

**Speech delivered by SELVI J JAYALALITHAA, Hon'ble Chief Minister of Tamil Nadu during the inaugural function of Daimler Commercial Vehicles Plant at Oragadam on 18.4.2012**

I am happy to participate in this inaugural function of the Daimler Commercial Vehicles plant today. At the outset, I congratulate Daimler for choosing Chennai to establish this impressive facility. I am glad to know that out of 27 global Daimler Truck Plants, the Oragadam Plant is the third largest, outside Germany and one of its Hub plants.

I understand that Daimler has so far invested about 2500 crore rupees in this facility. To encourage Daimler to invest more my Government has approved an attractive package of support to Daimler. Daimler has now scaled up its investment commitment to 4000 crore rupees as against its original investment plan of 3000 crore rupees. I wish "BharatBenz" a big success.

Few inventions have influenced the world's development as deeply as the invention of the automobile. Benjamin Franklin once said and I quote, "*Drive thy business or it will drive thee*". This aptly applies to Daimler. The pioneers of automobile manufacture in the 19th century were Gottlieb Daimler and Carl Benz. Well over a century ago, when horse drawn modes of transport were the only known ways of personal mobility in the world, Gottlieb Daimler and Carl Benz came up with a revolutionary idea - an idea that laid the foundation for the future of transportation. I understand that they introduced the world to motorised movement. Small opportunities are often the beginning of great enterprises. At present, Daimler is ranked 24<sup>th</sup> among the Fortune Global 500 companies. The presence of Daimler here strengthens Chennai's reputation as the Detroit of India.

Today, India is the world's second fastest growing auto market and boasts of the sixth largest automobile industry after China the US, Germany, Japan and Brazil. India surpassed every other country in 2011, including China in sales of commercial vehicles repeating its feat as the world's fastest growing truck and bus market for the second successive year in a row. According to a study by the UK-based global financial advisory firm - Rothschild India would become the third largest auto industry in volume after China and the US by 2015. With increasing industrial production and the growing spending power of Indian middle class households, the country is expected to make it to the top five markets in the cars and commercial vehicles segment by 2020. Within India, Chennai is emerging as Asia's Automobile Capital City.

Traditionally, Tamil Nadu is known for automobile manufacturing. Starting in 1840, Simpsons pioneered India's automobile industry - it produced rail coaches, motor cars, diesel engines, and steam passenger buses. In 1948, Ashok Leyland was started for the assembly of Austin cars. The Integral Coach Factory (ICF) was established in October 1955. In the 1960s, the TVS Group established a number of auto component



manufacturing plants. This marked the first wave of the automotive revolution in Tamil Nadu.

In the post liberalisation era since July 1991, with the dismantling of the License Raj, the States had to take the initiative to accelerate and foster, the pace of industrialisation. In this setting, taking cognizance of the prevailing competitive environment among the various States in attracting investments, Tamil Nadu was one of the earliest to seize the initiative and announced its Industrial Policy 1992 that became the cornerstone which laid the foundation for the growth of the Manufacturing Sector in the State. During 1991-96, during my first tenure as Chief Minister, my Government triggered the second wave of the automobile revolution in Tamil Nadu by attracting Ford as well as Hyundai. These major automobile projects had a radial effect attracting a large number of auto ancillary industries. Again during 2001-06, my Government attracted BMW. These automobile projects created a "brand equity" for Chennai as the most attractive destination for automobile industrial projects.

Today, Chennai has emerged as India's largest automobile and auto components manufacturing and exporting hub in India. With 6 major car projects namely, Ford, Hyundai, BMW, Renault, Nissan and Mitsubishi-HM, Chennai is now emerging as one of the Top 10 Global Automobile manufacturing centres. Chennai will have an installed capacity to produce 1.3 million cars and about 3,60,000 commercial vehicles each year. This translates to an output of 3 cars every minute and one Commercial vehicle every 75 seconds.

Tamil Nadu has the largest auto components industry base. Currently, Tamil Nadu accounts for about 35% of India's production capacity. After my Government assumed office last year in 2011, there has been an overwhelming response from investors. Our Government will soon sign MoUs with a number of companies including both vehicle and components manufacturers.

Abundant availability of skilled manpower in Automobile Engineering; excellent Port logistics; availability of reliable infrastructure; and above all, a favourable investment climate and pro-active Government support are the primary reasons for making Tamil Nadu the home of automobile manufacturing. I have a vision of making Chennai the Global leader in automobile and components manufacturing.

