



सत्यमेव जयते



Commerce & Industries Department
Government of West Bengal



INVESTMENT AND INDUSTRIAL POLICY OF WEST BENGAL, 2013



WEST BENGAL INDUSTRIAL DEVELOPMENT CORPORATION LTD.

M a k i n g t h i n g s h a p p e n

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1.

Emerging West Bengal

West Bengal at a glance: Relevant Dimensions

Findings of an Independent Survey



Commerce & Industries Department
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Emerging West Bengal

The State of West Bengal ushered in a new dawn when the Government of Ma-Mati-Manush began its journey in May of 2011. Beginning from a severe financial crisis backdrop left by the previous Government, it successfully met all of its obligations including debt service obligations due to a debt burden of over Rs 2,00,000 crores (37.88 billion \$, @ INR 52.805/\$).

Now, the new government feels the urgency of providing the stimulus measures for its industries and service sectors to induce an inclusive economic growth in the state. Hence, it has formulated this Industrial and Investment Policy, 2013.

At the outset, West Bengal has a natural advantage for the industry which led to its leading position in Industries, till the 60's. It possesses a strategic location on the map of country. It is the gateway to North East India and port entry to land locked states of Central India and to the land locked countries of Nepal and Bhutan. It has been a major hub on the important trade route to the South East Asia and ASEAN countries. The state is keen to make the best use of this strategic advantage in its approach towards growth and revival of industry.

The state is resource rich, and possesses a hinterland comprising of mineral rich states of Jharkhand, Bihar and Orissa.

The focus of this Investment and Industrial Policy is to rapidly build and improve infrastructure, as an enabler for industrial growth, by additional 4000 kms of highway and bridges, ports, airports and water transport in Public Private Partnership (PPP). The state wants to partner with the private sector to tap its financial and technical prowess. Industry, in turn, could benefit from Bengal's rich natural resource base, suitable agro-climatic conditions, strategic location and an exceptional human capital.

At present, manufacturing contributes to about 10% of the State GDP; the aim of the policy is to double this share in five years. With its power surplus status and rapidly expanding infrastructure and connectivity, this is a realistic target.

This policy aims at increasing the growth of manufacturing from 4.7 % (2010-11) to 20% at the end of five years. The State has a low base of the manufacturing sector, as compared to the leading states on this front; hence, 20% year on year growth is achievable.

Given the high population density of the state, Micro Small Scale and Medium Enterprise (MSME) stay on high priority. However, to promote the Large Scale Industries, the aim would be to facilitate investment in the infrastructure of roads, highways, bridges and ports for maximizing the benefits of the rich mineral base and surplus power position of the state.

The state has a large number of companies that have their operational base or production units in West Bengal. The state government would leverage them for business augmentation

Industry- A Reality Check for West Bengal

1. Suitable Geographic Location- ✓
2. Mineral Resources Rich- ✓
3. Well Connected- ✓
4. Surplus Power Availability- ✓
5. Sufficient Water Availability- ✓
6. Technical Manpower - ✓
7. Private Sector Partners- ✓
8. Existing Industries- ✓
9. Growth Potential- ✓
10. Against Bandh Culture- ✓
11. Initiatives for Business friendly environment- ✓

by the current industries and showcase their success to interested new investors to answer any apprehensions.

The state is firmly against external interference in business and the culture of Bandhs has been reversed. This added significantly to the overall discipline in the management of affairs in the state.

To build a business friendly environment, as a preliminary step, the number of pages of documentation for starting a new business reduced from 99 pages to 7 pages. For better management of the affairs, the state has undertaken the largest Information Technology (IT) driven reform process. This includes major steps in simplification of Tax structure and thereby creating a Tax friendly regime.

More of such business friendly measures are on the anvil.

Thrust of the new Industrial Policy

- Nurture and support the labour intensive Micro, Small and Medium Enterprises, as in Textiles, Agro based, Food Processing and Aquaculture, Leather, Gems and Jewellery
- Revive the industries that were the hallmark of the state, like Jute and Tea
- Leverage the core competence and rich mineral base of state for midsize and large scale industries in Manufacturing and Engineering, Chemical, Petrochemical and its downstream hydrocarbon industries
- Welcome latest technology and Foreign Direct Investment (FDI), especially in manufacturing, Sun-rise industries and high tech areas. Promote local entrepreneurship and employment
- Utilize the potential of large technical and creative manpower in IT, Business of Entertainment & Electronics
- Upgrade the skills of Human Resource to meet global standards
- Policy Reforms and Business Process Reengineering for creating Ease of Doing Business through the creation of a Single Window System for industrial start-ups
- Build strong Labour Management relations

West Bengal at a glance: Relevant Dimensions

Demography

Large Population and Rich Human Capital:

- + West Bengal is the 4th largest State in India in terms of population with over 91 million people. Percentage growth in population for the period 2001-2011 is 13.9%. It holds a large and rich human capital.

Large geographic area and densely populated:

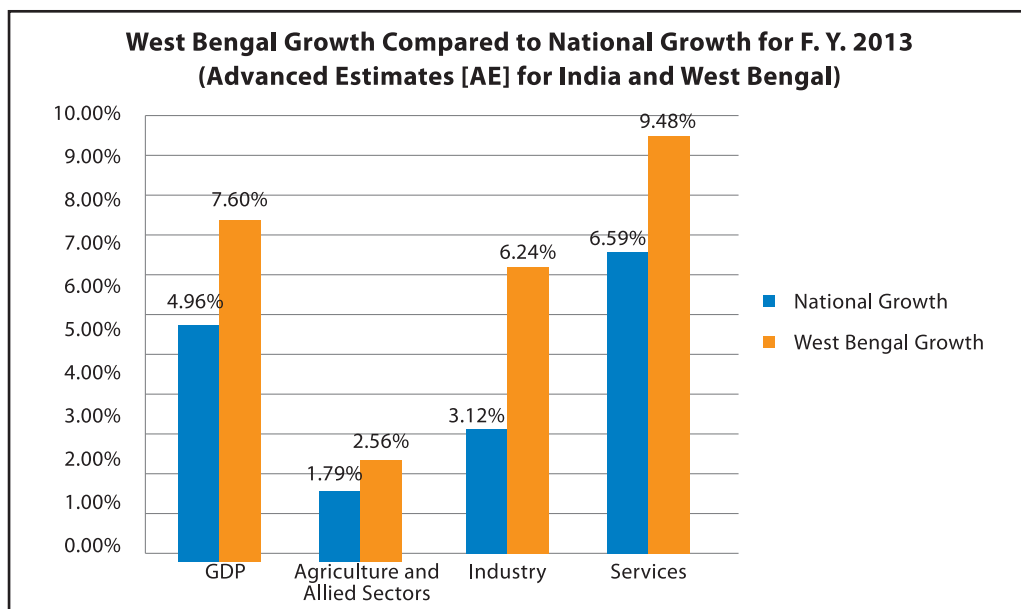
- + The area of the State is 88,752 sq. km. and the density of population is 1029 per sq. km, which is 2nd in the country.

Large Administrative and Social Infrastructure:

- + It comprises of 19 districts, 66 sub-divisions, 719 Police Stations, 341 Development Blocks, 18 Zilla Parishads, 333 Panchayat Samitis, 3239 Gram Panchayats, 40203 Villages, 121 Municipalities and 6 Municipal Corporations.

Economy

- + West Bengal had a 'nominal' GSDP (Q) of Rs 544281.82 crores in the year 2011-12. It grew by 14.55% in 2011-12. GSDP(A) of Rs. 630384.12 in the year 2012-13 with a growth of 15.82%
- + West Bengal holds the 5th position in Social Sector Expenditure in India.
- + The city of Kolkata has the 3rd highest GDP, based on Purchasing Power Parity amongst all Indian cities



Manufacturing and Services:

- Total number of Registered Factories stood at 15,587.
- Number of Registered Companies is 103,995.
- Total number of Shops, Commercial Establishments, Cinema Halls etc. is 712,344.
- Many corporate companies are headquartered in Kolkata including ITC Limited, Haldia Petrochemicals Ltd, Exide Industries Ltd, CESC Limited, Coal India Limited, Damodar Valley Corporation, PwC India, India Government Mint, United Bank of India, UCO Bank, Allahabad Bank and many others.

