

Media Coverage - Ground-breaking Ceremony

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Cos ink agreements, line up funds for AP's Sri City SEZ

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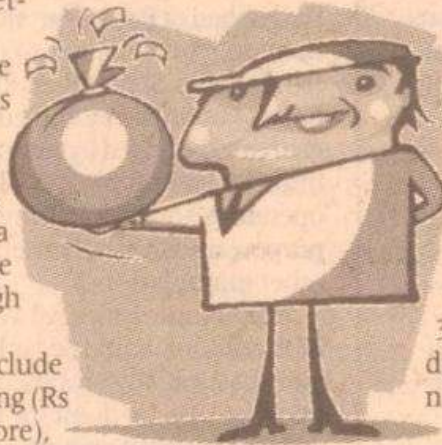
IT IS raining investments at Andhra Pradesh's Sri City multi-product special economic zone (SEZ), touted as one of the biggest in south India. Over a dozen firms, domestic as well as foreign, have already inked agreements with the state government for setting up their facilities at the 5,000 acre SEZ. The investment potential of these companies is reckoned to be close to Rs 1,000 crore.

"Over 70% of the world trade happens in manufacturing sector but India's share in world trade is minimal. There is a tremendous growth in the sector. I hope our state will take this opportunity through SEZs," said CM YSR Reddy last week.

The list of investing companies include South Africa's Venture Automotive Tooling (Rs 100 crore), Italy's VRV Group (Rs 80 crore), US-based Tradex (Rs 180 crore), Spain's Eura D&A (Rs 100 crore), Bahrain's BFG International (Rs 100 crore), Switzerland's Leo Hightech Precision Tooling (Rs 80 crore), Indonesia's Intimate Apparels (Rs 30 crore), India-based Innova Biotech (Rs 90 crore), Global Battery (Rs 30 crore) and Surana India (Rs 100 crore). All these companies are ex-

pected to provide employment to over 6,000 people.

The SEZ, promoted by NRI Ravindra Sannareddy and associates, has Andhra Pradesh Industrial Development Corporation (APIDC) as its equity partner. Besides, private equity funds and banks have also pumped in money. It is strategically located in Tada village in Chittoor district, 55km from Chennai.



The SEZ is expected to attract investment of Rs 17,500 crore and will generate direct and indirect employment to over two lakh people by 2013, according to Sri City chairman Ravindra Sannareddy. "The SEZ is strategically located to take advantage of three sea ports and two airports in Andhra Pradesh, Tamil Nadu and Bangalore," said Mr Sannareddy.

The multi-product SEZ will have over 300 manufacturing and engineering industrial units for apparel, auto components, electronics, fashion, biotechnology, pharmaceuticals, hardware, electronics, logistics, warehousing, renewable energy, leather products, light engineering, sports and toys.

With 91 SEZs spread across 16 districts in the state, Andhra Pradesh has the highest number of SEZs in the country. Of these, 51 SEZs have already been notified.

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