Recently, my Government announced Vision Tamil Nadu 2023. My Vision is to set Tamil Nadu on a high growth trajectory and to secure for all its people the benefits of rapid economic growth. Over the next 11 years, Tamil Nadu, given its factor endowments and its unique combination of strengths and opportunities will aim to make its GSDP grow at 11% or more per annum - about 20% more than the expected growth rate of India's GDP over the same period. Several countries in Asia, in particular, Thailand, Malaysia and China have grown at around 7% to 10% per annum for more than 20 years during the 1980s and later. Considering the aspiration to increase real incomes by six times,



and the fact that several countries in Asia and a few States in India have consistently grown at high rates, the aspiration for Tamil Nadu is to make its economy grow at over 11% per annum in real terms over the next 11 years so that Tamil Nadu becomes the most prosperous State in India. My goal is to make Tamil Nadu "numero uno" in all spheres of development.

Some critics always raise the doubt - "Is this possible?" Leaders make things possible. Exceptional leaders make them inevitable. When people doubt me, I make them believe with my success. Success is the best revenge. A pessimist sees the difficulty in every opportunity; an optimist sees the opportunity in every difficulty. The reason most people never reach their goals is that they do not define them or ever seriously consider them as achievable. Winners can tell you where they are going; what they plan to do along the way; and who will be sharing the adventure with them. History is written by those who are victorious.

Success does not happen overnight. It is the result of continuous endurance and hard work. People who have tasted success would like to taste it again and again. Success is a combination of thoughts, words and deeds. Luck has no role to play in success. Only hard work pays. Aristotle once said, "*It is possible to fail in many ways, while for success, it is possible only in one way*". Hurdles and failures are the stepping stones to success and from failure to failure we have to proceed with unquenched enthusiasm and zeal to attain success in our endeavours. Arnold Glasgow gives the simplest route to success. He says and I quote, "*Do what's right the right way at the right time*". If one advances confidently in the direction of one's dreams and endeavours to live the life which one has imagined one will meet with success.

My Government places substantial emphasis on holistic and inclusive growth by channelling considerable resources to the lowest income groups and ensuring that Tamil Nadu becomes poverty and unemployment free which is my ultimate goal.

Let me tell you the secret that has led me to my goal. My strength lies solely in my tenacity. I wear courage and perseverance, as my talisman and my difficulties disappear and obstacles vanish. Trust me, it works. I find no real satisfaction in life without challenges to conquer, obstacles to overcome and goals to achieve. Human progress is neither automatic nor inevitable - Every step towards the goal of justice requires sacrifice, suffering and struggle; the tireless exertions and passionate concern of dedicated individuals. All labour that uplifts humanity has dignity and importance and should be undertaken with painstaking excellence.

To make my vision a reality, my Government is initiating a number of innovative policy measures. My Government is currently finalising a set of policy reforms that will translate my vision into reality. The New Industrial Policy, 2012 will accelerate the pace of growth of the Manufacturing Sector to 14%. Our Government will soon announce

Industry-specific policies for Automobiles and the Auto Components industry; Biotechnology; the Aerospace industry; and Renewable energy with special focus on solar power generation etc.

Let me again reaffirm our Government's commitment to providing an enabling environment conducive to the growth of the corporate sector in our country. Our Government is aware of the many challenges that our industry faces like the infrastructure deficits. We are doing everything possible to overcome these infrastructural challenges. The heart of my Vision 2023, is the provision of world class infrastructure. My Government aspires to lay 2000 km of 6 and 8 lane expressways and 5000 km of 4 lane highways before the end of 2023. To ensure the long term energy security of our State, my Vision is to build 20,000 MW of additional power generation capacity in the next 10 years.

Karl Marx once said and I quote "*when ideas capture the minds of men, they become a material force in society*". I have this vision of making Tamil Nadu a "Global Manufacturing hub" and my Government is actively engaged in accomplishing this mission. My Government is confident of achieving this vision through better governance.

Our Government is committed to making Tamil Nadu a new growth model among Indian States. I invite you all to be our partners in realizing my vision of making Tamil Nadu the *numero uno* among Indian States in all spheres of development.

Once again, I congratulate the management of Daimler for establishing this impressive manufacturing facility in Tamil Nadu. My Government assures its full support and co-operation to Daimler to make it a big success. I am sure, Daimler's success will enthuse many German firms to invest in Tamil Nadu.

Thank you.

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