

Agro-processing, textile sectors offer competitive advantage in State: Study

More priority to power, clarity on infrastructure policy mooted

Our Bureau

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In its quest to diversify its investment character from the overhang of Information Technology, the State Government has to make a mammoth effort to improve overall infrastructure, particularly in tier-II cities, to provide competitive investment opportunities with a sound eco-system.

The essence of this message in a dip-stick study carried out jointly by the Bangalore Chamber of Commerce and Industry and KPMG, among senior industry executives located across the State has identified agro-

processing and textiles sectors offering considerable competitive advantage after IT and biotechnology.

The report will be presented to the State Government which is planning to hold the second Global Investors Meet in June.

"Over the years, Karnataka has created a distinct identity for itself through a well thought-out approach and investor-friendly policies.

Given these, the State is now gradually spearheading to become one of the most preferred investment destinations for investors the world over. The State has

successfully created for itself an image of being the IT Powerhouse of India and is now advancing its knowledge power to other industries such as bio-technology, agro processing, textile, aeronautical engineering," said the survey report.

The study found the State to be scoring well on the social infrastructure and provides competitive advantage in IT and biotech sectors.

Respondents from 20 companies covering IT, automotive, education, real estate and engineering, acknowledged the investor-friendly climate of the State.

They, however, felt that the State needed to give priority to power and wanted more clarity in its policy on infrastructure for investment and improving social infrastructure such as education, health etc.

The respondents gave the maximum ranking to Karnataka being an attractive investment destination, which was followed by easy availability of resources such as raw materials, skilled work force and development of clusters such as IT, biotech, engineering and textiles.

They, however, felt that the quality of economic infrastructure was average,

suggesting upgradation, as only five per cent recorded the facilities as "excellent."

The State is benchmarking itself internationally as one of the leading IT destination, emerging as a hub for real estate, financial services and tourism.

However, it has the potential to compete with some of the leading hubs such as Dubai, Singapore, Sydney and London, which have already distinguished themselves as hubs in key areas of real estate, financial, knowledge sector and service sector strengthened by their robust infrastructure.