# TAMIL NADU

## BLEND OF TRADITION AND TECHNOLOGY
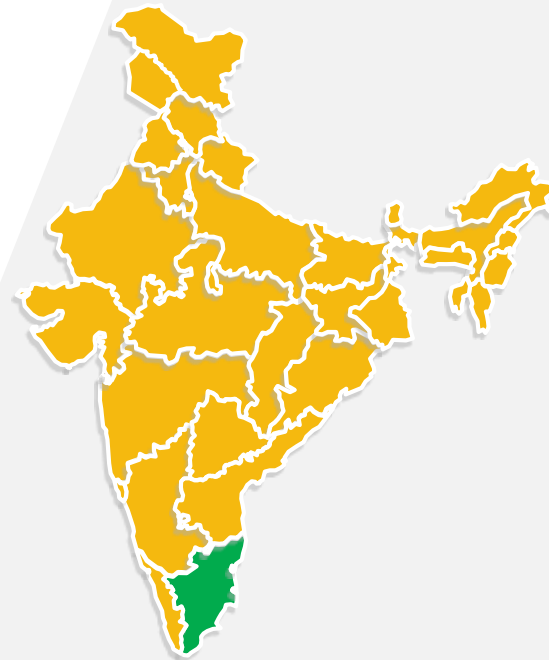
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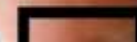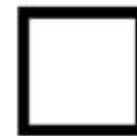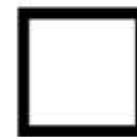
| | |
|---|---|
| **Strong growth in GSDP** | ▪ Gross State Domestic Product (GSDP) of Tamil Nadu grew at a CAGR of 11.46 per cent between 2011-12 and 2018-19, reaching about Rs 16.06 trillion (US$ 222.58 billion) in 2018-19.<br><br>▪ Per capita GSDP of Tamil Nadu stood at Rs 207,519.98 (US$ 2,876.23) in 2018-19 at current prices. |
| **Strong investment climate & Human resource** | ▪ The cumulative FDI inflows* in the state during April 2000 to September 2019 amounted to US$ 31.19 billion.<br><br>▪ Tamil Nadu has 59 universities, 40 medical colleges, 517 engineering colleges, 447 polytechnics & 20 dental colleges. |
| **Diversified industrial base** | ▪ Tamil Nadu has a diversified manufacturing sector and features among the leading states in several industries like garments & textile products, IT & ITeS, etc.<br><br>▪ It ranks first among the states in terms of number of factories and industrial workers. |
| **Thriving services sector** | ▪ As of March 2019, IT & ITeS exports from Tamil Nadu have increased to Rs 1.39 lakh crore (US$ 19.9 billion) in 2018-19, at a growth rate of 10 per cent year-on-year.<br><br>▪ It has a thriving tourism sector & ranks 1st in India in terms of number of domestic tourist arrivals & 2nd in foreign tourist arrivals in 2017(P). |
| **Robust infrastructure** | ▪ It has well developed infrastructure with an excellent road and rail network, three major ports, 23 minor ports, and seven airports across the state providing excellent connectivity.<br><br>▪ In line with Vision 2023, it aims to step up infrastructure investment from 4-5 per cent of GSDP to about 11.5 per cent by 2019.<br><br>▪ Roads & highways, ports, railways, education and healthcare are likely to see major investments.<br><br>▪ The state also plans to develop 2 industrial corridors – Chennai-Bengaluru & Madurai-Tuticorin. |

*Note: E – Expected, * – includes Pondicherry, IT - Information and Technology, ITeS – IT enabled services, P - Provisional*
*Source: Central Statistics Office, Department for Promotion of Industry and Internal Trade ,[1]Including Puducherry, News articles*

# INTRODUCTION

| 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) | 72.14 |
| Male population (million) | 36.13 |
| Female population (million) | 36.00 |
| Sex ratio (females per 1,000 males) | 996 |
| Literacy rate (%) | 80.09 |

- Tamil Nadu is the southern-most Indian state, surrounded by Andhra Pradesh on the north, Karnataka & Kerala on the west, Indian Ocean on the south, and Bay of Bengal on 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 & as a medium of education.

- Chennai, Coimbatore, Madurai, Thiruchirappalli, Salem, Tirunelveli & Erode are some of the key cities in the state.

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

*Source: Government of Tamil Nadu website, Census 2011, Maps of India*

## High economic growth

- The GSDP at current price of Tamil Nadu grew at a CAGR of 11.46 per cent between 2011-12 and 2018-19.
- Total merchandise exports from the state stood at US$ 30.52 billion during 2018-19.
- According to the Good Governance Index 2019, Tamil Nadu ranked first in terms of governance.

## Rich talent pool

- The state has a highly qualified, skilled, disciplined, productivity-oriented and English-speaking human resource pool.
- Tamil Nadu produces nearly 4 lakh engineering & polytechnic students every year, the highest in the country.
- During September 2017 – October 2019, 50,606 formal jobs were created in Tamil Nadu.*
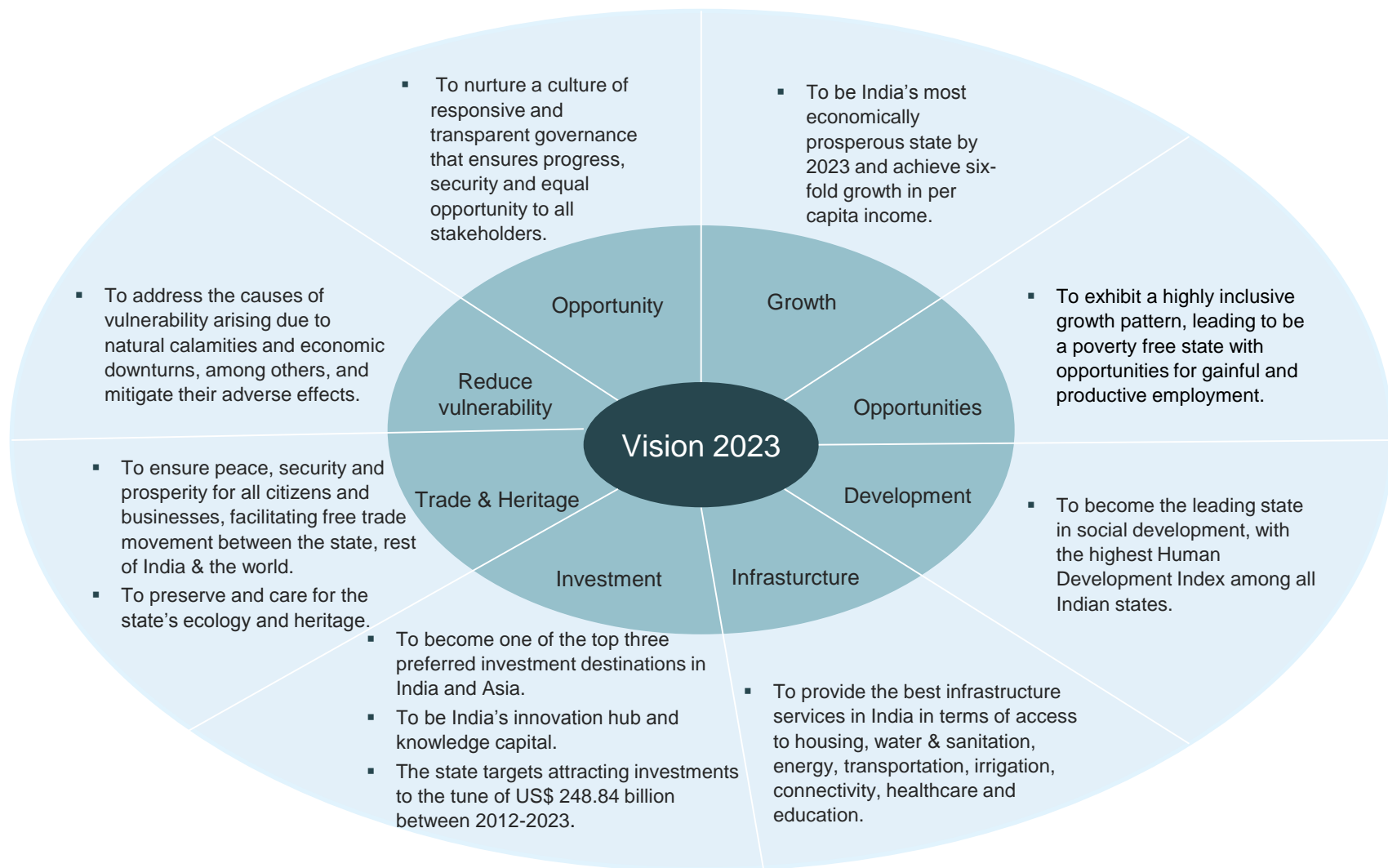
### Advantage Tamil Nadu

## Infrastructure

- Tamil Nadu has well-developed social, physical and industrial infrastructure and virtual connectivity.
- Excellent road and rail network, three major ports, 15 minor ports and seven airports provide excellent connectivity.
- It is one of the first states in India to have 100 per cent metalled road connectivity.

## Large industrial base

- Tamil Nadu has a range of manufacturing industries such as automobiles & components, castings & forgings, pumps & motors, garments & textile products, leather products, chemicals & plastics.
- Tamil Nadu ranks first among all states in terms of the number of factories and industrial workers.
- India and China have agreed to develop Chennai-Chongqing as sister cities.

*Note: * - According to Employees' Provident Fund Organisation (EPFO) data*
*Source: Ministry of Statistics and Programme Implementation, March 2015. Tamil Nadu Vision 2023 at 2010 Prices; News articles*

- To nurture a culture of responsive and transparent governance that ensures progress, security and equal opportunity to all stakeholders.
- To be India's most economically prosperous state by 2023 and achieve six-fold growth in per capita income.
- To address the causes of vulnerability arising due to natural calamities and economic downturns, among others, and mitigate their adverse effects.
- To exhibit a highly inclusive growth pattern, leading to be a poverty free state with opportunities for gainful and productive employment.
- To ensure peace, security and prosperity for all citizens and businesses, facilitating free trade movement between the state, rest of India & the world.
- To preserve and care for the state's ecology and heritage.
- To become the leading state in social development, with the highest Human Development Index among all Indian states.
- To become one of the top three preferred investment destinations in India and Asia.
- To be India's innovation hub and knowledge capital.
- The state targets attracting investments to the tune of US$ 248.84 billion between 2012-2023.
- To provide the best infrastructure services in India in terms of access to housing, water & sanitation, energy, transportation, irrigation, connectivity, healthcare and education.

