

## Mahindra's corporate SEZ on fast track

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Our Bureau  
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THE Mahindra group would develop the first corporate special economic zone (SEZ) in the country.

The special purpose vehicle – Mahindra Industrial Park Ltd (MIPL) – floated by the Mahindra Gesco Developers Ltd in association with the Tamil Nadu Industrial Development Corporation was granted the approval to this effect by the Ministry of Commerce and Industry on Wednesday.

Talking to newsmen here on Thursday, Mr Arun K. Nanda, Executive Director, Mahindra & Mahindra Ltd, said the Rs 350-crore project, was on its way with an investment of over Rs 200 crore already made.

This was India's first integrated business city with a public private partnership where 89 per cent of the Rs 20-crore equity capital came from Mahindra and the rest from TIDCO.

"This was not like any in-principle approval as has been claimed by some. We sold land to Infosys Technologies some four months back and their first facility will become operational by December 2004. We have signed up with a few others, two of them being TTK Healthcare and Kryolan, Germany," Mr Nanda said.

The SEZ, situated about an hour's drive away from Chennai, will cater to three sectors –



Mr Arun K. Nanda (left), Executive Director, Mahindra & Mahindra, with Mr B.G. Menon, Chief Operating Officer, Mahindra Industrial Park Ltd, at a press conference in Mumbai on Thursday. – Shashi Ashiwari

information technology (software, hardware and bio-informatics), apparel and fashion

accessories and auto ancillaries. The 1,435-acre township would have some 600 acres

dedicated as domestic tariff area and some 800 acres catering to the SEZ.

The Singapore-based Ascendas is being roped in as the maintenance contractor.

Infosys has acquired 129 acres at the SEZ, where it will develop what could become the world's single largest software development centre.

The software major is planning to develop 3.5 million sq feet of space to accommodate 25,000 hands at a cost of Rs 1,250 crore.

TTK Healthcare is setting up a herbal formulations division called TTK Biometrix, spread over 5 acres of land, to be located in the domestic tariff area.

The global cosmetics major, Kryolan of Germany, whose existing facilities are in Europe and South America, will make its first foray into the Indian market through the Chennai SEZ.

According to Mr B.G. Menon, Chief Operating Officer, MIPL, the apparels industry was going to witness much consolidation in the post-quota regime.

Already, there was much interest shown by some players in Tirupur, he said.

The cost of development at the SEZ worked out to Rs 22 lakh per acre, he said.

Meanwhile, the major chunk of revenue is expected to flow from the 200-acre residential component where the investment is expected to exceed a few thousand crores.

Mahindra Gesco will develop the houses, where 25 acres of developed space is expected to be ready by May 2005.