- Existing leading companies working in West Bengal include IBM Global Services India Ltd., Mitsubishi Chemicals Corporation plant at Haldia, SIEMENS Information Systems Ltd., Cognizant Technology Solutions Pvt. Ltd., TATA Consultancy Services, WIPRO, HCL Technologies Ltd., GENPACT, PWC Service Delivery Centre (Kolkata) Pvt. Ltd., NIIT Ltd., Frito Lay India (Pepsico), Matix Fertilisers and Chemicals Ltd. and Engineering Companies like Tractors India Ltd, Texmaco Ltd and TATA Metaliks. A large number of leading firms are headquartered at Kolkata.
- Some of the proposals in the state includes JSW Bengal Steel, Universal Success Group (at Nayachar & Raghunathpur), Hindustan National Glass, Indian Foundry Association, Indian Rubber Association, AGI Glasspack, Rabiran Vinimay Pvt. Ltd., Integrated Equipment & Infrservices Pvt. Ltd., TIL Ltd., Reliance Cement, DVC, HPCL, Badrinarayan Alloys & Steel Ltd., Shyam Group, Super Smelter Ltd., M S Glass India Ltd., Dimension Steel & Alloys Pvt. Ltd., Maruti Suzuki India Ltd., Jhonson & Johnson, Indo Gulf Fertilizer, DPSC, OCL Ltd. Megatherm Ltd. etc.
- To facilitate industrialization at a greater pace C&I Department has recommended many companies for 14 Y permission under L & LR Act. Some of these are SPS Steel & Power, Ankit Metal & Power Ltd., Sova Ispat Ltd., Ultratech Cement Ltd., Patton International Ltd. etc.

Rich Mineral Resource Base:

- In terms of Mineral Production in West Bengal, 1,42,58,000 tonnes of Coal is excavated through 108 coal mines (3rd position in number of Coal Mines) which is 23.5% of Total Coal Production in India. The state has the 4th highest reserves of Coal in the Country.
- 65,669 tonnes of China Clay and 38,360 tonnes of Fire Clay have been produced in 2011, the total value of which stands at Rs. 1615.44 crore (305.93 million \$).
- In the new area of clean energy, West Bengal has plenty of Coal bed methane gas. Two private companies are already producing coal bed methane in West Bengal - Great Eastern Energy and ESSAR are running many wells.

Agriculture:

- The State holds 1st position in Rice production.
- The State holds 1st position in Fish production.
- The State also holds 1st position in Jute production.
- It holds 2nd position in Potato production.
- The State holds the 2nd position in the production of Vegetables and Fruits.
- The State holds 4th position in total Food grains production.
- Total number of agricultural cold storages in West Bengal is 518, comprising Total Storage Capacity of 65.14 lakh (6.51 million) metric tonnes.

Infrastructure:

- The details of the Road network in West Bengal is as follows (As per Statistical Year Book 2012, MOSPI)

Total		Highways (Km)		Urban Roads (Km)		Project Roads (Km)	
Total	Surfaced	Total	Surfaced	Total	Surfaced	Total	Surfaced
211770	49111	170626	25696	26850	17838	14294	5577

- Total number of Railway Stations in West Bengal is 822, spread over 4185.03 km of Broad Gauge tracks, 106.14 km of Meter Gauge tracks and 220.01 km of Narrow Gauge tracks.
- In terms of Power, installed capacity is 9974.1 MW.
- The State has three airports including two international airports.
- The State has two modern ports and two more deep sea ports are coming up.

Services:

- Communication - witnessed 28.04% growth (year-on-year) in the year 2011-12
- Banking & Insurance - grew by 12.23% in 2011-12 vis-à-vis the previous year
- Real Estate, ownership of dwellings grew by 11.56% in West Bengal in last financial year.
- Transport - through railways witnessed year-on-year growth of 10.69% in 2011-12 while transport by other means witnessed 10.03% growth.
- Construction sector witnessed 8.02% year-on-year growth in 2011-12

Financial Institutions:

- Total Bank Deposits in March, 2012 was Rs. 350518 crores (66.38 Billion \$)
- Credit to Deposit Ratio in March 2012 was 64%, creating huge scope of bank credit for entrepreneur of all sizes.
- 26 Public Sector Banks operate in West Bengal and 3 of them have their Head Quarters in Kolkata.
- 18 Indian Private Sector Banks operate in Kolkata.
- 8 Foreign Banks operate in Kolkata including HSBC, Standard Chartered, Citibank, The Royal Bank of Scotland, Deutsche Bank and BNB Paribas Bank.
- A new Major Financial Hub is coming up in Kolkata and will be the 2nd Financial Hub in the country after Mumbai.

Human Capital and Social Infrastructure:

- Total number of Higher Educational Institutions- 838 (Universities, Degree and B. Ed. Colleges, Medical Colleges, Engineering and Technical Colleges).
- Total number of Schools are 86,331 (Primary, Upper Primary, High and Higher Secondary Schools).
- Total number of healthcare centres are 13,925 (Health Centres, Nursing Homes, Clinics and Hospitals). All the leading Healthcare groups are running their Multi-Speciality Hospitals in Kolkata, including Apollo Gleneagles, Fortis Kolkata, Desun Hospital, Bellevue Hospital, Medica Super-speciality, B. M. Birla Heart Research Institute, Woodlands, TATA Medical Center.
- The state will be the 1st in country to have government run Super Speciality Hospitals in 11 Districts through Backward Region Grant Fund, to be implemented in next 2-3 years

Findings of an Independent survey: West Bengal on the rising curve under the new Government

As per a recent nationwide survey conducted by a leading all-India magazine¹, West Bengal has shown tremendous improvement in its position as compared to last year in various sectors. Some of the key sectors are given below:

- " Education (3rd from 17th)
- " Governance (2nd from 10th)
- " Agriculture (7th from 20th)
- " Health (7th from 13th)
- " Investment (9th from 15th), and
- " Overall ranking (6th from 17th)

The State's revenue grew by an unprecedented quantum of 30% in the year 2012-13 due to massive e-governance initiatives in taxation and integrity in governance.

These improvements are an outcome of the visionary steps of the new State Government. The Investment and Industrial policy is intended to lay the foundation of the giant strides that are planned to be made in the days to come.

2.

The Policy Framework

Vision Statement of the Policy

Mission Statement of the Policy

Components of a Positive Investment Environment

Proposed Strategic Interventions

Ease of doing business



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Government of West Bengal

Vision Statement of the Policy

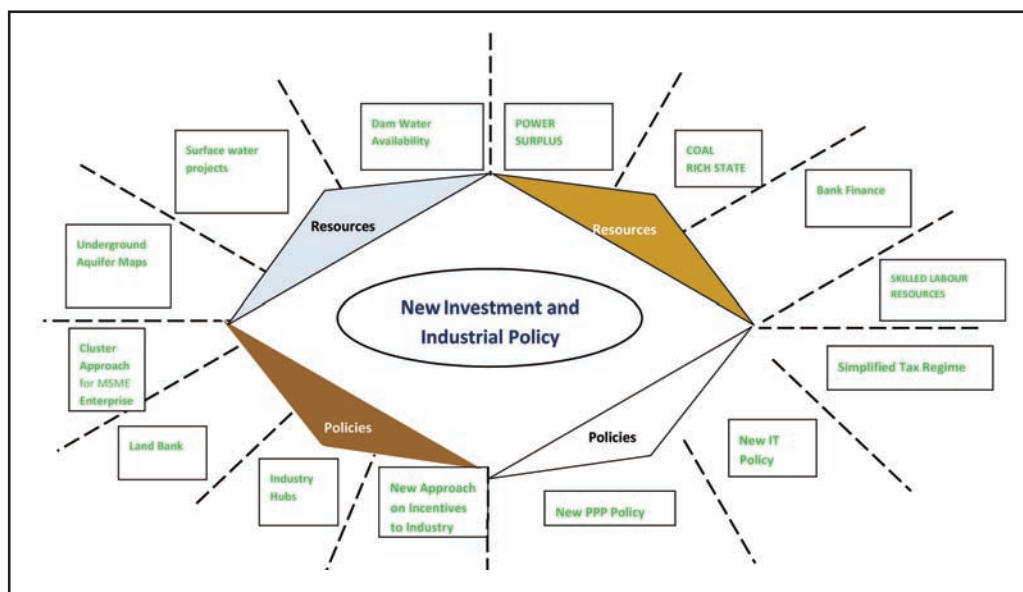
"To fuel the State's industrial and economic growth with a multi-pronged strategy with emphasis on MSMEs and Large investments, Public Private Partnerships, Infrastructure development, Skill formation and Employment generation by nurturing an industrial climate of Hope, Resilience and Innovation"

