

Chennai

Detroit of India

May 2020

St. Thomas Cathedral Basilica, Chennai



Chennai is the largest industrial and commercial center of South India. From Madras to Chennai, this city has historically embraced diversified industries. The city is a hub for the manufacturing of automobiles and auto components, engineering, textiles and garments, leather products, software and IT-enabled services.

STATE SNAPSHOT

GSDP Growth (FY18):
7.7%

HDI Rank (2018):
4th Rank

Logistic Performance Index
(2019): **5th Rank**

14th Rank; INR 143 Bn
IEMs Implemented (Jan'14 – Dec'19)

No. of Factories in State (FY 18):
37,787; 1st Rank

State's contribution to India's Exports
(FY19): **3rd Rank, 11.5%**

Note: Excludes Union Territories

Tamil Nadu contributes:

2nd highest contributor to India's
renewable energy capacity

4th largest **software exporter** from India

21% of the total **auto exports** from India

1st **apparel production** and
2nd **in textile production** in India (Coimbatore & Tiruppur are key clusters)

5th largest producer of
pharmaceutical production in India

15% India's **electronic hardware** production

2nd Highest exporter of
engineering products in FY18

1st largest **tyre manufacturer** in India

- Second largest coastline in India with 1,076 km (after Gujarat)
- Only state with 3 major ports out of 12 ports in India. It has 17 non-major ports

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Industries Department, Government of Tamil Nadu



State Industries Promotion Corporation of Tamil Nadu (SIPCOT)



Tamil Nadu Industrial Development Corporation (TIDCO)



Guidance Tamil Nadu

Shore temple at Mahabalipuram, Tamil Nadu

WHY CHENNAI?

Chennai contributes

 **30%** of India's 4-wheeler **automobile** industry

 **33%** of India's **auto parts production**

 **16%** of India's **electronics hardware** production (computers, electronics & optical products manufacturing)










- Annual installed capacity of 1.46 Mn automobile units
- Offshore Engineering hub: Research Institutes such as IIT, National Institute of Ocean Technology, C-WET, Indian Maritime University, etc.
- Engineering centres of Vestas, Siemens Gamesa, Suzlon, Ingersoll Rand, Petrofac, Mott McDonald, TechnipFNC, McDermott, etc.



Chennai – Gateway to the World

- Port Infrastructure: Only city to have 3 modern container ports (Chennai, Ennore, Kattupalli)
- Combined handling capacity of 5.7 Mn TEUs (**largest for any city in India**)
- Chennai Port: 2nd largest container port in India after JNPT, Mumbai
- Closest point in India to major manufacturing ecosystems such as China, Korea, Taiwan, Japan & ASEAN

