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TAMIL NADU GOVERNMENT GAZETTE

EXTRAORDINARY

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Part IV—Section 1

Tamil Nadu Bills

BILL INTRODUCED IN THE LEGISLATIVE ASSEMBLY OF THE STATE OF TAMIL NADU

Under Rule 130 of the Tamil Nadu Legislative Assembly Rules, the following Bill which was introduced in the Legislative Assembly of Tamil Nadu on 2nd September, 2026 is published together with Statement of Objects and Reasons for general information:-

L.A.Bill No. 16 of 2026

A Bill further to amend the Tamil Nadu Business Facilitation Act, 2018.

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Seventy-seventh Year of the Republic of India as follows:—

Short title and commencement.

1. (1) This Act may be called the Tamil Nadu Business Facilitation (Amendment) Act, 2026.

(2) It shall come into force on such date as the State Government may, by notification, appoint.

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Tamil Nadu Act 7 of 2018.

Amendment of section 2.

2. In section 2 of the Tamil Nadu Business Facilitation Act, 2018 (hereinafter referred to as the principal Act), —

(i) after clause (c), the following clause shall be inserted, namely:-

"(cc) "Commission" means the Tamil Nadu Investment Promotion Commission constituted under section 16-A;";

(ii) in clause (u), after sub-clause (vi), the following sub-clause shall be added, namely :-

"(vii) Tamil Nadu Investment Promotion Commission;";

(iii) after clause (u), as so amended, the following clauses shall be inserted, namely:-

"(uu) "Schedule" means a Schedule appended to this Act;

(uuu) "Scheduled enactment" means the Acts specified in the Schedule;"';

(iv) for clause (w), the following clause shall be substituted, namely:-

"(w) "single window portal" means the web portal, developed and maintained by the Nodal Agency, the electronic address of which shall be notified by the Government;";

(v) for clause (x), the following clause shall be substituted, namely: -

"(x) "subordinate legislation" means any Rule, Bye-law, Regulation, Government Order, Notification, Office Order, Standing Order, Statutory Instruction, or Proceeding made or issued by the Government or any Government authority under a Scheduled enactment or a Central Act.".

Amendment of section 7.

3. To section 7 of the principal Act, the following proviso shall be added, namely:-

"Provided that no application submitted through any web portal other than the single window portal shall be taken up for processing.".

Amendment of section 9.

4. In section 9 of the principal Act, in sub-section (1), in clause (ii), for the expression "State enactments", the expression "Scheduled enactments" shall be substituted.

Amendment of section 10.

5. In section 10 of the principal Act, in sub-section (1), for the expression "the rules", the expression "the subordinate legislations made by the Government or the Central Government thereunder" shall be substituted.

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Substitution of section 11.

6. For section 11 of the principal Act, the following section shall be substituted, namely:-

"11. Procedure and time limit for processing of applications.-

(1) Notwithstanding anything contained in any Scheduled enactment or any subordinate legislation, where it prescribes a time limit of more than twenty-one days or does not prescribe any time limit for any of the clearances, such time limit shall be deemed to be reduced to twenty-one days:

Provided that notwithstanding anything contained in any subordinate legislation, the Government may prescribe under this Act any shorter time limit for issuing final orders on any of the clearances sought for:

Provided further that in calculating the reduced time limit of twenty-one days under this sub-section, the holidays including the public holidays and the local holidays, as may be declared by the Government from time to time, shall not be taken into account.

(2) Notwithstanding anything contained in sub-section (1), where any Scheduled enactment or any subordinate legislation prescribes a time limit of not exceeding twenty-one days, such time limit shall continue to be in force.

(3) Notwithstanding anything contained in sub-section (1), where any Central Act made by the Parliament prescribes a time limit exceeding twenty-one days in respect of any clearance, such longer time limit shall prevail over the time limit specified in or prescribed under sub-section (1) for the disposal of such clearance.

(4) Notwithstanding anything contained in any subordinate legislation, for carrying out the purposes of this Act, the Government may prescribe,-

(a) the procedure for processing and disposal of applications submitted thereunder; and

(b) the time limit for raising queries and furnishing of additional particulars called for by the authority concerned thereunder.

(5) On receipt of an application, complete in all respects with all necessary documents, the Competent Authority shall pass orders in respect of the clearance sought for, within the time limit as applicable under sub-section (1), (2) or (3), as the case may be, from the date of receipt of the application, seeking such clearance.

(6) Where the application seeking any clearance is not complete in all respects and additional information is sought for under section 8, the Competent Authority shall pass orders thereon within the time limit as applicable under sub-section (1), (2) or (3), as the case may be, from the date of receipt of such additional information.".

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Amendment of section 15.

7. In section 15 of the principal Act, insub-section (3), in clause (i), for the expression "prescribed procedure", the expression "procedure as may be prescribed by regulations by the State Single Window Committee" shall be substituted.

