

Tamilnadu Industrial Development Corporation Limited

April 09, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long-term bank facilities	500.00	CARE A; Stable	Reaffirmed
Issuer rating	0.00	CARE A; Stable	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The issuer rating and the rating assigned to bank facilities of Tamilnadu Industrial Development Corporation Limited (TIDCO) derives strength from significant market value of investments, regular inflow of dividend income from investments, and financial risk profile characterised by good profitability and comfortable capital structure. The rating also derives strength from ownership by Government of Tamil Nadu (GoTN). However, the rating is constrained by exposure to market-related risks of investment portfolio with concentration risk associated with top investment accounting for 97% of market value of investments, moderate scale of operations with relatively lower share of income from lending and project-related activities, and risks associated with project funding/project investments including execution and commercialisation risk.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors: Factors that could individually or collectively lead to positive rating action/upgrade:

- Significant improvement in the scale of operations and improvement in project-related revenue stream on a sustained basis.

Negative factors: Factors that could individually or collectively lead to negative rating action/downgrade:

- Significant decline in the market value of investments/dividend receipts on a sustained basis.
- Moderation in gearing levels with overall gearing exceeding 2x.

Analytical approach: Standalone

Outlook: Stable

The stable outlook reflects the likely continuation of stable credit profile with comfortable capitalisation levels.

Detailed description of key rating drivers:

Key strengths

Significant market value of investments and steady flow of dividend income from investments

TIDCO has equity investments across companies, including subsidiaries and joint ventures (JVs). As on December 31, 2025, TIDCO's holdings in listed companies had a market value of ₹103,607 crore. Among these holdings, Titan Company Limited (TCL; rated 'CARE AAA; Stable') is the major contributor, accounting for ~97% value of equity listed companies held by TIDCO.

The primary source of TIDCO's income is dividends. From FY18 to FY25, dividend income ranged from ₹78 crore to ₹300 crore. In FY25, the dividend income was ₹299.6 crore, with ₹272.2 crore coming from TCL. TIDCO has limited flexibility in terms of disinvestment, as major disinvestment can only occur with the approval of GoTN.

Ownership by GoTN

TIDCO is a GoTN enterprise incorporated as limited company in 1965 to identify and promote the establishment of large and medium-scale industries within Tamil Nadu in association with the private and public institutions. GoTN holds 100% equity stake in TIDCO as on December 31, 2025. TIDCO is headquartered in Chennai, Tamil Nadu, and the company operates only from its Head Office. The company also pays regular dividend to GoTN. Currently, TIDCO's board consists of 13 directors including two independent directors. The company's directors are nominated by GoTN. Thiru. Sandeep Nanduri, IAS, is the Managing Director,

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

and Tmt Sandhya Venugopal Sharma, IAS, is the Chairperson. Most board members are IAS officers holding different positions in the state government. TIDCO has well-defined organisation structure with separate teams for key functions including development, finance, legal and secretarial, HR, and admin department. Many departments are led by individuals at SGM/GM level. All department's report to executive director (ED), who reports to the MD.

Financial risk profile characterised by good profitability and comfortable capital structure

Negligible operating expenses compared to the healthy dividend income contributes to the company's healthy profitability. The company reported a profit after tax (PAT) of ₹281 crore in FY25, compared to ₹255 crore in FY24. Return on total asset (ROTA) continues to remain healthy despite moderation to 8.04% in FY25 against 8.92% in FY24. As on December 31, 2025, the capital adequacy requirements (CAR) and Tier-1 CAR were at 31.37% and 30.12%, respectively, with a net worth of ₹3,067 crore. Market value of investments to debt ratio stood at 530.18x as on December 31, 2025, and the coverage is expected to remain comfortable in the near term.

Key weaknesses

Exposure to market-related risks of investment portfolio with concentration risk associated with top investment

The company derives strength from the market value of investments held. As on December 31, 2025, market value of investments stood at ₹103,607 crore and changes based on movement in market price of shares held by it. Its holding in TCL contributes to 97% of market value of investments as on December 31, 2025, resulting in concentration risk. However, TCL has demonstrated healthy business and financial performance in the past. Its ability to diversify the investments remains key monitorable.

Moderate scale of operations with relatively lower share of income from lending and project-related activities

TIDCO projects are limited to Tamil Nadu, as the company was promoted for facilitating establishment of large industrial and infrastructure projects within the state. TIDCO also functions as a nodal agency for development of a few industrial corridors. The company generates a negligible amount of income from lending and project-related activities. The major portion of its income comes from investments and the dividends from those equity investments. In FY25, TIDCO's overall interest income stood at ₹34.6 crore (FY24: ₹29.8 crore), however, the interest income from loans declined from ₹21.8 crore in FY24 to ₹15.2 crore in FY25 with decline in loans and advances from ₹305 crore as on March 31, 2024 to ₹229 crore as on March 31, 2025.

