

Tamil Nadu

MARCH
2013

BLEND OF TRADITION AND TECHNOLOGY



IBEF 
INDIA BRAND EQUITY FOUNDATION
www.ibef.org

For updated information, please visit www.ibef.org

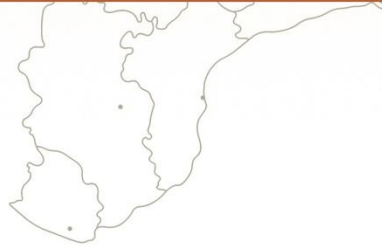
Tamil Nadu

MARCH
2013

BLEND OF TRADITION AND TECHNOLOGY

Contents

- ❖ Tamil Nadu – An Introduction
- ❖ Infrastructure Status
- ❖ Business Opportunities
- ❖ Doing Business in Tamil Nadu
- ❖ State Acts & Policies



For updated information, please visit www.ibef.org

Tamil Nadu Factfile



Source: Maps of India

- Tamil Nadu is the Southern most state of India, surrounded by Andhra Pradesh from the North, Karnataka and Kerala from the West, Indian Ocean from the South and Bay of Bengal from the East.
- Tamil Nadu is among the most industrialised states in the country. Tamil is the state language; English is also commonly used for communication and as a medium of education.

→ Coimbatore, Madurai, Thiruchirappalli, Salem, Tirunelveli and Erode are some of the key cities in the state.

→ The climate ranges from dry sub-humid to semi-arid. Important rivers flowing through the state include Palar, Cheyyar, Ponnaiyar, Kaveri, Bhavani, Vaigai and Tamaraparani.

Parameters	Tamil Nadu
Capital	Chennai
Geographical area (sq km)	130,058
Administrative districts (No)	32
Population density (persons per sq km)*	555
Total population (million)*	72.13
Male population (million)*	36.15
Female population (million)*	35.98
Sex ratio (females per 1,000 males)*	995
Literacy rate (%)*	80.3

Sources: Government of Tamil Nadu Website, www.tn.gov.in,
*Provisional Data – Census 2011

Tamil Nadu in Figures ... (1/2)

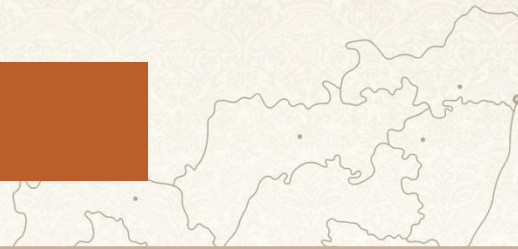


Parameter	Tamil Nadu	All-States	Source
Economy			
GSDP as a percentage of all states' GSDP	8.0	100	CMIE, 2010-11, current prices
Average GSDP growth rate (%)*	16.4	15.9	CMIE, 2004-05 to 2010-11, current prices
Per capita GSDP (US\$)	1,785.1	1,324.3	CMIE, 2010-11, current prices
Physical Infrastructure			
Installed power capacity (MW)	18,382.1	211,766.2	Central Electricity Authority, as of January 2013
Wireless subscribers (No)	73,283,971 [^]	864,720,186	Telecom Regulatory Authority of India, as of December 2012
Broadband subscribers (No)	1,662,865 [^]	13,350,938	Ministry of Communications & Information Technology, as of December 2011
National Highway length (km)	4,943	76,818	Ministry of Road Transport & Highways, as of June 2012
Major and minor ports (No)	3 + 15	12 + 187	Indian Ports Association
Airports (No)	6	133	Airport Authority of India

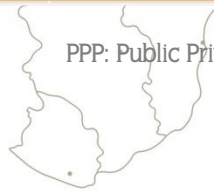
*Calculated in Indian Rupee Terms

[^]Including Puducherry

Tamil Nadu in Figures ... (2/2)



Parameter	Tamil Nadu	All-States	Source
Social Indicators			
Literacy rate (%)	80.3	74.0	Provisional Data – Census 2011
Birth rate (per 1,000 population)	15.9	21.8	SRS Bulletin (www.censusindia.gov.in), 2012
Investment			
FDI equity inflows (US\$ billion)	10.0*	187.9	Department of Industrial Policy & Promotion, April 2000 to December 2012
Outstanding Investments (US\$ billion)	721.6	11,318.3	CMIE (2011-12)
Industrial Infrastructure			
PPP projects (No)	52	881	www.pppindiadatabase.com
SEZ (No)	53	386	Notified as of January 2013, www.sezindia.nic.in



PPP: Public Private Partnership, SEZ: Special Economic Zone, SRS: Sample Registration System
*Including Puducherry

Advantage Tamil Nadu ... (1/2)

Large Industrial Base

The state is manufacturing base for a number of large and medium scale industries from diverse sectors such as automobile and auto-components, textile, cement, engineering, pharmaceuticals, etc.

Among the States with Large FDI Inflows

The state attracted cumulative FDI inflows of US\$ 8.7* billion between April 2000 and June 2012 and is amongst the highest FDI attracting states. FDI inflows have helped to achieve greater technological advancement.

Rich Labour Pool and Low Cost of Manpower

The state comprises of well-qualified, skilled, disciplined, productivity-oriented and English-speaking workforce. The standard of education and educational institutions is highly rated in the country. Average wages are also lower than similar workforce in the developed countries.

*Including Pondicherry

Advantage Tamil Nadu ... (2/2)

Facilitating Infrastructure

The state has well developed social, physical and industrial infrastructure and virtual connectivity. It is among the states with good physical infrastructure such as power, roads and railways.

High Economic Growth

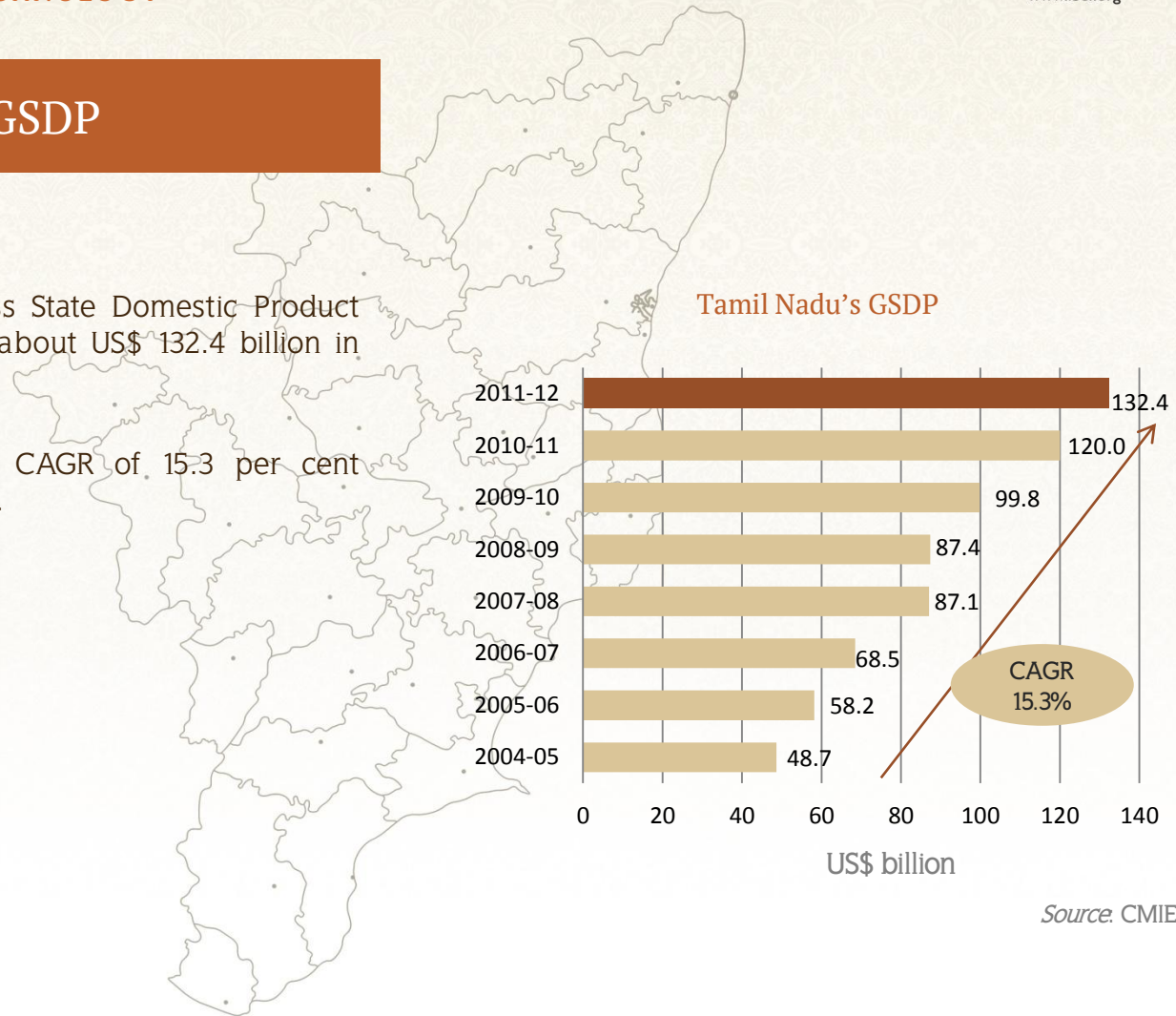
The state's GSDP grew at a Compound Annual Growth Rate (CAGR) of 15.3 per cent between 2004-05 and 2011-12.

Political Environment

The state has a stable political environment with a single-party government. Successive State Governments have been committed towards creating a progressive business environment.

