Ease of doing business to climb industry

Kerala govt. aims at turning the State into one of the top five in the country

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The focus on improving business atmosphere and ease of doing business and establishing a new manufacturing cluster are significant pointers to the future progress of industry, as evidenced in the Governor's policy address.

The government's aim is to turn Kerala into one of the top five States in terms of ease of doing business over the next few years.

The policy address lists a slew of measures, including the launch of a 24-hour toll-free number to answer investor queries. Investment facilitation centres at the district level and the Kerala State Industrial Development Corporation at the State level will handle queries and facilitate investment.

"While these measures are well-intentioned, there is a need to go in for evidence-based policy measures to improve the ease of doing business," says P. M. Mathews, director of the Kochi-based Institute for Small Enterprises and Development.

He said there were always questions being asked when investment proposals came in. "They come at the local and State levels and evidence-based steps alone can convince people of the suitability and need for fresh investments in a democratic system," he said.

Manufacturing cluster

The policy dedicates space to undertake the State's effort to accelerate more than 1,300 acres for an integrated manufacturing cluster in Paravakkottu-Thiruvalla under the Kochi extension of the national industrial corridor project.

Preparation of a master plan for the project will be done soon, the address says.

While these measures augur well for the future, the government must be more realistic in its decisions on key issues that affect existing industries.

T.H. Biju, district president, Kerala State Small Industries Association, feels that some decisions are imposed from the top. He pointed to the case of the plastic ban, which had hit industries badly.

If the government could take a decision on establishing proper waste treatment facilities, it could have made a distinction between different types of plastic in implementing the ban, he claimed.

The Governor's address also highlighted the need for women workers in the handloom sector by forming up plans to launch a handloom family welfare scheme.

Exhibition facility

The government has also decided to move ahead with a world-class exhibition facility for industries. It is being envisaged as a joint venture with the India Trade Promotion Organisation and involves building a world-class exhibition and convention centre on 15 acres near Kollam.

The government has expressed its concern over the need to develop an effective infrastructure. The government also plans to use the aid of MSMEs, which faced problems in raising enough funds to get them off the ground.

A new scheme for raising investment money for nano units, both in the manufacturing and service sectors, would be announced soon.

State-level consortium

The Higher Education Department is planning to launch a State-level consortium for e-journals involving universities and other higher educational institutions.

The proposal has found a place in the Governor's policy address to the Assembly. The move is to counter the decision by the University Grants Commission (UGC) to stop free subscriptions to e-resources under its Information and Library Network Centre (INLIBNET) initiative.

"The consortium is inevitable for higher education institutions, especially universities, for maintaining and accelerating the pace of research and innovation in line with the global trend in knowledge production and dissemination," said Rajan Varughese, Member Secretary, Kerala State Higher Education Council.

The council, which had mooted the idea, observed that the UGC decision would impose a huge expenditure for the institutions and the government.

Universities would have to shell out crores in order to provide access to e-resources to the academic community, it said.

"Almost all journals and databases in the relevant disciplines can be subscribed to at a negotiated cost fully funded by the government universities, with the council acting as a nodal agency in the State with the participation of all universities.

Higher educational institutions in the State could be provided access to the e-resources without any expenditure by the institutions," he said.