Mission Statement of the Policy

1. **To propel West Bengal into the uppermost orbit of the investment destinations in the country** for investors and **to enhance the share of industrial sector in the State's GDP**
2. To increase **manufacturing growth rate from 4.7% (2010-11) to 20% at the end of the terminal year of the policy** and to **achieve at least 25% share of the NSDP for manufacturing sector**
3. **Generate employment of 13.14 lakhs in 2013-14 & sustain this momentum**
4. To make focused effort on **sustainable development of Micro, Small and Medium Enterprises (MSMEs) with special emphasis in Food Processing and Agro, Textiles & Apparel, Leather and Handicrafts and Tourism sectors** which offer maximum linkage for Employment generation
5. To create rapid growth in Entertainment, ICT including KPO, BPO, high end IT, software and hardware development, gaming, animation and special effects industry, Back office support and Banking and Financial Services
6. **To facilitate geographic dispersal of investment activities across the State**, particularly in lesser industrially developed regions of the state
7. To promote private sector investment in **Green Field Projects, Brown field projects and through Public Private Partnership (PPP) projects**
8. To promote inclusive development by encouraging local entrepreneurship, especially among socially and economically disadvantaged groups including women, Scheduled Castes and Scheduled Tribes and minorities

Components of a Positive Investment Environment

The resource rich West Bengal can proudly claim to be close to self-sufficiency in meeting all the key requirements for setting up an industry. The 'Ruhr of the East' has rich coal resources, surplus power situation, healthy Monsoon rains and high water table and innumerable river tributaries reaching the Bay of Bengal. With a large trained human resource force, the State looks forward to reclaim its position amongst the leaders in Industry and Investment in the country. The new Government has promoted a strong sense of discipline in the work force- a healthy break from 3 decades of the Left Rule.



Proposed Strategic Interventions

The State Government proposes to achieve the objectives set out in the vision and mission of policy by:

1. **Creation of quality infrastructure in the Industrial Clusters** in the State including Power, Communication, Rail and Road Connectivity. Creation of '**State Manufacturing Zones**' in line with **National Industrial Manufacturing Zones (NIMZ)** and **promotion of Industrial Corridors** to capitalize the locally available resources and strengths like availability of Natural resources, Ports, Road network and Rail linkages for accelerating growth of manufacturing sector
2. **Facilitation of directed mega investments into the sectors offering huge employment opportunities** and having multiplier effect on the development of Micro, Small and Medium enterprises in the form of forward and backward linkages
3. Adoption of coordinated approach to the development of all sectors of economy through **creation and consolidation of sufficient land bank by the developing agencies, including the Development Authorities, Corporations and IDCs** to meet current and future requirements of the entrepreneurs
4. **Single- Window Clearance for the Industrial Proposals**- The State Government would bring out an Act for the implementation of Single Window Clearances. The Service Delivery will be completely electronic with the following key targets to achieve efficiency and complete transparency:
 - a. Online Application/ File Tracking Features and electronically guided work flow for application movement on the eBiz portal
 - b. Time Bound Clearances at each level
 - c. Online decentralization of domain expertise, clearance requirements and departmental know how on the eBiz portal
 - d. Apex Committee for the assessment and decision based on clear policy framework for decision making, as already done in Land allotment policy 2012, for one of the

- key components. Fixed annual timetable of monthly meetings of Apex Committee to expedite the decision making
- e. Departmental Nodal Officers of the rank of Joint Secretary and above for information, guidance and issue resolution, if any.
5. **Create convergence of schemes for the growth of MSMEs** and provide financial, technological and other supports to smaller enterprises of women, youth, minorities and first generation entrepreneurs
6. **Leverage the existing strengths of potential sectors in the state** such as Food Processing and Agro, Textiles, Gems and Jewellery, Cement, Paper, Steel, Petrochemicals and downstream, leather, tourism, Gems and Jewellery, Energy and ICT etc. with linkages to the available resources such as Manpower, Agricultural and Horticultural output, Mineral deposits, Marine, Natural Gas and Coal etc.
7. **Encouraging private sector participation in infrastructure projects under Public Private Partnership (PPP)** especially in industrial infrastructure, power, communication, roads and bridges, ports, airports, tourism and hospitality, health and education sectors
8. **Human Resources development with appropriate scientific, technical and managerial skills to maximize employability-**
- a. There will be an **ITI in each of the 341 blocks** of the state and a **polytechnic institute in all the Sub-divisions** of the state.
- b. The state intends to create **vocational streams in high schools** with inputs for the curriculum from relevant industries.
- c. A Central unit would create **modules for Trainers' Training** for meeting the capacity requirement for vocational streams/ ITI's/ Polytechnics.
- d. **Skill Maps to be prepared at the Sub-division level along with sub-divisional economy and resource mapping so as to bring in the convergence between the two-** The identified gaps to be bridged through training over the next 2 years. Similarly, the institutional infrastructure gaps to be identified and supporting infrastructure to be build in the next 2-3 years
- e. The various **Industrial Development Authorities of the State will have tie up for training arrangements with training institutions of National repute** and have an annual calendar of training. A fixed % of the revenue of these authorities to be utilized for the purpose of training.
- f. Government would **promote collaboration with Industry and Academia** for development of quality Human resource development. **An annual enclave** will be organized to assess the technical resource requirement by the industry and dovetailing the training modules according to the needs
9. **Development of NS- EW Industrial Corridor running across from South Bengal to North Bengal and thereafter East to West to North Eastern States-** The project will have major hubs enroute with storage and godown facilities for the goods and materials going to North Eastern States, and bordering counties of Nepal, Bhutan, Bangladesh and Myanmar. The hubs will be connected with the rest of India through railway and the highway will offer high speed movement for high axle load trucks.
10. **Creation of by-passes at crucial junctions like Panagarh, Habra, Barasat and Boangaon for faster movement of goods**

11. **Strategic disinvestment of the State share from the PSUs where the private sector has better synergy to the business-** The State Government has engaged Deloitte as Transaction Advisor to advise the Government on its strategic disinvestment from Haldia Petrochemicals Limited. It is expected that the selected private investor shall be able to bring in sufficient investment for the revival and growth of this high potential company and lead to higher employment and regional growth.
12. **Urban Haats and Rural Haats** are being set-up to give marketing support to the MSMEs
13. To create Competitiveness and innovation to **boost the manufacturing sector**, the government will develop a '**State Manufacturing Competitiveness Programme**' in line with the National programme. Sector focussed approach would be taken to access the East Asian and ASEAN markets and strengthen infrastructure of roads and ports to promote business.

Ease of Doing Business- A key component of Industrial and Investment Policy

Government of West Bengal is determined to eliminate systemic bottlenecks in the process of Industrialization in the state and has kept **Ease of Doing Business** as one of the key objectives of this policy.

The state has undertaken **Phase-I initiatives based on the Simplified Tax Regime and e-Governance** in financial matters.

In the Phase-II, the Government will be extending the Ease of Doing Business to other aspects of Business cycle, beginning from Setting a Business, to a Single Window Service Delivery System and covering the incentive tracking and delivery. The first attempt in this direction has been to reduce the 99 pages of documentation to start a business to a 7 page document. This will be further simplified by bringing the various departments and their services, related to setting a business, into a single electronic window.

Some of its components will include:

- *Shilpa Sathi* (e-enabled business portal),
- **Time Bound, process driven and ICT enabled systems-** All the applications received for industrial projects would be sent to the line departments for their clearances.

All enquiries and the necessary approvals or rejections, stating grounds for such rejection, shall be completed within 30 days by the various departments. The Nodal Department i.e. the C&I Department will solicit the missing documents, clearances etc. in another 15 days, from various departments and declare the outcome of the application

- E-Tendering and e-Procurement
- Optimum Incentives to the Investors
- Minimizing the time and space of file movement- Reducing the red tape
- Ready Land Bank information in public domain
- Bringing the best talent and knowledge in the private sector in planning and implementation through **Transaction Advisory** services from empanelled firms
- Transparency in the allotment and sharing of public resources

3.

