

The Detroit of India has emerged as the tyre manufacturing hub

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Besides making strides in the automotive industry and being called the Detroit of India, Tamil Nadu has emerged as the tyre manufacturing hub. The State accounts for around 40% of India's tyre production and houses some of the big players – MRF, TVS Srichakra, Apollo Tyres, Michelin, CEAT Tyres, JK Tyres, Alliance Tire Company, Powermax Tyre and Emerald Tyres.

Data provided by Guidance, the government's investment promotion agency, show that the State has attracted ₹25,000 crore in investments in the tyre industry. The State today makes tyres for passenger cars, two-wheelers, large and small commercial vehicles, aircraft and agriculture equipment. "The story began as early as 1952 with MRF, even before we had some of the big names in the automobile space investing here," says a retired official of the Department of Industries.

A humble start

MRF, which started out as a children's balloon manufacturing unit in a shed at Thiruvottiyur in Madras in 1946, ventured into the manufacture of tread rubber in 1952. By 1956, it was the market leader in tread rubber manufacture in India with a 50% share. The home-grown brand set up an overseas office in Beirut in 1964. In 1967, MRF became the first Indian company to export tyres to the very birthplace of tyre technology, the United States. And in 1973, it became one of India's first companies to manufacture and market nylon passenger car tyres commercially.

Rahul Mammen Mappillai, managing director of MRF Ltd., says, "The first factory of MRF was established at Thiruvottiyur in 1946, and since then we have built plants at Arakkonam and Tiruchi in Tamil Nadu. We manufacture the entire



Firm grip: The factory of Madras Rubber Factory Limited was commissioned by R. Venkataraman, Minister for industries, on December 4, 1962. The photo shows a truck tyre being taken out of the Automatic Curing Press under the supervision of American expert M.L. Bayer of Manafield Tyre and Rubber Company. THE HINDU ARCHIVES

range of tyres in our Tamil Nadu factories, right from two-wheeler tyres to mining tyres, and cater for the Indian and export markets. We have plans for expanding our factory in Tiruchi."

A strong automotive original equipment manufacturing base to create a demand for various types of tyres, the easy availability of rubber from Kerala and southern Tamil Nadu and the access to southeast Asia and beyond through the major ports are some of the reasons for the tyre companies to invest in Tamil Nadu.

Anant Goenka, managing director and CEO of

CEAT Limited, reckons that the presence of a large number of reputed centres of technical education, a vast and skilled labour base, round-the-year port operations, proximity to the sources of raw materials and the infrastructure support make Chennai and its surrounding regions a location of choice for the manufacturers to invest.

CEAT signed an MoU with the State government in 2018 to invest ₹4,000 crore over the next 10 years. The company commenced its Tamil Nadu operations in February 2020. "We

have invested close to ₹2,000 crore and we have the visibility to extend up to 28,000 tyres per day. This plant will cater for leading Indian and global original equipment manufacturers such as Hyundai, Renault, Volkswagen, PSA and Citroen," Mr. Goenka says.

He points out that Tamil Nadu has good potential for the passenger radial tyre market on which his company intends to capitalise. The plant is equipped to produce tyres, including high speed Z-rated tyres, electric vehicle tyres and winter tyres, for markets across the globe. It has Industry 4.0 that incorporates technologies such as the The Internet of Things and Big Data.

One of the largest plants in Asia

Apollo Tyres Ltd. entered Tamil Nadu for the reasons cited by Mr. Goenka. It inked a deal with the government in 2006 and the plant construction began in October 2008, at the peak of the global downturn. The first tyre was commercially produced by March 2010. The company has invested more than ₹5,000 crore in the State. The plant located in the SIPCOT Industrial Area at Oragadam is one of the largest tyre plants in Asia. It can produce 850 metric tonnes of tyres a day.

"This plant produces high-end radial tyres for passenger cars and commercial vehicles. These tyres are supplied to almost all the original equipment manufacturers in India and to a few in Europe, besides the replacement markets in India and other Asian countries. Around 30% of the plant's output is exported to various countries, including the U.S.," says Satish Sharma, president, Asia Pacific, Middle East & Africa, Apollo Tyres Ltd. The company has been strengthening its R&D infrastructure. "We have been investing time and resources towards our commitment to be the product technology leader," he adds.

Many companies have started betting big in R&D. Pooja Kulkarni, Managing Director and CEO, Guidance, says, "With most major tyre manufacturers already present in Tamil Nadu, the focus is on R&D in the tyre industry. Several large tyre manufacturers in the State are working towards augmenting their R&D capabilities by means of new facilities, testing tracks and other research-centric initiatives." Players in the industry are looking for subsidies for new investments in R&D and also for training a large amount of manpower under the National Employability Enhancement Mission and the National Apprenticeship Promotion Scheme.