Guidance TamilNadu

INVEST INNOVATE CREATE

## Doing Business in Tamil Nadu

# INVESTORS GUIDE

Released on the occasion of
the visit of Ambassadors to Chennai
on 21.02.2020

By
Hon'ble Chief Minister of Tamil Nadu



Tamil Nadu is a land of opportunities. The discerning global investors' search for the ideal destination to set up business invariably ends in Tamil Nadu

**Hon'ble Chief Minister of Tamil Nadu**

Tamil Nadu is the best state to invest on account of its industrialisation, urbanisation, good governance, human capital, ease of doing business and world class infrastructure. This is acknowledged in several independent rankings

**Hon'ble Minister for Industries**

Tamil Nadu is not only the manufacturing powerhouse of India, it is also becoming a global services hub. The focus of the state on innovation and skill development will help it move up the global value chain

**Chief Secretary**



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# ABBREVIATIONS

| | |
|---|---|
| **A&D** | Aerospace and Defence |
| **ADB** | Asian Development Bank |
| **AI** | Artificial Intelligence |
| **AoA** | Articles of Association |
| **API** | Active Pharmaceutical Ingredient |
| **B2B** | Business to Business |
| **BOCW** | Building and Other Construction Workers |
| **BPO** | Business Process Outsourcing |
| **BRAP** | Business Reform Action Plan |
| **CAGR** | Compound Annual Growth Rate |
| **CBIC** | Chennai Bengaluru Industrial Corridor |
| **CEA** | Central Electricity Authority |
| **CFS** | Container Freight Station |
| **ChPT** | Chennai Port |
| **CIT** | Corporate Income Tax |
| **CKIC** | Chennai Kanyakumari Industrial Corridor |
| **Ckt km** | Circuit Kilometer |
| **DPIIT** | Department for Promotion of Industry and Internal Trade |
| **ECEC** | East Coast Economic Corridor |
| **EFRRO** | Electronic Foreigner Regional Registration Offices |
| **EHT** | Extra High voltage Transformer |
| **ELCOT** | Electronics Corporation of Tamil Nadu |
| **EMD** | Earnest Money Deposit |
| **EoDB** | Ease of Doing Business |
| **EPF** | Employee Provident Fund |
| **ESDM** | Electronics System Development and Maintenance |
| **EV** | Electric Vehicle |
| **FDI** | Foreign Direct Investment |
| **FII** | Foreign Institutional Investor |
| **FPI** | Foreign Portfolio Investment |
| **FSI** | Floor Space Index |
| **FY** | Financial Year |
| **GDP** | Gross Domestic Product |
| **GoI** | Government of India |
| **GSDP** | Gross State Domestic Product |
| **GSTIn** | Goods and Services Tax Identification Number |
| **GW** | Giga Watt |
| **ICD** | Inland Container Depot |
| **IIM** | Indian Institute of Management |
| **IIT** | Indian Institute of Technology |
| **INR** | Indian Rupee |
| **IT/ ITeS** | Information Technology Enabled Services |
| **KBIC** | Kochi Bengaluru Industrial Corridor |
| **km** | Kilometer |
| **KPO** | Knowledge Process Outsourcing |
| **kVA** | Kilo-Volt-Ampere |

| | |
|---|---|
| **kWh** | Kilowatt-Hour |
| **LLP** | Limited Liability Partnership |
| **LNG** | Liquefied Natural Gas |
| **LPO** | Legal Process Outsourcing |
| **LT/ HT** | Low Tension/ High Tension |
| **MCA** | Ministry of Corporate Affairs |
| **MGD** | Millions of Gallons per Day |
| **MLD** | Millions of Liter per Day |
| **MoA** | Memorandum of Association |
| **MRO** | Maintenance, Repair and Operations |
| **MSMEs** | Micro Small Medium Enterprises |
| **MT** | Metric Tonne |
| **NCAER** | National Council of Applied Economic Research |
| **NH** | National Highway |
| **NIFT** | National Institute of Fashion Technology |
| **NIT** | National Institute of Technology |
| **NOC** | No Objection Certificate |
| **PA** | Per Annum |
| **PSU** | Public Sector Enterprise |
| **PV** | Photovoltaic |
| **R&D** | Research and Development |
| **RFID** | Radio Frequency Identification Device |
| **Ro-Ro** | Roll on Roll off |
| **SEZ** | Special Economic Zone |
| **SGST** | State Goods and Services Tax |
| **SH** | State Highway |
| **SIPCOT** | State Industries Promotion Corporation of Tamil Nadu |
| **Sq Km** | Square Kilometer |
| **SWP** | Single Window Portal |
| **T&D** | Training and Development |
| **TANGEDCO** | Tamil Nadu Generation and Distribution Corporation Limited |
| **TANSIDCO** | Tamil Nadu Small Industries Development Corporation Limited |
| **Tbps** | Terabytes per second |
| **TEDA** | Tamil Nadu Energy Development Agency |
| **TICEL** | TIDCO Center for Life Sciences |
| **TIDCO** | Tamil Nadu Industrial Development Corporation |
| **TN** | Tamil Nadu |
| **TNAU** | Tamil Nadu Agricultural University |
| **TTRO** | Tertiary Treatment Reverse Osmosis plant |
| **ULB** | Urban Local Body |
| **USD** | United States Dollar |
| **VCIC** | Vishakhapatnam Chennai Industrial Corridor |
| **VOC** | V. O. Chidambaranar Port Trust |
| **YoY** | Year On Year |

# Tamil Nadu at a Glance



# TAMIL NADU – GROWING ECONOMY WITH STRONG INSTITUTIONS AND ROBUST INFRASTRUCTURE

**#1**
**Rank in Good Governance Index**

**#1**
**Urbanisation rate among major Indian states**

**#1**
**Number of operational SEZs and factories**

**#1**
**Cargo handling capacity of major ports**

**#1**
**International and Domestic tourist arrivals**

**#2**
**Size of the economy (GSDP)**

**#2**
**Rank in India Innovation Index**

**#2**
**Renewable energy installed capacity**

**#2**
**NCAER State Investment Potential Index 2018**

**#2**
**Environment and sustainable practices**

Sources: DPIIT, Ministry of Personnel (GOI), Ministry of Statistics and Program Implementation (GOI), NITI Aayog, Mercer Quality of Living Survey, Ministry of Housing and Urban Affairs




Tamil Nadu has accessibility, very good logistics, very good infrastructure, right mindset and political environment, vibrant policies, qualified and skilled people here

**Dr. Jochen Stallkamp**
**Managing Director**
**BMW Group Plant, Chennai**

# AN ECONOMIC POWERHOUSE - 8.2% GROWTH IN FY19

**GSDP**

- Second largest state economy of India
- GSDP growth (YOY) @ 8.2% (national GDP @ 6.8%)
- Per capita income - USD 3,072 (India - USD 2,039)

**FDI**

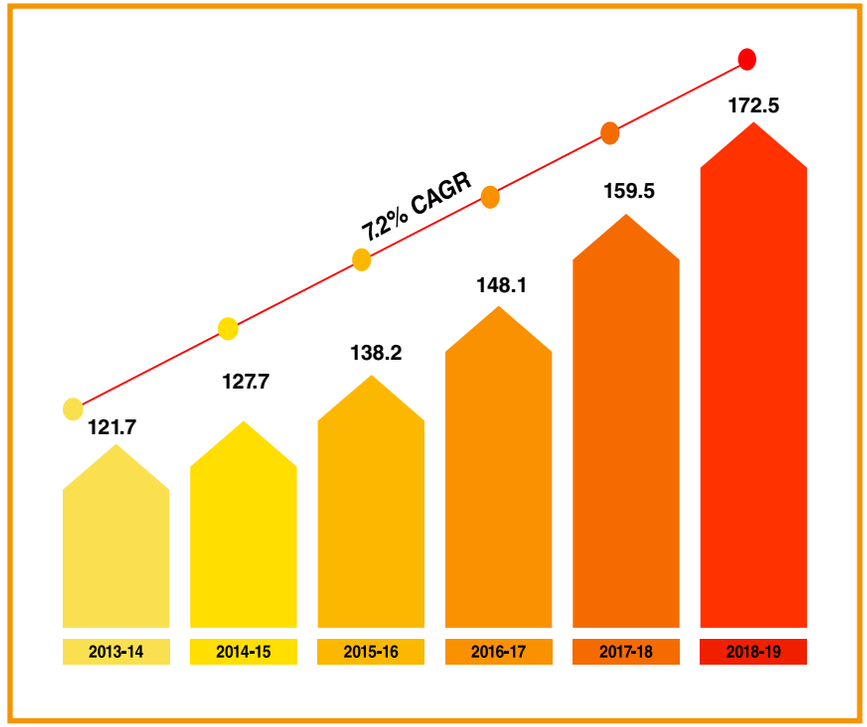
- Accounting for 7% of FDI inflows into India (April 2000 – September 2019 - USD 31.2 billion)
- FDI inflows USD 2.6 billion (2018-19)

**Exports**

- In 2018 – 19, manufacturing exports - USD 30.5 billion and software exports - USD 11.2 million
- Largest exporter of leather products
- Accounting for one-third of automobiles and auto parts exports from India

## Tamil Nadu GSDP at constant prices

(USD billion)





Skill level in engineering is quite sublime in Tamil Nadu

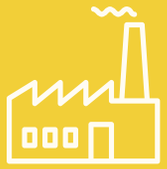
**Mr. Josh Foulger,**
**Country head and MD**
**Foxconn International**
**holding, India**

Tamil Nadu has plenty of talented engineers and workmen

**Mr. Yoshiaki Inayama**
**Managing Director**
**Toshiba JSW Power**
**Systems Pvt Ltd**



# ENDOWED WITH RESOURCES



**Massive Industrial Ecosystem**

- 45% of India's motor vehicle exports
- "Yarn Bowl of India"; 40% of total yarn production in India
- 16% of India's electronics output; leader in IT/ ITeS in India
- 4.95 million MSMEs in areas such as Engineering, Auto Components, Textiles, Gold Jewellery, Power, Steel



**Skills and Human Resources**

- Leader in skill development
- #1 State in the number of technical universities; pioneer in promoting technical education
- #2 in terms of most employable talent; over a million graduates are added to the state's talent pool every year
- 1900+ colleges and is home to institutions such as IIT, IIM, Anna University, TNAU, NIT, NIFT and other leading universities



**Natural Resources**

- #1 State in production of bananas, tapioca, cloves, flowers and oilseeds in India
- #2 State in production of coconut, tamarind, rice, cereals and sugarcane in India
- Principal minerals produced are lignite, natural gas (utilized), limestone, petroleum (crude), magnetite, garnet (abrasive), graphite, bauxite and vermiculite
- Logistical advantage: coastline (1,076 km) covering ~15% of India's total coastline