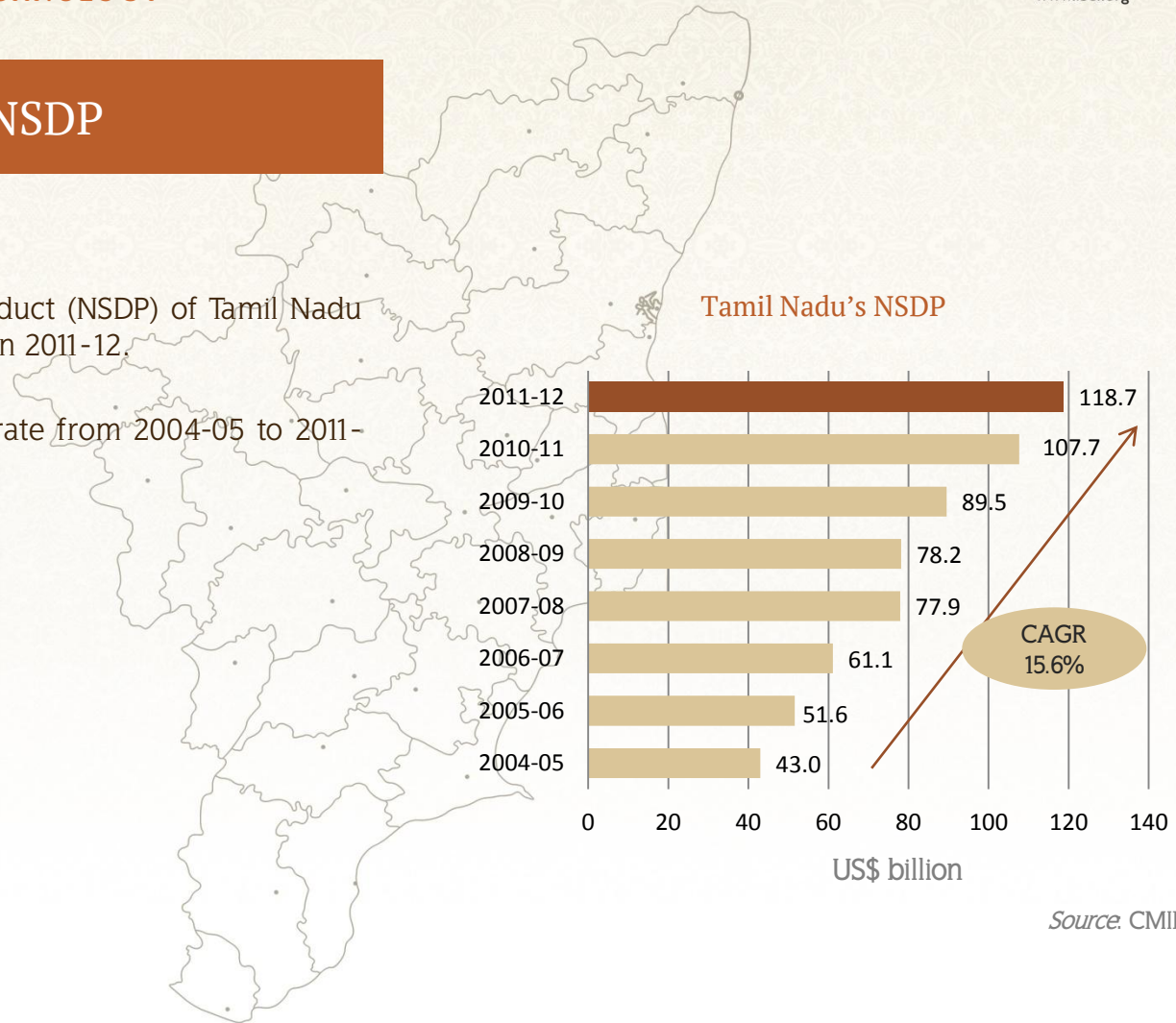
Economic Snapshot – GSDP

- At current prices, the Gross State Domestic Product (GSDP) of Tamil Nadu was about US\$ 132.4 billion in 2011-12.
- The GSDP increased at a CAGR of 15.3 per cent between 2004-05 to 2011-12.



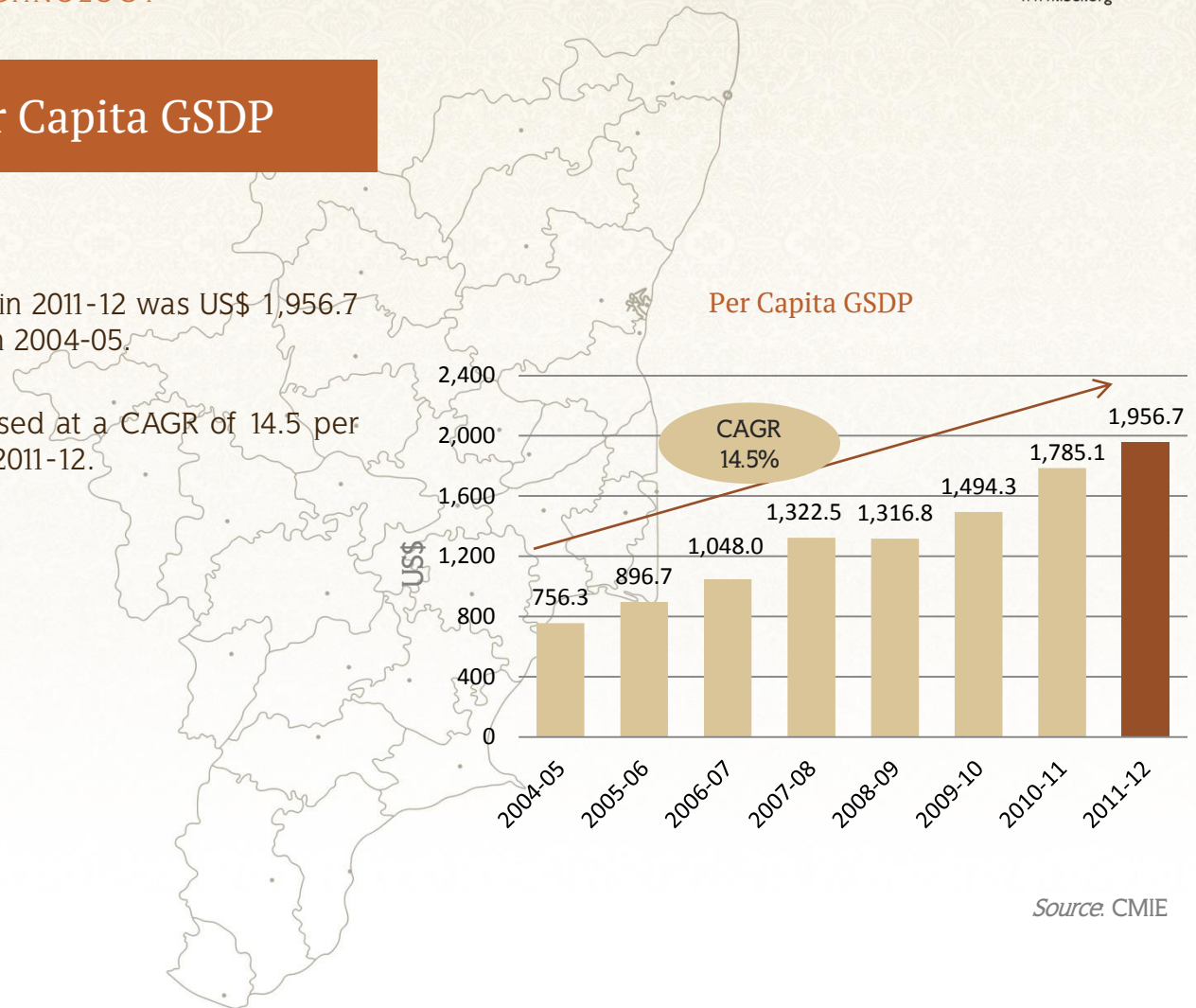
Economic Snapshot – NSDP

- The Net State Domestic Product (NSDP) of Tamil Nadu was about US\$ 118.7 billion in 2011-12.
- The average NSDP growth rate from 2004-05 to 2011-12 was about 15.6 per cent.



Economic Snapshot – Per Capita GSDP

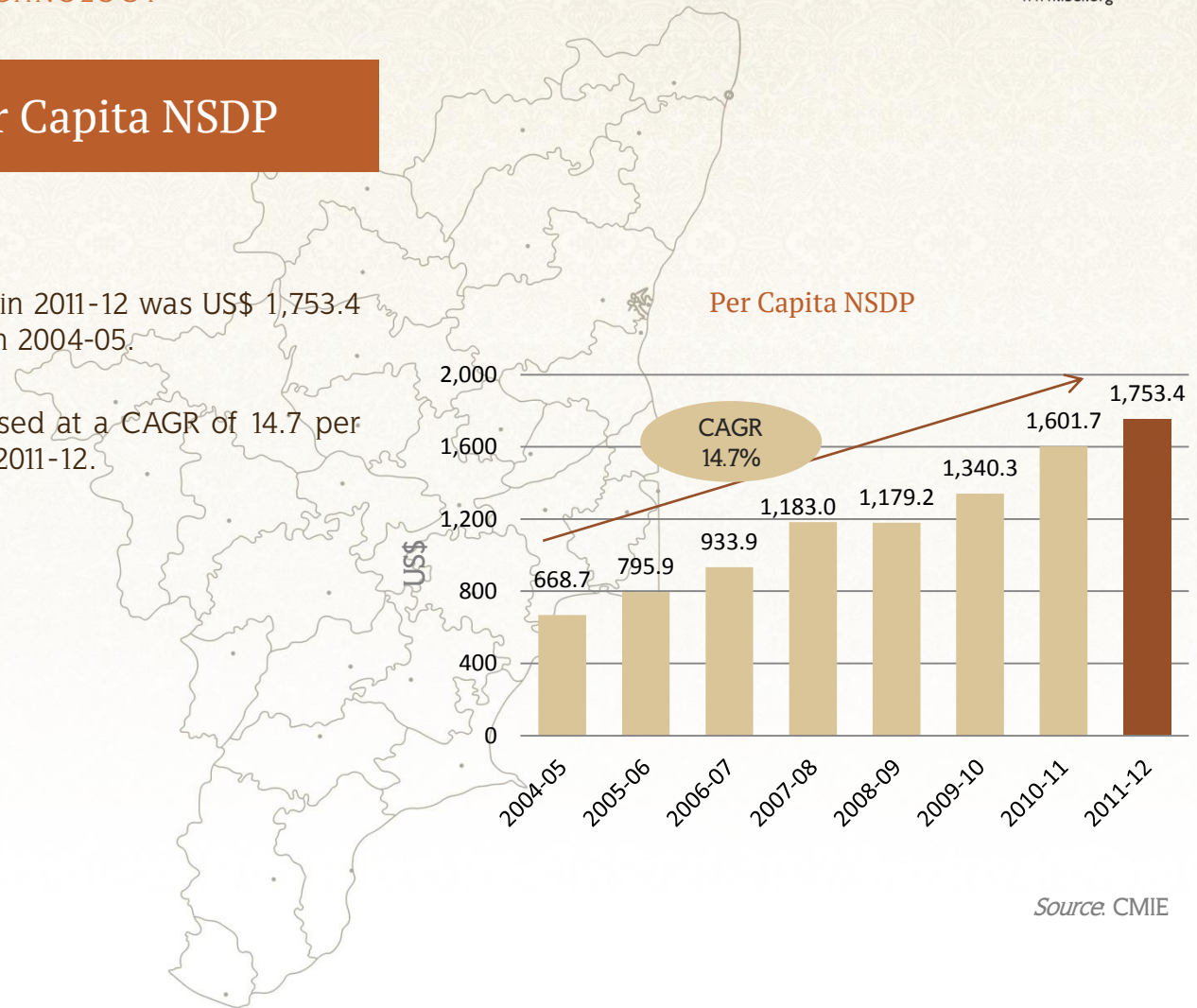
- The state's per capita GSDP in 2011-12 was US\$ 1,956.7 as compared to US\$ 756.3 in 2004-05.
- The per capita GSDP increased at a CAGR of 14.5 per cent between 2004-05 and 2011-12.



Source: CMIE

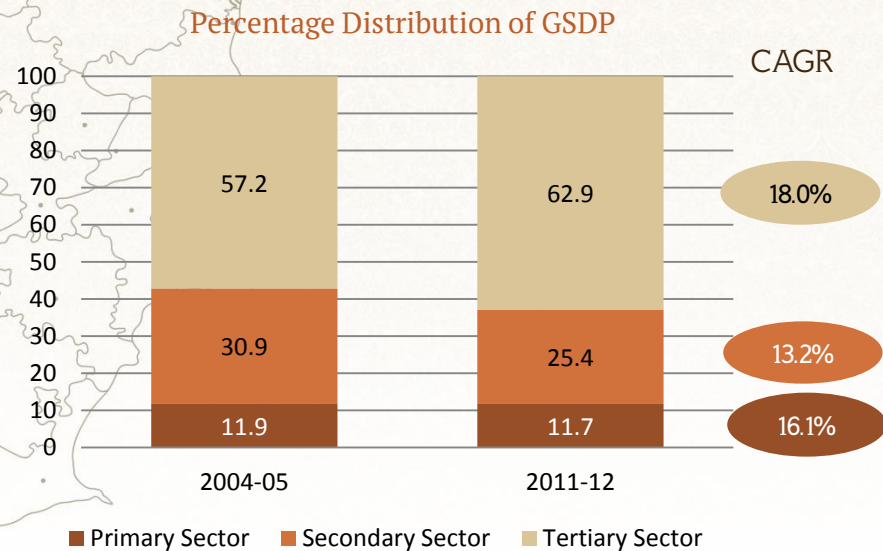
Economic Snapshot – Per Capita NSDP

- The state's per capita NSDP in 2011-12 was US\$ 1,753.4 as compared to US\$ 668.7 in 2004-05.
- The per capita NSDP increased at a CAGR of 14.7 per cent between 2004-05 and 2011-12.



