimated at 7.85 per cent for 2021-22 at constant prices, which shows that the economy has bounced back after the Covid pandemic. The nominal GSDP growth of Tamil Nadu is estimated to be 14.0 per cent in 2022-23 and 14.0 per cent in 2023-24. (As per Tamil Nadu Government Budget).
- Despite the current economic downturn, Tamil Nadu's growth is higher than that of national GDP, which is a positive sign for the growth of the State.
- To push our Hon'ble Chief Minister's vision of making Tamil Nadu a USD 1 trillion economy by 2030, the Government of Tamil Nadu unveiled the Tamil Nadu Export Promotion Strategy so as to achieve the export target of \$ 100 billion in Tamil Nadu by 2030. A special fund of Rs.100 crore to build the required public infrastructure for export organizations in Tamil Nadu has been proposed in this regard.
- Non-leather footwear and leather related industries provide immense opportunities for employment and to augment them, a new Footwear and Leather Industry Development Policy will be released in the current financial year.
- For the manufacturing of electronic products, two exclusive clusters will be established at Pillaipakkam in Kancheepuram District and Manallur in Thiruvallur District.



M/s. Podaran Foods India Private Limited

- The Government will set up new industrial parks in Coimbatore, Perambalur, Madurai, Vellore and Thiruvallur Districts to promote widespread industrial development across the State and through these industrial parks, investments worth Rs.50,000 crore will be attracted.
- The Tamil Nadu Startup and Innovation Mission (TANSIM) will set up Regional Startup Hubs in Erode, Madurai and Tirunelveli to ensure the development of startup ecosystem in all regions across Tamil Nadu. An iconic State Startup Hub Centre with all facilities will be established by the Tamil Nadu Industrial Development Corporation (TIDCO) at Nandambakkam, Chennai, at an estimated cost of Rs. 75 crore.
- To fund climate change initiatives, mitigation and greening projects, the Government will set up the "Tamil Nadu Green Climate Change Fund". The Fund will mobilise necessary resources from various sources including development financial institutions and international climate funds.
- With a view to helping micro enterprise clusters, the Government will launch a new "Micro Cluster Development Programme". Cookware cluster in Tirunelveli District, artificial jewellery making by Narrikuruvars in Kancheepuram District, cashew processing cluster in Cuddalore District and toys cluster in Madurai District will be among the 20 micro clusters that will be taken up in the coming year.
- An amount of Rs.300 crore has been allocated in this year's budget for providing Capital Subsidy for MSMEs and Tamil Nadu Credit Guarantee Scheme for MSMEs has been proposed to be set up with a corpus amount of Rs.100 crores.
- Tamil Nadu has been witnessing the rapid implementation of business reforms (Ease of doing business initiative) to

render the State the most favourable investment destination in the country.

PERFORMANCE OF TIIC:

The performance of TIIC in terms of various Financial Parameters is furnished below:

Profit:

The Total income of the Corporation for the Financial Year 2021-22 is Rs.249.32 crores as against Rs.200.12 crores achieved during the Financial Year 2020-21. The Corporation has registered a net profit of Rs.82.94 crores in the financial year 2021-22 as against the net profit of Rs.50.44 crores recorded during last financial year.

Dividend:

The Board has recommended a dividend of 3% for the financial year 2021-22 as against 1% declared during previous year 2020-21.

Capital/ Reserves:

The Corporation revalued the Asset and revaluation reserve stood at Rs.364.95 crores as against Rs.153.50 crores in the last year. Earlier revaluation was made in 2007.

Net Capital and Reserves was Rs.747.65 crores as on 31-03-2021 and it has increased to Rs.1029.40 crores as on 31-03-2022 due to increase in net profit and Revaluation Reserve during the current financial year. Capital Adequacy Ratio has decreased from 43.71 % in 2020-21 to 33.50% in 2021-22.

Loans and Advances:

The Corporation has achieved the following performance in respect of sanction and disbursement for the FY ending 2021-22 as against the performance in the FY 2020-21.

Table-1. Operational Performance of the Corporation

(Rs. in crores)

LOAN	2021-22	2020-21
SANCTIONS	1802.23	1,305.33
DISBURSEMENTS	1520.36	849.78
RECOVERY	991.53	739.05

Table-1A. Performance in Working Capital Term Loan and Bill Finance Scheme

(Rs. in crores)

	WCTL		BFS	
	2021-22	2020-21	2021-22	2020-21
Sanction	129.62	38.04	355.92	188.99
Disbursement	117.43	8.54	355.92	188.99

- The Corporation has achieved 109.24% of Term loan Sanction target and 118.82% in respect of Term loan Disbursement target. In respect of Bill finance, 70.90% of sanction and disbursement Target have been achieved. The overall sanction target achieved is 98.70% and Disbursement Target achieved is Rs.102.59%.
- The Corporation has achieved growth rate of 29.56% in respect of Term loan sanction and 76.22% in respect of Term loan disbursement as compared to the previous financial year 2020-21. The overall disbursement target achieved is 102.59%.
- Multiple growth strategies of the Corporation have resulted in the Asset Under Management (AUM) exceeding the previous year's AUM by 56.83 % in FY 2021-22.

Strategies adopted to improve the performance:

- Enhanced the loan exposure norms for Individuals / Partnerships to Rs.27.00 crores and Rs.41.00 crores for Limited Company with Group exposure to Rs.50.00 crores in order to attract more customers.
- Extension of Special Schemes viz. PCS (Privileged Customer Scheme), Equipment Finance Scheme - Fast Track and Medical Practitioner Scheme for FY 2021-22 and enhanced the loan ceiling limit.
- Collection of processing fee in two stages for BFS cases was introduced.
- Rate of Interest reduced to 10.95% p.a. for Term Loan above Rs.10 crores and 10.45% p.a. for Bill Finance Scheme.

- The Risk Mitigation measures have been strengthened with the procedure.
 - * To verify PAN and Aadhar Card from respective websites.
 - * To collect GST returns in addition to provisional Financial statements.
 - * To obtain CA certificate for networth for loan more than Rs.2 crores
 - * To obtain networth statement of promoters every 3 years.
 - * To carry out BIR when the loan is more than 2 times the loan originally / previously sanctioned or when they come for additional loan / fresh loan but last BIR before 3 years, whichever is earlier.
 - * To obtain stock statements every quarter.
 - * The disbursement under BFS is restricted to 75% of work orders on hand.
- Change in periodicity of valuation of land & building from one year to two years.
- Not to insist Bankers opinion for all term loans except takeover of high cost borrowing and to exercise due caution in analysing CIBIL Reports at the time of sanctioning.
- Modification to Flexi WCTL with no principal repayment in first one year & Subsequent renewal/enhancement/repayment system was introduced.

Initiatives Taken by the Corporation during FY 2021-22

- To infuse liquidity in the battered MSME ecosystem of the State and provide support to the MSMEs assisted by the Corporation in the time of crisis, TIIC introduced LENS Scheme (Liquidity Enhancement Support for MSMEs) for existing assisted units.
- Adhoc working capital under Flexi WCTL Scheme was introduced to assist our assisted and non-assisted units in

- Manufacturing / Processing sectors and Service sectors to meet their working capital / additional capital requirements.
- Modification and simplification of procedures of existing Schemes, like Corporate Loan Scheme and EFS-Fast Track Scheme keeping the customer experience in mind.
- Considering the vast potential of the Startups to bring out disruptive inventions and in line with Government of Tamilnadu's Startup vision Schemes, Proto Loan Scheme and Propel Loan Scheme have been introduced by the Corporation to encourage startup units
- To support improved customer experience and to reduce turnaround time (TAT) of loan dispensation, Sanction Memorandum was simplified in respect of small loans up to Rs.50.00 lakhs under General / UYEGP / NEED Scheme.
- Extension of Bill Finance Scheme (BFS) to contractors / suppliers of Greater Chennai Corporation to effectively expand the customer base under the Scheme and is in the process of covering the vendors of Chennai Metropolitan Water Supply and Sewerage Board under its Bill Finance Scheme. Further, Interest rates and processing fees were reduced for our BFS customers.
- MoU was signed between TIIC & TAICO Bank for sanction of Term Loan and Working Capital Term Loan to the units assisted by either of the Institutions.



M/s. Massive Tool and Stamping

- 13 MoUs were signed with various stakeholders, like Incubation Centres, Tamilnadu Defence Corridor agencies, including BHEL to offer Lending Plus Value Proposition services viz Financial services, Technical guidance, Marketing assistance, Competency building, Raw Material sourcing, GST facilitation, etc.
- With a view to increase branch network, two Branches viz., Karaikudi and Poonamallee, were opened to better service the customers.
- Intensive Special Business Campaign was organized during August 2021 and December 2021 across all Branches of the Corporation to give thrust for sanction and disbursement in the financial year 2021-22.
- To specially focus on improving sanctions under NEEDS, September - December 2021 were observed as NEEDS months. Concession was given to the applicants by way of waiver of processing fee for the applications received during this period.
- The Corporation's Schemes were showcased and senior level representation and participation were made in various events/exhibitions/annual conferences, like SICCI, SIDM, CII Industry Conclave etc.

TIIC's Contribution as the Growth Catalyst for envisioning Hon'ble CM's Vision of making Tamil Nadu a USD 1 Trillion Economy by 2030:

As part of its Growth Catalyst strategy, TIIC is organizing Industry Growth Conclaves on a Regional basis in partnership with CII and other



M/s. R.K. Metal Roofings Private Limited

Stake-Holders. The first Industrial Growth Conclave was organized for the Western Region @ Coimbatore on 21.09.2021 with the theme "Getting Industries Future Ready". The response of the industry was overwhelming. The 2nd at Trichy on 18th December 2021 with the theme "Contributing to Hon'ble CM's Vision of USD 1 Trillion Economy by 2030".

Defence Sector:

Apart from the partnership with SIDM, TIIC is also actively engaging with AVANI. Tamil Nadu has traditional strengths in engineering, fabrication, casting, tooling and precision engineering. It is a matter of great pride for Tamil Nadu that both AVANI and CVRDe are based in Tamil Nadu. Also, Tamil Nadu has got a talented pool of service men who have served in the Armoured Sector of the Indian Army and who possess the requisite technical skills. Also, a tripartite partnership between TIIC-AVANI-SIDM is proposed to provide a "Win-Win" platform for matching the technical expertise of the MSMEs of Tamil Nadu and their requirements of the

Armoured Wing of the Armed Forces. All these factors point to the huge potential for positioning Tamil Nadu as the Maintenance, Repair and Overhaul Hub (MRO) for the Armoured Vehicles.

MoU is proposed for the TIIC assisted MSMEs, by which Tender enquiry may be provided directly. Supply order consideration will be given among these MSMEs only. To scale up the MSMEs and make them competent in Defence Manufacturing, the issue of maintaining the quality standards in Defence Sector and emphasizing the same to the MSMEs through intensive training were focussed. This will differentiate Tamil Nadu in building up the capabilities of MSMEs of Tamil Nadu and provide them competitive advantage for an opportunity in the Defence Sector.

Other Initiatives during the year 2021-22

- Special Recovery Teams comprising of Head Office officials were deployed to supplement the recovery efforts at the field level which helped in containing the NPA.



M/s. Podaran Foods India Private Limited

- Special Teams comprising Head Office officials were deployed to supplement the branches to achieve their sanction targets.

Flow of Loan Applications:

The Statement of flow of Loan Applications disposed of during the year is furnished in Table-2 below:

Table-2. Disposal of loan applications

(Rs. in crores)

Sl. No.	Particulars	Sanctions			
		2021-22		2020-21	
		No.	Amt.	No.	Amt.
1	Applications pending at the beginning of the year	210	225.26	255	287.54
2	Applications received during the year	2,439	2,881.62	3,072	2,009.75
TOTAL		2,649	3,106.88	3,327	2,297.29
3	Applications disposed off during the year				
a)	Gross Sanctions (All types)	1,933	1,802.23	2,690	1,305.33
b)	Closed, Withdrawn etc.	608	1,071.54	427	766.70
4	Applications pending at the end of the year	108	233.11	210	225.26
TOTAL		2,649	3,106.88	3,327	2,297.29

Scheme-wise performance

The Corporation has formulated many Loan Schemes to fulfill the requirements of various categories of beneficiaries. The Table-3 below, furnishes data on Scheme wise Sanction and Disbursement during the year 2021-22.

Table-3. Scheme-wise Sanctions and Disbursement during 2021-2022

(Rs. in Crores)

Description	Sanctions (Gross)		Disbursement Amt.
	No.	Amt.	
MICRO / SMALL Enterprises Funding Scheme	5	1.21	1.25
Equipment Finance Scheme	250	205.15	172.50
Wind Mill	—	—	1.39
Generator	2	0.12	0.12
Transport Operators	9	1.84	0.80
Medical Practitioners / Hospitals	12	12.67	15.47
Single Window Scheme Term Loan	9	15.29	4.54
Hotels	—	—	0.23
(a)WCTL General / Single Window	11	8.32	3.00
(b)Working Capital Term Loan	3	0.65	3.03
(c)WCTL Job Work	4	2.28	2.29
(d)Flexi Working Capital	41	32.05	35.82
(e)Adhoc Working Capital Limit Scheme	140	86.33	73.29
(f)Bill Finance Scheme	102	355.92	355.92
Open Term Loans	109	84.28	29.92
New Entrepreneur cum Enterprise Development Scheme (NEEDS)	153	121.41	70.13
Others	1,083	874.71	750.66
TOTAL	1,933	1,802.23	1,520.36

DISTRICT-WISE DEPLOYMENT OF CREDIT:

The Table-4 below furnishes data on distribution of TIIC's credit in the Districts wherein it is observed that the Districts of Chennai, Coimbatore, Kancheepuram, Tiruvallur, Erode, Trichy, Krishnagiri and Madurai recorded high credit absorption cumulatively.

Table-4. District-wise deployment of Credit

(Rs. in Crores)

Sl. No.	Name of the District	Sanctions				Cumulative Sanctions	
		2021-2022		2020-2021		Upto 31.03.2022	
		No	Amt.	No	Amt.	No	Amt.
1	ARIYALUR	6	3.56	4	1.65	124	43.92
2	CHENGALPATTU	7	7.86	6	4.36	13	12.22
3	CHENNAI	152	529.72	150	374.14	16,517	3,911.29
4	COIMBATORE	199	154.00	297	91.67	14,389	2,418.54
5	CUDDALORE	50	19.82	81	16.54	4,831	295.79
6	DHARMAPURI	28	20.93	59	15.14	5,405	383.07
7	DINDIGUL	49	20.88	69	22.04	2,820	507.11
8	ERODE	108	82.50	142	53.17	3,955	1,334.90
9	KALLAKURICHI	33	18.50	8	2.73	41	21.23
10	KANCHEEPURAM	95	70.52	142	84.48	9,690	1,941.97
11	KANYAKUMARI	127	91.52	139	61.78	4,226	769.77
12	KARUR	34	24.42	49	12.48	975	265.03
13	KRISHNAGIRI	145	113.94	240	140.87	1,649	849.77
14	MADURAI	91	93.62	120	34.79	10,318	804.78
15	NAGAPATTINAM	9	4.15	12	2.51	745	63.48
16	NAMAKKAL	19	8.93	41	9.81	1,150	221.52
17	PERAMBALUR	9	3.59	8	2.12	180	33.11
18	PUDUKKOTTAI	30	12.58	33	7.36	3,572	319.91
19	RAMANATHAPURAM	7	2.98	25	2.94	3,839	157.08
20	RANIPET	13	13.53	2	2.81	15	16.34
21	SALEM	34	22.00	41	13.62	6,268	654.06
22	SIVAGANGAI	20	7.63	23	6.06	1,998	195.67
23	THANJAVUR	30	13.39	52	11.61	4,330	282.18
24	THE NILGIRIS	—	—	—	—	170	8.12
25	THENI	20	18.06	17	2.82	777	110.12
26	THIRUVALLUR	126	91.30	258	86.60	3,798	1,712.32
27	TIRUVANNAMALAI	13	7.26	16	4.92	1,218	106.35
28	TIRUPATTUR	5	1.90	1	3.20	6	5.10
29	TIRUNELVELI	91	70.45	105	49.67	5,210	526.42
30	TIRUPUR	96	73.51	111	52.42	827	479.09
31	TIRUVARUR	11	9.91	13	3.84	395	54.11
32	TIRUCHIRAPPALLI	76	67.54	79	43.49	6,315	833.43
33	THOOTHUKUDI	60	37.73	109	26.07	3,391	605.45
34	VELLORE	13	8.20	43	13.78	4,625	328.81
35	VILLUPURAM	45	27.60	49	14.92	1,272	297.85
36	VIRUDHUNAGAR	82	48.20	146	28.92	4,059	670.14
37	PONDICHERRY UNION TERRITORY	—	—	—	—	47	6.46
TOTAL		1933	1802.23	2690	1305.33	129160	21246.51

INDUSTRY-WISE DISTRIBUTION OF CREDIT:

The Table-5 below, shows industry-wise distribution of credit in the Corporation’s advances:

Table-5. Industry-wise distribution of Credit

(Rs.in Crores)

Sl. No.	Description	Sanctions (Gross)						Cumulative Sanctions upto 31.03.2022		
		2021-22			2020-21			No.	Amt.	%
		No.	Amt.	%	No.	Amt.	%	No.	Amt.	%
1	Food Processing Industry	336	210.71	11.69	429	165.24	12.66	12538	2225.50	10.47
2	Sugar Factories & Refineries	0	0.00	0.00	0	0.00	0.00	51	160.37	0.75
3	Paper & Paper Products including Printing & Publishing	75	41.34	2.29	145	206.59	15.83	5920	1031.97	4.86
4	Textiles	175	143.98	7.99	231	104.62	8.01	9297	2198.34	10.35
5	Chemical & Chemical Products	32	31.76	1.76	43	25.89	1.98	4422	373.12	1.76
6	Leather & Leather Products	5	1.95	0.11	12	1.62	0.12	1135	205.90	0.97
7	Non-metallic Mineral Products except products of Petroleum & Coal	128	90.66	5.03	183	58.84	4.51	2284	853.68	4.02
8	Engineering (Incl. Auto Components)	535	320.14	17.76	802	335.27	25.68	10602	3314.48	15.60
9	Electrical Machinery,Apparatus, Appliances and Supplies	64	248.57	13.79	62	90.57	6.94	1758	2559.10	12.04
10	Electricity, Gas and Steam (Windmill)	2	202.40	11.23	3	0.63	0.05	154	719.02	3.38
11	Transport Equipment			0.00	0	0.00	0.00	474	45.71	0.22
12	Hotel Industry	13	51.83	2.88	39	10.02	0.77	1157	397.36	1.87
13	Transport including Fishing Trawlers	12	3.67	0.20	13	3.55	0.27	47569	722.63	3.40
14	Information technology			0.00	0	0.00	0.00	86	28.23	0.13
15	Misc. Industries not elsewhere classified	556	455.22	25.26	728	302.49	23.17	31704	6073.10	28.58
16	Loans to Govt. Corporations			0.00				9	338.00	1.59
TOTAL		1933	1802.23	100.00	2690	1305.33	100.00	129160	21246.51	100.00



M/s. Numan Industries

DISBURSEMENT:

During the year under report, the Corporation disbursed Rs.1,520.36 crores. The cumulative disbursement upto 31.03.2022 (since inception) is Rs. 16,367.17 crores extended under various schemes.

Subsidy:

TIIC, being the operating agency for many incentive schemes of the Central and State Governments, actively processed and released subsidies effectively to eligible entrepreneurs in 2021-22 as follows:

i) Details of Government Scheme on 3% / 6% Interest Subsidy to TIIC borrowers:

During the year 2021-22, the Corporation disbursed a sum of Rs.20.40 Crores under 3% / 6% Interest Subvention Scheme for MSME loans and Rs.2.46 Crores under 3% interest Subvention Scheme for NEEDS.

ii) Details of subsidy claim disbursed during 2021-22:

(Rs. in crores)		
	No.	Amount
State Government Subsidy:		
State Capital Subsidy	178	26.88
Generator Subsidy	—	—
NEEDS - Individual based Capital Subsidy	98	8.00

ASSET QUALITY:

The Corporation accords utmost priority to maintaining the quality of Loan Portfolio. As on 31-03-2022, the share of Standard Assets stood at 98.07% of the Loan Portfolio. Despite the stresses witnessed in National Banking scenario on account of growing NPAs, TIIC, by strenuous recovery efforts and persistent monitoring, has been successful in maintaining its Standard Assets components in its Loan Portfolio.

