

On the global map

**SUSHILA
RAVINDRANATH**

In the 1950s and 1960s, Chennai — then Madras — was known as the 'Detroit of India'. The city was a pioneer in the automotive field: the first motorcycle and bicycle came from Madras; the Bullet motorbike was assembled and manufactured here; TI Cycles set up the first integrated cycle factory in Ambattur and Hercules cycles became a household name. Can anybody forget the Standard Herald by Standard Motors? Ashok Leyland is still the country's second largest truck manufacturer. TAFE, the second largest tractor manufacturer and the largest exporter of small tractors, was incorporated in 1960 in Madras. The tyre giant MRF established a presence in Chennai during this time. The TVS, Amalgamations and Rane Groups started manufacturing almost all the components that go into automobiles.

However, by the 1970s, the state had started losing its sheen. The old guard — both the politicians and IAS officers who were very supportive of the Madras industry — were walking into the sunset. It was also the height of the license raj. Businessmen had to run to Delhi to get permission to set up new business, expand, and buy machinery and many other things. Many Madras-based industrialists were not comfortable with this. The Bullet lost its market share to competition and TI Cycles could not keep pace with the Hero from the north. In the 1970s, labour became restive and Madras being called 'Detroit' became a joke.

Consequently, in the 1980s, Tamil Nadu was seen as an arch conservative risk-averse state that was not interested in industrial growth. It went out of the national media's radar. But what many did not understand was that business here was rebuilding itself. So, when India opened up in 1991, Madras was ready to face the world. No one could have foreseen that Madras was going to re-emerge as a major automobile hub once again, while Detroit itself was waning.

Mahindra-Ford, the largest of the new automobile projects that came up in the mid-1990s, chose Tamil Nadu over Maharashtra for its main assembly plant. Madras — which be-



At a BPO centre. (Below) The Hyundai plant in Chennai.
PHOTOS: SHAJU JOHN AND T. MURALI

came Chennai — never looked back. Chief Minister Jayalithaa went all out to get this project to the state. Ford established its factory in Chennai, and Hyundai followed suit. Ever since, there has been non-stop action on the automobile front. The state has managed to attract five other automobile majors — Mitsubishi, Daimler, Nissan, Renault, and BMW — and is the only state to have seven auto giants.

Chennai has an installed capacity to produce two million vehicles a year. Everything that moves — from bicycles to battle tanks — is manufactured here. There are also 350 large auto-component manufacturers; some of them multibillion dollar conglomerates. Take the TVS group which boasts 102 years of pioneering leadership in the automobile industry, 59 companies with a turnover of \$ 6.5 billion. It has 40,000 domestic and 10,000 international employees and geographical presence in 50 countries across four continents.

Chennai is not just about automobiles. It runs neck to neck with Bangalore in terms of exports and number of people employed in IT. Software exports from Tamil Nadu are expected to touch Rs.60,000 crore in 2012-13, up by 10 per cent over the last year, according to a senior official from Software Technology Parks of India, Chennai. Nearly 3.75 lakh employees work in IT and IT-enabled service companies in and around Chennai.

The city has more BPOs per

sq.ft. than the rest of the country. When the World Bank chose to set up its back-office operations outside Washington DC, it chose Chennai. It is the Bank's largest office outside DC. Standard Chartered Bank's global back-end operation is based in the city too. Many MNCs have their development and research centres in Chennai.

The country's largest and most respected IT company, TCS, has been operating out of Chennai from 1983. People used to call it the Tamil Consultancy Services. The TCS management among others convinced the Tamil Nadu government to set up Tidel Park. The general consensus is that there is more IQ per rupee available in Chennai than any other city in the country.

In 1983, Dr. Pratap Chandra Reddy set up Apollo Hospitals in Chennai to rewrite the rules of healthcare industry. This was the first corporate hospital to come up in the country. Chennai is today 'India's Healthcare Capital', with the world's best healthcare facilities for general, cardiac, eye, diabetes and trauma care. Apollo has grown to be Asia's largest private sector healthcare group, the third largest in the world.

Chennai's T. Nagar is South East Asia's largest retail hub that gets lakhs of footfalls everyday. However, all this has a flip side too. Unplanned and unbridled growth, traffic snarls, power and water shortage, and many such problems plague the city.

