

CHINMAYA ACADEMY FOR CIVIL SERVICES

Economic Survey of Tamil Nadu 2024-25

- Tamil Nadu is the 2nd largest economy in India.

Key Economic Highlights (Tamil Nadu)

- Land area: 4% of India's, population: 6% of India's.
- Contributes 9.21% to national GDP in 2023-24.
- Target: One-trillion-dollar economy by 2030.
- Export Preparedness Index (2022): Ranked first.
- Credit-Deposit Ratio (2023): Third (117.7%).
- GSVA Composition (2023-24):
 - Services: 53.63%
 - Secondary: 33.37%
 - Primary: 13%.

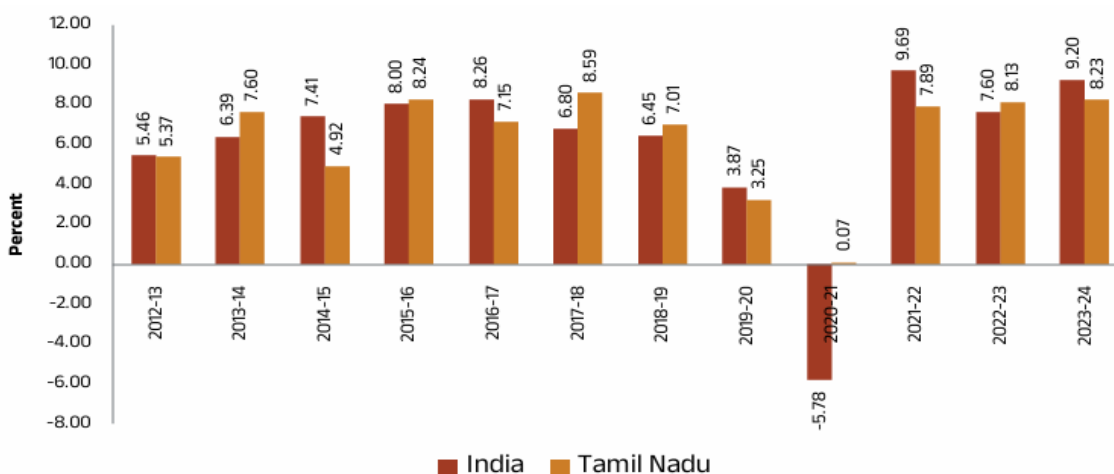
Social and Infrastructure Overview (Tamil Nadu)

- "Detroit of India": Hosts 1,500 auto factories.
- Major textile hub.
- Key player in leather exports.
- Urbanization: Second most urbanized state (54.13% in 2024) after Kerala.
- Infant Mortality Rate: Low at 13.
- Birth Rate: 13.8.
- Population in Multidimensional Poverty: Low at 1.43% (2022-23).
- Life Expectancy: Third (73.2 years).
- Literacy Rate: Fourth (80.09% in 2011).
- Gross Enrolment Ratio (GER) for higher education: Leads India at 47%.
- GER for female students: Third at 47.3%.

Recent Economic Performance (Tamil Nadu)

- Average growth (2012-13 to 2023-24): 6.37% (outpaced national average of 6.1%).
- Average growth (2022-23 to 2023-24): 8.18%.
- Third largest economy in the world (PPP).

Chart 1.5: Economic Growth (%): Tamil Nadu Vs. India

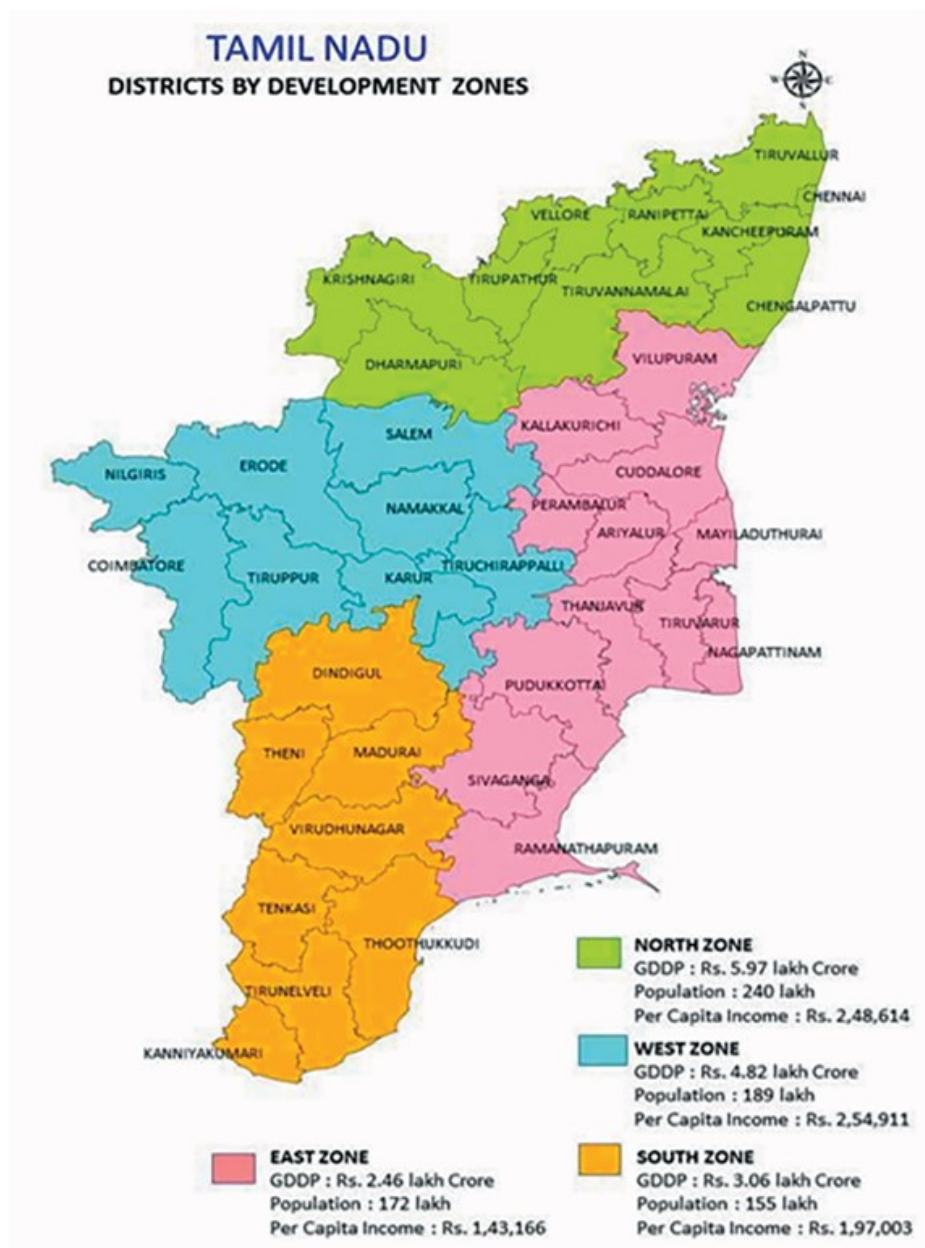


Source (Basic Data): MOSPI Website.

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Regional Growth

- Regional economic imbalances, although less pronounced compared to Maharashtra, Karnataka, or West Bengal.
- Tamil Nadu is more evenly distributed development across multiple urban centres.
- The northern zone contributes 36.6% of GSDP.
- Western zone accounts for 29.6% of GSDP.
- Southern zone represents 18.8%.
- Eastern zone with 15.1% of the economy.
- **Chengalpattu** had per capita income at ₹6.48 lakh, followed by Kancheepuram and Chennai.
- **Thiruvarur** has the lowest per capita income at ₹1.48 lakh, followed by Villupuram and Perambalur.



2. Inflation

Inflation Target (India): 4% with +/-2% tolerance (set by Union government, in consultation with RBI, every five years).

CPI Inflation in Tamil Nadu and India

- **Average CPI (retail) inflation in TN (2019-20 to 2024-25):** 5.8%.
- **Average CPI (retail) inflation in India (2019-20 to 2024-25):** 5.6%.
- **TN Inflation (2024-25):** 4.8%.
- **All-India Inflation (2024-25):** 4.9%.
- Haryana had the highest inflation rate at 6.60%, exceeding the all-India average of 5.36%, followed by Odisha at 6.54% and Rajasthan at 6.39%.
- Tamil Nadu's performance is moderately better in its retail inflation rate being the 8th lowest in 2023-24 .
- Chhattisgarh recorded the lowest inflation rate at 3.43%, making it the only state below the Reserve Bank of India's targeted inflation rate of 4%.

Policy Measures in Tamil Nadu

- **Universal Public Distribution System (PDS):** Supplies essential commodities at subsidized rates.-Covers 2.25 crore families.
- Provides 100 units of free electricity to domestic consumers.

3. Agriculture

Introduction

- Tamil Nadu agriculture is highly dependent on monsoons.
- **Water Usage:** Agriculture is the largest consumer of water in the state, utilizing 75% of its water resources.
 - Average annual rainfall: 965.6 mm.

Rankings (2022-23):

(Coaching for Civil Services - IAS, IFS, IPS, IRS etc.)