Opportunity · Growth · Reduce vulnerability · Opportunities · Trade & Heritage · Development · Investment · Infrasturcture · **Vision 2023**

*Source:* Government of Tamil Nadu

**Tamil Nadu's Contribution to Indian Economy (2018-19)**

| Parameter | Tamil Nadu | India |
|---|---|---|
| GSDP as a percentage of all states' GSDP | 8.43 | 100.0 |
| GSDP growth rate** (%) | 12.32 | 11.5 |
| Per capita GSDP* (US$) | 2,876.23 | 1,982.65 |

**Social Indicators**

| Parameter | Tamil Nadu | India |
|---|---|---|
| Literacy rate (%) | 80.09 | 73.0 |
| Birth rate (per 1,000 population) | 15.0 | 20.4 |

**Industrial Infrastructure**

| Parameter | Tamil Nadu | India |
|---|---|---|
| Operational PPP projects (No) | 84 | 1877 |
| Exporting SEZs (No) (As of March 2019) | 35 | 231 |

**Physical Infrastructure in Tamil Nadu**

| Parameter | Tamil Nadu | India |
|---|---|---|
| Installed power capacity (MW) (As on November 2019) | 31,929.09 | 365,980.54 |
| Wireless subscribers(Mn) (As on October 2019) | 83.19 | 1183.40 |
| Internet subscribers(Mn) (As on June 2019) | 46.96 | 665.31 |
| National highway length (km) | 6,742 | 1,32,499 |
| Major and minor ports (No) | 3 + 15 | 12+200 |
| Airports (No) | 8 | 129 |

**Investments (as of September 2019)**

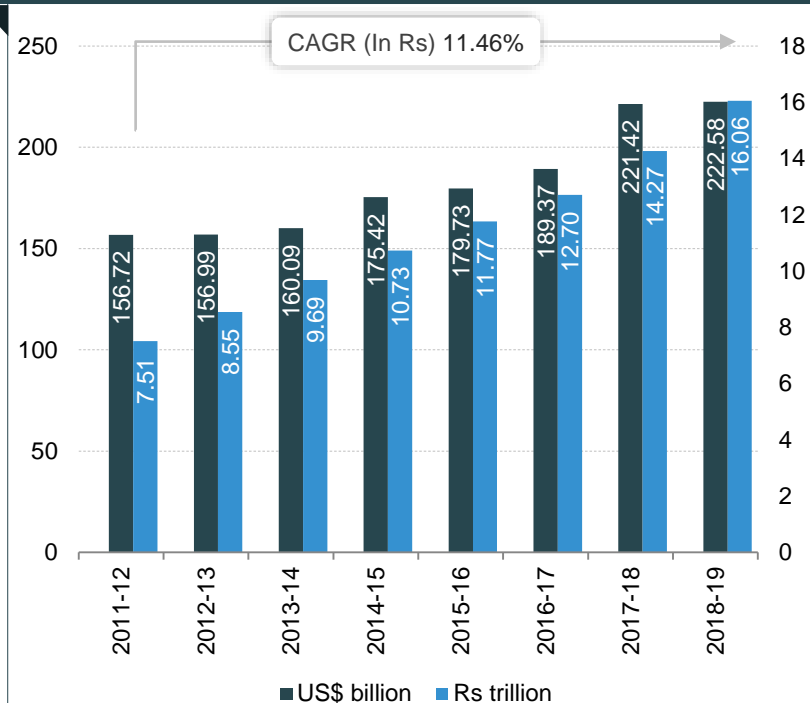| Parameter | Tamil Nadu* | India |
|---|---|---|
| Cumulative FDI equity inflows since April 2000 (US$ billion) | 31.19 | 446.23 |

*Note: GSDP, per capita GSDP figures are for 2017-18 taken at current prices, Conversion rate: 64.45, For source refer to Annexure, * - Includes Pondicherry, ** - year-on-year*

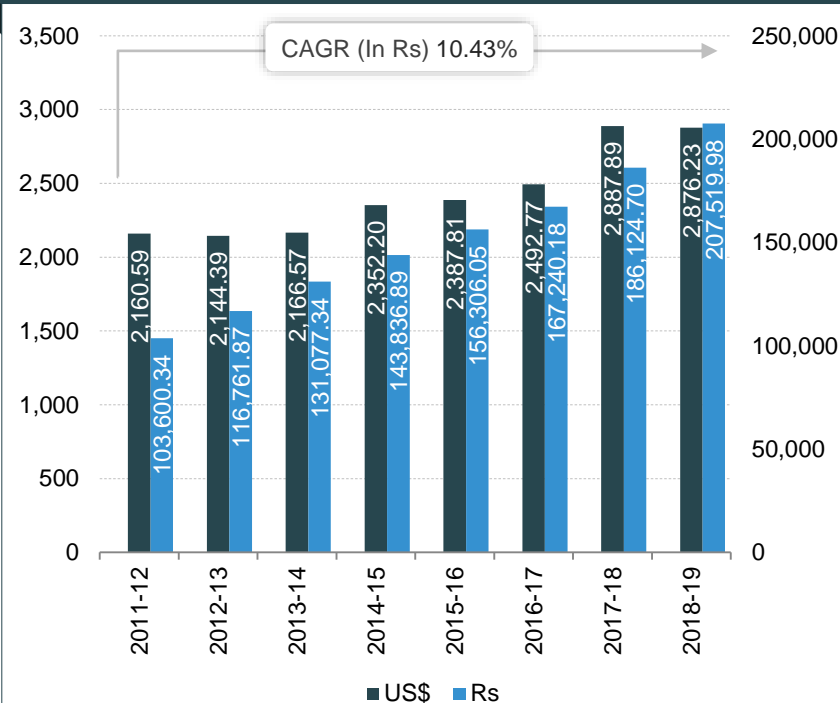# ECONOMIC SNAPSHOT

## GSDP of Tamil Nadu at current prices

CAGR (In Rs) 11.46%

| Year | US$ billion | Rs trillion |
|------|-------------|-------------|
| 2011-12 | 156.72 | 7.51 |
| 2012-13 | 156.99 | 8.55 |
| 2013-14 | 160.09 | 9.69 |
| 2014-15 | 175.42 | 10.73 |
| 2015-16 | 179.73 | 11.77 |
| 2016-17 | 189.37 | 12.70 |
| 2017-18 | 221.42 | 14.27 |
| 2018-19 | 222.58 | 16.06 |

■ US$ billion  ■ Rs trillion

## GSDP per capita of Tamil Nadu at current prices

CAGR (In Rs) 10.43%

| Year | US$ | Rs |
|------|-----|-----|
| 2011-12 | 2,160.59 | 103,600.34 |
| 2012-13 | 2,144.39 | 116,761.87 |
| 2013-14 | 2,166.57 | 131,077.34 |
| 2014-15 | 2,352.20 | 143,836.89 |
| 2015-16 | 2,387.81 | 156,306.05 |
| 2016-17 | 2,492.77 | 167,240.18 |
| 2017-18 | 2,887.89 | 186,124.70 |
| 2018-19 | 2,876.23 | 207,519.98 |

■ US$  ■ Rs

- At current prices, Tamil Nadu's GSDP was about Rs 16.06 trillion (US$ 222.58 billion) in 2018-19.

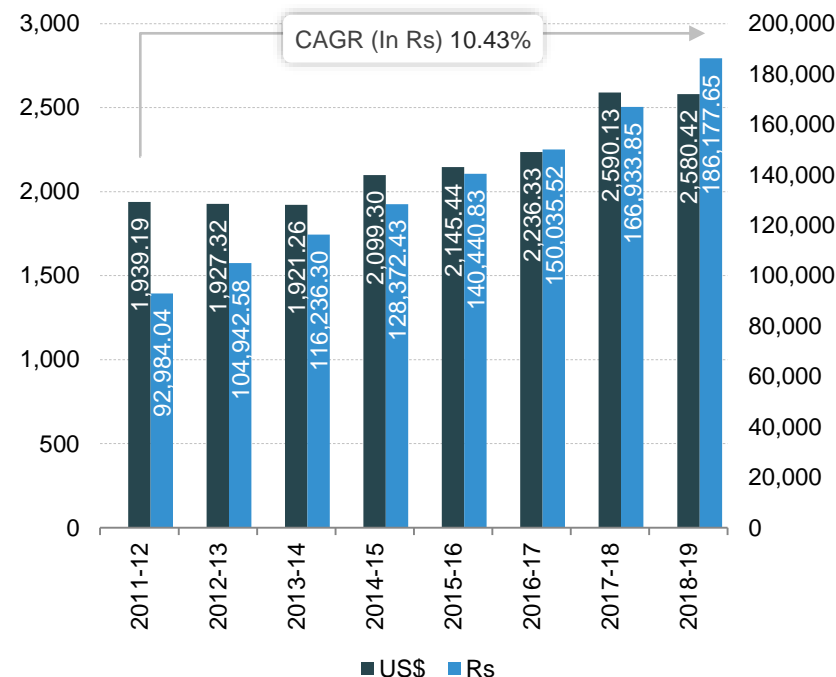- The GSDP of the state grew at a CAGR of 11.46 per cent between 2011-12 and 2018-19.

- The state's per capita GSDP was Rs 207,519.98 (US$ 2,876.23) in 2018-19.

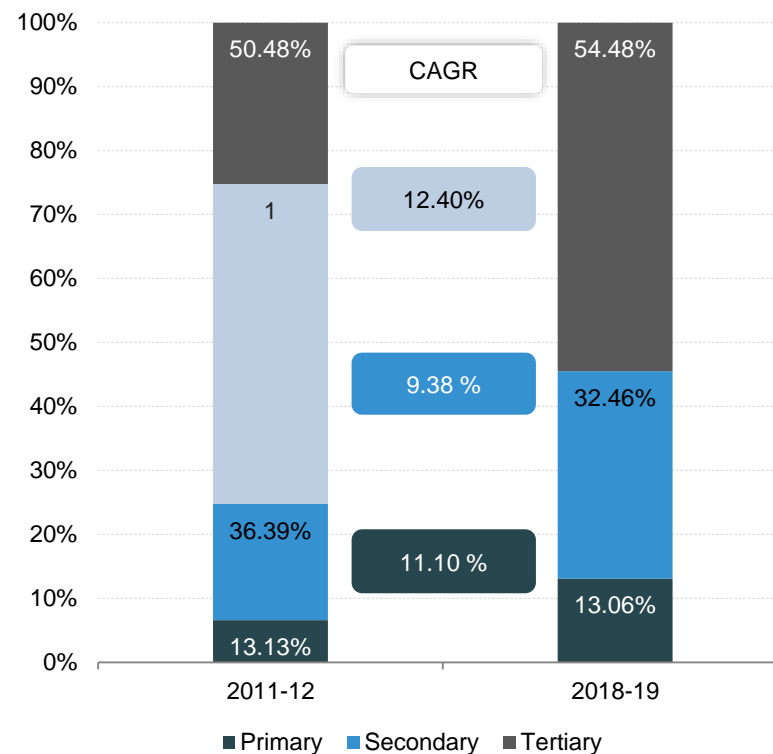- Per capita GSDP increased at a CAGR of 10.43 per cent between 2011-12 and 2018-19.

