

TN unveils industrial, MSME policies

Industrial policy 2021-25 provides a structured package of incentives

OUR BUREAU

Chennai, February 16

The Tamil Nadu government on Tuesday announced a new industrial policy with a view to providing further fillip to industrial growth and attracting more investments into the State.

Tamil Nadu Industrial Policy 2021-2025, which was unveiled by the Chief Minister Edappadi K Palaniswami, aims to achieve four key objectives.— attract investments worth over ₹10-lakh crore (\$135 billion) by 2025, achieve annual growth rate of 15 per cent in the manufacturing sector during the policy period, increase contribution of manufacturing sector to 30 per cent of the state's economy by 2030 from 25 per cent now and create over 20 lakh jobs by 2025.

This policy is applicable for projects establishing or expanding industrial units, industrial parks, R&D, warehousing and logistics except in 14 sectors specified by the policy. Investments made from January 1, 2021, will be considered eligible for availing

incentives. This policy provides a structured package of incentives for companies looking to invest more than ₹500 crore in the State. While it offers four different subsidy models to investors—SGST reimbursement, fixed capital subsidy, flexible capital subsidy and turnover subsidy. It also provides a bigger set of incentives investments in sunrise sectors.

Tamil Nadu has been attracting lot of investments in sunrise sectors such as ESDM, EVs, EV cells & batteries, renewables parts. Also, potential exists to attract investments in aerospace, pharma, petrochemicals & technical textiles etc, said N Muruganandam, Principal Secretary—Industries, Government of Tamil Nadu.

Industry upbeat

"With the Industrial Policy 2021, Tamil Nadu will emerge the leader not only in traditional industries like automobiles, textiles and industrial products but also a leader in electronics, which is emerging new field in Atmanirbhar Programme," said Venu Srinivasan, Chairman and Managing Director, TVS Motor Company. The new industrial policy should help give a boost to the post-pandemic economy of the State and attract fresh investments, generating employ-



Chief Minister Edappadi K Palaniswami and Industries Minister MC Sampath unveiling the TN Industrial Policy 2021 in the presence of Chief Secretary Rajeev Ranjan and TVS Motor Company Chairman Venu Srinivasan, in Chennai on Tuesday **BIJOY GHOSH**

ment and creating value, added Srivats Ram, President, Madras Chamber of Commerce and Industry & MD, Wheels India.

MSME policy

The Chief Minister also unveiled a new MSME Policy to offer a vibrant ecosystem for MSMEs/Start-ups. The policy has set a target to attract new investments worth ₹2-lakh crore by 2025 and create additional employment opportunities for 20 lakh people.

New MSMEs and start-ups will be exempted from approvals for establishment and operation for a period of three years based on self-certification

subject to the condition that the unit shall have mandatory approval within a period of one year from the expiry of the 3-year period.

The new policy has also enhanced ceiling for various subsidies provided to MSMEs, while plug & play facilities, plots and sheds will be developed and made available to them on short term lease. A corpus of Rs.500 crore has been set aside for upgradation and maintenance of TANSIDCO estates. "The new Industrial policy has been designed to provide incentives for companies that provide jobs to transgenders and the differently-abled," said Palaniswami.