

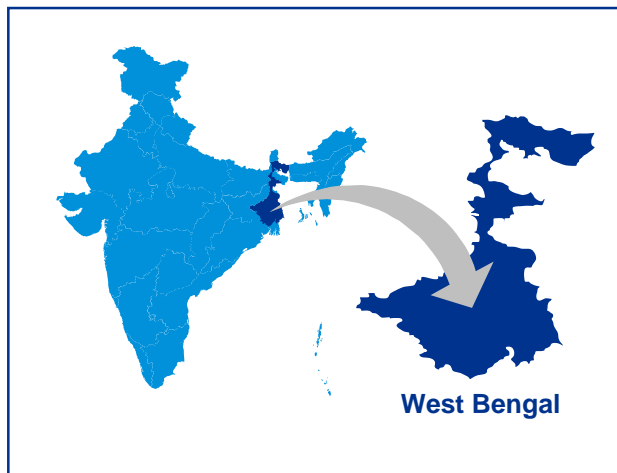
# West Bengal

Emerging growth engine of India

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September 2016

# West Bengal - Emerging growth engine of India



**State Capital: Kolkata**

(One of the 4 major metropolitan cities of the country)

**Spoken languages:** Bengali, Hindi, English and Nepali

**Literacy rate:** 77.1%

## Booming Economic Powerhouse

- **4th largest economy in India, with a population of 91.3 million**
- GSDP: ~US\$ 137 billion (2015-16) at current prices
- Growth rate: GVA 12.02% for 2015-16 (AE)

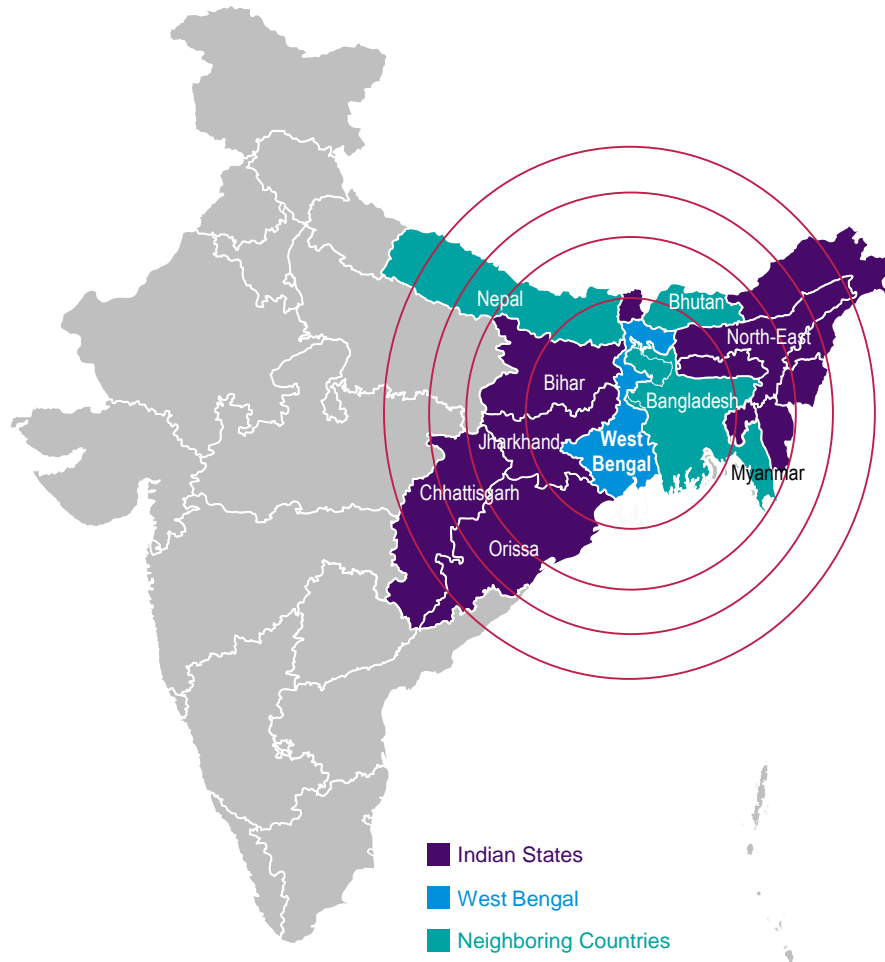
## Strategic Location & Rich Cultural Heritage