*Note:* *Conversion rate as per slide 53*
*Source:* *Ministry of Statistics and Programme Implementation*

## NSDP of Tamil Nadu at current prices



CAGR (In Rs) 11.45%

| Year | US$ billion | Rs trillion |
|---|---|---|
| 2011-12 | 140.66 | 6.74 |
| 2012-13 | 141.10 | 7.68 |
| 2013-14 | 141.96 | 8.59 |
| 2014-15 | 156.56 | 9.57 |
| 2015-16 | 161.49 | 10.57 |
| 2016-17 | 169.89 | 11.40 |
| 2017-18 | 198.59 | 12.80 |
| 2018-19 | 199.69 | 14.41 |

■ US$ billion  ■ Rs trillion

## NSDP per capita of Tamil Nadu at current prices



CAGR (In Rs) 10.43%

| Year | US$ | Rs |
|---|---|---|
| 2011-12 | 1,939.19 | 92,984.04 |
| 2012-13 | 1,927.32 | 104,942.58 |
| 2013-14 | 1,921.26 | 116,236.30 |
| 2014-15 | 2,099.30 | 128,372.43 |
| 2015-16 | 2,145.44 | 140,440.83 |
| 2016-17 | 2,236.33 | 150,035.52 |
| 2017-18 | 2,590.13 | 166,933.85 |
| 2018-19 | 2,580.42 | 186,177.65 |

■ US$  ■ Rs

- Tamil Nadu's Net State Domestic Product (NSDP) was about Rs 14.41 trillion (US$199.69 billion) in 2018-19.

- NSDP of the state grew at a CAGR of 11.45 per cent between 2011-12 and 2018-19.

- The state's per capita NSDP was Rs 186,177.65 (US$ 2,580.42) in 2018-19.

- The per capita NSDP increased at a CAGR of 10.43 per cent between 2011-12 and 2018-19.

*Note: Conversion rate as per slide 53*
*Source: Ministry of Statistics and Programme Implementation*

- In 2018-19, the tertiary sector contributed 54.48 per cent to the state's GSVA at current prices, followed by the secondary sector at 32.46 per cent

- The tertiary sector grew at an average rate of 12.40 per cent between 2011-12 & 2018-19., driven by trade, hotels, real estate, finance, insurance, transport, communications & other services.

- The secondary sector grew at an average rate of 9.38 per cent between 2011-12 & 2018-19. mainly driven by manufacturing & construction sectors.

- The primary sector grew at an average rate of 11.10 per cent between 2011-12 & 2018-19.

### Percentage distribution of GSVA



| 2011-12 | CAGR | 2018-19 |
|---|---|---|
| 50.48% | | 54.48% |
| 1 | 12.40% | 32.46% |
| 36.39% | 9.38 % | 13.06% |
| 13.13% | 11.10 % | |

■ Primary  ■ Secondary  ■ Tertiary

*Source:* *Ministry of Statistics and Programme Implementation*

- According to the DPIIT, cumulative FDI inflows* in Tamil Nadu during April 2000 to September 2019 stood at US$ 31.20 billion.

- Tamil Nadu organised its second Global Investor Meet (GIM) on January 23 and 24, 2019. The state surpassed the targeted investment and attracted Rs 3.4 lakh crore (US$ 48.65 billion) investment in 12 sectors including automobile, textiles, renewable energy, etc.

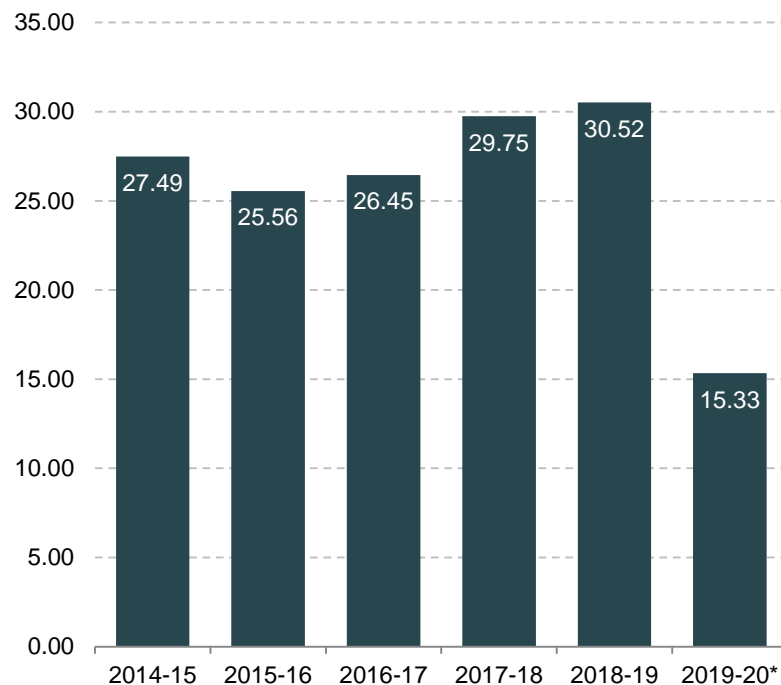- Around 146 MoUs were signed with an expectation to generate 10.5 lakh job opportunities in the state.

**FDI inflows in Tamil Nadu
April 2000-September 2019 (US$ billion)***
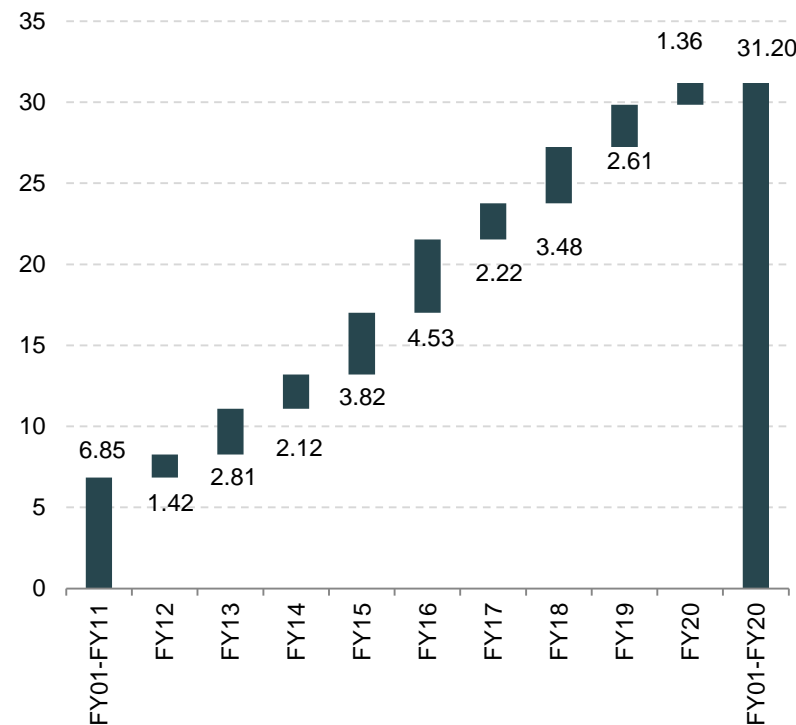


**Note:** * - *Including Pondicherry*
**Source:** *Directorate of Economics & Statistics of Tamil Nadu, Department for Promotion of Industry and Internal Trade*

## Export Trend (US$ billion)

| Year | Value |
|------|-------|
| 2014-15 | 27.49 |
| 2015-16 | 25.56 |
| 2016-17 | 26.45 |
| 2017-18 | 29.75 |
| 2018-19 | 30.52 |
| 2019-20* | 15.33 |

## Composition of Major Items Exported from Tamil Nadu (April-September 2019)

- Motor Vehicles/Cars — 12.81%
- RMG Cotton including Accessories — 11.17%
- Auto Components/Parts — 6.37%
- Cotton Fabrics, Madeups etc — 3.96%
- Footwear of Leather — 3.51%
- RMG of other Textiles materials — 3.66%
- Industrial Machinery for Dairy etc — 3.25%
- Electric Machinery and — 2.74%
- Others — 52.54%
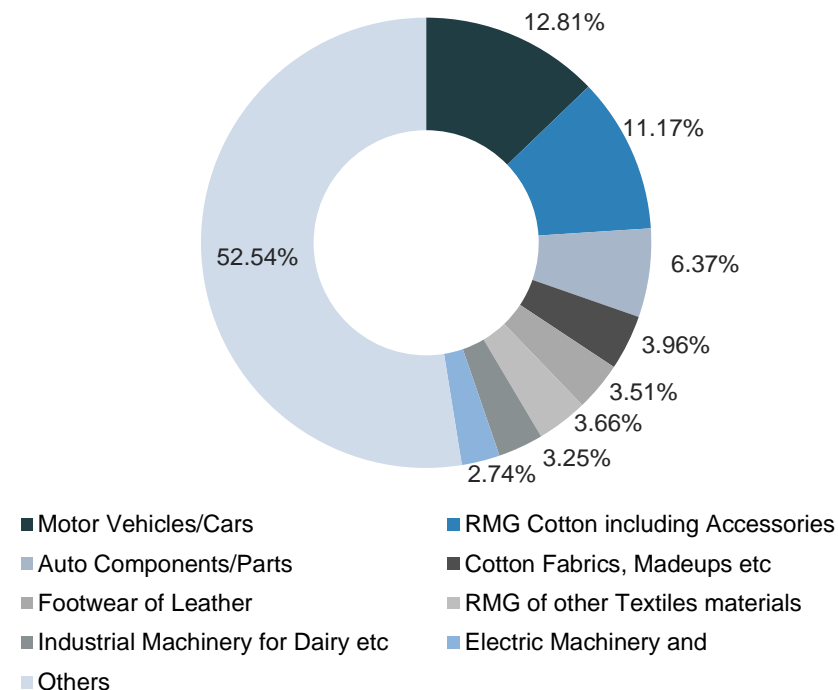
- Total merchandise exports from the state stood at US$ 30.52 billion during 2017-18. During April-September 2019, exports stood at US$ 15.33 billion.