Table-6. Loan Portfolio

(Rs. in Crores)				
ASSETS	2021-22	2020-21	2019-20	2018-19
STANDARD	2015.32	1,285.23	978.86	1,052.66
SUB-STANDARD	11.43	15.35	63.69	26.32
DOUBTFUL	9.40	-	19.67	31.35
LOSS ASSETS	18.74	9.66	10.05	11.55
TOTAL	2,054.89	1,310.24	1,072.27	1,121.88
WRITTEN OFF	237.80	269.46	264.51	265.53
Total Performing Assets (PA)	2015.32	1,285.23	978.86	1,052.66
Total Non-Performing Assets (NPA)	39.57	25.01	93.41	69.22
% of Performing Assets to total advances	98.07	98.09	91.29	93.83
% of NPA to Total advances (Gross NPAs)	1.93	1.91	8.71	6.17
% of Net NPA to (Net) advances	0.82	1.00	6.54	4.08

Strategies for Enhancing Asset Quality:

Maintaining a qualitative credit portfolio is the top priority for successful operations. Hence, the Corporation vigorously pursues the following strategies:

- Emphasis on comprehensive Risk Management.
- Improving appraisal system for qualitative sanctions.
- Monitoring of special mention accounts and focused follow up of larger advances.
- Introduction of a Comprehensive Credit Management and Recovery Manual to enhance Branch Credit Control Systems.
- Continuous training for its personnel for skill development.
- An Exclusive Department for monitoring the Asset Quality.
- Comprehensive set of one time settlement schemes for elimination of chronic NPAs.

Loan Monitoring and Rehabilitation:

- The Loans Monitoring & Rehabilitation Department monitors the health and performance of the assisted units, repayment of loan dues and thereby arresting slippage. The department plays an active role in revival of potentially viable sick units by timely rehabilitation/restructuring of the accounts.
- The Department strives to maintain the quality of the assets of the Corporation and to prevent the loan portfolio of TIIC from being contaminated.
- Timely corrective action in the form of restructuring and recovery of dues based on trigger points is taken, so that the loan cycle runs smoothly and resources are ploughed back to ensure fresh lending.
- The Department reviews the Assets Portfolio of the Corporation on regular intervals and reports to the Management on the status of SMA and NPA level.
- The review reports of SMA accounts of the respective Committee are analyzed on monthly basis and closely monitored to arrest slippage and reduce NPA.
- The Department monitors the Inspection of the units by the officials and also availability of Insurance for the assisted units and reports to the Audit Committee of the Corporation periodically.
- The Department has put in a place a mechanism to enable monitoring of Stressed Assets at Branch Office and Head Office level to prevent slippages and to maintain asset quality.
- Regular review meetings are being conducted at Head Office for monitoring the loan portfolio.
- To identify sickness at the earlier stage and to take corrective action i.e., within 90 days from the date of principal and interest demand, SMA(0), SMA(1) and SMA(2) accounts i.e., the Special Mention Accounts, are monitored by the following Committees.

1. Branch Level Committee

2. Regional Level Committee
3. Head Office Committee

Details of Restructuring/Reschedulement during FY 2021-2022

1. Restructuring of Advances - Normal Course

(Rs.in lakhs)

No of units	Revised Schedule Amount
4	186.84

2. Restructuring of Advances - Resolution Framework 2.0 - Resolution of Covid 19 related stress of MSMEs

(Rs.in lakhs)

No of units	Revised Schedule Amount
86	3579.14

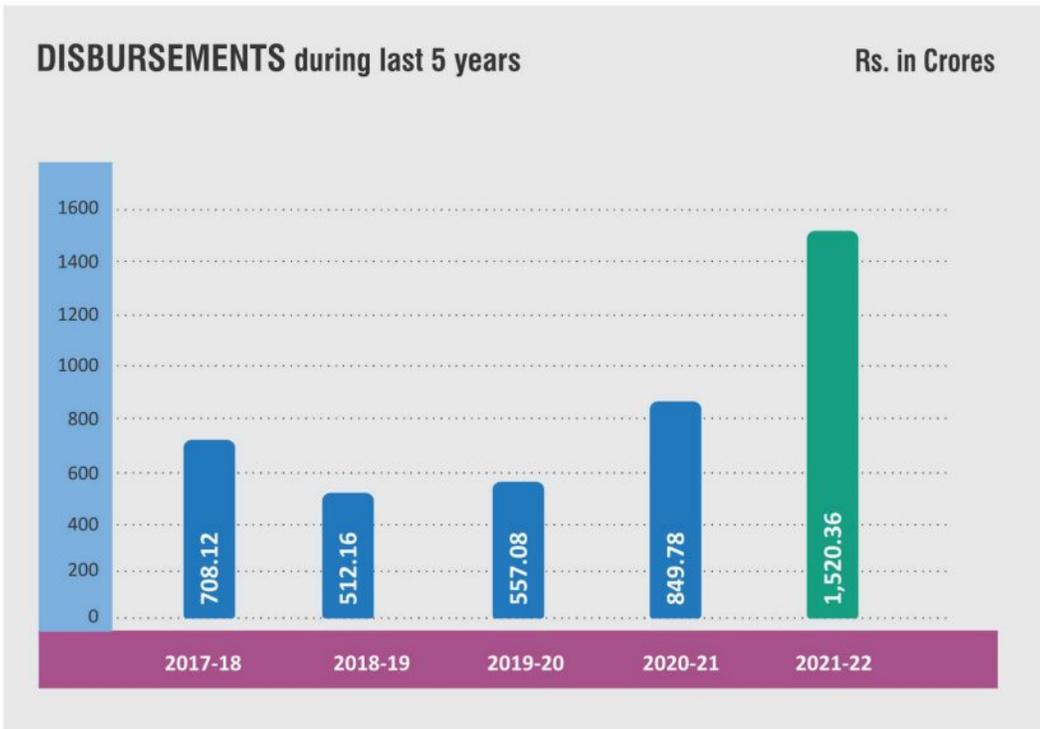
3. Revision of Schedule during implementation

(Rs.in lakhs)

No of units	Revised Schedule Amount
4	199.35

RECOVERY:

- The Recovery Department monitors the achievement of principal and interest collection targets of the Corporation.
- It focuses on the NPA accounts by reviewing the cases and taking suitable action either through Legal recovery measures or OTS route.
- Loans Monitoring Committee chaired by CMD at Head Office has been reviewing the NPA cases with loan sanctions above Rs.1.00 crore.
- The Department works hand in hand with Legal Department for dealing with recovery of the loans.
- Legal recovery action is taken against the defaulting borrowers under various Acts such as SFCs Act, SARFAESI Act, RR Act, etc.
- Emphasis is placed on Compromise / Negotiated Settlement Schemes for loans above Rs.10.00 lakhs and on various OTS



RECOVERIES during last 5 years (Gross)

Rs. in Crores

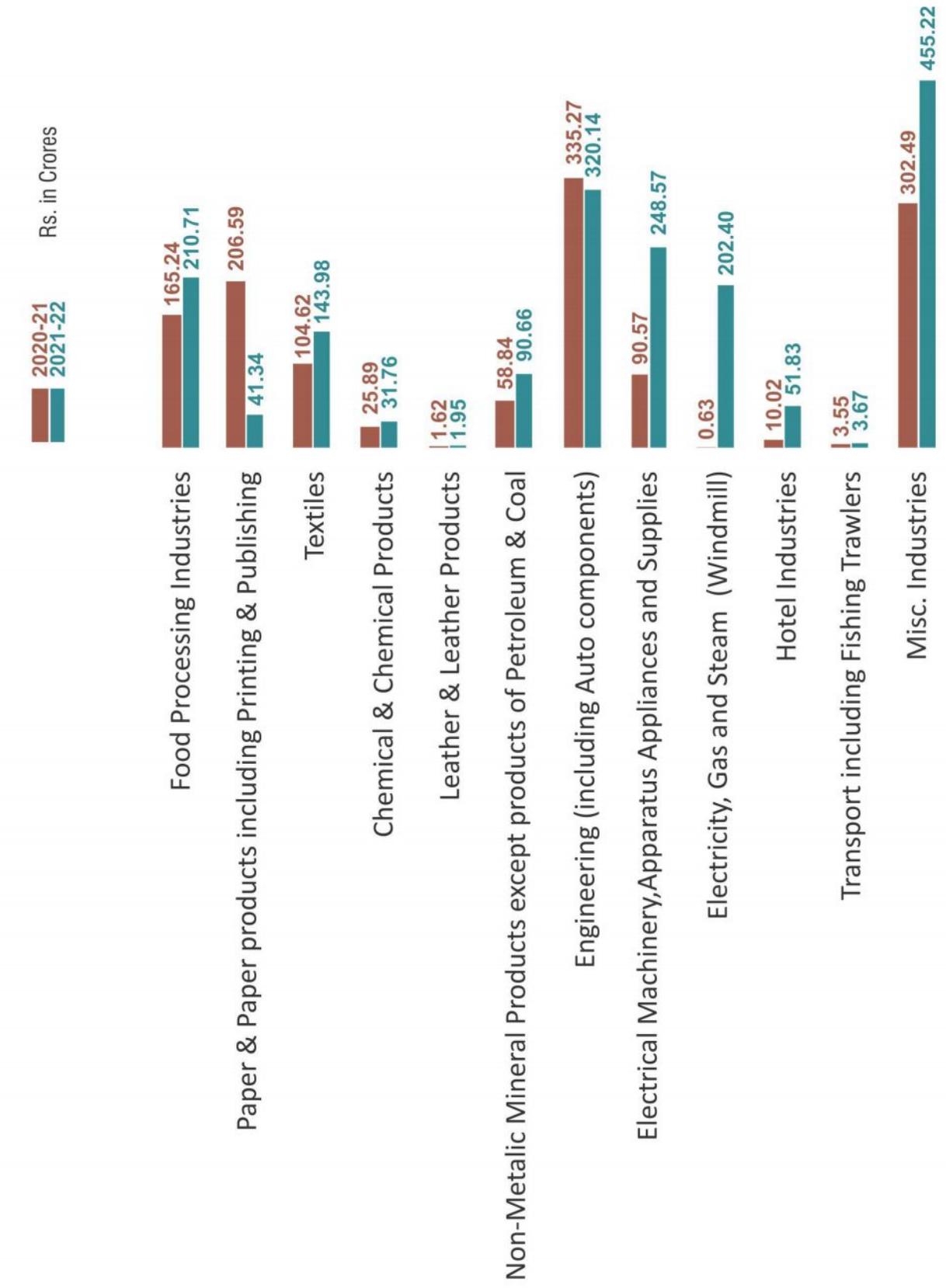


OUTSTANDING during last 5 years (Gross)

Rs. in Crores



INDUSTRY-WISE CLASSIFICATION OF SANCTIONS FOR 2 YEARS



Schemes in vogue for loans up to Rs.10.00 lakhs.

- To improve transparency in auction procedures, E-auction process has been introduced.
- By the above activities, level of NPAs and writeoff cases have been reduced considerably over the years and contained in recent years.
- Recovery agents have been empanelled to look after select NPA cases to enable recovery at the earliest.

1. Recovery (Principal + Interest) made out of OTS during the year 2021-22:

(Rs. in lakhs)

Principal	:	1105.03
Interest	:	398.23
Total	:	1503.26

2. Amount and No. of Units granted waiver in respect of Principal/ Interest during the year 2021-22:

S. No.	Description	No. of cases	Principal	Interest	Other dues	Total
1	Principal Waiver involved cases	11	33.91	57.31	2.23	93.45
2	Interest Waiver involved cases	28	--	48833.87	0.12	48833.99
	Total	39	33.91	48891.18	2.35	48927.44

3. Details of Principal /Interest Waiver and Recovery (both Principal and Interest) in fully settled during the year 2021-22.

Approved during	No. of Units	Waiver			Recovery	
		Principal	Interest	Otherdues	Principal	Interest
2021-22	25	7.66	48451.90	0.87	623.47	103.45
Previous Year	2	--	65.37	--	76.02	34.50
Total	27	7.66	48517.27	0.87	699.49	137.95

4. Details of Units taken Possession and subsequently returned possession after receiving of concrete proposals during the year 2021-22

1	No. of Units taken Possession	16
2	No. of Units returned to the owners	23
3	No of units sold /disposed	7

Employment generation:

The financial assistance extended by the Corporation has resulted in generation of additional employment for about 12,072 persons during the year 2021-22.

Funds & Resources:

The Corporation mobilizes its funds, apart from share capital, through issue of Bonds with Government guarantee, inter corporate deposits and Bank loans.

Insurance Business:

The Corporation earned a sum of Rs.30.28 lakhs as commission for the insurance premium during the financial year 2021-22.

CORPORATE GOVERNANCE:

- The Corporation is a Public Sector Undertaking under the Government of Tamil Nadu. It supports industrial growth in the State with focus on Micro, Small and Medium Enterprises (MSME). It follows regulations as laid down by SIDBI.
- The Corporation has adequate focus on Corporate Governance to meet the requirements of different stakeholders and compliance to regulatory requirements and to integrate them into its functioning

To this end, the Corporation has, structurally,

- a Chairman and a Managing Director
- a Board of Directors which plays a supervisory and advisory role

- several committees charged with specific roles
- executives with specific functionalities in the organizational process

TIIC's BOARD OF DIRECTORS COMPOSITION AS ON 31.03.2022:

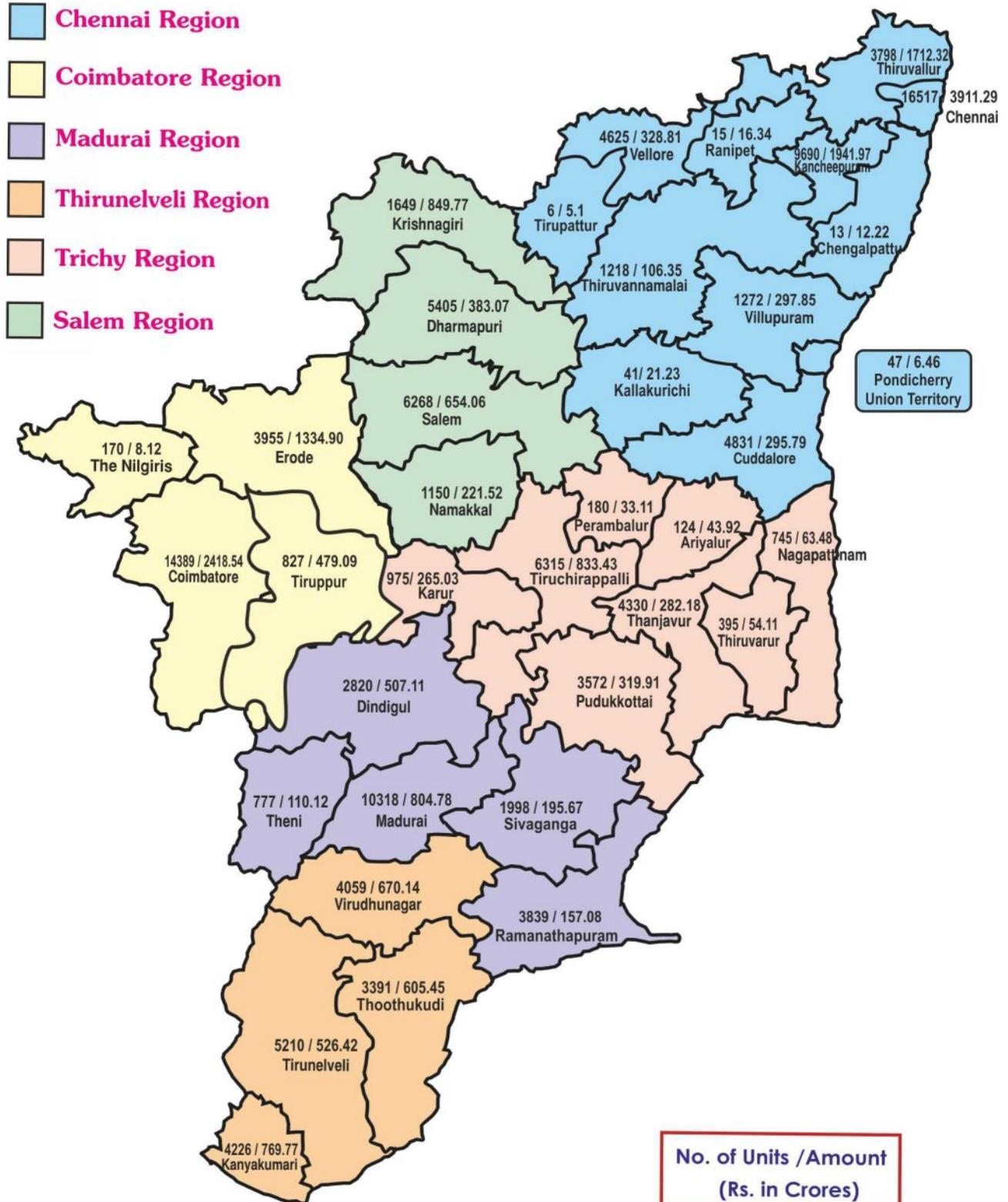
The Board has –

- Chairman & Managing Director
- Director representing MSME Department
- Director representing Industries Department
- Director representing Finance Department
- Director representing SIDBI and
- Three Independent Directors

As on 31.03.2022, the Corporation's Board were in the following Directors:

Sl. No.	Name of the Director	Designation	Nature of Directorship	Date of appointment
1.	Thiru Hans Raj Verma, IAS.	Chairman & Managing Director TIIC Ltd.	Executive	28.05.2021
2.	Thiru S.Krishnan, IAS,	Additional Chief Secretary to Govt., Industries Dept.	Non-Executive	18.02.2022
3.	Thiru V.Arun Roy, IAS.,	Secretary to Govt., MSME Department, Govt. of Tamil Nadu	Non-Executive	09.09.2021
4.	Tmt. Reeta Harish Thakkar, IAS.,	Special Secretary to Government, Finance Department, Government of Tamil Nadu	Non-Executive	07.10.2020
5.	Tmt. Jayashree Muralidharan, IAS.,	Special Secretary to Govt., Industries Dept., Govt. of Tamil Nadu	Non-Executive	09.09.2021
6.	Thiru Ravindran A.Lakshmanan	General Manager, SIDBI	Non-Executive	22.10.2021
7.	Thiru S.Rajendiran Retired Deputy General Manager Indian Overseas Bank	Independent Director	Non-Executive	28.11.2019
8.	Dr.G.Santhanam, IAS (Retd)	Independent Director	Non-Executive	28.11.2019
9.	D. Srinivasan Managing Director Sree Annapoorna Sree Gowrishankar Hotels Private Limited	Independent Director	Non-Executive	28.11.2019

District-wise Sanctions (Cumulative)



Directors who served on the Board during 2021-22 and relinquished their posts due to change in assignment:

Sl. No.	Name of the Director Tvl./Tmf.	Period of Time	
		From	To
1.	Thiru N.Muruganandam, IAS	14.03.2019	18.02.2022
2.	Tmt. Sigy Thomas Vaidhyan, IAS	13.10.2020	28.05.2021
3.	Thiru Mangat Ram Sharma, IAS	08.02.2021	09.09.2021
4.	Thiru Raja Gopal Sunkara, IAS	08.02.2021	09.09.2021
5.	Thiru Satyaki Rastogi, General Manager, SIDBI	07.10.2020	22.10.2021
6.	Thiru S.Anburajan, Independent Director	17.07.2019	16.07.2021

No Director on the Board is, in any way, connected to any other Director of the Board.

COMMITTEES OF THE BOARD

The Board has constituted the following Committees to provide specified and focused governance on key functional areas.

Sl. No.	Committee	Members	Chairman of the Committee	Main responsibility areas
1.	Executive Committee (EC)	1. Chairman, TIIC 2. Managing Director, TIIC 3. Thiru. Satyaki Rastogi, General Manager, SIDBI 4. Thiru S. Rajendiran Independent Director 5. Dr. G. Santhanam, IAS (Rtd) Independent Director	Chairman, TIIC	All areas relating to loans and advances utilizing the overall powers of the Board, above that of the Corporation's Regional Committee.
2.	Audit Committee	1. Thiru S. Rajendiran Independent Director 2. Dr. G. Santhanam, IAS (Retd) Independent Director 3. Thiru Ravindran A Lakshmanan, General Manager, SIDBI 4. Thiru D. Srinivasan Independent Director 5. Director representing Finance Department to the Govt. of T.N.	Dr. G.Santhanam, IAS, (Retd) Independent Director	Overseeing and directing the total audit functions of the Corporation; all internal inspections; audits by the external audits/SIDBI/AG; Periodic and Annual financial reports; write-off & bad loans.
3.	Staff Committee-I (for AGM & above cadres)	1. Chairman, TIIC 2. The Managing Director, TIIC 3. Director representing Finance Department to the Govt. of T.N.	Chairman, TIIC	H.R. areas like recruitment, promotions for the post of Assistant General Manager and above
	Staff Committee-II (for Senior Manager & below)	1. The Managing Director, TIIC 2. Director representing Finance Department to the Govt. of T.N. 3. Director representing Industries Department to the Government of Tamilnadu	MD., TIIC	HR areas like recruitment, promotions for the post of Senior Manager and below.