- 1st in India: Productivity of oilseeds, groundnut, and sugarcane.
- 2nd in Maize.
- 3rd in paddy.

Irrigation Sources:

- Canals: 20.91% of irrigated land.
- Tanks: 13.90% of irrigated land.
- Wells: 65.19% of irrigated land.

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Reservoir (Depth In Feet)	2019-20	2020-21	2021-22	2022-23	2023-24
Mettur (120)	205.1	195.7	237.3	710.7	111.3
Bhavanisagar (105)	68.9	54.9	73.7	84.7	57.3
Amaravathy (90)	9.8	17.3	19.3	23.1	12.2
Periyar (152)	22.0	23.9	36.7	27.5	18.5
Vaigai (71)	16.9	16.7	32.2	30.4	22.6
Papanasam (143)	20.7	90.8	34.0	23.5	23.6
Manimuthar (118)	6.5	8.2	6.6	4.4	2.8
Pechiparai (48)	18.8	13.9	9.4	4.7	12.6
Perunchani (77)	11.7	7.8	11.3	7.5	6.7
Krishnagiri (52)	7.0	6.1	13.9	44.8	1.3
Sathanur (119)	2.2	4.5	30.0	46.8	12.9
Poondi (35)	7.5	10.3	37.3	16.9	16.6
Sholayar (160)	36.6	20.1	22.7	25.5	14.7
Parambikulam (72)	22.9	29.0	17.8	40.7	Nil
Aliyar (120)	11.5	12.0	15.4	13.9	Nil
Thirumoorthy (60)	16.3	19.7	22.1	17.8	9.9

• Fertilizer Consumption (NPK):

- Increased from 9,65,016 metric tonnes in 2019-20 to 10,68,934 metric tonnes in 2023-24.
- **Slight decline** in 2022-23 due to a reduction in the gross cropped area and a shift towards organic farming.

• Rankings:

- 1st in productivity of oilseeds, groundnut, and sugarcane.
- 2nd in maize productivity.
- 3rd in paddy productivity.

• Commercial Banks Disbursement:

- Increased from ₹1,82,990 crore in 2019-20 to ₹3,57,805 crore in 2023-24.

- **State Ranking:** Tamil Nadu ranked first in agricultural credit disbursed by commercial banks.
- Supporting small and marginal farmers through subsidized machinery.
- 20% additional subsidy for SC and ST farmers.

Organic Farming

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- Number of farmers registered with Tamil Nadu Organic Certification Department (TNOCD) has nearly doubled, rising from 5,255 in 2019-20 to 11,820 in 2023-24.
- Ranked first in the country for the highest number of registered organic farmers.

Allied Activities

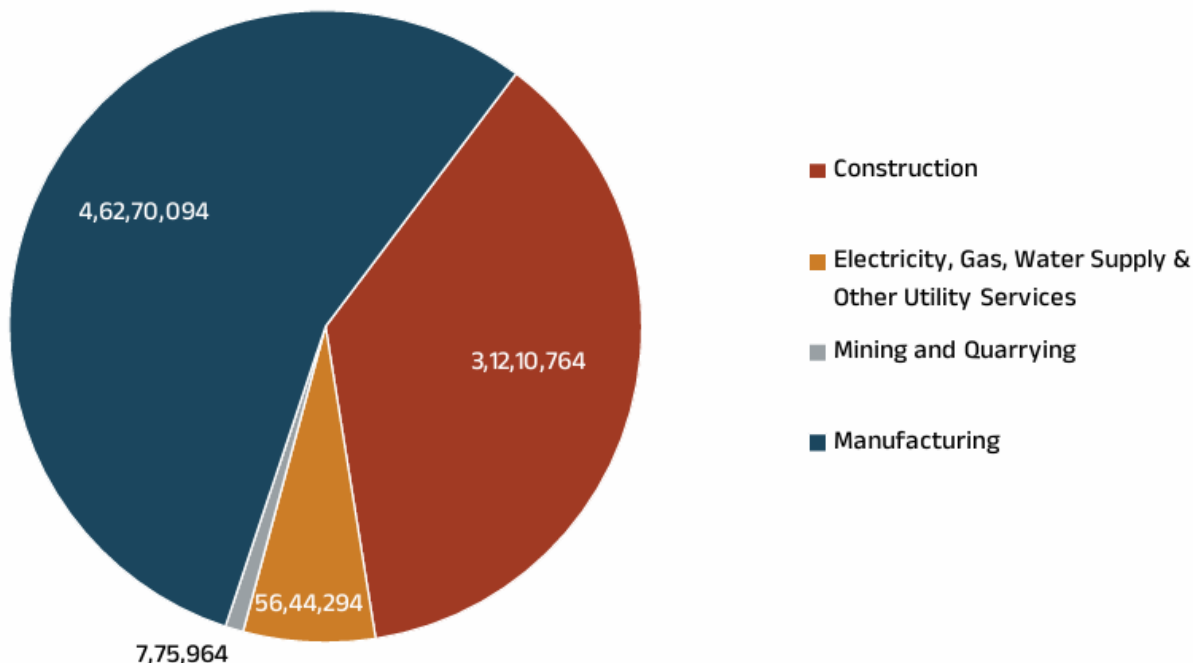
- **Rankings:**
 - Second highest number of eggs produced (after Andhra Pradesh).
 - Sixth in meat production.
 - 11th in milk production.

4. Industry

Introduction

- **Industrial Base:** Tamil Nadu has one of the most developed and diverse industrial bases in the country.
- **Factories (2024-25):** 39,666 factories (highest number in India).
- **Rankings:**
 - 1st in number of persons engaged (27.75 lakh).
 - 2nd in invested capital (₹5.35 lakh crore), next only to Gujarat.
 - 3rd in total output (₹14.44 lakh crore) and gross value added (₹2.27 lakh crore).
 - 1st- Motor vehicles, wearing apparel, and leather & leather products.
 - 2nd - Textiles, machinery & equipment, and computer, electronic and optical products.

Workforce (2023-24): 33.31% of total workforce engaged in industrial activities.



- **Udyam-Registered MSMEs:** 35.56 lakh (Tamil Nadu ranks second in the country in 2023-24).

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Exports

- **Goal:** Increase exports to 100billion by 2030 to achieve a 100 *billion by 2030 to achieve a* 1 trillion economy.
- **National Ranking:** Third in merchandise exports. (Engineering items (16,845million), electronics (16,845million),)
- **Top States (Merchandise Exports):**
 - Gujarat (\$134.4 billion)
 - Maharashtra (\$67.21 billion).

Credit to Industry

- **Credit to TN Industry:** Increased from ₹2.5 lakh crore in 2019-20 to ₹3.01 lakh crore in 2023-24.
- **Top States (Credit to Industry):**
 - Maharashtra: ₹9.67 lakh crore
 - Gujarat: ₹3.34 lakh crore
 - Tamil Nadu: ₹3.01 lakh crore.

Foreign Direct Investment

- **FDI (2024-25 Estimated):** ₹28,324 crore.
- **National Ranking (FDI):** Sixth.
- **Top States (FDI):**
 - Maharashtra: ₹125,101 crore
 - Gujarat: ₹60,600 crore
 - Karnataka: ₹54,427 crore
 - Delhi: ₹53,980 crore
 - Telangana: ₹25,094 crore.

5. Employment

The World Bank says that for **every 1% increase in employment, the economy (measured by GDP) grows by 0.6%**. However, not having enough jobs can lead to unemployment, poverty, and even crime.

In Tamil Nadu, creating jobs, especially for young people, faces challenges:

- **Women's participation:** Tamil Nadu has one of the highest rates of women in the workforce in India, but it could be even higher. Many women have college degrees but don't join the workforce.
- **Agriculture's decline:** Fewer people work in farming now, but many still depend on it for a living.
- **Skill gaps:** Over half of young people lack advanced skills, and many jobs in Tamil Nadu's unorganized sector (like small shops or informal work) don't match modern needs like technology or AI skills.

6.2 Current Employ Landscape

Tamil Nadu is a major industrial state with strong sectors like cars, textiles, IT, and manufacturing, which create many jobs for people with different skill levels. This section looks at who is working, how, and where.

- **Workforce:** The **Labour Force Participation Rate (LFPR)** measures the percentage of people (aged 15–59) who are either working or looking for work. In 2023-24, **Tamil Nadu's**

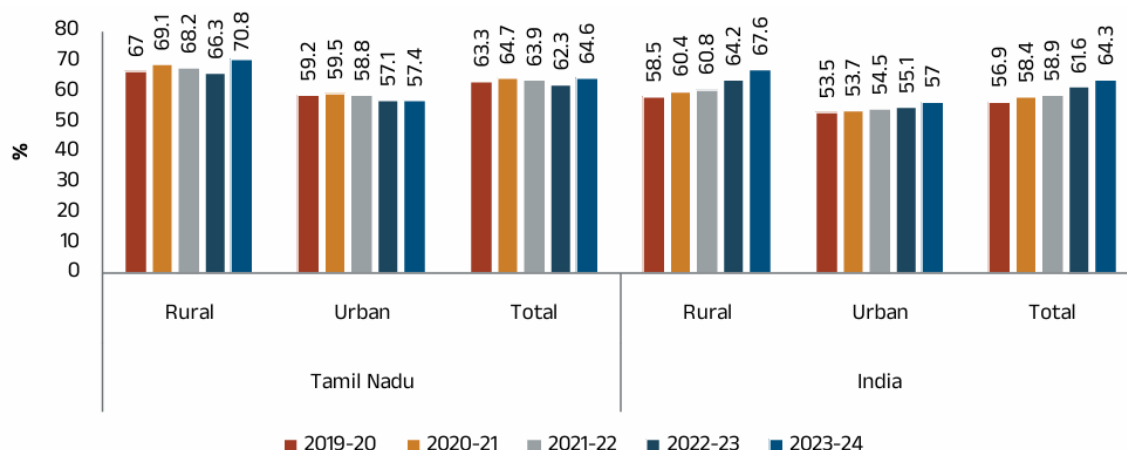
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LFPR was 64.6%, higher than India's 58.4%. Rural areas have higher participation than urban ones.