Economic Snapshot – Percentage Distribution of GSDP

- In 2011-12, the tertiary sector contributed 62.9 per cent to the state's GSDP at current prices. It was followed by the secondary sector at 25.4 per cent.
- The tertiary sector grew at an average rate of 18.0 per cent between 2004-05 and 2011-12; driven by trade, hotels, real estate, finance, insurance, transport, communications and other services.
- The secondary sector grew at an average rate of 13.2 per cent during the period 2004-05 and 2011-12. Its growth was mainly driven by manufacturing and construction.
- The primary sector grew at an average rate of 16.1 per cent between 2004-05 and 2011-12.



Source: CMIE

Economic Snapshot – Agricultural Production

- Tamil Nadu is one of the leading producers of banana, flowers, tapioca, mango, coconut, groundnut, coffee, tea and sugarcane.
- In 2011-12, the total production of food grains and pulses in the state was 9.64 million tonnes and 399,500 tonnes, respectively.
- In 2011-12, the total production of sugarcane was 39.28 million tonnes and rice production was 6.89 million tonnes in the state.
- In 2011-12, the total production of oilseeds in the state was around 1.13 million tonnes.
- In 2010-11, total fruits production in the state was around 9.9 million tonnes.

Crop	Annual Production – In 2010-11 ('000 tonnes)
Sugarcane	39,283**
Banana	8,253
Rice	6,893**
Coconut	5,965*
Tapioca	5,522
Maize	1,027
Groundnut	895
Cotton**	450^
Onion	338
Jowar (Sorghum)	246

Sources: Statistical Hand Book 2012, Department of Economics and Statistics, Government of Tamil Nadu, Reserve Bank of India, Indian Horticulture Database – 2011, National Horticulture Board

*Million Nuts

^'000' Bales (170 Kg Each)

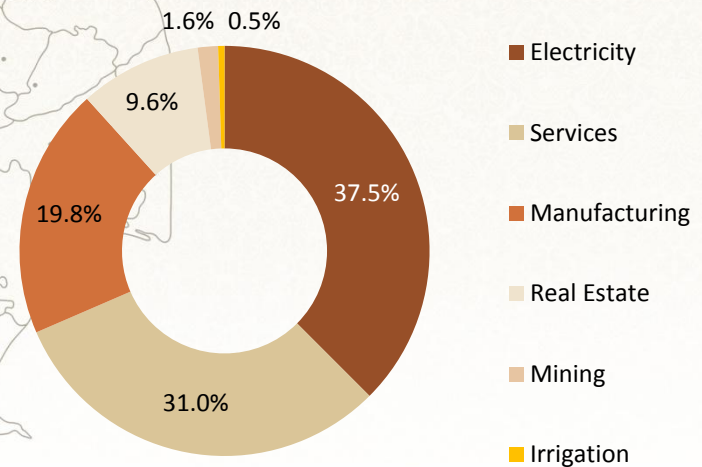
**In 2011-12

Economic Snapshot – FDI Inflows & Investments

- According to the Department of Industrial Policy & Promotion (DIPP), the cumulative FDI inflows from April 2000 to December 2012 amounted to US\$ 10.0 billion*.
- In 2011-12, outstanding investments in the state were US\$ 721.6 billion.
- Of the total outstanding investments, the electricity sector accounted for around 37.5 per cent followed by services sector (31.0 per cent).
- While electricity sector attracted investment of US\$ 270.3 billion, the services sector secured investments worth US\$ 223.6 billion in 2011-12.

*Including Puducherry

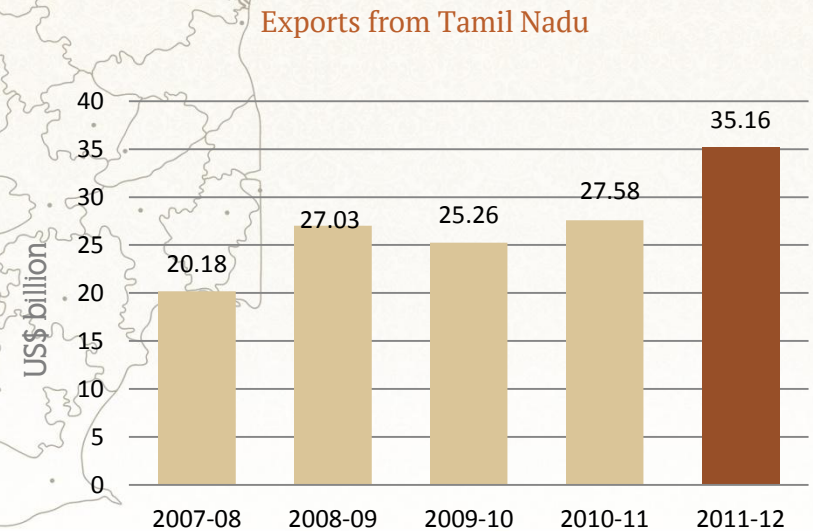
Break up of Outstanding Investments by Sector (2011-12)



Source: CMIE

Economic Snapshot – Export Trends

- Tirupur and Erode are the country's largest exporters of knitwear.
- IT exports from Tamil Nadu have increased from US\$ 3.0 billion in 2005-06 to US\$ 9.26 billion in 2010-11, registering a CAGR of 25.2 per cent.
- Tamil Nadu exported about 86,181 tonnes of fish and fish products, worth US\$ 627.64 million, in 2010-11.
- A majority of software exports from Tamil Nadu consists of application softwares.



Source: Industries Department, Government of Tamil Nadu,
www.investingintamilnadu.com

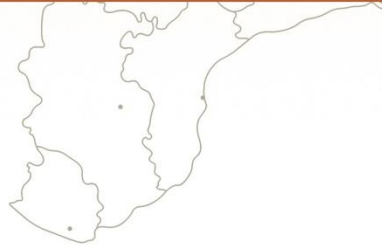
Tamil Nadu

MARCH
2013

BLEND OF TRADITION AND TECHNOLOGY

Contents

- ❖ Tamil Nadu – An Introduction
- ❖ Infrastructure Status
- ❖ Business Opportunities
- ❖ Doing Business in Tamil Nadu
- ❖ State Acts & Policies



For updated information, please visit www.ibef.org

Physical Infrastructure – Roads



Source: Maps of India

- Tamil Nadu is one of the first states in India, to have 100 per cent metalled road connectivity even in the rural areas.
- The State Express Transport Corporation (SETC), formerly, Thiruvalluvar Transport Corporation was established in September 1975 and provides road transport services within the state.
- To upgrade road infrastructure, the State Government is implementing a World Bank-funded project at a cost of around US\$ 500 million.
- The state had a road density of 147.89 km per 100 sq km of area, as of March 2011.

- Tamil Nadu has 28 National Highways running through it. The state is also an important terminus in the Golden Quadrilateral road link of the National Highways Authority of India (NHAI).
- The district centres are linked through 187 State Highways.

Road Type	Road Length (km)
National Highways	4,943
State Highways	10,764
Major District Roads	11,247
Other District Roads	35,032
Total Road Length	192,339

Sources: Ministry of Road Transport & Highways, Tamil Nadu Policy Note on Roads, Bridges, Minor Ports and Shipping, 2012-13

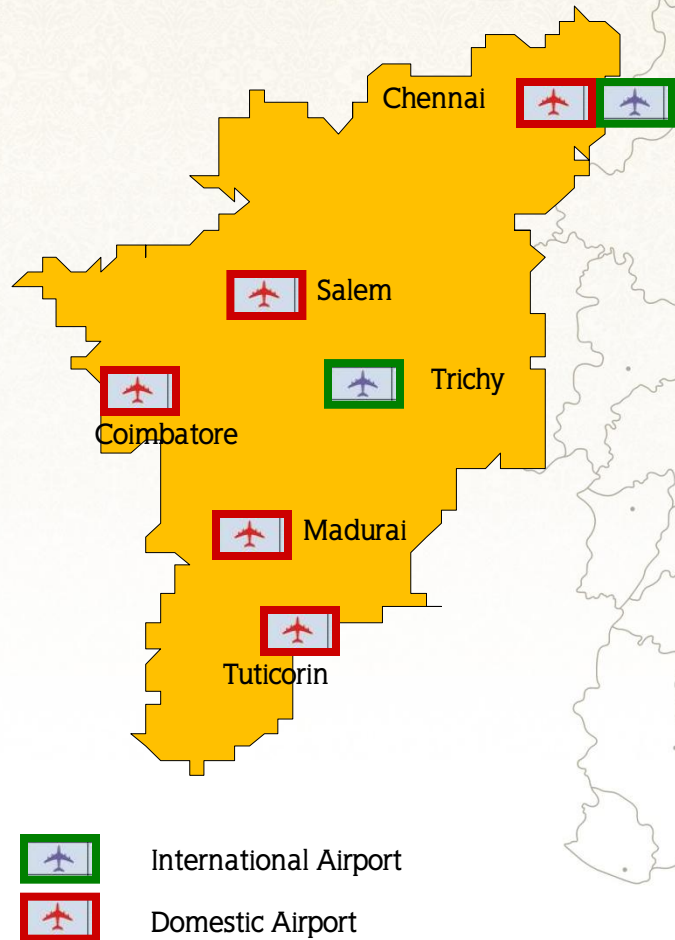
Physical Infrastructure – Railways



Source: Maps of India

- Tamil Nadu's railway network falls under the jurisdiction of the Southern Railways, which covers Tamil Nadu, Kerala, Puducherry and a small part of Andhra Pradesh.
- It has six divisions, four of which are in Tamil Nadu; they are Chennai, Tiruchirappalli, Madurai and Salem. Coimbatore is also a key railway junction.
- As of 2010-11, Tamil Nadu had a 4,062 km rail network with 536 railway stations.
- Chennai also has a well-established suburban railway network that connects it to the suburbs and the neighbouring cities.
- The Mass-Rapid-Transit System (MRTS) is an elevated line of the suburban railway in Chennai; it runs from the Chennai beach to the Velachery suburb, covers a distance of 25 km and has 21 stations. It is owned by the Southern Railways.

Physical Infrastructure – Airports



→ Tamil Nadu has international airports at Chennai and Trichy; it has domestic airports at Chennai, Coimbatore, Tuticorin, Salem and Madurai.

→ The Chennai International Airport was the first in the country to get ISO 9001-2000 certification.

→ In 2012-13 (April to September), the Chennai Airport recorded a passenger traffic of 6.35 million and Trichy Airport reported 424,401 passengers.

→ in 2012-13 (April to September), the Chennai Airport and Trichy Airport handled 59,013 and 3,893 flights, respectively.

→ Construction work has been completed on a new passenger terminal at the Chennai International Airport. The terminal will have a capacity of 10 million passengers.