# INDUSTRIAL POLICY PROVIDING ATTRACTIVE INCENTIVE PACKAGES

## Industrial Policy 2014 - Highlights

### Structured package (> USD 70 million investment) on a case to case basis

| SGST Reimbursement | Capital Subsidy | Payroll Subsidy | Training Subsidy |
|---|---|---|---|

### Standard Incentives (< USD 70 million investment)

| Capital Subsidy | Stamp Duty Concession | Environmental Promotion Infra subsidy | Electricity Tax exemption |
|---|---|---|---|
| Subsidy up to ~ USD 0.3 million (INR 2.25 crores)<br><br>50% additional subsidy for industries setup in SIPCOT industrial parks | 50% to industries located in SIPCOT parks | Subsidy of ~ USD 42,857 (INR 30 Lacs) or 25% of capital costs, whichever is less<br><br>Industries adopting zero effluent or waste water discharge, clean development mechanism and emissions trading mechanism are given higher subsidies | Electricity tax exemption for up to 5 years |

### Additional Incentives for Industrial Investment in Southern Districts

| Capital Subsidy | Stamp Duty Concession | Land Allocation |
|---|---|---|
| 25% additional back-ended subsidy linked to investment and employment | 50% exemption for land privately purchased by investors<br><br>100% exemption in case of units in SIPCOT industrial parks | Land allocation at 50% of the cost in existing and new industrial parks<br><br>SIPCOT will acquire and allot land for new ventures in case SIPCOT industrial parks are not available |

Project classification matrix as per Industrial Policy – 2014 is present in the appendix
Note: Incentives are applicable to all industries except those in the negative list as per the Industrial Policy 2014

State Government has always taken pro-active industrial policy approach in line with industrial growth

**Mr. Anurag Mehrotra**
**President and MD**
**Ford India Pvt Ltd**



# GAMUT OF SECTOR SPECIFIC POLICIES PERIODICALLY UPDATED TO MEET INVESTOR REQUIREMENTS



**Automobile and Auto Components policy 2014**



**Electric Vehicle Policy 2019**



**Aerospace and Defence Policy 2019**



**Biotechnology Policy 2014**



**Solar Policy 2019**



**ICT Policy 2019**



**New Integrated Textile Policy 2019**



**Food Processing Policy 2018**



**Startup and Innovation Policy (2018-2023)**

## Fiscal Incentives Offered:

- Capital subsidies
- Land cost subsidies
- SGST reimbursements
- Stamp duty exemptions
- Electricity tax exemptions
- Skill development and employment incentives
- Special packages for MSMEs and Start-ups

For policy details refer: investingintamilnadu.com

# Enabling Infrastructure

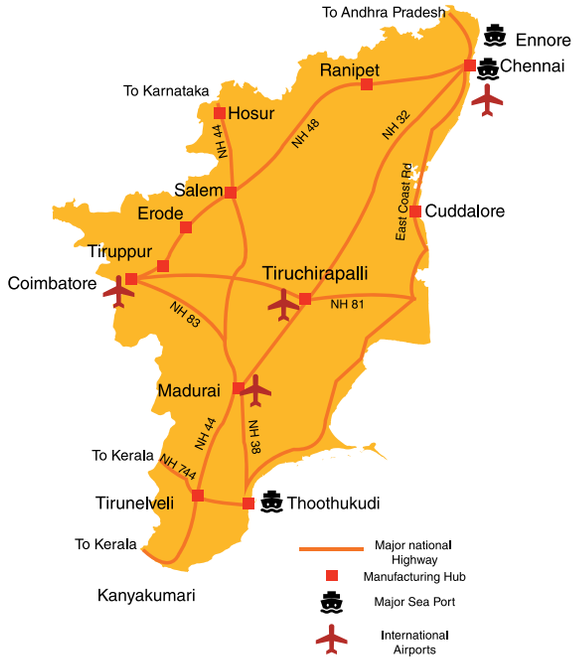




## Chennai Airport

Only airport in India to have multimodal forms of transport for connectivity: MetroRail, Railway and Road

# INTEGRATED INFRASTRUCTURE BOOSTING BUSINESS ACTIVITIES




## TNIDB Prioritized projects (USD)

| | |
|---|---|
| Industrial Corridor | 5.7 Billion |
| Roads | 1.4 Billion |
| Power | 1.4 Billion |
| Environment | 1.4 Billion |
| Skill Development | 857 Million |
| Chennai Greenfield Airport | 714 Million |
| Water | 500 Million |
| Cuddalore Port | 286 Million |
| Others | 643 Million |
| Total | 14.4 Billion |

## Airports

**6** 4 international and 2 domestic airports in the state

**2400** 2400 weekly flights to and from Tamil Nadu
540 international flights and 1850 domestic flights weekly

## Roadways

**253k** 253,510 km of roadways in the state

**17k** 17,000 km of Highways (National and State Highways)

## Seaports

**3** 3 major ports in Tamil Nadu

**240 MT** 240 MT per annum cargo is handled by Chennai, Kamarajar (Ennore), VOC (Thoothukudi), Kattupalli and Karaikal ports

## Support Infrastructure

**4** 4 Major Industrial Corridors – CKIC, CBIC, KBIC & Defence

**39** 39 Industrial Clusters across the state spanning multiple sectors

**32.3** Power surplus state with 32.3 GW installed power capacity

**14.8** Highest bandwidth of 14.8 Tbps amongst Indian states



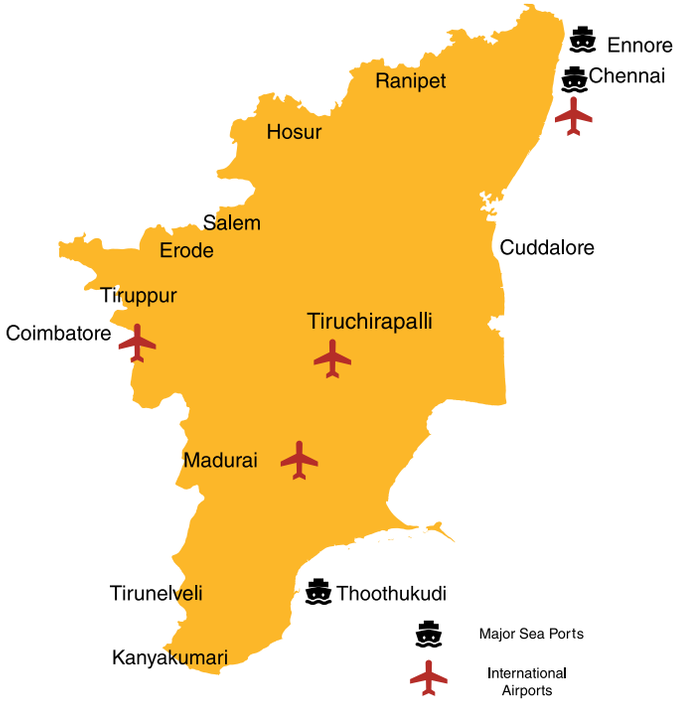
## Chennai Port

Second largest container port of India

# STRONG CONNECTIVITY: 3 MAJOR PORTS, MULTIPLE MINOR PORTS, 4 INTERNATIONAL AIRPORTS

- 3 major public ports, 1 large private port and multiple minor ports
- 3 major ports handling 20% of container traffic - in top 5 for turnaround time
- Chennai Port handles 2 Ro-Ro car carriers; connected with rail transportation

- 4 international airports- Chennai, Coimbatore, Tiruchirapalli and Madurai
- New world class international airport is on the anvil
- Chennai International Airport – Among the top 10 fastest growing airports globally; 17.2% growth in cargo handling
- 2 domestic airports - Tuticorin (Thoothukudi) and Salem




| Chennai Airport statistics (April 2019 to December 2019) | | |
|---|---|---|
| International Passengers | 4.6 Million | 3rd highest in India (highest in Southern India) |
| International Freight | 212 MT | 3rd highest in India (highest in Southern India) |
| Domestic Passengers | 12.7 Million | 6th highest in India |
| Domestic Freight | 63 MT | 5th highest in India |

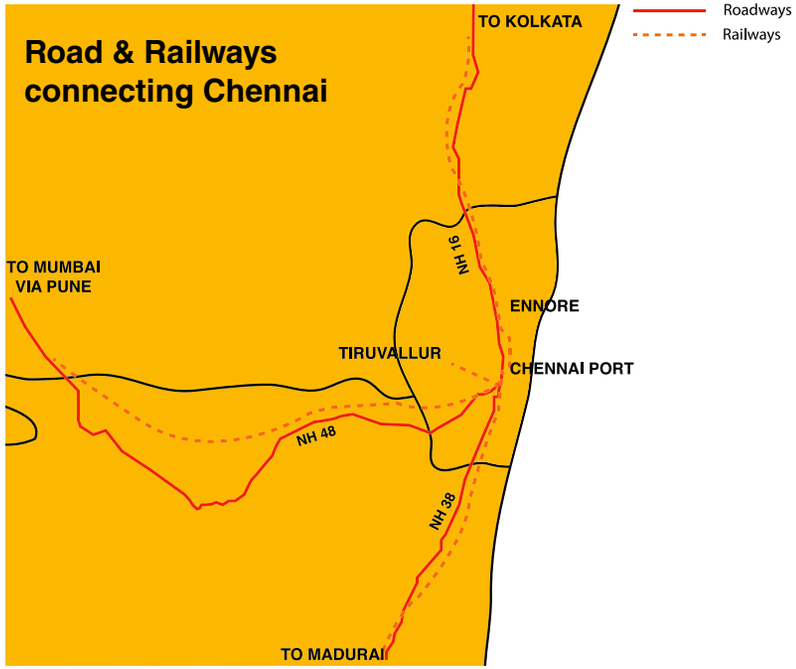


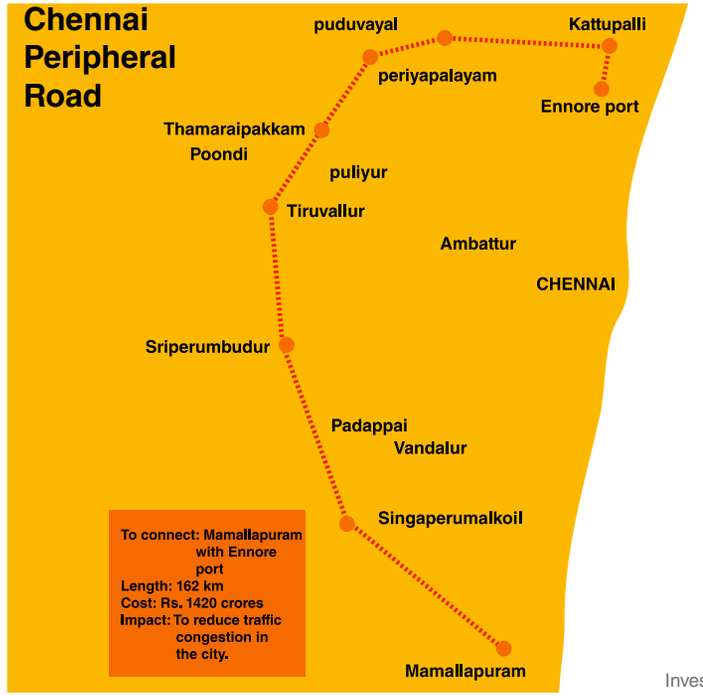
## East Coast Road (ECR)