This can be attributed to two factors:

- (i) Tamil Nadu has a much higher share of youth in higher education who are postponing their entry into the labour market in order to equip themselves with better educational qualifications and
- (ii) in states with lower levels of economic opportunities and social security, workers are forced to enter into self-employment for survival with poor returns.

Chart 6.1: Labour Force Participation Rate (%) in Tamil Nadu and India*



Source: Annual Report, PLFS (various years), NSSO; * Age group 15-59 years

- **Men vs. Women: Men participate more (75.7% in 2023-24) than women (43.2%), but women's participation is growing steadily.**

Types of jobs:

- In Tamil Nadu, 34.2% of workers are **self-employed** (run their own businesses), 34.4% have **regular jobs** (salaried positions), and 31.3% are **casual workers** (daily wage jobs).
- Compared to India, Tamil Nadu has more salaried workers (34.4% vs. 21.7%), which suggests better-quality jobs.
- Women in urban areas are especially likely to have salaried jobs (55.4%).
- Tamil Nadu has a higher proportion of people in stable, regular employment, including women.
- Indicates better job quality compared to the national average.

Job Type (2023-24)	Tamil Nadu	India
Self-Employed	34.2%	58.4%
Regular/Salaried	34.4%	21.7%
Casual Labour	31.3%	19.8%

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Table 6.1: Category wise Employment Status (ps+ss) in Tamil Nadu and India (2023-24)

Rural/ Urban	Male/ Female	Tamil Nadu			India		
		Self Employed	Regular Wage/ Salary	Casual Labour	Self Employed	Regular Wage/ Salary	Casual Labour
Rural	Male	36.9	28.2	34.9	59.4	15.8	24.9
	Female	38.3	14.5	47.2	73.5	7.8	18.7
	Person	37.5	22.3	40.2	64.7	12.7	22.5
Urban	Male	28.4	51.8	19.8	39.8	46.8	13.4
	Female	31.3	55.4	13.3	42.3	49.4	8.3
	Person	29.3	52.9	17.8	40.4	47.5	12.1
All	Male	33.1	38.8	28.1	53.6	24.9	21.5
	Female	36.1	27.3	36.6	67.4	15.9	16.7
	Person	34.2	34.4	31.3	58.4	21.7	19.8

Source: Annual Report, PLFS (various years), NSSO; * Age group 15 years and above (usual status), *(ps+ss) principle and subsidiary status

Distribution of Workforce : In rural Tamil Nadu, 41.1% work in farming, compared to 60% in rural India. In urban areas, manufacturing (21.7%) and trade (16.3%) are big employers.

Industry (2023-24)	Tamil Nadu (Rural)	Tamil Nadu (Urban)	India (Rural)	India (Urban)
Agriculture	41.2%	8.0%	59.8%	6.7%
Construction	21.5%	10.7%	12.5%	10.5%
Manufacturing	12.2%	21.7%	8.3%	20.5%

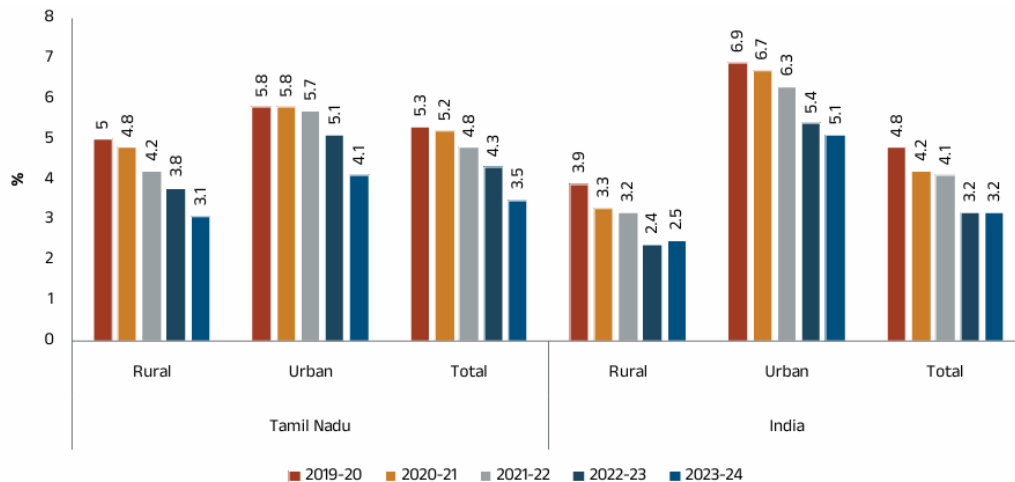
6.3 Unemployment

The **Unemployment Rate (UR)** shows the percentage of people in the workforce who can't find jobs. In 2023-24, **Tamil Nadu's UR was 3.5%, slightly higher than India's 3.2%. Urban areas have higher unemployment than rural ones.**

- **By education: People with college degrees or diplomas face higher unemployment.**
- For example, 24.3% of female graduates in Tamil Nadu are unemployed, compared to 20.4% in India. This shows that even educated women struggle to find jobs matching their skills.

Education Level	Tamil Nadu (Female UR)	India (Female UR)
Graduate	24.3%	20.4%
Post-Graduate	11.6%	22.5%
Diploma/Certificate	7.4%	12.5%

Chart 6.3: Unemployment Rate in Tamil Nadu and India (%)



Source: Annual Report, PLFS (various years), NSSO; * Age group 15 years and above (usual status)

6.4 Youth Employment

- Young people (aged 15–29) are key to economic growth.
- In Tamil Nadu, fewer young people are joining the workforce (LFPR dropped from
 - 63.6% to 59% for males and
 - 26.8% to 23.8% for females from 2019-20 to 2023-24).
- This is partly because more youth are staying in school or college to gain better skills.
- Tamil Nadu's strong social safety nets, like the Urban Employment Scheme, also let young people wait for better job opportunities.
- **Youth unemployment:** In 2023-24, unemployment for male youth in Tamil Nadu was 12.7% (vs. 9.8% in India) and 21.9% for female youth (vs. 11% in India).
- **Despite this, Tamil Nadu has a large pool of skilled women ready for high-value jobs.**
- **Tamil Nadu Urban Employment Scheme (TNUES):** This program provides 100 days of work to low-skilled urban workers, similar to India's MNREGA. Key points:
 - 83% of workers are women, many previously unemployed.
 - 22% are agricultural workers, and 25% are main breadwinners.
 - Almost all participants want the program to expand because it empowers women and improves livelihoods.

Enrolment in EPFO

- **Focus:** Interstate comparison of Employees' Provident Fund Organisation (EPFO) membership.
- **States:** Tamil Nadu, Andhra Pradesh, Karnataka, Telangana, and Kerala.
- **Tamil Nadu Trend:** Consistently shows an increasing trend in EPFO membership.

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Table 6.3: Unemployment Rate by Education Level in Tamil Nadu and India (2023-24)

Completed Education Levels	Tamil Nadu (%)			India (%)		
	Male	Female	All	Male	Female	All
Not literate	0.5	0	0.2	0.4	0.1	0.2
Up to primary	0	0.1	0	0.8	0.2	0.6
Middle	1.3	0.5	1.1	1.8	0.9	1.6
Secondary	2.7	1.8	2.4	2	1.7	1.9
Higher secondary	3.4	2.1	2.9	4.3	4.5	4.4
Diploma/certificate courses	7.1	7.4	7.1	7.8	12.5	8.6
Graduate	9.9	24.3	14.1	10.6	20.4	13
Post graduate and above	3	11.6	6.4	7	22.5	12.4
Total	3.4	3.8	3.5	3.2	3.2	3.2