SECTOR SNAPSHOT

 <p>Auto & Ancillaries</p> <p>45% of India's total automobile exports (FY18)</p> <p>Dedicated Auto R&D Hub: Mahindra Research Valley, NATRIP & CVRDE facilities</p> <p>BMW, Hyundai, Ford, Peugeot, Mitsubishi, TVS Motor, Ashok Leyland, Royal Enfield, CEAT, Daimler, TVS, Mitsubishi, Mahindra & Mahindra, Apollo Tyres, MRF, Renault-Nissan</p>	 <p>ESDM</p> <p>20+ electronic hardware technology firms at Sriperumbudur, Oragadam & Mahindra World City</p> <p>Foxconn, Flex, Samsung, Nokia, SalComp, Dell, Sanmina</p> 	 <p>Heavy Engineering</p> <p>3rd in India's production of General Purpose and Special Purpose Machinery</p>  <p>Ashok Leyland, Doosan, Alstom, Bonfiglioli, Vestas, Caterpillar, Komatsu, Siemens Gamesa, Toshiba</p>	 <p>IT & ITes</p> <p>Data Centre Hub: City with largest bandwidth in India through 3 submarine OFC cables</p> <p>10% of India's total IT exports (FY19)</p> <p>TIDEL Parks, IT Corridor on Old Mahabalipuram</p> 	 <p>Medical Technology: HLL Medipark being developed as a medical technology manufacturing cluster, in 330 acres of land in Chengalpattu</p> <p>Life Sciences & Biotechnology: TIDCO Centre for Life Sciences (TICEL) Biotechnology Park I: First biotechnology Incubation Park in Tamil Nadu</p> <p>Aerospace & Defence: One of two India's dedicated defence corridors (Chennai, Hosur, Salem, Coimbatore, Tiruchirappalli). Other is in Uttar Pradesh</p> 
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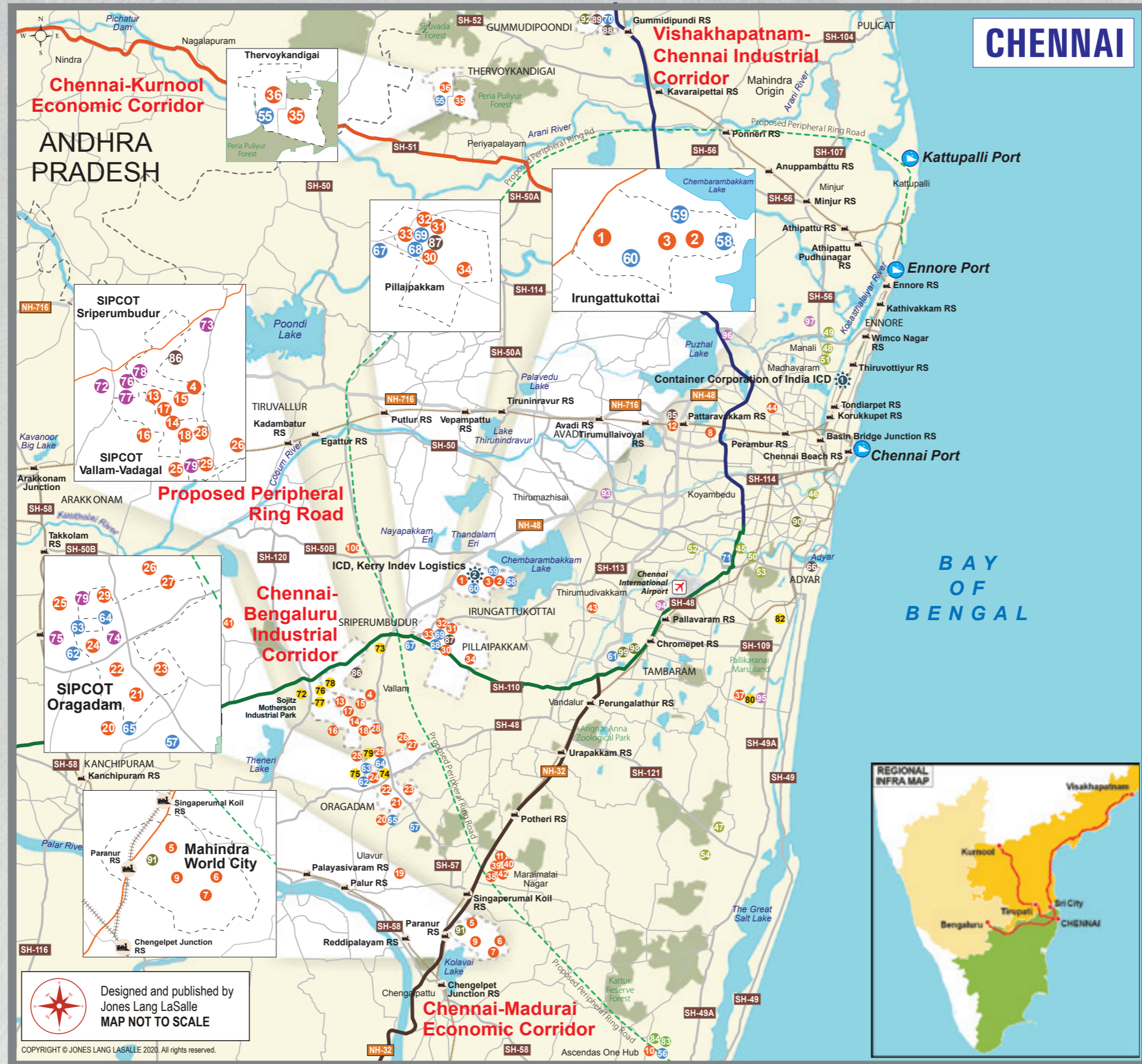
Prominent industrial areas for greenfield and secondary transactions