800 km between Chennai and Kanyakumari

# SEAMLESS ROAD AND RAIL CONNECTIVITY SUPPORTED BY LOGISTICS INFRASTRUCTURE

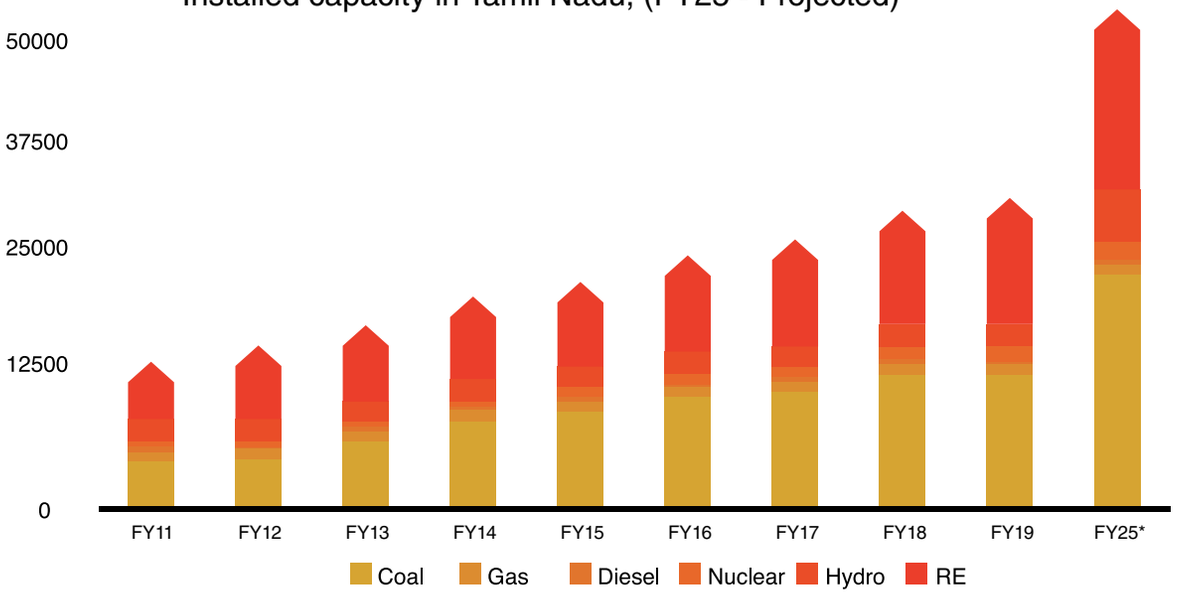
- Road length: 253,510 km (2018-19) comprising of 5,324 km of National Highways and 11,830 km of State Highways. Road network in Chennai city: 2,780 km
- Chennai - headquarter of Southern Railway; total railway length - 3,850 kms
- Rail auto transport hub in Walajabad station near Kancheepuram; upcoming facility at Singaperumalkoil station near Chengalpet
- Chennai port - railway lines running up to 41 km, 8 sidings to handle wide range of cargo like granite, food grains, dry bulk
- 30+ CFSs and 5 ICDs connected to Chennai port by National Highways
- Automobile companies around Sriperumbudur use railway transportation to transport cars from Chennai and Ennore port to Gujarat, North East region and North India



# POWER SURPLUS STATE WITH WIDE PENETRATION OF TRANSMISSION LINES

Installed capacity in Tamil Nadu, (FY25 - Projected)




Share of power generation by source

| | India (GW) | Tamil Nadu (GW) | Share |
|---|---|---|---|
| **Thermal** | 231 | 15 | 7% |
| **Hydro** | 45 | 2 | 5% |
| **Renewable** | 86 | 14 | 17% |
| **Nuclear** | 7 | 1 | 21% |
| **Total** | 369 | 32.3 | 9% |

- Tamil Nadu, a power surplus state
- 32.3 GW – installed power generation capacity (as of Dec 2019)
- National leader in wind energy (14.2 GW – installed renewable energy capacity)
- Access to electricity (measured by per capita consumption) highest – 1,228 kWh (national average – 1,149 kWh, Karnataka - 925 kWh, Andhra Pradesh – 1,003 kWh)
- 0.26 ckt km/sq km: Highest penetration of transmission lines among competing locations

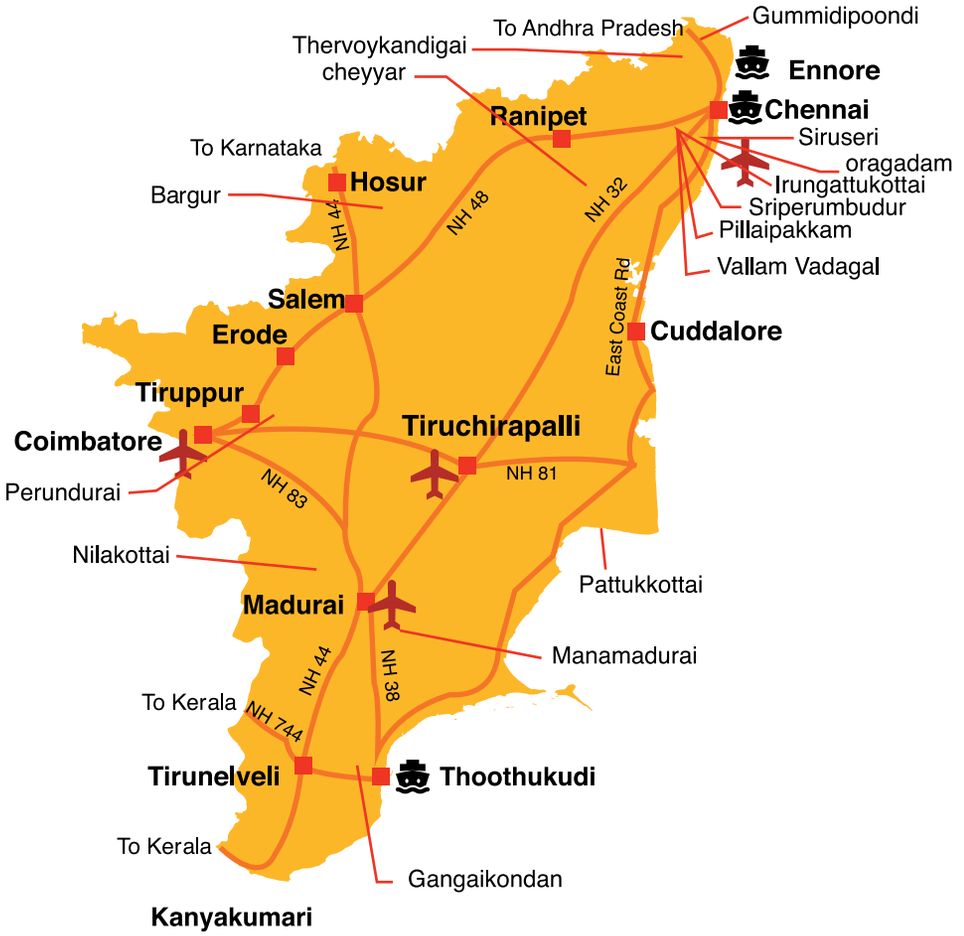
World class complex at Sriperumbudur is the single largest investment destination of Saint-Gobain globally

**Mr. Santhanam,**
**Managing Director**
**Saint-Gobain**



# WELL DEVELOPED INDUSTRIAL INFRASTRUCTURE

**SIPCOT Parks location**




- 23 SIPCOT industrial complexes in 12 districts
- 7 SEZs across Tamil Nadu
- Industrial parks have state-of-the-art utility and transport infrastructure. Other specific requirements provided on a case-to-case basis

## SIPCOT Initiatives

**Industry support**

- Housing facility for industrial workers at Vallam Vadagal (Kancheepuram district)
- SIPCOT Industrial Innovation Center at Sriperumbudur & Hosur
- 45 MLD treated wastewater (TTRO) supplied to industrial clusters in Sriperumbudur

**Sustainability**

- Existing parks transformed into Eco Industrial Parks
- Implementation of water security plan and greenery plan in industrial parks

**Parks**

- Establishment of food parks at 5 existing SIPCOT parks (area of 100-150 acres each)
- Establishment of e-vehicle park in SIPCOT park at Manallur, Thiruvallur district
- Plug & play facility under development for warehousing, logistics, light engineering assembly etc.

**Private Parks**

- OneHub (Chennai)
- Sojitz Motherson industrial park (Sriperumbudur)
- Mahindra World City Origins (Ponneri)
- GMR industrial park (Hosur)
- Sri Kailash industrial park (Oragadam)

# ECONOMIC CORRIDORS FOCUSING ON HOLISTIC DEVELOPMENT




## Integrated Industrial Development

- VCIC and CKIC are part of the East Coast Economic Corridor development scheme promoting port led industrialization under the Sagarmala initiative. ADB has agreed to grant USD 500 Million for the development of the CKIC project

- CBIC project is another upcoming mega infrastructure project of GOI, expected to boost commerce between South India and East Asia by enabling quicker movement of goods through Chennai and Ennore ports. A major boost is expected in automobile & auto components, chemicals & petrochemicals, machinery, textiles & apparels, pharmaceuticals etc.