Amendment of section 16.

8. In section 16 of the principal Act, insub-section (3), in clause (i), for the expression "prescribed procedure", the expression "procedure as may be prescribed by regulations by the State Single Window Monitoring Committee" shall be substituted.

Insertion of new section 16-A.

9. After section 16 of the principal Act, the following section shall be inserted, namely: -

"16-A. **Constitution, powers and functions of Tamil Nadu Investment Promotion Commission.**-(1) The Government shall, by notification, constitute the Tamil Nadu Investment Promotion Commission with the Chief Secretary to the Government as the Chairperson, the Secretary to the Government in-charge of Industries, Investment Promotion and Commerce as the Member-Convener, and such other members not exceeding twenty in number to be appointed by the Government in such manner as may be prescribed.

(2) The Member-Convener may invite experts in the field of investment promotion, industry, trade or any other relevant field, as special invitees, not exceeding five in number at a time, to attend any meeting of the Commission, but such special invitees shall have no right to vote.

(3) The Commission shall exercise the following powers and perform the following functions, namely :—

(a) to serve as a dedicated high-level body to advise, oversee and review all investment promotion and facilitation activities, grounding of projects, generation of employment and promotion of export in the State, including the performance of all the agencies entrusted with investment promotion and facilitation;

(b) to review the pipeline and progress of large, strategic and high-impact investments, being investments involving proposed capital investments of two hundred crore rupees or more, investments expected to generate employment for five thousand or more persons, investments linked to Free Trade Agreements, investments by persons of Tamil origin outside India, and such other investments as the Government may, by notification, specify;

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(c) to review the progress of such investments up to the stage of grounding and commencement of operation, and to issue directions to the Nodal Agency, the Respective Committees, the Competent Authorities and the departments concerned for the timely grant of clearances, incentives and other requisite approvals therefor and such directions shall be binding on the authority, agency or department to which they are addressed;

(d) to review and facilitate strategic expansion and reinvestment by existing industrial units;

(e) to review the allocation and utilisation of industrial land allotted for projects that have not commenced commercial operation, by the State Industries Promotion Corporation of Tamil Nadu Limited (SIPCOT), the Tamil Nadu Industrial Development Corporation Limited (TIDCO), the Tamil Nadu Small Industries Development Corporation Limited (SIDCO), Tamil Nadu Adi Dravidar Housing and Development Corporation (TAHDCO), the Electronics Corporation Limited of Tamil Nadu (ELCOT) and other agencies of the Government engaged in the development or allotment of industrial land, and to recommend measures for ensuring transparency, and optimal utilization of such land;

(f) to monitor and review investments and projects undertaken by the Tamil Nadu Industrial Development Corporation Limited (TIDCO), TIDEL Park Limited (TIDEL), TICEL Bio Park Limited (TICEL), and other related agencies including the implementation, outcomes and alignment with the investment priorities of the State;

(g) to identify systemic impediments to investment and to recommend policy, regulatory and procedural measures improving the investment climate and Ease of Doing Business in the State, and to facilitate, coordinate, and oversee the implementation of Government of India exercises related to Single Window Mechanism established under this Act;

(h) to recommend the periodic adoption of Business Process Re-engineering measures such as self-certification, third-party certification by authorised agencies, and such electronic document repositories as may be approved by the Government for facilitating compliance with the time limits prescribed under this Act;

(i) to review the enactments governing industrial estates and townships in the State and recommend measures, including decentralisation or delegation of powers for the effective administration;

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(j) to periodically review and oversee the implementation of the provisions of this Act, and the rules made thereunder; and

(k) to perform such other functions as may be entrusted by the Government in relation to investment promotion, facilitation and the investment climate of the State.

(4) The Commission shall meet at such time and shall observe such rules of procedure in regard to the transaction of its business at its meetings, including the quorum thereat, as may be prescribed by the Commission by regulations.".

Amendment of section 17.

10. In section 17 of the principal Act, in sub-section (2), in clause (i), for the expression "prescribed procedure", the expression "procedure as may be prescribed by regulations by the Investment Promotion and Monitoring Board" shall be substituted.

Amendment of sections 18, 19, 20, 24, 25, 26 and 31.

11. In sections 18, 19, 20, 24, 25, 26 and 31 of the principal Act, for the expression "State law" wherever it occurs, the expression "Scheduled enactment and any subordinate legislation made thereunder" shall be substituted.

Amendment of section 21.

12. In section 21 of the principal Act, in sub-section (3), in clause (i), for the expression "prescribed procedure", the expression "procedure as may be prescribed by regulations by the MSME District Single Window Committee" shall be substituted.

Amendment of section 22.

13. In section 22 of the principal Act, in sub-section (3), in clause (i), for the expression "prescribed procedure", the expression "procedure as may be prescribed by regulations by the MSME State Single Window Committee" shall be substituted.

Amendment of section 23.