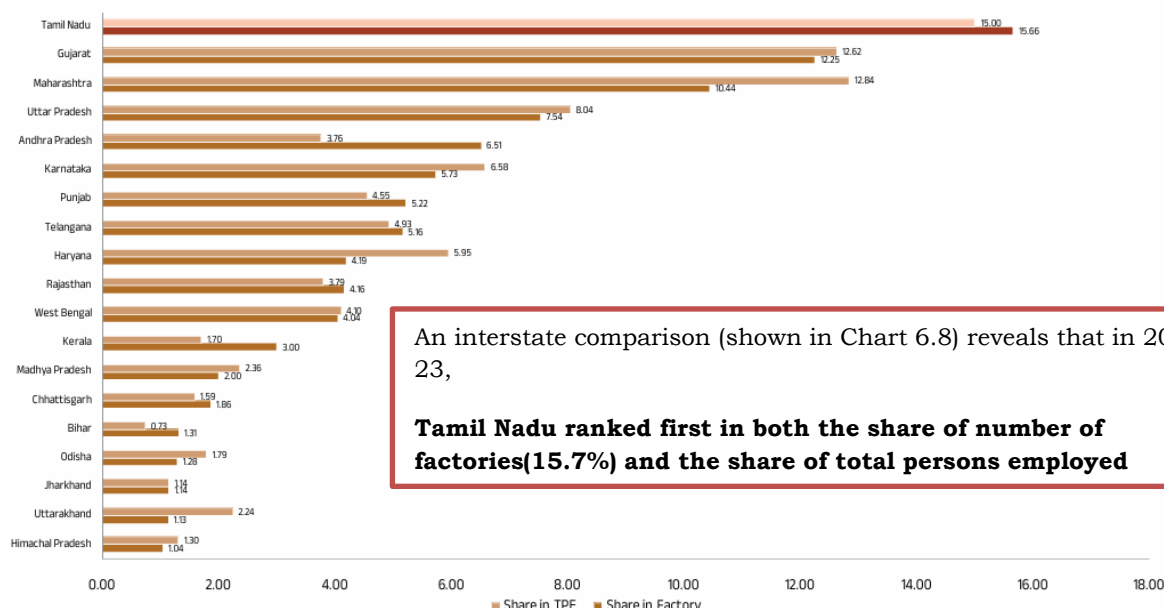
Source: Annual Report, PLFS (various years), NSSO; * Age group 15 years and above (usual status)

Impact of COVID-19:

- Workforce in Tamil Nadu fell to **20.5 lakh** in **2020-21**.
- **A similar drop was observed across India.**

The state has 15.7% of India's factories and 15% of factory jobs, making it a leader. The average number of workers per factory rose to 58 in 2022-23, similar to national trends.

Chart 6.8: Share of Factories and Employment: Major States in 2022-23



An interstate comparison (shown in Chart 6.8) reveals that in 2022-23,

Tamil Nadu ranked first in both the share of number of factories(15.7%) and the share of total persons employed

6.6 Wages and Social Security

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Tamil Nadu has some of the highest daily wages in rural non-agriculture and construction jobs in India. It also leads in **Employees' Provident Fund Organisation (EPFO)** membership, with 3.5 crore members in 2022-23, showing growth in formal, secure jobs.

6.7 Demographic Opportunity

Tamil Nadu's Working-Age Population

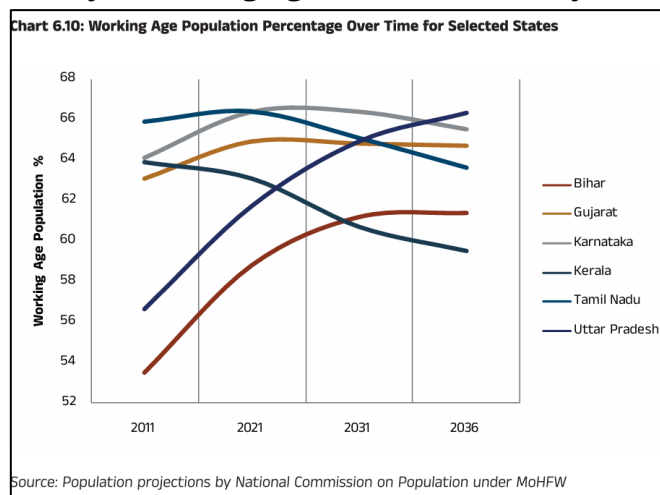
- Tamil Nadu has a large working-age population (people aged 15–64), **which is at its highest right now.**
- This gives the state a chance to grow its economy by:
 - Improving workers' productivity.
 - Focusing on skill development.
 - Encouraging innovation.
- The working-age population expected to decrease from 66.4% in 2021 to 63.6% by 2036.
- This shift will lead to a more skilled, tech-focused workforce, helping Tamil Nadu grow sustainably.

Growing Elderly Population

- Tamil Nadu's population is aging, with more elderly people (aged 60 and above).
- Between 2011 and 2031, the elderly population will grow by 71.7%.
- The old-age dependency ratio (the number of elderly people per 100 working-age people) will rise from 20.5 in 2021 to 32.7 by 2036.
- This means Tamil Nadu needs to improve:
 - Healthcare for the elderly.
 - Financial planning for seniors.
 - Infrastructure that supports older people.

Tamil Nadu's Advantage Over Other States

- Unlike states like Bihar and Uttar Pradesh, where the working-age population is growing rapidly, Tamil Nadu is ahead in development.
- Tamil Nadu can lead in high-value industries like:
 - Technology and automation.
 - Knowledge-based sectors (e.g., IT and research).
- By investing in education, job creation, and skill training, Tamil Nadu ensures
 - long-term economic growth.
 - Build financial stability.
 - Transition smoothly into an aging but active economy.



6. Services Sector

Services Sector

- Includes trade, hotels, transport, communication, finance, real estate, public administration, and others (e.g., education, healthcare, tourism).
- Contributes **53.63%** to Tamil Nadu's Gross State Value Added (GSVA) in 2023-24 (₹13.4 lakh crore).

Key Features:

- Tamil Nadu is highly urbanized, driving demand for infrastructure (transport, housing, sanitation).
- Strong IT and IT-enabled services sector, major contributor to software exports.
- **24.87 lakh MSMEs** in services provide significant employment.

Employment:

- 54.63% of urban Tamil Nadu's workforce is in services (higher than the national average of 28.42%).
- Breakdown: Trade/repair (16.28%), transport/storage (7.53%), IT/communication (6.28%), education (5%), hospitality (4.86%), finance/insurance (2.84%), others (11.84%).

Growth Rate: Services sector grew at **7.97% annually** (2020-21 to 2023-24).

- Fastest-growing sub-sectors: Real estate (9.41%), trade/hotels (7.98%), transport/storage (7.67%).

Transport Sector

(i) Roadways

- **Public Transport:**
 - Tamil Nadu has **20,260 state transport undertaking (STU) buses** in 2023-24.
 - Daily passengers increased from **74 lakh (2020-21)** to **176 lakh (2023-24)**.
- **Fleet Expansion:**
 - Plan to add **8,682 new buses** (1,088 added so far, including **625 e-buses** for Chennai Metro).
 - Funded by World Bank, KfW, and state government.
 - Total of **9,161 buses** (7,661 diesel, 1,500 electric) to be added.
 - Refurbishment of **1,500 buses** (1,000 in 2022-23, 500 in 2023-24).
- **Goods Transport:**
 - Value of goods transported rose from **₹21.66 lakh crore (2019-20)** to **₹41.41 lakh crore (2023-24)**.

(ii) Metro Rail

- **Chennai Metro:**
 - **Expanded from 45 km (2019) to 54.6 km (2023-24).**
 - Phase II (118.9 km) under development.
 - Plans for extensions: Koyambedu to Avadi (21.76 km) and Airport to Kilambakkam Bus Terminus.
- **Other Cities:**
 - Metro rail proposals for Coimbatore and Madurai sent to the Union Government.

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(iii) Airways

- **Airports:** Tamil Nadu has **4 international and 2 domestic airports**.
- **Passenger Traffic:**
 - Handled **27.4 million passengers** in 2023-24 (up from 8.7 million in 2020-21).
- **Cargo:**
 - Air cargo increased to **3.6 lakh metric tonnes** in 2023-24 (from 3 lakh MT in 2020-21).
- **Revenue:**
 - Airport revenue rose to **₹1,582 crore** in 2023-24 (from ₹516 crore in 2020-21).

(iv) Ports and Waterways

- **Major Ports:** Kamarajar, VOC, and Chennai ports.
- **Cargo Handled:**
 - Increased from **101 million tonnes (2020-21)** to **138 million tonnes (2023-24)**, with a **9.15% annual growth**.
 - **Kamarajar Port saw the highest growth**.
- **Vessels:** Increased from **4,569 (2019-20)** to **5,174 (2023-24)**.

4. Vehicle Registration

- **Total Vehicles:** **3.6 crore** (3.03 crore two-wheelers, 0.14 crore transport vehicles, 3.45 crore non-transport vehicles).
- **Trends:**
 - Vehicle registration rose from **14.7 lakh (2020-21)** to **18.9 lakh (2023-24)**, expected to reach **19.41 lakh (2024-25)**.
 - Goods vehicles increased slightly; two-wheeler registration dipped, but four-wheelers and tractors grew.

5. Software Exports

- **Tamil Nadu ranks 4th in India for software exports**.
- Exports grew from **₹46,704 crore (2019-20)** to **₹73,969 crore (2022-23)**.