→ Electronic Data Interchange (EDI) facility for customs clearance is available at the Chennai Airport.

→ A new integrated terminal building has been constructed at Madurai Airport.

Physical Infrastructure – Ports

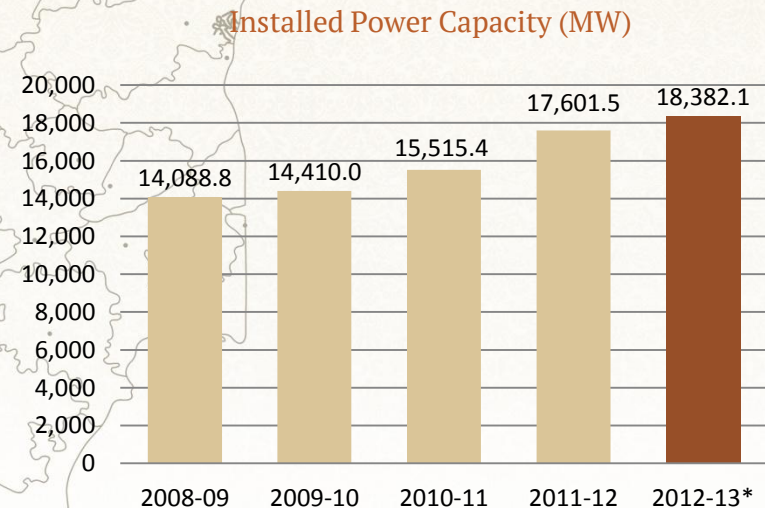
- Tamil Nadu has three major ports, at Chennai, Ennore and V O Chidambaranar; it has 15 minor ports.
- In 2012-13 (April to November), the total traffic handled at Chennai, Ennore and V O Chidambaranar ports was 35.58 million tonnes, 10.75 million tonnes, and 18.46 million tonnes, respectively.
- Together, the three ports accounted for about 18.0 per cent of the total traffic handled at all major ports across the country. Between, 2005-06 and 2011-12, the major-port traffic increased at an average rate of 5.0 per cent.
- The Chennai port handles, mainly, container cargo while the Ennore and V O Chidambaranar ports handle coal, ores and other bulk minerals.

Chennai's Ports	
Major Ports	<ul style="list-style-type: none"> • Chennai • Ennore • V O Chidambaranar
Minor Ports	<ul style="list-style-type: none"> • Cuddalore • Nagapattinam • Rameswaram • Pamban • Colachel • Valinokkam • Kanyakumari • Ennore • Punnakayal • Thirukkadaiyur • PY-3 (Oilfield) • Kattupalli • Thiruchopuram • Manappad • Kudankulam

Source: Indian Ports Association

Physical Infrastructure – Power ... (1/2)

- The total power generation installed capacity in Tamil Nadu has increased from 14,088.80 MW in 2008-09 to 18,382.13 MW in 2012-13*.
- Of the total power generation installed capacity, 8,217.33 MW was contributed by thermal power, Renewable power contributed 7,503.60 MW of capacity. Hydropower and nuclear power contributed 2,137.20 MW and 524.00 MW capacity, respectively.
- Renewable energy is a growing sector in rural areas of the state. The Tamil Nadu Energy Development Agency (TEDA) is the nodal agency of the Ministry of New and Renewable Energy (MNRE), Government of India, for promoting renewable energy schemes in the state.
- TEDA has taken up research and development projects, jointly, with the Anna University; the total outlay is US\$ 0.087 million.



Source: Central Electricity Authority
*As of January 2013

Physical Infrastructure – Power ... (2/2)

- In November 2010, Tamil Nadu Electricity Board restructured itself into TNEB Ltd; Tamil Nadu Generation and Distribution Corporation Ltd (TANGEDCO); and Tamil Nadu Transmission Corporation Ltd (TANTRANSCO).
- As of March 2012, the state had 1,361 substations, 0.024 million circuit km of extra high tension lines, 0.15 million circuit km of high tension lines, 0.56 million km of Low Tension (LT) lines and 0.21 million distribution transformers.
- As of 2010-11, the per capita power consumption of the state was 1,040 kWh.

Electricity Consumers in Tamil Nadu as of March 2012

Type	Consumers (No)
Domestic	15,420,000
Agricultural	2,009,000
Commercial	2,972,000
Industrial	554,000
Others	2,182,000
Total	23,137,000

Source: Tamil Nadu Policy Note on Energy, 2012-13

Physical Infrastructure – Telecom

- Tamil Nadu had a teledensity of 109.64[^] per cent as compared to an all-India average of 73.34 per cent, as of December 2012.
- According to Telecom Regulatory Authority of India (TRAI), Tamil Nadu had nearly 73.28 million[^] wireless subscribers and 3.13 million[^] wire-line subscribers, as of December 2012.
- As of December 2011, the state had 1.6 million[^] broadband subscribers.
- As of January 2013, the state had 11,895 post offices.
- The Bharti-Singtel submarine cable link between Chennai and Singapore has a bandwidth of 8.4 terabits per second; a second submarine cable of 5.12 terabits per second bandwidth has been commissioned by Tata Communications Limited (formerly, VSNL) between Chennai and Singapore.

Telecom Infrastructure (December 2012)

Wireless Connections [^]	73,283,971
Wire-line Connections [^]	3,135,074
Broadband Subscribers [^]	1,662,865*
Telephone Exchanges	2,014*
Teledensity (in per cent) [^]	109.64
Post Offices	11,895**

Sources: Telecom Regulatory Authority of India, India Post, Department of Telecommunications, Annual Report 2011-12, Ministry of Communications and Information Technology, Government of India

[^]Including Puducherry

*As of December 2011

**As of January 2013

Some of the Major Telecom Operators in Tamil Nadu

Bharat Sanchar Nigam Limited (BSNL)

Bharti Airtel

Aircel Limited

Reliance Communications

Vodafone Essar

Tata Teleservices

Idea Cellular

Source: Telecom Regulatory Authority of India

Development Projects: Urban Infrastructure

- The Jawaharlal Nehru National Urban Renewal Mission (JNNURM) covers the town panchayats that fall within Chennai Metropolitan Development Authority and urban agglomeration area of Madurai and Coimbatore. Forty five towns have been identified under the JNNURM.
- The thrust areas for development under the JNNURM include water supply and sanitation, sewerage, solid-waste management, road network, urban transport and redevelopment of inner-city areas; also envisaged is the shifting of industrial and commercial establishments to designated areas.
- Under the JNNURM, 48 projects costing US\$ 1.19 billion have been sanctioned for Tamil Nadu. The projects have been sanctioned between 2006-07 and 2010-11. Key areas of development are water supply, sewerage, storm water drainage, solid waste management, development of heritage areas and roads/ flyover.
- As of July 2012, a total of 12 JNNURM projects were completed in the state. These projects were located in Chennai and Madurai; related to roads and flyover, water supply and solid waste management. These projects were approved between 2006 and 2007.
- Under the Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT), US\$ 193.7 million has been allocated for development of water-supply, sewerage, storm drainage system, solid waste management and road development in the state.

Source: JNNURM, Ministry of Urban Development, Government of India

Development Projects: Key Public Private Partnership Projects



Project Name	Sector	PPP Type	Project Cost (US\$ million)	Stage
Elevated Road from Chennai Port to Maduravoyal	Roads	BOT-Toll	349.0	Construction
Krishnagiri-Walajahpet	Roads	BOT-Toll	274.3	Construction
Salem – Ulundurpet	Roads	BOT-Toll	233.8	Construction
Tirupur Water Supply	Urban Development	BOOT	215.7	Under Operation
Chengapalli to Coimbatore Bypass and from Coimbatore Bypass to Tamil Nadu and Kerala Border	Roads	BOT-Toll	186.9	Construction
Madurai - Arupukottai – Tuticorin	Roads	BOT-Toll	191.9	Under Operation
Trichy – Dindigul	Roads	BOT-Toll	143.1	Construction
Trichy – Karur	Roads	BOT-Toll	152.6	Construction
Tiruttani-Chennai Section	Roads	BOT-Toll	125.3	Construction
Coimbatore - Mettupalayam section	Roads	BOT-Toll	121.1	Construction
Hosur - Krishnagiri Section	Roads	BOT-Toll	192.7	Under Operation
100 MLD Sea Water Desalination Plant Reverse Osmosis	Urban Development	BOT	109.7	Under Operation
Second Container Terminal – Chennai	Ports	BOT-Toll	107.1	Construction
Dindigul-Theni and Theni-Kumuli Section	Roads	BOT - Annuity	106.4	Construction

Source: www.pppindiaatabase.com

BOT: Build-Operate-Transfer, BOOT: Build-Own-Operate-Transfer, MLD: Million Liters per Day

Development Projects: Industrial Clusters and SEZs ... (1/3)



Infrastructure	Description
Industrial Parks	<ul style="list-style-type: none"> • The State Industries Promotion Corporation of Tamil Nadu Limited (SIPCOT) Export Promotion Industrial Park (EPIP) is spread over 224 acres at Gummidipoondi in the Thiruvallur district. • An industrial park has been set up at Irungattukottai for the automotive, electronics, food processing, general engineering and other non-polluting industries. • The hi-tech SEZs in the Sriperumbudur Industrial Park and Oragadam Industrial Growth Centre (both in Kanchipuram district), are spread over 570.92 acres and 347.66 acres, respectively. These are home to manufacturing units in the electronics, telecom hardware and support services sectors.
Madras Export Processing Zone (MEPZ)	<ul style="list-style-type: none"> • Established in 1984 to promote FDI; one of the seven Export-Promotion Zones (EPZ) set up by the Government of India – MEPZ is a multi-product export zone with 117 functional units and another 27, are in the process of being set up.
SIPCOT's SEZs	<ul style="list-style-type: none"> • SIPCOT's SEZs comprise a leather SEZ in the Vellore district, a footwear SEZ in the Kanchipuram district, an engineering-products SEZ in the Erode district, an automotive SEZ in the Thiruvannamalai district and a transport engineering-goods SEZ in the Tirunelveli district.