Industrial Park	Total Area (Acres)	Major Occupiers	Remarks
Mahindra World City	1,525	BMW, B Braun, Nera Electronics, TTK Group, TVS Group, Linea Fashions, Nexteer, NTN, Renault Nissan	First operational greenfield SEZ in India comprising IT, Auto & Apparel SEZs. Most successful integrated industrial township in India.
Ascendas One Hub	1,250	Ajinomoto, Takasago, Maruchan Ajinomoto, Hitachi Automotive	Integrated Industrial township for auto & general machinery, one of 12 Japanese Industrial Townships in India.
SIPCOT Oragadam Industrial Growth Centre	2,727	Royal Enfield, Motherson Sumi, Apollo tyres, Nokia, Komatsu, Bosch, Renault Nissan, Posco ICPC, Daimler, Bridgestone, GK Driveline, Valeo, Seoyon E-HWA Automotive, Subros	Major concentration of automotive & auto ancillary units in Chennai. Several private parks with ready built infrastructure have sprung near this zone.
SIPCOT Vallam - Vadagal	1,503	Roki Minda, Yamaha, Sekisui DLJM Moulding, Koyama Precision, Royal Enfield, Valeo Lighting,	Automotive & auto ancillary cluster
SIPCOT Aerospace Park, Vallam	345	Upcoming	Integrated manufacturing SEZ with exclusive zone for Aerospace components & defence production and aircraft MRO. Identified as one of the two Defence Industrial Production Corridor by Govt.
Pillaipakkam & R&N Industrial Park	847	CMR Toyotsu, FCC Clutch, MEI Foundry, Royal Tyres, United Industries Plastic, Uno Minda, Yurozu JBM, JK Tyres	Automotive & auto ancillary cluster.
SIPCOT Irungattukottai	1,811	Hyundai, Tata Bluescope, AIS Auto Glass, Schwing Setter, Hwashin Automotive, Polyhose	Automotive & auto ancillary cluster: Hyundai is the major occupier along with ~ 15 component suppliers.
SIPCOT Sriperumbudur	2,220	Asian Paints, Saint Gobain, Hitech Plast, Nippon Paint, Nokia, Salcomp, Faurecia, Ashok Leyland	Automobiles, Electronics and Float Glass.
SIPCOT Hitech SEZ	572	Dell, Motorola, Samsung, Foxconn	Focus greenfield industrial area for Electronics Manufacturing.
Madras Export Processing Zone (MEPZ)	265	Venture Power Systems, Indian Terrain Fashions, Godrej & Boyce	One of the seven export processing zones in India set up by the central government.
Gummidipoondi Industrial Complex and EPIP	1,478	Western Thomson, Green Signal Bio Pharma, Manchu Toughened Glass, Mabel Engineers	Heavy Engineering, Power, Chemicals.
Mahindra Origins, Puduvoyal	700	Nissei, Yanmar	Private Industrial Park for engineering, food processing, automotive, logistics and aerospace developed with Sumitomo Corporation. Designated Japanese Industrial Township.
Thervoykandigai Indl. Park	1,127	Michelin, Grupo Antolin	Auto ancillary, Power, Heavy Engineering.

The major industrial corridors can be identified along as Irungattukottai-Sriperumbudur, Ponneri-Periyapalam, Oragadam-Marai Malai Nagar & Cholavaram-Madhavaram-Ennore. The land rates in these corridors range between INR 2,960 to INR 27,200 per sqm. The rates mentioned are indicative and may vary on other parameters as well.

Other private Industrial Park include Indospace, Embassy & Hiranandani at multiple locations viz.: Oragadam, Sriperumbudur, Polivakkam, Puduvoyal, etc. which have large area under development and existing occupiers