6. Energy Sector (Section 5.6)

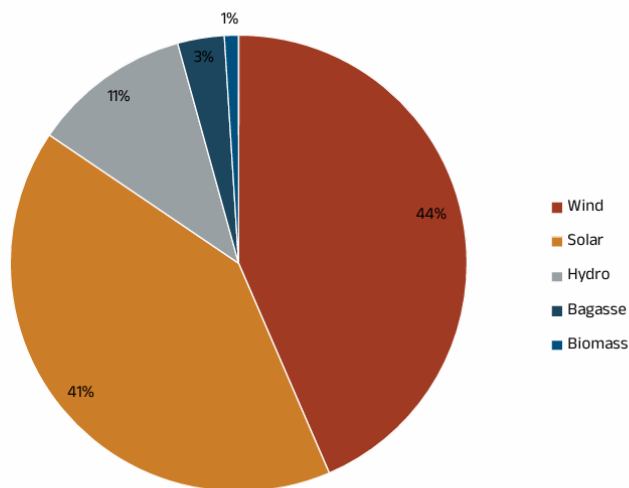
(i) Electricity

(Coaching for Civil Services - IAS, IFS, IPS, IRS etc.)

- **Installed Capacity:** **36,563 MW** in 2023-24.
 - Renewable energy: **20,724 MW** (wind: 9,015 MW, solar: 8,496 MW, hydro: 2,322 MW, others).
 - Tamil Nadu ranks **3rd** in India for renewable energy capacity.
- **Per Capita Power:**
 - Increased from **1,507 kWh (2019-20)** to **1,749 kWh (2023-24)**, ranking **7th** among major states.

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Chart 5.10: Electricity Installed Capacity (MW) from Renewable Energy Sources

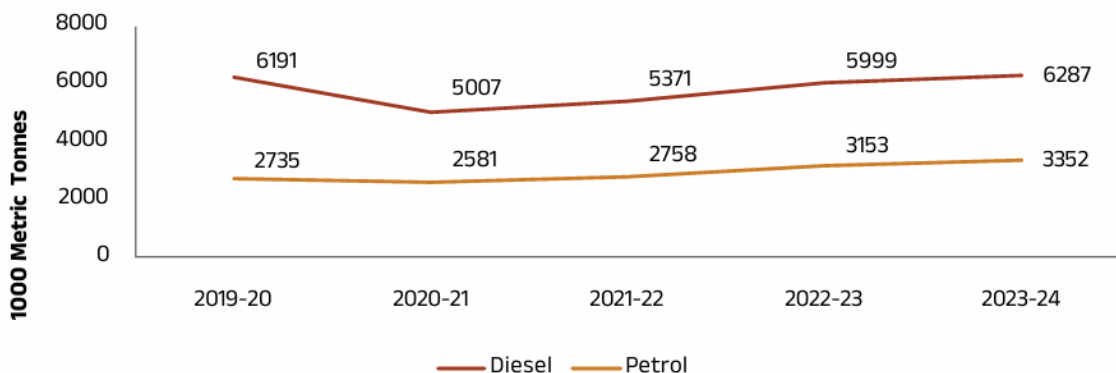


Source: Policy Note, Energy Department 2024-25, GoTN.

(ii) Petrol and Diesel

- **Diesel:** Increased from **61.91 lakh MT (2019-20)** to **62.87 lakh MT (2023-24)**.
- **Petrol:** Rose from **27.35 lakh MT** to **33.52 lakh MT**.
- **LPG Consumers:** Grew from **2.12 crore (2019-20)** to **2.28 crore (2023-24)**.

Chart 5.13: Petrol and Diesel Consumption in Tamil Nadu



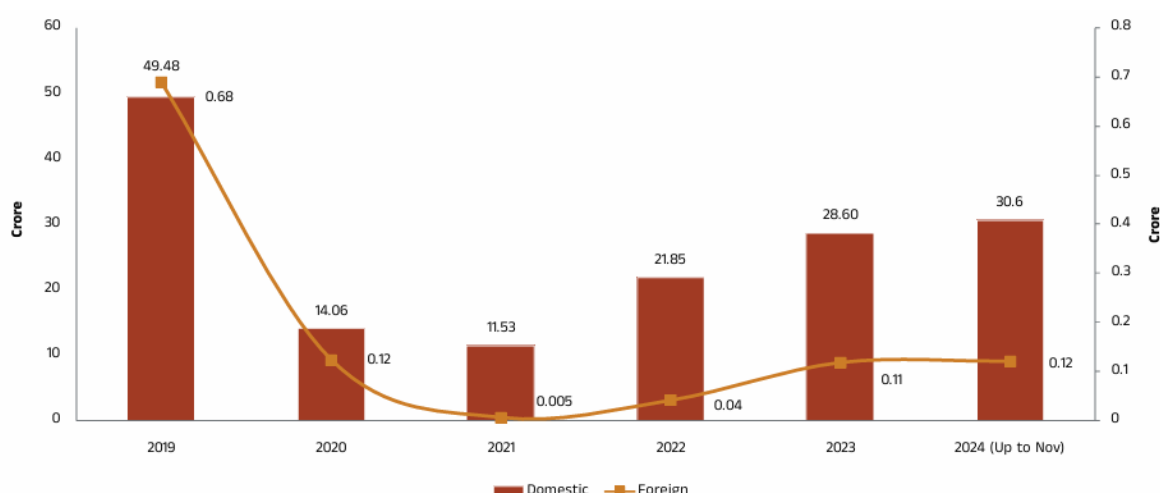
Source: Petroleum Planning and Analysis Cell, Gol.

7. Tourism

- **Key Attractions:** Hill stations (Ooty, Kodaikanal), UNESCO sites (Mamallapuram), temples, beaches.
- **Tourist Arrivals:**
 - Domestic: **49.5 crore (2019)**, dropped during COVID, now recovering.
 - Foreign: **0.69 crore (2019)**, recovering post-COVID.
- **Economic Impact:**
 - Contributes **6.23%** to national GDP and **8.78%** to employment.
 - Boosts hospitality, travel, and local businesses.

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Chart 5.15: Tourist Visit Arrivals in Tamil Nadu



Source: Department of Tourism, GoTN

8. Banking Services

• Credit-Deposit Ratio (CDR):

- Tamil Nadu's CDR: **117.7% (2023-24)**, 3rd highest among major states.
- Indicates high economic activity; savings from other states flow to Tamil Nadu.

• Bank Infrastructure:

- **13,189 bank branches** in 2023-24 (18 branches per 1 lakh people).
- **24,390 ATMs**, one of the largest networks in India.

• Digital Banking:

- UPI and digital payments enhance financial inclusion, especially in rural areas.
- Benefits small businesses by reducing cash dependency.

Table 5.2: Deposit and Bank Credit of Scheduled Commercial Banks (₹ Crore)

Year	Tamil Nadu			All India		
	Deposits	Credits	Credit-Deposit Ratio (%)	Deposits	Credits	Credit-Deposit Ratio (%)
2019-20	8,99,038	9,81,665	109.2	1,37,48,655	1,05,18,812	76.5
2020-21	10,08,731	10,46,952	103.8	1,54,43,510	1,10,78,050	71.7
2021-22	11,17,412	11,58,606	103.7	1,70,08,795	1,22,58,748	72.1
2022-23	12,11,394	13,25,333	109.4	1,87,42,311	14,198,006	75.8
2023-24	13,44,553	15,82,851	117.7	2,12,53,358	1,69,13,694	79.6

Source: RBI's Database on Indian Economy

9. Real Estate

• Documents Registered:

- Increased from **25.88 lakh (2019-20)** to **33.23 lakh (2023-24)**.

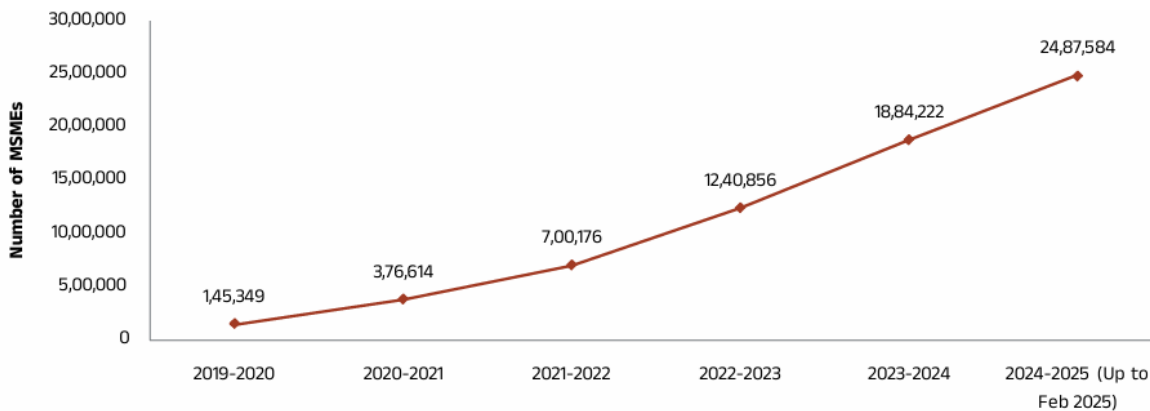
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- Revenue grew from ₹11,028 crore to ₹18,825 crore.
- **Building Permits:**
 - **Self-certification scheme** (July 2024) boosted permits to **59,910** in 2024-25, surpassing previous years.

10. Service-Based MSMEs (Section 5.10)

- Grew from **1.45 lakh (2019-20)** to **24.88 lakh (2024-25)**.
- Breakdown: **99.18% micro**, **0.78% small**, **0.004% medium** enterprises.

