

Press Release

**Meeting of Hon'ble Chief Minister of Tamil Nadu with
H.E. Mr. Le Yucheng, Ambassador of the People's Republic
of China to India**

His Excellency Mr. Le Yucheng, Ambassador of the People's Republic of China to India called on the Hon'ble Chief Minister of Tamil Nadu Thiru O. Panneerselvam in the Secretariat today, 30th March 2015, in his office in the Secretariat, Chennai. The Hon'ble Minister for Housing, Urban Development & Agriculture Thiru R. Vaithilingam was present during the meeting.

The Hon'ble Chief Minister highlighted that China and India are both ancient civilizations with a rich history. There have been cultural exchanges and trade relations between our two countries for more than 2000 years. The Chola kingdom based in Tamil Nadu, ruled over parts of south East Asia and maintained very good relations with China. Ancient Chinese coins have been found in Tamil Nadu.

The Hon'ble Chief Minister pointed out that India-China economic relations constitute an important element of the strategic and cooperative partnership between the two countries. Bilateral trade between the two countries is large and growing. But the trade balance is still very much tilted in favour of China.

It was mentioned that at present, there are about 100 Chinese companies operating in India. Of this only 6 Chinese companies are operating in Tamil Nadu. There is a lot of room for growth. A number of Indian companies including from Tamil Nadu have established operations in China.

The Hon'ble Chief Minister mentioned that Chinese vendors have contributed to the successful implementation of some of the flagship Government programmes in Tamil Nadu. This includes the supply of laptops to students and fans, mixies and grinders to families. There is a Chinese company engaged in the construction of the Chennai Metro Rail project.

Hon'ble Chief Minister mentioned that today, China and India are the fastest growing economies that drive growth of the global economy. There is enormous potential for cooperation between Tamil Nadu and China. Some of the promising areas include electronic hardware, semiconductor, textiles, heavy engineering, automobiles and parts, Information technology, and above all infrastructure.

The Hon'ble Chief Minister stated that under the dynamic Leadership of our revered Leader Puratchi Thalaivi AMMA, Tamil Nadu is one of the best performing states. Tamil Nadu has emerged as one of the largest manufacturing hubs in India and is a leader in the production of automobiles and auto components, electronic hardware, engineering, textiles, and leather. Tamil Nadu is one of the Top 10 automobile hubs globally with a production capacity of 1.4 million passenger cars per year.

It was also mentioned that Tamil Nadu offers a number of competitive advantages for investors. Our biggest asset is our rich human resource endowment. Abundance of skilled human resource and harmonious and peaceful industrial relations make Tamil Nadu a preferred investment destination.

The Hon'ble Chief Minister mentioned that at present, Tamil Nadu is the Second largest State economy in India and to reach the top position, the visionary Leader Puratchi Thalaivi AMMA had unveiled "Vision Tamil Nadu 2023". This grand Vision aims to place Tamil Nadu in the league of Upper Middle Income countries with a per capita income of US dollar 10,000 by 2023. The Vision Document envisages very large investments in infrastructure. 217 projects and programmes have been identified and profiled.

The Hon'ble Chief Minister mentioned that infrastructure is an area where substantial co-operation with China is possible. The Hon'ble Chief Minister expressed the hope that Tamil Nadu will be able to access financing from the new Asian Infrastructure Investment Bank. It was mentioned that Tamil Nadu is promoting a new Tamil Nadu Infrastructure Fund Management

Company along with other domestic and foreign financial institutions. The Hon'ble Chief Minister also hoped that the new AIIB would partner with Tamil Nadu in establishing TNIFMC. The TNIFMC will float Infrastructure Financing Vehicles as permitted by the Securities and Exchange Board of India. Tamil Nadu also hopes to attract investment from Chinese Banks and Funds into the IFVs promoted by TNIFMC. It was mentioned that there will also be many opportunities for Chinese companies to participate in the construction of the infrastructure.

In this mega event GIM-2015, the State Government will showcase the investment opportunities. The Hon'ble Chief Minister extended a personal invitation to the Ambassador to participate in the Global Investors Meet which the State Government has proposed to organise on 23rd and 24th May 2015 in Chennai. The Hon'ble Chief Minister also requested that a Business delegation from China should also participate in the GIM-2015.

The Ambassador thanked the Hon'ble Chief Minister for the hospitality and friendship. He mentioned that he had met with a number of Chinese businessmen based in Chennai and they were all very happy to be located here. They were impressed with the high level of growth and the conducive environment for investment and the credit for this should go to the State's leadership. He hoped that Tamil Nadu would create even more favourable conditions. 2015 is Visit India Year in China and a large number of tourists are expected to visit India and Chennai would be an interesting destination to visit with all its heritage tourism locations. He said that annually 110 million Chinese tourists go abroad, but only 100,000 visit India and this needs to change. Even in terms of cultural exchanges, Tamil Nadu is unique as there are 600 students in Tamil Nadu, which is even more than in Delhi. The first Confucius Institute in India has been set up in Chennai. He mentioned that Tamil Nadu is unique and different from other States and a very attractive destination for investment for Chinese investors.

There was considerable scope for China, the World's Factory and India, the World's Office to collaborate and develop on the complementarities and synergies. Information Technology, Pharma and Agriculture are three areas

where India could export even more to China to redress the trade imbalance some more.

The Ambassador mentioned that his embassy was keen on further strengthening the relations between State level leaders in India with provincial leaders in China. A programme to establish such a direct dialogue should be established and he invited the Hon'ble Chief Minister to visit China. He also mentioned that China proposes to establish a Consulate General in Chennai soon. China is also collaborating on developing the high speed rail link between Delhi and Chennai and on increasing the speed on the Chennai-Mysore rail line. He expected that there would be substantial Chinese participation in the Global Investors Meet to be held in Chennai and highlighted the possibilities of investment in the renewable energy sector, particularly solar energy where the Chinese had some world class companies.

The Ambassador of the People's Republic of China was accompanied by Ms.Xieliyan Counsellor, Mr. Zhangyang Counsellor, Mr. Zhao Jun and Mr.Chen Wei.

Thiru K.Gnanadesikan,I.A.S., Chief Secretary to Government, Tmt. Sheela Balakrishnan,I.A.S(Retd.), Adviser to Government, Thiru K.Ramanujam,I.P.S.,(Retd.) Adviser to Government, Thiru C.V.Sankar,I.A.S., Additional Chief Secretary to Government, Industries Department, Thiru K.Shanmugam,I.A.S., Principal Secretary to Government, Finance Department and Thiru S.Krishnan,I.A.S, Principal Secretary to Government, Planning, Development & Special Initiatives Department were present.

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