Sl. No.	Committee	Members	Chairman of the Committee	Main responsibility areas
4.	Corporate Social Responsibility Committee (CSR)	1. Chairman, TIIC 2. Managing Director, TIIC 3. Director representing Industries Department to the Govt. of Tamil Nadu 4. Thiru D. Srinivasan Independent Director 5. Director representing Finance Department to the Govt. of Tamilnadu	Chairman, TIIC	i) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company ii) Recommend the amount of expenditure to be incurred on the Corporate Social Responsibility activities iii) Monitor the Corporate Social Responsibility Policy of the Company from time to time
5.	Nomination & Remuneration Committee (NRC)	1. Chairman, TIIC 2. Thiru D. Srinivasan Independent Director 3. Director representing Industries Department to Govt of Tamil Nadu, 4. Thiru S. Rajendiran Independent Director	Chairman, TIIC	NRC shall identify persons who are qualified to become Directors and recommend to Board their appointment & removal and remuneration to Directors.
6.	Stakeholders Relationship Committee (SRC)	1. Director representing Industries Department to the Govt. of Tamil Nadu 2. Thiru D. Srinivasan Independent Director 3. Thiru S. Rajendiran Independent Director	Director representing Industries Department	SRC shall consider and resolve the grievances of security holders of the Company
7.	Tender Committee	1. Managing Director, TIIC 2. Director representing Finance Department to the Govt. of Tamil Nadu 3. Thiru D. Srinivasan Independent Director 4. Dr. G. Santhanam, IAS (Retd) Independent Director	MD, TIIC	To evaluate the Report of Tender Screening Committee and forward its recommendations to the Board for its decision.
8.	Risk Management Committee	1. Managing Director, TIIC 2. Director representing SIDBI General Manager, SIDBI 3. Thiru S. Rajendiran Independent Director 4. Thiru D. Srinivasan Independent Director	MD, TIIC	To consider high and medium risks periodically and give Executive Directions for risk mitigation and to monitor the implementation of risk management strategies.



M/s. Hi-Mech Engineering



M/s. Sreema Filaments Private Limited

MEETINGS:

The Board of Directors has met four times during the year 2021-22. The Annual General Meeting (AGM) was held in Chennai on 17.12.2021.

During the year, the Executive Committee met one time, Audit Committee met two times, Staff Committee-I met two times, the Staff Committee-II met two times and the Independent Directors' meeting met one time.

Report on Corporate Social Responsibility:

Particulars of Corporate Social Responsibility activities carried out by the company in terms of section 135 of the Companies Act, 2013, is in annexure.

Compliance function:

TIIIC has a robust policy on compliance and the related reports are reviewed by the Board and the Audit Committee periodically. As per the policy of the regulatory authority, statutory and internal compliance are being monitored and periodical reports are placed before the competent authority.

Compliance with the provisions of the Companies Act, 2013:

Most of the Sections of the Companies Act 2013, and the related rules and the schedules have been made effective. TIIIC has already complied with the revised provisions of the Act to the extent they are applicable to the Corporation. Various provisions applicable to the listed Companies are applicable to our Corporation also. Some other provisions that are applicable based on certain benchmarks in terms of turnover, capital and borrowings like the provision on appointment of key managerial persons, are also applicable to us. Some other compliance made during the year are given below:

Compliance in respect of appointment of Woman Director on the Board:

TIIIC is also required to appoint a woman Director pursuant to the provision of Section 149(1) of the Companies Act, 2013. Tmt. Sigy Thomas Vaidhyan, IAS., Tmt. Reeta Harish Thakkar, IAS, and Tmt. Jayashree Muralidharan, IAS were on our Board during the year 2021-22. Hence, the Corporation is in compliance with the requirement of appointment of woman Director on its Board.

Compliance in respect of conducting of Secretarial Audit:

The Companies Act, 2013, under Section 204 read with Rule No.9 of Companies Rules (Appointment and remuneration of managerial personnel) 2014, requires every listed Company and a Public Company having a paid-up capital of Rs.50 crores or more or a turnover of Rs.250 crores or more to annex with its Board Report a Secretarial Audit report in Format (MR-3). TIIIC, being a listed Company and having a share capital of Rs.421 crores, is also required to comply with the secretarial audit requirements.

M/s. Kiran Varma M.G., Practising Company Secretaries were appointed to conduct the Secretarial Audit for 2021-22. A copy of the Secretarial Audit Report for the year 2021-22 in the prescribed Form MR-3 of the Companies Act, 2013, is annexed to this report. There were no adverse remarks in the said report.

Compliance Officers for the year 2021-22:

1. The Key Managerial Personnel, as per Companies Act, 2013, are
 - i) Managing Director, TIIIC ii) Thiru D.Durairaj, Company Secretary/Deputy General Manager (HRM), iii) Thiru S.Rajendran, Assistant General Manager (Funds & Resources).

2. Thiru K.Dinakaran, Assistant General Manager, was the Principal Officer, for Know Your Customer (KYC) and Anti-Money Laundering (AMC) compliance, as per RBI / SIDBI directions during the period.
3. Thiru D.Durairaj, Company Secretary/Deputy General Manager (HRM), was the Compliance Officer for complying with the various provisions of SEBI and reported to the CMD/MD.
4. Thiru D.Durairaj, Company Secretary/Deputy General Manager (HRM), was the Public Information Officer as required under the Right to Information Act, 2005 during the period and reported to the CMD/MD.
5. Thiru D.Durairaj, Company Secretary/Deputy General Manager (HRM), was the Chief Risk Officer during the period. He identified the risk factors in the loan proposals to be placed before the Executive Committee and the Board of Directors and submitted the same to Head Office Screening Committee.
6. Thiru S.Rajendran, Assistant General Manager (Funds & Resources), is the Chief Financial Officer and reported to CMD/MD.
7. Thiru D.Durairaj, Company Secretary/Deputy General Manager (HRM), is the Corporate Social Responsibility Officer. He will prepare and submit CSR proposals to MD/CSR Committee/ Board.
8. Thiru V.Neeraj, Manager (Systems), is the Chief Information Security Officer (CISO) for implementing, enforcing and supporting the E-Security Policy, 2010, and reported to the CMD/MD.
9. Tmt. Chitra Shenbagavalli, Assistant General Manager, is the Chairperson of Complaints Committee for prevention of sexual harassment of women employees working in the Corporation.

No unsatisfactory report was generated by the Corporation in 2021-22.

Risk Management Policy

Our Corporation is pioneer among SFCs to introduce CMR rank, a tool to identify risk for all sanction proposals. By adopting CMR where the proposals are ranked between 1 and 6, the risk associated in sanctions are further mitigated.

"The Corporation is fully committed to identify all categories of risks involved in its business of lending or other activities, evolve suitable measuring and monitoring mechanism and adopt appropriate risk management and risk mitigation strategies to achieve the twin objectives of maximising returns and minimising risks".

The Corporation has appointed a Chief Risk Officer who identifies the Risk Factors in the loan proposals and submit the same to Head Office Screening Committee constituted for prima facie clearance of the loan proposals to be placed before the Executive Committee and Board. The Risk factors identified by Chief Risk Officer are incorporated in the Appraisal Memorandum along with the mitigating compliance remarks of the Project Department for consideration of the appropriate Sanctioning Authority.

The Corporation is continuously taking various measures to mitigate the risks involved in its lending activity.

Human Resource

Human Capital Management:

TIIC focuses on creating the right mindset to enable business performance by empowering and encouraging our officials to push their boundaries beyond their comfort zones, embrace challenges and drive growth.

We engage and develop our Human Capital by creating a 'TIIC culture' focused on encouraging open and honest communication, strengthening connect among employees and the community, supporting career development and showing that 'We Care' as an organization.

TIIC has always emphasized on knowledge as a key differentiator, wherein we continuously enhance the capability, capacity and confidence of our Human Capital by creating an environment of continuous learning, which equips them with knowledge and skills aligned to TIIC's strategic objectives, business goals and regulatory requirements.

Further, strengthen our focus on the Return on Time Invested (RoTI), Productivity and Cost Optimization, TIIC has launched a slew of initiatives covering all Human Capital Management function including performance management.

Say Yes to G.R.A.C.E:

'Say YES to G.R.A.C.E' (Gender Respect and Commitment to Equality) is a robust framework that creates awareness and periodically disseminates the TIIC's revised Policy for Prevention of Sexual Harassment. The TIIC's policy is in line with 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act & Rules, 2013. The TIIC has an internal committee to investigate and inquire into sexual harassment complaints.

Human Capital: (Resilience)

TIIC has invested consistently in enhancing the value of its Human Capital with the philosophy that the resilient employees make up resilient organization and resilience in employees is a key competitive advantage in today's competitive world. Accordingly to improve the value of Human Capital various programmes were organized on Emotional and Mental Wellbeing and Stress Handling.

Intellectual Capital:

Apart from enhancing the resilience an equal investment was done on the Intellectual Capital. As part of the strategy Knowledge House was opened for the staff and is accessible to both Head Office and Branch staff. Also, Arena was revamped and staff meetings were conducted on a weekly basis covering topics like Industry 4.0, Green Finance, 3D Printing, Compressed Biogas Plant, etc.

The Corporation believes that its human resources have a direct and significant impact on the overall performance. The Corporation has undertaken initiative to strengthen the workforce in the wake of a large number of superannuation, besides addressing training needs and leadership development. It has released advertisements in Newspapers for recruitment of Senior Officer-44 vacancies and Manager-6 vacancies on 15.08.2021. The recruitment is under process.

Details of number of persons recruited during the year: Nil

Details of promotion given to officials during the year: Nil

During the financial year 2021-22 the Corporation has given promotion to the officials as detailed below:

S.No.	Cadre	No. of officials promoted
1	AGM to DGM	3
2	Sr. Manager to AGM	7
3	Senior Officer to Manager	2
4	Junior Officer to Officer	7

Staff Strength of the Corporation as on 31.03.2022:

As on 31.03.2022, the staff strength in the Corporation was as follows:

Management	Total strength
Chairman & Managing Director	1
Officers and above	159
Junior Officers/Assistants	66
Record Clerks/Drivers/Office Assistants	39
Total	265

Training:

- The Corporation considers its human resource as one of the most essential components for Corporation's governance and business. The Corporation is periodically imparting training to the staff by conducting in-house training programmes and by deputing to them to various training programmes to enable them to update their knowledge besides upgradation of skills.
- During the year 2021-22 external training programme for skill development covered Maintenance of Personal Registers and other Office Registers conducted by Anna Institute of Management, Chennai and MSME Conclave hosted by SIDM, New Delhi which provided training to the employees through on-line mode.
- 43 officials have attended the external training programme conducted on various dates during the year 2021-22.
- 242 officials have attended the in-house training programme conducted on various dates during the year 2021-22.

INTERNAL AUDIT:

- Internal Audit Department at Head Office is headed by An Assistant General Manager and supported by Concurrent Auditors appointed for select 9 branches & Head Office and by Regional Audit Cells (RAC) at rest of the Branches.
- The Concurrent Auditors audit the select 9 Branch Offices and Head Office every month and furnish their findings report to the respective Branch Offices for rectification / compliance.

- Based on the quarterly audit of the Branch Offices by the Regional Audit Cells, furnish their findings / report to the respective Branch Offices for rectification / compliance.
- Compliance reports from the Branch Offices are scrutinized by the Internal Audit Department and placed before the CMD/MD for approval. Upon CMD / MD's approval, audit closure letters are issued to the Branch Offices.
- Apart from this, pre-disbursement credit audit of all term loan cases of sanctions with the quantum of Rs.200 lakhs and above are carried out at the Regional level and reports are furnished to the respective Branches for compliance before effecting disbursement. Thus, credit risk arising out of the higher quantum loans are checked prior to disbursement.
- The details of audit conducted and the major observation by audit officials are placed before the Audit Committee on quarterly basis and the audit committee oversees the audit function and gives their remarks for improving or modifying the audit process.
- Audit work of the concurrent auditors was renewed for one year from April 2021 to March 2022.
- The system of furnishing Flash Reports highlighting important findings by audit for quick reference to the top management is in place from the audits carried out since 01/10/2018.
- The system of furnishing Audit Report in Uniform Format by Concurrent Auditors and Regional Audit Cells (RAC) is in place from the audits carried out since 01/10/2020.
- CTR (Cash Transactions Reports) are gathered from all the Branch Offices every month and if necessary cash transactions involving more than Rs.10.00 Lakhs are reported to the Director, FIU-INDIA New Delhi. Branch Offices have been advised to encourage remittances by cheque/RTGS.
- Annual off-site monitoring of Non-operational areas like Administration, Accounts, Estate maintenance etc. for the year ended 30.06.2021 has been carried out for reviewing and conforming that the prescribed guidelines and instructions issued by the Corporation are being adhered to and that all important records are maintained and are in order.
- ISO certification renewed under ISO 9001-2015 for the period from 29/11/2019 to 28/11/2022. The scope of licence is sanction and disbursement of loans at Head Office and Chennai Branch Office.
- Accountant General's Office, Chennai, has carried out Audit for the year 2020-21 from 27/12/2021 to 29/03/2022 and the report was received by the corporation.
- Request for Proposal (RFP) was floated for concurrent audit of operation of TIIC branches at various locations and at Head office. Letter of award to 18 successful Tenderers are issued on 11.03.2022 for execution of Service Agreement and commencing concurrent audit for the Head Office and 17 Branch Offices from 01.04.2022. For the remaining 8 Branch Offices including Poonamallee Branch Office (newly opened on 11.02.2022), Tenders were re-invited for selection of Concurrent Auditors.

COMPUTERISATION:

The Power Builder Application developed with Power Builder Version12 in the front end and SQL 2014 in the back end is in use from April 2019 and all the accounting transactions are captured on daily basis and various reports are generated periodically as required by various stakeholders viz the Management, Board, Government etc.

The Android TIIC Mobile Application is also used by all the officials of the Corporation for accessing the Loan Account details of the Customers and also to enter the Inspection details from the Customer's location itself. The Customer can login in the Application and

access their Loan Account details and also submit their loan enquiry.

The revamped interactive Website developed is hosted in AWS Server, wherein all the scheme details of TIIC are displayed on the website. The website has a dedicated Customer Portal through which a Customer can login and access their Loan Account details. A non customer can submit their Loan Enquiry through website.

Project EDGE (Enterprise Digitalisation for Goal Enhancement)

The Corporation is now planning to develop and implement new digital transformation initiative called "Project EDGE" which will cater to the needs of the Customers as well as facilitating ease of doing business to the Corporation in a digital environment and to streamline the processes.

The mission of this initiative is digitally transform the current processes by automating tasks, reducing manual intervention, adopting Business process re-engineering to provide faster qualitative services to customers and thereby enhance customer experience and maintain valued relationships with clients.

The application would be implemented in a phased manner. The application is developed in latest open source technologies like Python and Django Framework with PostgreSQL as database.

The features of the proposed Project Edge are as follows:

- Work flow based modules
- Optimized process and automation to reduce manual intervention
- Government / Vendor API Integrations with external systems.
- Digital uploading / retrieval of documents
- Document Management System
- User Friendly system with enhanced security
- Online Application / requests and tracking

- Geo-tagging of units and collateral
- Online Payment Gateway Integration
- Instant digital alerts and reduced TAT
- Real time Dash Boards / KPI's (Key Performance Indicators) and Reporting for Management
- Change of Management for future scope.

Adoption of best practices and latest technologies will transform Corporation's quality of service and position ourselves in a digitally changing market place.

Directors' Responsibility Statement

In accordance with the provisions of Sec 134 (5) of the Companies Act, 2013, with respect to Directors' responsibility statement, it is hereby stated that:

- All accounting standards which have to be mandatorily followed have been complied with in the preparation of accounts for the year ended 31st March, 2022.
- Significant accounting policies, consistently followed by the Corporation, have been given as Notes annexed to and forming part of the Balance Sheet and Profit and Loss Account.
- Adequate care has been taken for the maintenance of accounting records.
- The accounts for the year have been prepared on a "going concern concept"
- The financial statements have been audited by M/s. P.B. Vijayaraghavan & Co., Chartered Accountants, the Statutory Auditors.
- The Corporation has a proper and adequate internal control system to ensure that all the assets of the Corporation are safeguarded and protected against any loss and that all the transactions are properly authorised and recorded. Information provided to management is reliable and timely and statutory obligations are adhered to.

- The Company has an established internal Financial Control framework including internal controls over financial reporting, operating controls and anti-fraud framework. The framework is reviewed regularly by the management and tested by internal audit team and presented to the Audit Committee. Based on the periodical testing, the framework is strengthened, from time to time, to ensure adequacy and effectiveness of internal Financial Controls.

Statutory Statements:

Material changes and commitments

There have been no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.

Significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company

There are no significant and material orders passed by the regulators or courts or tribunals, which would impact the going concern status of the Company and its future operations.

Extracts of Annual Return:

An extract from Annual Return as referred under Section 92(3) and Section 134 (3A) in form MGT-9 of Companies (Management and Administration) Rules 2014, is given as annexure to this report.

Details of material related party transactions

There are no material related party transactions under Sec.188 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014.

Reporting of fraud

The Auditors of the Company have not reported any fraud as specified under Sec.143 (12) of the Companies Act, 2013.

Acknowledgements:

The Board of Directors wishes to thank the Government of Tamilnadu, Small Industries Development Bank of India (SIDBI), Commercial Banks, MSME Development Institute and other State level institutions viz., State Industries Promotion Corporation of Tamilnadu (SIPCOT), Tamilnadu Industrial Development Corporation Limited (TIDCO), Small Industries Development Corporation Limited (SIDCO), Industrial and Technical Organisation of Tamilnadu Limits (ITCOT) Consultancy, Electronics Corporation of Tamilnadu Limited (ELCOT) and the Tamilnadu Small and Tiny Industries Association (TANSTIA) for their continuous co-operation and assistance.

The Board of Directors takes great pleasure in recording its appreciation of the dedicated services rendered by the erstwhile Directors on the Board and the Officers and Staff of the Corporation.

For and on behalf of Board of Directors

THE TIIC LIMITED
CHENNAI 600 035

Date : 23.09.2022

HANS RAJ VERMA
CHAIRMAN & MANAGING DIRECTOR

Some of the Directors, by virtue of their posts, hold certain other Directorships, as appointed by the State Government. As on 31.3.2022:

Sl. No.	Name of the Director	Designation	Other Directorships/Partnership
1.	Thiru Hans Raj Verma, IAS.,	Chairman & Managing Director The TIIC Limited	DIRECTOR: 1. Tamil Nadu Small Industries Development Corporation Limited (SIDCO) 2. Seshasayee Paper & Boards Limited 3. State Industries Promotion Corporation of Tamil Nadu (SIPCOT) 4. ITCOT Consultancy and Services Limited (ITCOT) 5. Guindy Industrial Estate Infrastructure Upgradation Company (GIEIUC) 6. Chettinad Cement Corporation Limited
2.	Thiru S.Krishnan, IAS	Additional Chief Secretary to Government, Industries Department	DIRECTOR in Public Company: 1. Tamil Nadu Industrial Development Corporation Ltd (TIDCO) 2. Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) 3. State Industries Promotion Corporation of Tamil Nadu Limited 4. Titan Company Limited 5. TIDEL Park Limited 6. Tamil Nadu Minerals Limited 7. Tamil Nadu Newsprint and Papers Limited 8. Tamil Nadu Petroproducts Ltd 9. Tamilnadu Cements Corporation Limited 10. Tamil Nadu Magnesite Ltd. Private Companies 1. IIT Madras Research Park (Sec 8 Company) 2. Tamilnadu Trade Promotion Organisation 3. Tamilnadu Startup and Innovation Mission Other Bodies 1. Guidance (Society), formerly Tamilnadu Industrial Guidance & Export Promotion Bureau 2. Entrepreneurship Development Institute
3.	Thiru V.Arun Roy, IAS,	Secretary to Government, MSME Dept.	DIRECTOR: 1. Tamil Nadu Small Industries Development Corporation Limited (SIDCO) 2. Tamil Nadu Small Industries Corporation Limited (TANSI) 3. Tamil Nadu Startup and Innovation Mission
4.	Tmt. Reeta Harish Thakkar, IAS.,	Spl. Secretary to Government, Finance Department	DIRECTOR: 1. Tamil Nadu State Transport Corporation Limited (Salem)

Sl. No.	Name of the Director	Designation	Other Directorships/Partnership
			2. Tamil Nadu Magnesite Limited 3. Perambalur Sugar Mills Limited 4. Tamil Nadu Corporation for Development of Women Ltd 5. Tamil Nadu Sugar Corporation Limited 6. Tamil Nadu Medical Services Corporation Limited 7. Tamilnadu Small Industries Development Corporation Ltd.(SIPCOT) 8. Salem Smart City Ltd. 9. Tamil Nadu Adi Dravidar Housing and Development Corporation Limited (TAHDCO)
5.	Tmt. Jayashree Muralidharan, IAS	Spl. Secretary to Government, Finance Department	DIRECTOR: 1. Tamil Nadu Water Investment Company Ltd (TWIC) 2. TIDEL Park Limited 3. Tamilnadu Industrial Development Corporation Ltd. (TIDCO) 4. Tamil Nadu Road Infrastructure Development Corporation (TNRIDC) 5. Tamil Nadu Salt Corporation Ltd.
6.	Thiru Ravindran A.Lakshmanan. General Manager, Small Industries Development Bank of India (SIDBI)	Director	Nil
7.	Dr.G.Santhanam, IAS (Retd)	Independent Director	DIRECTOR: 1. Namo Enterprises Private Ltd., 2. Bishma Technology Services Pvt Ltd 3. RV Matrix Software Technologies Private Limited 4. Bishma Media Lab Tamil Pvt. Ltd 5. Rana Technology Solutions Pvt. Ltd 6. Chennai Obesity & Gastro Surgeons P. Ltd.
8.	Thiru S. Rajendiran	Independent Director	Nil
9.	Thiru D. Srinivasan	Independent Director	DIRECTOR: 1. Sree Annapoorna Sree Gowrishankar Hotels Pvt Ltd 2. Sree Annapoorna Kitchen Equipments Private Limited 3. Sree Annapoorna Gowrishankar Estates and Constructions Pvt. Ltd 4. Tamil Nadu Food Industries Association 5. Elyana Constructions Pvt. Ltd., 6. Alankar Supermarket Pvt. Ltd., 7. Elysium Cuisines LLP 8. South India Hotels and Restaurants Association 9. Damodar Techno Systems Pvt. Ltd.