- Major items exported from the state of Tamil Nadu are motor vehicles, readymade garments including accessories and auto components and parts etc.

*Note: RMG – Ready Made Garments, *- till September 2019*
*Source: Directorate General of Commercial Intelligence and Statistics*

# PHYSICAL INFRASTRUCTURE

| Category of Roads | Length (km) (As of March 2019) |
|---|---|
| National highways (NH) | 6,742 |

**Road work completion under PMGSY**

| Year | Road works (No) |
|---|---|
| 2014-15 | 877 |
| 2015-16 | 179 |
| 2016-17 | 330 |
| 2017-18 | 632 |
| 2018-19(June 18) | 106 |

- Tamil Nadu has 28 national highways. It is an important terminus in the Golden Quadrilateral road link of NHAI. District centres are linked via 187 state highways.
- Tamil Nadu to get 6-8 lane expressways of 2000 km, 4 lane highways of 5000 km and all the highways to be converted into double-lane along with paved shoulders*.
- An amount of Rs 4,570 crore (US$ 653.8 million) has been allocated for regular maintenance of roads in the Budget Estimates 2019-20.
- As of June 2018, 106 road project works have been completed in the state under PMGSY.
- During 2019-20, 622 km of roads will be covered at a cost of Rs 715 crore (US$ 102.3 million) in Sivagangai division under PBMC model.

*Note:* * - Vision 2030
*Source:* Ministry of Road Transport & Highways, Government of Tamil Nadu, Tamil Nadu Policy Note on Roads, Bridges, Vision 2023,, News articles, Maps of India

- Tamil Nadu's railway network falls under the jurisdiction of Southern Railways, which covers Tamil Nadu, Kerala, Puducherry & a small part of Andhra Pradesh. It has 6 divisions, 4 of which are in Tamil Nadu (Chennai, Tiruchirappalli, Madurai & Salem). Coimbatore is also a key railway junction. Tamil Nadu presently has a 4,181 km rail network, with 690 railway stations. Chennai has a well-established suburban railway network connecting it to the suburbs & neighbouring cities.

- Mass-Rapid-Transit System (MRTS) is an elevated line of the suburban railway in Chennai. It runs from the Chennai beach junction to the Velachery suburb, covering a distance of 25 km over 21 stations. It is operated by the Southern Railways.

- A stretch of 10 km out of the 45 km under 1st phase of the Chennai metro rail project is already operational.

- About 9 km of Extension under 1st Phase of the Chennai metro rail project is also expected to be completed in March 2020.

- Chennai Metro Rail Budget Allocation for 2019-20 was Rs 2,681 crore (US$ 371.59 million).



*Note:* RUB: Railway Under Bridges; ROB: Railway Over Bridges
*Source:* Tamil Nadu Vision 2023, Ministry of External Affairs,

- Tamil Nadu has international airports at Chennai, Coimbatore & Trichy; it has domestic airports at Tuticorin, Salem, Vellore (non-operational) & Madurai. The Chennai International Airport was the 1st in the country to get ISO 9001-2000 certification.

- Tamil Nadu Vision 2023 envisages an investment of US$ 5.2 billion[1] for developing a greenfield airport near Chennai & upgrading other airports.

- Construction work on a new passenger terminal at the Chennai International Airport has been completed. The terminal would 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. Thanjavur is slated to get an airport, as the government has identified 50 locations in smaller cities for airport.

- In June 2017, the plan for the development of a new domestic airport in the border town of Hosur, Krishnagiri district had been approved by the state government. An MoU was also signed between the state government and the Ministry of Civil Aviation to launch low cost-air services from the Hosur Aerodrome. As of August 2018, Bengaluru airport has agreed to give permission of operating flights from the airport.

- In February 2019, The Airports Authority of India (AAI) more than 25 per cent of budget allotted for the expansion of airports in Tamil Nadu, The project costing Rs 2,467 crore (US & 341.93 million).

**Tamil Nadu aircraft statistics for  (April-November 2019)**

| Parameter | Chennai | Coimbatore | Trichy | Madurai |
|---|---|---|---|---|
| Aircraft movement (nos.) | 1,12,686 | 14,467 | 9,704 | 10,832 |
| Passenger traffic (nos.) | 1,51,84,694 | 18,72,632 | 11,02,969 | 9,76,427 |
| Freight handled (tonnes) | 2,44,960 | 8,464 | 5,551 | 2,202 |

*Source:* *Airports Authority of India,* [1]*At 2011-12 rates*

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- Tamil Nadu has 3 major ports: Chennai, Ennore & VO Chidambaranar. The state also has 15 minor ports .

- The Chennai port mainly handles container cargo, while the Ennore & V O Chidambaranar ports handle coal, ores & other bulk minerals. Tamil Nadu Vision 2023 envisages an investment of US$ 3.1 billion for 3 greenfield ports & 5 minor ports, with a cumulative capacity of 150 million tonnes.

- During 2018-19, total traffic handled at non-major ports in Tamil Nadu stood at 0.37 million tonnes.

**Cargo traffic at major ports in Tamil Nadu (million tonnes)**

| Ports | 2016-17 | 2017-18 | 2018-19 | 2019-20(Till Dec 2019) |
|---|---|---|---|---|
| Kamarajar (Ennore) | 30.02 | 30.45 | 34.50 | 23.42 |
| Chennai | 50.21 | 51.88 | 53.01 | 35.83 |
| V.O. Chidambaranar | 38.46 | 36.57 | 34.34 | 26.90 |
| **Total** | **118.69** | **118.9** | **121.85** | **88.16** |

*Source: Indian Ports Association, Tamil Nadu Vision 2023.*

**Tamil Nadu's ports**

| Major ports | • Chennai<br>• Kamarajar (Ennore)<br>• V O Chidambaranar |
|---|---|
| Minor ports | • Cuddalore<br>• Nagapattinam<br>• Rameswaram<br>• Pamban<br>• Colachel<br>• Valinokkam<br>• Kanyakumari<br>• Ennore<br>• Punnakayal<br>• Thirukkadaiyur<br>• PY-3 (Oilfield)<br>• Kattupalli<br>• Thiruchopuram<br>• Manappad<br>• Kudankulam |

- The total installed capacity of Tamil Nadu is forecasted to expand and the State Government invested Rs 5,000 crore (US$ 745.82 million) to boost renewable energy policies, transmission infrastructure and commission a floating solar plant.

- The Tamil Nadu Government has proposed to provide 2,000 solar powered pumps up to a capacity of 10 HP for improving the micro irrigation in the state. As per budget 2019-20, US$ 11.65 million have been allocated for this project. 55 GW by 2026-27. As of November 2019, the state had a total installed power generation capacity of 31.92 GW.

- Thermal power contributed 14.79 GW to the total installed power generation capacity, followed by renewable power, hydropower & nuclear power with contributions of 13.51 GW, 2.18 GW and 1.45 GW, respectively.

- The private sector was the biggest contributor to the total installed power generation capacity in Tamil Nadu with a capacity of 18.71 GW, followed by 7.14 GW under state utilities and 6.07 GW under central utilities

**Installed power capacity (GW)**

| Year | Capacity |
|------|----------|
| 2008-09 | 14.09 |
| 2009-10 | 14.41 |
| 2010-11 | 15.51 |
| 2011-12 | 17.60 |
| 2012-13 | 19.43 |
| 2013-14 | 21.19 |
| 2014-15 | 22.88 |
| 2015-16 | 25.39 |
| 2016-17 | 29.11 |
| 2017-18 | 29.90 |
| 2018-19 | 31.06 |
| 2019-20* | 31.92 |
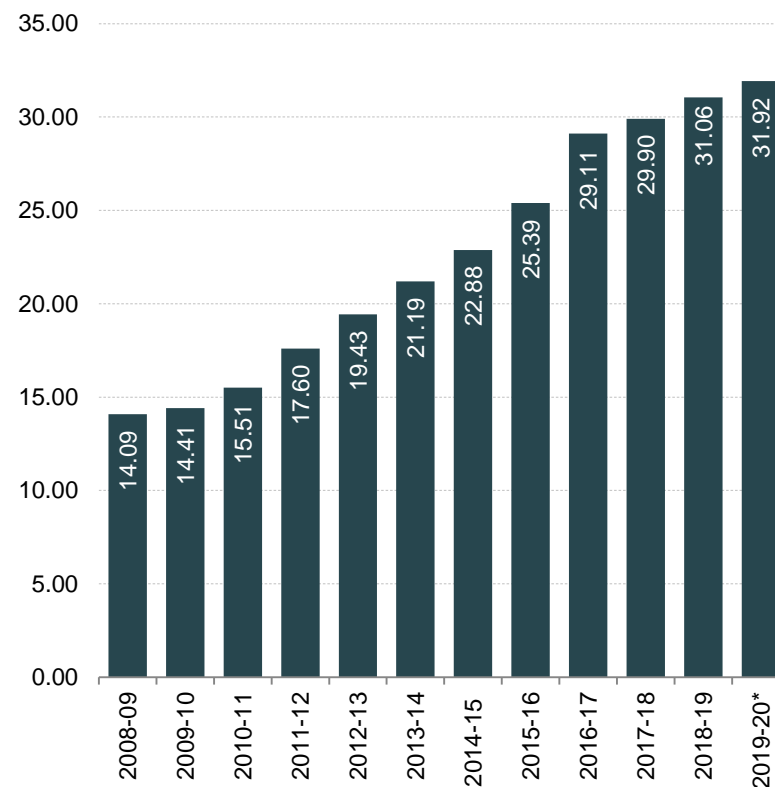
*Note:* *-till November 2019
*Source:* Central Electricity Authority, Tamil Nadu Vision 2023

- According to the Telecom Regulatory Authority of India (TRAI), Tamil Nadu had nearly 83.19 million wireless subscribers and 2.13 million wire-line subscribers as of October 2019.

- Tamil Nadu had a high tele-density of 117.78 per cent, as of October 2019. By the end of October 2019, 38.60 million subscribers had submitted requests for mobile number portability in Tamil Nadu.

- In order to boost the speed of mobile broadband up to 135 Mbps, in the state, Bharti Airtel invested in development of 4G advanced network services. The investment of US$ 9.16 billion, was made as a part of "Project Leap", that the company had deployed for enhancing network transformation in India.

