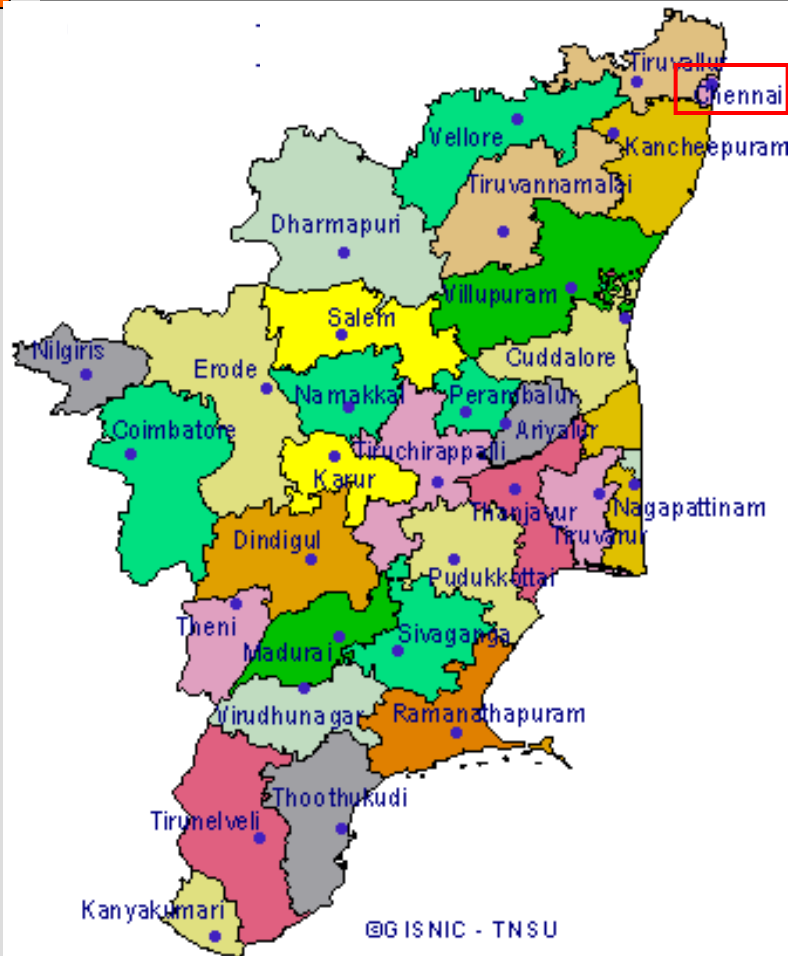




# Tamil Nadu - Asian Region of the Future

FDI Magazine

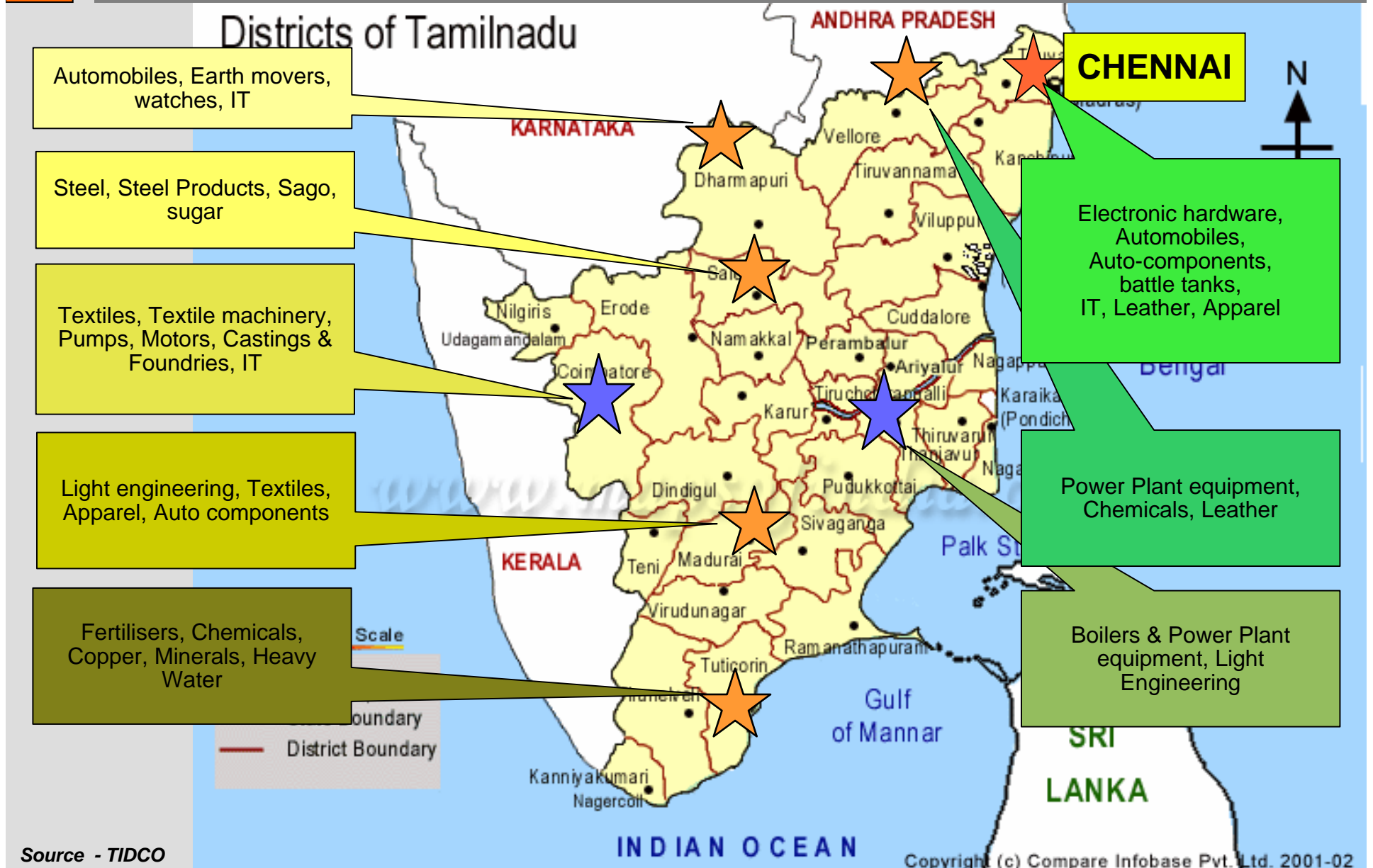
# Tamil Nadu



- India's fifth largest economy
- Second most industrialized state in India
- Third largest recipient of FDI - 9% of India's share
- Ranked 3rd on Human Development Index
- Highest level of urbanization in India – ~47%

Population ~ 70 million  
Area 1,30,058 sq. km  
Picturesque Coastline of 1000 KM

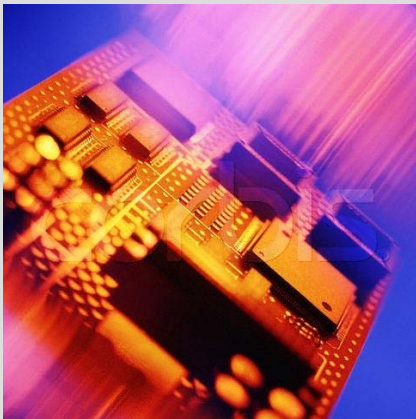
# Diversified Manufacturing Powerhouse



# An Industrial Leader

## ➤ Detroit of India

- Presence of 5 Automotive Majors – BMW, Ford, Hyundai, Mitsubishi, Renault-Nissan
- Accounts for 35% of India's Auto Component Production; ~110 key players in Tamil Nadu
- Largest number of ISO / QS certified Companies; 6 Deming Award Winners



