

Tamil Nadu — in the fast-track development corridor

Whether attracting large investments, facilitating investors or in the number of new small scale units added, the State is among the top investment destinations



Tamil Nadu Chief Minister J Jayalithaa with investors from across the country and abroad at the valedictory function of the Global Investors Meet 2015 in September. S R RAGHUNATHAN

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If Tamil Nadu is among the nation's top manufacturing hubs and knowledge destinations, it has much to do with the industrial infrastructure the State has set up, its proactive policies, the low industrial skill gap, and the State's ability to generate investments.

If proof were needed about Tamil Nadu's draw, consider that at the recent Global Investors Meet, the State attracted investments of over ₹1.42-lakh crore across diverse industry segments.

With 'Ease of Doing Business' as its mantra, the State government

not just promised global investors that it would clear investments proposals in a time bound manner, but followed it up by promptly appointing over a dozen senior officials to chase the investment proposals and ensure project completion.

Whether in the number of new small scale units, attracting large investments and facilitating investors or overall investment environment, Tamil Nadu tops the list of investment destinations, say officials, with justifiable pride.

They cite the Tamil Nadu Pollution Control Board clearing over 900 projects in the last four years. Just these investments total about

₹2.5-lakh crore.

That the investment scenario in the State is robust is also obvious from the registration of over one lakh MSMEs since 2013 and the State Industries Promotion Corporation of Tamil Nadu allotting over 3,000 acres to 384 units involving investments of about ₹12,700 crore and generating 57,000 jobs.

Power Play

In the last four years, the State government has adopted a multi-pronged approach to address the infrastructure gaps.

It is planning a financial institution to support funding for large infrastructure projects.

The power situation had especially posed a challenge with the State facing an estimated 30 per cent shortage.

The Government tackled this issue by creating new generation capacities, including in renewables, and making purchases promptly.

Over 4,455 MW of thermal power generation capacity was added between 2011 and October 2015; long- and medium-term power purchase agreements were tied up for 2,900 MW; and 1,610 MW of wind and 353 MW of solar power generation were added.

During this same period over 3,600 new high tension connections were provided which is a key

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indicator of the growth in industrial and commercial sectors.

Corridor Based Development

At the heart of industrial development of the South, Tamil Nadu is taking the industrial corridor route to strengthen and broad-base industrial development. Three major industrial corridors — Chennai-Bengaluru, Madurai-Tuticorin, and Chennai-Visakhapat-

nam — will link the industry and urban hubs within the State and elsewhere. The Madurai-Tuticorin Industrial Corridor is expected to catalyse the development of Tamil Nadu's southern districts. The incentive package for setting up units in this corridor is more liberal than for investments elsewhere in the State. The State government recently approved the project structure for the ₹1.83-lakh crore Madurai-Tuticorin industrial corridor. The project structure of the industrial corridor covers 29 projects spanning the districts of Madurai, Sivaganga, Virudunagar, Tuticorin, Tirunelveli, Ramanathapuram and Kanyakumari. Details of the Chennai-Bengaluru Industrial Corridor are nearly worked out. This is a well established industrial hub that will benefit from improved connectivity including road and rail projects for movement of people and goods.

The Asian Development Bank is keen on supporting the development of the Chennai-Visakhapatnam Corridor.