

# *Proposed Special Economic Zone*

*Category - Electronic Hardware Manufacturing and Support Services*

*Location - Sriperumbudur, Chennai*

*Developers – The Velankani Group*

*Advisors to the SEZ project - Avista Advisory Group*

# *Highlights of the project*

- Based on its association with IT, Telecom & Electronic Manufacturing industry, Velankani has proposed to create a world class Electronics Hardware manufacturing SEZ in Chennai.
- The SEZ Park would cater to meet the business needs of the global OEM's & EMS companies like Nokia, Flextronics, Motorola, Foxconn, Jabil etc, who are setting up hardware manufacturing facilities in Chennai.
- The SEZ Park would mainly cater to component manufacturers which would result in the formation of a supply cluster for the Industry, similar to that of China.
- The key purpose is to create ready made infrastructure for reducing the lead time of component manufacturers to set up operations.

# *Project Snapshot*

- Nature of the proposed SEZ : Electronic Hardware Manufacturing & Support Services (Sector Specific)
- Land area of the proposed SEZ : 250 acres
- Location of the proposed SEZ : Sriperumbudur, Chennai (Tamil Nadu)
- Employment generation : Supervisory : 1500  
Non-supervisory : 28,500
- Target clients : Global Electronic components & ancillary suppliers to OEM/ EMS companies who have already envisaged interest in the project.  
Other companies interested in setting up hotels/ residential structures within the zone

# *Project Planning*

- **Of the 250 acres proposed for development, a major portion of the land will be developed into an Electronic Hardware Manufacturing & support services facility with the following assumptions:**
  - FSI = 0.75
  - Ground coverage of 0.60
- The buildings will be in two levels with 50,00,000 sq.ft. on ground level & 15,00,000 sq.ft on the first floor level, being manufacturing facilities.
- The total built-up area would be above 45,00,000 sq.ft. spread over in 5 phases as enumerated herewith:

<b>Phase</b>	<b>Area proposed to be built</b>
Phase-1	12,00,000 sq.ft.
Phase-2	16,00,000 sq.ft.
Phase-3	17,00,000 sq.ft.
Phase-4	17,00,000 sq.ft.
Phase-5	Balance 3,00,000 sq. ft.

- **As per SEZ norms, the balance land has been allocated for the non processing areas:**
  - Security/ Reception Complex/ Facilities Building/ Roads/ Drains/ Service Lines/ Overhead Tank/ Pump House/ Sewage Treatment Plant/ Power Receiving/ Generation Station etc

# *Infrastructure & Facilities*

The entire facility will be aided with the following Infrastructure within the SEZ Park:

- **Roads** with central median landscaping & sidewalks & curbside landscaping.
- **Power** through Tamil Nadu Electricity Board network with on-site substation. Additional DG back up for essential services, to ensure fail-safe power.
- **Communication** with top line telecom facilities & unlimited bandwidth through optic fiber-cable network of reputed service providers.
- **Water**, abundant & potable ground water through dedicated water network. Proposed both ground & elevated storage reservoirs. Treated water recycled for landscaping & flushing activities.
- **Rainwater harvesting** to maximize ground water recharging through rainwater harvesting methods, which have been built-in right from the inception of the project.
- **Waste Management** & solid waste disposal is proposed to be at a place designated by the local authorities.
- **Security** to be 24 x 7 security for common areas.
- **Legal Services** will include complete range of legal services including contracts management

# *Current Status*

- ***'In-principle'*** approval received from the Ministry of Commerce & Industry to set up its SEZ in Chennai.
- The State Government of Tamil Nadu has recommended setting up of this project to the Central government
- Awaiting land allocation from the State government.
- Design and layout of the facility is in place. Architects and contractors have been appointed.
- Proposed schedules and expected time lines for completion of the project have been decided.