Chart 5.18: Number of Services Oriented MSMEs in Tamil Nadu

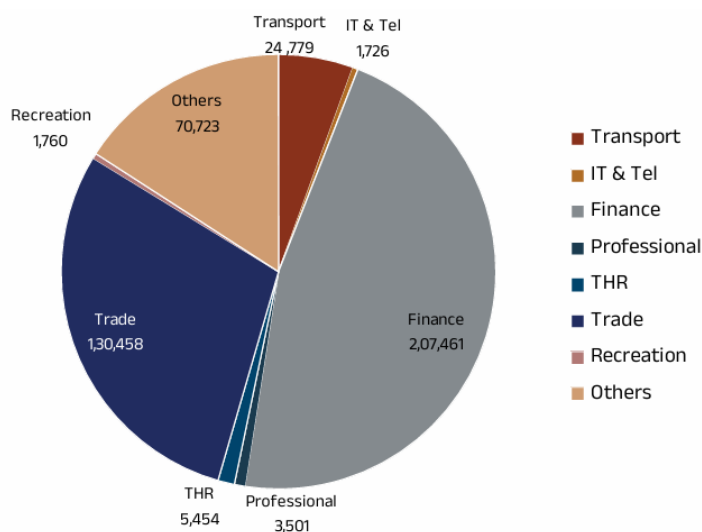


Source: Director of Industries and Commerce Government of Tamil Nadu.

11. Credit to Services Sector (Section 5.11)

- Total credit increased from ₹2.86 lakh crore (2019-20) to ₹4.46 lakh crore (2023-24).
- Major sub-sectors:
 - Financial services: **47%.**
 - Trade: **30%.**
 - Transport: **5.6%.**
 - These account for over **80%** of total credit to services.

Chart 5.20: Credits to Subsectors of Services (₹Crore) in Tamil Nadu in 2023-24



Source: RBI's Database on Indian Economy

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Recommendations for Growth

- Invest in infrastructure like internet, power, and transport.
- Expand power capacity in the next 10 years to meet growing needs from urbanization, industrialization, and rising incomes.
- Improve transport systems (roads, metro, rail, airports, ports) to reduce travel time and support growth across regions.
- Upgrade airports and ports, such as the Chennai Greenfield Airport at Parandhur.
- Focus on tourism for high growth, as it creates jobs in related sectors like travel and hospitality.
- Increase investment in tourism to address past underfunding.

7: Social Sector

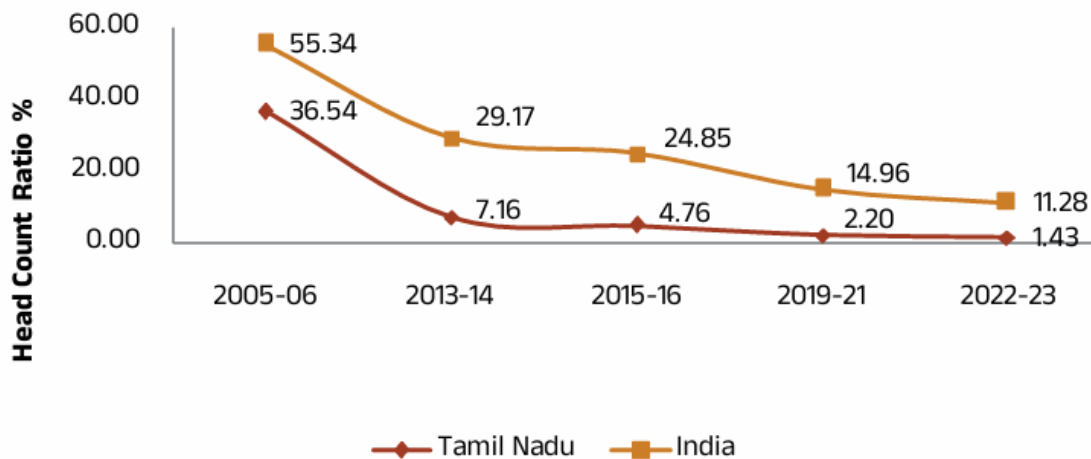
Introduction

- The social sector is essential for any economy, influencing education, healthcare, water supply, and housing.
- Tamil Nadu leads in:
 - Social Progress Index (SPI)
 - Gross Enrolment Ratio (GER) in higher education.
- Tamil Nadu holds second position for:
 - Low infant mortality rate
 - Low birth rate
 - Low poverty headcount ratio.
- Tamil Nadu ranks third in:
 - Sustainable Development Goals (SDG) index
 - Health index.
- **Chief Minister's Breakfast Scheme** introduced to improve attendance, learning outcomes, and nutrition for children in classes 1-5.
- **Initiatives launched to empower women:**
 - Kalaigiar Mahalir Urimai Thittam
 - Mahalir Vidyal Payanam Thittam
 - Pudhumai Penn Thittam.
- The Tamil Nadu government's expenditure on the social sector has steadily increased.
 - ₹79,859 crore in 2019-20 to ₹1,15,644 crore in 2023-24 (1.46-fold rise).

Poverty

- MPI is aligned with the global MPI published by the UNDP.
- MPI utilizes ten indicators across three key areas: health, education, and standard of living.
 - Indicators include: nutrition, child and adolescent mortality, years of schooling, school attendance, housing, household assets, type of cooking fuel, access to sanitation, drinking water, and electricity.
- The national MPI also incorporates two additional indicators: maternal mortality and access to bank accounts.
- State-level HCR (Head count ratio) data for 2022-23 shows that Tamil Nadu has the second-lowest HCR.
 - Tamil Nadu HCR, surpassed only by Kerala, which has an HCR of 0.48%.

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Household Consumption

- Tamil Nadu ranks fourth in average monthly per capita consumption expenditure in both rural and urban areas.
- Tamil Nadu's fourth-highest position in annual per capita income.

Education

- **Initiatives:**
 - Free school essentials
 - Bicycles
 - Noon Meal Scheme
 - Chief Minister's Breakfast Scheme

Higher Education

- Tamil Nadu excels in higher education.
- Three state universities are ranked among the top 50 research institutions in the country:
 1. Anna University (14th rank)
 2. Bharathiar University (21st rank)
 3. Alagappa University (30th rank)
- Nine state universities are ranked among the top 100 universities in India.

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Health

. Tamil Nadu has made significant improvements in all 14 select health indicators

Indicators	Tamil Nadu			India		
	2015-16	2019-21	SRS 2020	2015-16	2019-21	SRS 2020
Fertility Rate	1.7	1.8	1.4	2.2	2.0	2.0
Infant Mortality Rate	20	18.6	13	40.7	35.2	28
Neonatal Mortality Rate	14.0	12.7	9	29.5	24.9	20
Post neonatal Mortality Rate	6.2	6	4	11.3	10.3	8
Under Five Mortality Rate	26.8	22.3	13	49.7	41.9	32
Institutional Births (%)	98.9	99.6	-	78.9	88.6	-
Children (12-23 months) fully vaccinated (%)	69.7	89.2	99.4*	62	76.4	-
Percentage of Children Stunted (Low height for age)	27	25	28.2**	38.4	35.5	-
Children under 5 years who are wasted (weight-for height) %	19.7	14.6	4**	21	19.3	-
Crude Birth Rate	15.5	13.7	13.8	19	17.1	19.5
Percentage of Children Having any anaemia	50.7	57.4	-	58.6	67.1	-
Maternal Mortality Rate	66	54	-	130	97	-

- Tamil Nadu ranks second, just behind Kerala, in both the infant mortality rate.
- Tamil Nadu, with a life expectancy of 73.2 years

Health Insurance and Nutrition

- Since 2009, the Tamil Nadu government has implemented the Chief Minister's Comprehensive Health Insurance Scheme (CMCHIS) and Makkalai Thedi Maruthuvam (MTM).
- Provide affordable quality healthcare, enhance treatment access in district hospitals, and deliver doorstep health services.
- In 2018, the Government of India's Ayushman Bharat Pradhan Mantri Jan Arogya Yojana (PMJAY) was integrated with CMCHIS.

The Chief Minister's Breakfast Scheme: Nourishing Young Minds

- The Chief Minister's Breakfast Scheme aims at combating hunger and malnutrition among primary school children in government schools. (15.09.2022) Madurai.
- The proportion of moderately underweight children decreased from 6.3% in 2019-20 to 4.7% in 2023-24, the proportion of severely underweight children rose from 0.2% to 1.1%.
- School attendance has risen to 93%, reflecting increased student engagement and commitment.