# Investment opportunities



# THE LARGEST AUTO-HUB IN INDIA; 45% OF TOTAL INDIAN AUTO-EXPORTS

## Sector Potential

- India to be world's 3rd largest automotive market by 2026 (by volume)
- Indian automobile industry to reach USD 135 billion by 2020 and USD 300 billion by 2026
- 100% FDI allowed under automatic route without prior approval required from GoI or RBI

## State Ecosystem

- Largest auto hub; Auto capital of India; among top 10 Auto hubs in the world
- Annual installed capacity of 1.71 million cars and 4.82 million two wheelers
- State accounted for 45% of India's total auto exports in 2017-18
- Chennai is known as "Detroit of Asia"
- World's best automobile companies have manufacturing units in the state
  - **Passenger Vehicles** – Ford, Hyundai, Nissan, Renault, BMW
  - **Commercial Vehicles** – Daimler, Ashok Leyland
  - **Tractors** – TAFE
  - **Two wheelers** – TVS, Royal Enfield, Yamaha
  - 80+ auto component manufacturers
- Largest tyre manufacturer in the country (Michelin, JK Tyre, CEAT, TVS, Apollo)
- 2 Ro-Ro berths for auto exports - Kamarajar Port in Ennore, Chennai

## Investment Opportunities

- Passenger and Commercial Vehicles
- Electric Vehicles
- Auto-components
- Tyres
- Dedicated auto R&D centres

### Tamil Nadu Electric Vehicle Policy 2019

**Vision of TN Government**
Replace existing 21,000 public transport buses with electric buses; Conversion of public cabs as next venture

**State government initiatives**

**Manufacturers**: Capital subsidy, stamp duty exemption, land cost subsidies, 100% SGST reimbursement, electricity duty exemption and EPF contributions

**Customers**: 100% road tax exemption to boost demand; charging infrastructure subsidy

**Development**: Electricity tax exemption, stamp duty exemption, amendment of building laws for more stations

# ELECTRONICS AND HARDWARE PRODUCTION HUB; 16% OF INDIA'S TOTAL PRODUCTION

## Sector Potential

- India is one of the largest electronics market in the world, anticipated to reach USD 400 billion by 2020
- 100% FDI allowed under automatic route without prior approval from GoI or RBI (except, for defence electronics - 49%)

## State Ecosystem

- Tamil Nadu - India's second largest manufacturing hub, accounts for 16% of national production
- Ranks third in India in electronic exports (USD 1.27 billion in FY 2017-18)
- Nokia Networks in SIPCOT Oragadam Electronic Hardware SEZ is world's largest base-station manufacturing facility accounting for about 50% of Nokia's global market share
- Two dedicated SEZs for Electronics and Hardware manufacturing in Sriperumbudur and Orgadam
- Presence of major players: Foxconn, Samsung, Siemens, Sanmina – SCI, Panasonic, Motorola, Nokia, Dell, Flextronics, Honeywell
- Electronic manufacturing clusters planned in Hosur (Krishnagiri) and Coimbatore

## Investment Opportunities

- Automotive Electronics
- Mobile phone and components manufacturing
- Telecom Products and Equipment
- Consumer Electronics
- Semiconductor Fabrication
- Medical Electronics

# IT & ITES SECTOR; BEST IT INFRASTRUCTURE WITH DEDICATED INDUSTRIAL PARKS

## Sector Potential

- India has >55% market share in global outsourcing and is the 2nd largest tech start-up hub of the world
- IT sector headed towards achieving USD 1 trillion digital economy by 2022
- 100% FDI allowed under automatic route

## State Ecosystem

- State's IT Exports registered a growth rate of 8.6% over the period 2013 –18
- Private investments in the state stood at USD 6.15 billion in FY 2017-18
- 246 upcoming IT parks in the state
- Equipped with an integrated IT infrastructure consisting of State Data Centre, State-wide Area Network, Cloud Computing, Disaster Data Recovery centre etc.
- World class IT Communication Infrastructure - 3 Submarine Cables of 14.8 TBps that connect Chennai to the world
- Providing direct employment to 400,000 and indirect employment to 750,000 people
- Major Players: IBM, TCS, CTS, HCL, Infosys, Tech Mahindra, Syntel, L&T Infotech, Wipro, Accenture

## Investment Opportunities

- Commissioning, Operation and Maintenance of Data Centres
- Centres of Excellence for Internet of things, Robotics, Automation, etc.
- R&D Centres – Digital innovation hub, AI, Blockchain, Cloud Computing
- Setting up of BPO, KPO, LPO

## Tamil Nadu IT Policy 2018

**Incentives**

**Capital subsidy and electricity tax exemption** ( based on employment and investment)

**Additional capital subsidy:** 50% capital subsidy in ELCOT promoted SEZs/IT parks in A category districts and additional capital subsidy of 10% and 25% for IT & ITeS industries in B & C category districts

**Land subsidy:** Subsidy on lease rentals for Startups and MSMEs

**Certification and patents:** 50% reimbursement to MSMEs for certifications and patents

**Land relaxation:** Up to 100% FSI relaxation to IT and ITeS parks

# LEADING IN RENEWABLE ENERGY SECTOR IN INDIA

## Sector Potential

- India - fourth most attractive renewable energy market (2019) in the world, targeting renewable power generation of 175 GW by 2022
- Up to 100% FDI allowed under automatic route for renewable energy generation and distribution projects (subject to provisions of The Electricity Act, 2003)

## State Ecosystem

- Total Installed Capacity > 14.2 GW (renewable power)
- Tamil Nadu is the most cost effective region in the world for manufacture of Wind Towers and Frames
- Ranks 9th globally in net share of wind energy as a proportion of total energy generated
- Wind power generation - installed capacity of > 8 GW; solar power generation - installed capacity of > 3 GW
- Target of 9000 MW of solar energy generation by 2023
- Upcoming solar park of 500 MW at Kadaladi, Ramnad district
- Major players: RRB Energy, Winwind, Gamesa, Adani

## Investment Opportunities

- Offshore wind energy projects
- Tidal projects at commercial scale
- Development of wind-solar hybrid installations and biomass projects
- Development of solar PV manufacturing capabilities
- Construction of solar and wind parks in large scale

# A WELL DEVELOPED HEAVY ENGINEERING SECTOR WITH DEDICATED INDUSTRIAL PARKS

## Sector Potential

- Indian electrical equipment industry (generation and T&D equipment) to reach USD 100 billion by 2020; T&D equipment segment to reach USD 75 billion
- 100% FDI allowed under automatic route

## State Ecosystem

- Tamil Nadu ranks second in India for exports of heavy engineering products
- State's exports in 2017-18 stood at USD 2.49 billion, registering a growth of 8% over 2013-18
- Dedicated infrastructure - Heavy Engineering Industrial Park (Ponneri Taluka - Tiruvallur district; 700 acres)
- Multi sector SEZs with presence of companies in:
  - Engineering sector (263 acres) in Perundurai, Erode District
  - Transport Engineering Goods (255 acres) in Gangaikondan, Tirunelveli District
  - Engineering (134 acres) in Ranipet, Vellore District
- Major Players: Caterpillar, Alstom, Komatsu, Kobelco, Doosan

## Investment Opportunities

- Manufacturing units in auto & auto components, textiles, food processing, heavy electrical equipment, printing
- Development of heavy engineering industrial parks
- Development of dedicated MSME parks

# HOME FOR INDIA'S DEDICATED DEFENCE CORRIDOR – A HUGE OPPORTUNITY FOR AEROSPACE & DEFENCE SECTOR

## Sector Potential

- Indian aviation sector contributes USD 72 billion to GDP
- Increase in fleet size to 1100 aircrafts by 2027
- USD 130 billion government spending on military modernization over next 5 years
- 100% FDI allowed in Defence industry (49% under automatic route)
- 100% FDI permitted in Aviation sector

## State Ecosystem

- 120 + aerospace component manufacturing companies; 700+ suppliers of aerospace components to various defence PSUs
- Government aims to acquire a share of 30% in India's defence sector and generate employment opportunities for 100,000 peopleIndustrial infrastructure:
  - One of India's two defence corridors
  - Aerospace park (by SIPCOT in Sriperumbudur)
  - Advanced Computing and Design Engineering Centre (ACDEC) to support incubation and innovation (under implementation)
- Major Players: Boeing, Thales, Honeywell, Sanmina, SCI, TAAL, LMW, L&T

## Investment Opportunities

- Anchor units in the A&D sector
- MRO facilities
- Manufacturing of parts and assembly for aircraft
- Components for defence equipment

### Tamil Nadu Aerospace & Defence Industrial Policy 2019

**Incentives**

**Capital subsidy for development of aerospace & defence industrial parks:** 10% Anchor unit subsidy to a maximum of ~USD 1.5 million (INR 10,000 crores)for first 10 companies; Back ended capital subsidy of 10% up to ~USD 1.5 million (INR 10,000 crores) for MSMEs

**Skill Development:** ~USD 142.8 (INR 10,000) reimbursed for "on the job" training for 50 trainees

**Land allotment:** 20% concession on actual land cost till 2022

**Utility support:** 100% electricity tax exemption for 10 years; 25% capital subsidy on establishment of Effluent treatment plant

**SGST reimbursement:** 50% net SGST paid by MRO operators Special Package of Incentives: for investments above ~USD 42.8 million (INR 300 crores)

# VIBRANT FOOD SECTOR

## Sector Potential

- By 2020, Indian Food and Retail market to reach USD 828.92 billion and Indian Dairy industry to double to USD 140 billion
- Food processing (manufacturing) -100% FDI permitted under automatic route
- Food processing (trading, including through e-commerce) – 100% FDI through government approval route

## State Ecosystem

- Tamil Nadu has the second highest number of registered food processing factories in India; contributes to 7% of India's food processing output
- Ranks in production among Indian states:
  - 1st in the production of bananas, tapioca, cloves, flowers and oilseeds
  - 2nd in production of coconut, tamarind, rice, cereals and sugarcane
  - 2nd in production of Poultry and Dairy
  - 3rd in production of Tea and Coffee
- State has 7 agro-climatic zones due to soil characteristics, rainfall distribution, irrigation patterns, cropping patterns and other ecological characteristics
- Major Players: Nestle, Hindustan Unilever, Coca Cola, ITC, Haldirams, Dabur

## Investment Opportunities

**Infrastructure**

- Integrated storage and warehouses
- Mechanized grain handling and storage
- Food testing and quality control labs
- Edible oil extrusion plants

**Innovative Technologies**

- Vegetable dehydration
- Banana fibre extraction unit
- Medicinal Herbs extraction unit
- Tertiary Food processing units

## Tamil Nadu Food Processing Policy 2018

**Incentives**

**Interest Subvention:** 3% per annum on term loan for fixed capital investment for food processing units and cold chain infrastructure, primary processing centres, primary collection centres, etc.

**Increased interest subsidy for women or scheduled caste / scheduled tribe entrepreneurs:** Additional interest subvention of 2% per annum on term loan availed for fixed capital investment

**SGST reimbursement :**
For new industrial units with an investment above ~USD 1.5 million (INR 10 crores) for 3 years from the date of commencement of business (excluding land cost for processing of fruits& vegetables, medicinal plants, minor millets, etc.)

