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# Vision High Yielding



**Elamaram Kareem**  
Minister for Industries  
and Commerce

The Government firmly believe that they are able to make the State into an investor-friendly destination within a short span of time. Industrialists and entrepreneurs within the State and outside will recognize the change of attitude of the Government and its pro-active policies. Investors are keen to invest in Kerala if the Government is able to provide basic infrastructure. The allegation that Kerala is a place of labour unrest has been disproved.

The Dubai based TECOM is in the process of a setting up a Smart City in Kochi to provide world-class infrastructure for information technology industries. The TECOM has agreed to set up the Smart City in accordance with conditions proposed by the Left Democratic Front. Kerala's prestigious Info Park would remain with State. And there is no condition of exclusivity. That means there is no bar to permit new IT ventures in and around Kochi. Smart City project is an indication of Kerala's changed industrial scenario.

Taking advantage of the investor-friendly atmosphere we have to attain economic growth and to create job opportunities in a big way. The industrial policy of the LDF Government aims at achieving these two objectives. While we

endeavour for rapid industrialisation, our emphasis will be on social objectives. We are committed to ensuring fair wages to employees.

I am happy to say that the Government has received firm offers of industrial investment to the tune of Rs. 20,000 crore from private sector. The Shobha Developers Limited, a renowned infrastructure developer, owned by P.N.C. Menon, has decided to set up a hi-tech city in Kochi with an investment to the tune of Rs. 5,000 crore. According to the promoters, the project would generate as many as 75,000 jobs.

The Government have signed an MoU with the Construction Industry Development Board, Malaysia, to set up new generation industries at Kinaloor in Kozhikode district. It is expected that the proposed project would offer 25, 000 jobs. The Grasim Industries Limited has informed its willingness to set up modern industries at Mavoor in Kozhikode, where Birla's Pulp and Fibre unit existed. The Government is examine the proposal.

Major industrial hosues in the country are keen to have their units in Kerala for obvious reasons: a. Kerala is free from labour unrest b. availability of high skilled labour c. favourable climate d. availability of quality power and water e. excellent air, rail and road connectivity f. pro-active policies



**Missile speed to Industries:** V.S Achuthanandan, Chief Minister, handing over the key of KELTC to A.K Antony, Union Minister for Defence, for setting up BrahMos Missile factory at Thiruvananthapuram.

of the Government

### Public Sector

Public Sector industries in the State have made an amazing turnaround during the last two years. It has been proved that our public sector units are capable of competing with the private sector provided management is made efficient and employees are motivated. Twenty-six units under the Department of Industries have registered profit during 2007-08. Performance of PSUs with regard to production, sales turnover and productivity is also noteworthy. During 2006-07, production of public sector industries under the Department of Industries has touched the figure of Rs.2000 crore. It is evident from the figures that the PSUs have been playing a significant role in shaping our economy.

The Malabar Spinning and Weaving Mills, one of the companies that shut down during the former UDF regime, was reopened. It shows our commitment towards public sector. The Government is implementing a Rs.12 crore project to modernise the mill. The Government has also decided to revive Balaramapuram Spinning Mill in Thiruvananthapuram.

The success story of United Electrical Industries, Kollam, is really amazing. The UEI was one of the units listed for closure because of recurring losses. The company is now on the path of growth and

diversification. Production of energy metres has gone upto 1.5 lakh a month from 18,000. What is noteworthy is that PSUs have achieved the growth without infusing fresh capital. What the government did was professionalising the management and close monitoring. Trade Unions are wholeheartedly supporting the efforts at a Government to run the PSUs in an efficient manner. Stringent measures are on to curb corruption. Performance of PSUs are evaluating on monthly basis in the presence of the Minister for Industries.

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The Government have decided that PSUs under various departments cooperate each other, mainly in procurement. The KSEB is buying the entire energy metres produced by the UEI. The KSEB is purchasing cables from the State-owned Traco Cable, TELK-Angamaly and Kerala Electrical and allied Engineering Company. Cooperation among public sector companies is unprecedented.

Tie-ups with Central public sector giants with a view to strengthen State PSUs have made encouraging results. The BrahMos Aerospace has acquired Kerala Hi-Tech Industries in Thiruvananthapuram. The company has been renamed as BrahMos Aerospace Thiruvananthapuram. The BrahMos, a joint venture of India and Russia to produce supersonic cruise missiles, has plans to invest in Thiruvananthapuram in a big way. The joint venture between the National Thermal Power Corporation and TELK, Angamaly, has been operational.

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- Signed MoU with the Construction Industry Development Board, Malaysia, to set up new generation industries at Kinaloor in Kozhikode
- The BrahMos Aerospace has acquired Kerala Hi-Tech Industries
- Government allotted Rs four crore for diversification of Dinesh Beedi, the largest cooperative in the State .

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International Relations: A high level delegation from abroad visiting Elamaram Kareem, Minister for Industries and Commerce.

joint venture. The SAIL is expected to make an investment to the tune of Rs.200 crore to modernise the Steel Complex, the only public sector steel-making unit in Kerala. A rolling mill with an investment of Rs.50 crore would be set up there as a measure to make the factory a viable venture. The Government is also making efforts for tie-up between the State-owned Kerala Electrical and Allied Engineering limited (KEL) and the Bharat Heavy Electricals Limited (BHEL).

While making concerted and earnest efforts to attract private investment, the Government is determined to promote our traditional industries and make them competitive through modernisation. We have taken imaginative steps to revive handloom and khadi sectors. Handloom and khadi uniforms have been introduced in schools as part of the efforts to explore new markets. Sales turnover of handloom clothes have increased manifold.

The Government have chalked out an

action plan to diversify Dinesh Beedi, the largest cooperative in the State. The Government allotted Rs.4 crore for diversification. The Beedi Cooperative has now entered into the field of garment making and food processing. A scheme to modernise bamboo sector with Central assistance is being implemented with a view to generate more employment and to ensure higher wages for the existing workers.

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Scarcity of land and lack of world-class infrastructure are the main disadvantages of Kerala. The Government wants to overcome these barriers. The industrial policy promises a land bank to provide land for genuine investors. The INKEL was formed with private participation to create world-class infrastructure. ■■■■

