

Tamil Nadu clears mega infrastructure projects

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Announces the formation of a new financial institution for funding large infra projects

Chennai, September 23:

The Tamil Nadu government has approved the project structure for the ₹1.83-lakh crore Madurai-Tuticorin Industrial corridor and has decided to set up a new financial institution to support funding for large infrastructure projects.

According to an official press release, the decision was taken at a meeting of the Tamil Nadu Infrastructure Board headed led by the Chief Minister J Jayalithaa.

The Board also approved plans to set up a two large sea water desalination projects to the South of Chennai to augment drinking water supply to the city.

The project structure of the Madurai-Tuticorin Industrial (MTI) Corridor will cover 29 projects spanning the southern districts of Madurai, Sivaganga, Virudunagar, Tuticorin, Tirunelveli, Ramanathapuram and Kanyakumari. The total outlay envisaged for this mega project is about ₹1,83,819 crore.

In addition, there are plans to have a 800-MW thermal power project in Tuticorin, a greenfield port in the Manappad region, and an entrepreneurship development centre for small and medium enterprises and a world class medi-city at Madurai.

Financial Institution

The Board also approved the establishment of the Tamil Nadu Infrastructure Fund Management Company Ltd (TNIFMC) which will roll out and manage new Infrastructure Finance Vehicles (IFV) such as the Infrastructure Debt Fund (IDF), Alternative Investment Fund (AIF) and Infrastructure Investment Trust (InvIT) as per SEBI guidelines.

This fourth generation financial institution will be set-up in partnership with banks, insurance companies and private financial institutions.

The Board also approved plans for two Sea Water Reverse Osmosis (SWRO) plants. One of the units, to come up at Perur, will have a capacity of 400 million litres a day at a cost of ₹4,070 crore and another 150 MLD at Nemmeli at about ₹1,371 crore.

Both will be built on Design-Build-Operate (DBO) basis. Central Government grants are being sought for the project.

The Infrastructure Development Board also approved a ₹556-crore water supply project for Coimbatore.

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