## ➤ The New IT Capital

- Third Largest Software Exporter – US\$ 5 bn (2006 – 07)
- Emerging Telecom / Hardware Leader
- Ranked No 1 Emerging IT Destination – NASSCOM & Gartner
- “Back Office to the World”

# Large Talent Pool - The Biggest Differentiator

- 40 Universities, 350 Engineering Colleges, 230 Polytechnics; 1200+ ITIs
- Supported by 12 Deemed universities offering technical \ medical education
- 1,10,000 Engineering Graduates, 63,000 diploma holders, 1,13,000 ITI trained workers / operators annually
- High literacy rate - 73.5 %
- Destination of choice for high-end knowledge intensive operations ; Manufacturing operations



# Chennai - Gateway to South East Asia

- International Airport – 270+ Passenger Flights; 28 cargo flights per week
- Two Modern International Seaports
- Power sufficient ; landing point for 13.5 tbps of submarine cable bandwidth
- Cosmopolitan Lifestyle; Growing Expat Population

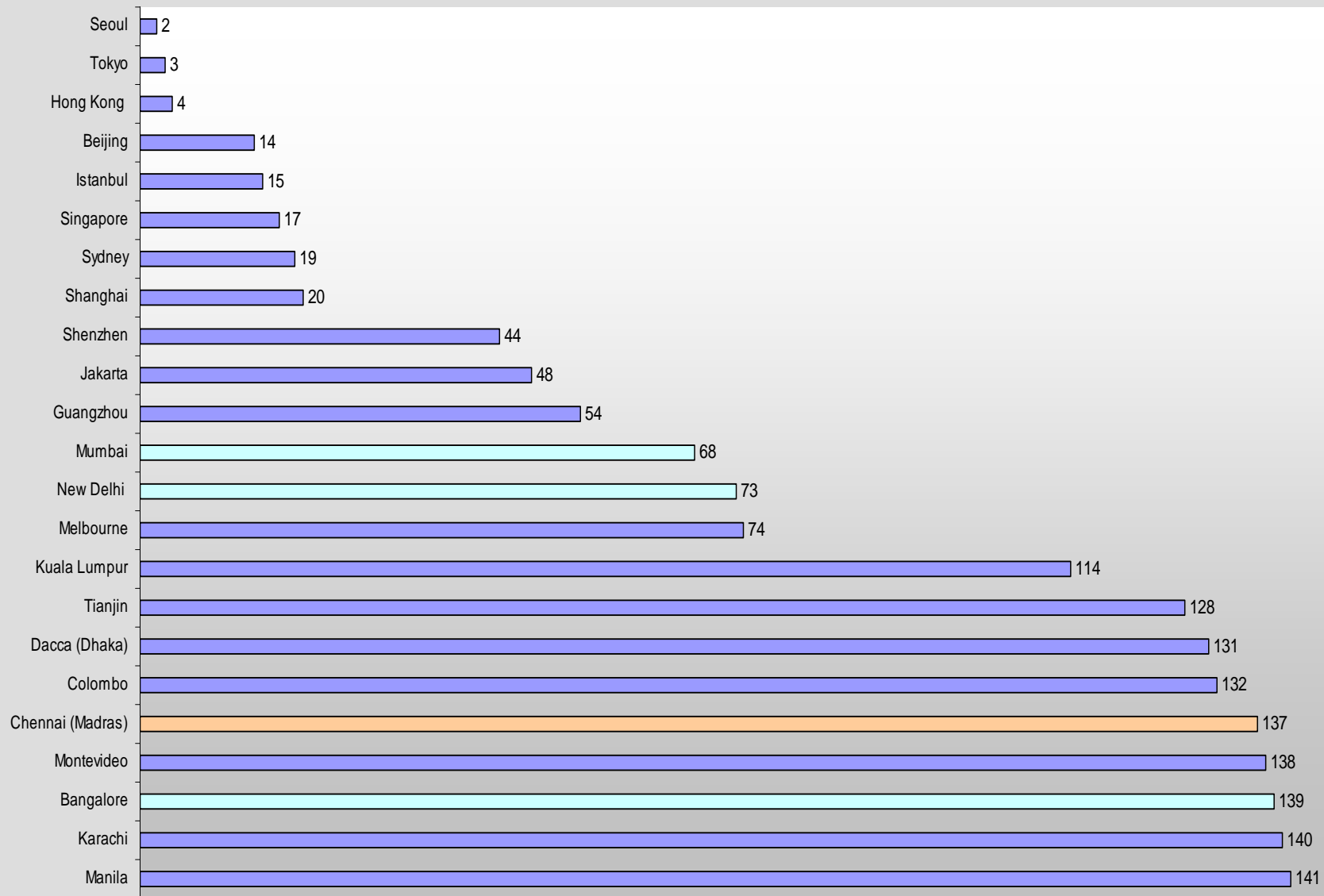


# Some Major Foreign Investors in Chennai

Nokia, Finland	Mobile Phones	150 million
Foxconn, Taiwan	Electronic hardware	110 million
TESSOLVE	Semiconductor Packaging & Testing	220 million
Flextronics, USA	Electronic hardware	100 million
ASPOCOMP, Finland	PCBs	70 Million
Motorola, USA	Mobile Phones	30 million
Spel Semiconductors	Testing	45 million
Salcomp	Chargers	40 million
Perlos	Mechanics	45 million
Jabil	Electronic hardware	60 million
Dell Computers	Computers	60 million
XXX company	LCD monitors	50 million
FORD, USA	Cars	400 million
Hyundai Motors, South Korea	Cars	800 million
BMW, Germany	Cars	40 million
Saint Gobain, France	Float and automotive glass	375 million
Laird Technologies, USA	Electronic components	40 million
Samsung, South Korea	Mobile phones, consumer durables	100 million
Visteon, USA (3 projects)	Auto components	175 million