ANNEXURE TO THE ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

1. A brief outline of TIIC's Corporate Social Responsibility (CSR) also including overview of projects or programs, proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

In accordance with the provisions of Companies Act under Section 135, TIIC constituted a CSR Committee. The composition and terms of reference of CSR Committee is approved in the Board of TIIC on 31/07/2014. CSR has been synonymous with the TIIC's core business of finance. Since its inception Corporation has been very sensitive to the needs of neighbouring community and persons whose livelihood has been affected needs care. TIIC's CSR policy was formulated during 2015 is in accordance with the Schedule VII of the Companies Act 2013 and modification thereon. Focus areas of TIIC's CSR activities are Health, Sanitation, Safe Drinking Water and Education. However, TIIC also takes up activities in the areas of Capacity Building of the youth, Women Empowerment, Social Infrastructure Development. The activities under CSR is in accordance with the Companies Act 2013 and the details are available in website of the Corporation www.tiic.org.

2. The composition of CSR Committee for the year 2021-22:

Sl.No.	Designation	Status
1	Chairman, TIIC	Chairman
2	Managing Director, TIIC	Member
3	Director representing Industries Department to the Govt. of Tamil Nadu	Member
4	Thiru D. Srinivasan, Independent Director	Member
5	Director representing Finance Department to the Govt. of Tamil Nadu	Member

3. Provide the details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) : NIL

4. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl.No.	Financial Year	Amount available for set-off from preceeding financial years (Rs. in crore)	Amount required to be set-off for the financial year, if any (Rs. in crore)
1	2020-21	NIL	NIL
2	2021-22	NIL	NIL
	Total		NIL

5. Average net profit of the company for last three financial years.

Net profit for the year	Rs. in crore
2018-19	51.08
2019-20	40.28
2020-21	70.48
	161.84
Average Net profit for the last three financial years	161.84 /3 = 53.946 crores

6. Prescribed CSR Expenditure (two percent of the amount as in item 5 above).

(a)	Two percent of average net profit of the company as per section 135(5) 2 % of Rs.53.946 crore	Rs. 1.08 crore
(b)	Surplus arising out of the CSR projects or programmes of the previous financial years	Nil
(c)	Amount required to be set off for the financial year, if any	Nil
(d)	Total CSR obligation for the financial year (6a + 6b + 6c)	Rs. 1.08 crore
(e)	CSR amount spent for the financial year	Rs. 1.08 crore

7. (a) Details of CSR spent or unspent during the financial year:

Total amount spent for the financial year (Rs. in crore)	Amount unspent (Rs. in crore) Total amount transferred to unspent CSR activities as per section 135 (6)			Amount transferred to any fund specified under Schedule VII as per second proviso to section 135 (5)	
	Amount	Date of Transfer	Name of the fund	Amount	Date of Transfer
1.08	NIL	NA	NA	NA	NA

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1) Sl. No	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No)	(5) Local area/ Location of the project	(6) Project duration (in yrs)	(7) Amount allocate in the current financial year (in Rs.)	(8) Amount spent in the current financial year (in Rs)	(9) Amt. Transferred to unspent CSR account	(10) (11) Mode of implementation - through implementing agency Name CSR Regn. No.
NIL									

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1) Sl.No	(2) Name of the Project	(3) From the list of activities in Schedule VII to the Act	(4) Local area (Yes/ No)	(5) Local area/ Location of the project	(6) Amount spent for the project (Rs. in crore)	(7) Mode of implementation - Direct (Yes / No)	(8) Mode of implementation - through implementing agency
1	Disaster Management, including relief, rehabilitation and reconstruction activities	Disaster relief can cover wide range of activities that can be appropriately shown under various items listed in Schedule VII.		Directly to the Bank Account of Tamil Nadu State Disaster Management Authority, Government of Tamilnadu.	1.08		An amount of Rs.1.08 crores for the year 2021-22 was spent under Corporate Social Responsibility scheme directly to the Bank Account of Tamil Nadu State Disaster Management Authority, Government of Tamilnadu. It is further stated that contribution made to State Disaster Management Authority to combat COVID-19 shall qualify as CSR expenditure under item no. (xii) of Schedule VII and clarified Ministry of Corporate Affairs, Government of India vide Circular No.10/2020 dated 23rd March, 2020.

7. (d) Amount spent in Administrative Overheads : Nil
7. (e) Amount spent on Impact Assessment, if applicable : Nil
7. (f) Total amount spent for the Financial Year
(7b + 7c +7d + 7e) : Rs.1.08 crore
7. (g) Excess amount for set off, if any : Nil
8. (a) Details of Unspent CSR amount for the preceding three financial years : NIL
8. (b) Details of CSR amount in the financial year for ongoing projects of the preceding financial years : NIL
9. In case of creation of acquisition of capital asset, furnish the detail relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)
 - (a) Date of creation of acquisition of the capital asset : Nil
 - (b) Amount of CSR spent for creation or acquisition of capital asset : Nil
 - (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc : Not applicable
 - (d) Provide details of the capital asset(s) created or acquired
(including complete address and location of the capital asset) : Not applicable
10. Specify the reason(s), if the company has failed to spend the two percent of the average net profit as per section 135 (5):

Not applicable.

By spending Rs.1.08 crore, the TIIC has achieved the prescribed two percent average net profit amount of Rs.1.08 crore.

Sd/-

HANS RAJ VARMA
Chairman & Managing Director

Form No.MGT-9

Extract of ANNUAL RETURN as on the Financial Year ended 31.03.2022

(Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014)

I. REGISTRATION AND OTHER DETAILS :

i)	CIN	:	U93090TN1949SGC001458
ii)	Registration Date	:	26-03-1949
iii)	Name of the Company	:	Tamilnadu Industrial Investment Corporation Limited
iv)	Category / Sub-category of the company	:	—
v)	Whether listed company	:	No
vi)	Name, address and contact details of Registrar and Transfer agent, if any	:	M/s. NSDL Database Management Limited Registrar & Transfer Agent 4th Floor, "A" Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Power Parel, Mumbai 400 013.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

Term Loan lending

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

- NIL -

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise share holding

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoter									
(1) Indian									
i) State Government	3035228	--	3035228	72.10	3035228	--	3035228	72.10	--
(2) Foreign	--	--	--	--	--	--	--	--	--
B. Public Shareholding									
(1) Institutions									
i) SIPCOT	--	500000	500000	11.88	--	500000	500000	11.88	--
ii) Small Industries Development Bank of India (SIDBI)	170000	--	170000	4.04	170000	--	170000	4.04	--
iii) TIDCO	500000	--	500000	11.88	500000	--	500000	11.88	--
iv) Government of Puducherry	--	1500	1500	0.03	--	1500	1500	0.03	--
v) Insurance Companies	675	485	1160	0.02	675	485	1160	0.02	--
vi) Other Banks including Co-op. Banks	1675	393	2068	0.05	1687	381	2068	0.05	--
(2) Non-Institutions	--	--	--	--	--	--	--	--	--
Grand Total	3707578	502378	4209956	100%	3707590	502366	4209956	100%	--

ii) Shareholding of promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
1	Govt. of Tamilnadu	3035228	72.0964	--	3035228	72.0964	--	--
2	Govt. of Puducherry	1500	0.0356	--	1500	0.0356	--	--
3	Small Industries Development Bank of India	170000	4.038	--	170000	4.038	--	--
4	Punjab National Bank	60	0.0014	--	60	0.0014	--	--
5	Indian Bank, Chennai	233	0.0055	--	233	0.0055	--	--
6	Kumbakonam City Union Bank, Kumbakonam	10	0.0002	--	10	0.0002	--	--
7	Bank of India, Mumbai-21	200	0.0048	--	200	0.0048	--	--
8	Indian Overseas Bank, Chennai	117	0.0028	--	117	0.0028	--	--
9	Canara Bank, Bangalore	75	0.0018	--	75	0.0018	--	--
10	State Bank of India, Chennai	1167	0.0277	--	1167	0.0277	--	--
11	Tamilnadu State Co-operative Bank, Chennai	12	0.0003	--	12	0.0003	--	--
12	Ramachandran Co-operative Central Bank Ltd., Ramachandrapuram (AP)	1	0.00002	--	1	0.00002	--	--
13	Prakasapuram Co-operative Central Bank Ltd, Prakasapuram, Tirunelveli	2	0.00004	--	2	0.00004	--	--
14	Karur town Co-operative Bank Ltd., Karur	1	0.00002	--	1	0.00002	--	--
15	The Saraswat Co-op. Bank Ltd., Mumbai	5	0.00012	--	5	0.00012	--	--
16	Co-operative Central Bank Ltd., Nellore	2	0.00004	--	2	0.00004	--	--
17	Tamilnadu Co-operative State Land Development Bank Ltd, Chennai-4	100	0.0023	--	100	0.0023	--	--
18	Rajampet Co-operative Town Bank Ltd., Rajampet	1	0.00002	--	1	0.00002	--	--
19	Mannargudi Co-operative Urban Bank Ltd., Mannargudi	5	0.00012	--	5	0.00012	--	--
20	Co-operative Central Bank Ltd., Vizianagaram	2	0.00004	--	2	0.00004	--	--
21	Co-operative Central Bank Ltd., Thanjavur	2	0.00004	--	2	0.00004	--	--
22	Malabar District Co-operative Bank Ltd, Calicut	1	0.00002	--	1	0.00002	--	--
23	Co-operative Central Bank Ltd, Elluru	1	0.00002	--	1	0.00002	--	--

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
24	Co-operative Central Bank Ltd., Kumbakonam	5	0.00012	--	5	0.00012	--	--
25	Srikakulam District Co-operative Central Bank Ltd, Srikakulam	6	0.00014	--	6	0.00014	--	--
26	Ramanathapuram District Co-operative Central Bank Ltd., Madurai	1	0.00002	--	1	0.00002	--	--
27	Karaikudi Co-operative Urban Ltd., Karaikudi	1	0.00002	--	1	0.00002	--	--
28	Vishakapatnam District Co-operative Central Bank Ltd., Vishakapatnam	2	0.00004	--	2	0.00004	--	--
29	Madurai District Central Co-operative Bank Ltd., Madurai	6	0.00014	--	6	0.00014	--	--
30	United India Insurance Company Ltd., Mumbai	375	0.0089	--	375	0.0089	--	--
31	Oriental Fire & General Insurance Company Ltd., Mumbai	250	0.0059	--	250	0.0059	--	--
32	The Kaiser-I Hind Insurance Company Ltd., Mumbai	10	0.00024	--	10	0.00024	--	--
33	New India Assurance Company Ltd., Mumbai	150	0.0036	--	150	0.0036	--	--
34	LIC of India, Mumbai	375	0.0089	--	375	0.0089	--	--
35	SIPCOT	500000	11.8766	--	500000	11.8766	--	--
36	TIDCO	500000	11.8766	--	500000	11.8766	--	--
37	Union Bank of India	--	--	--	50	0.0012	--	--
	Total	4209956	100.00		4209956	100.00	--	--

iii) **Change in Promoter's shareholding** (please specify, if there is no change)

Sl. No.	Name of the Promoter	At the beginning of the year		Cumulative shareholding during the year		At the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Government of Tamilnadu	3035228	72.10	--	--	3035228	72.10
	At the end of the year	3035228	72.10	--	--	3035228	72.10

iv) **Shareholding pattern of top ten shareholders** (other than promoters and holders of GDRs and ADRs)

Sl. No.	For each of the Top 10 shareholders	At the beginning of the year		Cumulative shareholding during the year		At the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	SIPCOT	500000	11.8766	--	--	500000	11.8766
2	TIDCO	500000	11.8766	--	--	500000	11.8766
3	Small Industries Development Bank of India	170000	4.038	--	--	170000	4.038
4	Govt. of Puducherry	1500	0.0356	--	--	1500	0.0356
5	State Bank Of India, Chennai	1167	0.0277	--	--	1167	0.0277
6	United India Insurance Company Ltd., Mumbai	375	0.0089	--	--	375	0.0089
7	LIC of India, Mumbai	375	0.0089	--	--	375	0.0089
8	Oriental Fire & General Insurance Company Ltd., Mumbai	250	0.0059	--	--	250	0.0059
9	Indian Bank, Chennai	233	0.0055	--	--	233	0.0055
10	Bank of India, Mumbai	200	0.0048	--	--	200	0.0048

v) **Shareholding of Directors and Key Managerial Personnel :** Nilvi) **INDEBTEDNESS:** (Rs. in Crores)

Bonds	—
SIDBI	—
Banks	1,069.13
Deposits	277.93
Total	1,347.06

vii) Remuneration of Directors and Key Managerial Personnel:

- A) Remuneration to Managing Director,
Whole time Directors — Nil
- B) Remuneration to other Directors — Nil
- C) Remuneration to Key Managerial Personnel other than MD/Manager/Whole time
Directors

(Rs. in lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Company Secretary	Chief Financial Officer	
1.	Gross Salary (in lakhs)	22.50	24.33	46.83
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961			
	(c) Profits in lieu of salary under section 17 (3) Income Tax Act, 1961			
2.	Stock option			
3.	Sweat Equity			
4.	Commission			
5.	Others, specify			
	Total	22.50	24.33	46.33

viii) Penalties / Punishment / Compounding of offences: Nil

CS Kiran Varma M.G. B.Com, ACS, LLB
Practising Company Secretary
New No: 60, Old No:34, Above IndianOverseas Bank
South Usman Road, T.Nagar, Chennai - 600 017
+91-95660 34192; cskvarma@outlook.com

Form No.3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2022
(Pursuant to Section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To

The Members

THE TAMILNADU INDUSTRIAL INVESTMENT CORPORATION LIMITED

CIN : U93090TN1949SGC001458

No. 692, Anna Salai, Nandanam, Chennai - 600 035

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices of **M/s TAMILNADU INDUSTRIAL INVESTMENT CORPORATION LIMITED** (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the Corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder. **(Not Applicable to the Company during the Audit Period)**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder. **(Not Applicable to the Company during the Audit Period)**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not Applicable to the Company during the Audit Period)**
- (v) The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act")
 - (a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company during the Audit Period)**
 - (b) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not Applicable to the Company during the Audit Period)**

- (c) The Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015; **(Not Applicable to the Company during the Audit Period)**
 - (d) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(Not Applicable to the Company during the Audit Period);**
 - (e) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 **(Not Applicable to the Company during the Audit Period);**
 - (f) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not Applicable to the Company during the Audit Period);**
 - (g) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not Applicable to the Company during the Audit Period);**
 - (h) The Securities and Exchange Board of India (Delisting of equity shares regulations), 2009 **(Not Applicable to the Company during the Audit Period);**
 - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the Company during the Audit Period)**
- (vi) And laws specifically applicable in case of a State Finance Corporation.

I have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the applicable Acts, Rules, Regulations, Guidelines, Standards, etc. as maintained above.

I, further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive and Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions were taken unanimously and dissenting members' views, if any, are captured and recorded as part of the minutes.

I, further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I, further report that, during the audit period, there were no other specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines, etc. having a major bearing on the Company's affairs.

UIDN: A044011D000781253

Place : Chennai
Date : 11.08.2022

Kiran Verma M G
Practising Company Secretary
ACS No. 44011
CoP No: 19211

This report is to be read with our letter of even date which is annexed and forms an integral part of this report.

CS Kiran Varma M.G. B.Com, ACS, LLB
Practising Company Secretary

ANNEXURE 'A'

To

The Members

THE TAMILNADU INDUSTRIAL INVESTMENT CORPORATION LIMITED

CIN : U93090TN1949SGC001458

No. 692, Anna Salai, Nandanam, Chennai - 600 035

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these Secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Whereever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

UIDN: A044011D000781253

Place : Chennai
Date : 11.08.2022

Kiran Verma M G
Practising Company Secretary
ACS No. 44011
CoP No: 19211

P.B. VIJAYARAGHAVAN & CO
CHARTERED ACCOUNTANTS

Flat 'G', III Floor, "Sri Malola"
No. 174, Habibullah Road
T. Nagar, Chennai – 600 017
Tel : +91 44 2814 1515, +91 44 4864 5242
Mobile: +91 98400 37240
Email id : office@pbv.co.in

INDEPENDENT AUDITORS' REPORT

To the Members
Tamilnadu Industrial Investment Corporation Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

1. Opinion

We have audited the financial statements of **Tamilnadu Industrial Investment Corporation Limited** ("the Company") which comprise the Balance Sheet as at 31st March, 2022, and the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and Notes to the Financial Statements, including a summary of Significant Accounting Policies and other explanatory information ("the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and Profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Attention is required to the following matter:

As per the common dividend policy evolved by the State Government, vide G.O. Ms. No. 123 Finance Department, dated 19th May 2014, the state PSUs have to declare 30% of the Net Profits (after tax) or 30% of the paid up share capital whichever is higher subject to availability of disposable profit which works to Rs. 82.94 crores. However, the Company has proposed 3% of Paidup Share Capital as dividend amounting to Rs. 12.63 crores resulting in a difference of Rs. 70.31 crores.

Our opinion is not modified in respect of this matter.

Information other than Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the matters included in Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance/conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and in case the material misstatement remains uncorrected suitable action would be resorted to including bring to the attention of the users the matters of such material misstatement.

Responsibilities of Management and those charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate Internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structures and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report

unless law or regulation precludes public disclosures about the matter when, in extremely rare circumstance, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As the Company is defined as a banking company by the Ministry of Commerce & Industry, Government of India vide its letter dated 28.06.1960, the Companies (Auditor's Report) Order 2020, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 is not applicable to the Company.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) As per Notification No. G.S.R. 463(E) dated 05.06.2015, subsection (2) of Section 164 of the Companies Act 2013, is not applicable to Government Companies.
 - f) With respect to the adequacy of the internal financial controls over systems and the operating effectiveness of such controls, we give our Report in **Annexure-I**.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note - D (ii) & (iii) and E.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented that, to the best of its knowledge and belief other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) the management has represented, that to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused us to believe that the representation under sub-clause (a) and (b) contain any material misstatement.
- v. The dividend declared or paid during the year by the Company is in compliance with section 123 of the Companies Act, 2013.
3. As required by the section 143(5) of the Companies Act 2013, our comments with regard to the directions and sub-directions issued by the Comptroller & Auditor General of India is given in **Annexure-II**.

P.B. VIJAYARAGHAVAN & CO
Chartered Accountants
Firm Registration No. 004721S

K. SRINIVASAN
Partner
Membership No: 226831

Place : Chennai
Date : 23.09.2022
UDIN No. 22226831AYMRWJ7913

P.B. VIJAYARAGHAVAN & CO
CHARTERED ACCOUNTANTS

Flat 'G', III Floor, "Sri Malola"
 No. 174, Habibullah Road
 T. Nagar, Chennai – 600 017
 Tel : +91 44 2814 1515, +91 44 4864 5242
 Mobile: +91 98400 37240
 Email id : office@pbv.co.in

Annexure-I to Independent Auditor's Report

Report on the Internal Financial Control's under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Tamil Nadu Industrial Investment Corporation Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria are established by the Company in their separate internal control manuals considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds or errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company and (3) provide reasonable assurance regarding prevention of timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operative effectively as at March 31, 2021, based on the internal control over financial reporting criteria that are established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

P.B. VIJAYARAGHAVAN & CO
Chartered Accountants
Firm Registration No. 004721S

K. SRINIVASAN
Partner
Membership No: 226831

Place : Chennai
Date : 23.09.2022
UDIN No. 22226831AYMRWJ7913

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Annexure-II to Independent Auditor's Report
Comments in regard to the directions issued by the
Comptroller and Auditor General of India

1. **Whether the Company has system in place to process all the accounting transaction through IT system? If yes, the implications of processing of accounting transaction outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.**

Yes, there are no accounting transactions processed outside IT system, hence, commenting on consequential financial impact does not arise.