- Gateway to South-East Asia and North-East India
- Well connected with the booming hubs of Asia such as Singapore, Malaysia
- Kolkata is referred as the "Culture/literary capital of India"
- Land of Mother Teresa, Rabindranath Tagore, Satyajit Ray and many more

## Highlights

- **Excellent domestic and international connectivity**
- **~100% villages electrified**
- 3rd largest road network, 2nd Largest metro network
- **Plug-n-play Industrial Infrastructure:** Numerous growth centers and industrial parks (existing and proposed)
- Upcoming 6 new Theme townships
- Upcoming **Amritsar-Kolkata Industrial Corridor (AKIC)**, covering ~2,000 KM

# Excellent Connectivity – Domestic & International



- Population base covered corresponds to more than 1/4<sup>th</sup> (~ 27.5 %) of India's total population
- Caters to nearby states – Bihar, Jharkhand, Odisha, Chhattisgarh, and North-East India (including Assam)
- Considerable chunk of population base (0.2 Billion) resides in neighboring countries viz. Nepal, Bhutan, Myanmar & Bangladesh
- Beyond these, whole of South-East Asia is easily accessible
- Vast road network of 3,15,404 KM
- ~4,000 KM of railway tracks
- 950 KM of Coast Line
- Leading in the country in terms of spread, density, reach, etc. of National Inland Waterways
- 2 International Airports – Kolkata and Bagdogra

# Leading growth engine of the country



# Rapidly improving governance - Unparalleled financial management in last 5 years

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2x

## Tax Revenues

State **tax revenue** more than doubled from to ~US\$ 6.4 billion in 2015-16 from 2010-11

2x

## GSDP

At current prices **State GSDP** in 2010-11 ~US\$ 69 billion has doubled in 2015-16 to ~US\$ 137 billion.

4x

## Expenditure on Physical Infra.

Expenditure on **Physical Infrastructure** increased 4 times over 2010-11 to ~US\$ 1.09 billion in 2015-16.

5x

## Credit Linkages to SHGs

**Credit linkage to Self Help Groups (SHGs)** has gone up more than 5 times from ~US\$ 60 million in 2010-11 to US\$ ~310 million in 2015-16.

4.5x

## Expenditure on Social Sector

State Plan **Expenditure in Social Sector** in 2015-16 increased 4.5 times over 2010-11 to ~US\$ 4.6 billion.

7x

## Expenditure on Agri Sector

**Expenditure in Agriculture and Agri-Allied Sector** registered a 7 fold increase over 2010-11 to ~US\$ 3.5 billion in 2015-16.



# Key initiatives/policies implemented on a large scale

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West Bengal Investment &  
Industrial Policy 2013  
West Bengal State Support for  
Industries Scheme, 2013



State Policy on Public Private  
Partnership (PPP), 2012



Policy on Information &  
Communication Technology, 2012  
ICT Incentive Scheme, 2012



MSME Policy, 2013-2018



Township Policy



Textile Policy, 2013-2018



Policy on Co-generation &  
Generation of Electricity from  
Renewable Sources of Energy, 2012