14. In section 23 of the principal Act, in sub-section (2), in clause (i), for the expression "prescribed procedure", the expression "procedure as may be prescribed by regulations by the MSME Investment Promotion and Monitoring Board" shall be substituted.

Insertion of new sections 33-A and 33-B.

15. After section 33 of the principal Act, the following sections shall be inserted, namely:-

"33-A. Power to make regulations.—The Respective Committees may, with the prior approval of the Government, make regulations not inconsistent with the provisions of this Act and the rules made thereunder for carrying out the purposes of this Act.

33-B. Power to amend Schedule.—The Government may, by notification, alter, amend or add to the Schedule or omit any of the entries specified in the Schedule and upon issue of such notification, the Schedule shall be deemed to be amended accordingly.".

Addition of Schedule.

16. After section 35 of the principal Act, the following Schedule shall be added, namely:-

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APPENDIX.

THE SCHEDULE.

[*See* clauses (uu) and (uuu) of section 2]

Sl. No.	Act
1	The Tamil Nadu Forest Act,1882 (Tamil Nadu Act V of 1882)
2	The Tamil Nadu Survey and Boundaries Act,1923 (Tamil Nadu Act VIII of 1923)
3	The Tamil Nadu Prohibition Act,1937 (Tamil Nadu Act X of 1937)
4	The Tamil Nadu Public Health Act,1939 (Tamil Nadu Act III of 1939)
5	The Tamil Nadu Cinemas (Regulation) Act,1955 (Tamil Nadu Act IX of 1955)
6	The Tamil Nadu Catering Establishments Act, 1958 (Tamil Nadu Act XIII of 1958)
7	The Tamil Nadu Land Reforms (Fixation of Ceiling on Land) Act,1961 (Tamil Nadu Act 58 of 1961)
8	The Tamil Nadu Public Buildings (Licensing) Act,1965(Tamil Nadu Act 13 of 1965)
9	The Tamil Nadu Water Supply and Drainage Board Act,1970 (Tamil Nadu Act 4 of 1971)
10	The Tamil Nadu Town and Country Planning Act,1971 (Tamil Nadu Act 35 of 1972)
11	The Tamil Nadu Societies Registration Act,1975 (Tamil Nadu Act 27of 1975)
12	The Chennai Metropolitan Water Supply and Sewerage Act,1978 (Tamil Nadu Act 28 of 1978)
13	The Tamil Nadu Patta Pass Book Act,1983 (Tamil Nadu Act 4 of 1986)
14	The Tamil Nadu Panchayats Act,1994 (Tamil Nadu Act 21 of 1994)
15	The Tamil Nadu Clinical Establishments (Regulation) Act, 1997 (Tamil Nadu Act 4 of 1997)
16	The Tamil Nadu Lifts and Escalators Act,1997 (Tamil Nadu Act 35 of 1997)
17	The Tamil Nadu Industrial Township Area Development Authority Act, 1997(Tamil Nadu Act 33 of 1997)
18	The Tamil Nadu Urban Local Bodies Act,1998 (Tamil Nadu Act 9 of 1999)
19	The Tamil Nadu Tax on Consumption or Sale of Electricity Act, 2003 (Tamil Nadu Act 12 of 2003)
20	The Tamil Nadu Value Added Tax Act, 2006 (Tamil Nadu Act 32 of 2006)
21	The Tamil Nadu Hostels and Homes for Women and Children (Regulation) Act, 2014(Tamil Nadu Act 18 of 2014)
22	The Tamil Nadu Fire and Rescue Services Act, 2025 (Tamil Nadu Act 37 of 2025)

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STATEMENT OF OBJECTS AND REASONS

The prime object of the Tamil Nadu Business Facilitation Act, 2018 (Tamil Nadu Act 7 of 2018) is to promote Ease of Doing Business (EoDB) by positioning the State as a preferred investment destination by providing streamlined, transparent and time-bound regulatory approval mechanisms. To achieve the State's newly established milestone of becoming a $1.5 trillion economy by 2036, it is considered necessary to strengthen the institutional frame work under the said Act and to constitute the Tamil Nadu Investment Promotion Commission to facilitate, coordinate and monitor high-value and strategic investments in the State. In order to achieve the said object, the Government have decided to amend the said Tamil Nadu Act 7 of 2018, suitably.

2. The Bill seeks to give effect to the above decision.

S. KEERTHANA,
Minister for Industries.

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MEMORANDUM REGARDING DELEGATED LEGISLATION.

Clauses 2,6,7,8,9,10,11,12,13,14 and 15 of the Bill empower the Government to issue notifications or to pass orders or to make rules, as the case may be, for the purposes specified therein.

2. The powers delegated are normal and not of an exceptional character.

S. KEERTHANA,
Minister for Industries.

Secretariat,
Chennai-9,
2nd September 2026.

R. SANTHI,
Secretary.

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