- SL. Project Name
- AUTO & ANCILLARY**
- 1 Hyundai Motor
- 2 AIS Auto Glass
- 3 Hwashin Automotive
- 4 Roki Minda
- 5 Renault - Nissan
- 6 NTN NEI Manufacturing
- 7 Nexteer Automotive
- 8 TVS Group
- 9 BMW
- 10 Hitachi Automotive Systems
- 11 Faurecia
- 12 Ashok Leyland
- 13 Yamaha
- 14 Royal Enfield
- 15 Valeo
- 16 Sekisui DLJM Molding
- 17 KOYAMA Precision Works
- 18 Royal Enfield
- 19 Motherson Sumi
- 20 Cosma International
- 21 JBM
- 22 Renault Nissan
- 23 Daimler
- 24 EICHER Motors
- 25 Apollo Tyres
- 26 Bridgestone
- 27 GKN Driveline
- 28 Valeo
- 29 Seoyon E-HWA Automotive
- 30 FCC Clutch
- 31 Mando Automotive
- 32 UNO Minda
- 33 Yorozu JBM Automotive
- 34 JK Tyres
- 35 Michelin
- 36 Grupo Antolin
- 37 Ford
- 38 Hanon Systems
- 39 JBM Auto Systems
- 40 Yazaki
- 41 CEAT
- 42 Visteon
- 43 Bonfiglioli Transmissions
- 44 TAFE
- 100 Delphi TVS
- CHEMICAL & PETROCHEMICAL**
- 45 Asian Paints
- 46 Nippon Paint
- 47 Flosil - BET
- 48 Madras Petrochemical
- 49 Petro Araldite
- 50 Manali Petrochemical
- 51 CPCL Refinery
- 52 Petrofac
- 53 TechnipFMC
- 54 Flosil Oil & Gas
- ENGINEERING**
- 55 Bekaert Industries
- 56 Takasago
- 57 EL Forge
- 58 Polyhose India Rubber
- 59 SCHWING Stetter
- 60 Tata Blue Scope
- 61 Venture Power Systems
- 62 Komatsu
- 63 Bosch Electrical Drives
- 64 Subros
- 65 POSCO - ICPC
- 66 Samsonite
- 67 CMR Toyotsu Aluminium
- 68 MEI Foundry
- 69 KONE Elevators
- 70 Mabel Engineers
- 71 Ingersoll Rand
- ESDM**
- 72 Flex
- 73 Salcomp
- 74 Danfoss Industries
- 75 Nokia
- 76 Dell
- 77 Samsung
- 78 Foxconn
- 79 Sanmina
- 80 HCL
- 81 Samsung
- 82 Ericsson
- FMCG**
- 83 Ajinomoto
- 84 Maruchan Ajinomoto
- POWER & ENERGY**
- 93 Doosan Power Systems
- 94 Alstom T&D
- 95 Vestas
- 96 Siemens Gamesa
- 97 Toshiba JSW Power Systems
- OTHERS**
- 85 Godrej & Boyce
- 86 Saint Gobain
- 87 United Industries Plastic
- 88 Western Thomson
- 89 Manchu Toughened Glass
- PHARMACEUTICAL**
- 90 TTK Healthcare
- 91 B. Braun Medicals
- 92 Green Signal Bio Pharma
- TEXTILE & APPAREL**
- 98 Linea Fashions
- 99 Indian Terrain Fashions



- Vishakhapatnam – Chennai Industrial Corridor
- Chennai – Bengaluru Industrial Corridor
- Chennai – Kurnool Economic Corridor
- Chennai – Madurai Economic Corridor

“We started our operations in Chennai in 2007 and invested INR 12.5 Bn in the operations of the plant in the past 12 years. Tamil Nadu has very good accessibility, logistics and infrastructure. It has the right mindset in the political environment with right policies, which are business friendly. And, the most important factor for any enterprise of our size is people, and we do find very skilled and qualified people here. So, the decision was clear for us to start our operations here.”

- Dr. Jochen Stallkamp
Managing Director, BMW

“Tamil Nadu is uniquely positioned because the state is amongst the highest manufacturing contribution to GDP of India at 21%. Further, the skill level in engineering and related industries is quite sublime in the state. Skill India Program is very close to our heart and we are investing heavily in skilling India.”

- Mr. Josh Foulger
Country Head and MD,
Foxconn International Holding

Tirupati-Chennai-Nellore

The Tri-city Industrial corridor

STATE SNAPSHOT

GSDP Growth Rate (FY18):
11.3%

HDI Rank (2018):
10th Rank

Logistic Performance Index
(2019): **5th Rank**

4th Rank; INR 675 Bn
IEMs Implemented (Jan'14 – Dec'19)

No. of Factories in State (FY18):
16,296; 4th Rank

State's contribution to India's Exports:
6th Rank, 2.8% (FY19)

Note: Excludes Union Territories

Andhra Pradesh contributes:

>200
Pharmaceutical units

20% electronic
manufacturers in India

2nd largest source of **calcite**
& **limestone** in India

34% Export value of **marine**
exports from India

- **29 operational SEZs** across diversified sectors including textiles & apparels, food processing, pharma, multi-products, IT SEZs
- First state in India to have enacted the **Industrial Single Window Clearance**
- **Large coastline** of 974 km
- **Krishnapatnam Port** is one the fastest growing port of India, and is a node on the Chennai – Bengaluru Industrial Corridor

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Department of
Industries, Government
of Andhra Pradesh



Andhra Pradesh
Industrial Infrastructure
Corporation (APIIC)



Andhra Pradesh Economic
Development Board
(APEDB)

Why Tri-city Hub?