Industrial Infrastructure and Resources in West Bengal

Roads, Railways

Power- West Bengal maintains a surplus status

Airports- Four operational Airports by end of 2013

Ports- A Gateway to SE Asia

Water- Abundant rainfall and groundwater

A new Land Allotment Policy

Labour- A new era in labour management relationship

Institutional Finance for Industrialization



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Government of West Bengal

Industrial Infrastructure and Resources in West Bengal: Existing and Expanding Horizons

Roads- Networks to the last mile The state of West Bengal has the 7th highest coverage of roads (surfaced and non- surfaced) amongst all the States of the Country. Keeping in mind the need for speed and quality in connectivity and a vehicle population that is growing at over 11% per annum, the Government of West Bengal has taken up an ambitious infrastructure renewal and expansion program

- Some of the key initiatives in the roads sector are:
 - The North South Economic Order developed with the support of Asian Development Bank at a cost of US\$ 210 million with a view to link the southern ports of Haldia and Kolkata with the northern hinterland of the State.
 - The North South Corridor has received sanction for Project Preparatory Technical Assistance by Asian Development Bank (ADB).
 - Dankuni - Kolaghat, Dankuni - Kharagpur is under the 6-laning project of National Highway. Vivekananda Bridge which is an approach to NH2 has been completed.
 - Four laning of NH41 from Kolkaghat to Haldia, NH31 passing through North Bengal, NH117 from Kona to Netaji Subhas Docks, NH35 from Barasat to Petrapole (Border of Bangladesh) and NH31 from Kolkata to Dalkhola.
 - 31 km long State Highway linking NH31 from Siliguri to Jalpaiguri via Falakata to be upgraded to National Highway.
- Some major stretches of the Golden Quadrilateral project undertaken by the National Highway Authority of India (NHAI) will pass through major North Bengal Districts.
- Entire stretch of roads connecting West Bengal with the North Eastern States and Bihar has been strengthened and improved.
- Entire stretch of NH2 connecting Kolkata to New Delhi is being widened to 4 lanes. The Durgapur and Kona Expressways are fully operational and provide easier access to Kolkata from NH2.
- Under the Jawaharlal Nehru National Urban Renewal Mission, the State Government has taken the initiative to come up with a Rs. 27 billion (\$ 511. 32 million) action plan which includes extension and widening of arterial roads, widening and strengthening of secondary roads, construction of pedestrian underpasses, bridges, flyovers, elevated roads, traffic and transportation systems including modern passenger dispersal systems.

Newly formed West Bengal Highway Development Corporation Ltd.

It has been constituted to undertake State Highways development through PPP projects. It is expected to undertake the development of over 1000 kms of highway in the next one year.

Another 2827 kms of road development work will be taken up thereafter

Several foreign companies are already in the fray to partner the GoWB in its efforts for improvement of roads.

- The State has recently incorporated the West Bengal Highway Development Corporation Limited which will use the Public Private Partnership (PPP) model wherever suitable to construct or widen 4000 kilometres of highways in the State. Already, a survey of 1000 kilometres is under way to assess the suitability of the PPP mode.

Railways

- West Bengal is well connected by 4154.98 km of railway tracks of which some 2227.73 km run on electricity. It has excellent connectivity to all major cities of the country on rail network
- In the Railway Budget 2012, The Railway Ministry, Government of India has announced setting up of a **factory at Shyamnagar in West Bengal to manufacture next generation technology propulsion system** for use in high power electric locomotives.
- There is also a proposal for introduction of a 'Green Train' to run through the pristine forests of North Bengal.
- West Bengal is in a prominent position in the Railway Manufacturing works and some of the important units are as follows:
 - (i) **Diesel Component Factory at Dankuni**, likely to be fully commissioned in 2012-13
 - (ii) **Wagon Manufacturing factory at Kulti and fiat bogey frame unit** at Budgebudge likely to commence in 2012-13
 - (iii) **Wagon Component manufacturing factory near Nandigram** in Purba Medinipur, as a Joint Venture of Railway, Steel Authority of India (SAIL) and Burn Standard
- The East West Metro Corridor Project connecting Salt Lake to Howrah is already under implementation. The state government is also considering the extension of East-West Metro from Salt Lake to NSC Bose Airport

Power- West Bengal maintains a surplus status

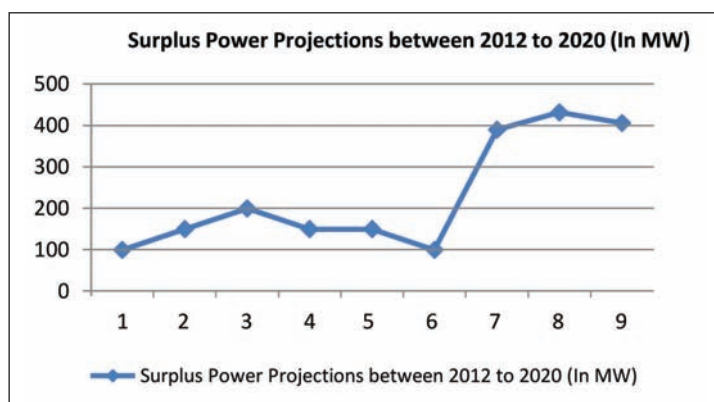
The state maintains a Surplus Power availability status at present and is expected to do so in the future. The State Government has successfully met the State peak demand of 6400MW in 2012, while ensuring quality power to industry for rapid industrialization. Continuous, stable, and quality power to industrial customers is state's top priority.

The State Government has also taken bold initiatives for continuously increasing power generation capacity in the State, in addition to procurement of quality power from neighbouring States, Central Public Sector Undertakings and Bhutan. The State has generated surplus power in 2012 and will be able to generate surplus power till 2020, according to projections.

New Projects for additional power

1. *WBPDC (Sagarighi) - 1000 MW (2014-15*)*
2. *DPL (Durgapur)- 250 MW (2013-14*)*
3. *CEEC (Haldia)- 600 MW (2015-16*)*
4. *NHPC (Stage 3- Teesta Low Dam Proj)- 132 (13-14*)*
5. *NHPC (Stage 4)- 160 MW (2013-14*)*
6. *ITCL (Haldia)- 450 MW (2015-16)*

POWER GENERATION PROJECTIONS (MW) - SUSTAINING POWER SURPLUS STATUS									
Year	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total WBSEDCL + DPL Availability	6249	7048	7641	8221	9162	9932	11084	11996	12909
Total WBSEDCL + DPL+ CESC+ DPSC Demand	6149	6898	7441	8071	9012	9832	10694	11564	12503
Surplus/ Deficit	100	150	200	150	150	100	390	432	406



- The State has announced a policy on Co-generation and Generation of Electricity from Renewable Energy Sources and has set a target of setting up 2706 MW capacity from these resources by the end of 13th Plan.
- Incentives under Power for Industry are administered by the Industry Department under the benefit schemes.

Airports- the State to have four operational airports by end of 2013

West Bengal is well connected to the rest of India and all other prime locations of the world by the Netaji Subhas Chandra Bose International Airport at Kolkata. Currently, the Kolkata International Airport is been modernized with a State of the Art new terminal. This includes a new integrated cargo complex. The design and construction work has been done by Airports Authority of India with the firms like Netherlands Airport Consultants, ADP-I in a Joint Venture with RMJM (Robert Matthew Johnson Marshall), STRATA for landscape design and benaim as the structural engineers.

There is another International airport in the state at Bagdogra in Darjeeling district, which links Siliguri with the important destinations in the region including North Bengal Districts, Sikkim, North-East and neighbouring countries. The importance of Bagdogra airport has increased with Siliguri becoming the gateway to North Eastern States and a vital trade and logistics hub for the entire region. The State Government has also set up aperishable goods cargo complex at Bagdogra airport.

The State Government is actively engaged in enhancing the air connectivity with the existing airport at Cooch Behar being under trial and expected to be fully operational by end 2013. It is proposed to start services to Coochbehar Airport via Bagdogra Airport, for the convenience of public in North Bengal and NE India.

The State Government is also setting up another airport at



Air Connectivity across the State

1. NSCB International Airport, Kolkata
2. Bagdogra International Airport
3. Cooch Behar Airport
4. Andal Airport, Durgapur

Andal in Burdwan district in a Joint Venture between WBIDC and Bengal Aerotropolis Projects Ltd. in association with Changi Airport India Pte. Ltd. (a subsidiary of Changi Airport International, Singapore). The deadline for the completion of this project is end 2013.

The State Government has taken a key policy decision to start operations of Helicopter Services and Sea Planes (Amphibian) to utilize the potential of Digha beaches and the unique delta region of Sunderbans in the south of the state and Darjeeling in the North. Pawan Hans (a Government of India Public Sector Corporation) will begin operations by end 2013.