Source : TN Guidance Bureau

# Cost of Living Efficiencies



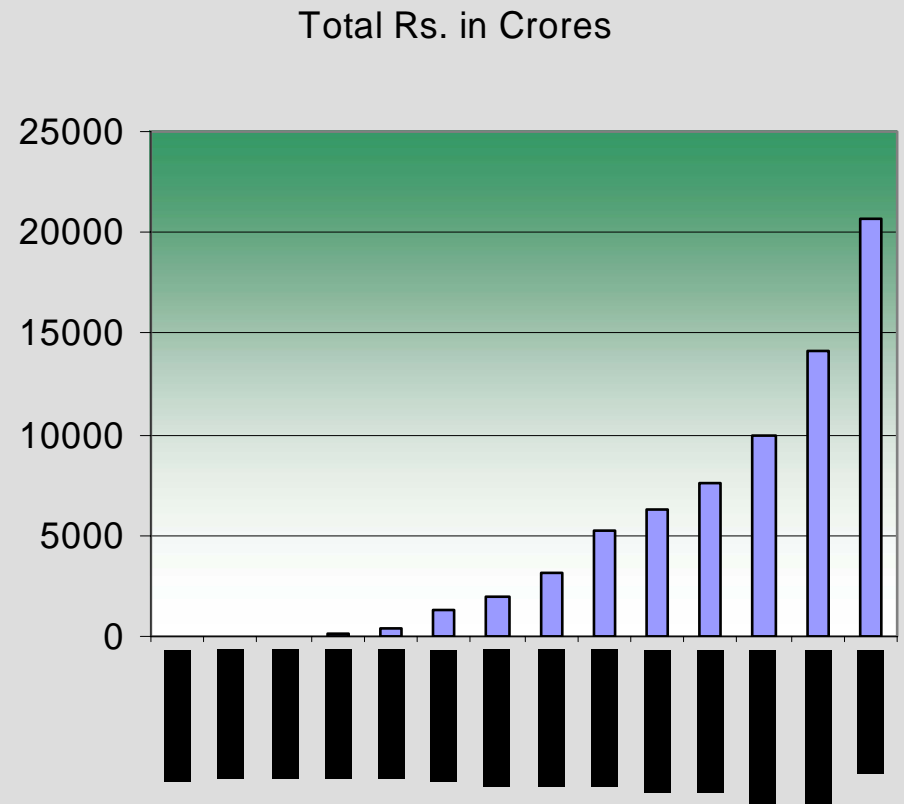




# The New IT Capital

# An IT Heavy Weight

- Software exports worth US\$ 5.18 bn in 2006 / 07
- 80000+ persons employed in the IT sector & over 85, 000 persons in the ITES Sectors
- Most attractive Indian city for offshoring services – AT Kearney Study
- Ranked as the best IT investment destination by NASSCOM & Gartner studies
- Emerging Electronic Hardware capital



# Chennai – The Preferred IT Destination

	Infrastructure	Skill Availability	Skill Retention	Access	Cost of Living	Political Support	Quality of Life
Bangalore	G ↓	E ↑	G ↓	VG ↑	F ↓	E ↓	E ↓
Mumbai	VG →	E →	VG →	E →	P ↓	VG →	F →
New Delhi	VG →	VG →	G ↓	E →	G ↓	VG →	G →
Chennai	G ↑	E ↑	VG ↑	E →	VG ↑	VG ↑	VG ↑
Hyderabad	VG ↑	VG ↑	VG ↑	VG →	VG ↑	VG →	VG ↑
Pune	F ↑	E ↑	E ↑	G →	VG ↑	G →	VG ↑
Navi Mumbai	G ↑	VG ↑	VG ↑	VG →	VG ↑	G →	G →
Kolkata	G	G	VG	E	VG	G	G
Mangalore	VG	F	VG	G	F	G	G
Mohali	G	G	G	F	G	VG	G
Bhopal	G	G	G	G	VG	G	G

Gartner Study 2004 - IT Outsourcing to India - Analysis of Cities

P- Poor F-Fair G- Good VG- Very Good E- Excellent

↑ Improving → No change ↓ Declining

Rated as the preferred IT Investment destination by Gartner & NASSCOM

# Chennai – The Favoured Destination



# The Emerging Hardware Capital



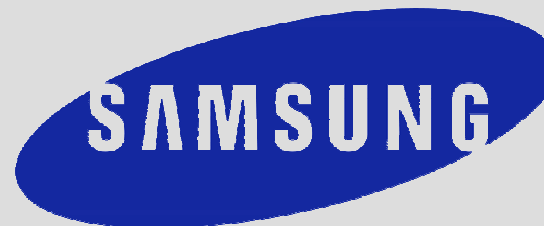
**FLEXTRONICS**

**FOXCONN**<sup>®</sup>  
Advancing Through Innovation



**NOKIA**  
CONNECTING PEOPLE

 **REDINGTON**



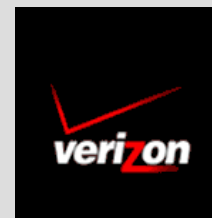
**TVS**  
ELECTRONICS

# Back Office of the World



RR DONNELLEY

perotsystems™





# Detroit of India

# Destination of Choice

- ~ 110 key players in the auto & auto component industry based in Tamil Nadu
- Total Investment of over US\$ 800 mn in the Auto Component Industry in Chennai
- Total Auto Component output – US \$ 1.8 bn ; Exports – US \$ 450 mn
- High quality standards such as TPM and TQM implemented to maintain quality
- Chennai has the largest number of ISO / QS certified companies
  - More than 50% ISO Certified
  - More than 26% QS Certified



