

**Press Release**

A news report had appeared saying that only 9.4% of the investment proposals in Tamil Nadu are actually converted to projects in the last 10 years. This is contrary to facts.

Actually, conversion rate of MoUs into actual projects during the last 10 years is 82.4% in Tamil Nadu. Tamil Nadu Pollution Control Board has issued CTO for 26,309 new industrial projects for commencing their production in the last 10 years. TANGEDCO has given 1,164 new HT connections in the last three financial years alone. Gross State Value Added (GSVA) of Tamil Nadu in the manufacturing sector has grown at an average rate of 12.7% in the last 5 years. In addition, Tamil Nadu's economy has been consistently growing at a rate above the national average and the state stands out as the most attractive investment destination.

The data quoted appears to be based on the Industrial Entrepreneurs Memorandum (IEM) filing in the Department for Promotion of Industry and Internal Trade (DPIIT). This is a system through which prospective investors can upload their investment intention and can subsequently report the actual investments. It has been observed that only a section of

genuine investors file IEM. Some non-genuine investors may also make filings. There is no system to ensure that all investors file in the DPIIT website, there is no compulsion to file and only a fraction of the actual investments are captured in the IEMs. Moreover, there is no system of verifying whether the claims made by the so called investors are correct. Hence, any analysis based on IEM data do not provide an accurate picture of the investment scenario.

Tamil Nadu has an outstanding record of converting investment proposals to actual investments. The conversion rate of 98 MoUs signed during GIM 2015 is 72%. The conversion rate of 304 MoUs signed during GIM 2019 is 89%. The conversion rate refers to projects that have commenced commercial production or are in various stages of implementation such as purchase of land, application for clearances or trial production, as a percentage of the total number of MoU projects. The details of MoUs entered in the last 10 years is as follows.

<b>MoU Projects</b>			
Years	No.	Under Implementation	% of implementation
2011-2015	33	30	90.9%
GIM 2015	98	71	72.4%
GIM 2019	304	272	89.5%
Other MoUs 2016-2019	65	39	60.0%
<b>Overall</b>	500	412	82.4%

It may be seen that since 2011, Tamil Nadu Government has signed 500 MoUs till 2019 with an investment commitment of Rs. 5,97,753 crores. Out of these MoUs, 412 MoU projects have either commenced commercial production or are in various stages of implementation amounting to an impressive conversion rate of 82.4%.

There are various indicators other than MoUs to suggest the accelerating industrial growth in the state. The manufacturing Gross State Value Added (GSVA) of the state has grown at an average of 12.7% in the last five years. The number of "Consent to Operate (CTO)" issued by TNPCB has been increasing steadily since 2011-12 and till date, 26,309 CTOs

have been issued as may be seen below. TNPCB issues CTOs only to projects which have been completed and are ready to operate.

<b>Year</b>	<b>No. of industries for which CTO issued</b>
2011-2015	6418
2015-2016	2086
2016-2017	3604
2017-2018	3704
2018-2019	3438
2019-2020	5822
2020 - 2021 (till Q3)	1237
<b>Total</b>	<b>26309</b>

Similarly, 1164 High Tension Power connections to industries have been given in the last three financial years. All these data confirm the leadership position of the Tamil Nadu in the country in attracting investment.

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