Risk associated with project funding/project investments including execution risk and commercialisation risk

TIDCO is exposed to the risks associated with funding, execution, and commercialisation of projects. However, TIDCO appoints external consultants for feasibility study and a small team with Project Management Consultant (PMC) and engineering, procurement, and construction (EPC) contractor is formed for projects' implementation. TIDCO's track record of handling large projects over time provides comfort.

Liquidity: Adequate

ALM as on December 31, 2025, does not have negative cumulative mismatch in any of the time period supported by healthy liquidity maintained and low gearing levels. TIDCO has an outstanding debt of ₹195 crore as on December 31, 2025, and the company has a cash and cash balance of ₹478 crore as on December 31, 2025. The company receives significant dividend income on a yearly basis, and with current investments, the liquidity is adequate.

Applicable criteria

[Definition of Default](#)

[Investment Holding Companies](#)

[Issuer Rating](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios - Financial Sector](#)

[Non Banking Financial Companies](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Financial services	Financial services	Finance	Non-banking financial company (NBFC)

TIDCO was established in 1965 by GoTN to service large industrial and infrastructure projects, which include large investments and huge employment potential. TIDCO is the Nodal Agency for the development of Chennai Bengaluru Industrial Corridor (CBIC), Chennai Kanyakumari Industrial Corridor (CKIC), Western Corridor (Kochi – Coimbatore - Bangalore Industrial Corridor), and Défense Industrial Corridor projects. TIDCO has several JV projects across sectors such as Chemicals, Fertilizers, Pharmaceuticals, Textiles, Iron and Steel, Auto Components, Food & Agro, Floriculture, Engineering, Petroleum and Petrochemicals, infrastructure projects, including IT/ITES Parks, Bio-Tech Parks, special economic zones (SEZ), Road Development Projects, and Agri Export Zones. TITAN Industries Limited, TANFAC Industries Limited, Mahindra World City, Tamilnadu Petro products Limited, TIDEL Park Limited, Ascendas IT Park (Chennai) Limited, TICEL Bio Park Limited, Tamilnadu Road Development Company Limited, Chennai Trade Centre, Tanflora Infrastructure Park Limited, TIDEL Park Coimbatore Limited, L&T Shipbuilding Limited, and Indian Oil LNG Private Limited are some of the successful JV of TIDCO.

Brief Financials (₹ crore)-Standalone	March 31, 2024 (A)	March 31, 2025 (A)	9MFY26 (UA)
Total income	324	402	323
Profit after tax (PAT)	255	281	273@
Assets under management (AUM)	306	229	189
On-book gearing (x)	0.05	0.05	0.06
AUM / tangible net worth (TNW) (x)	0.12	0.08	0.06
Gross non-performing assets (NPA) / gross stage 3 (%)	0.00	2.75	NA
Return on managed assets (ROMA) (%)	8.92	8.04	NA
Capital adequacy ratio (CAR) (%)	29.44	27.70	31.37

A: Audited UA: Unaudited; NA: Not available; Note: these are latest available financial results; @Profit Before Tax

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based-Long Term	-	-	-	September 2040	250.00	CARE A; Stable
Fund-based-Long Term	Proposed	-	-	-	250.00	CARE A; Stable
Issuer Rating-Issuer Ratings	-	-	-	-	0.00	CARE A; Stable

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Issuer Rating-Issuer Ratings	LT	0.00	CARE A; Stable	-	1)CARE A; Stable (21-Mar-25) 2)CARE A; Stable (03-Jan-25) 3)CARE A; Stable (13-May-24)	-	-
2	Fund-based-Long Term	LT	500.00	CARE A; Stable	-	1)CARE A; Stable (21-Mar-25)	-	-

LT: Long term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based-Long Term	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please [click here](#)

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

Media Contact Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in Relationship Contact Pradeep Kumar V Senior Director CARE Ratings Limited Phone: 91 44-2850 1001 E-mail: pradeep.kumar@careedge.in	Analytical Contacts Vineet Jain Senior Director CARE Ratings Limited Phone: +91-22-6754 3456 E-mail: vineet.jain@careedge.in Shreekiran Rao Director CARE Ratings Limited Phone: +91-22-6754 3405 E-mail: Shreekiran.Rao@careedge.in Tony Mathew Assistant Director CARE Ratings Limited E-mail: tony.mathew@careedge.in
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