



### **Industry**

Chennai is sometimes referred to as the *Health Capital of India* or the *Banking Capital of India*, having attracted investments from International Finance Corporations and the World Bank. It is also called as *Detroit of Asia*.

Tamil Nadu has a network of about 110 industrial parks/estates that offer developed plots with supporting infrastructure. Also, the Government is promoting other industrial parks like Rubber Park, Apparel Park, Floriculture Park, TICEL Park for Biotechnology, Siruseri IT Park and Agro Export Zones. The heavy engineering manufacturing companies are centered around the suburbs of Chennai. Chennai boasts of global car manufacturing giants as well as home grown companies.

### **Textiles**

Tamil Nadu is the largest textile hub of India. Tamil Nadu is known as the “***Yarn Bowl***” of the country accounting for 41% of India’s cotton yarn production. The textile industry plays a significant role in the Indian economy by providing direct employment to an estimated 35 million people, and thereby contributing 4% of GDP and 35% of gross export earnings. The textile sector contributes to 14% of the manufacturing sector. From spinning to garment manufacturing, entire textile production chain facilities are in Tamil Nadu. About half of India’s total spinning mill capacity is in Tamil Nadu. The western part of Tamil Nadu comprising Coimbatore, Tirupur, Erode, Dindigul and Karur has the majority of spinning mills manufacturing cotton/polyester/blended yarn and silk yarn used by garment units in Tamil Nadu, Maharashtra etc. Yarn is also exported to China, Bangladesh etc. Tirupur known as “***Knitting City***” is the exporter of garments worth USD 3 Billion. Karur is the major home for textile manufacturing (Curtain cloth, bed linens, kitchen linens, toilet linens, table linens, wall hangings etc.) and export hub in India. Erode is the main cloth market in South India for both retail and wholesale ready-mades.

### **Leather**

Tamil Nadu accounts for 30 per cent of leather exports and about 70 per cent of leather production in the country. Hundreds of leather and tannery industries are located around Vellore, Dindigul and Erode. Every year the State hosts the India International Leather Fair in Chennai.

### **Electronics**

Chennai has emerged as EMS Hub of India. Many multi – national companies have chosen Chennai as their South Asian manufacturing hub.

### **Automotives**

Chennai nicknamed as “The Detroit of Asia” is home to a large number of auto component industries. Tamil Nadu has 28% share each in automotive and auto components industries, 19% in the trucks segment and 18% each in passenger cars and two wheelers.



### **Cement Industry**

Tamil Nadu ranks third in cement production in India (First Andhra Pradesh, Second Rajasthan). Among 10 largest cement companies in India as on 2018, Ramco Cement and India Cement find prominent place. And also Tamil Nadu stands second in number of cement plants with 21 units against 35 units in Andhra Pradesh.

### **Fire works**

The town of Sivakasi is a leader in the areas of printing, fireworks, and safety matches. It was fondly called as “Little Japan” by Jawaharlal Nehru. It contributes to 80% of India’s fireworks production. Sivakasi provides over 60% of India’s total offset printing solutions.

### **Other Industries**

One of the global electrical equipment public sector companies viz BHEL has manufacturing plants at Tiruchirappalli and Ranipet. The Tamil Nadu State Government owns the Tamil Nadu Newsprint and Papers (TNPL), the world’s biggest bagasse-based paper mill in Karur. Tamil Nadu is a leading producer of cement in India and with manufacturing units located at Ariyalur, Virudhunagar, Coimbatore and Tirunelveli. The region around Salem is rich in mineral ores. The country’s largest steel public sector undertaking, SAIL has a steel plant in Salem.

Coimbatore is also referred to as “the pump City” as it supplies two thirds of India’s requirements of motors and pumps. The city is one of the largest exporters of jewellery, wet grinders and auto components and the term “Coimbatore Wet Grinder” has been given a Geographical indication

Thoothukudi is known as “Gateway of Tamil Nadu”. Thoothukudi is the major chemical producer in the state. It produces the 70 per cent of the total salt production in the State and 30 per cent in the country.

### **MSMEs**

The Micro, Small and Medium Enterprises are defined under the MSMED Act 2006. The enterprises are classified as Manufacturing and Service enterprises based on the investment in plant and machinery and equipment (excluding land and building) the classification of Micro, Small and Medium Enterprises is given in Table- 11.11.

