



From the Desk of CEO - Punjab Bureau of Investment Promotion (Invest Punjab)

As I sit down to collect my thoughts for releasing the 2nd edition of our quarterly newsletter, my mind is drawn to the hidden strengths of Punjab that we are honoured to discover daily through our work at the Invest Punjab office.



Rajat Agarwal, IAS
CEO, Invest Punjab

This strength can be witnessed in the exponential growth of companies that have set up base in Punjab, for example ITC in Kapurthala is the largest integrated food processing plant in India and International Tractors with its

latest expansion has become the largest tractor manufacturer in the world.

Moreover, this pattern of growth is driven by a focus on the quality of products being manufactured by companies in Punjab. The State's industrial ecosystem is competing globally and is conforming to the international standards.

Further, a Punjab based company produces steel for certain Tesla components while another one produces hand tools used to manufacture Japanese engineering marvels. It is this commitment to forward thinking, excellence and growth that ensures the establishment of a Progressive Punjab that is rising through the ranks of economic development rapidly. It is our pleasure to welcome you all to be a part of this story of development and growth.

- CEO, Invest Punjab

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Investments worth **INR 5,600** (approx) crores received in recent time across various sectors;

- Sportking India – Manufacturing
- VRV Hospitality – Manufacturing
- UltraTech Cement Limited – Manufacturing
- Avon Ispat & Power – Manufacturing
- Happy Forgings – Auto & Auto Components
- Hero Cycles – Bicycle & Bicycle Components
- Rayat Educational & Research Trust – Education
- ITC – Tourism & Hospitality
- Sandwood Infratech – Real Estate & Housing
- National Fertilizers – Chemicals & Petrochemicals
- Allengers Medical Systems Ltd. – Medical Equipment
- Garg Acrylics – Textiles

Ease of Doing Business

Significant reforms undertaken to support businesses throughout project life cycle

Starting a Business

- Invest Punjab Business First portal for regulatory clearances and fiscal incentives
- Sector specific list of approvals online
- Time bound approvals - Punjab Transparency and Accountability in Delivery of Public Services Act, 2018
- GIS mapping of 49 Industrial Focal points

Setting up a Business

- Power connection in Industrial focal points within 15 days
- Online Single Window for construction permits
- Online Land allotment
- White category industries exempted from approvals (PPCB)
- Single Joint site inspection for granting construction permits

Operating a Business

- Central Inspection System for compliance based inspections
- Validity of Factories license /renewals extended to 10+ Yrs
- No inspection/renewal for registration under Shops and Establishment Act
- CTO for green category industries for 5 -10 years. Auto renewal with self-certification or third party certification

Invest Punjab - The Outreach Effort Continues:**➔ January 2019**

- The State Government organized the **Punjab Startup Yatra** with the aim of encouraging youth in Tier II & Tier III cities to work in innovation & the startup ecosystem. Through this month long initiative awareness was spread at 27 locations across the State to 5000 budding entrepreneurs. At the end **15 winners** emerged from diverse fields such as health, agriculture etc.
- Participated in **25th Punjabi Parvasi Bhartiya Diwas** (Chandigarh) & 15th Parvasi Bhartiya Diwas (Varanasi)
- **Ease of Doing Business** workshops (Chandigarh) and awareness camps (Ludhiana & Jalandhar) organized



*Startup Yatra Grand Finale,
ISB-Mohali Campus 06-02-2019*

➔ February 2019

MoU with Virgo Corporation

- Signing of **MoU with Virgo Corporation**, in collaboration with Honeywell Corporation, USA in presence of H.E. The **Ambassador of US in India** (Chandigarh)
- Brainstorming Session on **Textile sector** (Ludhiana) organized
- Meeting with **Investment Promotion Board of Goa** (Chandigarh) for capacity building
- Punjab session & G2B meetings arranged at **ACMA Automechanika** (New Delhi)
- Mentoring session held at **TieCon (Mohali)** for promotion of **Startup Culture** in Punjab

- **Tajikistan Government Delegation** visited Punjab (Chandigarh) to discuss areas of collaborations
- **Surbana Jurong** delegation discussed potential engagement in **infrastructure & development projects** in Punjab (Chandigarh)
- Conducted G2B meetings in New Delhi with prominent companies from **Agro & Food Processing / Textile sector**



Tajikistan Government Delegation

Invest Punjab - The Outreach Effort Continues:➔ **March 2019***The Future of Smart E-Mobility in India*