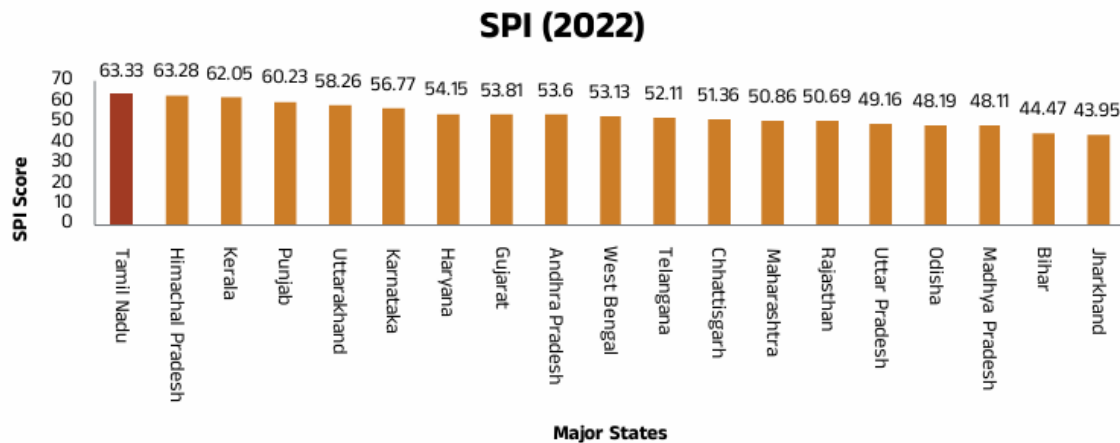
Health Index

- In 2019-20, Tamil Nadu ranked second in the HI, following Kerala.

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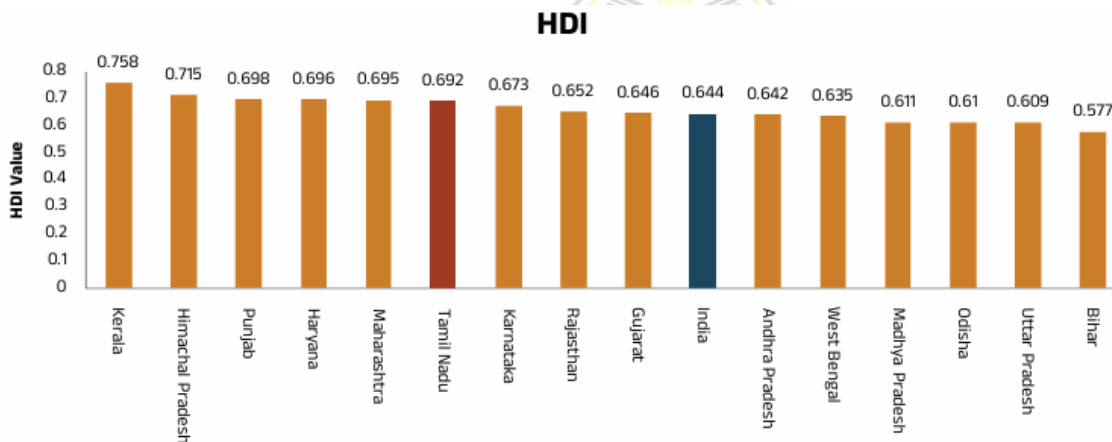
Social Progress Index

- The NITI Aayog's Social Progress Index (SPI) evaluates social progress using 12 components across three dimensions: basic human needs, foundations of wellbeing and opportunity.
- Tamil Nadu ranked first among major states in the country



Human Development Index

- Tamil Nadu ranked sixth in HDI (2022) among the major Indian states.



Sustainable Development Index

- 2019 to 2023-24, Tamil Nadu's SDG index score increased from 67 to 78.
- Tamil Nadu ranked third in the SDG index.

8. Climate Change

Forest and Tree Covers

- Tamil Nadu: 23,844 sq. kms in 2013 (18.33% of state's geographical area).
- Increased to 26,450 sq. kms in 2023 (20.34% of geographical area).
- India's National Forest Policy: Ideal Forest cover should be at least 33%.

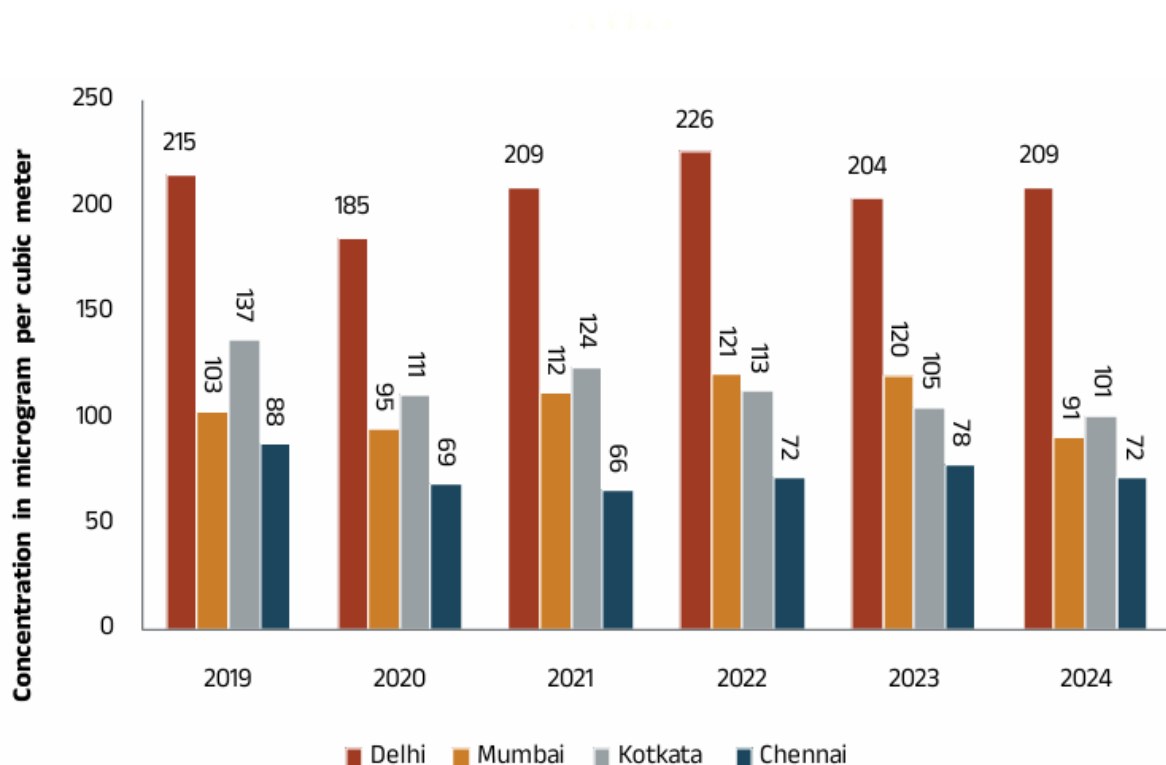
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Climate Change Impact

- Tamil Nadu has a tropical climate: high temperatures and humidity, minimal variation between summer/winter temperatures.
- Increased frequency of extreme weather events in recent years:
 - Cyclones (Vardah in 2016, Ockhi in 2017, Gaja in 2018, Michaung in 2023 and Fengel in 2024)
 - Floods (2015 and 2017).
- Average mean temperature: increase of +0.68°C per century.
- Four warmest years on record for Tamil Nadu: 2019, 2016, 2017, and 2020.

AQI

- Chart presents yearly average AQI for Delhi, Mumbai, Kolkata and Chennai
- Delhi consistently poor air quality.
- Mumbai's air quality categorized as moderately polluted for 4 out of 6 years.
- Kolkata moderately polluted.
- Chennai improved to satisfactory category starting from 2019.



- Gummidipoondi recorded a moderately polluted AQI
- Hosur, the AQI was above 100 in the first quarter of 2023, but decreased significantly after that.
- Chennai's AQI exceeded 100 in the first two months of the year, after which it declined
- Climate Studio's "Climate Risk Assessment and Adaptation Plan for Tamil Nadu (2024)".
- Annual mean maximum temperature in Tamil Nadu may rise by 0.4°C, 1.3°C and 1.7°C during near-century, mid-century and end-century.

CHINMAYA ACADEMY FOR CIVIL SERVICES

Interstate Comparison

- NITI Aayog (2022) developed the State Energy and Climate Index (SECI) using 27 indicators across 6 parameters:
 - DISCOM'S performance
 - Access
 - Affordability and reliability
 - Clean energy initiatives
 - Energy efficiency
 - Environmental sustainability
 - New initiatives
- Gujarat topped the ranking with the highest score of 50.1, followed by Kerala, Punjab and Haryana.
- Tamil Nadu ranked 9th with a score of 43.4, placing it in the Achievers category.
- SDG 13 relates to climate action: take urgent action to combat climate change and its impacts.
- In the SDG 13 Index, Tamil Nadu ranked first with the score of 81.