2. **Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for?**

a) The Corporation has been adopting various measures for recovery of loan dues from its customers like action under Sec. 29 or Sec. 31 of SFCs act, action under SARFAESI Act, filing case in DRT etc. despite such stringent recover measures, certain loan accounts have become increasingly sticky and possibilities of recoveries from them tend to be highly remote. The Corporation has been doing "technical write off" of such loan accounts every year out of the profits earned. The SIDBI guidelines provide as follows: "SFCs should either make full provision as per the guidelines or write-off such advances and claim such tax benefits as applicable, by evolving appropriate methodology in consultation with their auditors/tax consultants. Recoveries made in such accounts should be offered for tax purposes as per the rules. SFCs may write off advances at Head Office level, even though the relative advances are still outstanding in the branch books".

b) The Corporation has written off all Loss / Doubtful III and selected Doubtful II cases as on 31.03.2022 whose recovery prospects were highly uncertain and remote:

WAIVER AND WRITE OFF:

Particulars	For the year ended 31.03.2022
	(Rs. in lakhs)
Loans written off	—
Other dues written off	86.32
Other dues waived	—
Loans waived	1.06
TOTAL	87.38

The details are as under:

(Rs. in lakhs)

Description of cases for write off (as on 31.03.2022)	Amount to be written off			
	No. of cases	Principal Rs.	Other dues Rs.	Total Rs.
All Doubtful cases written off (D2)				
All Doubtful cases written off (D1)	1	1.06		1.06
Sub-Total	1	1.06		1.06
Additional other dues incurred during 2021-22 in respect of already written off account	356		86.32	86.32
Total amount to be written off	357	1.06	86.32	87.38

Though the above loans were written off in the Books of Accounts as on 31.03.2022 and the possibility of recovery in normal course in such accounts is not bright, the recovery efforts would continue without let up and recovery from these written-off cases would be shown as the income of the Corporation under the head "Bad Debts Recovered".

- c) SIDBI policy also permits write-off of non-performing assets and claiming applicable tax benefits. The loans under doubtful category are not susceptible to recovery in the normal courses and the Corporation has to resort to legal means or compromise settlement.

3. Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/ State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.

The grant/subsidy received for specific scheme (Rehabilitation and Resettlement) from the State Government were properly accounted as per the terms and conditions attached thereto. The unutilised balance of the grant along with the interest accrued has been retained as a liability in accordance with the directions of the Government of Tamil Nadu.

P.B. VIJAYARAGHAVAN & CO
Chartered Accountants
Firm Registration No. 004721S

K. SRINIVASAN
Partner
Membership No: 226831

Place : Chennai
Date : 23.09.2022
UDIN No. 22226831AYMRWJ7913

P.B. VIJAYARAGHAVAN & CO
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Annexure-II to Independent Auditor's Report
Comments in regard to the sub-directions issued by the
Comptroller and Auditor General of India

ADDITIONAL SUB-DIRECTIONS UNDER SECTION 143(5) OF THE COMPANIES ACT, 2013

1. Whether the Company has complied with the directions issued by RBI for:

- Non Banking finance companies
- Classification of Non-performing assets
- Capital adequacy norms for NBFCs

The Company follows the prudential norms prescribed by SIDBI, being the regulator of State Financial Corporations in the country.

2. Whether the Company has a system to ensure that loans were secured by adequate security free from encumbrances and have first charge on the mortgaged assets? Further instances of undue delay in disposal of seized units may be reported.

Loans sanctioned by the Company are secured based on the norms fixed by the Corporation. From our examination and as informed by the Management, there has been instances of undue delay in disposal of few seized units reasons being court cases, marketability of the property, lack of response in the Public Auction, Remote locality of the Asset and delay in process of one time settlement request.

3. Whether introductions of any scheme of settlement of dues and extensions thereto complied with policy / guidelines of Company / Government?

The schemes framed by the Company for the settlement of dues and extension thereto are complied with the policy / guidelines of the Company.

4. Comment on the confirmation of balances of trade receivables, trade payables, term deposits, bank accounts and cash obtained.

The Company gets confirmation of balance at the year end for the bank and cash balance. The Corporation sends out periodical demand to the borrowers which itself is taken as system of obtaining confirmation of balances and no other separate procedure of obtaining confirmation of balances was there. Now, the Corporation has also introduced a system to obtain confirmation for cases where there is no payment for two years.

5. Whether the bank guarantees have been revalidated in time?

The Company has not obtained any bank guarantees which are required to be revalidated.

P.B. VIJAYARAGHAVAN & CO
Chartered Accountants
Firm Registration No. 004721S

K. SRINIVASAN
Partner
Membership No: 226831

Place : Chennai
Date : 23.09.2022
UDIN No. 22226831AYMRWJ7913

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ACCOUNTS

**BALANCE SHEET
AND
PROFIT AND LOSS ACCOUNT**

BALANCE SHEET AS ON MARCH 31, 2022

Particulars	Schedule Ref.	As on 31.03.2022 (Rs.)	As on 31.03.2021 (Rs.)
CAPITAL AND LIABILITIES			
Capital	A	4,20,99,56,000	4,20,99,56,000
Reserves and Surplus	B	6,08,40,43,155	3,26,64,44,848
Borrowings	C	10,69,12,98,561	4,63,04,57,618
Deposits	D	2,77,93,55,138	2,80,61,05,739
Other Liabilities and Provisions	E	2,11,23,76,671	2,11,73,96,816
TOTAL		25,87,70,29,525	17,03,03,61,021
ASSETS			
Cash and Bank Balances	F	61,43,19,189	85,62,35,944
Investments	G	47,31,24,570	41,21,48,997
Loans and advances	H	20,32,02,55,615	12,98,22,62,606
Fixed assets	I	3,84,75,11,827	1,72,75,38,705
Other assets	J	62,18,18,324	1,05,21,74,769
TOTAL		25,87,70,29,525	17,03,03,61,021
Contingent Liability	R	7,75,08,335	8,46,95,872
Significant accounting policies and Notes to Accounts	S		

D. DURAIRAJ
General Manager (i/c)
Company Secretary

S. RAJENDRAN
Chief Financial Officer

HANS RAJ VERMA
Chairman &
Managing Director

S. RAJENDIRAN
Director

As per our report of even date annexed
For **M/s. P.B. VIJAYARAGHAVAN & CO.**
Chartered Accountants

Place : Chennai
Date : 23.09.2022

K. SRINIVASAN
Partner

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2022

Particulars	Schedule Ref.	For the year ended 31.03.2022 Rs.	For the year ended 31.03.2021 Rs.
INCOME (A)			
Income from operations	K	1,84,24,02,614	1,44,11,16,295
Other income	L	65,08,30,409	56,01,13,340
Total Income (A)		2,49,32,33,023	2,00,12,29,635
EXPENDITURE (B)			
Interest expended	M	62,47,57,897	46,75,82,579
Other financial expenses	N	99,32,530	1,63,64,044
Personnel expenses	O	42,40,15,638	39,11,78,147
Administrative expenses	P	9,86,47,154	8,58,27,557
Depreciation	I	1,16,62,390	51,07,326
Waiver and Write offs	Q	87,37,741	50,34,70,816
Total Expenditure (B)		1,17,77,53,350	1,46,95,30,469
PROVISIONS (C)			
Provision for Advances / (Written back)		17,25,79,101	(12,23,73,471)
Depreciation on investments / (Written Back)		(6,09,75,573)	(5,07,48,582)
Income Tax Provision		34,21,81,661	15,47,67,103
Deferred Tax		2,23,29,078	4,56,14,961
Income Tax Provision for earlier Years		99,42,419	
Provision for Taxes		37,44,53,158	20,03,82,064
Total Provisions (C)		48,60,56,686	2,72,60,010
Net Profit carried to P&L Appropriation A/c	A-(B+C)	82,94,22,987	50,44,39,156
Significant accounting policies and Notes to Accounts	S		
EARNINGS PER SHARE - Basic/Diluted (Face value of Rs.1,000/- each)		197.01	119.82

D. DURAIRAJ
 General Manager (i/c)
 Company Secretary

S. RAJENDRAN
 Chief Financial Officer

HANS RAJ VERMA
 Chairman &
 Managing Director

S. RAJENDIRAN
 Director

As per our report of even date annexed
 For **M/s. P.B. VIJAYARAGHAVAN & CO.**
 Chartered Accountants

Place : Chennai
 Date : 23.09.2022

K. SRINIVASAN
 Partner

PROFIT AND LOSS APPROPRIATION ACCOUNT FOR THE YEAR ENDED MARCH 31, 2022

Particulars	For the year ended 31.03.2022 Rs.	For the year ended 31.03.2021 Rs.
Balance as per last Balance Sheet- General Reserve/ (Accumulated losses)	1,60,30,42,032	1,24,41,02,436
Add: Profit for the year as per Profit and Loss Account	82,94,22,987	50,44,39,156
Less: Special Reserve u/s 36(1)(viii) of the Income tax Act, 1961	23,70,00,000	10,34,00,000
Less: Proposed Dividend for FY 2021-22/2020-21	12,62,98,680	4,20,99,560
Profit transferred to Reserves and Surplus/ (Accumulated losses)	2,06,91,66,339	1,60,30,42,032

D. DURAIRAJ
General Manager (i/c)
Company Secretary

S. RAJENDRAN
Chief Financial Officer

HANS RAJ VERMA
Chairman &
Managing Director

S. RAJENDIRAN
Director

As per our report of even date annexed
For **M/s. P.B. VIJAYARAGHAVAN & CO.**
Chartered Accountants

Place : Chennai
Date : 23.09.2022

K. SRINIVASAN
Partner

SCHEDULES TO BALANCE SHEET

Particulars	As on 31.03.2022 (Rs.)	As on 31.03.2021 (Rs.)
Schedule-A: Capital		
1. Authorised Capital		
42,50,000 (Previous Year 42,50,000 numbers) Equity Shares of Rs.1000 each	4,25,00,00,000	4,25,00,00,000
2. Issued		
Equity Share Capital: 42,10,000 Equity Shares (Previous year 42,10,000 numbers) of Rs.1,000 each	4,21,00,00,000	4,21,00,00,000
3. Subscribed and paid up		
41,24,956 Equity Shares (Previous year 41,24,956 numbers) of Rs.1,000 each fully paid	4,12,49,56,000	4,12,49,56,000
85,000 (Previous year 85,000 numbers) Special Equity Shares of Rs.1,000/- each (issued u/s 4A of State Financial Corporations' Act, 1951)	8,50,00,000	8,50,00,000
Total	4,20,99,56,000	4,20,99,56,000
Schedule B: Reserves and Surplus		
i) Reserves		
Revaluation Reserve: Revaluation of lands held	3,64,94,77,100	1,53,50,03,100
ii) a) SPECIAL RESERVE FUND (In terms of Sec.35A of the State Financial Corporations' Act, 1951 representing dividend foregone by the Govt.of Tamilnadu and IDBI)	2,49,99,716	2,49,99,716
ii) b) Special Reserve u/s 36(1)(viii) of the Income Tax Act, 1961	34,04,00,000	10,34,00,000
iii) Transfer from Profit & Loss Appropriation Account	2,06,91,66,339	1,60,30,42,032
Total	6,08,40,43,155	3,26,64,44,848
Schedule-C: Borrowings		
1. Loan in lieu of capital - IDBI (Unsecured)	—	12,50,00,000
2. Term Loan from Banks (Sec. by book debts)	10,69,05,41,021	4,02,99,51,293
3. Overdraft from banks	7,57,540	47,55,06,325
Total	10,69,12,98,561	4,63,04,57,618
Schedule-D: Deposits		
1. Deposits from Temples, Educational institutions, etc.	1,52,39,74,076	1,43,45,96,982
2. Inter-Corporate Deposits	1,25,53,81,062	1,37,15,08,757
Total	2,77,93,55,138	2,80,61,05,739

SCHEDULES TO BALANCE SHEET

Particulars	As on 31.03.2022 (Rs.)	As on 31.03.2021 (Rs.)
Schedule-E: Other Liabilities and Provisions		
1. Advances & Deposits from Constituents & others	82,08,96,393	46,45,71,469
2. Liability for others	45,22,95,111	62,09,94,330
3. Provision on Standard Assets	5,46,65,770	4,65,01,398
Add: Provision for Current Year	6,38,06,745	81,64,372
	11,84,72,515	5,46,65,770
4. Subvention from Government	—	—
5. Wealth Tax	—	47,92,584
6. Income Tax	25,22,32,311	77,55,06,000
Add: Provision for the year	34,21,81,661	15,47,67,103
	59,44,13,972	93,02,73,103
7. Provision for Proposed Dividend	12,62,98,680	4,20,99,560
Total	2,11,23,76,671	2,11,73,96,816
Schedule-F: Cash and Bank Balances		
1. Cash in hand	27,34,350	50,16,507
2. Balance with banks		
i) Reserve Bank of India	4,25,673	2,00,872
ii) Current A/c with scheduled Banks	58,78,39,166	66,41,70,309
iii) Term Deposits with Banks	2,33,20,000	18,68,48,256
Total	61,43,19,189	85,62,35,944
Schedule-G: Investments		
Investment in shares		
Quoted	43,99,88,667	37,90,13,094
Non-Quoted	3,31,35,903	3,31,35,903
Total	47,31,24,570	41,21,48,997

SCHEDULES TO BALANCE SHEET
SUMMARY FOR QUOTED / NON-QUOTED SHARES

PARTICULARS	As on 31.03.2022 (Rs.)	As on 31.03.2021 (Rs.)
COST OF FULLY PAID SHARES		
QUOTED		
EQUITY	46,10,39,990	46,10,39,990
NON QUOTED		
EQUITY	6,34,20,515	6,34,20,515
REDEEMABLE PREFERENCE	1,54,12,868	1,54,12,868
TOTAL	53,98,73,373	53,98,73,373
MARKET / BOOK VALUE	47,31,24,570	41,21,48,997
DEPRECIATION REQUIRED	6,67,48,803	12,77,24,376
DEPRECIATION HELD	6,67,48,803	12,77,24,376
NET VALUE OF INVESTMENTS AS PER BALANCE SHEET	47,31,24,570	41,21,48,997

D. DURAIRAJ
 General Manager (i/c)
 Company Secretary

S. RAJENDRAN
 Chief Financial Officer

HANS RAJ VERMA
 Chairman &
 Managing Director

S. RAJENDIRAN
 Director

As per our report of even date annexed
 For **M/s. P.B. VIJAYARAGHAVAN & CO.**
 Chartered Accountants

Place : Chennai
 Date : 23.09.2022

K. SRINIVASAN
 Partner

SCHEDULE FOR INVESTMENT IN SHARES AS ON 31ST MARCH 2022
I. FULLY PAID EQUITY SHARES (QUOTED)

Sl. No.	Name of the Company	No. of Shares	Face Value	Book Cost	Market Rate / Balance Sheet Value	Market Value/ Balance Sheet Value	Net Value (Lower of (5) or (7))
(1)	(2)	(3)	Rs. (4)	Rs. (5)	Rs. (6)	Rs. (7)	Rs. (8)
I-Market value							
1	NLC India Ltd	59,70,126	10	3,58,207,560	62.55	37,34,31,381	35,82,07,560
2	IDBI Bank Ltd. (Formerly Industrial Development Bank of India)	35,680	10	28,99,000	42.80	15,27,104	15,27,104
3	Kothari Sugars & Chemicals Ltd.	10,350	10	44,85,000	35.55	3,67,942	3,67,942
4	Rallis India Ltd.	8,01,150	1	6,67,660	237.95	19,06,33,643	667,660
5	Sakthi Sugars Ltd.	4,95,099	10	1,12,54,130	13.45	66,59,082	66,59,082
6	Seshasayee Paper & Boards Ltd.*	90,00,000	2	1,60,00,000	174.55	1,57,09,50,000	1,60,00,000
7	Sical Logistics Ltd. (Formerly South India Corporation (Agencies) Ltd) **	1,60,467	10	1,00,12,771	11.66	18,71,045	18,71,045
8	Sicagen India Ltd **	1,60,467	10	63,55,869	22.00	35,30,274	35,30,274
9	Tamilnadu News Print & Papers Ltd.	4,00,000	10	4,40,00,000	167.65	6,70,60,000	4,40,00,000
10	Elgi Rubber Company Ltd	11,79,696	1	1,58,000	39.55	4,66,56,977	1,58,000
11	Vedanta Ltd (Formerly Sesa Sterlite, Madras Aluminium Company Ltd)	24,50,000	1	70,00,000	403.35	98,82,07,500	70,00,000
TOTAL (A)				46,10,39,990			43,99,88,667

II FULLY PAID EQUITY SHARES (NON-QUOTED)
I-Balance Sheet Value

1	Reed Relays and Electronics India Ltd.***	41,956	10	20,97,850	371.79	1,55,98,666	20,97,850
2	Ambattur Enterprises Ltd. (Formerly T & R Welding Products (India) Ltd.)	3,680	100	3,68,000	2,336.68	85,98,980	3,68,000
3	M I L Industries Ltd.	1,68,000	10	16,80,000	69.48	1,16,72,512	16,80,000
4	Sree Maruthi Marine Industries Ltd. (Maruthi Crystal Salt Co. Ltd)	20,000	10	—	29.02	580,369	—
5	Sivanandha Pipe Fittings Ltd.	33,600	10	5,60,000	47.13	1,583,617	5,60,000
6	Chettinad Cement Corporation Ltd	61	2,00,000	2,58,64,000	1,90,02,722.32	1,15,91,66,061.71	2,58,64,000
7	Pandyan Hotels Ltd.	4,985	100	0	918.29	45,77,665.40	0
8	ITCOT Consultancy and Services Ltd.	2,000	100	2,00,000	5,933.52	1,18,67,037.20	2,00,000
9	Lakshmi Precision Tools Ltd.	34,900	10	5,23,500	40.03	13,97,004.90	5,23,500
10	Malladi Drugs & Pharmaceuticals Ltd.****	26,95,000	5	5,00,000	105.49	28,42,93,931.60	5,00,000
11	India Forge & Drop Stampings Ltd.	71,179	10	9,07,535	182.12	1,29,62,846.45	9,07,535
12	Sun Paper Mill Ltd.	43,500	10	4,35,000	13.88	60,36,38.94	4,35,000
TOTAL				3,31,35,885			3,31,35,885

SCHEDULES TO BALANCE SHEET

Sl. No.	Name of the Company	No. of Shares	Face Value	Book Cost	Market Rate / Balance Sheet Value	Market Value/ Balance Sheet Value	Net Value (Lower of (5) or (7))
(1)	(2)	(3)	Rs. (4)	Rs. (5)	Rs. (6)	Rs. (7)	Rs. (8)
II-OTHERS							
13	Indian Steel Rolling Mills Ltd.	46,620	10	3,10,800		1	1
14	MICO Farm Chemical Ltd.	7,480	100	7,48,000		1	1
15	Seshasayee Industries Ltd.	2,41,750	10	24,17,500		1	1
16	Bokiyu Tanneries Ltd.	41,900	10	—		—	—
17	Secals Ltd.	1,25,000	10	54,75,000		1	1
18	Kamar Chemicals & Industries Ltd.	1,37,550	10	18,34,000	—	—	—
19	Wavin India Ltd.	59,275	10	—	—	—	—
20	Guindy Industrial Estate Infrastructure Upgradation Company	2,500	10	25,000	—	1	1
21	Industrial Venture Capital Ltd.	10,00,000	10	1,00,00,000			1
22	Marshall & Sons (India) Ltd.	79,372	10	1,98,430			1
23	Devi Spinning Mills Ltd.	1,000	1,000	10,00,000			1
24	Kumaragiri Electronics Ltd.	35,000	10	3,50,000			1
25	Rockfort Fastners Ltd.	25,000	10	2,50,000			1
26	Forge Mech Private Ltd.	3,900	10	39,000			1
27	Madras Forgings & Allied Industries(CBE)	4,849	100	4,84,900			1
28	Sivanandha Steels Ltd.	3,57,600	10	71,52,000			1
29	Southern Castings Ltd.	46,310	10	0			0
30	Sakthi Pipes Ltd.	14,850	100	0			0
31	Trac Industries & Components Ltd.	9,960	100	0			0
32	Ramasayee Agro Industries Ltd.	2,500	100	0			0
33	Upper India Bearings & Bushings Ltd.	20,000	10	0			0
34	Tuber Pharma Chemicals Ltd.	20,000	10	0			0
35	Tamilnadu Alloy Foundry Co Ltd.	90,000	10	0			0
36	Omega Cables Ltd.	10,330	100	0			0
37	Micro Tools Ltd.	11,135	100	0			0
TOTAL				3,02,84,630			13

SCHEDULES TO BALANCE SHEET

Sl. No.	Name of the Company	No. of Shares	Face Value Rs.	Book Cost Rs.	Net Value after Depreciation Rs.
(1)	(2)	(3)	(4)	(5)	(6)
III. FULLY PAID REDEEMABLE CUMULATIVE PREFERENCE SHARES (NON-QUOTED)					
1	Ergodyne Private Ltd.	900	100	90,000	1
2	Industrial Venture Capital Ltd	10,00,000	10	1,00,00,000	1
3	Mod Shoe Co. P Ltd.	1,453	100	1,45,300	1
4	Southern Structurals Ltd.	44,392	10	1,77,568	1
5	Sleek Textiles Industries Ltd.	5,00,000	10	50,00,000	1
6	Sakthi Pipes Ltd.	9,703	100	—	—
7	Zenith Lamps & Electricals Ltd.	48,575	10	—	—
				1,54,12,868	5
TOTAL (B)				7,88,33,383	3,31,35,903
TOTAL (A+B)				53,98,73,373	47,31,24,570

* Seshasayee Paper & Boards Ltd. split their stock in the ratio of 1:5. So their face value per share has reduced from Rs.10 per share to Rs.2 per Share. Accordingly the number of shares increased from 18,00,000 to 90,00,000.