# *Design & Layout*



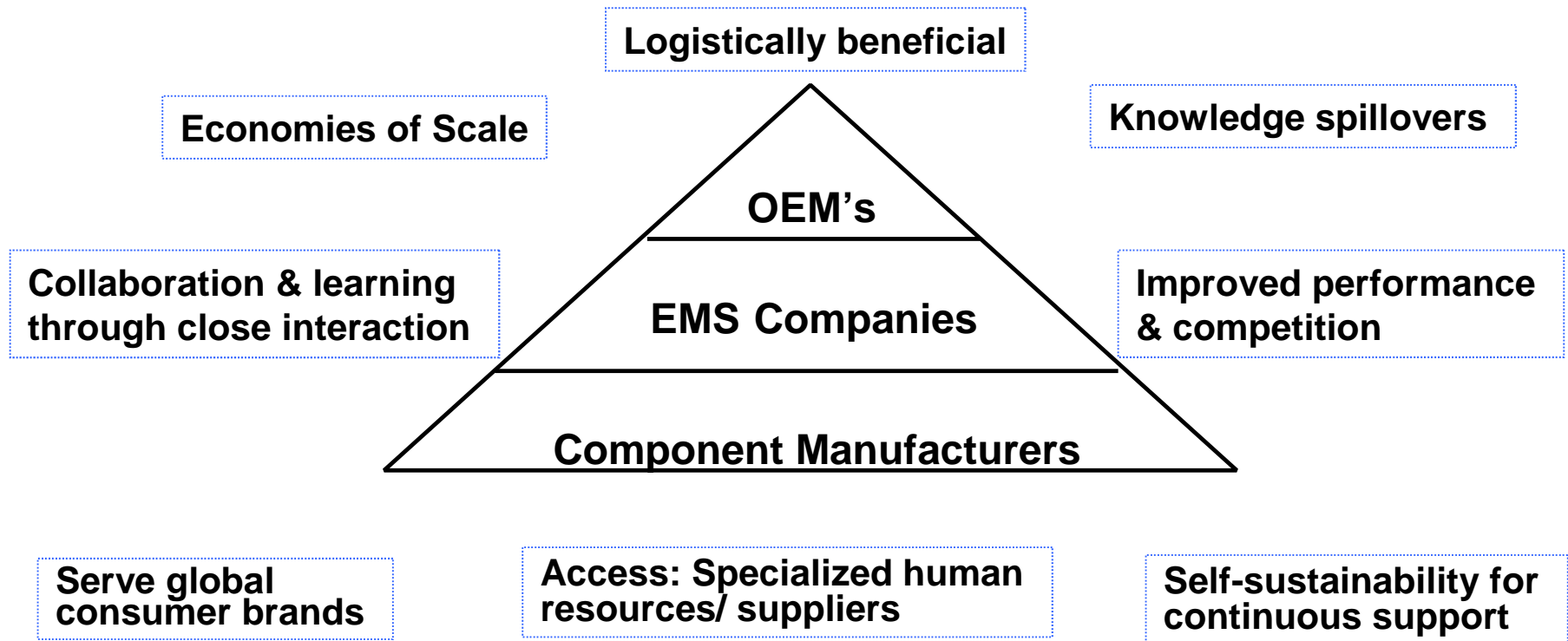
# *Engagement Models*

**Following engagement model is worked out within the SEZ parameters**

- Land will be in the name of developer as per the SEZ Rules.
- Building will be constructed by the developer as per the requirements of the clients, but owned by the developer.
- The building will be leased to the client (monthly rentals to be paid).
- Facility maintenance charges will be charged additional to cover the maintenance of the common areas and services.

# *Supply Chain Cluster*

# Supply Chain Pyramid



- OEM Companies like Nokia, Motorola, LG are already manufacturing in India
- EMS Companies like Elcoteq, Flextronics, Foxconn have also started manufacturing facilities in South India.
- The final layer consists of component suppliers who want to be part of this project & require world class infrastructure, and the Velankani SEZ park will cater to this requirement.

# *The Cluster Concept*

- **Manufacturing electronics products requires close & efficient co-operation of several manufacturers**
  - This leads to the creation of Supply clusters of suppliers who co-locate in the same area to facilitate the entire chain of manufacturing of a product.
  - The aim is to create a permanent, globally competitive & continually developing technology based industrial Electronics Manufacturing Supply cluster for local & global markets
  - A variety of component/ ancillary services suppliers will co-locate within a cluster park like ***Key boards, Displays, earphones, Printed Circuit boards, Batteries, antennas, Chargers, packing materials, software, Logistics & distribution etc.***
  - Each component supplier, with its entry, will introduce India to the latest technology & expertise available in this sector globally

# *Why Chennai ?*

- **Key reason for selecting Chennai:**
  - Every supplier would like to be located in close proximity to their main customers.
  - Several multinational and Indian companies have indicated interest in setting up operations in the SEZ
  - High potential for successful creation of supply cluster in Chennai due to presence of telecom OEM's & EMS companies
  