# TEXTILES & APPARELS HUB: 40% OF TOTAL YARN PRODUCED AND 50% OF TEXTILE MILLS IN INDIA

## Sector Potential

- India - world's largest producer of Textiles and Apparel
- Indian textile exports- USD 300 Billion by 2025, increasing India's market share from 5% to 15%
- 100% FDI under automatic route

## State Ecosystem

- Tamil Nadu is the largest hub of textiles and garments (~6500 garment operating units) contributing 20% of India's total export of readymade garments
- Ranks first in the production and export of cotton yarns, contributing 40% of total yarn production in India
- 13 Textile parks being promoted by Government of Tamil Nadu; SIPCOT setting up textiles processing parks of over 500 acres
- Housing ~50% of India's total textile mills and 22% of India's power looms
- Leading producer of Technical Textiles (manufacturing units predominantly in Chennai & Coimbatore)
- Sourcing companies: Nike, GAP, Mothercare, Adidas, Arrow, FILA, Superdry

## Investment Opportunities

**Manufacturing units across the value chain**

- Fibre, Yarn, Fabric
- Spinning, Weaving, Knitting
- Dyeing, Processing & Finishing Technical Textiles
- Capital goods machinery manufacturing
- Apparel and garment manufacturing units

### Tamil Nadu New Integrated Textile Policy 2019

**Incentives**

**Interest subvention:** 2% for investments on Technological Upgradation and Modernization in existing Spinning Mills with a vintage period of minimum 15 years on installed machinery

**Utility support:** Free Supply of Electricity to Handloom Weavers households @ 200 units bi-monthly to weavers' households Handloom Support Programme: Allocation of ~USD 5.8 million (INR 40 crores) to support innovation and product diversification

**Interest Subsidy** for Primary Handloom Weavers Co-operative Societies increased from the present 4% to 6%

**Credit linked investment subsidy:** 10% on brand new shuttleless looms under Amended Technology Upgradation Fund Scheme (ATUFS)

# DIVERSIFIED CHEMICALS & PETROCHEMICALS SECTOR

## Sector Potential

- Indian chemical industry ranks 6th in world (sales)
- Indian chemical industry – USD 304 billion by 2025
- 100% FDI under automatic route (excluding certain hazardous chemicals)

## State Ecosystem

- Tamil Nadu has 2,588+ factories producing ~ 6% of India's total chemicals output
- 8,000 MSMEs providing direct and indirect employment to > 1 million people
- Industrial infrastructure:
  - Two refineries - Chennai and Nagapattinam
  - State's chemical exports growth rate - 13.5% over 2013-18
- Leader in plastic production
- Major Players: Asahi India, CPCL, BASF, Asian Paints, DCM Shriram

## Investment Opportunities

**Manufacturing units for producing:**

- Agrochemicals
- Glass
- Speciality Chemicals
- Dyes & Dye intermediates
- Engineering polymers
- Pigments

**Mega Projects**

- Crude oil Refinery
- Setup common effluent treatment plants for processing units

# PHARMA & BIO-TECH SECTOR; 10% OF NATIONAL PRODUCTION

## Sector Potential

- India – third largest pharma industry (by volume)
- India's pharmaceuticals exports – USD 19.13 billion (2018-19); registering growth of 10.8% over the previous year
- 100% FDI under automatic route (in greenfield manufacturing)
- 100% FDI allowed (in brownfield manufacturing; wherein 74% allowed under automatic route and thereafter through government approval route)

## State Ecosystem

- Tamil Nadu accounts for over 10% of national production in pharmaceutical manufacturing
- Industrial infrastructure:
  - India's largest integrated Vaccine manufacturing facility by Hindustan Life Sciences (Chengalpet near Chennai)
  - Upcoming Medipark of about 330 acres near Chengalpet
  - TICEL Bio-Park I (in technical collaboration with Cornell University, USA - operational since 2004)
  - Upcoming Bulk Drug Park (BDP) at Cheyyar in Thiruvannamalai
  - Bio-Park II and Bio-Park III will provide additional lab space
  - R&D centers: Pfizer, Dow Chemicals, Orchid Chemicals and Pharmaceuticals, Chemech Laboratories, Shasun Chemicals

## Investment Opportunities

**Investment opportunities in Pharma:**

- Manufacturing units for API & Formulations, Medical Equipment, Healthcare Products and Pharmaceutical machinery
- R&D for new product development
- Shared Services Centre
- Contract research and manufacturing

**Investment opportunities in Bio-tech:**

- Microbial and Industrial Biotechnology

# A PREFERRED INVESTMENT DESTINATION FOR FORTUNE 500 COMPANIES



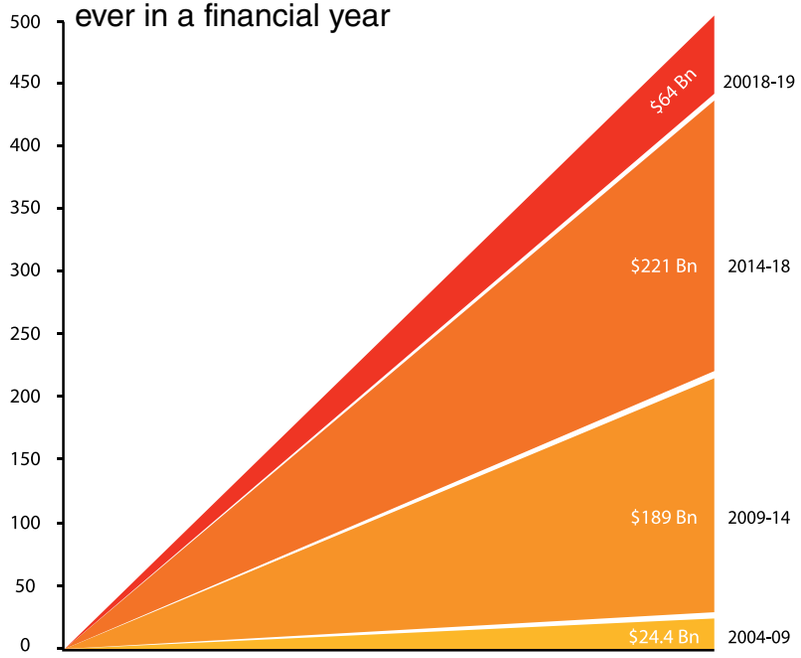
# Doing Business



# AN ATTRACTIVE INVESTMENT REGIME: 100% FDI, NO PRIOR APPROVAL IN MULTIPLE SECTORS

India

In 2018-19 India received the highest FDI ever in a financial year




**100% FDI through automatic route**

**Manufacturing & Services**

- Auto & Auto Components
- Tourism & Hospitality
- Electronics (ESDM)
- Chemicals
- Textiles

**Infrastructure**

- Renewable Energy
- Ports & Harbour
- Roads & Highways

**47%** of cumulative FDI received in 2014-19 (since 2001)

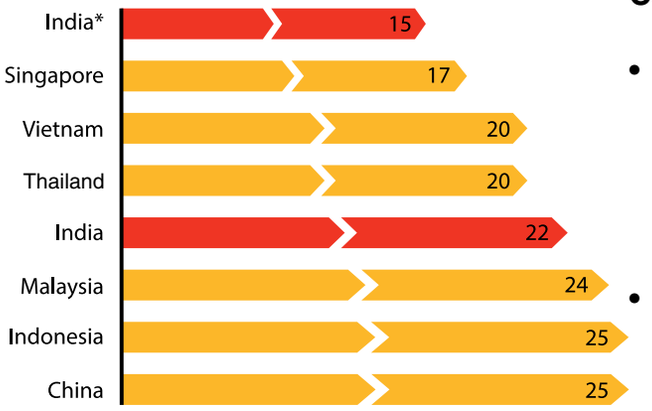
**Recent FDI Policy Reforms (August 2019)**

- 100% FDI for contract manufacturing, coal mining and processing infrastructure
- Eased local sourcing norms for FDI in single brand retail trading

# WITH MULTIPLE TAX REFORMS, INDIA IS USHERING IN TAX EFFICIENCY

India

## Corporate tax rationalisation to 22% (15% for new)




### Corporate Income Tax

- 15% CIT for manufacturing companies set up on or after 1 October 2019 and commencing manufacturing before 31 March 2023
- Reduced CIT from 34.94% to 25.17% for existing domestic companies inclusive of all cess and surcharges

## Profit Repatriation: Depends on entity's investment model

- Liaison Offices - Expenses entirely through inward remittance. Can remit a surplus, only upon completion of the project
- Branch Offices- Profit repatriable post taxes. File application for remittance as per Reserve Bank of India's Exchange Control Manual
- Wholly Owned Subsidiaries - Payout of profits as dividends and Buyback of shares by the company

## One nation, One tax – Goods and Services Tax (GST)

- Increased deployment of technology for tax compliance and minimized physical interventions
- Simplified compliance for smaller business including promotion of e-invoicing

## Income tax

Foreign nationals residing in India with income more than Rs.2.5 lakhs p.a. file income tax return

**Liable to pay tax when resides in India:**

- for a period of 182+ days
- for minimum of 60 days, not more than 182 days, & residing over the previous 4 years prior to the taxation year for a total of 365+ days

I strongly believe that Tamil Nadu state is the most attractive state in starting business in India and recommend Tamil Nadu to prospective investors from Japan and other countries

**Mr. Rivji Kawashima**
**Deputy Managing Director**
**Business Expansion Group,**
**Yamaha**



# WITH EODB REFORMS, INDIA IS BECOMING MUCH MORE BUSINESS FRIENDLY

India




### Starting a business

- SPICe form (INC-32) combined with the Permanent Account Number (PAN) and the Tax Account Number (TAN)
- No filing fees for SPICe form
- Electronic filing of MoA and AoA

### Getting credit

- Insolvency law amended - secured creditors given absolute priority over other claims within insolvency proceedings

### Protecting minority investors

- Remedies available in cases of prejudicial transactions between interested parties increased thereby strengthening minority investors' protections

### Resolving insolvency

- Establishment of debt recovery tribunals reduced non-performing loans by 28% and lowered interest rates on larger loans, consequently faster processing of debt recovery cases cuts the cost

# GOVERNMENT OF TAMIL NADU CONTINUES TO BE A LEADING STATE IN INTRODUCING INVESTOR FRIENDLY REGULATIONS BACKED BY LEGISLATION

Tamil Nadu

**Legislation: Tamil Nadu Business Facilitation Act 2018**

- Nodal Agency at state and district level setup to guide and handhold investors/ entrepreneurs
- Time lines described along with penalty provisions

| Time taken (Days) | Services |
|---|---|
| 1 | Registration of immovable property, partnership firm and societies |
| 30 | Consent to establish and consent to operate under Water and Air Act |
| 7 | • Registration of establishments for employing building and other construction workers<br>• Final safety certificate<br>• Registration of principal employer establishments for employing contractual workmen |
| 14 | • Final building permit<br>• Factory registration and license |
| 15 | • Issue of trade license and boiler registration<br>• License for manufacturer/repairer/dealer of weights |