West Bengal Incentive Scheme,  
2015 for Tourism Units



Design Policy, 2016



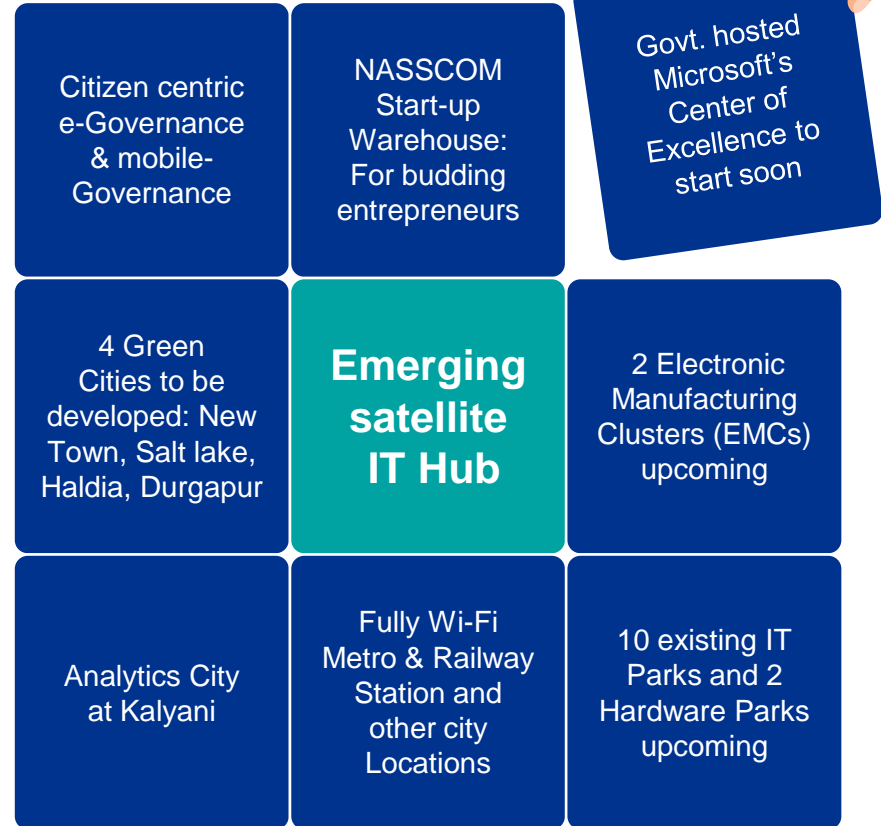
West Bengal Fisheries Investment  
Policy 2015 in Fisheries Sector



Start-Up Policy, 2016-2021

# Emerging Startup culture in the state

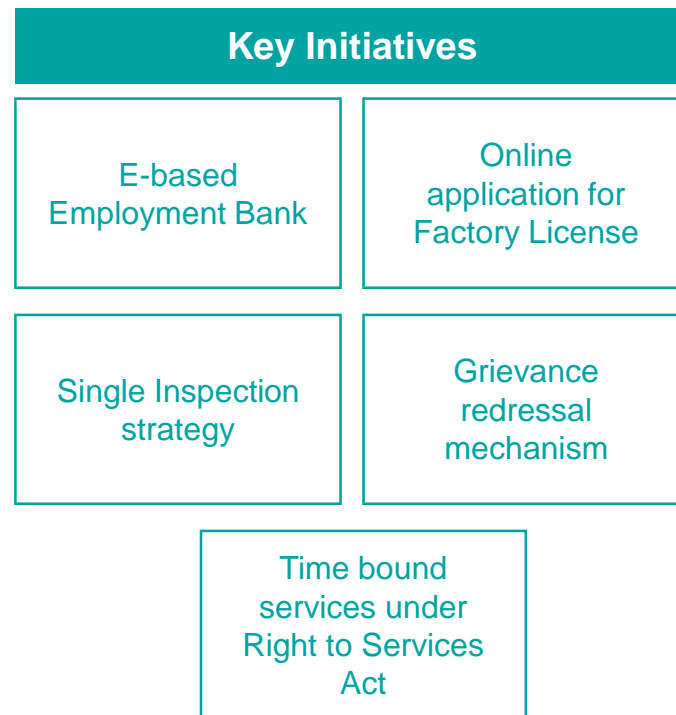
- **Start-Up Policy 2016-2021:**
  - **Entrepreneurship Development Centre Network (EDCN)** created in association with universities and leading higher education institutes
  - Digital platform startupbengal.in launched to connect all the ecosystem stakeholders
  - In partnership with state government, incubation Centre set up by Nasscom<sup>1</sup>:
    - Already incubated 23 start-ups in 2 batches
    - 3rd batch with 7 companies is underway
- Sector agnostic MSME Venture Capital Fund set up with a corpus of INR 200 Crore



# Paradigm Shift in Labor Policies

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- **No Bandh:** State moved to a '**No Bandh**' (meaning there are no strikes/ lockouts) regime to ensure that the companies, businesses, offices and public are not disturbed and to ensure a disciplined work atmosphere in the state.
- **Zero Mandays Lost:** Man-days lost drastically reduced in from 6.5 million in FY 2010-11 to 5,200 to almost nil in 2015-16
- **Plethora of new initiatives:** Additionally the State has taken a slew of initiatives that is heralding new era in labor management