** In the year 2008, Sical Logistics Ltd. transferred their Trading, Plantation and Services division to Sicagen India Ltd. by way of demerger. In turn, Shareholders of Sical Logistics Ltd. are entitled to 1 share in Sicagen Ltd. for every share held in Sical Logistics Ltd at nil cost. Corporation was allotted 160467 shares in Sicagen India Ltd. and shown the book cost as nil. Now the Corporation has apportioned the Sical Logistics Ltd. book cost of Rs.1,63,68,640 between Sical Logistics Ltd and Sicagen India Ltd. based on their Networth as on 31.03.2019.

*** Reed Relays and Electronics India Limited has effected reduction of Share Capital and Paid Rs.107/- per share. The Corporation voted against the resolution, meanwhile the Company got approval from NCLT and sent a Cheque for Rs.44.89 Lakhs towards full settlement. A cheque was not presented on the advise of AG and filed a petition before NCLT to plea along with other shareholders against the reduction of Share Capital.

**** Malladi Drugs & Pharmaceuticals Ltd. has issued bonus shares in the proportion of 5:2. Accordingly the number of shares increased from 7,70,000 to 26,95,000.

Particulars	As on 31.03.2022 (Rs.)	As on 31.03.2021 (Rs.)
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Schedule-H: Loans and Advances

Loans and Advances	20,32,02,55,615	12,98,22,62,606
(After adjusting cumulative provision of of Rs.22,86,35,752 (Rs.12,01,17,495))		
Different types of loans		
1. General Loan	18,83,73,77,969	11,31,13,99,984
2. Working Capital Term Loan	33,37,44,773	45,90,72,683
3. Generator	84,28,510	1,08,13,028
4. Transport loans	13,81,67,666	13,68,14,300
5. Bill Finance	85,68,04,039	79,37,11,081
6. Bridge loans	25,61,86,428	28,58,08,645
7. GES	7,46,53,896	7,52,02,194
Add: Interest accrued	4,35,28,086	2,95,58,186
Less: NPA Provision	—	—
Provisioning on TL	(22,86,35,752)	(12,01,17,495)
Total	20,32,02,55,615	12,98,22,62,606

SCHEDULES SHOWING PARTICULARS OF LOANS AND ADVANCES REFERRED IN THE BALANCE SHEET AS AT 31.03.2022
1. Asset classification:

Asset	Term Loans and Hire Purchase Loans		
	Gross (Rs.)	NPA Provisioning (Rs.)	Net (Rs.)
Standard	20,15,32,38,477 (12,85,22,68,183)	— —	20,15,32,38,477 (12,85,22,68,183)
Sub-Standard	11,42,89,715 (15,35,08,077)	1,72,61,588 (2,35,13,655)	9,70,28,127 (12,99,94,422)
Doubtful	9,40,19,651 —	2,40,30,640 —	6,99,89,011 —
Loss Assets	18,73,43,524 (9,66,03,840)	18,73,43,524 (9,66,03,840)	— —
TOTAL	20,54,88,91,367 (13,10,23,80,100)	22,86,35,752 (12,01,17,495)	20,32,02,55,615 (12,98,22,62,605)

(Previous year figures are in brackets)

- 2 Debts due by concerns in which one or more Directors of the Corporation are interested as Directors/Partners/Proprietors or as Share Holders in case of Private Companies. ----
- 3 Total amount of loans disbursed during the year to concerns in which one or more Directors of the Corporation are interested as Directors, Partners, Proprietors or in the case of Private Companies as Members -----
- 4 Loans guaranteed by the State Government and/ or due by a Government Undertaking Rs. Nil lakhs

D. DURAIRAJ
General Manager (i/c)
Company Secretary

S. RAJENDRAN
Chief Financial Officer

HANS RAJ VERMA
Chairman &
Managing Director

S. RAJENDIRAN
Director

As per our report of even date annexed
For **M/s. P.B. VIJAYARAGHAVAN & CO.**
Chartered Accountants

Place : Chennai
Date : 23.09.2022

K. SRINIVASAN
Partner

Schedule-I: SCHEDULE OF FIXED ASSETS AS ON 31.03.2022

(in Rupees)

Sl. No.	Description of Asset	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Cost as on 1.4.2021 (Rs.) (1)	Additions (Rs.) (2)	Deletions (Rs.) (3)	Cost as on 31.3.2022 (Rs.) (4)	As on 01.04.2021 (Rs.) (5)	Additions (Rs.) (6)	Deletions (Rs.) (7)	As on 31.3.2022 (Rs.) (8)	WDV as on 31.3.2022 (Rs.) (9)	WDV as on 31.3.2021 (Rs.) (10)
1	TANGIBLE ASSETS										
1	Land — Freehold*	16,287,83,402	2,11,44,74,000	—	3,74,32,57,402	—	—	—	—	3,74,32,57,402	1,62,87,83,402
2	Building	13,03,59,505	5,62,292	—	13,09,21,797	4,98,51,950	20,86,670	—	5,19,38,620	7,89,83,177	8,05,07,555
3	Wodden Partition Plant and Machinery	1,31,06,094	19,00,898	—	1,50,06,992	1,30,96,575	4,69,719	—	1,35,66,294	14,40,698	9,519
4	Leased Assets	35,85,000	—	—	35,85,000	35,85,000	—	—	35,85,000	—	—
5	Office Equipments & Electricals Fittings	4,32,49,585	19,26,685	1,03,652	4,50,72,618	3,78,47,612	21,43,991	98,682	3,98,92,921	51,79,697	54,01,973
6	Computer, UPS, Network & Server	6,65,25,315	7,75,850	60,979	6,72,40,186	5,85,10,217	44,09,637	57,930	6,28,61,924	43,78,262	80,15,098
7	Furniture & Fittings	2,05,56,517	12,12,234	4,64,885	2,13,03,866	1,86,69,360	7,28,016	4,54,331	1,89,43,045	23,60,821	18,87,157
8	Vehicles	2,91,14,653	1,08,34,594	6,49,310	3,92,99,937	2,65,26,578	17,64,970	6,16,844	2,76,74,704	1,16,25,233	25,88,075
	Total Tangible Assets	1,93,52,80,071	2,13,16,86,553	12,78,826	4,06,56,87,798	20,80,87,292	1,16,03,003	12,27,787	21,84,62,508	3,84,72,25,290	1,72,71,92,779
9	INTANGIBLE ASSETS										
	Computer Software	44,51,683	—	—	44,51,683	41,05,757	59,387	—	41,65,144	2,86,539	3,45,926
	Total Intangible Assets	44,51,683	—	—	44,51,683	41,05,757	59,387	—	41,65,144	2,86,539	3,45,926
	GRAND TOTAL	1,93,97,31,754	2,13,16,86,553	12,78,826	4,07,01,39,481	21,21,93,049	1,16,62,390	12,27,787	22,26,27,653	3,84,75,11,827	1,72,75,38,705
	Previous Year	1,95,29,06,068	76,67,751	2,08,42,065	1,93,97,31,754	22,79,18,108	51,07,326	2,08,32,386	21,21,93,048	1,72,75,38,705	1,72,49,87,959

Note (*): The lands were revalued during the Current Financial Year 2021-22 by the Registered Valuers. The appreciated value of Rs.2,11,44,74,000.00 is included in the cost of land and the Revaluation Reserve created to the extent of Rs.3,64,94,77,100.00 (including existing Revaluation Reserve of Rs.153,50,03,100 created during the year 2006-07).

D. DURAIRAJ
General Manager (i/c)
Company Secretary

S. RAJENDRAN
Chief Financial Officer

HANS RAJ VERMA
Chairman & Managing Director

S. RAJENDIRAN
Director

As per our report of even date annexed
For **M/s. P.B. VIJAYARAGHAVAN & CO.**
Chartered Accountants

Place : Chennai-17
Date : 23.09.2022

K. SRINIVASAN
Partner

SCHEDULES TO BALANCE SHEET

Particulars	As on 31.03.2022 (Rs.)	As on 31.03.2021 (Rs.)
Schedule-J: Other Assets		
Deferred Tax Asset	2,32,41,683	4,55,70,761
Staff housing loan	13,32,006	24,58,142
Other Advances & Deposit/other dues recoverable from borrowers after adjusting cumulative provision of Rs.11,46,664 (P.Y Rs.8,92,565)	3,83,04,585	5,35,86,958
Prepaid Expenses	8,08,169	8,06,115
Advance Income Tax	55,68,22,040	94,36,86,133
Advance Interest Tax	4,94,144	4,94,144
Advance Wealth Tax	—	47,56,820
Advance Fringe Benefit Tax	8,15,697	8,15,697
Total	62,18,18,324	1,05,21,74,769

SCHEDULES TO PROFIT & LOSS ACCOUNT

Particulars	For the year ended 31.03.2022 (Rs.)	For the year ended 31.03.2021 (Rs.)
Schedule-K: Income from Operations		
Interest on loans and advances	1,83,92,25,674	1,42,38,98,228
Interest on investments and Deposits	31,76,940	1,72,18,067
Total	1,84,24,02,614	1,44,11,16,295
Schedule-L: Other Income		
Dividend on shares	16,36,56,753	7,91,66,986
Profit on sale of assets	47,723	60,612
Investigation fees	4,18,54,698	2,77,57,218
Upfront fee	5,03,72,833	2,33,15,798
Risk Coverage Receipts	3,04,66,676	1,44,99,719
Miscellaneous receipts	3,75,57,302	2,28,86,313
Bad debts recovered	32,67,84,815	39,22,05,685
Interest on advances to staff	89,609	2,21,009
Total	65,08,30,409	56,01,13,340
Schedule-M: Interest expended		
Interest on borrowings from banks	39,47,23,973	12,15,64,451
Interest on deposits	22,37,92,486	19,97,21,934
Interest on bonds	—	13,69,21,194
Interest on others	62,41,438	93,75,000
Total	62,47,57,897	46,75,82,579
Schedule-N: Other Financial expenses		
Bank charges	1,68,317	1,91,665
Guarantee fee paid to Govt.of T.N	—	69,55,479
Bank loan processing and other charges	97,64,213	92,16,900
Total	99,32,530	1,63,64,044
Schedule-O: Personnel Expenses		
Salaries and allowances - CMD	44,34,867	33,94,842
Salaries - others	38,17,59,640	35,28,09,625
Contribution to Provident Fund	3,43,08,276	3,18,45,145
Staff Amenities and Welfare Exp	30,99,192	30,81,680
Staff Training and Seminar Exp	4,13,663	46,855
Total	42,40,15,638	39,11,78,147

SCHEDULES TO PROFIT & LOSS ACCOUNT

Particulars	For the year ended 31.03.2022 (Rs.)	For the year ended 31.03.2021 (Rs.)
Schedule-P: Administrative expenses		
Travelling & Conveyance		
- CMD	2,28,981	24,287
- Others	51,81,805	39,66,866
Directors sitting fees & expenses	2,47,357	1,06,085
Rent,Rates,Insurance and Lighting	2,16,76,839	2,29,55,097
Postage,Telegrams & Telephones	30,96,934	32,79,618
Printing & Stationery	22,08,089	16,73,722
Publicity and Advertisement & Business promotion expenses	60,30,586	36,81,331
Repairs & Renewals	75,35,247	80,31,562
Inspection & Recovery cost	27,23,896	19,51,129
Audit Fees	3,24,166	4,10,215
Legal & other professional expenses	67,69,689	44,17,374
Corporate Social Responsibility	1,08,00,000	1,30,65,000
Books and Periodicals	7,31,036	2,76,795
Expenses on Office Vehicles	98,83,087	90,88,296
Computer Maintenance Expenses	31,48,119	27,64,290
Software Development Exp Written Off	69,46,758	—
Concurrent Audit Fee	47,26,800	51,82,262
Sundries	63,87,765	49,53,628
Total	9,86,47,154	8,58,27,557
Schedule Q: Waiver and Write off		
Loans Written off	—	48,69,90,925
Other dues written off	86,31,885	1,64,79,891
Loans waived	1,05,856	—
Total	87,37,741	50,34,70,816
Schedule R: Contingent Liability		
Claims of the borrowers not acknowledged as debt	2,00,14,000	2,00,14,000
Ex-employees	5,74,94,335	6,46,81,872
Total	7,75,08,335	8,46,95,872

**NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR
ENDED 31ST MARCH, 2022.**

A. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

1. General

The accompanying financial statements have been prepared on Going Concern Concept and presented under the historical cost convention except otherwise stated, conforming to the applicable provision and practices, Accounting Standards and guidelines issued by the Small Industries Development Bank of India (SIDBI).

2. Use of estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes, requiring a material adjustment in the carrying amounts of assets or liabilities in the future periods. Management believes that the estimates and assumptions made in the preparation of the financial statements are prudent and reasonable. Difference between the actual results and estimates are recognized in the period in which the results are known or materialized.

3. Revenue Recognition

- a) Income and Expenditure are generally accounted on accrual basis unless otherwise stated. Rental income is accounted on accrual basis except where they are marked by uncertainty like in the case of prolonged dispute, keeping in line with accounting standard on revenue recognition.
- b) Interest on non performing assets, Investigation Fees, Upfront fees, Risk coverage receipts, lease income are accounted on cash basis.
- c) Dividend income is accounted in the year when the right to receive the payment is established.
- d) 3%/6% interest subventions from Government are accounted on receipt basis.

4. Property, Plant and Equipment, Depreciation and Revaluation

- a) Property, plant and Equipment other than Land are stated on historical cost basis. Costs directly incurred on acquisition/ take over are capitalized. Land is stated at Revalued Cost.
- b) Cost of Leased assets is amortized equally over the lease period. Accumulated lease adjustment is as per the Accounting Standard (AS 19) on leasing issued by the Institute of Chartered Accountants of India and the same has been reduced from the leased assets.
- c) Depreciation in the case of Office Premises (other than SIDCO shed) was provided under the Straight Line method and in respect of all other assets on written down value method as per the rates and useful life of the asset prescribed under Schedule II of the Companies Act, 2013. Depreciation is calculated on the number of days the assets have been put to use. Individual assets costing lesser than Rs.5,000/- are depreciated in full.

- d) Revaluation of Lands
- (i) The book value of land, whose value has undergone significant change, is reviewed once in 15 years, in order to relate them more closely to current fair value based on Revaluation reports. The carrying cost of the Land is increased to match with the Current Market value determined through appraisals conducted by independent qualified valuers and the resultant difference is credited to Revaluation Reserve account.
- (ii) Fair Value of both free hold and lease hold land held by the Corporation were revalued on 31.03.2007 & 31.03.2022 and the resultant appreciation is held under Revaluation Reserve. Since, the period of 15 years completed on 31.03.2022, the lands were revalued on market based evidence through appraisal conducted by Independent Qualified Valuers. The resultant appreciation of Rs.21144.74 Lakhs (Revaluation Reserve based on 2007 Valuation is Rs.15350.03 Lakhs) is held under the Revaluation Reserve of Rs.36494.77 Lakhs as on 31.03.2022.

5. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, financing and investing activities are segregated.

6. Cash and Cash Equivalents

Cash and Cash Equivalents report the value of assets that are cash or can be converted into cash immediately. They include Cash in hand, Balances with Bank and Short Term Deposits including Sweep Deposits.

7. Expenses on Intangible Assets

Intangible Assets comprising of system software are stated at cost of acquisition including any cost attributable for bringing the same to its working condition less accumulated depreciation. Any expenses on such software for support and maintenance payable annually are charged to revenue account. Capitalised Software is depreciated as per the life applicable to server. The useful life of the assets in respect of Software is estimated at 6 years.

8. Impairment of Assets

The carrying costs of Assets are reviewed each year to find out whether there is any Impairment on account of changes in circumstances and the same is recognized in accordance with the Accounting Standard 28.

9. Investment

All Investments are treated as Current and carried in the Financial Statements at lower of cost and fair value, determined on an individual scrip basis and as per the guidelines issued by SIDBI. Any reduction in the carrying amount and any reversal of such reduction is charged or credited to profit and loss account.

10. Advances

Loans and Advances including Hire Purchase Financing are classified as Standard, Sub Standard, Doubtful and Loss as per the prudential norms prescribed by the Regulator and necessary provision required thereon is provided. Provision on Non-Performing Assets has been netted off against loans and advances/ other dues.

11. Staff Benefits

a. Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Short term employee benefits, including accumulated compensated absences as at the Balance Sheet date, are recognized as an expense as per the Corporation's scheme based on expected obligations on undiscounted basis.

b. Long Term Employee Benefits

The obligation for long term employee benefits such as long term compensated absence as at the Balance Sheet date, is provided for, based on actuarial valuation using the Project Unit Credit Method.

c. Contribution towards Provident fund

The Corporation's Provident Fund Scheme is a defined contribution plan.

The employees and the company make monthly contributions to a Provident Fund Trust, equal to a specified percentage of the covered employee's salary.

The contribution paid/ payable under the scheme is recognized during the period in which employee renders the related services.

d. Contribution to Gratuity Fund

The liability for Gratuity to employees a defined benefit Plan as at the Balance Sheet date is determined on the basis of actuarial valuation based on Project Unit Credit Method and is funded to a Gratuity fund administered by the trustees. The contribution thereof paid/ payable is charged in the books of account.

e. Voluntary Retirement Scheme (VRS)

The compensation paid towards VRS is expensed in the year of incidence.

12. Borrowing Costs

Borrowing Costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of the Assets. Other Borrowing costs are recognized as an expense in the period in which they are incurred.

13. Leases

Lease income is recognised on straight line basis over the period of lease unless there is a systematic basis which is a representation of the time pattern of lease. Revenue from lease rentals is disclosed net of indirect taxes, if any.

14. Accounting for Taxes on Income

Income tax expense is the aggregate amount of current tax and deferred tax charged/ adjustment. Current year taxes are determined in accordance with the Income Tax Act, 1961, and favourable judicial pronouncements/ legal opinion. Deferred Tax Asset and Liabilities are measured using tax rates and tax laws that have been enacted by the Balance Sheet date.

Deferred Tax Liability is recognised on timing differences, being the difference between the taxable income and accounting income that originates in one period and is capable of reversing in one or more subsequent periods. The same is recognised using the rates and tax laws that have been enacted or subsequently enacted till the date of Balance sheet. Deferred Tax Asset on carry forward benefit of losses, Loan loss provisioning, i.e. on doubtful category and loss assets, Provision for employee benefits, are recognized to the extent of virtual certainty of its realization against profits.

15. Provisions Contingent Liabilities and Contingent Asset

Past events leading to possible or present obligations are treated as contingent liability. Provision is recognized in case of present obligations where a reliable estimate can be made and/ or where probable outflow of resources embodying economic benefits will be required to settle the obligation. No contingent assets are recognized in the accounts.

16. Prior Period Adjustments

Considering the nature of Business, all prior period adjustments including those ascertained and determined during the year are accounted under respective heads of accounts.

17. Appropriation of Repayments

- a. Loan receipts are appropriated as follows:
 1. Other dues
 2. Interest
 3. Principal
- b. Receipts in the case of one time settlement/ disposal of primary/ collateral securities by the Corporation are appropriated as follows:
 1. Other dues
 2. Principal
 3. Interest
- c. Receipts subject to pending compliance of terms and conditions of OTS are appropriated as referred in (a) above.