**Key Outcomes**

- End-to-end online services
- MSME friendly processes
- Simplified and transparent registration and inspection
- Regular stakeholder consultation to understand gaps and changing industry requirements in regulations and policies
- Process re-engineering/ reforms for incorporating feedback
- Introduction of grievance redressal mechanism
- Enhanced technology adoption for paperless delivery & timebound of service and increased accountability
- Geographic Information System identifies land earmarked for industrial use across the state, details infrastructure like electricity, roads and water available as well

**Labour law reforms**

- Factories Act: Permits women for night shifts
- Inspection exempted for startups under 6 labour Acts for 5 years

Guidance TamilNadu

Tamil Nadu

# AN INTEGRATED SINGLE WINDOW SYSTEM HAS BEEN DEVELOPED TO PROVIDE A ONE STOP SHOP RELATED GOVERNMENT SERVICES FOR ALL INDUSTRIES

### One Stop Information Shop

- Comprehensive information
- Clarity on supporting documents to be provided, fees to be paid, procedures involved

### Deemed Approval

- Factory planning permission
- Building permit
- Factory plans approval
- Fire NoC
- Electrical drawings
- Registration of establishments for employing BOCW

Single Window Portal

### Composite approval

- For all clearances at the State level

### Simultaneous processing

- Time-bound processing of applications

Way forward: New portal will cover 190 services across 33 Departments

- Directorate of boilers
- Chennai Metropolitan Development Authority
- Directorate of Industrial Safety & Health
- Department of Labour
- Town and Country Planning
- TN Pollution Control Board
- Chennai Metro Water Supply and Sewage Board
- TN Fire and Rescue Service
- TN Generation and Distribution Corp.
- TN Electrical Inspectorate

# A DEDICATED INDUSTRY HELP DESK TO ADDRESS GRIEVANCES

Tamil Nadu

Guidance TamilNadu

Biz Buddy

Industry Help Desk

Tamil Nadu Biz Buddy is a platform for Industries to submit a “Help Call” on issues which have not been resolved previously by a government department.

**Features**

- Unique reference number  to track grievance submissions
- Stakeholders are notified of the ticket status
- Ticket can be escalated if grievance is not resolved within given time
- Dashboard showcasing pending grievances, escalated issues, widget to sort
- Mechanism to acquire industry stakeholders ideas and suggestions
- Resolution within 30 working days on best effort basis



# IMPROVED EFFICIENCY AT CHENNAI PORT

**Tamil Nadu**

| | | | |
|---|---|---|---|
| **Form 11 & 13 eliminated** | • Online gate-in permits issued by terminals | • e-form 13 issued by Chennai Container Terminal Pvt Ltd, Chennai International Terminals Pvt Ltd, Kamarajar port and Kattupalli port | • RFID system being developed |
| **Direct Port Delivery** | • Terminals connected with Port Community System server | • Direct Port Delivery introduced<br>• Risk Management System created for DPD containers on 24x7 basis<br>• E-Delivery introduced | |
| **Container scanners being introduced** | • One fixed & one mobile container scanner commissioned | • Installation of one more container scanner taking place | |
| **RFID based gate automation system** | • Access control<br>• system for container trailers entering into ChPT commenced | • Introduction of Import container Trailers Document verification system | |

Container Tracking - current position of container, determines port and time spent in port of congestion

Freight and Load calculator - instant freight rate for all services & get 3D image of stowing mixed sized cargo

Cargo Wizard - app for selling shipping rates and customer services, compare and book air, ocean & trucking quotes

# OWNERSHIP TYPE - CENTRAL LEVEL

India

| | | |
|---|---|---|
| 1 | To register as Indian entity | • Joint Venture<br>• Wholly owned subsidiary as private limited or public limited compan as per The Companies Act, 2013 |
| 2 | To register as foreign entity | • As per the Foreign Exchange Management Regulations, 2016 (establishment in India of a branch office or a liaison office or a project office or any other place of business) |
| 3 | To register as Limited Liability Partnership | • FDI permitted under automatic route in LLPs operating in sectors/ activities where 100% FDI is allowed As per LLP Act, 2008 |

# REGULATORY ENVIRONMENT – CENTRAL LEVEL

India

| | | |
|---|---|---|
| Pre incorporation | **Pre-requirements for company incorporation** | • Appoint Directors and shareholders<br>• Formulate Memorandum of Association and Articles of Association |
| | **Company Incorporation** | • Authority - Ministry of Corporate Affairs<br>• SPICe - Simplified Proforma for Incorporating Company Electronically- single online form for name reservation, company incorporation and/or allotment of Director Identification Number |
| Post incorporation | **Post Incorporation compliance** | • Appointment of Statutory Auditor<br>• Obtain commencement certificate from MCA |
| | **Import and Export Licensing** | • Regulated by Foreign Trade (Development & Regulation) Act of 1992 and India's Export Import (EXIM) Policy<br>• Registration with regional licensing authority |

# REGULATORY ENVIRONMENT – TAMIL NADU

Tamil Nadu

| | |
|---|---|
| **Obtaining Land** | • For non-MSMEs - State Industries Promotion Corporation of Tamil Nadu identifies, develops and maintains industrial areas<br>• For MSMEs - Small Industries Development Corporation develops industrial estates with infrastructure facilities, provisions work sheds & developed plots |
| **Construction Permits** | • Planning Permission for the Factory Buildings from<br>  • Chennai Metropolitan Development Authority (CMDA)<br>  • Directorate of Town and Country Planning<br>• Building Permit given by Greater Chennai Corporation, Municipal Corporation/ Municipality, Town & Village Panchayat within 14 days |
| **Fire NOC** | • Authority: Fire and Rescue Services Department<br>• Apply on TN Single Window Portal<br>• Processing time is 30 working days |
| **Electrical Inspectorate** | • Approving Authority: up to 630 kVA – Electrical Inspector, above 630 up to 2500 kVA – Senior Electrical Inspector, above 2500 kVA – Chief Electrical Inspector<br>• Apply on TN Single Window<br>• Processing time is 5 working days |
| **Power Connection** | • Authority: Tamil Nadu Generation and Distribution corporation Limited<br>• Apply online for new service connection /addition or reduction of load in respect of LT/ HT service connection |

# REGULATORY ENVIRONMENT – TAMIL NADU

Tamil Nadu

| | |
|---|---|
| **Consent to Establish, Consent to Operate under Air and Water Act** | • Authority: Tamil Nadu Pollution Control Board<br>• Processing time - 30 days for Green, Orange and Red Category industries; 45 days for Red Medium and Red Large Categories |
| **Authorization/ Renewal under Hazardous & Other Waste Rules, 2016** | • Authority: Tamil Nadu Pollution Control Board<br>• Processing time - 45 days for Green, Orange and Red Category industries; 45 days for Red Medium and Red Large Categories |
| **Trade License** | • Greater Chennai Corporation<br>• Municipal Corporation/Municipality<br>• Town Panchayat/ Village Panchayat |

# SUPPORTING INVESTORS

Tamil Nadu

## STATE INDUSTRIES PROMOTION CORPORATION OF TAMIL NADU

## SIPCOT

- Land allocation
- Provides infrastructure facilities like roads, drainage, electricity, water supply, etc.
- Promotes industrial estates
- Provides export marketing assistance
- Promotes skill development centers

## TAMIL NADU INDUSTRIAL DEVELOPMENT CORPORATION

## TIDCO

- Provides comprehensive information on regulations, policies, opportunities to investors
- Assists investors in getting all pre-project clearances
- Facilitates projects during implementation phase by undertaking troubleshooting
- Monitors implementation of Foreign Investment proposals

## TAMILNADU INDUSTRIAL INVESTMENT CORPORATION

## TIIC

- Channelizes appropriate incentives and services for the development of MSMEs
- Provides term finance for industries
- Working Capital Term Loans
- Operation of various schemes viz. Equipment Finance Scheme, Solar Power Projects Scheme, Corporate Loan Scheme

- Investment Facilitation Cell has been established at the office of the Hon'ble Chief Minister
- A high-powered committee chaired by the Hon'ble Chief Minister expeditiously clears investment proposals

Tamil Nadu Industrial Guidance & Export Promotion Bureau has been an organization which provides seamless experience for investors and they have supported the State Government

**Mr. L. Ganesh**
**Chairman**
**Rane Group**



# WE ARE HERE TO HELP

Guidance, Department of Industries, Government of Tamil Nadu

**What we do?**

| | |
|---|---|
| **Nodal Agency of investments** | **Investment Promotion & Facilitation** |
| **Single Window Facilitation** | **Industry Locational Support** |
| **Sector-Specific Desks** | **Country Desks** |
| **BizBuddy - Investor Helpdesk** | **Ease of Doing Business** |

**Our performance standard**

- Investor can walk in anytime
- Open 24x7
- Response to any query within 24 hours



**SHRI N.MURUGANANDAM, IAS**

**Principal Secretary | Industries**
**Phone: +91 44 25671383**
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**Dr. NEERAJ MITTAL, IAS**

**MD & CEO | Guidance**
**Phone: +91 44 28553118**
**Fax: +91 44 28553856**
**md@investtn.in**

# DEDICATED SECTOR SPECIFIC DESKS

| Sector | Specialist | Email Address |
|---|---|---|
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| Foundries | Mr. Vishnu | vishnu@investtn.in |
| Electronics and IT | Mr. Prabhakaran | prbhakaran@investtn.in |
| Automobiles and Automotive Components | Mr. Sajad Sadiq | sajad.sadiq@investtn.in |
| Electric Vehicles | Mr. Sajad Sadiq | sajad.sadiq@investtn.in |
| Agro and Food Processing | Mr. Mageswar | mageswar@investtn.in |
| Renewable Energy | Mr. Mageswar | ageswar@investtn.in |
| Tourism and Hospitality | Mr. Uttamacholan | cholan@investtn.in |
| Healthcare | Mr. Uttamacholan | cholan@investtn.in |
| Education | Mr. Uttamacholan | cholan@investtn.in |
| Textile | Mr. Gaurav | gaurav@investtn.in |
| Others | Mr. Paul Arun | paularun@investtn.in |