# Industrial promotion assistance – Incentives available



## Large scale industries

### Investment Industrial Policy West Bengal, 2013

- **Reimbursement of 80%-90% of VAT** paid for a period ranging from 8-15 years
- **Reimbursement of CST** paid for a period of 3 years
- Waiver of **Electricity Duty**
- Incentive linked with employment generation
- **Stamp Duty Exemption**
- Waiver of **Land Conversion Fee**
- Anchor Unit Subsidy
- Financial assistance towards **Patent registration**
- **Tax Holidays**
- **Customized packages** for mega projects



## MSMEs

### West Bengal MSME Policy, 2013-18

- **State Capital Investment Subsidy**
- **Interest Subsidy** on Term Loan
- Waiver of **Electricity Duty, Power Subsidy**
- Subsidy for employment generation
- Subsidy for **Quality Improvement**
- Subsidy on **Patent Registration**
- Incentives for women, minorities, SC/ST and Self Help Group (SHG)

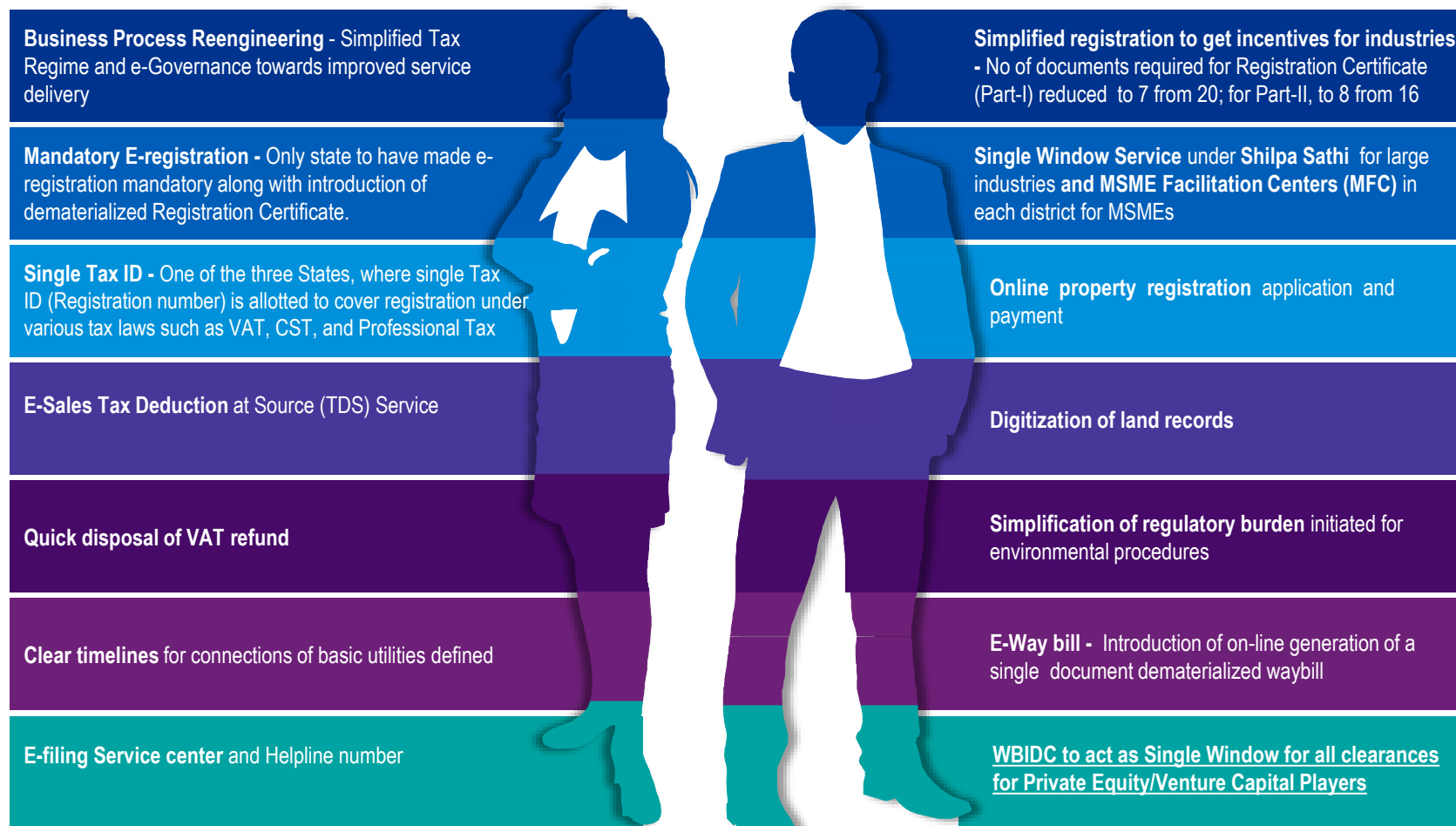


## IT Industry

### West Bengal ICT Incentive Scheme, 2012

- **State Capital Investment Subsidy**
- Interest Subsidy
- Training Subsidy
- Waiver of **Electricity Duty**
- Employment Generation Subsidy
- Refund of **Stamp Duty & Registration Fees**
- Bouquet of additional incentive for startup companies.

# Initiatives of government for improving ease of doing business



# Major Investment Activity in the region

Till 2015, **over INR 843 Crore** have been invested by PE firms, angel funds, start-ups, VCs, and others after current government came to power<sup>1</sup>

## Top Active Funds in West Bengal

1. KKR India Advisors Pvt. Ltd.
2. Sequoia Capital India Advisors Pvt. Ltd.
3. Blackstone Advisors India Pvt. Ltd.
4. ChrysCapital Investment Advisors India Pvt. Ltd.
5. Citi Venture Capital International
6. Bain Capital
7. India Value Fund Advisors Pvt. Ltd.
8. India Equity Partners Fund Advisors Pvt. Ltd.
9. Everstone Capital Management
10. Baring Private Equity Partners India Ltd.
11. CLSA Private Equity Management Ltd.
12. Aavishkaar Venture Management Services Pvt. Ltd.