B. DISCLOSURES TO COMPLY WITH THE ACCOUNTING STANDARDS:
1. Employee Benefits:
1.1 GRATUITY
I. PRINCIPAL ACTUARIAL ASSUMPTIONS

(Rs. in lakhs)

Particulars	31.03.2022	31.03.2021
(Expressed as weighted averages)		
Discount Rate	6.93%	6.60%
Salary Escalation Rate	5.00%	5.00%
Attrition Rate	0.50%	0.50%
Expected rate of return on Plan Assets	7.00%	7.00%

II. CHANGES IN THE PRESENT VALUE OF THE OBLIGATION (PVO) - RECONCILIATION OF OPENING AND CLOSING BALANCES

(Rs. in lakhs)

Particulars	31.03.2022	31.03.2021
PVO as at the beginning of the period	3,190.72	3,414.23
Interest Cost	203.02	210.18
Current Service Cost	32.40	27.17
Past Service cost - (non vested benefits)	0.00	(185.93)
Past Service cost - (vested benefits)	0.00	0.00
Benefits paid	(229.25)	(250.11)
Actuarial (gain)/ loss on obligation	(26.67)	(24.82)
PVO as at the end of the period	3,170.22	3,190.72

III. CHANGES IN THE FAIR VALUE OF PLAN ASSETS - RECONCILIATION OF OPENING AND CLOSING BALANCES

Fair value of plan assets as at the beginning of the period	3,378.65	3,426.72
Expected return on plan assets	228.48	264.13
Contributions	0.00	0.00
Benefits paid	(229.25)	(250.11)
Actuarial gain/ (loss) on plan assets	(36.00)	(62.09)
Fair value of plan assets as at the end of the period	3,341.89	3,378.65

IV. ACTUAL RETURN ON PLAN ASSETS

Expected return on plan assets	228.48	264.13
Actuarial gain/ (loss) on plan assets	(36.00)	(62.09)
Actual return on plan assets	192.48	202.05

31.03.2022 31.03.2021
(Rs. in lakhs)

V. ACTUARIAL GAIN / LOSS RECOGNIZED		
Actuarial gain/ (loss) for the period - obligation	26.67	24.82
Actuarial gain/ (loss) for the period - Plan Assets	(36.00)	(62.09)
Total (gain)/ loss for the period	9.33	37.27
Actuarial (gain)/ loss recognized for the period	9.33	37.27
Unrecognized actuarial (gain)/ loss at the end of the period	0.00	0.00
VI. AMOUNTS RECOGNISED IN THE BALANCE SHEET AND RELATED ANALYSIS		
Present value of the obligation	3,170.22	3,190.72
Fair value of Plan Assets	3,341.89	3,378.65
Difference	(171.67)	(187.93)
Unrecognized transitional liability	0.00	0.00
Unrecognized past service cost - non vested benefits	0.00	0.00
Amount determined under para 55 of AS 15R	(171.67)	(187.93)
Net Liability recognized in the Balance Sheet	0.00	0.00
Present value of the future reduction in contribution under para 59(b) of AS 15R	171.67	187.93
Net Asset Recognised in the Balance Sheet	171.67	187.93
VII. EXPENSES RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS		
Current service cost	32.40	27.17
Interest cost	203.02	210.18
Expected return on plan assets	(228.48)	(264.13)
Net actual (gain)/ loss recognized in the year	9.33	37.27
Transitional liability recognized in the year	0.00	0.00
Past Service cost - (non vested benefits)	0.00	(185.93)
Past Service cost - (vested benefits)	0.00	0.00
Effect of limit as per para 59(b) read with para 61(g) of AS 15R	0.00	0.00
Expenses recognized in the Statement of Profit and Loss	16.27	(175.45)
VIII. MOVEMENTS IN THE LIABILITY RECOGNIZED IN THE BALANCE SHEET		
Opening net liability	(187.93)	(12.49)
Expense as above	16.27	(175.45)
Contribution paid	0.00	0.00
Closing net liability	(171.67)	(187.93)

IX. AMOUNT FOR THE CURRENT PERIOD **31.03.2022** **31.03.2021**
(Rs. in lakhs)

	31.03.2022	31.03.2021
Present value of obligation	3,170.22	3,190.72
Plan Assets	3,341.89	3,378.65
Surplus/ (Deficit)	171.67	187.93
Experience adjustments on plan liabilities - (loss)/ gain	(12.38)	(3.76)
Experience adjustments on plan assets - (loss)/ gain	(36.00)	(62.09)

X. MAJOR CATEGORIES OF PLAN ASSETS (AS PERCENTAGE OF TOTAL PLAN ASSETS)

Government of India Securities/ State Government Securities	55.00%	55.00%
High Quality Corporate Bonds	40.00%	40.00%
Equity Shares of listed companies	0.00%	0.00%
Property	0.00%	0.00%
Special Deposit Scheme	0.00%	0.00%
Funds managed by insurer	0.00%	0.00%
Others	5.00%	5.00%
Total	100.00%	100.00%

XI. ENTERPRISE'S BEST ESTIMATE OF CONTRIBUTION DURING NEXT YEAR (Rs. in lakhs)

Particulars	31.03.2022	31.03.2021
Best Estimate of Contribution	NA	NA

1.2 EARNED LEAVE

I. PRINCIPAL ACTUARIAL ASSUMPTIONS (Expressed as weighted averages)

Particulars	31.03.2022	31.03.2021
Discount Rate	6.93%	6.60%
Salary Escalation Rate	5.00%	5.00%
Attrition Rate	0.50%	0.50%
Expected rate of return on Plan Assets	0.00%	0.00%

II. CHANGES IN THE PRESENT VALUE OF THE OBLIGATION (PVO) - RECONCILIATION OF OPENING AND CLOSING BALANCES
(Rs. in lakhs)

	31.03.2022	31.03.2021
PVO as at the beginning of the period	2,209.47	2,181.09
Interest Cost	140.92	130.74
Current Service Cost	92.56	91.48
Past Service cost - (non vested benefits)	0.00	0.00
Past Service cost - (vested benefits)	0.00	0.00
Benefits paid	(148.59)	(270.26)
Actuarial gain/ (loss) on obligation	137.08	76.41
PVO as at the end of the period	2,431.44	2,209.47

III. CHANGES IN THE FAIR VALUE OF PLAN ASSETS - RECONCILIATION OF OPENING AND CLOSING BALANCES

	(Rs. in lakhs)	
	31.03.2022	31.03.2021
Fair value of plan assets as at the beginning of the period	0.00	0.00
Expected return on plan assets	0.00	0.00
Contributions	148.59	270.26
Benefits paid	(148.59)	(270.26)
Actuarial gain/ (loss) on plan assets	0.00	0.00
Fair value of plan assets as at the end of the period	0.00	0.00

IV. ACTUAL RETURN ON PLAN ASSETS

Expected return on plan assets	0.00	0.00
Actuarial gain/(loss) on plan assets	0.00	0.00
Actual return on plan assets	0.00	0.00

V. ACTUARIAL GAIN / LOSS RECOGNIZED

Actuarial gain/ (loss) for the period - obligation	(137.08)	(76.41)
Actuarial gain/ (loss) for the period - Plan Assets	0.00	0.00
Total (gain)/ loss for the period	137.08	76.41
Actuarial (gain)/ loss recognized for the period	137.08	76.41
Unrecognized actuarial (gain)/ loss at the end of the period	0.00	0.00

VI. AMOUNTS RECOGNISED IN THE BALANCE SHEET AND RELATED ANALYSIS

Present value of the obligation	2,431.44	2,209.47
Fair value of Plan Assets	0.00	0.00
Difference	2,431.44	2,209.47
Unrecognized transitional liability	0.00	0.000
Unrecognized past service cost - non vested benefits	0.00	0.00
Liability recognized in the Balance Sheet	2,431.44	2,209.47

VII. EXPENSES RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS

Current service cost	92.56	91.48
Interest cost	140.92	130.74
Expected return on plan assets	0.00	0.00
Net actual (gain)/ loss recognized in the year	137.08	76.41
Transitional liability recognized in the year	0.00	0.00
Past Service cost - (non vested benefits)	0.00	0.00
Past Service cost - (vested benefits)	0.00	0.00
Expenses recognized in the Statement of Profit and Loss	370.56	298.63

31.03.2022 31.03.2021
(Rs. in lakhs)

VIII. MOVEMENTS IN THE LIABILITY RECOGNIZED IN THE BALANCE SHEET

Opening net liability	2,209.47	2,181.09
Expense as above	370.56	298.63
Contribution paid	(148.59)	(270.25)
Closing net liability	2,431.44	2,209.47

IX. AMOUNT FOR THE CURRENT PERIOD

Present value of obligation	2,431.44	2,209.47
Plan Assets	0.00	0.00
Surplus/ (Deficit)	(2,431.44)	(2,209.47)
Experience adjustments on plan liabilities - (loss)/ gain	(168.75)	(96.35)
Experience adjustments on plan assets - (loss)/ gain	0.00	0.00

X. MAJOR CATEGORIES OF PLAN ASSETS (AS PERCENTAGE OF TOTAL PLAN ASSETS)

Government of India/State Govt. Securities	0.00%	0.00%
High Quality Corporate Bonds	0.00%	0.00%
Equity shares of listed companies	0.00%	0.00%
Property	0.00%	0.00%
Special Deposit Scheme	0.00%	0.00%
Funds managed by Insurer	0.00%	0.00%
Others	0.00%	0.00%
Total	0.00%	0.00%

XI. ENTERPRISE'S BEST ESTIMATE OF CONTRIBUTION DURING NEXT YEAR

Best Estimate of Contribution	0.00	0.00
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2. Segment Reporting:

The Corporation is engaged primarily in the business of financing and there are no separate reportable segments as per AS-17 (Segment Reporting)

3. Related Party Disclosures (AS-18)

Key Managerial Personnel

Name	Designation	Period	Amt. (Rs. in lakhs)
Tmt. Sigy Thomas Vaidhyan	MD	From 01.04.21 to 25.05.21	7.54
Thiru Hans Raj Verma	CMD	From 26.05.21 to 31.03.22	42.68
Thiru D. Durairaj	Company Secretary	From 01.04.21 to 31.03.22	22.50
Thiru S. Rajendran	CFO	From 01.04.21 to 31.03.22	19.49
Thiru S. Chockanathan	OSD	From 01.04.21 to 31.10.21	4.84
TOTAL			97.05

Remuneration paid to Key Managerial Personnel is Rs.97.05 lakhs (Previous Year Rs. 65.25 lakhs).

4. Basic and Diluted Earnings per Share

The calculation of earnings per share is given below:

	(Rs. in lakhs)	
	31.03.2022	31.03.2021
Earnings for the year	8,294.23	5,044.39
Weighted Average Number of shares	42,09,956	42,09,956
Earnings Per Share (Rs.)	197.01	119.82

5. Deferred Tax Assets/ Liabilities:

The major components of Deferred tax Assets/Deferred tax Liabilities are as follows:

DTA/DTL COMPONENTS	(Rs. in lakhs)	
	31.03.2022	31.03.2021
Deferred Tax Assets		
1. Loan Loss Provisions	669.08	283.80
2. Provision for employee benefits	708.04	643.40
Total - DTA (A)	1,377.12	927.20
Deferred Tax Liabilities		
On account of Depreciation (B)	153.46	170.39
On account of 36 (1)(viii) special reserve	991.24	301.10
Total - DTL (B)	1,144.70	471.49
Net Deferred Tax {(A) - (B)}	232.42	455.71
Deferred Tax Asset Previous Year	455.71	911.86
Provision for Deferred Tax	(223.29)	(456.15)

C. DISCLOSURE TO COMPLY WITH THE REQUIREMENT OF CONTROLLING AUTHORITIES OF THE CORPORATION

- Provisions for loan losses have been made on the outstanding after considering monies held under deposits. All credit exposures are classified as per the Regulator's guidelines into performing and non-performing assets. NPAs are further classified into sub standard, doubtful and loss assets based on the criteria stipulated by the Regulator and provisions are made as per the Accounting Policy.

2) MOVEMENT OF PROVISIONS:

(Rs. in lakhs)

PARTICULARS	NPA	INVESTMENTS	OTHER ASSETS	TOTAL
Opening Provisions for advances/ investments/ other assets	1,201	1,277	9	2,487
Add: Addition during the year	1,085	---	2	1,087
Less: Write Offs/ Write Backs/ Recovery during the year	---	610	---	610
Closing Balance	2,286	667	11	2,964

3) **DATA ON WORKING RESULTS AND FINANCIAL POSITION** (Disclosure made to the extent possible in compliance with SIDBI's guidelines, vide Circular dated 04.05.2001)

S.No.	Particulars	Current Year	Previous Year
A.	Interest income as a percentage of average working funds	8.60%	8.95%
B.	Non-interest income as a percentage of average working funds	3.04%	3.64%
C.	Operating Profit as a percentage of average working funds	5.73%	6.84%
D.	Operating Profit per employee (Rs. In lakhs)	46.30	39.24
E.	Net Risk Weighted Assets (Rs. in lakhs)	2,13,877	1,55,366
F.	Core Capital Adequacy Ratio	26.46%	38.11%
G.	Tier II Capital Adequacy	7.04%	5.60%
H.	Capital Adequacy Ratio (CAR)	33.50%	43.71%
I.	Percentage of Net NPAs to Net Loans and Advances	0.82%	1.0%
J.	Percentage of Net NPA (Sub Standard) to Net Loans and Advances	0.48%	1.0%
K.	Percentage of Net NPA (Doubtful) to Net Loans and Advances	0.34%	0.00

L. **Guideline on Asset Classification and NPA provisioning**

(Rs. in lakhs)

Sl.No.	Classification	Outstanding (Amount)	Provisioning		Net Assets	
			Amount	%	Amount	%
1	Standard (Previous Year)	201532 (128523)	1185 (547)	0.59 0.43	201532 (128523)	— —
2	Sub-Standard (Previous Year)	1143 (1535)	172 (235)	15.05 (15.31)	971 (1300)	84.95 (84.69)
3	Doubtful (Previous Year)	940 (Nil)	240 (Nil)	25.53 (Nil)	700 (Nil)	74.47 (Nil)
4	Loss (Previous Year)	1874 (966)	1874 (966)	100.00 100.00	— —	— —
	Total (Previous Year)	205489 (131024)	2286 (1201)	1.11 0.92	203203 (129823)	98.89 (99.08)

4) **Credit Exposures as percentage to total Capital funds & as percentage to Total Assets, in respect of:**

Particulars	Amount (Rs. in Lakhs)	% to Total Assets	% to Capital Funds
Single largest borrower	20,000	7.72	9.89
Largest borrower group	20,000	7.72	9.89
10 largest single borrowers	39,523	15.26	19.54
10 largest borrowers group	39,523	15.26	19.54

Particulars	Amount (Rs. in Lakhs)	% to Total Assets	% to Capital Funds
5 largest industrial sectors (each sector wise)			
Engineering	32,227	12.44	15.93
Plastics	27,665	10.68	13.68
Food Manufacturing Industries	20,270	7.82	10.02
Electricity / Electricity Distribution	20,263	7.82	10.02
Textiles	17,919	6.92	8.86

5) MATURITY PATTERN OF ASSETS AND LIABILITIES

In compiling the information of Maturity pattern, certain estimates and assumptions have been made by the Management, which have been relied upon by the auditors.

(Rs. in lakhs)

PARTICULARS	<=1 YR	>1 YR & UPTO 3 YRS	>3 YRS & UPTO 5 YRS	>5 YRS & UPTO 7 YRS	>7 YRS & UPTO 10 YRS	>10 YRS	TOTAL
ASSETS	68360	77420	50730	9021	14763	38475	258769
LIABILITIES	42995	65707	32775	8212	4954	104125	258769
GAP	25365	11713	17955	809	9809	-65650	0

D. OTHER MATTERS

i) Confirmation of Loans and Advances:

Balance in respect of loan accounts have been treated as confirmed, since there is no dispute regarding the demand notice (which includes outstanding amount) sent by the Corporation.

ii) Income Tax department has raised certain demands in connection with accrued interest on sticky loans and deduction u/s 36, etc. The Corporation filed an appeal & had earlier won the cases against the order of the Income Tax Appellate Tribunal. However the Department filed an appeal before the High Court of Madras and the High Court of Madras has given a verdict in favour of the Corporation. Order giving effect to the High Court Judgement is yet to be received from the Income Tax Department.

iii) For the Assessment Year 2018-19 Income Tax Return was filed disclosing total income of Rs.24,34,77,101. The Assessment was completed on 21.04.2021 with an addition of Rs. 1,26,73,897. The Corporation has filed appeal before first Appellate Authority CIT(A). The appeal is pending. The Corporation has paid Income Tax of Rs.8,42,62,555. There is no additional liability and the refund is due from the Income Tax Department.

iv) As per the common dividend policy evolved by the State Government, vide G.O.Ms.No.123 Finance Department dated 19th May 2014, the State PSUs have to declare 30% of the Net Profit (after tax) or 30% of the paid up share capital whichever is higher subject to availability of disposable profit. The Dividend payable for the

Financial year 2021-22, as per the above G.O. is Rs.25.49 crores/126.30 crores based on availability of disposable profit. As the Corporation wiped out the accumulated losses only recently and in order to build reserves for the future and to meet other long term commitments, the Corporation has proposed 3% dividend amounting to Rs. 12.86 crores leaving a gap of Rs.21.28 crores/113.67 crores respectively.

- v) As per RBI Notification No: RBI/2021-22/32 dated 05.05.2021 pertaining to Resolution Framework 2.0 - Resolution on Covid-19 related stress of MSMEs, the Corporation has extended the restructuring facility with the approval of the Board in its meeting held on 04.06.2021. The following restructuring of principal installments was extended to borrowers on case to case basis during financial year 2021-22.
1. Respective amount where the asset classification benefit / restructuring was extended Rs.4187 lakhs.
 2. Additional provision of 10 percentage (Rs.419 lakhs) of the residual debt of the borrower as per the Notification is made during the year 2021-22.
 3. The facility was extended to the units which are under standard category as on 31.03.2021.

No. of Accounts Restructured	Amount (Rs. in Lakhs)
507	4187.00

E. Contingent Liabilities:

Particulars	(Rs. in lakhs)	
	Current Year	Previous Year
(i) Claims of borrowers not acknowledged as debts	200	200
(ii) Ex-employees	575	647

F. The Corporation has no "suppliers/vendors" as such to be classified as required by "The Micro, Small and Medium Enterprises Development Act, 2006".

G. Figures of the previous year have been regrouped / rearranged, wherever necessary.

D. DURAIRAJ
General Manager (i/c)
Company Secretary

S. RAJENDRAN
Chief Financial Officer

HANS RAJ VERMA
Chairman &
Managing Director

S. RAJENDIRAN
Director

As per our report of even date annexed
For **M/s. P.B. VIJAYARAGHAVAN & CO.**
Chartered Accountants

Place : Chennai
Date : 23.09.2022

K. SRINIVASAN
Partner

A) CASH FLOW FROM OPERATING ACTIVITIES:	2021-2022 Rs.	2020-2021 Rs.
Net Profit/(Loss) before Tax	1,20,38,76,145	70,48,21,220
Adjustments for:		
Depreciation & lease charge for the year	1,16,62,390	51,07,326
Loan loss provisioning and writeoffs		
Loss/(Profit) on Sale of Fixed Assets	(47,723)	(60,612)
	1,21,54,90,812	70,98,67,934
Adjustment for:		
(increase) Decrease in Investments	(6,09,75,573)	(5,07,48,582)
(increase) decrease in advances	(7,33,79,93,009)	(2,50,85,70,017)
(Increase)decrease in other assets	40,80,27,367	(5,79,76,275)
Increase (decrease) in other Liabilities	(50,20,145)	23,32,77,646
	(i) (5,78,04,70,548)	(1,67,41,49,294)
Direct Taxes due / paid	(ii) (35,21,24,080)	(15,47,67,103)
	(i + ii) (6,13,25,94,628)	(1,82,89,16,397)
B) CASHFLOW FROM INVESTMENT ACTIVITIES:		
Purchase of Fixed Assets	(1,72,12,552)	(76,67,749)
Proceeds from sale of assets	98,762	70,291
	(1,71,13,790)	(75,97,458)
C) CASHFLOW FROM FINANCING ACTIVITIES:		
Increase(decrease) in capital	—	—
Increase (decrease) in borrowings	6,06,08,40,943	1,38,01,03,701
Increase(decrease) in deposits	(2,67,50,601)	2,47,23,262
Dividend outflow	(12,62,98,680)	(4,20,99,560)
	5,90,77,91,662	1,36,27,27,403
Net increase/(decrease) in cash and cash equivalents	(A+B+C) (24,19,16,755)	(47,37,86,452)
Cash and Cash equivalents at the beginning of the year	85,62,35,944	1,33,00,22,396
Cash and Cash equivalents at the end of the year	61,43,19,189	85,62,35,944
D) DETAILS OF CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		
Cash in hand	27,34,350	50,16,507
Reserve Bank of India	4,25,673	2,00,872
Current A/c with Scheduled Banks	58,78,39,166	66,41,70,309
Term Deposits with Banks	2,33,20,000	18,68,48,256
TOTAL	61,43,19,189	85,62,35,944

D. DURAIRAJ
General Manager (I/c)
Company Secretary

S. RAJENDRAN
Chief Financial Officer

HANS RAJ VERMA
Chairman &
Managing Director

S. RAJENDIRAN
Director

As per our report of even date annexed
For **M/s. P.B. VIJAYARAGHAVAN & CO.**
Chartered Accountants

K.P. ANAND**ACCOUNTANT GENERAL (AUDIT-II)
TAMIL NADU & PUDUCHERRY****COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF TAMIL NADU INDUSTRIAL INVESTMENT CORPORATION LIMITED, CHENNAI FOR THE YEAR ENDED 31 MARCH 2022.**

The preparation of financial statements of Tamil Nadu Industrial Investment Corporation Limited, Chennai for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 23.09.2022.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Tamil Nadu Industrial Investment Corporation Limited, Chennai for the year ended 31 March 2022 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to the Statutory Auditors' Report under Section 143(6)(b) of the Act.