- The Bharti-Singtel submarine cable link between Chennai & Singapore has a bandwidth of 8.4 terabits per second; a 2nd submarine cable of 5.12 terabits per second bandwidth has been commissioned by Tata Communications Ltd. (formerly, VSNL) between Chennai & Singapore.

**Telecom infrastructure (October 2019)**

| | |
|---|---|
| Wireless subscribers | 83,196,441 |
| Wire-line subscribers | 2,130,894 |
| Teledensity (in%) | 117.78 |
| Internet subscribers (June 2019)(million) | 46.96 |

**Major telecom operators in Tamil Nadu**

- Bharat Sanchar Nigam Limited (BSNL)
- Bharti Airtel
- Reliance Jio
- Vodafone Idea

*Source: Telecom Regulatory Authority of India*

- Tamil Nadu Sustainable Urban Development Programme has been taken up by the state government with the assistance of World Bank at an amount of US$ 585.24 million.

- Tamil Nadu Vision 2023 envisages an investment of US$ 57.4 billion* for urban infrastructure development.

- Google India and Tata Trusts have decided to expand their 'Internet Saathi' program in Tamil Nadu in which Google India will facilitate the provision of Google Cloud credits for eligible startups engaged with Tamil Nadu Government's startup initiative. Technical mentorship and advisory support to various startups will also be made available by Google India.

- The state government has allocated Rs 1,650 crore (US$ 236.08 million) for the smart cities and Rs 1,450 crore (US$ 207.46 million) for AMRUT programme, as per budget 2019-20.

- As of October 2018, 100 per cent households have been electrified in the state under Saubhagya Scheme.

**Population, area & literacy rate of identified smart cities in Tamil Nadu**

| Cities | Population (million) | Area (sq km) | Literacy rate (percentage) |
|---|---|---|---|
| Chennai | 4.6 | 426 | 90.18 |
| Coimbatore | 1.05 | 246.75 | 91.30 |
| Madurai | 1.01 | 148 | 90.91 |
| Tiruchirappalli | 0.84 | 167.23 | 91.38 |
| Salem | 0.83 | 5205 | 84.42 |
| Tirunelveli | 0.47 | 169.9 | 90.39 |
| Thanjavur | 0.22 | 3397 | 91.27 |
| Tiruppur | 0.44 | 5,186.34 | 87.81 |
| Vellore | 0.18 | 6,077 | 86.40 |
| Erode | 0.16 | 5,692 | 82.29 |
| Thoothukudi | 0.24 | 4,745 | 93.69 |
| Dindigul | 0.20 | 4,497.77 | 90.22 |

*Source: Census 2011 & TechSci Research Research*

# SOCIAL INFRASTRUCTURE

- Tamil Nadu is one of the states running the Total Literacy Campaign, the Post-Literacy Mission & the Continuing Education Programme (CEP).

- In the Budget 2019-20, Rs 28,757.62 crore (US$ 4.11 billion) has been proposed for the school education.

- A sum of Rs 1,362.27 crore (US$ 194.91 million ) has been allocated in this Budget for providing laptops to school students during 2019-20.

- An amount of Rs 4,584.21 crore (US$ 655.91 million ) has been provided in the Budget Estimates 2019-20 for Higher Education.

- Tamil Nadu is expected to get three new government-funded residential schools in 2018. Union Education Ministry had recently approved the state's proposal to construct the facilities at Villupuram, Nagapattinam and Dharmapuri where the dropout rate has been high compared to other areas.

**Tamil Nadu's primary education statistics (2017-18)**

| | |
|---|---|
| Number of schools ^ | Primary: 35,307 Middle: 9,588 High & higher secondary schools: 12,297 |
| Net enrolment ratio (in%) | Primary level: 99.86 Upper primary level: 99.22 |
| Pupil-teacher ratio* | Primary: 24.02:1 Upper primary: 24.77:1 |

**Educational infrastructure as of 2018-19**

| | |
|---|---|
| Universities | 59 |
| Colleges | 2,466 |
| Medical colleges | 40 |
| MBA/MCA | 65 |
| Engineering colleges | 584 |
| Polytechnics | 518 |
| Dental colleges | 15 |

**Notes:** *- Provisional
**Source:** *Tamil Nadu State Portal, State Budget 2019-20*

- The state has a 3-tier health infrastructure comprising hospitals, primary health centres, health units, community health centres & sub-centres. As of January 2020, the state had 34 district hospitals, 319 sub-district health centres, 1,976 primary health centres, 8,725 sub-centres & 449 community health centres.

- As per State Budget 2019-20, a premium amount of Rs 1,363 crore (US$ 195.02 million) was allocated for Pradhan Mantri Jan Arogya Yojana.

- In budget 2019-20, Tamil Nadu Urban Healthcare Project was provided an amount of Rs 242.92 crore (US$ 34.75 million).

- In the Budget Estimates 2019-20, Rs 12,563.83 crore (US$ 1.79 billion) has been allocated to Health and Family Welfare Department.

- The Government of India's Pradhan Mantri Matru Vandana Yojana has been provided a sum of Rs 959.21 crore (US$ 137.24 million) in the Budget Estimates 2019-20.

**Health infrastructure (as of January 2020)**

| | |
|---|---|
| Sub-centre | 8,725 |
| Primary health centre | 1,976 |
| Community health centre | 449 |
| Sub – District health centre | 319 |
| District hospitals | 34 |

**Health indicators of Tamil Nadu (September 2017)**

| | |
|---|---|
| Birth rate[1] | 15.0 |
| Death rate[1] | 6.4 |
| Infant mortality rate[2] | 17 |

**Life expectancy at birth (years)**

| | |
|---|---|
| Male (2006-10) | 67.1 |
| Female (2006-10) | 70.9 |

*Source: Ministry of Health & Family Welfare, Tamil Nadu Vision 2023,* [1]*Per thousand persons,* [2]*Per thousand live births*

# INDUSTRIAL INFRASTRUCTURE

Industrial PARKS IN CHENNAI

| Description | SEZs (no) (as of November 2019 ) |
|---|---|
| Notified SEZs | 50 |
| SEZs with formal approvals | 53 |
| SEZs with in-principle approvals | 3 |

- TIDCO, State Industries Promotion Corporation of Tamil Nadu (SIPCOT), Tamil Nadu Industrial Investment Corporation Ltd. (TIIC) & Tamil Nadu Small Industries Development Corporation Ltd (TANSIDCO) are jointly developing industrial infrastructure in the state.

- Tamil Nadu Industrial Guidance & Export Promotion Bureau has been set up with the objective of attracting major investment proposals into Tamil Nadu.

- As of November 2019, the state had 54 formally approved SEZs, 50 notified SEZs and four with in-principle approval SEZs and has total 40 exporting SEZs.

- In May 2017, an MoU was signed between the Tamil Nadu National Industrial Development Corporation Ltd. (TIDCO) and the National Highways Authority of India for the development of a multimodal logistics park in the Ponneri Industrial Node area near Kamarajar Port.

| Infrastructure | Description |
|---|---|
| Industrial parks | • 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.<br>• An industrial park has been set up at Irungattukottai for the automotive, electronics, food processing, general engineering & other non-polluting industries.<br><br>• The hi-tech SEZs in the Sriperumbudur Industrial Park & Oragadam Industrial Growth Centre (both in Kanchipuram district), are spread over 570.92 acres and 347.66 acres, respectively. These house manufacturing units for electronics, telecom hardware & support services.<br><br>• A new industrial park spread across 1,127 acres for the development of an industrial complex at Thervoy Kandigai village in Tamil Nadu has been planned. Land development work has started for the same. SIPCOT has taken possession of 125 acres of land in Thiruvallur district for creation of a new complex. |
| Madras Export Processing Zone (MEPZ) | • Established in 1984 to promote FDI & one of the 7 export promotion zones (EPZs) set up by the Government of India, MEPZ is a multi-product export zone with 117 functional units & another 27 in the process of being set up. As of July 2015, the project is in construction stage. |
| SIPCOT's SEZs | • SIPCOT's SEZs comprise a leather SEZ in Vellore, a footwear SEZ in Kanchipuram, an engineering products SEZ in Erode, an automotive SEZ in Thiruvannamalai & a transport engineering goods SEZ in Tirunelveli, granite SEZ in Bargur & hi-tech SEZs in Kanchipuram. |

| Infrastructure | Description |
|---|---|
| TIDCO's SEZs | • Tamil Nadu Industrial Development Corporation (TIDCO) has been engaged in setting up of industries, infrastructure projects & SEZs. Some of the projects completed through joint ventures are Tanflora Infrastructure Park, Tamil Nadu Road Development Company (TNRDC), Titan Industries Ltd., Tamil Nadu Petroproducts, TIDEL Park, Mahindra World City, Ascendas IT Park, etc.<br><br>• TIDCO and Rankindo Developers Private Ltd. have jointly developed an integrated township with IT SEZ in Coimbatore.<br><br>• An IT and ITeS SEZ-TIDEL – III, with an international convention centre, is set up on 25 acres of land on the IT Expressway at Taramani in Chennai. MRTS runs near the project site. |
| Apparel Parks | • Two apparel parks have been set up, one at Tirupur & the other at Irungattukottai near Chennai, with a project cost of US$ 133 million, including Government of India's assistance of US$ 6.5 million. Both parks are functioning. |
| Hi-tech Weaving Parks | • Palladam Hi-Tech Weaving Park is the 1st integrated textile park in India. It is located near to Coimbatore and recognised as one of the emerging weaving hubs. |

| Infrastructure | Description |
|---|---|
| LNG Import Terminal | • Tamil Nadu Industrial Development Corporation Ltd. (TIDCO) & Indian Oil Corporation Ltd. through a joint venture, would set up a Liquefied Natural Gas (LNG) import terminal near Ennore Port at Kattupalli village in Thiruvallur. The LNG terminal is anticipated to get operationalized by 2018.<br><br>• The project's total investment is estimated at US$ 759.4 million[1] & it aims to meet the state's rising demand for energy & create a firm source for natural gas in the long term.<br>• GAIL and TIDCO are jointly setting up a 500 MW LNG-based power project in the state. |
| Perambalur SEZ | • TIDCO and M/s GVK Group of Hyderabad are jointly developing a multi-product SEZ in Perambalur; 2,880 acres of land has been procured. The Ministry of Commerce & Industries, Government of India, has formally approved the project. |
| Solar Power Park Project | • TIDCO has proposed the development of solar power parks for setting up 1,000-MW solar power projects in association with public and private organisations.<br>• In the first phase, TIDCO and M/s Raasi Green Earth Energy Private Limited, Bangalore, would jointly develop a solar park project of 100-MW capacity on a 500-acre dry land in Paramakudi, Ramanathapuram. |

# KEY SECTORS

❖ Agriculture and Allied Industries

❖ Textiles

❖ IT & ITeS

❖ Tourism

- Tamil Nadu is one of the leading producers of bananas, flowers, tapioca, mango, coconut, groundnut, coffee, tea & sugarcane.