Ports- West Bengal, a gateway to the South- East Asia

The state of West Bengal has two modern ports - Kolkata and Haldia which together handled 43.25 million tonnes of cargo in 2011-12. During 2008-09, Kolkata Port ranked 3rd amongst all Indian major ports in terms of cargo handling. Currently both ports are being modernized and upgraded to cope with the growth in cargo.

- An outlay of US\$ 222.26 million has been projected in the 11th Plan for Kolkata Port Trust. The outlay for Kolkata Dock System is in tune of US\$ 45.17 million and that of Haldia Dock Complex is US\$ 83.15 million
- Kolkata Dock System (KDS) of Kolkata Port Trust registered highest growth in Container traffic amongst the Major Ports of India.
- Number of vessels handled at Kolkata Port during 2011-2012 was the highest amongst all Indian Major Ports.
- KoPT handled 16% of the total number of vessels, which worked at Indian Major Ports in 2011-12.

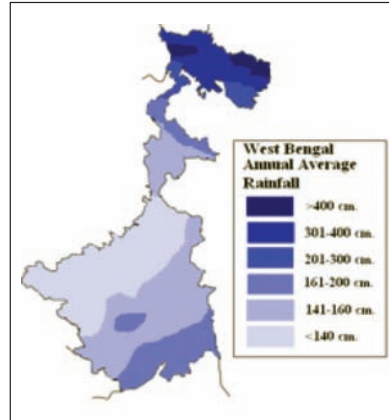
Two Deep Sea Ports on the Anvil

1. A deep sea port at Sagar is planned as a joint venture of the Government of West Bengal and Ministry of Shipping, Govt. of India in PPP mode
2. Another deep sea port is planned at Rosulpur in PPP mode by State Government

Water

Water is an important element in setting up any manufacturing unit and West Bengal has an abundance of water. The State of West Bengal has 7.5% of water resource of the country. The State is crisscrossed by rivers, streams and channels. The main sources of water for various purposes are rivers, lake ponds, ground water, other water bodies and dams of Damodar Valley Corporation (DVC).

Although the State has adequate water resources to meet peak demand at present, the Government is formulating a comprehensive Water Policy to enhance supply of quality water to meet projected future demand



West Bengal Accelerated Development of Minor Irrigation

A project worth 300 mn\$ to create 4660 installations and bring 139,000 hectare under reliable irrigation, benefitting 166,000 families

125 mn\$ is contribution of IDA and another

125 mn\$ from IBRD with state contribution of 25 mn\$. The project is community based creating Water User Associations (WUA)

particularly in domestic, agricultural and industrial sectors and optimum utilization of available water resources.

The Bay of Bengal branch of Southwest Monsoon flows over Bay of Bengal and collects moisture from the Bay of Bengal before entering the state of West Bengal. The state receives sufficient rainfall in the months of late June- September from these moisture laden winds. This also means that the water table is high

and easily accessible in most parts of the state.

Land - A new approach to the Land allotment for industrial purpose

Land, one of the most critical resources for the purpose of Industry, is a key focus area of the Government of West Bengal. The **Government** is already in the process of updating its **land bank** which would be made available for information in public domain. Already 27 industrial project proposals using privately held land have been cleared by the State Standing Committee. Process reforms are on the way that would ensure that the Mutation and Conversion can be made within one month of date of application, on case to case basis.

The State Government is against any kind of forcible acquisition of land.

The status of land availability, in the industry parks and projects, for setting up industry is available in public domain through the various Industry Development Corporations of the State- West Bengal Industrial Development Corporation (WBIDC), West Bengal Industrial Infrastructure Development Corporation (WBIIDC), and West Bengal Small Industries Development Corporation (WBSIDC).

Investment and Industrial Policy of West Bengal 2013

Key Points of Land Allotment Policy, Dec 2012

A new **Land Allotment Policy** has been passed by the state cabinet in December 2012.

1. The policy aims at introducing uniformity, reducing discretion and case by case decision making and to ensure transparency in dealing with the public assets. Long term lease would be given for period not exceeding 99 years, with option of renewal.
2. Land for commercial use shall be auctioned to the highest bidder, after adequate publicity.
3. For industrial development projects, highest price/ auction will not be the only mode of allotment. Departments will prepare lists of land assets and may indicate tentative prices of the assets based on acquisitions cost, development charges and premium etc. atleast a month before the offers are received/ invited. Evaluation of offers will be on pre-specified criteria
4. Auction will not be required for construction of housing for poor, EWS and LIG through developers. Policy also states process for land allocation for educational and medical facilities, and power sector - besides the other sectors and purposes.

A list of the industrial parks of WBIDC where land/module allotment is currently on is given herewith.

INDUSTRIAL PARKS WITH LAND/MODULE AVAILABLE FOR ALLOTMENT				
SL. No.	Name of the Industrial Park	Type of the Industrial Park	Total Area (in Acres)	Basic Infrastructure Facilities (#)
1.	Manikanchan, Salt Lake. Kolkata (Module Based)	Gem & Jewellery	5	R,W, P, SL, D (#)
2.	Paridhan-Garment Park (Ph. I & II), Beliaghata, Kolkata (Module Based)	Garment	8.78	R,W, P,SL, D (#)
3.	Food Park (Ph-III) Sudha Ras, Sankarail, Howrah	Food Processing	34	Infrastructure is under development
4.	Vidyasagar Industrial Park, Kharagpur, Paschim Medinipur	Engineering and Multi Product Manufacturing	1149.81	R, D (#) P & SL - under development
5.	Raghunathpur Steel & Allied Industrial Park, Raghunathpur, Purulia	Steel, Power & Cement	1897.44	Company allotted land is developing basic infrastructure
6.	Raghunathpur, Steel & Allied Industrial Park-I, Raghunathpur, Purulia	Steel, Power & Cement	684.36	Company allotted land is developing basic infrastructure
7.	Raghunathpur, Steel & Allied Industrial Park-II, Raghunathpur, Purulia	Steel, Power & Cement	733.99	Company allotted land is developing basic infrastructure

8.	Plasto Steel Park (Ph-III), Barjora, Bankura	Plastic & Steel	59	R,P,D (#) W, SL-under development
9.	Panagarh Industrial Park, Panagarh, Burdwan	Engineering and Multi product manufacturing	1457.91	Infrastructure is under development
10.	Rishi Bankim Silpaudyan, Naihati, 24 Parganas (N)	Multi product manufacturing	97.38	Infrastructure is under development
11.	Kharagpur General Industrial Park (Tata Metaliks), Kharagpur, Paschim Medinipur	Multi Product	192	Company allotted land will develop infrastructure
12.	Haldia Industrial Park, Haldia, Purba Medinipur	Multi Product, Manufacturing, non-polluting	306.575	
(#)- Road (R), Water (W), Power (P), Street Lightening (SL), Drainage (D)				

The State has already classified the Districts, based on various factors, as under Group 'A', 'B', 'C', and 'D' - the details are given under the "**The West Bengal State Support for Industries Scheme, 2013**" within this document. The further classification of the Sub- divisions, to address the difference in level of development within the districts is under consideration for the future.

The details of the Operational Industrial Parks being run by the Industries Department is attached in **Annexure I**.

Labour - A new era in labour management relationship

West Bengal has a steady availability of skilled and semi-skilled manpower availability in the state. The skilled work-force entering into the job market per year is as given below:

- Student Capacity in 98 Industrial Training Institutes (ITI's) - 16,170
- Student Capacity in 70 Polytechnics - 17,185
- Student Capacity in 96 Engineering Colleges - 28,751

The Government of West Bengal has taken a new unique e-based initiative of building an Employment Bank that provides a common platform for Companies, Recruiting Agencies and Employers on one hand and the Job-seekers and Students on the other; this shall also be accessible to the Training Institutes. This Employment Bank has following key features:

- Enrolment, Resume Search, Job-Posting and generation of demand specific list, advertisement of jobs.
- Rich 'Job-seekers' data base' in terms of quality, variety and experience
- Not limited to high-end qualifications only
- Extensive 'Searching criteria' starting from age, qualification, field of specialization, experience, physical measurement, location (upto sub-divisional level)
- Filtering criteria like percentage of marks, gender etc.
- All services will be provided free of cost.