For and on the behalf of the
Comptroller & Auditor General of India

Place : CHENNAI
Date : 03.11.2022

K.P. ANAND
Principal Accountant General

PATTERN OF SHAREHOLDING AS ON 31.03.2022

S.No.	Name of the Shareholder	No. of Shares (Rs. 1,000/- each)	% as on 31.03.2022
1.	Government of Tamilnadu	3,035,228	72.10
2.	SIPCOT	500,000	11.87
3.	Small Industries Development Bank of India, Mumbai	170,000	4.04
4.	TIDCO	500,000	11.87
5.	Government of Puducherry	1,500	0.04
6.	Insurance Companies	1,160	0.03
7.	Other Banks including Co-op. Banks	2,068	0.05
	TOTAL	4,209,956	100.00

THE TAMILNADU INDUSTRIAL INVESTMENT CORPORATION LIMITED

HEAD OFFICE

692, 'MHU' Complex,
Anna Salai, Nandanam,
Chennai - 600 035.

TELEPHONE
044-24331203
044-24306100
Website: <http://www.tiic.org>

FAX
044-
24347150
044-
24347209

E-MAIL
ho@tiic.org

REGIONAL OFFICES

1) CHENNAI

New No. 692, Anna Salai,
Ground Floor, Right Wing,
Nandanam, Chennai - 600 035.

044-
48529514

rmchennai@tiic.org

2) COIMBATORE

CODISSIA Building, G.D. Naidu Towers,
No. 5A, Huzur Road,
Coimbatore - 641 018.

0422-
2302231

rmcoimbatore@tiic.org

3) MADURAI

No. 1A/4A, Dr. Ambedkar Road
Near Madurai Corporation Office (MADITSSIA)
Madurai 625 020.

0452-
2533018

rmmadurai@tiic.org

4) HOSUR

Plot No. 308&309, SIPCOT Housing Colony,
SIPCOT Industrial Complex, (Opp. LAL),
Near SBI/SIPCOT Shopping Complex,
Hosur - 635 126.

04344-
275596

rmsalem@tiic.org

5) TIRUNELVELI

5C / 5B, Hotel Shakuntala Shopping Complex
II Floor, Trivandrum Road,
Vannarpettai,
Tirunelveli - 627 003

0462-
2502721

mtirunelveli@tiic.org

6) TRICHY

K.R.T. Building, II Floor,
No. 33, Promenade Road,
Contontment,
Trichy - 620 001.

0431-
2414177

rmtrichy@tiic.org

BRANCH OFFICES

1) CHENNAI

New No. 692, Anna Salai, Ground Floor,
Right Wing, Nandanam,
Chennai - 600 035.

044-
48529518

bmchennai@tiic.org

2) TIRUVALLUR

86, C&D, II Main Road,
Ambattur Industrial Estate,
Chennai - 600 058.

044-
26257664

bmtiruvallur@tiic.org

3) MARAIMALAI NAGAR

HIG No. 42&43, 1st Floor, M.G.R. Salai,
Off. G.S.T. Road, Maraimalai Nagar
Chengalpattu Dist. - 603 209.

044-
27451650

bmtambaram@tiic.org

	TELEPHONE	FAX	E-MAIL
4) VELLORE Vasan ENT Clinic, I Floor, 73/A, Katpadi Main Road, Gandhi Nagar, Vellore - 632 006	0416- 2249861		bmvellore@tiic.org
5) VILLUPURAM 23A, Ranganathan Street, I Floor Woodlands Complex, Chennai-Trichy Trunk Road, Villupuram - 605 602	04146- 229131		bmwillupuram@tiic.org
6) POONAMALLEE No. 13, Ramanujakoodam Street, Poonamallee Chennai - 600 056	044- 48050574		bmpoonamallee@tiic.org
7) COIMBATORE CODISSIA Building, G.D. Naidu Towers, No. 5A, Huzur Road, Coimbatore - 641 018.	0422- 2302231		bmcoimbatore@tiic.org
8) TIRUPUR Old SF No. 3/1, TS No. 10/1, TIIC Building Kumar Nagar, Avinashi Road Near Fire Station Tirupur - 641 603.	0421- 2470125		bmtiruppur@tiic.org
9) ERODE C.S. Sengottiah Complex, II Floor, No. 23, Chidambaram Colony, 80 feet Road, Periyar Nagar, Erode - 638 001.	0424- 2262080		bmerode@tiic.org
10) KURICHI CODISSIA Building, G.D. Naidu Towers, No. 5A, Huzur Road, Coimbatore - 641 018.	0422- 2302231		bmkurichi@tiic.org
11) KARUR 66/1, 5th Cross, 1st Floor, Sengunthapuram Karur - 639 002.	04324- 235581		bmkarur@tiic.org
12) MADURAI No. 1A/4A, Dr. Ambedkar Road Near Madurai Corporation Office (MADITSSIA) Madurai 625 020.	0452- 2533331		bmmadurai@tiic.org
13) DINDIGUL Plot No.2, Ground Floor, Pandian Nagar 1st Street, Trichy Road Dindigul - 624 001.	0451- 2433785		bmdindigul@tiic.org
14) KARAIKUDI No.45, SPK Corporate Centre, 2nd Floor Opp. Dr. Ambedkar Statue, Sri Shanmuga Raja Road, Karaikudi - 630 001.	04565- 230210		bmkaraiikudi@tiic.org

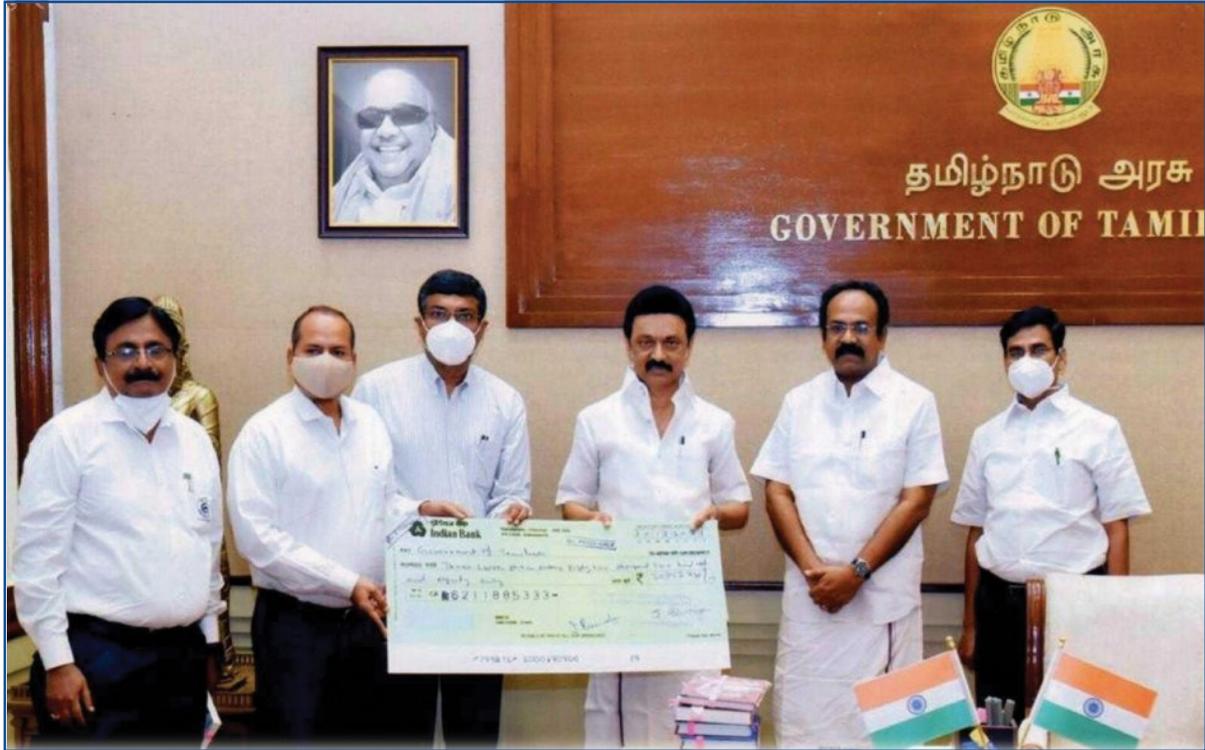
	TELEPHONE	FAX	E-MAIL
15) SALEM Sri Lakshmi Complex, I Floor 4/22, Omalur Main Road, Swarnapuri, Salem - 636 004.	0427- 2440444	0427- 4042054	bmsalem@tiic.org
16) DHARMAPURI DDDC Building (Upstairs), Pennagaram Road, Dharmapuri - 636 702.	04342- 260866		bmdharmapuri@tiic.org
17) HOSUR Plot No. 308&309, SIPCOT Housing Colony SIPCOT Industrial Complex (Opp. LAL), Near SBI/SIPCOT Shopping Complex, Hosur - 635 126.	04344- 275596		bmhosur@tiic.org
18) TIRUNELVELI 5C/5B, Hotel Shakuntala Shopping Complex, II Floor, Trivandrum Road, Vannarpettai, Tirunelveli - 627 003.	0462- 2502038		bmtirunelveli@tiic.org
19) THOOTHUKUDI No. 4/35, N.P.S. Complex, II Floor, Polpettai, Near New Bus Stand, Thoothukudi - 628 002.	0461- 2346082		bmtuticorin@tiic.org
20) NAGERCOIL 37, Cape Road, Nagercoil - 629 001.	04652- 232859		bmnagercoil@tiic.org
21) SIVAKASI No. 98/C4, Second Floor, Chairman Shanmuga Nadar Road, Sivakasi - 626 123	04562- 229322		bmsivakasi@tiic.org
22) TRICHY KRT Building, II Floor, No. 33, Promenade Road, Cantonment, Trichy - 620 001.	0431- 2460498		bmtrichy@tiic.org
23) THANJAVUR 2854, N.G.K. Apartment, Opp. to Arul Theatre, Nanjikottai Road, Thanjavur - 613 001.	04362- 230465		bmthanjavur@tiic.org
24) CUDDALORE No. 60/1B, Imperial Plaza, Nellikuppam Main Road, Near District Employment Office, Semmandalam, Cuddalore - 607 001	04142- 230831		bmcuddalore@tiic.org

	TELEPHONE	FAX	E-MAIL
	FIELD / SATELLITE OFFICES		
1) TIRUVANNAMALAI 4-A, Lakshmipuram I Floor, Bye-Pass Road, Gandhi Nagar, Tiruvannamalai - 606 602.	04175- 253032		bmtiruvannamalai@tiic.org
2) RAMANATHAPURAM No.1130-C, I Floor, Opp. To Sothurani, Ramnad-Rameswaram Road, Bharathi Nagar, Ramanathapuram - 623 504.	04567- 232474		bmrarnad@tiic.org
3) THENI Room No. 22, D.No. 297, Chinthamani Ammal Complex, Near Kottakudi Palam, Cumbum Road, Theni - 625 531.	04546- 251982		bmtheni@tiic.org
4) VIRUDHUNAGAR No. 27-C, 1st Floor, Railway Feeder Road, Virudhunagar - 626 001.	04562- 243911		bmvirudhunagar@tiic.org
5) PERAMBALUR No. 132, I Floor, Mathanagopalapuram 2nd Street, Perambalur - 621 212	04328- 276659		bmperambalur@tiic.org
6) NAGAPATTINAM No. 68/89, Perumal South Street (Opp. to Malaysia Apartment) Nagapattinam - 611 001.	04365- 225656		bmnapapattinam@tiic.org
7) NAMAKKAL No. 20/127A-5B, First Floor 80 Feet Road, Salem Road Namakkal - 637 001.	04286- 277667		bmnamakkal@tiic.org
8) SRIPERUMBUDUR No. 5, Ramanujar Street, No. 77, Bangalore Trunk Road, Near Pandian Hospital, Sriperumbudur - 602 105.	044- 27162665		bmsriperumbudur@tiic.org
9) GUMMIDIPOONDI No. 711-A, North SIPCOT Road Gummidipoondi	044- 29565679		bm gummidipoondi@tiic.org
10) KALLAKURICHI No. 10, 3rd Floor, No. 59, Gopuram Towers, Durugam Road Kallakurichi - 606 202	04151- 290825		bmkallakurichi@tiic.org

PRINCIPAL OFFICERS AT HEAD OFFICE

Sl. No.	Name of the official (Thiru/Tmt.)	Designation
1.	D. Durairaj	General Manager (i/c) Company Secretary
2.	S. Muralidharan	Deputy General Manager
3.	R. Palanivel	Deputy General Manager
4.	S. Rajendran	Assistant General Manager
5.	Rangaraju M	Assistant General Manager
6.	Chitra Shenbagavalli R	Assistant General Manager

Presented the dividend cheque to Hon'ble Tamil Nadu Chief Minister Thiru. M.K. Stalin



MOU Signing between TIIC – CII – SIDM for promoting Manufacturing in Defence Sector on 01.11.2021



Thiru Sunil K Misra, Director General, SIDM, TIIC, Thiru.N.Muruganandam IAS, Principal Secretary, Industries Department, Dr.Sivathanu Pillai, Distinguished Scientist and Founder CEO & MD of BrahMos Aerospace, Thiru Hans Raj Varma IAS, CMD, TIIC Ltd., Hon'ble Minister for Industries, Thiru. Thangam Thennarasu, Thiru. Jayant D Patil, President, SIDM and Senior Executive Vice-President for L&T's Defence Business, Dr. S. Chandrakumar, Chairman, CII – Tamilnadu State Council, Thiru. N.M.P Jeyesh, Regional Director, CII-Southern Region Thiru. P.K. Bansal, IAS, CMD, TIDCO.

MoU Signed with Project Management Associates (PMA) on 14.03.2022



Thiru. Hans Raj Verma, IAS, CMD, TIIC along with DGM (Enterprise), Dr. Sivathanu Pillai, Distinguished Scientist and Founder CEO & MD of BrahMos Aerospace, Hon'ble Minister for Industries, Thiru. Thangam Thennarasu, GM (Projects, Policy Planning and subsidy), DGM (HRM), GM (F&R, Recovery and Systems).



2nd Industry Growth Conclave Contributing to the Hon'ble CM's Vision of USD 1 Trillion Economy by 2030 Trichy Region 18.12.2021



Thiru. Hans Raj Verma, IAS, CMD, TIIC, Dr. Sivathanu Pillai, Distinguished Scientist and Founder CEO & MD of BrahMos Aerospace, Thiru. S. Sivarasu, IAS, District Collector, Thiru. Sanjay Tyagi, Director, Software Technology Parks of India, Thiru. S. Chandra Kumar, Chairman of CII, Tamil Nadu, Thiru. Rajappa Rajkumar, Chairperson, Defence Chamber of Industry and Commerce, Thiru. P. Rajappa, President, TIDISSIA, and Thiru. Umopathy, Deputy Director, National Institute of Technology, Trichy.

Outreach Programme on GST Law & Procedures on 29.12.2021



Thiru. Hans Raj Verma, IAS, CMD, TIIC along with DGM (Enterprise), Dr. Sivathanu Pillai, Distinguished Scientist and Founder CEO & MD of BrahMos Aerospace, Hon'ble Minister for Industries, Thiru. Thangam Thennarasu, GM (Projects, Policy Planning and subsidy), DGM (HRM), GM (F&R, Recovery and Systems).

Visit to Combat Vehicles Research and Development Establishment (CVRDe) on 11.02.2022



Thiru Hans Raj Verma, IAS, CMD TIIC along with DGM (HRM), DGM (Enterprise) and President Tamilnadu Boiler and Boilers Components Manufacturers' Association visited CVRDe. Discussions were held with Thiru. Balamurugan, Director, CVRDe for promoting partnership.

2nd Special Business Campaign launch in Tiruvallur District on 09.12.2021



The 2nd Special Business Campaign of TIIC was launched in Tiruvallur District on 09.12.2021. The dignitaries who participated includes Thiru. Hans Raj Verma, IAS, CMD TIIC, Thiru. Alby John Verghese, IAS, District Collector, Tiruvallur District, Thiru. S. Ramachandran, DGM (Enterprise), TIIC, Thiru. Manivannan, GM, DIC, Tiruvallur, Thiru. G. Kuppuraj, Jt.MD, TAICO Bank, Thiru G. Nithyanandam, General Secretary, TANSTIA, Thiru. Jalapathi, President, SIRC, ICAI Chennai. During the event sanction orders of Rs.6.21 crores and cheque of Rs.1.30 crores were issued. And applications of Rs.20.95 crores were handed over to the District Collector.

Engagement with Stake-holders:

TIIC has signed 13 MOUs in the FY 2021-22 with the following stake-holders:

S.No.	Stake-Holder	Date of Signing MOU	Purpose
1	Centre For Entrepreneurship Development and Incubation, National Institute of Technology, Tiruchirappalli (CEDI – NITT)	17.09.2021	For promoting the Startup ecosystem in the State by complementing the efforts of the Government of Tamil Nadu by providing adequate financial assistance to Startups in the State. Note: 1st loan to Startup under Proto Scheme was sanctioned to NITT incubatee on 31.12.2021
2	Tamil Nadu Small and Tiny Industries Association – FreidrichNaumann Foundation (TANSTIA –FNF)	17.09.2021	For promoting technological upgradation of MSMEs by way of adoption of Industry 4.0 to make them future-ready and globally competitive
3	Confederation of Indian Industries (CII) & Society of Indian Defence Manufacturers	01.11.2021	Through this partnership, in the first phase(SIDM) “Champion MSME Industries” in each of the five Nodes at Chennai, Trichy, Coimbatore, Salem and Hosur will be identified. They will be enabled with guidance and support for enhancing their managerial and technical capabilities to meet the demands of the Defence Sector. Note: Based on this, efforts are being taken to reconfigure the Trichy BHEL ancillary units to manufacture Defence Products.
4	Tamil Nadu Small Industries Development Corporation Limited (TANSIDCO)	08.12.2021	For providing interim loan under “Industrial Infrastructure Initiative Scheme (IIIS)” to MSMEs to purchase plots in SIPCOT and TANSIDCO Industrial Estates to set up their units Note: The Outstanding under IIIS as on 31.03.2022 is Rs.135.58 Crores
5	Tamilnadu Industrial Cooperative Bank (TAICO)	08.12.2021	For supporting the MSMEs in the State with sufficient working capital and to effectively harness the synergies of both the Institutions TAICO Bank and TIIC in nurturing the MSME ecosystem in the State
6	Greater Chennai Corporation (GCC)	07.03.2022	For extending TIIC’s Bill Discounting Facility Scheme (BFS) to the Contractors and Suppliers of GCC.
7	Chennai Metropolitan Water Supply and Sewage Board (CMWSSB)	09.03.2022	For extending TIIC’s Bill Discounting Facility Scheme (BFS) to the Contractors and Suppliers of CMWSSB.
8	Project Management Associates (PMA) promoted by Dr.Sivathanu Pillai, Father of BrahMos	14.03.2022	For imparting the capacity building programme to the officers of TIIC by PMA from April 2022. Note: 1st training session was conducted from 18th to 22nd April 2022 to 40 Officials of TIIC.
9	SRM Institute of Science and Technology, Vadapalani Campus	14.03.2022	For extending financial support to Startups/Incubatees nurtured by SRMIST.
10	National Small Industries Corporation (NSIC)	31.03.2022	For providing financial assistance to MSMEs referred by NSIC on a case-to-case base and on merits of the individual cases In turn NSIC to provide Raw material assistance to the MSMEs referred by TIIC.
11	CODISSIA Defence Innovation and Atal Incubation Centre (CDIIC)	31.03.2022	For extending financial support to Startups/Incubatees nurtured by CDIIC.
12	Bharat Heavy Electricals Limited (BHEL)	31.03.2022	For promoting Defence Manufacturing in Tamil Nadu with BHEL Trichy and ancillary Units as the hub for Armed Explosive Vehicles
13	MindCafe	31.03.2022	For setting up of MindCafe at TIIC Premises for the mental wellbeing/ resilience of employees.