

PRESS RELEASE

The Tamilnadu Industrial Investment Corporation is the pioneer State level financial institution established in 1949 and is providing financial assistance to MSMEs with a special focus on first-generation entrepreneurs in the State thereby catalyzing the industrial growth and employment opportunities in Tamil Nadu. TIIC has so far helped 1,27,000 entrepreneurs to realize their dreams by extending loans to the tune of Rs.19,500 crores.

The COVID-19 pandemic triggered lockdowns since March 2020 has inflicted huge economic shocks and social crises worldwide. The measures to contain the pandemic have severely impacted economic activities. MSMEs which are the drivers of economic growth have borne the brunt of the impact of the adverse economic conditions. The recovery of the economy including MSMEs in the latter half of the previous financial year was dampened by the second wave of the pandemic and it further aggravated the liquidity constraints faced by the MSMEs due to the restrictions caused supply chain disruptions, labour shortage, weakened demand etc. The MSMEs with their limited resources require adequate financial assistance to survive the crisis.

The Government of Tamil Nadu has taken crucial steps to ensure the survival of the MSME sector in the State and in an effort to further address the problems, the Government of Tamil Nadu has set up a committee chaired by retired IAS officer Mr.Sundaradevan. In this backdrop, Tamilnadu Industrial Investment Corporation with the support of the Government of Tamil Nadu has formulated a liberal scheme to infuse liquidity in the battered MSME ecosystem of the State and provide succor to the MSMEs assisted by the Corporation in the time of crisis.

The Hon'ble Minister for Industries, Government of Tamil Nadu, on 17.09.2021 launched a "Liquidity Enhancement Support for MSMEs Scheme (LENS scheme) " for implementation through Tamilnadu Industrial Investment Corporation to provide financial assistance up to Rs.75 lakhs to MSME units assisted by them, without any additional collateral security and processing fee. This will help the MSMEs to tide over the liquidity

constraints caused by the second wave of COVID pandemic and to meet the challenges of the new normal. As many as 1400 MSME units will be benefitted to the tune of Rs.350 crores under the scheme.

The Hon'ble Minister for Industries also handed over loan sanction orders for 3 MSME units for the loan amount of Rs.3.49 Crores on this occasion.

The State of Tamil Nadu has the third-largest number of MSMEs in the country and has a thriving MSME ecosystem that propels the growth engine of the State. With the view to promote technological upgradation of MSMEs by way of adoption of Industry 4.0 to make them future-ready and globally competitive and to promote 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, TIIC has entered into a Memorandum of Understanding with **Tamil Nadu Small and Tiny Industries Association - Freidrich Naumann Foundation (TANSTIA - FNF) and Centre For Entrepreneurship Development And Incubation, National Institute of Technology, Tiruchirappalli (CEDI - NITT)** respectively on 17.09.2021 in the presence of Hon'ble Minister for Industries.

Dr Carsten Klein Head of Regional Office South Asia, Friedrich Naumann Foundation for freedom, New Delhi and Dr (Mrs) Mini Shaji Thomas, Director, Centre for Entrepreneurship Development and Incubation National Institute of Technology Tiruchirappalli (CEDI-NIIT) in their address through virtual platform have congratulated TIIC for initiating this MoU and wished that through this MoU both TIIC and they could jointly render best services to the MSMEs.

On this occasion, the Hon'ble minister for Industries also presented appointment orders to 4 persons being appointed by the Corporation for various posts on compassionate grounds.

Thiru.Hans Raj Verma IAS, Chairman and Managing Director of TIIC, Tmt.Jayashree Muralidharan IAS, Special Secretary, Industries Department and the Principal Officers of TIIC attended the event.

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