

Investors make a beeline for Mahindra World City

Over Rs 8600 crore investment in the pipeline

S BRIDGET LEENA
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Mahindra Industrial Park, recently rechristened as Mahindra World City, will see \$1.5 billion to \$2 billion (Rs 6,450-8,600 crore) of investments inflow, with companies from industries as diverse as software, automobiles and auto ancillary, apparel and fashion, bio-technology sectors setting up their presence in the 1,400 acre project.

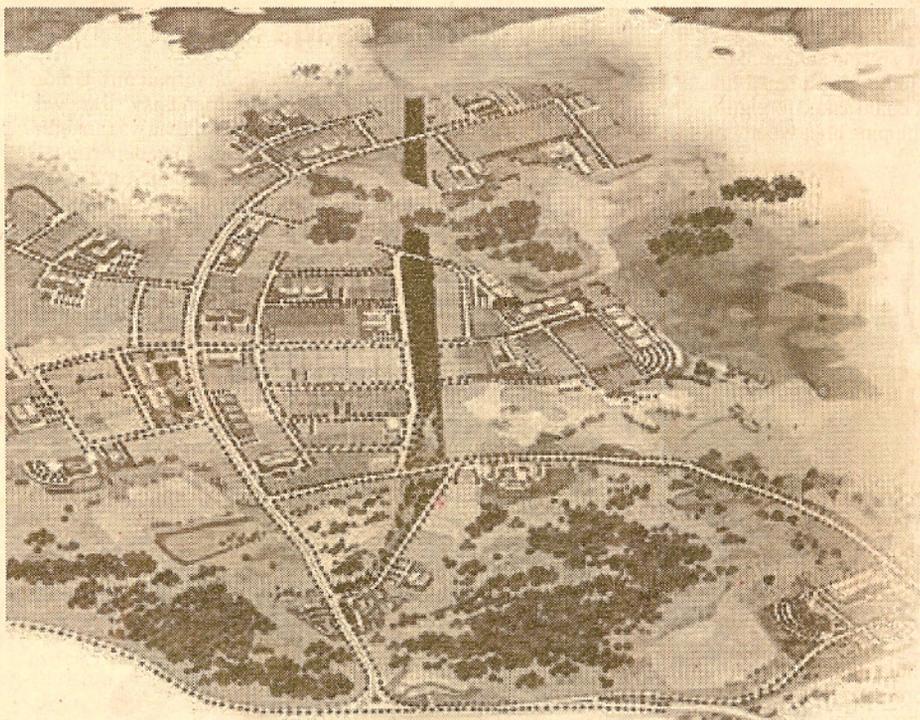
Mahindra Industrial Park is a special purpose vehicle created for the development of Mahindra City. The promoters of MIPL are the Mahindra Group and Tamil Nadu Industrial Development Corporation (TIDCO).

Mahindra World City is situated near Maraimalai Nagar, about 34 km from the Chennai airport. It is also accessible by rail about 40 km from Guindy railway station to Parnur railway station. The huge investment happening in the World City comes from the fact that it has been approved for three sector-specific SEZs - information technology (services and manufacturing), apparel and fashion accessories and auto ancillaries and is a fully integrated business township with good infrastructure.

For starters, Infosys, the second largest software company in India, will be setting up its giant facility at an estimated investment of Rs 1,250 crore in Mahindra World City over 129 acres that will employ 25,000 software professionals.

In the first phase for the new campus, Infosys plans to invest Rs 250 crore and build a facility that will have a capacity for 5,000 people and a built-up area of nearly 1 million sq ft.

German car maker, BMW recently announced that it will



Caption

have its presence in India by having an assembly plant in the SEZ at an investment of \$40 million (about Rs 180 crore).

Singapore-based Ascendas business space provider is also putting up a software park of one million sq ft.

Arun Nanda, executive director and president-infrastructure development sector, Mahindra World City says that almost 642 acres of land which is dedicated as a special economic zone (SEZ) of the 965 acres of saleable land has been fully committed by companies. The companies which have taken up space will be Mindtree, Sundaram Brake Linings, Madras Engineering, Mastek, Kanbay to name a few.

Nanda says that Mahindra's

have so far pumped in Rs 300 crore in only developing the property. It is not an industrial park but an intergrated business township that offers plug-n-play facilities in terms of electricity, telephone, bandwidth, telephones, sewage etc, adds B G Menon, chief operating officer, Mahindra World City.

Mahindra World City has been master-planned by Ascendas (JTC Corporation, Singapore) with landscape design by Belt Collins, Singapore. In its complete form, Mahindra World City will combine state-of-the-art facilities for business with world-class facilities for retail, leisure, healthcare, hospitality and residential housing in the remaining 323 acres. Residential activities will be developed in collaboration with Mahindra Gesco Developers Ltd, property arm of Mahindra's and designed by Hafeez Contractor. The picturesque of the World City will be complete with the well connected

roads, lakes, surrounded by hills and reserve forest which form about 400 acres.

However, during the inception in 1997, Mahindra's plans was to promote an auto ancillary park, as Chennai is considered a hub for auto ancillaries in the country. Mahindra had a tie-up with Ford for auto ancillary, the idea was etched from geographical proximity to Ford being headquartered in Maraimalai Nagar. Although due to some reason, the plan did not kick off.

There was a lull for another four years, Mahindra's slowly started acquiring neighbouring lands as they had conceived the idea for an intergrated business township which would be better value proposition, illustrates Menon.

In September 2002, it was inaugurated as Mahindra Industrial Park and the following year it was repositioned as an intergrated business township.

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