Tri-City Hub (Tirupati-Chennai-Nellore)

- Tirupati-Chennai-Nellore is known as the tri-city industrial growth corridor
- This region falls under the influence zone of two industrial corridors – Chennai-Bengaluru Industrial Corridor (CBIC) & Vishakhapatnam-Chennai Industrial Corridor (VCIC)
- Tirupati is now emerging as an Electronics Cluster by developing Electronics Manufacturing Clusters right next to the newly developed airport terminal

Sri City





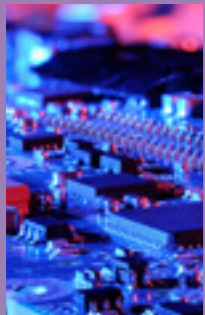


- Largest industrial park in South India, and is home to ~200 companies from 27 countries
- Attracted total investments of ~USD 4 billion
- Located on Andhra Pradesh - Tamil Nadu border. Thrives on Chennai's industrial ecosystem and port capacity



Naidupeta Cluster

- Proposed Naidupeta Cluster comprises of Naidupeta MPSEZ, IP-Naidupeta and IP-Attivaram
- It comes under the VCIC within the Yerpedu-Srikalahasti Node
- Naidupeta Cluster is where the state wants to attract Pharma Companies

SECTOR SNAPSHOT

 ESDM	 Auto & Ancillaries	 Pharmaceutical	 FMCG
20 EMCs planned across the region. 3 EMCs in this clusters.	Isuzu Motors, Hero Motor Corp Alstom, TVS, TATA TRAD	Synergy Remides, Ashwini Bio Pharma, Malladi Drugs & Pharmaceuticals, Artura Pharma, TIL Healthcare	Sri City an emerging hub Largest factory of PepsiCo in India at Sri City. Largest plant of Mondelez in Asia-Pacific region at Sri City
			PepsiCo, Mondelez, Kellogg's, Colgate-Palmolive
Amara Raja, TCL, Celkon, Karbonn, Voltas, Dixon Technologies, Exatron Services			

Emerging Industrial Cluster of Andhra Pradesh



“Favourable business environment, fantastic facilities, infrastructure, access to great talented people, strong workforce, and most importantly the Government support of Andhra Pradesh, really led us to Sri City. That is the reason why we are trying to build something special here in SriCity.”

- Daniel Myers

Executive Vice President, Integrated Supply Chain, Mondelez International



Prominent industrial areas for greenfield and secondary transactions

Industrial Park	Total Area (Acres)	Major Occupiers	Remarks
Sri City (Includes Indospace Park: 30 acres)	7,500	Kellogg's, Isuzu, Mondelez, Pepsi, Alstom, Kobelco, Foxconn, Danieli	It includes a multi-product SEZ, a DTZ, an FTWZ, a Logistics & Warehousing Cluster & an Electronics Manufacturing Cluster.
APIIC Industrial Park, Mambattu	380	Bharat Forge, Indus Coffee, Apache Footwear	Multi-product Industrial Park. Apache Footwear exports Adidas brand and employs 10,000+ people.
Sri Venkateswara Mobile & Electronics Hub (EMC-I), Tirupati	120	Celkon, Karbonn	India's first Electronics Manufacturing Cluster: Dedicated mobile handset & electronics manufacturing facility.
Electronic Manufacturing Cluster II, Tirupati	501	Dixon Technologies, Munoth Industries	Located near EMC-I & adjacent to Tirupati International Airport.
TCL Industrial Park, Tirupati	153	TCL and its components suppliers	World's third largest TV panel manufacturing Chinese firm TCL's first industrial plant in India.
Naidupeta MPSEZ	2,549	Greentech Industries, Prime Electricals, Hemair Systems, Aurobindo Pharma	Focus sectors: Automobile & Ancillary, Pharmaceuticals.
Naidupeta Industrial Park	1,244	Hindustan National Glass & Industries, SKI Carbon Black, Loyala Textiles, BASF India, Chemsynth Laboratories	Focus sectors: Textiles & Apparel, Pharmaceuticals, Chemicals.
Attivaram industrial Park	406	DRA Industries, Nithya Steels & Alloys	Focus sectors: Engineering & Machine Tools.

The major industrial clusters can be identified as Sri City, Tirupati and Naidupeta, and their adjoining areas. The land rates in these corridors range between INR 1,750 to INR 2,550 per sqm. The rates mentioned are indicative and may vary on other parameters as well.