

# Videocon to set up 9 SEZs



Venugopal Dhoot

KAUSIK DATTA

Mumbai, 18 September

**T**he Videocon group is on a roll. While it's already within striking distance of the largest overseas acquisition by an Indian company, Videocon's activity on the domestic front is no less spectacular.

Videocon is setting up nine special economic zones (SEZs) in Maharashtra, West Bengal, Gujarat and Karnataka with a total area of over 12,000 acres. JMMorgan has been appointed as advisor to chalk out strategies in setting up infrastructure projects for the group across the country.

Group chairman Venugopal N Dhoot will sign the memorandum of understanding with

Maharashtra Chief Minister Vilasrao Dekhmukh late this evening for setting up two SEZs in the state. These SEZs will be set up in Pune over 3,000 acres of land and in Aurangabad over 6,600 acres. The group will set the up maximum number of SEZs — five— in West Bengal. However, the total size of these SEZs will be over 2,300 acres. It will set up two multi-product SEZs — one each in North 24 parganas and Howrah district. A food processing and a IT-zone will come up in Siliguri.

It will also set up a sector-specific zone in North 24 Parganas. These SEZs are expected to create 50,000 employment in the state.

It will also set up one SEZ each in Gujarat and Karnata-

ka which are yet to be finalised. The SEZ in Gujarat may come up near Gandhinagar on 100 acres of land.

Dhoot told Business Standard that the initial investment for the SEZs in Maharashtra would be around Rs 2,000 crore which might shoot up to Rs 25,000 crore in near future. These SEZs would create employment for 50,000 people in Pune and 75,000 in Aurangabad. They both would have captive power plants.

While the Pune SEZ would be a multi-product one, the Aurangabad zone would partially be developed for floriculture and horticulture including large scale orchid farms for export to the US and Europe.

Videocon Reality Infrastructure, an unlisted entity, will

chip in with the bulk of investment while Videocon Industries, the group's flagship entity, will invest Rs 50 crore to begin with and will have the right to purchase the entire equity at par within next five years. The state government's investment in these zones will be capped at 26 per cent.

Videocon is also in talks with foreign investors for developing infrastructure and investing in SEZs. The group has started recruiting people from the UAE and China to meet the human resource requirement of its SEZ programme. Dhoot has been eyeing the SEZ sector for over two years when the sector was not on top of India Inc's agenda.

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