# DEDICATED COUNTRY SPECIFIC DESKS

| Country | Investment Facilitator | Email Address |
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| Republic of Korea | Mr. Uttamacholan | korea@investtn.in |
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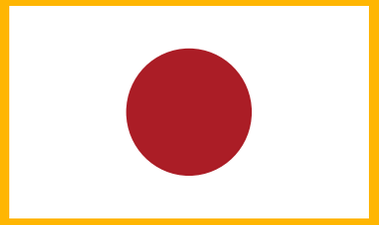
| Taiwan | Mr.Prakash/ Mr. Sajad Sadiq | taiwan@investtn.in |
| USA | Mr. Gaurav | usa@investtn.in |
| France | Mr. Vishnu | france@investtn.in |
| Germany | Mr. Vishnu | germany@investtn.in |
| UK | Mr. Prabhakaran | uk@investtn.in |
| EU | Mr. Prabhakaran | eu@investtn.in |
| Others | Mr. Paul Arun | countrydesk@investtn.in |

# INTERNATIONAL TRADE ASSOCIATIONS IN TAMIL NADU



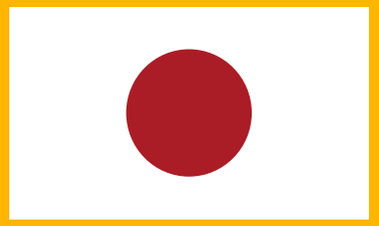
**Indo Japan Chamber of Commerce & Industry**
Tel: +91 44 48556140 / +91 44 24352010 / +91 44 24354779
Email: indo-japan@ijcci.com



**Indo American Chamber of Commerce**
Tel: +91 44 48570829 / 24613606
Email: sic@iaccindia.com



**Korea Trade Center, Chennai**
Mobile: +91 9840556464, +91 9003037342
E-mail: del@chennaiktc.com, kotra@chennaiktc.com



**Japan External Trade Organisation (JETRO)**
Tel: +91 44 6623 0100
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**Indo-German Chamber of Commerce**
Tel: +91 44 283408 35/36
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**Indo French Chamber of Commerce**
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Tel. : +91(44)30063616
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# Exploring Tamil Nadu



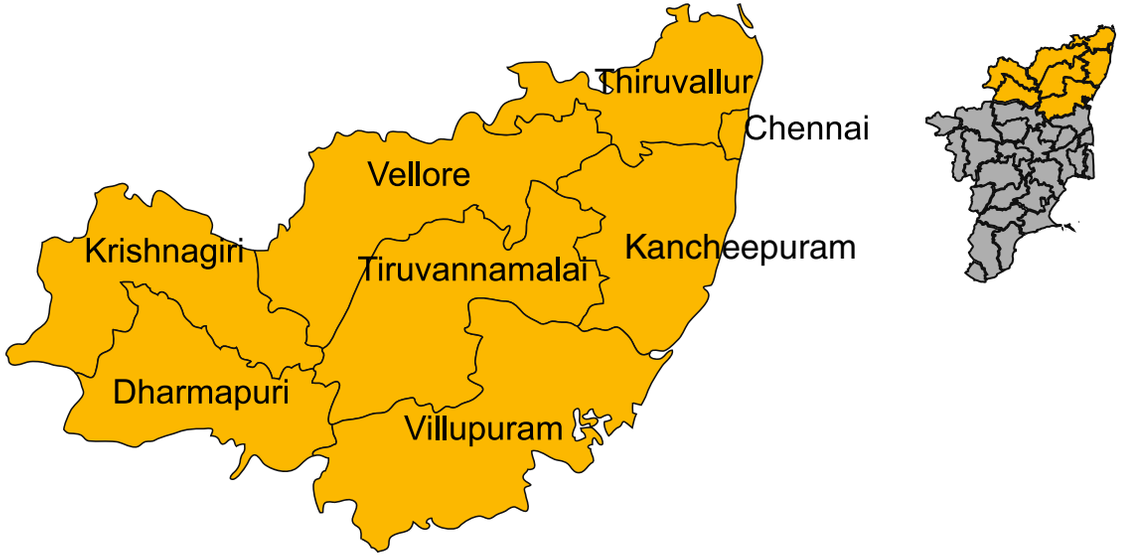
# A LAND OF VIBRANT COLOURS



## Kancheepuram Silks

The famous Kanjeevaram saree weave goes back 400 years, and It has been recognized as a Geographical indication by the Government of India in 2005-06

## NORTH TAMIL NADU






Marina, 2nd longest beach in the world



Mahabalipuram, UNESCO World Heritage site

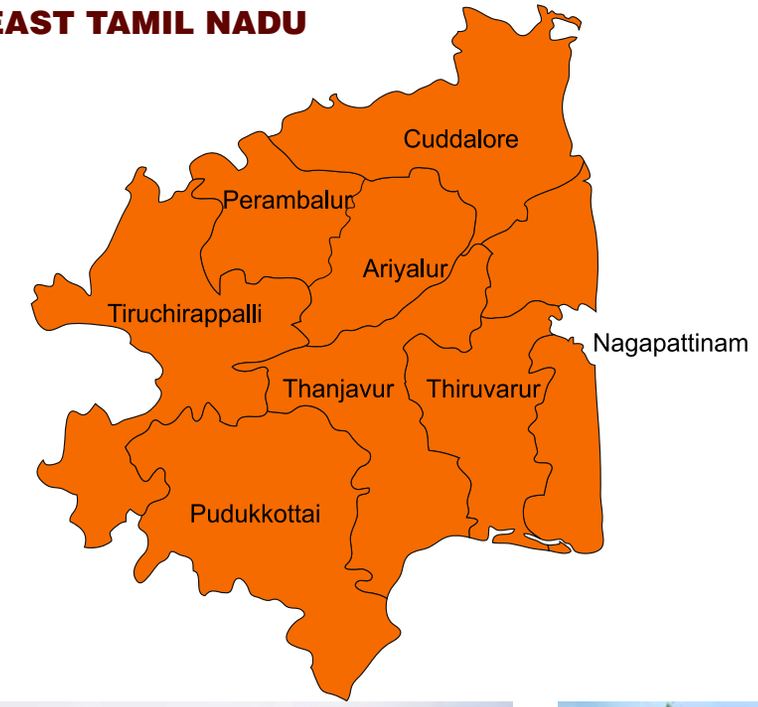
# A LAND OF VIBRANT COLOURS

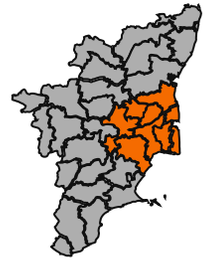


## Thanjavur Clay Dolls

Thanjavur bobblehead dolls are used widely during Navaratri celebrations in South India

**EAST TAMIL NADU**





Sri Ranganathaswamy Temple - Srirangam, Tiruchirappalli



Thanjavur Periya Kovil

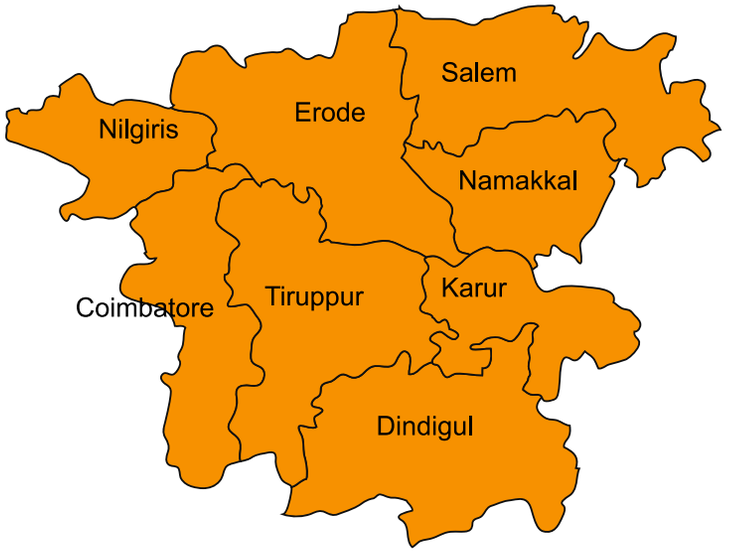
# A LAND OF VIBRANT COLOURS

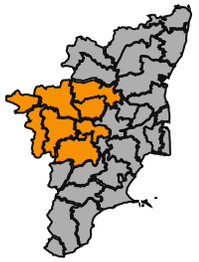


## Ooty Hill station

Ooty is known as the ‘Queen of hill stations’

## WEST TAMIL NADU





Dindigul locks



Mudumalai Tiger Reserve

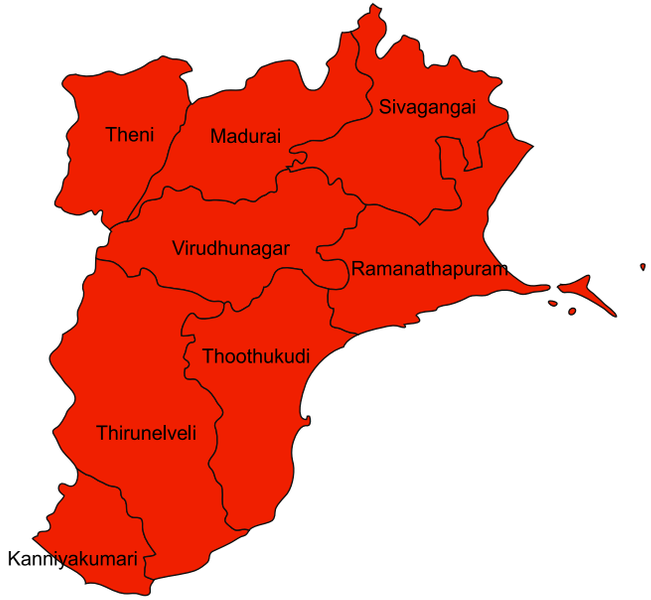
# A LAND OF VIBRANT COLOURS

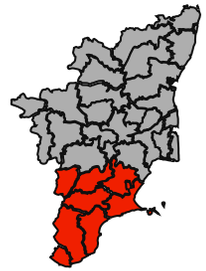


## Madurai Meenakshi Temple

The temple is at the center of the ancient temple city of Madurai mentioned in the Tamil Sangam literature