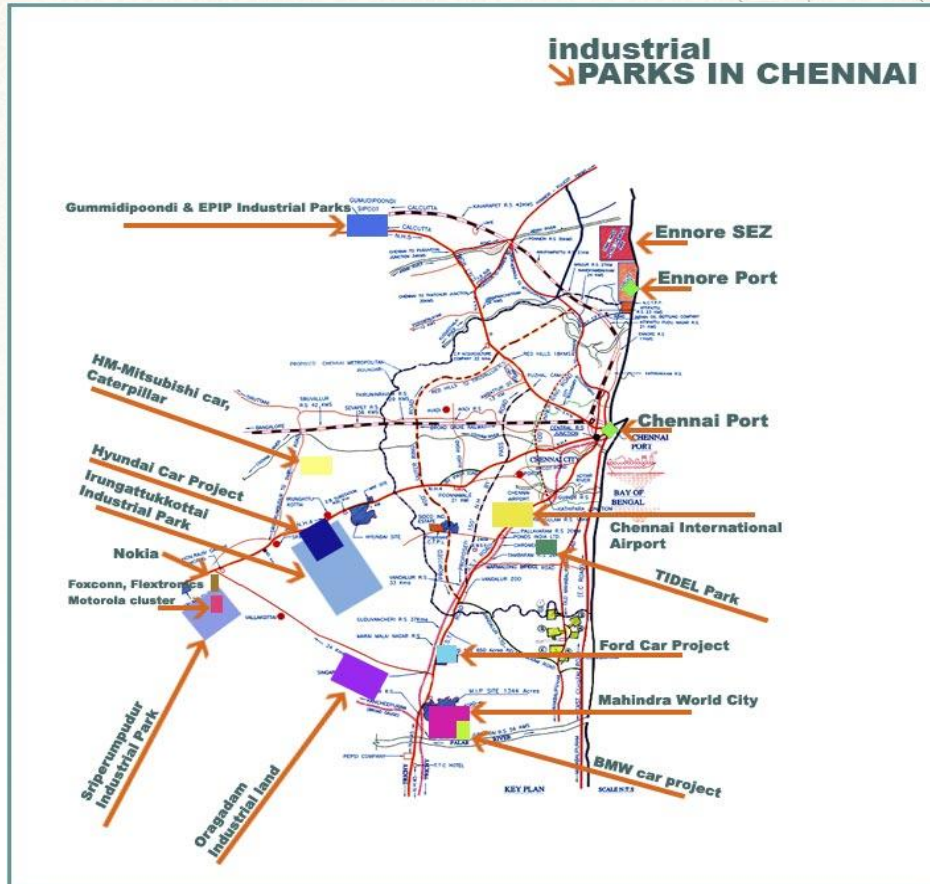


Development Projects: Industrial Clusters and SEZs ... (2/3)



Infrastructure	Description
TIDCO's SEZs	<ul style="list-style-type: none"> Tamil Nadu Industrial Development Corporation (TIDCO) has been engaged in the setting up of industries, infrastructure projects and SEZs. Some of the projects completed through joint ventures are Tanflora Infrastructure Park, Tamil Nadu Road Development Company (TNRDC), Titan Industries Limited, Tamil Nadu Petroproducts, TIDEL Park, Mahindra World City, Ascendas IT Park, etc. TIDCO and Rankindo Developers Private Limited have jointly developed an integrated township with IT SEZ in Coimbatore. An IT and ITes SEZ- TIDEL – III, with an International Convention Centre on 25 acres of land on the IT Expressway at Taramani in Chennai. The Mass Rapid Transit System (MRTS) runs near the project site.
Apparel Parks	<ul style="list-style-type: none"> Two apparel parks have been set up, one at Tiruppur and the other at Irungattukottai near Chennai with a project cost of US\$ 133 million including Government of India assistance of US\$ 6.5 million. Both the parks are functioning.
Hi-Tech Weaving Parks	<ul style="list-style-type: none"> Two Hi-Tech Weaving Parks have been inaugurated at Komarapalayam and Palladam. Another Hi-Tech Weaving Park is being set up at Andipatti.

Development Projects: Industrial Clusters and SEZs ... (3/3)



Source: tidco.com

Description	SEZ (No)
Notified SEZs	53
SEZs with Formal Approvals	69
SEZs with In-Principle Approvals	6

Source: sezindia.nic.in

Social Infrastructure – Education ... (1/2)

- Tamil Nadu has a literacy rate of 80.3 per cent according to the provisional data of Census 2011; the male literacy rate is 86.8 per cent and the female literacy rate is 73.9 per cent.
- Tamil Nadu is among the states running the Total Literacy Campaign, the Post-Literacy Mission and the Continuing Education Programme (CEP).
- In the State Budget 2012-13, an amount of US\$ 3.03 billion has been allocated to School Education Department.

Tamil Nadu's Primary Education Statistics (2011-12)

Number of Schools	Primary: 34,871 Middle: 9,969 High & Higher Secondary Schools: 10,827
Net Enrolment Ratio (in per cent)	Primary Level: 99.6 Upper Primary Level: 98.8
Pupil-Teacher Ratio	Primary: 27:1 Upper Primary: 29:1

Source: Tamil Nadu Policy Note on School Education 2012-13

Literacy Rate (%)

Total Literacy Rate	80.3
Male Literacy	86.8
Female Literacy	73.9

Source: Census 2011 (provisional data)

Social Infrastructure – Education ... (2/2)

- As of 2011-12, the state had 34,871 primary schools, 9,969 middle schools and 10,827 high & higher secondary schools.
- In 2011-12, students strength in the state was about 3.17 million in primary schools, 2.15 million in middle schools and 6.14 million in high and higher secondary schools.
- Private participation is being encouraged in technical and vocational education.

Educational Infrastructure as of 2011-12	
Universities	55
Colleges	2,267*
Medical Colleges	42**
Engineering Colleges	525
Polytechnics	447
Dental Colleges	18

Premier Institutions in Tamil Nadu
<ul style="list-style-type: none"> • University of Madras • Institute of Technology (IIT), Madras • Anna University • National Institute of Technology (NIT) • Madras Medical College • Christian Medical College (CMC), Vellore • Tamil Nadu Agricultural University • Tamil Nadu Veterinary and Animal Sciences University (TANUVAS)

Sources: Tamil Nadu Policy Note on Higher Education 2012-13, Tamil Nadu Policy Note on Health and Family Welfare 2012-13, University Grants Commission, Medical Council of India
*As of 2010-11
**As of December 2012

Social Infrastructure – Health

- The state has a three-tier health infrastructure comprising of Hospitals, Primary Health Centres, Health Units, Community Health Centres and Sub-Centres.
- As of March 2011, the state had 30 District Hospitals, 231 Sub Divisional Hospitals, 385 Mobile Medical Units, 1,204 Primary Health Centres, 8,706 Sub-Centres and 385 Community Health Centres.

Health Infrastructure (As of March 2011)

- District Hospitals: 30
- Sub Divisional Hospitals: 231
- Mobile Medical Units: 385
- Primary Health Centres: 1,204
- Sub-Centres: 8,706
- Community Health Centres: 385

Source: Ministry of Health & Family Welfare,
Government of India

Health Indicators of Tamil Nadu (2010-11)

Population Served Per Medical Institution (No)	6,681
Population Served Per Hospital Bed (No)	1,188
Birth Rate* (2011)	15.9
Death Rate* (2011)	7.4
Infant Mortality Rate** (2011)	22
Life Expectancy at Birth (years)	
Male (2002-06)	65.0
Female (2002-06)	67.4

Sources: Tamil Nadu Statistical Hand Book 2012, Department of Economics and Statistics, Government of Tamil Nadu, Sample Registration System (SRS) Bulletin 2012 (www.censusindia.gov.in), Planning Commission, Government of India
*Per thousand persons
**Per thousand live births

Cultural Infrastructure

- 
- Tamil Nadu is known as the Land of Temples; nearly 33,000 ancient temples – many at least 600 to 800 years old – are scattered all over the state.
 - The Sports Development Authority of Tamil Nadu (SDAT) is responsible for developing sports-related infrastructure in the state.
 - The M. A. Chidambaram Stadium of Chennai is an international cricketing arena with a capacity of 50,000; it also has the offices of the Tamil Nadu Cricket Association. The Chennai Open Tennis championships are held every January at the SDAT Tennis Stadium. The Jawaharlal-Nehru Stadium in Chennai is a multipurpose stadium that hosts football tournaments, and track and field events.
 - Chennai also hosts the Annual Madras Music Season during December-January; it includes performances by a number of artists, all over the city.
 - Bharatanatyam is a well known classical-dance form of Tamil Nadu.
 - From the beaches in the East to Nilgiri hills in the West, Tamil Nadu offers different types of avenues for adventure, leisure and culture tourism.

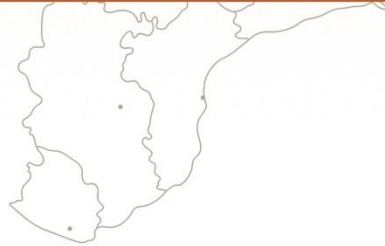
Tamil Nadu

MARCH
2013

BLEND OF TRADITION AND TECHNOLOGY

Contents

- ❖ Tamil Nadu – An Introduction
- ❖ Infrastructure Status
- ❖ Business Opportunities
- ❖ Doing Business in Tamil Nadu
- ❖ State Acts & Policies



For updated information, please visit www.ibef.org

Key Industries

- A large number of textile mills and engineering units are present around the city of Coimbatore. The districts of Coimbatore, Tirupur and Erode are referred to as the 'Textile Valley of India'.
- Over the decades, Tamil Nadu has seen major investments in the automotive industry, particularly, in cars, railway coaches, tractors, motorcycles, automobile spare parts and accessories, tyres and heavy vehicles. The automotive industry has a crucial role in driving the state's economy.
- Tamil Nadu Industrial Development Corporation Limited (TIDCO), State Industries Promotion Corporation of Tamil Nadu (SIPCOT), Tamil Nadu Industrial Investment Corporation Limited (TIIC) and Tamil Nadu Small Industries Development Corporation Limited (TANSIDCO) are jointly responsible for developing industrial infrastructure in the state.
- Tamil Nadu Industrial Guidance & Export Promotion Bureau has been constituted with the objective of attracting major investment proposals into Tamil Nadu.
- As of March 2012, the state had 760,000 registered Micro, Small and Medium Enterprises (MSMEs), providing employment to around 5.2 million persons with a total investment of around US\$ 8.22 billion.
- Tamil Nadu is an important IT hub. It is one of the largest software exporters by value in India. IT exports* from Tamil Nadu have increased from US\$ 3.0 billion in 2005-06 to US\$ 9.26 billion in 2010-11, registering a CAGR of 25.2 per cent.

*Including Puducherry

Key Industries in Tamil Nadu

- Textiles
- Heavy Commercial Vehicles
- Automobile and Auto Components
- Railway Coaches
- Power Pumps
- Leather Tanning Industries
- Cement
- Paper
- Safety Matches
- Steel
- IT and ITeS
- Electronics
- Drugs and Pharmaceuticals

Key Industries – Textiles ... (1/2)

→ The state has a notified SEZ for textile in Erode district with an area of 103.64 hectares.

- Tamil Nadu is known as the “Yarn Bowl” of the country.
- Tamil Nadu accounts for 46.1 per cent of the country's spinning capacity and it is the leading state in the country in the export of cotton yarn.
- Coimbatore and Tirupur are the major textile centres in Tamil Nadu. Tirupur is known as the ‘Knitting City’.
- Tamil Nadu produced about 1,482.79 million kg of spun yarn; it was about 34.0 per cent of the annual spun yarn production of the country during 2011-12. The capacity of the spinning mills in the state is around 22.24 million spindles.
- Tamil Nadu has 1,997 spinning mills (60.6 per cent of mills in India), 458,000 power looms and 207,000 handlooms.
- Karur, Madurai and Rajapalayam are the other textile centres in the state.

Some of the Key Players

- Madura Coats Pvt Ltd (MCL)
- Primus Fabrics
- Gem Spinners
- Lakshmi Mills

Key Industries – Textiles ... (2/2)

Coats India Ltd



- Coats is the world's largest supplier of Industrial sewing thread and crafts products. It is the world's second largest and fastest growing manufacturer of top quality zip fasteners. The company has operations in 70 countries.
- Industrial product manufacturing started in Madurai in 1944 and weaving unit was started in Ambasamudram in 1961.

Primus Fabrics



- Founded in 1950, the group turnover is US\$ 25 million for the spinning unit, US\$ 12 million for the weaving unit and US\$ 15 million for home textile exports.
- It manufactures and exports bed sheets, duvets and home textiles and is based in Tiruchengode.
- The total capacity is 50,000 spindles plus 1,120 rotors.