- Tamil Nadu is the second largest producer of poultry and dairy products in India and the third largest producer of tea and coffee in the country.

- The state is among the leading producers of horticultural crops and fruits in the country.

- With the aim of creating a conducive environment for the healthy growth of the food processing industry, an exclusive Food Processing Policy will be unveiled in 2018-2019.

- A sum of Rs 10,550.85 crore (US$ 1.50 billion) has been provided in the Budget estimates 2019-20 for the agriculture sector, which includes Rs 300 crore (US$ 42.92 million) under National Agriculture Development Programme and Rs 87.22 crore (US$ 12.47 million) for National Mission for Sustainable Agriculture.

- In the Budget Estimates 2019-20, an amount of Rs 1,252.41 crore (US$ 179.19 million) has been allocated for Animal Husbandry and Rs 258.45 crore (US$ 40.84 million) for Dairy Sector.

- A sum of Rs 927.85 crore (US$ 132.75 million) has been provided in the Budget Estimates 2019-20 for Fisheries Sector.

| Crop | Annual production in 2018-19^ ('000 tonnes) |
|---|---|
| Fruits | 5,767.95 |
| Vegetables | 6,082.54 |
| Coconut* | 4,247.12 |
| Flowers | 521.78 |
| Aromatic and Medicinal | 232.73 |
| Cotton** | 600 |
| Spices | 178.33 |
| Plantation crops | 3,743.50 |
| Honey | 2.10 |

**Note:** * - *Includes pepper, ** - '000' bales of 170 kgs each, E- Estimated, ^- 3rd Adv.Est.*
**Source:** *2nd Advance Estimates, Department of Agriculture Cooperation & Farmers Welfare*

**Key players**

| Coca Cola Ltd | |
|---|---|
|  | ▪ Hindustan Coca-Cola Beverages Pvt Ltd, Nemam, Chennai, was established in 1997.<br><br>▪ The manufacturing unit is spread over an area of 49 acres and has a capacity of producing 600 Bottles Per Minute (BPM) of aerated soft drinks and 225 BPM of juice drinks. In 2014, India has become the 6th largest market for the company by volumes, overtaking Germany. |
| **Nestle**<br> | ▪ Nestle is a company headquartered in Vevey, Switzerland as a Swiss multinational nutritional, snack food, and health-related consumer goods company. It is the leading food company in the world in terms of revenues.<br><br>▪ The second plant of Nestle was established in Choladi, India in 1967. It is renowned as India's 'Most Respected Companies' and one of the 'Top Wealth Creators of India'. |
| **HUL**<br> | ▪ Hindustan Unilever Limited (HUL) is India's principal fast moving consumer goods (FMCG) company.<br><br>▪ HUL employs more than 16,000 people nationwide. |
| **Mondelez India Foods**<br> | ▪ Mondelez India Foods Ltd is part of Mondelēz International, Inc. It operates in five categories – chocolate confectionery, beverages, biscuits, gum and candy.<br><br>▪ Mondelez's key brands in India include Cadbury Dairy Milk, Bournvita, 5 Star, Perk, Bournville, Celebrations, Gems, Halls, Éclairs, Bubbaloo, Tang and Oreo. |

## Exports from Tamil Nadu (US$ billion)



- RMG cotton (including accessories)   ■ Cotton fabrics, madeups etc
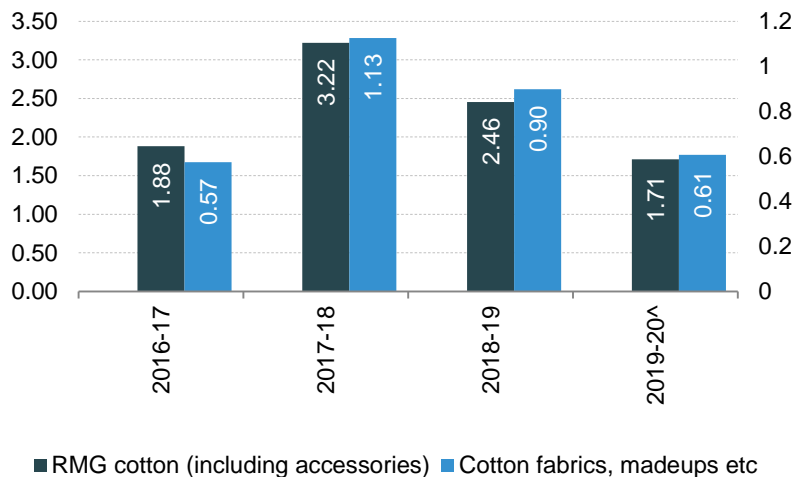
## Raw Silk Production in Tamil Nadu (in MT)
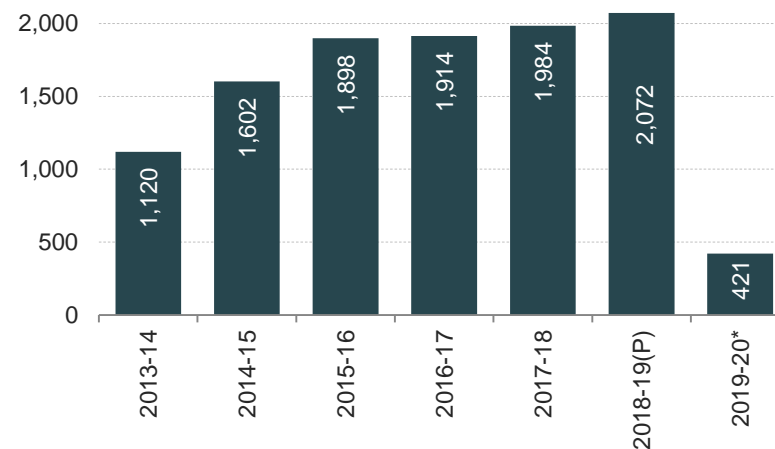


- Tamil Nadu is known as the "Yarn Bowl" of the country. Tamil Nadu is the largest producer of cotton yarn, accounting for 41 per cent of India's production. Coimbatore and Tirupur are the major textile centres in Tamil Nadu. Tirupur is known as the 'Knitting City', while Coimbatore is called the 'Manchester of South India'.

- In the State Budget 2019-20, allocation of US$ 70.14 million was made by the government for the scheme of providing sarees and dhotis to people. Moreover, US$ 5.72 million was allocated under the newly launched Handloom Support Programme for the year 2019-20.

- Allocation of US$ 167.49 million for Handlooms and Textiles sectors and US$ 30.21 million for Handicrafts and Khadi sectors have been provided in the Budget Estimates 2019-20.

- During 2018-19, Tamil Nadu produced 2,072 MT of raw silk. During April-June 2019, raw silk production stood at 421 MT.

*Note: P - Provisional , MT – million tonnes, RMG – Readymade garments, *-till June 2019, ^- Till September 2019*
*Source: Tamil Nadu Policy Note on Industries, State Portal, Ministry of Textiles, Government of India, State Budget 2019-20, Department for Promotion of Industry and Internal Trade*

IBEF

**Key players**

**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 over 70 countries.
- Industrial product manufacturing started in Madurai in 1944, and the weaving unit was started in Ambasamudram in 1961. Recently the company has announced a strategic alliance with a UK based company, GSD in order to collaborate on offering their respective management solutions to maximise productivity and drive down costs.

**Primus Fabrics**

- Founded in 1950,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.

**Lakshmi Mills**

- Established in 1910 at Coimbatore. Lakshmi Mills. It has two units to manufacture 100 per cent cotton yarns, blended yarns and yarns produced from special fibres.
- Products manufactured include yarns, fabrics and garments.

- Tamil Nadu has emerged as a key destination for IT investments. The state 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 (ELCOSEZs) in Chennai and seven in Tier-II locations: Coimbatore, Madurai (2), Trichy, Salem, Tirunelveli and Hosur.

- The state had 18 operational SEZs for IT/ITeS as of March 2019. IT & ITeS exports from Tamil Nadu have increased to Rs 1.39 lakh crore (US$ 19.9 billion) in 2018-19, at a growth rate of 10 per cent year-on-year.

- In September 2018, Information Communication Technology (ICT) Policy, 2018 was announced by the state government for investors especially IT and ITeS companies, start-ups and MSMEs. This policy will provide incentives like administrative incentives, capital subsidies and tax exemptions etc. to the investors.

- The state government is planning to make Tamil Nadu a global SaaS hub. It is planning to attract Rs 15,000 crore (US$ 2.14 billion)* in the IT and ITeS sector in the second Global Investors Meet (GIM) to be held in January 2019.

**IT & ITeS exports from Tamil Nadu (US$ billion)**
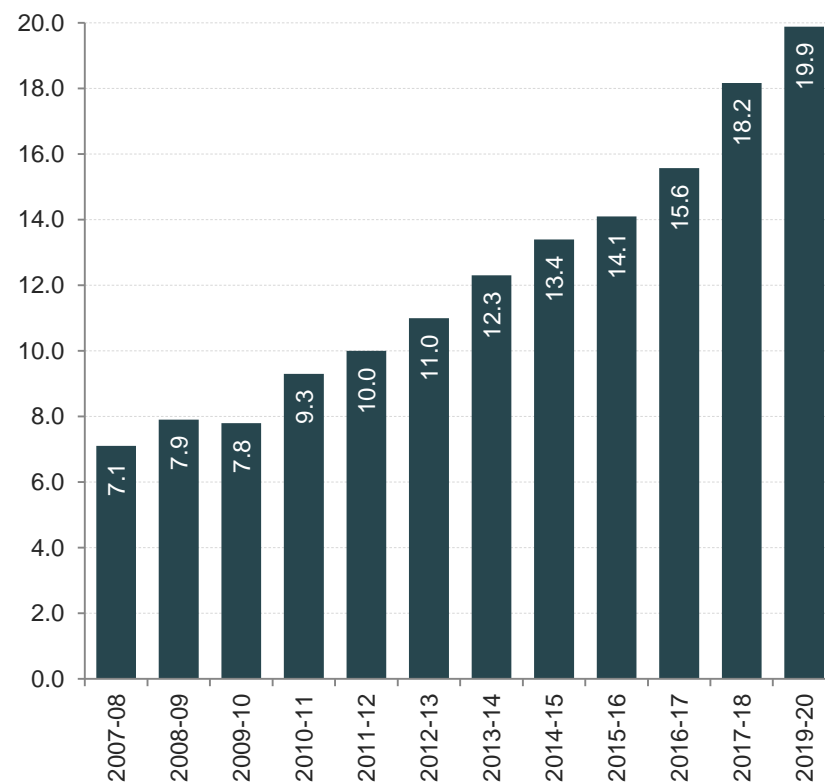


*Note:* SaaS – Software as a Service, *conversion rate used: US$ = Rs 70.18, Exports update is expected in 2019
*Source:* Tamil Nadu Policy Note on Information Technology, 2013-14, News articles

**Key players**

### Tech Mahindra

- In 2013, Mahindra Satyam was merged into Tech Mahindra. Globally, the company provides software solutions and operates in 90 countries with around 33 offices.