### SOUTH TAMIL NADU





Thiruvalluvar Statue, Kanyakumari



Rameswaram

# COSMOPOLITAN TAMIL NADU



# FESTIVALS OF TAMIL NADU

## Pongal



**Harvest festival**

Celebrated to thank or show appreciation to the Sun God

## Puthandu



**Tamil New Year**

Celebrated in mid-April time when mangoes are abundant

## Natyanjali



**Dance Festival**

Offer dance as tribute to Lord Nataraja in the Nataraja temple in Chidambaram

## Thiruvaiyaru



**Music festival**

Celebrated to honour St. Thyagaraja

## Karthigai Deepam



**Festival of Lights**

Celebrated when the moon aligns with the constellation Karthigai

## Tea Festival



**Annual tea festival**

Savor the tastes of different tea varieties along with cultural programs

# LAND OF RICH HISTORY – 5 UNESCO WORLD HERITAGE SITES

## Mahabalipuram



**Shore Temple, Five Rathas, Arjuna's Penance**
Best season to visit - November to February

## Thanjavur



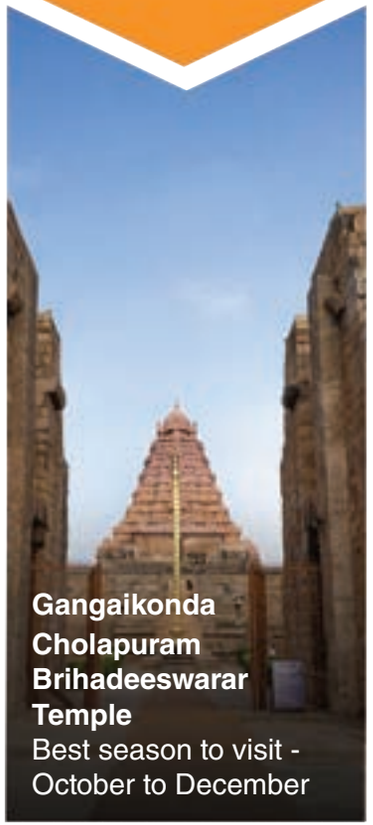
**Brihadeeswarar Temple**
Best season to visit - October to March

## Darasuram



**Iravatheeswarar Temple**
Best season to visit - December to May

## Jayankondam



**Gangaikonda Cholapuram Brihadeeswarar Temple**
Best season to visit - October to December

## Nilgiri



**Nilgiri Mountain Railway**
Best season to visit - September to May

**Tamil Nadu tourism accolade**

- Pacific Area Travel Writers Association nominated TN for the category "Best Destination for Heritage–International Travel Award" in 2019
- Tamil Nadu won "Best Performing State in Tourism-2018" award from India Today Group

# AMENITIES FOR EVERY WALK OF LIFE



## Hospitality

- Favoured destination for leading international hospitality brands
- Well developed infrastructure, connectivity, commercial centers and famous tourism destinations drive the sector's growth



## Healthcare

- About 1800 Single specialty hospitals across various districts
- More than 1000 multi-specialty hospitals
- Apollo Hospitals headquarters based in Chennai



## Education

80+ International Baccalaureate & Cambridge curriculum schools

# CONDUCIVE DESTINATION FOR EXPATS

- The manufacturing hub of Chennai is home to several Korean conglomerates which led to the development of a distinctive Indo-Korean relationship that has gradually spilled from commerce to culture
- Korean community - single largest expatriate with over 4,000 people living in Chennai
- Over 50 popular Japanese and Korean restaurants in Chennai

## Register with eFRRO

**eFRRO**
- Online service delivery mechanism
- No requirement of physical visit
- Online payment
- Application status communicated via sms / email

**Services available:**
- Registration / Registration extension
- Visa extension
- Visa conversion
- Transfer of residential permit
- Exit permit etc.

## Visa types

**Regular Visa**
Only three step application process
(https://indianvisaonline.gov.in/visa/index.html)

**eVisa**
Issued to nationals of 161 nations
(https://indianvisaonline.gov.in/evisa/tvoa.html)

**Visa on Arrival**
For nationals of Japan, South Korea, UAE
(https://indianvisaonline.gov.in/visa/visa-on-arrival.html)



# Annexures

# THE GOVERNMENT OF INDIA HAS PERMITTED 100% FDI WITHOUT ANY PRIOR APPROVAL IN MULTIPLE MANUFACTURING AND INFRASTRUCTURE SECTORS (1/2)

| | Sector/Industry | FDI CAP | Approving Authority |
|---|---|---|---|
| Advanced engineering | Automobile | 100% | No prior approval from GoI |
| | Defence | 49% + | Government up to 100% of local defence ventures |
| Aviation | • Greenfield projects • Existing projects | 100% | No prior approval from GoI |
| Petroleum & natural gases | • Exploration activities, related to marketing, petroleum product pipelines, natural gas/ pipelines, LNG<br>• Mining and Exploration of metal & non-metal ores | 100% | No prior approval from GoI |
| | Petroleum refining by the PSU | 49% | No prior approval from GoI |
| Healthcare | Pharmaceuticals - Greenfield<br>• Manufacturing of medical devices<br>• Hospitals Sector | 100% | No prior approval from GoI |
| | Pharmaceuticals – Brownfield | 100% | No prior approval from GoI upto 74% |

# THE GOVERNMENT OF INDIA HAS PERMITTED 100% FDI WITHOUT ANY PRIOR APPROVAL IN MULTIPLE MANUFACTURING AND INFRASTRUCTURE SECTORS (2/2)

| | Sector/Industry | FDI CAP | Approving Authority |
|---|---|---|---|
| Finance & Banking | Private Sector | 74% (FDI+ FII/FPI) | No prior approval from GoI up to 49% |
| | Public Sector | 20% (FDI+ FII/FPI) | Government |
| | Asset reconstruction company | 100% paidup capital of ARC (FDI+ FII/ FPI) | No prior approval from GoI up to 49% |
| Infrastructure | • Railways<br>• Construction - Developmental projects<br>• Industrial parks New and Existing | 100% | No prior approval from GoI |
| | Telecom services (includes telecom infrastructure providers) | 49% | No prior approval from GoI up to 49% |
| Retail | • Cash & carry wholesale trading (includes sourcing from micro or small scale enterprises)<br>• B2B e-commerce<br>• Single brand product retail trading | 100% | No prior approval from GoI |
| | Multi brand product retail trading | 51% | Government |

# PROJECT CLASSIFICATION MATRIX AS PER INDUSTRIAL POLICY – 2014

| | A districts (Chennai Thiruvallur, Kancheepuram) | B Districts (Other than A&C) | C Districts* (Southern Districts) |
|---|---|---|---|
| | Investment range (INR Crores) | | |
| **Mega Projects** | Above 500-1500 and creating an employment of 300 in 3 years | Above 350-1000 and employment of 200 in 4 years | Above 200-500 and creating employment of 100 in 4 years |
| **Super Mega A** | Above 1500-3000 and creating an employment of 400 in 5 years | Above 1000-2500 and employment of 300 in 5 years | Above 500-1500 and creating employment of 250 in 5 years |
| **Super Mega B** | Above 3000-5000 and creating an employment of 600 in 6 years | Above 2000-4000 and employment of 400 in 6 years | Above 1500-3000 and creating employment of 350 in 6 years |
| **Ultra Mega B** | Above 5000 and creating an employment of 700 in 7 years | Above 4000 and employment of 600 in 7 years | Above 3000 and creating employment of 500 in 7 years |

* “C” districts consist of “Southern Districts” of Theni, Dindigul, Madurai, Sivagangai, Ramanathapuram, Virudhunagar, Tirunelveli, Thoothukudi and Kanyakumari

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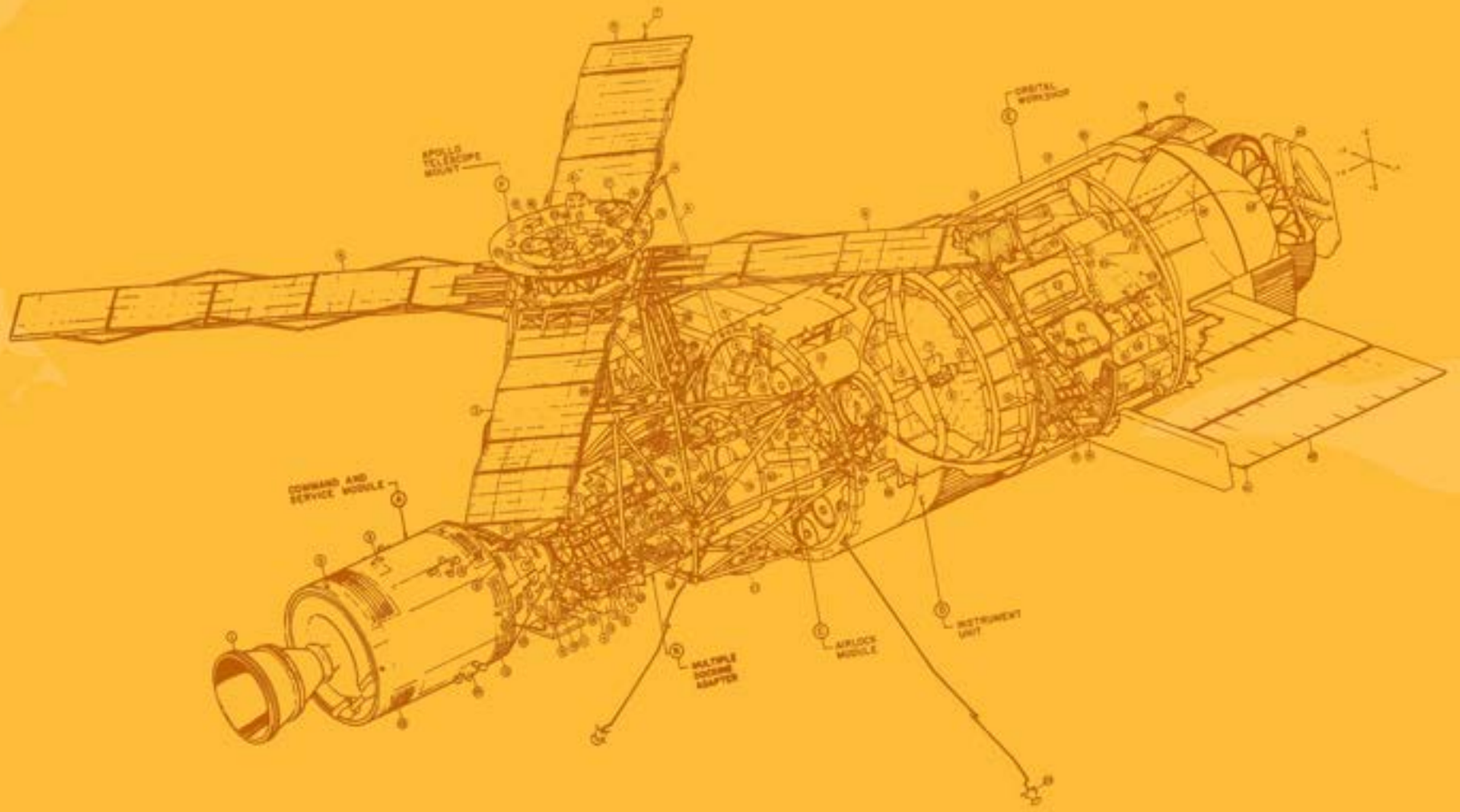


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