For billing of the Employment Generation subsidy, the employers will be required to register on the employment bank portal. The two ways communication portal will also enable the employers to place their futuristic skills demand and request suitable training modules in ITIs and polytechnics and state engineering colleges.

The State moved to a '**No Bandh**' regime to ensure that the companies, businesses, offices and public are not disturbed and to ensure a disciplined work atmosphere in the state, the Government of West Bengal is focussing on a conducive Labour Management Relations and the results are already visible.

The State Government is working for resuscitation of the ITIs for building the skills of entrepreneurs.

A new era of Labour Management Relationship

As West Bengal Government demonstrates its commitment as a 'No Bandh' regime, there has been a significant decline in number of man-days lost due to strikes in the state. Man-days lost drastically reduced in from 65,80,000 in FY 2010-11 to 5,200 to FY 2012-13.

Finance- Institutional Finance for Industrialization

In respect of Institutional Finance, the State of West Bengal has a robust, dynamic and resilient banking infrastructure. In recent times, the State has shown significant increase in both deposits and credit.

State's Robust Banking Infrastructure

- West Bengal has 26 Public Sector Banks, 18 renowned Private Banks are operating in the State, 3 Regional Rural Banks, 18 Co-operative banks and 8 Foreign Banks operating across State
- The Credit-Deposit Ratio (CDR) of the State is around 64%, creating huge potential for credit availability for industrial finance.

West Bengal Financial Corporation (WBFC)

- This State level financial institution helps the small, medium and tiny sector enterprises to implement their new/ expansion/ modernization or technological upgradation schemes.
- Loan sanction by WBFC for FY 2011-12 was, to 245 entrepreneurs for 297.61 crores (YoY 33% increase), disbursement by WBFC in the FY 2011-12 was Rs 200.82 crores and recovery was Rs 207.34 crores (138.01 crores as Principal and Rs 69.33 crores as Interest)

West Bengal Infrastructure Development Finance Corporation Ltd. (WBIDFC)

It caters to the growing need of infrastructure facilities for primary, secondary and tertiary sectors in West Bengal.

Loan disbursement by WBIDFC in the FY 2011-12 was Rs 150 crores

Credit disbursement by banks to Micro, Small & Medium enterprises in the State has also shown significant upward trend in recent years.

4.

Focus Sectors and Policy Initiatives

MSME- In the forefront of economic rejuvenation & Incentive Policy 2013

ICT Sector & ICT Policy

Chemicals, Petrochemicals and Downstream Industries

Iron & Steel, Metallurgical and Engineering

Tourism

Higher Education

Agro Based, Food Processing and Aqua Culture

Textile and Jute - Textile Policy 2013

Gems & Jewellery

Leather



Commerce & Industries Department
Government of West Bengal

Focus Sectors and Policy Initiatives

MICRO, SMALL AND MEDIUM ENTERPRISES - In the forefront of economic rejuvenation

- The Government of West Bengal has launched **Micro & Small Enterprise Cluster Development Programme (MSE CDP)** for intensive development of the M&SSE sector through a holistic approach. Interventions are formulated with the objective of strengthening the institutional framework, creating stronger backward and forward linkages and introduction of modern technology in order to enhance the productivity and competitiveness of the enterprises in the cluster. The focus is to allow small enterprises in clusters to enjoy economies of scale in areas of marketing, finance and infrastructure and technology.
- The state has 31 functional MSME Industrial Estates and 10 Commercial Estates. Seven more Industrial estates are coming up in the State.
- So far 105 nos. of clusters have been identified in West Bengal, out of which 48 clusters have already been selected for implementation. Out of these, 20 clusters are in the Soft Intervention and 20 clusters are in Hard Intervention stages; 4 MSME clusters have been taken up for diagnostic study and 4 are in Detailed Project Report (DPR) stage.
- Under MSE-CDP the Government is planning to set up more clusters under the joint initiatives of the Government of West Bengal and Government of India for implementation of **Soft Interventions** like Trust Building, Market Development, Technology Upgradation, Capacity Building and Training and Exploring the need for CFCs.

MSME Canvas of West Bengal

- The approved 20 clusters for implementing soft interventions & 20 clusters for hard intervention for Common Facility Centre setup for hard interventions including 7 in Metal works, 12 in Handicrafts, 4 in Food Processing, 1 in Petrochemical & downstream industries, 3 in leather, 3 in Textile and 10 in other Manufacturing Sectors. 4 cluster proposals are approved for Diagnostic Study Report (DSR) preparation and 4 are under DPR stage for CFC
- These 48 clusters are expected to cover 47,841 manufacturing units of various products and generate employment of 334,690 persons.
- At present 39 Handloom Clusters (with 300-500 workers in each cluster) are operational in the State with about 16,000 employment. Group Approach is being taken up in 91 proposed Handloom Groups (with 70-100 workers) with about 6500 beneficiaries.

The WB MSME Policy 2013

Best in the class incentives including Capital Investment Subsidy, Interest Subsidy, Waiver of Electricity Duty, Subsidy on Energy Charges, Subsidy for Employment Generation, Subsidy for Quality Improvement and Subsidy on Patent Registration, and incentives for women, minorities, SC/ST and Self Help Group (SHG) entrepreneurs have been announced in the new Incentive Scheme 2013.

The details of the Scheme are available on the website of the Department

- **Hard Interventions** are being implemented in Testing Facility, Design Centre, Research & Development Centre, Common Production / Processing Centre, Training Centre, Raw Material bank and Marketing Display / Sales & Information Centre as per need.

'**Urban Haat**' provides direct marketing facilities to artisans and weavers. It has been decided to set up Urban Haat at Durgapur, Santiniketan, Kolkata and in Siliguri for marketing of handicrafts manufactured by the Handicraft artisans of the State.

'**Rural Haat**' are being set up under **Backward Region Grant Fund** to provide marketing assistance to the handicrafts and village industries artisans and MSEs at Alipurduar in Jalpaiguri, Bishnupur in Bankura, Purulia and Jhargram in Paschim Medinipur. For implementation of the aforesaid Rural Haats Rs.3.00 crore for each project has been approved under Backward Region Grant Fund.

- The number of beneficiaries of each Haat is nearly 2400 nos.
- The project is scheduled to be completed in 9 months from the date of starting of construction work

The State Government will open Sales outlet under the brand name BENCRAFT for the marketing support to the artisans of handicrafts, handloom weavers, silk and khadi weavers.

ICT Sector & ICT Policy

West Bengal has always been regarded as one of India's leading States with high intellectual capital. It has immense potential to emerge as one of the most attractive investment destinations for the Information Technology (IT) and Information Technology-enabled Services (ITeS) sectors. All major IT/ITeS companies of the country operate in the State.

To create an investor friendly climate in the State and to position West Bengal strongly in the national scenario, the State Government has launched the **West Bengal Policy on Information and Communication Technology, 2012**.

To encourage significant investment in IT & ITeS sectors, the State Government has also launched **West Bengal ICT Incentive Scheme, 2012**.

Hardware - The Hardware Sector has been identified as a major growth engine in the State's economy which can contribute immensely to the State Domestic Product and generate substantial employment. Five hardware companies including three companies manufacturing Solar Cells are operating from Haldia Export Processing Zone. These are Vikram Solar Pvt Ltd, Websol Energy System Pvt Ltd, Modern Solar Pvt Ltd, Sonodyne Technologies Pvt Ltd and Space Matrix Ltd. Beside, some renowned manufacturing units like Videocon, Zenetis and Nokia Siemens Network are operational in the State. The sector has huge potentiality of export from the State as well. The State Government will aggressively promote the setting up of IT Hardware industries, especially in the Districts.

Chip Design Facility - The State Government is creating a VLSI incubation centre /facility at BESU, Sibpur for the budding entrepreneurs in the field of semiconductor chip designing. The centre has already produced a VLSI company in the State named Sankalp Semiconductor and is running with four budding student entrepreneurs.

Software - In Software sector, the State wishes to focus its attention in certain key areas identified as avenues of high growth and traditional strength. These include key industry

verticals namely, financial services and banking, insurance, retail and distribution, engineering design and life sciences.

Animation and Gaming Industry (AGI) is the other vertical where the State wants to focus its attention. As per NASSCOM study in recent years (2008-2012), the animation industry in India is expected to grow at a CAGR of 22 percent and the gaming industry at 49%. The State wishes to promote the AGI in a systematic manner, so that in the next five years the CAGR of the State in the animation industry is at least 35% and that in the gaming industry is 75%.