Gem Spinners India Ltd



- Established in 1994, the company produces quality knitted fabrics for the global market.
- The registered office is in Chennai. Export markets include Europe, Asia, Middle East and Africa.

Lakshmi Mills



- Established in 1910 at Coimbatore. Lakshmi Mills had a revenue of US\$ 30.89 million in 2011-12. It has two units to manufacture 100 per cent cotton yarns, blended yarns and yarns produced out of special fibres. Products manufactured include yarns, fabrics and garments.

Key Industries – Automotive Industry

... (1/2)

- Chennai is fast emerging as a major export hub of cars for the Southeast Asian and South African markets.
- Tamil Nadu has around 35.0 per cent share in the Indian automotive industry.
- Tamil Nadu's strong performance in the auto industry is because of the presence of skilled manpower with strong engineering capabilities.
- Tamil Nadu Government has signed Memorandum of Understanding (MOU) with five auto companies (Daimler India Commercial Vehicles, India Yamaha Motor, Ashok Leyland-Nissan, Eicher Motors and RPG Group company Philips Carbon Black) for an investment of upto US\$ 1.74 billion in the state.

Some of the Key Players

- Ford Motor Company
- Hyundai Motor India Ltd (HMIL)
- Mitsubishi Motors Corporation
- Ashok Leyland

Key Industries – Automotive Industry

... (2/2)



Ford Motor Company



- Established in 1995 with an investment of US\$ 351.1 million under the single-window policy, Ford in India is a wholly-owned subsidiary of Ford Motor Company.
- Its plant located at Maraimalai Nagar near Chennai, has the capacity to produce 100,000 vehicles per annum. Ford has completed the ongoing capacity expansion at its Chennai engine plant, ramping up annual engine production to 340,000. In November 2012, Ford India sold 5,944 vehicles in domestic market and exported 4,211 cars.

Hyundai Motor India Ltd (HMIL)



- Established in 1996 with an investment of US\$ 614 million, the company is a subsidiary of the Hyundai Motor Company.
- The plant in Chennai is spread over 500 acres and has been built with an initial investment of over US\$ 500 million and markets over 34 variants of passenger cars across seven models. The company reported 4.6 per cent growth in sales with sale of 593,448 units in 2012 (January-November) as against 567,090 units in 2011 (January-November).

Mitsubishi Motors Corporation



- Mitsubishi Motors is present in India through a tie up with Hindustan Motors and has set up a state-of-the-art manufacturing unit at Thiruvallur (near Chennai) at a cost of US\$ 71 million.
- The main functional areas of the facility are the body (weld) shop, paint shop, assembly shop and quality line.

Ashok Leyland



- Established by the Hinduja group in 1948, the company manufactures commercial vehicles. It had a turnover of US\$ 2.5 billion in 2011-12. It is India's largest exporter of medium and heavy duty trucks and was the first Indian automobile company to be awarded the ISO 9002 certification in 1993, it has the mother plant at Ennore (Chennai).
- The company has taken over the truck unit of the Czechoslovakia-based AVIA, giving it a foothold in the highly competitive European truck market.

Key Industries – Engineering ... (1/3)

- Tamil Nadu has a strong engineering base, which is concentrated in Chennai, Coimbatore and Salem.
- Exports of engineering products from Tamil Nadu were worth US\$ 4.7 billion in 2009-10.
- The state has network of nearly 3,000 engineering units, employing over 250,000 skilled workforce, making high-quality inputs including castings and forgings and a wide variety of ancillary products.
- Tamil Nadu Industrial Development Corporation Limited (TIDCO) has proposed to setup a sector specific SEZ for engineering sector in about 280 acres of land, at an estimated cost of around US\$ 219.02 million in Phase-1 of the project.

Some of the Key Players

- Amalgamations Group
- Bharat Heavy Electricals Ltd (BHEL)
- TVS Group
- Greaves Cotton Ltd

Key Industries – Engineering ... (2/3)

Amalgamations Group



- It is one of the largest engineering conglomerates with headquarters in Chennai.
- The group comprises 47 companies, 50 manufacturing plants and a workforce of more than 12,000. The group's primary focus is engineering and manufactures products for various sectors such as farm mechanisation, automotive components, diesel prime movers, light and general engineering.
- It has manufacturing units at Chennai, Hosur and Coimbatore in the state.

Bharat Heavy Electricals Ltd (BHEL)



- Established in 1964, BHEL is the largest engineering and manufacturing enterprise in India in the energy-related infrastructure sector. Its principal activities are to manufacture and distribute electrical, electronic, mechanical and nuclear power equipment.
- BHEL has a wide network of 15 manufacturing divisions, two repair units, eight service centres, four overseas offices, four regional offices and 15 regional centres, besides a large number of project sites. BHEL's plants are located at Ranipet and Thiruchirappalli.

Key Industries – Engineering ... (3/3)

TVS Group



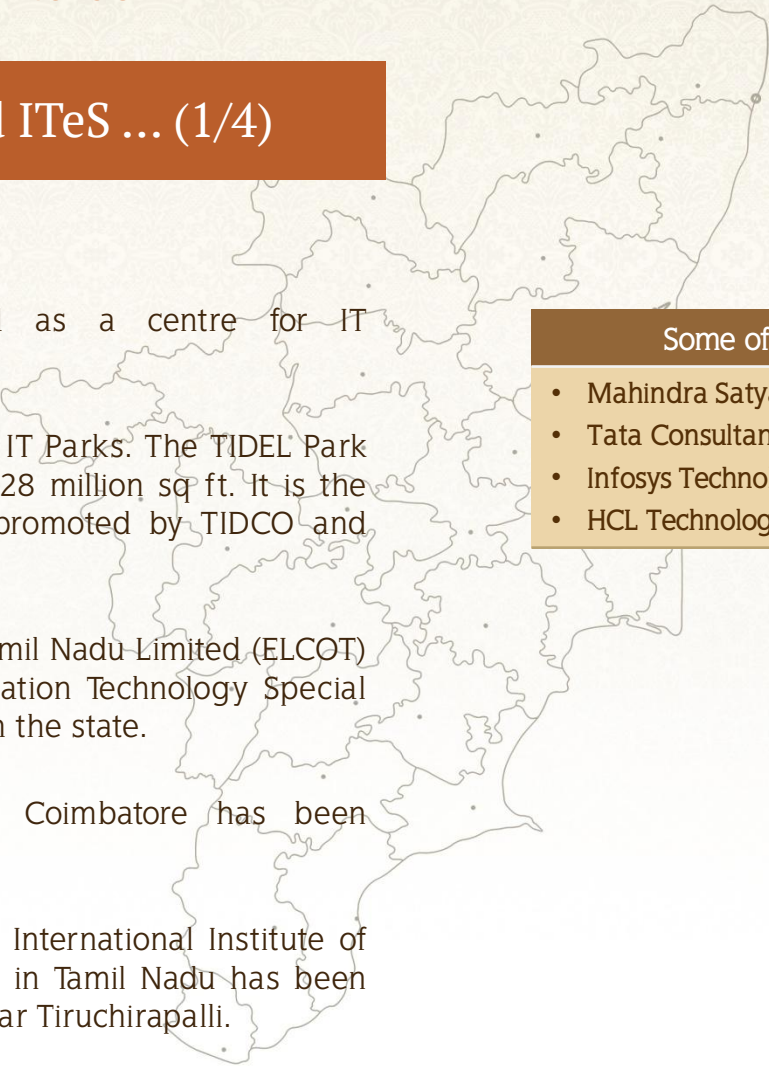
- Established in 1911 at Madurai, Tamil Nadu, TVS is India's leading supplier of automotive components and one of the leading business conglomerates. The group comprises of around 30 companies that operate in diverse fields that range from two-wheeler and automotive component manufacturing to automotive dealerships, finance and electronics. The group had a turnover of over US\$ 4 billion and is one of the largest manufacturers of automotive components in the country, with a workforce close to 25,000.
- TVS Motors had total two wheeler sales of 166,783 units in November 2012. TVS Motors, Brakes India, Lucas TVS, Sundram Fasteners and Wheels India are some of the major subsidiaries of the group. TVS Motors has its plant at Hosur in Tamil Nadu.

Greaves Cotton Ltd



- Established in 1859, Greaves Cotton had revenue of US\$ 367 million in 2011-12; its business divisions include agricultural equipments, automotive, auxiliary power, construction equipment and industrial engines.
- Greaves manufactures lightweight petrol, diesel and kerosene engines for the agricultural sector from its unit in Chennai. The company manufactures the complete range of construction equipment like transit mixers, concrete pumps, batching plants, etc. at its ISO 9001 certified Plants at Gummidipoondi (Tamil Nadu). It also manufactures the complete range of compaction equipment like vibratory soil compactors, heavy tandem rollers, light tandem rollers at the same unit.

Key Industries – IT and ITeS ... (1/4)

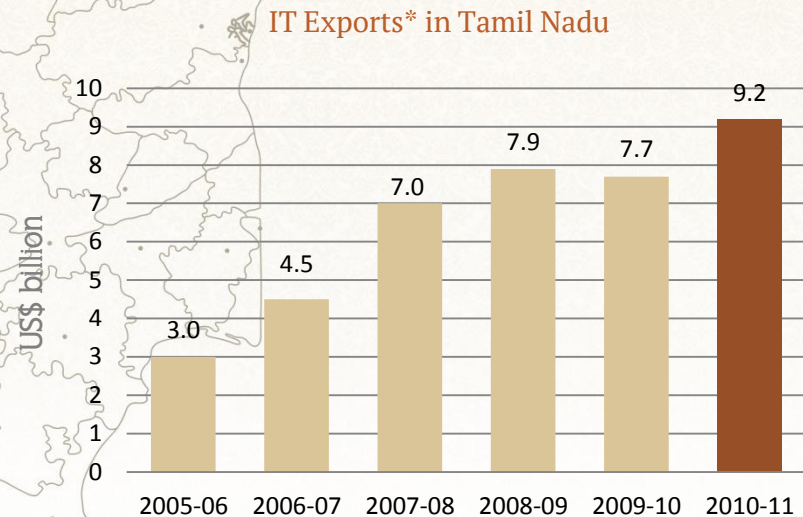
- 
- Tamil Nadu has emerged as a centre for IT investments.
 - Tamil Nadu has 22 approved IT Parks. The TIDEL Park in Chennai is spread over 1.28 million sq ft. It is the largest IT facility in India, promoted by TIDCO and ELCOT.
 - Electronics Corporation of Tamil Nadu Limited (ELCOT) has established eight Information Technology Special Economic Zones (ELCOSEZ) in the state.
 - A TIDEL Park (IT-SEZ) in Coimbatore has been inaugurated in August, 2010.
 - The land for setting up first International Institute of Information Technology (IIIT) in Tamil Nadu has been identified in Sethurapatty, near Tiruchirapalli.

Some of the Key Players

- Mahindra Satyam
- Tata Consultancy Services (TCS)
- Infosys Technologies
- HCL Technologies

Key Industries – IT and ITeS ... (2/4)

- The number of software units in Tamil Nadu has increased from 1,437 in 2006-07 to 1,766 in 2010-11.
- IT exports* from Tamil Nadu have increased from US\$ 3.0 billion in 2005-06 to US\$ 9.26 billion in 2010-11, registering a CAGR of 25.2 per cent.
- There are 16 operational SEZ's for IT/ITeS in the state.