### 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 in 46 countries, including around 80 locations in India; it has offices at Chennai and Coimbatore.

### Infosys Technologies

- Infosys was started in 1981; it is a leader in IT and consulting, with a global footprint of 73 offices and 94 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 operations across 31 countries. It has delivery facilities in the US, the UK, Finland, Poland, Puerto Rico, Brazil, China, Malaysia, Singapore and India.

- Tamil Nadu is a highly preferred tourist destination by both domestic & foreign tourists.
- Tamil Nadu boasts of historical monuments, forts, wildlife & bird sanctuaries, temple towns, numerous places of worship, hill resorts, rich heritage & culture, waterfalls, beaches, breath-taking valleys, mangrove forests, backwaters, music & dance festivals. Chennai & Coimbatore are becoming popular for Meetings, Incentives, Conferences & Exhibitions (MICE) tourism.
- The state is one of the leading medical tourism & wellness tourism destinations in India. The state is focusing on Clean & Green Destination Campaign in order to attract more & more tourists.
- Tamil Nadu's tourism industry increased in terms of tourist arrivals to reach 349.92 million in 2017, at a CAGR of 16.48 per cent between 2011 & 2017.
- It ranked first in terms of domestic tourist arrivals and second in terms of foreign tourist arrival in 2017(P)

**Tourist arrivals in Tamil Nadu (millions)**

CAGR 16.48%

| Year | Value |
|------|-------|
| 2011 | 140.1 |
| 2012 | 187.7 |
| 2013 | 248.2 |
| 2014 | 332.2 |
| 2015 | 338.2 |
| 2016 | 348.5 |
| 2017(P) | 349.92 |
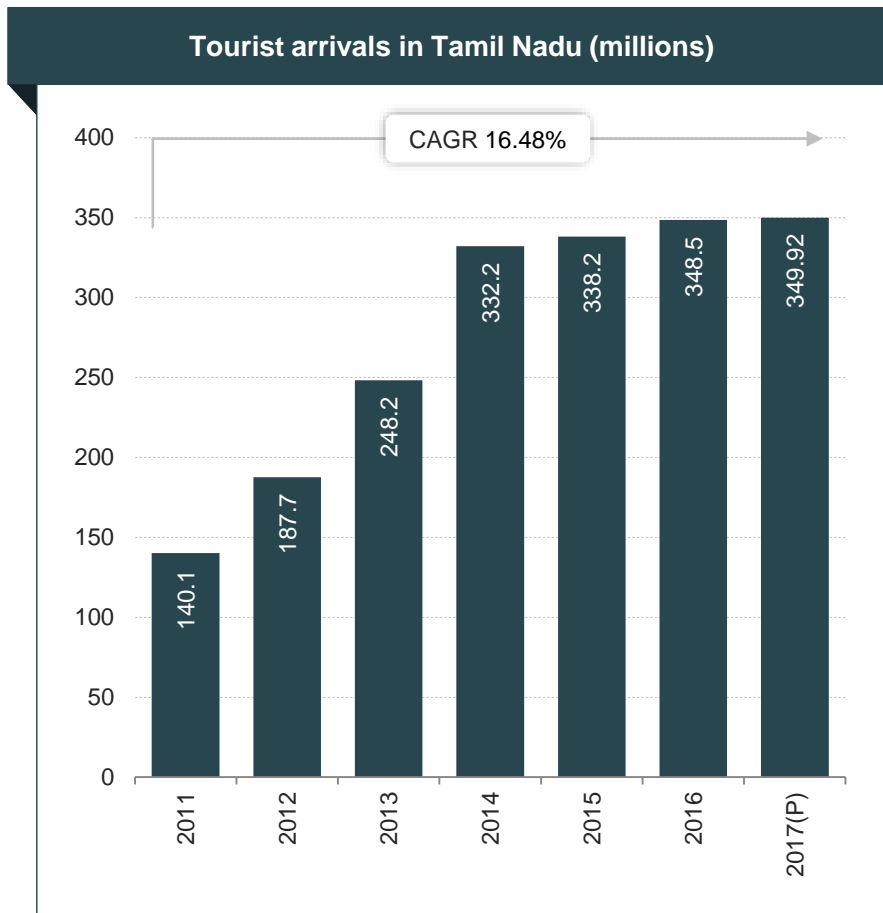
*Note:* News articles, P – Provisional
*Source:* Tamil Nadu State Portal, Ministry of Tourism

## Major attractions

| | |
|---|---|
| **Medical Tourism** | ▪ Tamil Nadu is one of the leading destinations for medical tourism.<br><br>▪ Well-equipped corporate hospitals, skilled medical professionals and reasonable costs of treatment are the major advantages offered by Tamil Nadu in this area.<br><br>▪ The state plans to set up two medi-cities in Perundurai and Madurai, catering to a range of medical services, research centres, treatment facilities, medical education and training, facilities for stay and support facilities like insurance services, etc. Area for the development of medi cities in Perundurai and Maduraiwill will be 358 acres and 500 acres respectively. The project is part of Tamil Nadu vision 2023. |
| **Eco Tourism** | ▪ Tamil Nadu has various hill stations, wild life sanctuaries, forests, bird sanctuaries, national parks and waterfalls. Various packages have been developed to promote eco-tourism in the state on a sustainable basis without disturbing the environment and wildlife. |
| **Adventure Tourism** | ▪ Trekking programmes are conducted at identified trekking routes in Yercaud, Kodaikanal and Elagiri and Nilgiris.<br><br>▪ Paragliding programme is conducted at Elagiri in the summers.<br><br>▪ The Tourism Department has developed water sports such as cruising through speed boats, water-skiing, yachting and wind-surfing; along the East Coast at Tharangambadi, Kovalam, Poompuhar and Mudhaliarkuppam. In February 2016, the 'Manapad Classic 2016', a three-day national level sea sports event, was held at Manapad coast, Tamil Nadu. |

*Source: Tamil Nadu Policy Note on Tourism 2012-13, Tamil Nadu Vision 2023*

# KEY PROCEDURES
& POLICIES

- 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 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.
- Efforts of the state government were able to attract additional investments of US$ 1.56 billion, to be done in 42 projects through single window facilitation.
- In order to develop business opportunities, during 2015-16 an Industry Investment Portal as a single window mechanism was launched. This would facilitate the investors in obtaining all the required permissions and licenses from various departments

**SWM structure in Tamil Nadu**
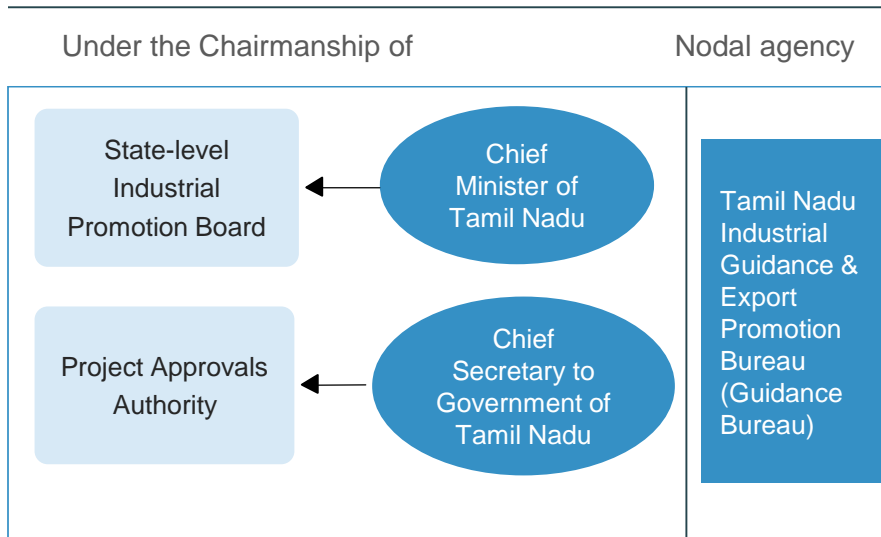


**Note:** Conversion rate 60.28
**Source:** Directorate of Industries and Commerce, Government of Tamil Nadu Conversion rate 60.28

| Project cost | SWM fees (US$) |
|---|---|
| Projects with investment between US$ 1.66 million-US$ 8.30 million | 4,976.78 |
| Projects with investment between US$ 8.30 million-US$ 16.59 million | 8,294.63 |
| Projects with investment between US$ 16.59 million-US$ 49.77 million | 16,589.25 |
| Projects with investment above US$ 165.89 million | 24,883.88 |

| Agency | Description |
|---|---|
| Tamil Nadu Industrial Development Corporation Limited (TIDCO) | • Established in 1965 as a Government of Tamil Nadu enterprise to promote large and medium-scale industries in Tamil Nadu. It focusses on promoting infrastructure projects, industrial parks and SEZs. |
| State Industries Promotion Corporation of Tamil Nadu (SIPCOT) | • It focusses on developing, marketing and maintaining industrial complexes/parks and growth centres, and implementing infrastructure development schemes. |