13. Adharshila Venture Capital Fund Ltd.
14. AGI Services Ltd.
15. Fairwinds Private Equity
16. Tano India Advisors Pvt. Ltd.

## Top Active Funds in West Bengal

Active investments in both Public and Private companies  
Companies' **turnover ranging from INR 56 billion to INR 10 million**

- Simplex Infrastructures Ltd.
- Magma Fincorp Ltd.
- Hindusthan National Glass and Industries Ltd.
- Himadri Chemicals & Industries
- Jai Balaji Industries Ltd.
- Jay Shree Tea and Industries Ltd.
- Khadim India Ltd.

## Top Sectors attracting Investments

- Infrastructure:
- Construction & Engineering
- Healthcare
- Retail
- Iron and Steel
- Financial Services
- Education

Source 1: <http://economictimes.indiatimes.com/small-biz/startups/startups-private-equity-firms-invested-rs-843-crore-in-west-bengal-after-mamata-banerjee-came-into-power-amit-mitra/articleshow/50743368.cms>

# Bengal, a hot bed of opportunities – Some upcoming major investments

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## HPCL to set up Asia's biggest LPG bottling plant in WB

- HPCL is setting up a 250 TMT p.a., 72-head carousel, capacity bottling plant at Panagarh, WB.
- Will cater to around 12 lakh customers
- With capacity to produce 4,200 cylinder p.a. on a single carousel.

## Binani Group firms up plans to invest INR 10K Cr in Bengal

- Co has lined up investment in cement, power and infrastructure, including ports.
- State has already offered land to the group for its proposed ventures

## Bhor Sagar Port

- Proposed Deep Sea major port with capacity to handle over 50 MMTPA
- Incorporation of SPV already done
- Detailed project reports for rail, road connectivity are being finalized

## Exide to invest INR 700 Cr in Haldia plant

- Leading storage battery maker of the country, is planning to make Haldia the hub for its new generation battery project

## Emami Agrotech to invest INR 300 Cr in Haldia facility

- Emami Group plans to expand its India's edible oil business market share
- Will invest to expand the refining capacity of its edible oil facility at Haldia, WB