Tamil Nadu accounts for 15.07% Micro, Small and Medium Enterprises (MSMEs) in the country ( the highest among all States) with 6.89 lakhs registered MSMEs. Producing over 8000 varieties of product for a total investment of more than 32,000 crore.

MSMEs produce a wide variety of products in almost all sectors. The prominent among them are the engineering, electrical, chemicals, plastics, steel paper, matches, textiles, hosiery and garments sector. Around 15.61 lakh entrepreneurs have registered, providing employment opportunities to about 99.7 lakhs persons with total investment of 1,68,331 crore.

**Energy**

Tamil Nadu tops in power generation among the southern States as seen in following table.

Installed capacity of power utilities in States in southern region

Tamil Nadu is in the forefront of all other Indian States in installed capacity. Muppandal wind farm is a renewable energy source, supplying the villagers with electricity for work. Wind farms were built in Nagercoil and Tuticorin apart from already existing ones around Coimbatore, Pollachi, Dharapuram and Udumalaipettai. These areas generate about half of India's 2,000 megawatts of wind energy or two percent of the total power output of India.

**Nuclear Energy**

The Kalpakkam Nuclear Power Plant and the Koodankulam Nuclear Power Plant are the major nuclear energy plants for the energy grid.

**Thermal Power**

In Tamil Nadu the share of thermal power in total energy sources is very high and the thermal power plants are at Athippattu (North Chennai) Ennore, Mettur, Neyveli and Thoothukudi.

**Hydel Energy**

There are about 20 hydro electric units in Tamil Nadu. The prominent units are Hundah, Mettur, Periyar, Maravakandy, Parson Valley etc.

**Solar Energy**

Tamil Nadu tops in solar power generation in India as seen in following table. Southern Tamil Nadu is considered as one of the most suitable regions in the country for developing solar power projects.

**Wind Energy**

Tamil Nadu has the highest installed wind energy capacity in India. The State has very high quality of off shore wind energy potential off the Tirunelveli coast and southern Thoothukudi and Rameswaram coast.

**SERVICES**

Banking, insurance, energy, transport and communication fall under tertiary sector i.e., services.

**Banking**

In Tamil Nadu, Nationalised banks account for 52% with 5,337 branches, Private Commercial Banks 30% (3,060) branches, State Bank of India and its associates 13% (1,364), Regional Rural Banks 5% (537) branches and the remaining 22 foreign bank branches.

Total deposits of the banks in Tamil Nadu registered an year-on year increase of 14.32% by March 2017 and touched ₹6,65,068.59 crores. Total credit of the banks in Tamil Nadu registered a year-on year increase of 13.50% by March 2017 and touched ₹6,95,500.31 crores. The share of Priority Sector Advances



stands at 45.54% as against the national average of 40%. The percentage of Agricultural advances to total advances as at the end of March 2017 works out to 19.81% as against the national average of 18%. Banks in Tamil Nadu have maintained one of the highest

Credit Deposit Ratio of 119.15% in the country whereas this ratio is 77.5% at the national level.

## **Education**

### *a. School Education*

Tamil Nadu is grouped among high Net Enrolment Ratio (NER) States. According to NITI Aayog 2015-16 NER at primary level in Tamil Nadu is 89.24% which is higher than that of Kerala (79.94%) and national average 74.74%. The all India average is 43% and the world average is 59%.

### *b. Higher Education*

In Gross Enrolment Ratio under higher education (Tertiary level) Tamil Nadu continues to be at the top level well ahead of other states. The GER is 46.9% in Tamil Nadu which is far higher against national average and all other States. This

higher GER is thanks to the distribution of free food, cloth, footwear, laptop and scholarship.

## **Educational Loans**

As far as educational loans disbursed by Public Sector Banks under priority sector are concerned, 20.8% of the total amount was disbursed in Tamil Nadu between 2013-14 and 2015-16. Andhra Pradesh was second with 11.2% of the total loan amount followed by Maharashtra (10.2%).