- Session on **Ease of Doing Business** along with G2B meetings with prominent investors at **CII North India Business Conference** (Chandigarh)
- Webinar organized with Indian Embassy at Berlin for facilitating discussion between India & Germany
- Participated in CII Conference on **The Future of Smart E-Mobility in India** (Chandigarh)
- Curtain-raiser event conducted to promote **Medical Tourism** in Punjab
- Delegation from **UK Government** visited Chandigarh to identify potential areas for collaboration with Punjab
- **Aftercare** interaction with **Japanese companies** organized in Punjab

**Investment Roundtable UAE in Punjab - March 11, 2019, Chandigarh**

To strengthen Punjab's partnership with UAE, the Government of Punjab under the chairmanship of Hon'ble Chief Secretary welcomed a **business delegation from UAE** led by the **Ambassador of India to Abu Dhabi** for the **Investment Roundtable UAE in Punjab**. Numerous companies such as Hyperloop One, NIIF, Metito, LuLu Group, DP World, Sharaf Group, EMAAR, DMCC, and UPL were a part of the delegation.

Discussions were facilitated with senior officers of various government departments to explore opportunities for investments in Punjab especially in sectors such as **Agri and Food Exports, Infrastructure, Logistics, Real Estate, Water Management** etc. This initiative was also in line with Government of Punjab's efforts to attract FDI to the state and was helpful in providing exposure to local exporters from Punjab enabling them to grow their global footprint.

New Life Infused into Punjab's Declining Steel Industry

Mandi Gobindgarh or "Loha Mandi" has a strong ancillary base of 500+ MSMEs engaged in steel manufacturing. However, this industry was affected by the 2008 financial crisis which was further worsened by tax duties imposed on imports & exports between 2012-2015 and high power cost. These factors made the industry less competitive and the steel industry in Mandi Gobindgarh saw a decline.



The Steel Industry in Mandi Gobindgarh was revived with **bold & progressive** reforms implemented by the State Government that came into power in 2016:

AFFORDABLE POWER

- Reduced industrial power tariff to INR 5/unit. This was a huge game changer as steel manufacturing is an energy intensive industry wherein power cost contribution is 20% of total production cost.
- Lowered tariff resulted in a 9% increase in industrial electricity consumption reflecting the large scale revival of existing steel industries in the area due to rising production.

POLICY INCENTIVES

- Removal of the steel industry from the 'negative list of companies' in the policy increased the sector's attractiveness for financial sponsorships.
- Launch of comprehensive Industrial & Business Development policy in 2017 offered lucrative incentives like GST reimbursement to revive old units.



- In the last 2 years, Punjab's steel manufacturing operations grew by 33%
- In the past year, the industry has attracted new investments to the tune of INR 600 Cr.
- 41 new MoUs amounting to INR 603 Cr. signed in the last 2 years.
- Net Income Tax collected between FY 2016-2017 and FY 2018-2019 increased phenomenally by a CAGR of 39% i.e. from INR 77 Cr. to INR 207 Cr.
- State Government is establishing a new focal point on 133 acres land near Mandi Gobindgarh to cater to the demand of the growing steel industry in the State.

HR Highlights:

In order to improve the services offered by Invest Punjab, the organization has recently hired a cohort of 10 (senior consultants and consultants) candidates from prestigious management schools in India i.e. IIMA, IIMB, IIMC and ISB Hyderabad. These candidates will bring a fresh perspective for promoting investments and engaging with the industry.



➔ New Joinee Spotlight

Mr. Hardeep Singh Somal was one of the earliest joiners from the above cohort. He has over 9 years of experience in early and growth stage startups in security and gaming domains and has worked in areas of Retention Marketing, Project Management & Business Development. He has joined Invest Punjab as a Senior Consultant and will work in the Startup Cell.

➔ Employee Spotlight

Mr. Sanjeev Gupta, Sector Officer for Agro & Food Processing sector, has been extremely proactive and is continuously looking to improve the investor experience. He was the main coordinator for the recent Invest in Punjab - UAE Roundtable that was held in March 2019 along with being the main force behind attracting projects like Congelados de Navarra (JV with IFFCO) and Varun Beverages. Mr. Gupta is enthusiastic about making Punjab the #1 choice for investors in the Food Processing sector. Besides his sector officer responsibilities, he also serves as an Additional Superintending Engineers of PSPCL.