- **Other reasons:**
  - Newest IT destination in India & has taken over from where Bangalore left off
  - Presence of port & international airport - well connected to other international markets via air & sea.
  - Churns out 32,000 engineering graduates each year
  - Is a automotive hub with global & Indian OEM's like Hyundai, Ford, John Deere, Ashok Leyland, TVS Group manufacturing their products for the global market here
  - Other MNC's in Chennai - Mitsubishi, Matsushita, Caltex, St Gobain, Henkel, ST CMS, Alsthom, PSEG, Unocol, Chevron, Alcatel, Visteon, Caterpillar, Van Melle etc

# *Velankani's Credentials*

# *Company Profile*

- Velankani Information Systems Pvt. Ltd. (VISPL) was incorporated during the year 1999.
- The company is engaged in the business of infrastructure development & management for the IT & Electronics Manufacturing & Technology Sector.
- 150 member strong team of highly skilled professionals specializing in turnkey infrastructure solutions from concept to finish manufacturing facilities

## **Experience:**

- Association with the IT & Electronics Manufacturing industry
- The infrastructure team of Velankani group company is well experienced in all key fields of industrial & commercial units construction, inclusive civil, mechanical, electrical & process areas.
- Our track record includes successful projects in:
  - IT Infrastructure
  - Electronic Manufacturing Facilities
  - Industrial & Commercial Buildings
  - Industrial / Tech Park Infrastructure Solutions

# *Industry Experience*

- Is a one stop source for everything one needs to turn their vision to reality
- A complete in-house resource facility & experienced man power
- Fully equipped with the latest machinery to reduce turn around time
- A source of enduring value to one's business.
- The campus houses business facilities for various prestigious multinational & Indian Companies. Some of their key clients are:
  - ✓ **Deutsche Network Services Pvt. Ltd** : 1,50,000 sq.ft
  - ✓ **Siemens Information Systems Ltd** : 1,00,000 sq.ft
  - ✓ **Patni Computers Ltd** : 6,00,000 sq.ft
  - ✓ **Elcoteq Electronics (India) Pvt Ltd** : 1,50,000 sq.ft
- In Chennai, an industrial facility with about 25,000 sq.ft (Phase-1) has been developed for Nera Electronics (a PCB manufacturing unit). The facility has been leased to Nera during Oct 2005.
- Other current projects include developing an IT Park in Mysore (Karnataka), and an IT park for Accenture in Bangalore.

# *Velankani Tech Park*

- ❑ Year : 2000 - Till Date
- ❑ Location : Electronics City, Bangalore
- ❑ Nature of Project : Building Construction & Management
- ❑ Project Components : Project Planning & Implementation  
Civil Engg Design & work



Electrical & AC Design & Works  
Mechanical Design & Works  
Landscaping  
Fit out/ Interior Designing &  
Implementation  
Design of Roads  
Design of Water Works  
Design of Street Lights

# *Elcoteq Electronics (India) Pvt. Ltd*

- ❑ Year : July 2004 - Till Date
- ❑ Location : Electronics City, Bangalore
- ❑ Nature of Project : Manufacturing Service Company in the Telecommunication Industry
- ❑ Project Components :
  - 150,000 Sq Ft of Factory Building
  - Civil Works
  - Electrical & Air conditioning
  - Mechanical
  - Engineering
  - Project Planning & Management
  - Landscaping
  - Roads



# *Nera Electronics India Pvt. Ltd.*

- ❑ Year : 2005 – 06
- ❑ Location : MIPL, Chennai
- ❑ Nature of Project : Electronic Manufacturing Facility to accommodate SMT Lines & Assembly Lines/ Tables
- ❑ Project Components :
  - Phase 1 - 20,000 Sq Ft of Factory Building
  - Project Planning & Management
  - Civil Works
  - Pneumatic Systems
  - Nitrogen Storage & Piping
  - Vacuum Piping
  - ESD Flooring
  - Electrical & Air conditioning



# *Patni Computer Systems*

- ❑ Year : 2003
- ❑ Location : Electronics City, Bangalore
- ❑ Nature of Project : Software Technology Companies
- ❑ Project Components :
  - Civil Works
  - Electrical & Air conditioning
  - Mechanical & Engineering
  - Project Planning & Management
  - Landscaping
  - Fit outs/ Interior Designing and Implementation



# Siemens India

- ❑ Year : 2003
- ❑ Location : Electronics City, Bangalore
- ❑ Nature of Project : Software Technology Companies
- ❑ Project Components :
  - Civil Works
  - Electrical & Air conditioning
  - Mechanical & Engineering
  - Project Planning & Management
  - Landscaping
  - Fit outs/ Interior Designing and Implementation



# *Advisors to the SEZ Project*

**For further information on this project kindly contact the Project Advisors, Avista Advisory Group on either of the following addresses.**

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