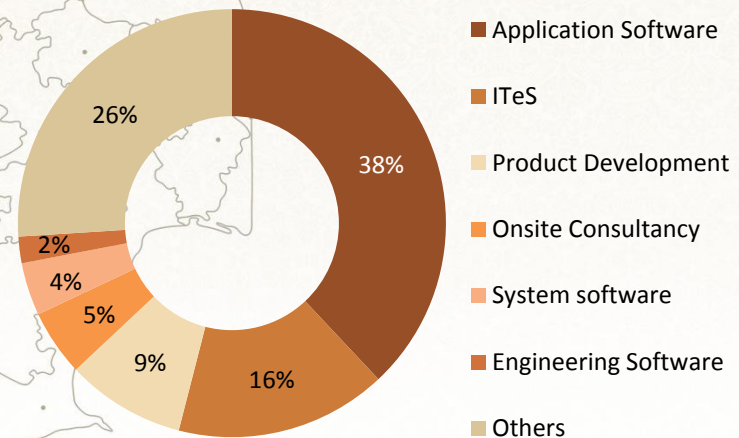


Source: Software Technology Parks of India, Chennai
*Including Puducherry

Key Industries – IT and ITeS ... (3/4)

- Software Technology Parks of India (STPI) Chennai was established in 1995. It has established its sub-centres at Trichy, Madurai, Tirunelveli, Coimbatore and Pondicherry.
- A majority of software exports from Tamil Nadu consists of application software.

IT Exports* from Tamil Nadu (2010-11)



Source: Software Technology Parks of India, Chennai
*Including Puducherry

Key Industries – IT and ITeS ... (4/4)

Mahindra Satyam



- Formerly, Satyam Computers, Mahindra Satyam was established in 1987 and has its global headquarters at Hyderabad and several offices in 38 countries including India.
- The company provides software solutions to over 370 customers including four of the top ten electronics and electrical equipment manufacturers, two of the world's largest beverage companies, three of the top ten in the aerospace and defence companies and two of the top five chemical manufacturers; has three offices in Chennai.

Tata Consultancy Services (TCS)



- A company of the TATA group of India, TCS is a well-recognised global service provider for a wide range of IT solutions including, consulting, BPO, engineering services and IT infrastructure.
- The company has offices across the world in 45 countries including around 80 locations in India; has offices at Chennai and Coimbatore.

Infosys Technologies



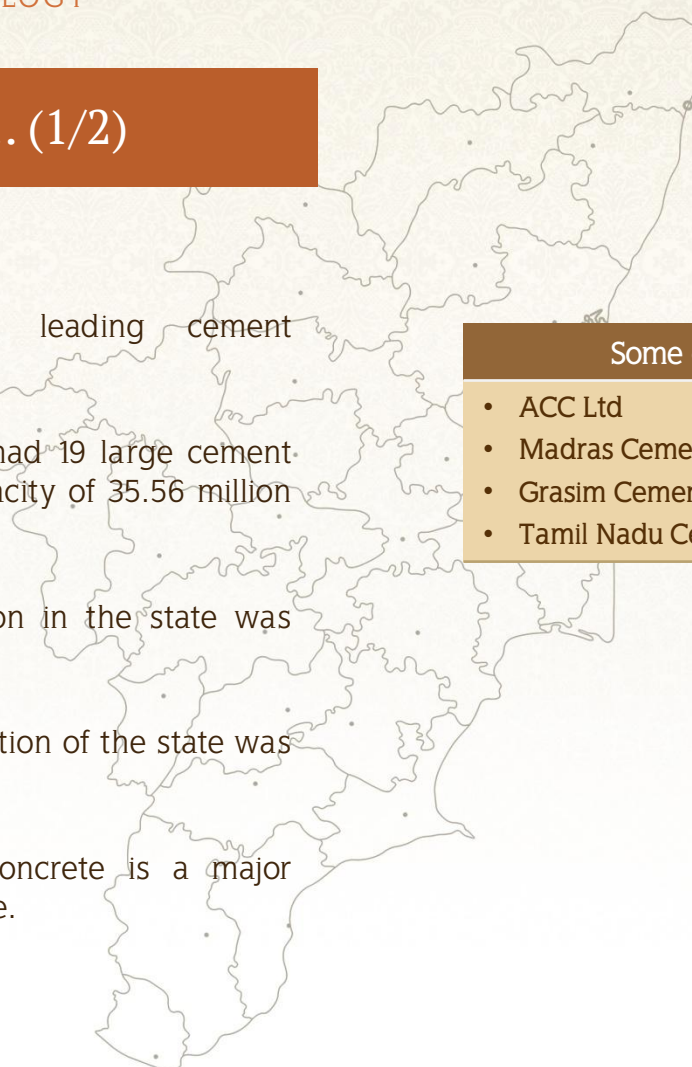
- Infosys was started in 1981; it is a leader in IT and consulting with revenue of over US\$ 6.99 billion; has a global footprint with 66 offices and 69 development centres in India, US, China, Australia, Japan, Middle East, UK, Germany, France, Switzerland, Netherlands, Poland, Canada and many other countries.
- The company has two offices in Chennai.

HCL Technologies



- Incorporated in 1976, HCL is a leading global technology and IT enterprise with consolidated revenues of US\$ 4.03 billion; the company's operations span 31 countries. It has delivery facilities in the US, the UK, Finland, Poland, Puerto Rico, Brazil, China, Malaysia, Singapore and India.
- HCL has several offices in Chennai.

Key Industries – Cement ... (1/2)

- 
- Tamil Nadu is among the leading cement manufacturers in the country.
 - As of November 2011, the state had 19 large cement plants with installed cement capacity of 35.56 million tonnes.
 - In 2010-11, the cement production in the state was 20.62 million tonnes.
 - In 2010-11, cement capacity utilisation of the state was 64.0 per cent.
 - The production of ready-mix concrete is a major activity of the industry in the state.

Some of the Key Players

- ACC Ltd
- Madras Cements Ltd
- Grasim Cements
- Tamil Nadu Cements Corp Ltd (TANCEM)

Key Industries – Cement ... (2/2)

ACC Ltd



- ACC Ltd (formerly The Associated Cement Companies Limited), is one of the largest cement manufacturer in the country with 30 Million Tonnes Per Annum (MTPA) capacity.
- The company has a cement plant in Madukkarai with a capacity of 1.18 MTPA and three ready mix concrete plants in Chennai in the state.

Madras Cements Ltd



- A flagship company of the Ramco Group, the company has a total production capacity of 13 MTPA.
- It has five cement plants and 2,626 employees. The company has three facilities in Tamil Nadu.

Grasim Cements



- Grasim acquired Dharani Cements (since merged with the company) in April 1998.
- The company has a cement plant at Reddipalayam, Tamil Nadu. In April 2000, a state-of-the-art cement plant, among the most modern in Asia, was commissioned at Reddipalayam, Tamil Nadu.
- The company has a total cement capacity of 52 MTPA.

Tamil Nadu Cements Corp Ltd (TANCEM)



- TANCEM is a wholly-owned Government of Tamil Nadu undertaking and has established business since April 1976.
- The company has an annual turnover of around US\$ 52.14 million. Products include cement, asbestos and pipes.
- Its plants are located at Alangulam and Ariyalur.

Key Industries – Banking and Financial Services ... (1/2)

- Chennai is a key financial centre in South India with major Indian financial institutions and foreign banks having a strong presence.
- Several banks have their back office operations in Chennai.

Key Players

- Scope International
- World Bank

Key Industries – Banking and Financial Services ... (2/2)

Scope International



- Scope is a wholly-owned subsidiary of Standard Chartered Bank, UK. The company is based in Chennai and has operations in shared services centres.
- It has grown to over 8,500 employees servicing 75 countries.

World Bank



- Commenced its BPO operations at Chennai in 2001.
- Many of the high value-added back office activities of the bank are now based in Chennai instead of Washington.

Key Industries – Drugs and Pharmaceuticals ... (1/2)

- Tamil Nadu is the fifth-largest pharmaceutical producing state in the country, next to Maharashtra, Gujarat, West Bengal and Andhra Pradesh.
- Tamil Nadu and Puducherry have companies producing mainly formulations, although there are some bulk drug manufacturers too.
- The Tamil Nadu Government has identified drugs and pharmaceutical industry of the state to provide special capital incentives for its substantial growth and development.
- Indian Drug Manufacturers Association (IDMA) plans to implement innovative programmes to boost the pharmaceutical industry in Tamil Nadu with special attention to enhance production and exports.

Some of the Key Players

- Orchid Chemicals & Pharmaceuticals
- Indian Drugs and Pharmaceuticals Ltd (IDPL)
- Medopharm Pharmaceuticals
- Sun Pharmaceutical Industries Ltd

Key Industries – Drugs and Pharmaceuticals ... (2/2)

Orchid Chemicals and Pharmaceuticals



- Established in July 1992 as a 100 per cent Export-Oriented Unit (EOU). The company employs over 4,500 people including scientists, technologists and other professionals.
- Has two manufacturing sites at Alathur (Chennai) and Aurangabad, and three manufacturing sites for dosage forms (at Irungattukottai and Alathur), besides two R&D centres (at Shozhanganallur and Irungattukottai).

Indian Drugs and Pharmaceuticals Ltd (IDPL)



- IDPL(TN) Ltd (a subsidiary of Indian Drugs and Pharmaceuticals Ltd) is situated at Nandambakkam, on the Chennai- Bengaluru Poonamallee high road; initially commissioned in 1965 predominantly as an engineering based company to manufacture surgical instruments.
- It has a large production capacity for manufacturing of formulations like tablets (900 million nos.) and capsules (200 million nos.).

Medopharm Pharmaceuticals



- Established in 1970, the company has registered office in Chennai; its operations span over 60 countries worldwide.
- Medopharm manufactures pharmaceutical formulations.

Sun Pharmaceutical Industries Ltd



- Established in 1983, the company manufactures specialty pharmaceuticals and APIs. The company has 17 manufacturing plants in three continents.
- It has a plant in the Kancheepuram district of Tamil Nadu.

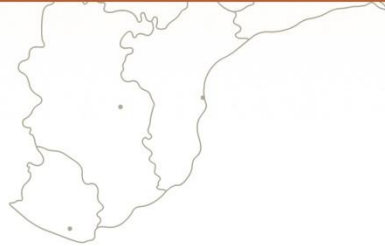
Tamil Nadu

MARCH
2013

BLEND OF TRADITION AND TECHNOLOGY

Contents

- ❖ Tamil Nadu – An Introduction
- ❖ Infrastructure Status
- ❖ Business Opportunities
- ❖ Doing Business in Tamil Nadu
- ❖ State Acts & Policies

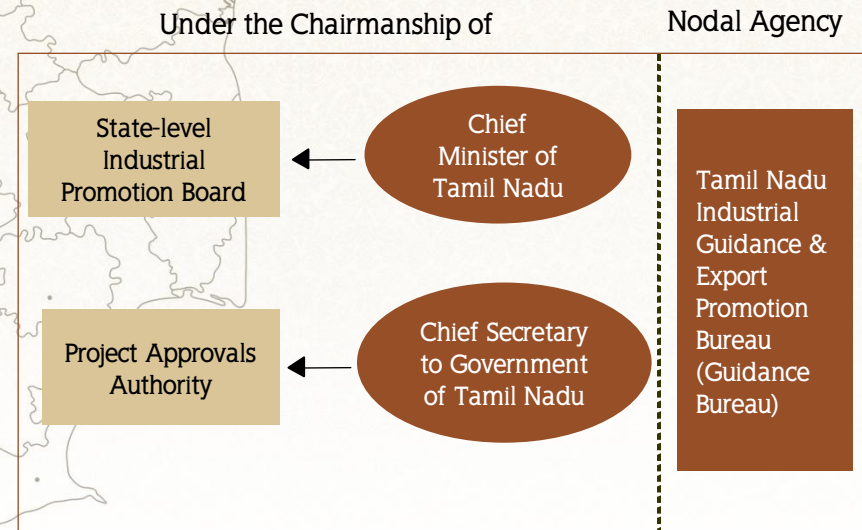


For updated information, please visit www.ibef.org

Two-Tier Single-Window Mechanism (SWM)

- Single-Window Clearance Mechanism has been established to avoid procedural delays and accord all pre-project clearances at the State Government level:
- Project Approvals Authority (PAA) under the Chief Secretary to government to monitor and hasten projects with investments less than US\$ 20 million.
- State-level Investment Promotion Board (SIPB) under the chairmanship of the Chief Minister of Tamil Nadu to monitor and expedite all mega projects exceeding US\$ 20 million.
- Common Application Form (CAF): The Government of Tamil Nadu has introduced a CAF to be filled and filed by investors with the Documentation and Clearance Centre (DCC) in the Guidance Bureau.