## Deep Sea Port at Tajpur

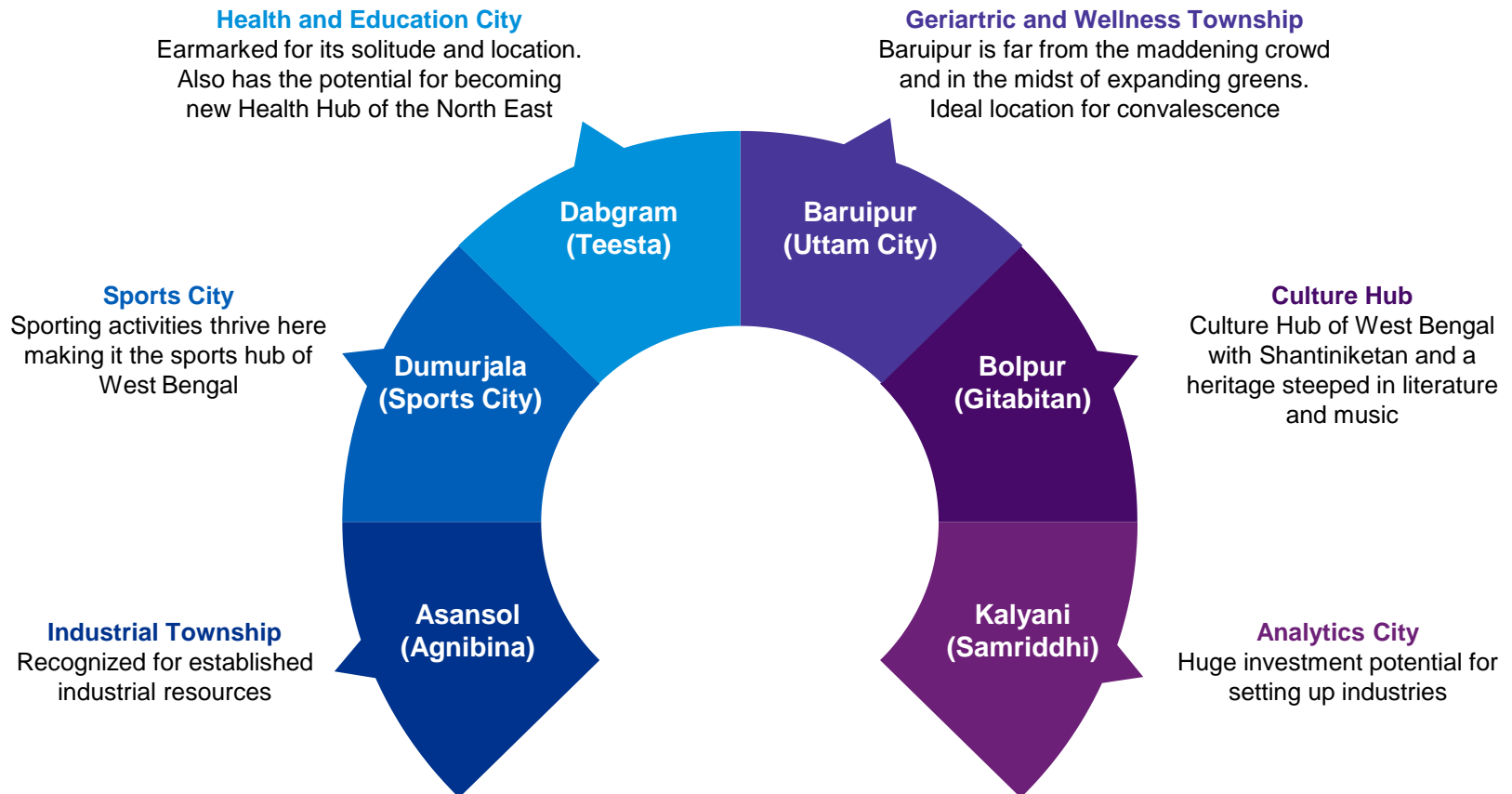
- Proposed deep sea port near Tajpur, Purba Medinipur district to be developed on PPP basis by the State
- With Capacity to handle over 50 MMTPA capacity

## More Investment Opportunities

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# Upcoming 6 New Theme Townships in West Bengal

Government proposes to develop six new Township Projects on Government land. The townships have been selected by the Government based on its strategic importance, feasibility factors and availability of land.



# Current major players in West Bengal

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GENPACT



HCL





# COME TO BENGAL RIDE THE GROWTH

BENGAL SURGES AHEAD.



**BENGAL GLOBAL  
BUSINESS SUMMIT**

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Kolkata, West Bengal

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