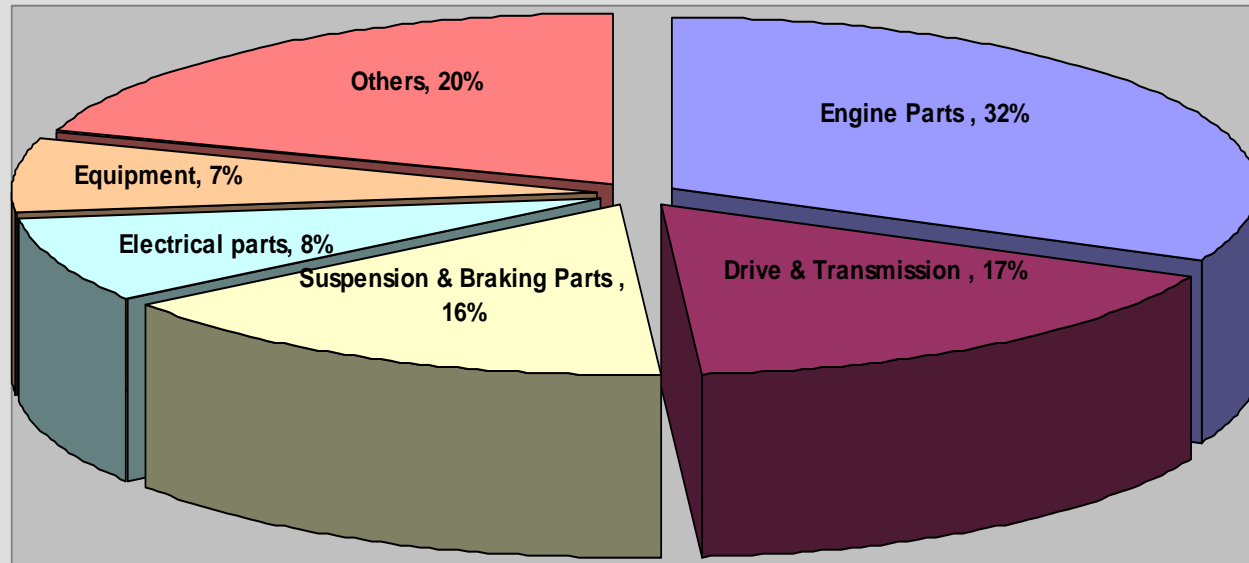


# Destination of Choice

- Exports to all OE majors world – wide
- Visteon Chennai Plant – The largest auto component manufacturer in India
- 6 Companies based in Chennai have been recipients of distinguished awards such as the Deming Award for manufacturing excellence
- GM supplier of the year award bagged 5 consecutive times by a Chennai based Auto component manufacturer



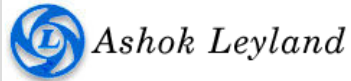
# Component-wise Production in Chennai



Chennai's share of production in India

All vehicle manufacturers procure components locally within Chennai and local content varies from 73% to 80%

# The Best in Business are in Chennai ...



and more...





**Tailored for Success**

# Tailormade for Success

- High growth Industry - projected to grow at a CAGR of 12 - 15 % over the next 10 years
- Poised to become a US\$ 40 - 50 bn industry by 2015
- Availability of skilled and semi skilled man power resources – starting salaries range between Rs 2500/- – Rs 3000/-
- Easy access to a port and an international airport



# The Best in Business are in Chennai



**Celebrity Fashions**

**Forward Leather**



**Indo-Japan Apparels**



**PS Apparels**

**RK Industries**

*Vijay Garments*

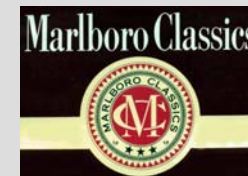
**Well Knit Apparels**

**White House**

***Triumph***

and more ...

# Made in Chennai



\* This list is indicative