Of the total amount of educational loans disbursed by Private Banks during the same period, Kerala accounted for 37.8% followed by Tamil Nadu with 24.8%. Both Karnataka & Kerala together accounted for more than 60% of the total educational loan amount by Private Banks.

## **Health**

Tamil Nadu has a three – tier health infrastructure comprising hospitals, primary health centres, health units, community health centres and sub-centres. As of March 2015, the State had 34 district hospitals, 229 sub-divisional hospitals, 1,254 primary health centres, 7,555 Sub-centres and 313 community health centres.

## **Communication**

Maharashtra has the highest number of internet subscribers in the country at 29.47 million, followed by States like Tamil Nadu, Andhra Pradesh and Karnataka.

According to government data, India had a total of 342.65 million internet subscribers at the end of March, 2016. Tamil Nadu had 28.01 million subscribers, while its neighbours Andhra Pradesh and Karnataka had 24.87 million and 22.63 million, respectively.

## **Transport**



Tamil Nadu has a well established transportation system that connects all parts of the State. This is partly responsible for the investment in the State. Tamil Nadu is served by an extensive road network in terms of its spread and quality, providing links between urban centres, agricultural market-places and rural habitations in the countryside. However, there is scope for improvement.

***a. Road***

There are 28 national highways in the State, covering a total distance of 5,036 km. The State has a total road length of 167,000 km, of which 60,628 km are maintained by Highways Department. It ranks second in India with a share of over 20% in total road projects under operation in the public-private partnership (PPP) model.

***b. Rail***

Tamil Nadu has a well-developed rail network as part of Southern Railway, Headquartered at Chennai. The present Southern Railway network extends over a large area of India's Southern Peninsula, covering the States of Tamil Nadu, Kerala, Puducherry, minor portions of Karnataka and Andhra Pradesh. Tamil Nadu has a total railway track length of 6,693 km and there are 690 railway stations in the State. The system connects it with most major cities in India. Main rail junctions in the State include Chennai, Coimbatore, Erode, Madurai, Salem, Tiruchirapalli and Tirunelveli. Chennai has a well-established Suburban Railway network, a Mass Rapid Transport System and is currently developing a Metro system, with its first underground stretch operational since May 2017.

***c. Air***

Tamil Nadu has four major international airports. Chennai International Airport is currently the third largest airport in India after Mumbai and Delhi. Other international airports in Tamil Nadu include Coimbatore International Airport, Madurai International Airport and Tiruchirapalli International Airport. It also has domestic airports at Tuticorin, Salem, and Madurai, which connect several parts of the country. Increased industrial activity has given rise to an increase in passenger traffic as well as freight movement which has been growing at over 18 per cent per year.

***d. Ports***

Tamil Nadu has three major ports; one each at Chennai, Ennore, and Tuticorin, as well as one intermediate port in Nagapattinam, and 23 minor ports. The ports are currently capable of handling over 73 million metric tonnes of cargo annually (24 per cent share of India). All the minor ports are managed by the Tamil Nadu Maritime Board, Chennai Port. This is an artificial harbour and the second principal port in the country for handling containers. It is currently being upgraded to have a dedicated terminal for cars capable of handling 4,00,000 vehicles. Ennore Port was recently converted from an intermediate port to a major port and

***Tourism***

Tamil Nadu has since ancient past been a hub for tourism. In recent years, the state has emerged as one of the leading tourist destinations for both domestic



and foreign tourists. Tourism in Tamil Nadu is promoted by Tamil Nadu Tourism Development Corporation (TTDC), a Government of Tamil Nadu undertaking. The State currently ranks the highest among Indian States with about 25 crore arrivals (in 2013). The annual growth rate of this industry stood at 16 per cent. Approximately 28 lakh foreign and 11 crore domestic tourists visit the State.

### **Unemployment and Poverty**

National average of unemployment rate stands at 50 and Tamil Nadu ranks 22nd with unemployment rate of 42 per 1000. There are different kinds of unemployment with different economic implications. All those aspects need to be studied to fully understand the employment situation.

Tamil Nadu is one of India's richest states. Since 1994, the state has seen a steady decline in poverty. Today, Tamil Nadu has lower levels of poverty than most other States in the country. After 2005, Tamil Nadu was among India's fastest growing states, with growth being driven mainly by services.