Budget Highlights

Tamil Development

- **Translation Projects:** ₹133 lakh for spreading Thiruvalluvar's works globally
- **Book Translations:** ₹10 crore to translate 500 books to English over 5 years (100 books annually)
- **Digitization:** ₹2 crore for digitizing ancient Tamil palm-leaf manuscripts and rare publications
- **Tamil Diaspora Education:** ₹10 crore for Tamil language and folk arts classes for Non-Resident Tamils
- **World Tamil Olympiad:** Annual competition to promote classical Tamil culture globally
- **Agaram Museum of Languages:** New museum at Madurai World Tamil Sangam campus

Culture & Heritage

- **New Museums:**
 - Noyyal Museum in Erode district (₹22 crore)
 - Naavaai Museum in Ramanathapuram district (₹21 crore)
 - Indus Valley Cultural Gallery at Egmore Museum, Chennai
- **Museum Development:** ₹40 crore for a traditional architectural design gallery
- **Temple Restoration:** ₹125 crore for restoring temples over 1,000 years old
- **Heritage Structures:** ₹150 crore for renovating 17 heritage buildings

Infrastructure Development

Rural Development

- **Kalaigarn Kanavu Illam:** Construction of 1 lakh additional houses at ₹3,500 crore
- **Municipal Administration**
- **Urban Development:** ₹2,000 crore for Kalaigarn Nagarpura Mempoatu Thittam

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- **Waste Management:**

- Bio CNG plant, composting plant, and waste-to-energy facilities at Kodungaiyur (₹3,450 crore)
- Waste to Energy Plant in Tambaram Corporation

- **Water Supply:**

- Ring Main Pipeline Project for Chennai
- Combined Water Supply Schemes in multiple districts

Transport & Connectivity

- **Semi-High-Speed Rail:** Feasibility studies for 160 kmph corridors:
 - Chennai-Villupuram (167 km)
 - Chennai-Vellore (140 km)
 - Coimbatore-Salem (185 km)
- **New Airport:** Development in Rameshwaram area, Ramanathapuram district
- **Ropeway Studies:** For Mamallapuram, Udhamandalam, and Kodakanal

Economic Growth & Employment

Industries & Manufacturing

- **Tamil Nadu Semiconductor Mission-2030:** ₹500 crore over five years
- **Semiconductor Manufacturing:**
 - Semiconductor Fabless Lab in Chennai (₹100 crore)
 - Semiconductor parks in Sullur and Palladam (100 acres each)
- **IT Infrastructure:**
 - Tidel Park in Hosur (₹400 crore)
 - Mini-Tidel Park in Virudhunagar
 - 'Hosur Knowledge Corridor' development
- **Industrial Parks:**
 - Two footwear parks (₹250 crore, creating 20,000 jobs)
 - Engineering and fabrication park in Trichy (250 acres)
 - MMF and Technical Textiles Industrial Park in Thoothukudi
 - New industrial parks in Cuddalore (500 acres) and Pudukottai (200 acres)
- **Centers of Excellence:**
 - Advanced pump motor manufacturing in Coimbatore
 - Foundry in Coimbatore
 - Bioscience park near Chennai
- **New Policies:** 'Tamil Nadu Maritime Transport Manufacturing Policy 2025'

MSME Sector

- **SIDCO Industrial Estates:** 9 new industrial estates on 398 acres (₹366 crore)
- **Common Facility Centers:** ₹50 crore for MSMEs in specialized sectors

Startups & IT

- **Space Tech Fund:** ₹10 crore allocation

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- **CM Spaces:** Mudhalvar Padaippagam at 30 locations (₹5 crore each)
- **AVGC-XR Hub:** ₹50 crore for center of excellence in Chennai
- **Data Services:** ₹10 crore for 'Tamil Nadu StartUp Data Server Services Scheme'

Labor Welfare

- **IT Expansion:**
 - 10 new Government ITIs (₹152 crore)
 - 7 new Government ITIs with hostel facilities (₹148 crore)
- **Healthcare for Workers:** Master Health Checkup for construction workers above 40
- **Gig Workers Support:**
 - ₹20,000 subsidy for 2,000 workers to purchase e-scooters
 - Group insurance scheme for accident compensation

Green Energy & Climate Change

- **Pumped Storage Projects:**
 - 1,100 MW in Vellimalai area
 - 1,800 MW in Aliyar area
 - Total investment: ₹11,721 crore (PPP mode)
- **Battery Storage:** 4,000 MWhr Battery Energy Storage System
- **Renewable Energy Policy:** New Integrated Renewable Energy Policy
- **Environmental Initiatives:**
 - Marine Resource Foundation (₹50 crore)
 - Blue Flag certification for 6 beaches (₹24 crore)
 - Raptors Research Foundation
 - Greater Flamingo Sanctuary at Dhanushkodi
 - 1,000 hectare biodiversity park in Melchengam
 - Forest road upgrades (₹250 crore)

Education & Human Resource Development

School Education

- **Higher Education Awareness:** 'Naan Mudhalvan-Kalloori Kanavu' program
- **School Upgrades:** 14 high schools in remote hilly regions to higher secondary schools
- **New Libraries:** 3 libraries with 1 lakh books each in Salem, Cuddalore, and Tirunelveli

Higher Education

- **University Excellence:** Plan to place Anna University among top 10 institutions in India and top 150 globally
- **New Courses:**
 - Degree courses in AI, Cyber Security, Advanced Manufacturing, Robotics, EVs
 - Diploma courses in emerging technologies
- **Capacity Expansion:** 15,000 additional seats in Government Arts and Science Colleges
- **Infrastructure Development:** ₹300 crore under Perunthalaivar Kamarajar College Development Scheme
- **New Colleges:** Government Arts and Science Colleges in 10 locations
- **Research Centers:** ₹100 crore for two Basic Sciences and Mathematics Research Centers

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Skill Development

- **Civil Services Support:** ₹50,000 incentive for candidates who clear main examination
- **Foreign Education:** ₹10 crore for scholarships to prestigious universities abroad
- **Educational Loans:** ₹2,500 crore for one lakh college students

Social Welfare

Women Welfare

- **Self-Help Groups:**
 - Formation of 10,000 new SHGs
 - ₹37,000 crore bank loans target
- **Working Women's Hostels:** 'Thozhi' hostels in 10 more locations (₹77 crore)
- **Student Hostels:** Three girl student hostels accommodating 1,000 students each (₹275 crore)

Child Welfare

- **Breakfast Scheme Expansion:** To include Government aided schools (3.14 lakh additional students)
- **Anganwadi Infrastructure:** 500 new buildings (₹83 crore)

Senior Citizen Welfare

- **Anbucholai Centers:** 25 centers in Municipal Corporations (₹10 crore)

Differently Abled Welfare

- **Employment Incentives:** ₹2,000 per month wage subsidy for firms employing at least 10 differently abled persons
- **Service Centers:** 82 subdivision-level and 400 block-level Integrated Service Centers (₹60 crore)
- **Assistive Devices:** ₹125 crore for modern assistive technologies
- **Political Representation:** Bill for ensuring representation in local government bodies

Welfare of Marginalized Communities

- **Education Support:**
 - ₹65 crore for Annal Ambedkar Overseas Higher Education Assistance Scheme
 - Monthly scholarship extension to transgender students
- **Economic Empowerment:**
 - 'Nannilam' Women Land Ownership Scheme (₹20 crore)
 - 'Tholkudi' scheme for tribal communities (₹250 crore annually)
- **Social Harmony:** Awards for 10 village panchayats promoting harmony
- **Hostel Upgrades:** Refurbishment of college student hostels for BC, MBC, and DNT students
- **Religious Minorities Support:**
 - ₹10 crore for heritage mosques and dargahs
 - ₹10 crore for heritage churches
- **Orphan Support:** ₹2,000 monthly stipend under Chief Minister's Thayumanavar Thittam

Health & Family Welfare

- **Cancer Care:**

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- Upgrade of Arignar Anna Memorial Cancer Hospital (800 beds)
- ₹110 crore for early cancer detection equipment
- HPV vaccination for girls aged 14 years
- **Healthcare Infrastructure:** Various upgrades and expansions of medical facilities

Agriculture & Allied Sectors

- **Animal Husbandry:**
 - Bovine Breeding Policy: New policy formulation
 - Animal Birth Control: Facilities in 100 veterinary hospitals (₹20 crore)
- **Fisheries & Fishermen Welfare:**
 - Infrastructure: Fish landing centers and net mending facilities across coastal districts
- **Dairy Development Modernization:**
 - Effluent treatment plant in Salem (₹15 crore)
 - Erode dairy modernization (₹10 crore)
 - Advanced equipment for Chennai dairies (₹5 crore)
 - Butter chipler and mini pouch packing in Thiruvannamalai (₹10 crore)

Handlooms & Textiles

- **Powerloom Modernization:** ₹50 crore for upgrading conventional powerlooms
- **Handloom Support:** ₹10 crore corpus fund for working capital
- **Technical Textiles:** ₹15 crore for Tamil Nadu Technical Textile Mission

Administrative Reforms

Financial Management

- **Priority Sector Lending:** ₹9.5 lakh crore target
- **Unified Lending Interface:** Technology implementation with RBI Innovation Hub
- **GSDP Measurement:** Large-scale enterprise surveys for accurate sector-wise data
- **Work Management:** Implementation of Comprehensive Work Management System

Registration & Revenue (Coaching for Civil Services - IAS, IFS, IPS, IRS etc.)

- **Patta Distribution:**
 - 5 lakh house site pattas to be issued
 - Relaxation of restrictions for eligible families in certain areas
- **Mapping Technology:** High-Resolution Large-Scale Map (HRLM) development

Government Employees Welfare

- **Job Creation:** Plans to fill 40,000 more positions
- **Housing:** 190 Type C quarters in Chennai (₹110 crore)
- **Insurance Benefits:**
 - ₹1 crore accident insurance
 - ₹10 lakh term life insurance
 - Marriage and education assistance for families of deceased employees

Disaster Management

- **Heat Wave Management:** Action plans for 11 cities
- **Disaster Management Institute:** ₹50 crore for Tamil Nadu State Institute of Disaster Management