Vision of Hardware Parks

A project called India Design Centre, outlined by IIT, Kharagpur, is under consideration to create an integrated facility for Chip Design industry. A similar facility is also planned on Government initiative to be set up at New Town, Rajarhat.

11 acre of land has been procured at Sonarpur, 24 Parganas (South) to create an integrated Hardware Park. The development of the park including creation of core infrastructure and plotting is underway.

IT Parks - The state is building 26 IT Parks with a total investment estimated at Rs. 520 crores (98.48 million \$) which will produce 26,000 direct employment and 156,000 indirect employment. Out of the 26 IT Parks planned across the Districts, the construction activities in 9 such Parks will start by March 2013. The rest will follow during the year 2013-14. Further, the State has received proposals of investments to the tune of Rs. 32,599.5 crore (6174.15 million\$) from various major IT companies, including TCS, Cognizant, WIPRO, Infosys, Aegis, Mentor Graphics (India) Pvt Ltd, Uno Digital Pvt Ltd and Algonics Systems Pvt. Ltd. This investment is expected to produce 71,760 direct employment and 425,560 indirect employment.

West Bengal ICT Incentive Scheme, 2012

To incentivize the investment in IT & ITeS sectors, the investors in these sectors will be eligible for the following subsidies:

- State Capital Investment Subsidy
- Interest Subsidy / Training Subsidy
- Waiver of Electricity Duty
- Employment Generation Subsidy
- Refund of Stamp Duty & Registration Fees

Chemicals, Petrochemicals & Downstream Industries

The state accounts for around 4% of India's total production of petroleum products and 13% of polymer production. State's port facilities, skilled human resources, water availability for industrial purpose and large market give West Bengal a competitive edge in this sector. The Plasto Steel Park in Barjora, Bankura is already in its Phase III of expansion and there is yet unlimited scope of expansion and investment in this sector in West Bengal.

Iron & Steel, Metallurgical & Engineering

The state has a traditional strength in this sector and is the home of leading Public and Private firms in this sector, owing to rich reserves of iron ore in the neighbouring states and coal in parts of West Bengal. The sector saw investments only next to petrochemicals in the last decade. The state accounts for about 60% of the engineering goods export from Eastern India.

Since these industries require large amount of land, the state government has identified lands in a few locations which are ideal for setting such industries. The locations are based on the proximity to water and power. The allocation of land would be made as per the principles laid down in the Land Policy of the state.

Tourism

West Bengal is the only state in the country which has the natural beauty and diversity ranging from snow clad mountains in Darjeeling to sea beaches of Digha and from mangrove forests in Sundarbans to forests of North Bengal.

For expansion of tourism industry in the State, the State Government has taken steps for development of attractive places through its own resources or through Public Private Partnership (PPP).

Projects by Government of West Bengal

- **Gangasagar Tourism Hub** - With Tourist Lodge and Cottages with 150 beds coming up at Sagar - Estimated Investment: Rs. 25 Crores (4.73 million \$)

Selected Tourism Projects in West Bengal under PPP

- **Kolkata Giant Wheel** - Development of a Giant Wheel on the Howrah Riverbank with allied Tourism Facilities - Estimated Investment: Rs 500 crore (94.70 million \$)
- **Gajoldoba Tourism Hub, Dooars** - Site is 25 kilometers from Siliguri and involves development of a Mega Eco Tourism Hub with Lake Resort, 3 star/4 star/Budget hotels, Open Air Theatre, Ayurvedic Spa Village, Arts and Craft Village, Retirement Home, Golf Course, Jungle Trail, Picnic Gardens etc over 208 acres.

The project has immense tourism potential with Garumara National Park, Chapramari Wildlife sanctuary, Jaldapara Wildlife sanctuary, the Buxa Tiger Reserve being in neighbouring areas.

Estimated Investment: Rs 300-350 crores (56.82-66.29 million \$)

- **Kunjanagar Tourism Park, Dooars** - Development of an Eco Tourism Resort with Tourism Cottages, Interpretation Centre, Handicraft cum cultural Village, Natures Studio etc over 90 acres - Estimated Investment: Rs 120-170 crores (22.73- 32.20 million \$)
- **Sylee Tourism Park, Dooars** - Development of an Eco Tourism Resort based on the principles of Tea Tourism over identified land of around 90 acres - Estimated Investment: Rs 80-120 crores (15.15- 22.73 million \$)
- **Sundarban Tourism Hub** - Development of Eco Tourism Hub with Cottages on stilts, canopy walks, boating canals, arts and cultural village, interpretation centre, viewing

towers as the Gateway to the Sundarbans over an identified area of around 110 acres including water bodies - Estimated Investment: Rs 50-70 crores (9.47-13.26 million \$)

- Digha Tourism Hub - Development of Five Star Resort/Budget Hotels/ Tower Restaurant/ Amusement Park/Aquamarine Park over an area of 24 acres - Estimated Investment: Rs 70 crores (13.26 million \$)
- **Tajpur Resort** - Tourism Hub based on Fisherman Village Concept over an area of 15 acres of land - Estimated Investment: Rs 25 crores (4.73 million \$)
- **Iconic Hotel** - With Tourist Resort at Sonada in Darjeeling District: Estimated Investment: Rs 150 Crores (28.41 million \$)

Out of the above projects, 5 bankable mega projects are being offered to Private Sector Investors. These shall be offered for bidding in the next few months, as the Transaction Advisors have been engaged for the preparation of Detailed Project Reports. These projects include: The Gajoldoba Integrated Tourism Hub, Kolkata Giant Wheel, Sylee Tea Tourism Hub, Kunjanagar Nature and Adventure Park, and Eco Tourism in Jhadkhali, Sundarbans

Higher Education

- Considering the growing need for quality facilities in the State's higher education system to cater to the growing number of students emerging out of the State's secondary school system, the State Government is in the advanced stages of formulating a policy to provide a stable institutional framework to encourage private investment in the higher education sector of the State, with an emphasis on the guiding principles of expansion, inclusion and quality.
- The Policy is based on the best practices adopted in the country and abroad and seeks to strike a balance between the social objective of providing high-quality higher education and the business objectives of the private investor. It encourages serious players in the education sector to set up facilities in West Bengal, a State which can become a higher education hub for the region, attracting students from the entire eastern and north eastern region of the country. Private investors can benefit from the inherent advantages offered by the State such as the ready availability of experienced and highly-qualified faculty retired from the premier institutions located in the State such as IIT and IIM. In relation to land, the Policy recognizes the high population density in the State and, accordingly, relaxes the minimum norms for land ownership.
- The Policy is expected to provide a stable environment and a level playing field to private players in the State. A large chunk of W. Bengal's students who are having to pursue higher education outside the State are expected to benefit from this Policy, which will encourage private investment in the higher education sector in a well-regulated and transparent manner benefitting both the students and the investor.

Taking large strides in Higher Education

- The State has announced 4 new universities
- Bill has also been passed for setting a private Universities
- University for the Minority Community is also been established in Rajar Haat, Kolkata
- An exclusive women's university is being set up in Diamond Harbour

Agro Based, Food Processing & Aqua Culture based industries

The food processing industry has emerged as the 'sunrise sector' and has the potential to transform the rural economy.

There is huge potential for developing a thriving Food Processing industry as the state is a leading producer of food grains, fruits, vegetables, fish, tea and other commodities. The Government of India provides assistance under the Food Park Scheme. The state already has flourishing food parks under the State Food Processing Industries and Horticulture Department and under WBIDC. Some mini-parks are also on the anvil.

There is huge potential for post harvest supply chains in Kisan Mandis, transportation of the procured food grains and additional food grain storage capacity creation. Due to the geographic location of state, strategic points in state could be developed as hubs for cold storage, grading & sorting, processing for value additions and packaging for products been sent to North East, and neighbouring countries of Nepal, Bhutan, Bangladesh and Myanmar.

Some of the leading National and International firms have already set successful operations in the state. The State is also promoting the MSME clusters in this sector and developing food parks for the larger projects.

Textile & Jute Industries

West Bengal has favourable climatic conditions permitting yearlong textile activity cycle, raw material like jute, availability of power, labour at competitive prices and is a substantial producer of chemicals and dyes. All this gives the state a unique advantage for growth of the Textile industry. The state is a leading manufacturer of Jute Textiles and provides direct employment to 0.26 million workers and supports around 4 million farm families. The state has a flourishing industry in hosiery and readymade garments, handlooms and power looms. The Paridhan-Garment Park has been built by WBIDC to attract more entrepreneurs in this segment and provide ready necessary infrastructure at one place.