INDIA BRAND EQUITY FOUNDATION
www.ibef.org

| Agency | Description |
|---|---|
| Tamil Nadu Industrial Investment Corporation Limited (TIIC) | • TIIC Provides financial assistance in the form of term loans for purchase of land, plant and machinery; for the construction of buildings for setting up new industrial units; and for the expansion, modernisation and diversification of existing units. It also extends term loans to the service sector in the state. |
| Tamil Nadu Urban Development Fund (TNUDF) | • TNUDF 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). |
| Tamil Nadu Urban Finance and Infrastructure Development Corporation (TUFIDCO) | • It extends financial assistance to urban infrastructure schemes in Tamil Nadu. |
| Electronics Corporation of Tamil Nadu Limited (ELCOT) | • It is the nodal agency for Information and Communication Technology (ICT) projects for the Government of Tamil Nadu. It focusses on three broad areas: 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) | • TANSIDCO, an undertaking of the Government of Tamil Nadu, plays a catalytic role in the promotion and development of small-scale industries and speedy setting up of industries throughout Tamil Nadu. |

IBEF
INDIA BRAND EQUITY FOUNDATION
www.ibef.org

| Agency | Contact Information |
|---|---|
| Tamil Nadu Industrial Development Corporation Limited (TIDCO) | 19-A, Rukmini Lakshmipathy Road, Egmore, Chennai-600 008<br>Phone: 91-44-2855 4421<br>E-mail: cmd.tidco@nic.in<br>Website: www.tidco.com |
| State Industries Promotion Corporation of Tamil Nadu (SIPCOT) | 19-A, Rukmini Lakshmipathy Road, Egmore, Chennai-600 008<br>Phone: 91-44-2855 4787<br>Fax: 91-44-2851 3978<br>E-mail: sipcot@md3.vsnl.net.in<br>Website: www.sipcot.com |
| Tamil Nadu Industrial Guidance & Export Promotion Bureau | 19-A, Rukmani Lakshmipathy Salai, Egmore, Chennai - 600 008. INDIA<br>Tel : 91-44-28588364<br>Fax : 91-44-28588364<br>Website: www.tidco.com |
| Tamil Nadu Industrial Investment Corporation Limited (TIIC) | New no: 692, Anna Salai, Nandanam, Chennai-600 035<br>Phone: 91-44-2433 1203<br>Fax: 91-44-2434 7209<br>E-mail: ho@tiic.in<br>Website: www.tiic.org |

| Agency | Contact Information |
|--------|---------------------|
| Tamil Nadu Urban Infrastructure Financial Services Ltd | 19,T.P Scheme Road,<br>Raja Annamalai Puram,<br>Chennai - 600028.<br>Phone: 91-44-2815 3104, 2815 3105<br>Fax: 91-44-2815 3106<br>E-mail: cmd@tnuifsl.com<br>Website: www.tnuisfl.com |
| Electronics Corporation of Tamil Nadu Limited<br>(ELCOT) | 692, M.H.U. Complex, II Floor, Anna Salai,<br>Nandanam, Chennai-600 035<br>Phone: 91-44-6551 2330<br>Fax: 91-44-2433 0612<br>E-mail: secyit@tn.nic.in<br>Website: www.elcot.in |
| Tamil Nadu Small Industries Development Corporation (TANSIDCO) | Thiru Vi Ka Industrial Estate,<br>Chennai - 600 032<br>Phone: 91-44-2250 1461, 2250 1422, 2250 0185, 2250 0506, 2250 1210<br>Fax: 91-44-2250 0792<br>E-mail: sidco@vsnl.com<br>Website: www.sidco.tn.nic.in |

| Approvals and clearances required | Departments to be consulted | Estimated time taken (days) |
|---|---|---|
| Incorporation of the company | Registrar of Companies | |
| Registration, Industrial Entrepreneurs Memorandum (IEM), industrial licences | District Industry Centre | |
| Allotment of land | Tamil Nadu Department of Industries/State Industrial Development Corporation/Infrastructure Corporation | 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. |
| 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$ 90 to US$ 250 | 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$ 300 to US$ 1,200 per month | Industry sources |
| Power (per kWh) | Commercial US 14.5 cents, Industrial: US 11 cents Domestic: US 3.8 cents | DCH Databook October 2013 |
| Labour (minimum wages per day) | US$ 2.95 to US$ 8.8 | 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 |

| Objectives | |
|---|---|
| **Aerospace and Defence Industrial Policy, 2019** | ▪ To create an end-to-end ecosystem for Aerospace sector development covering design, engineering and manufacturing of aircraft for civil and defence sector.<br>[Read more](#) |
| **Tamil Nadu Solar Energy Policy 2019** | ▪ To achieve energy security.<br>▪ To reduce carbon emissions.<br>▪ To project Tamil Nadu as a solar hub.<br>[Read more](#) |
| **Information Communication Technology (ICT) Policy 2018** | ▪ To address the investors especially IT and ITeS companies, MSMEs, and Start-ups<br>▪ To provide incentives like capital subsidies, tax exemptions, administrative incentives, fiscal incentives<br>▪ To promote research and green IT industry<br>[Read more](#) |
| **Highways and Minor Ports Department Policy Note-2017-18** | ▪ To develop infrastructure for the overall improvement of the economy of the state.<br>▪ To augment the traffic capacity of state roads, widening works of all Intermediate Lane State Highways to Double Lane and all Single Lane Major District Roads to Intermediate Lane<br>▪ To avoid traffic congestion<br>[Read more](#) |
| **Tamil Nadu Industrial Policy 2014** | ▪ To improve industries of high technology including aerospace, nanotechnology etc., in Tamil Nadu.<br>▪ Work for speedy industrialisation of districts in the southern part of Tamil Nadu.<br>▪ To attain comprehensive and maintainable industrial growth in Tamil Nadu<br>[Read more](#) |

| Objectives | |
|---|---|
| Tamil Nadu Information Technology Policy 2014-2015 | ▪ To raise the exports of software from Tamil Nadu and provision of cable TV services at reasonable rates to all Tamil Nadu households;<br>▪ To provide Tamil education through the web and take computing in Tamil to a higher level;<br>▪ To enhance the quality of life of citizens through information and communication technology. [Read more] |
| Micro, Small and Medium Industries Policy 2014-15 | ▪ To develop MSMEs in the state.<br>▪ To enhance joint ventures of private industries with new industrial estates such as SIDCO to encourage the export of products of MSMEs in the state. [Read more] |
| Tamil Nadu Disaster Management Policy | ▪ To develop a new culture of prevention, preparedness and quick response to disasters.<br>▪ To reduce the vulnerability of the community through proper risk assessment. [Read more] |
| Tamil Nadu Biotechnology Policy 2014 | ▪ Thorough record of bio-resources to be engaged in the state.<br>▪ To invite R&D institutions and manufacturing firms. [Read more] |
| Tamil Nadu Automobile and Auto Components Policy 2014 | ▪ To promote competitiveness and cut costs for the industry. To address the specific organisational gaps and scarcities.<br>▪ To develop the talent pool to meet the skilled manpower requirements of this industry [Read more] |
| Enhanced Rural BPO Policy 2012 | ▪ Attract willing entrepreneurs to set up business centres in rural areas.<br>▪ Provide conducive environment for the BPO industry to thrive in rural areas. [Read more] |
| E-Waste Policy 2010 | ▪ To minimise e-waste generation, utilise e-waste for beneficial purposes through environmentally sound recycling and ensure environmentally sound disposal of residual waste. [Read more] |

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| Objectives |
| --- |

**E Security Policy 2010**
- To define a set of minimum information security requirements that shall be met by all departments of the Government of Tamil Nadu. [Read more]

**Tamil Nadu Business Facilitation Bill 2009**
- To facilitate the single-window clearance system in the state of Tamil Nadu, with the statutory powers to hasten project approvals. [Read more]

**Micro, Small and Medium Industries Policy 2008**
- To develop MSMEs in the state.
- To encourage the export of the products of MSMEs in the state. [Read more]

**Information Communication Technology (ICT) Policy 2008**
- 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]

**Tamil Nadu Minor Port Policy 2007**
- To increase the share of Tamil Nadu in the export and import sector. [Read more]
- To decongest the major ports at Ennore, Chennai and Tuticorin in order to improve their productivity.

**Tamil Nadu SEZ Policy 2003**
- To provide legislative support to SEZs.
- To provide adequate water supply to SEZs.
- To ensure continuous power supply of required quality to SEZ units.
- To provide single-window clearance to all SEZ units. [Read more]

# ANNEXURE

| Data | Sources |
|------|---------|
| GSDP (state) | Ministry of Statistics & Programme Implementation 2018-19 |
| Per capita GSDP figures | Ministry of Statistics & Programme Implementation 2018-19 |
| GSDP (India) | Ministry of Statistics & Programme Implementation 2018-19 |
| Installed power capacity (MW) | Central Electricity Authority |
| Wireless subscribers (No) | Telecom Regulatory Authority of India |
| Internet subscribers (Mn) | Telecom Regulatory Authority of India |
| National highway length (km) | NHAI, Roads and Building Department-Government of India |
| Major and minor ports (No) | India Ports Association |
| Airports (No) | Airports Authority of India |
| Literacy rate (%) | Census 2011 |
| Birth rate (per 1,000 population) | SRS Bulletin |
| Cumulative FDI equity inflows (US$ billion) | Department for Promotion of Industry and Internal Trade |
| Operational PPP projects (No) | DEA, Ministry of Finance, Government of India |
| Exporting SEZs (No) | Ministry of Commerce & Industry, Department of Commerce |

# ANNEXURE…(2/2) - EXCHANGE RATES

**Exchange Rates (Fiscal Year)**

| Year INR | INR Equivalent of one US$ |
|---|---|
| 2004–05 | 44.95 |
| 2005–06 | 44.28 |
| 2006–07 | 45.29 |
| 2007–08 | 40.24 |
| 2008–09 | 45.91 |
| 2009–10 | 47.42 |
| 2010–11 | 45.58 |
| 2011–12 | 47.95 |
| 2012–13 | 54.45 |
| 2013–14 | 60.50 |
| 2014-15 | 61.15 |
| 2015-16 | 65.46 |
| 2016-17 | 67.09 |
| 2017-18 | 64.45 |
| 2018-19 | 69.89 |

**Exchange Rates (Calendar Year)**

| Year | INR Equivalent of one US$ |
|---|---|
| 2005 | 44.11 |
| 2006 | 45.33 |
| 2007 | 41.29 |
| 2008 | 43.42 |
| 2009 | 48.35 |
| 2010 | 45.74 |
| 2011 | 46.67 |
| 2012 | 53.49 |
| 2013 | 58.63 |
| 2014 | 61.03 |
| 2015 | 64.15 |
| 2016 | 67.21 |
| 2017 | 65.12 |
| 2018 | 68.36 |

*Source: Reserve Bank of India, Average for the year*

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