SWM Structure in Tamil Nadu



Source: Directorate of Industries and Commerce, Government of Tamil Nadu

Key Investment Promotion Offices ... (1/2)



Agency	Description
Tamil Nadu Industrial Development Corporation Limited (TIDCO)	<ul style="list-style-type: none"> Established in 1965 as a Government of Tamil Nadu enterprise to promote large and medium scale industries in Tamil Nadu. It focuses on promoting infrastructure projects, industrial parks and special economic zones.
State Industries Promotion Corporation of Tamil Nadu (SIPCOT)	<ul style="list-style-type: none"> Focuses on developing, marketing and maintaining industrial complexes/parks and growth centres, and implementing infrastructure development schemes.
Tamil Nadu Industrial Investment Corporation Limited (TIIC)	<ul style="list-style-type: none"> Provides financial assistance by way of term loans for purchase of land, plant and machinery, and construction of buildings for setting up of new industrial units as well as for expansion, modernisation and diversification of existing units; also extends term loans to the service sector in the state.
Tamil Nadu Urban Development Fund (TNUDF)	<ul style="list-style-type: none"> Provides project advisory, financial advisory and consultancy services to various Urban Local Bodies (ULBs) through its fund manager, Tamil Nadu Urban Infrastructure Financial Services Limited (TNUIFSL).



Key Investment Promotion Offices ... (2/2)



Agency	Description
Tamil Nadu Urban Finance and Infrastructure Development Corporation (TUFIDCO)	<ul style="list-style-type: none"> Extends financial assistance to urban infrastructure schemes in Tamil Nadu.
Electronics Corporation of Tamil Nadu Limited (ELCOT)	<ul style="list-style-type: none"> Nodal agency for information and communication technology projects for the Government of Tamil Nadu. It focuses on three broad areas, namely, IT promotion for the state of Tamil Nadu, IT procurement for the Government of Tamil Nadu and e-governance excellence within Tamil Nadu.
Tamil Nadu Small Industries Development Corporation (TANSIDCO)	<ul style="list-style-type: none"> TANSIDCO, an undertaking of the Government of Tamil Nadu, plays a catalytic role in the promotion and development of small scale industries and in the speedy setting up of industries throughout Tamil Nadu.



Contact List ... (1/2)

Agency	Contact Information
Tamil Nadu Industrial Development Corporation Limited (TIDCO)	19-A, Rukmini Lakshmi pathy Road, Egmore, Chennai-600 008 Phone: 91-44-2855 4421 E-mail: cmd.tidco@nic.in Website: www.tidco.com
State Industries Promotion Corporation of Tamil Nadu (SIPCOT)	19-A, Rukmini Lakshmi pathy Road, Egmore, Chennai-600 008 Phone: 91-44-2855 4787 Fax: 91-44-2851 3978 E-mail: sipcot@md3.vsnl.net.in Website: www.sipcot.com
Tamil Nadu Industrial Investment Corporation Limited (TIIC)	New no: 692, Anna Salai, Nandanam, Chennai-600 035 Phone: 91-44-2433 1203 Fax: 91-44-2434 7209 E-mail: ho@tiic.in Website: www.tiic.org

Contact List ... (2/2)

Agency	Contact Information
Tamil Nadu Urban Infrastructure Financial Services Ltd	112, Theyagaraya Road, 1st Floor, Vairam Complex, Theyagaraya Road, T.Nagar, Chennai – 600 017 Phone: 91-44-2815 3104, 2815 3105 Fax: 91-44-2815 3106 E-mail: cmd@tnuifsl.com Website: www.tnudf.com
Electronics Corporation of Tamil Nadu Limited (ELCOT)	692, M.H.U. Complex, II Floor, Anna Salai, Nandanam, Chennai-600 035 Phone: 91-44-6551 2330 Fax: 91-44-2433 0612 E-mail: secyit@tn.nic.in Website: www.elcot.in
Tamil Nadu Small Industries Development Corporation (TANSIDCO)	Thiru Vi Ka Industrial Estate, Chennai - 600 032 Phone: 91-44-2250 1461, 2250 1422, 2250 0185, 2250 0506, 2250 1210 Fax: 91-44-2250 0792 E-mail: sidco@vsnl.com Website: www.sidco.tn.nic.in



Key Approvals Required

Approvals and Clearances Required	Departments to be Consulted	Estimated Time Taken (days)
Incorporation of the Company	Registrar of Companies	Single-Window Clearance Guidance (state's single-window clearance facility) clears investment proposals in 30 days on an average. The single-window obtains all approvals necessary for the investment proposal within the aforementioned time
Registration, Industrial Entrepreneurs Memorandum (IEM), Industrial Licences	District Industry Centre	
Allotment of Land	Tamil Nadu Department of Industries/State Industrial Development Corporation	
Permission for Land Use	Tamil Nadu Department of Industries/Tamil Nadu Industrial Development Corporation, Department of Town and Country Planning	
Site Environmental Approvals	Tamil Nadu Pollution Control Board (TNPCB) and Union Ministry of Environment and Forests	
No-Objection Certificate and Consent under Water and Pollution Control Acts	Tamil Nadu Pollution Control Board	
Approval of Construction Activity and Building Plan	Department of Town and Country Planning (DTCP)	
Sanction of Power	Tamil Nadu Electricity Board (TNEB)	
Registration under States Sales Tax Act and Central and State Excise Acts	Sales Tax Department, Central and State Excise Departments	

Cost of Doing Business in Tamil Nadu

Cost Parameter	Cost Estimate	Source
Industrial Land (per sq ft)	US\$ 5 to US\$ 120 (Chennai)	Industry Sources
Five Star Hotel (per room per night)	US\$ 100 to US\$ 300	Leading Hotels in the State
Office Space Rent (per sq ft per month)	US\$ 0.7 to US\$ 3.1	Industry Sources
Residential Space Rent (2,000 sq ft house)	US\$ 350 to US\$ 1,540 per month	Industry Sources
Power (per kWh)	Commercial US 9 cents to US 13.6 cents Industrial: US 3 cents to US 10.4 cents	Tamil Nadu Electricity Board
Labour (minimum wages per day)	US\$ 2.4 to US\$ 5.0	Ministry of Labour and Employment, Government of India
Water (per 1,000 litres)	Commercial and Industrial: US 33 cents	Tamil Nadu Water Supply and Drainage Board

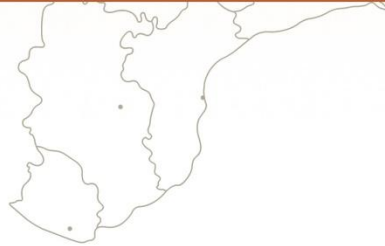
Tamil Nadu

MARCH
2013

BLEND OF TRADITION AND TECHNOLOGY

Contents

- ❖ Tamil Nadu – An Introduction
- ❖ Infrastructure Status
- ❖ Business Opportunities
- ❖ Doing Business in Tamil Nadu
- ❖ State Acts & Policies



For updated information, please visit www.ibef.org

State Acts & Policies ... (1/3)

Tamil Nadu Solar Energy Policy 2012

Objectives

- To achieve energy security.
- To reduce carbon emissions.
- To project Tamil Nadu as a solar hub.

[Read more](#)

E-Waste Policy 2010

Objective

- To minimise e-waste generation, utilise e-waste for beneficial purposes through environmentally sound recycling, ensure environmentally sound disposal of residual waste.

[Read more](#)

Tamil Nadu Business Facilitation Bill 2009

Objective

- Introduced in July 2009 to facilitate the single-window clearance system, with the statutory powers to hasten project approvals.

[Read more](#)

State Acts & Policies ... (2/3)

Micro, Small and Medium Industries Policy 2008

Objectives

- To develop Micro, Small and Medium Enterprises (MSME) in the state.
- To encourage the export of the products of micro, small and medium enterprises in the state.

[Read more](#)

Information Communication Technology (ICT) Policy 2008

Objective

- To make Tamil Nadu the ICT Hub of South Asia by creating a knowledge driven ecosystem, leveraging entrepreneurship and promoting socially inclusive growth to achieve a 25.0 per cent production share of the Indian ICT industry.

[Read more](#)

Industrial Policy 2007

Objective

- To stimulate further industrial development, attract investments, facilitate setting up of new manufacturing units and enable global manufacturing competence and competitiveness of local industry.

[Read more](#)

State Acts & Policies ... (3/3)

Tamil Nadu ITeS Policy 2005

Objectives

- To facilitate the growth of ITeS sector.
- To attract increased foreign direct investments in the state.

[Read more](#)

Tamil Nadu SEZ Policy 2003

Objectives

- Providing legislative support to SEZs.
- Providing adequate water supply to SEZs.
- Ensuring continuous power supply of required quality to SEZ units.
- Providing single-window clearance to all SEZ units.

[Read more](#)

Annexure

Exchange Rates

Year	INR equivalent of one US\$
2004-05	44.95
2005-06	44.28
2006-07	45.28
2007-08	40.24
2008-09	45.91
2009-10	47.41
2010-11	45.57
2011-12	47.94

Average for the year

Disclaimer

India Brand Equity Foundation ("IBEF") engaged GenX Info Technologies Pvt Ltd ("GenX") to prepare this presentation and the same has been prepared by GenX in consultation with IBEF.

All rights reserved. All copyright in this presentation and related works is solely and exclusively owned by IBEF. The same may not be reproduced, wholly or in part in any material form (including photocopying or storing it in any medium by electronic means and whether or not transiently or incidentally to some other use of this presentation), modified or in any manner communicated to any third party except with the written approval of IBEF.

This presentation is for information purposes only. While due care has been taken during the compilation of this

presentation to ensure that the information is accurate to the best of GenX's and IBEF's knowledge and belief, the content is not to be construed in any manner whatsoever as a substitute for professional advice.

GenX and IBEF neither recommend nor endorse any specific products or services that may have been mentioned in this presentation and nor do they assume any liability or responsibility for the outcome of decisions taken as a result of any reliance placed on this presentation.

Neither GenX nor IBEF shall be liable for any direct or indirect damages that may arise due to any act or omission on the part of the user due to any reliance placed or guidance taken from any portion of this presentation.