

Hon'ble Governor of Tamil Nadu, Thiru. Banwarilal Purohit, participated as Chief Guest at the Post Centenary Third National Conference on "Macro Economics of India: With Special Reference to Economic Development of Tamil Nadu" organised by Indian Economic Association, Tamil Nadu Economic Association and VIT at VIT, Chennai

Thiru. Banwarilal Purohit, Hon'ble Governor of Tamil Nadu, participated as Chief Guest at the Post Centenary Third National Conference on "Macro Economics of India: With Special Reference to Economic Development of Tamil Nadu" organised by Indian Economic Association, Tamil Nadu Economic Association and VIT at VIT, Chennai today (16.09.2019) and addressed the gathering.

Hon'ble Governor said, "I am pleased to be here to take part in the Post Centenary Third National Conference being jointly organised by the Indian Economic Association, Tamil Nadu Economic Association and Vellore Institute of Technology.

The Indian Economic Association has a hoary history. Outstanding economists of India have associated themselves with this organization. Their yeomen contributions over the last 100 years have yielded great insights.

The theme of the national conference this year is "Macro Economics of India with special reference to Economic Development of Tamil Nadu".

India, the largest democracy in the world is well poised for economic growth. The average age of the population of 135 crores is 29 years and nearly half of the population is below the age of 25 years. The nation is self sufficient in food production and enjoys the comfort of

having the largest extent of arable land in the world. With a large consumer base and a healthy mix of the public sector and private sector in industry and services India has all the ingredients for rapid growth.

The Indian economy which has emerged as the fastest developing economy of the world in recent times is today the 5th largest global economy. In PPP terms India ranks third in the world.

For the future India aims to be a 5 trillion dollar economy by 2024 by specially focussing on industry, innovation and entrepreneurship. Make in India, Digital India, Smart Cities, Skill India, Housing for All and Start-Up India are some of the Government's top priority economic projects to achieve this goal.

For this to happen, the macroeconomic parameters are sound. The foreign exchange reserves are about 420 billion dollars. The fiscal deficit is projected to be controlled at 3.4 % of the GDP. The current account deficit is being bridged largely by FDI inflows and remittances from Indians settled abroad. Consequently the foreign exchange rate is stable. All this augurs well for growth in the short, media and long term. While there could be minor disturbances, seen in the context of a global slowdown the Indian economy is surging ahead confidently and steadily.

India's largest trading partners are China, USA, Saudi Arabia, the EU nations and the ASEAN nations. The foreign direct investment (FDI) in India is about 65 billion dollars with the service sector, computer, and telecom industry being the leading sectors for FDI inflows.

The Indian IT industry is a major exporter of IT services with \$180 billion in revenue and employs over four million people. India's telecommunication industry is the world's second largest going by the number of mobile phones, smart phones, and internet users.

India is also the world's third-largest oil consumer. It ranks as the world's fourth-largest storehouse of natural resources. It is the world's

second-largest coal producer, the second-largest steel producer and the third-largest electricity producer.

Every nation attempts to advance by encouraging the growth of the economy which in turn gives employment to its people. For this, it is necessary that the State and Central Governments work closely to enable the smoothening out of difficult and complex problems that entrepreneurs and investors may face. There are a variety of issues wherein such cooperation is necessary. I can mention in this context points such as the need for a land bank, the need for setting up institutions to foster and improve relevant skills, the need for a transparent and corruption-free administration and matters such as environmental management, etc. These are only some illustrative points which form part of a larger list of items that require support from the State and the Central Governments for early resolution.

Within the country, the macroeconomic picture of Tamil Nadu appears rosy. The state ranks 2nd in India in GDP and holds a lot of promise for the future. The state has a diversified manufacturing sector and features as a leader in several industries like automobiles, automobile components, engineering goods, pharmaceuticals, garments, textile products, leather products, chemicals, etc. It ranks first among the states in terms of the number of factories and industrial workers and contributes nearly 50% of the exports from South India. It is a forerunner in ensuring ease of business by introducing the single window system to facilitate investment. Tamil Nadu's entrepreneurial ecosystem is also the envy of many states across the country.

In the field of IT Tamil Nadu has the bandwidth to realize the objective of the Digital India Scheme to empower every citizen with access to digital services, knowledge and information. The state's IT

SEZs which provide employment to more than 400,000 professionals. It is the second largest software exporting state in the country.

All this has been possible owing to a variety of factors. The State boasts of good infrastructure, a basic requirement for doing business. The 3 ports and 4 major Airports in Tamil Nadu with long stretches of national highways and 4027 km of railway lines are a great asset.

The State is also one of the largest creators of trained manpower for industry since it is endowed with excellent educational infrastructure. The number of colleges total to more than 1900. There are 2 Central Universities, 22 State Universities, 560 Industrial Training Institutes, 509 Polytechnic Institutes and 29 Government Medical Colleges in the state.

Chennai also leads in the health care sector and is considered the “Health Capital of India”. Chennai alone attracts about 45% of all health tourists arriving in India from abroad.

These and other factors such as lack of labour unrest, conducive climatic conditions, a peaceful environment where law and order prevails and a healthy respect for women which greatly help in creating the right climate for the growth of industry and commerce.

At today’s function some of the outstanding economists amongst you have been honoured. It is a matter of pride to be remembered as one who has utilized his talents and contributed to the betterment of the society and the nation through his efforts. In that manner these award winners have brought pride and glory to their families, their places of origin and their places of work.

It is only through conferences such as these that ideas get exchanged, experiences get shared and the way for great achievement is prepared.

The Indian Economic Association has completed more than one hundred years of glorious service, it is heartening to note that the

passion and zest that characterised its functioning in the past continue to be the hall mark of its performance even today.

I extend my best wishes and greetings to the President and the office bearers of the Indian Economic Association and the Tamil Nadu Economic Association who have taken painstaking efforts to stage this conference. May they be greeted with success in all their endeavours.

On this occasion, Thiru. K.P. Anbalagan, Minister for Higher Education, Dr.G.Viswanathan, Founder and Chancellor, VIT, Thiru. G.V.Selvam, Vice-President, VIT, Dr.Vedagari Shamuga Sundaram, Executive President, TNEA, Dr.Yasodha Shanmuga Sundaram, Former President, IEA, Dr.A.R.Veeramani, Secretary and Treasurer, TNEA and other dignitaries participated.

Raj Bhavan, Chennai – 22

Sd/-

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Join Director (PR)