Gems & Jewellery

West Bengal has a long tradition of craftsmanship for handmade gold jewellery and accounts for the largest number of skilled artisans and goldsmiths. It accounts for almost 80% of artisans working across the country in this sector. The state houses specialist institutes for design and technology. Manikanchan- Gems and Jewellery Park- exported products worth Rs 10428.71 crores in 2011-12, with a growth of 28.34%.

There is huge potential for export oriented businesses to benefit from the existing and expanding infrastructure.

Leather Industry

The State has a strong concentration of leather industries. Calcutta Leather Complex has been built with features for pollution control and best technology. Incentives for leather units both in the tanning and manufacturing sectors have been admissible to industries upon relocation to Calcutta Leather Complex accompanied by modernization. In the present scheme too Leather industries will be covered under the preferred industries

5.

*Ongoing Reforms Process and Draft
WB State Support for Industries
Scheme 2013*

PPP Policy 2013

*Initiatives of State Government for Ease of doing
Business*

*Draft West Bengal State Support for Industries
Scheme 2013*



Commerce & Industries Department
Government of West Bengal

Ongoing Reforms Process

PPP Policy 2012

West Bengal is the only state which has introduced a State Policy on Public Private Partnership (PPP) to facilitate private investment in infrastructure including physical and social infrastructure. The objective of this policy is to enhance the quality of life of the people of the state by providing better and efficient public services through participation of the private sector.

To assist various departments and other organizations of the State Government to have access to appropriate advisory support for the implementation of PPP transactions, the State Government has notified 8 panel of Transaction Advisors for their engagement by the various State Government departments and organizations

Panel of Transaction Advisors

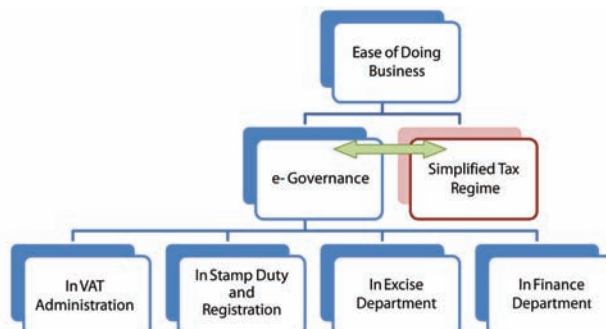
Finance Department, Government of West Bengal has formed **8 Panels of Transaction Advisors (TA)** including the General Panel and 7 Sectoral Panels. The Sectoral Panels include,

- (i) Transportation including inland water transport;
- (ii) Urban Infrastructure including Solid waste management and drainage and sewerage;
- (iii) Tourism Infrastructure and related facilities;
- (iv) Industrial and Related Infrastructure;
- (v) Infrastructure in Social Sector;
- (vi) Power and Telecommunication and
- (vii) E-governance.

Transaction Advisors selected by the Government of West Bengal **include major international and national firms** such as PricewaterhouseCoopers (PwC), Ernst & Young (EnY), KPMG, Deloitte, IL&FS, CRISIL Advisory, Accenture, Feedback Infra, Jones Lang LaSalle and RITES.

Initiatives of State Government for Ease of doing business

Government of West Bengal has been in the forefront of initiatives undertaken for enabling **Ease of Doing Business in West Bengal**. The key to these reforms has been Business Process Reengineering leading to a **Simplified Tax Regime** and **e-Governance** for improved service delivery.



Simplified Tax Regime

The Government of West Bengal intends to keep the tax system simple, fair, transparent and predictable to encourage the development of the private sector and the formalisation of the economy. Ease of Paying Taxes, is, therefore a crucial element in Ease of Doing Business and a stimulus in fostering co-operative State-Business Relationship.

In an effort to stimulate economic growth and create a more business friendly environment, keeping with the global trends, the Government of West Bengal, during the last one year, has introduced significant reforms in tax policy and tax administration thereby reducing the compliance cost of paying major State taxes considerably.

E-Governance

The significant e-Governance based tax policy initiatives introduced by the new Government in major tax structures are:

(a) In VAT Administration

- **e-Registration** - West Bengal is the only State in the country to have made e-registration mandatory along with introduction of dematerialized Registration Certificate
- **e-Sahaj**- West Bengal is one of the few States in the country to have made Online Return filing compulsory for all dealers for all the Acts.
- **Simplified System of Self-Audit by the Taxpayers** - Taxpayers with annual turnover between Rs. 1.5 crore to Rs. 3 crore would have to submit only a "Self-Audited Statement" instead of Final Accounts audited by a Chartered Accountant or a Cost Accountant.
- **Simplified Way Bill Generation** - Introduction of on-line generation of a single-document dematerialized waybill. The State Government has also allowed e-waybill facility to unregistered dealers.
- **Amnesty Scheme for Registration** - allowing unregistered dealers to get registered on payment of only a nominal percentage of their declared taxable turnover.
- **Online VAT refund and payment of refund through Electronic Clearing System** - payment of industrial assistance to the small and medium scale industrial units is made through Electronic Clearing System (ECS) and the amount is directly credited to the dealer's bank account.
- Payment of Industrial Promotion Assistance (IPA) claims are being made through ECS (NEFT) and application for IPA are also being received on-line.
- Online submission of form 16 exercising option for Composition Scheme.
- e-Anti-evasion Complaint Service
- e-Sales Tax Deduction at Source (TDS) Service
- e-Application for Industrial Promotion Assistance Scheme
- **Introduction of the scheme of VAT Return Preparers** -Young graduates are being trained in the preparation of Sales Tax/VAT returns and other tax related services, they will assist the dealers in the preparation of returns and other related services. The State Government would subsidize a portion of the cost of training of unemployed youth belonging to the minority and backward community.
- **Introduction of Digital Signature Certificate (DSC) in return** - West Bengal is one of the few States in the country which has taken initiative for the introduction of

digitally signed e-returns. This will completely dispense with the requirement of submission of paper return and hence reduce compliance cost significantly.

- **Introduction of New Decision Support System** - based on India's first ever Oracle Extended Real Application Cluster database on Oracle 11g Release 2 hosted on the new state-of-the-art server system at the State Data Centre hosting critical and round the clock applications.

(b) In Stamp Duty and Registration

- **Introduction of Computerised Registration in all 239 Registration offices in the State:**

- One day delivery system introduced.
- Easy searching of records throughout the computerised period.
- Issuance of computerized certified copy from scanned document.
- Facility of Registration in the office of Registrar of Assurance, Kolkata for any property located anywhere in West Bengal

- **Rationalization of Stamp Duty:**

- Easy calculation of Stamp duty & its method of collection.
- Encouraging Development / Promoting Agreement by payment of minimum amount of stamp duty.

- **National Land Records Modernization Programme (NLRMP):**

- Registration and its simultaneous mutation of the property under L & LR Deptt. under a single window system.

- **Introduction of e-stamping system and Other Facility for property registration:**

- Online availability of information on market value of property
- Facility of on-line assessment and payment of stamp duty and registration fees through Government Receipt Portal System (GRIPS)
- Generation of assessment slip with unique query number
- Searching of records from computerised registration period through net facility.
- On line certified copy.
- Hassle free Registration process through Q Management Device.

- **Launching of website of the Registration and Stamp Revenue Directorate:**

- To facilitate determination of Market Value and corresponding amount of Stamp duty and Registration fees payable.

(c) In Excise Department

- Launching of website of Excise Department
- Introduction of system for receiving duties and fees through e-gateway of bank
- Introduction of Import Pass for Bulk Spirit (IPBS)
- Use of x-PERT software for preventive data upload and on-line revenue reporting.

(d) In the Finance Department

- Introduction of web-based online file tracking and management system - will enable the individual Department to know the status of the file at any point of time.
- **GRIPS** - online and off-line receipts of tax and non-tax revenue through Government Receipts Portal System in electronic mode and incorporation in the e-Treasury through Reserve Bank of India.

NOTES



WEST BENGAL INDUSTRIAL DEVELOPMENT CORPORATION LTD.

M a k i n g t h i n g s h a p p e n

'Protiti', 23 Abanindranath Tagore Sarani (Camac Street), Kolkata-700 017, West Bengal, India
Phone: +91 33 22553700-705 (6 lines), Fax: +91 33 22553737, E-mail: wbidc@wbidc.com