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FROM THE EDITOR'S DESK

It gives me immense pleasure to share second volume of the iMPact Newsletter, an initiative by the Government of Madhya Pradesh to keep the readers informed about industrial scenario in the state. The state offers investment opportunities in various sectors however, government's focus and special impetus on agriculture & food processing sectors continues to offer countless opportunities and enhanced productivity with the help of latest technology and world class education provided by premium institutes here.

Madhya Pradesh enjoys 11 Agro-climatic zones and 5 crop zones with varying land use, soil types, rainfall and water resources distributed across 52 districts of the state favouring the agriculture sector here. The state is major producer of soybean, wheat, gram, linseed, green pea, garlic, chili, coriander and mustard along with a variety of tropical fruits and vegetables, making it one of the most favourable destination for food processing industries.

Madhya Pradesh has seen a rapid growth in food processing sector which is backed by a very productive agriculture sector. In order to support the growth pace, the government has successfully created infrastructure with 8 Mega Food Parks, 5 Agri-export Zones, 62 multi product Industrial Areas. Further, 17 Industrial Areas are in various stages of development. Surplus and high quality agricultural production in the state ensures timely and convenient supply to the food processing industries. The state is currently home to many Agro and food based industries that are market leaders in production of basmati rice, soya, wheat flour, dairy and floriculture products.

With our constant efforts, favourable industrial ecosystem and policy incentives offered by the State government, I foresee increased collaboration from the Food Processing industry.

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COVER STORY

MODEL FOR DEVELOPMENT CHARGE CALCULATION

Madhya Pradesh Industrial Development Corporation (MPIDC) has devised a model for fair and transparent development charge calculation for industrial areas that are set-up and developed by the corporation. This is another step closer to maintaining an industry friendly and transparent system. The model is strategically developed to be able to charge industries judiciously. Such transparent and fair pricing is always appreciated by new and existing industrialists.

The model aims to calculate development charges that should be charged to industrial units during forthcoming financial year. The development rates will be calculated on March 31st of each year and will be applicable for land purchased in the financial year starting next day i.e. 1st April. To incentivise early applicants, a discount of 10% is provided to industrial units for the first year on loan principal, interest and overheads (component 1)

Net development rate in this model consists of two components:

- Component 1 for loan principal, interest and overheads
- Component 2 for equity contribution and return on equity

POLICY UPDATES

POLICY CONSULTATIONS WITH STAKEHOLDERS

The state government works closely with the industrialists to ensure sustainable industrial development. In line with this pursuit, state government continues to hold policy consultation meetings with the stakeholders, enabling us to come up with attractive policies. In order to ensure that the policy continues to stay attractive to new and existing investors, the state government continues to hold policy consultation meetings with the stakeholders.

These meetings were chaired by Dr. Rajesh Rajora - Principal Secretary (IAS) DIP&IP, Mr. Vivek Porwal - Managing Director (IAS) MPIDC, Ms. Shilpa Gupta - Executive Director (IAS) MPIDC & Mr. J.N. Vyas - Executive Director MPIDC along with industrialist from agribusiness & food processing, automobile & engineering, textile & garments and pharmaceuticals sectors.

These consultations were held over two days with investors from across 4 sectors. The first round of stakeholder meetings and discussion was held on March 14th 2019 for food processing and automobile sectors while the second round was held on March 18th 2019 for garmenting, textiles and pharmaceuticals sectors. MPIDC hosted these meetings to take real time feedback/suggestions from the industrialists for formulation of the new investment Promotion Policy with special focus on the priority sectors.



MADHYA PRADESH
INDIA'S EMERGING ECONOMIC TIGER



Dr. Rajesh Rajora (IAS) - Principal Secretary DIP&IP, Mr. Vivek Porwal (IAS) - Managing Director MPIDC, & Mr. J.N. Vyas - Executive Director MPIDC along with industrialists and members of EV & CII during policy consultation meet at MPIDC office Bhopal

MADHYA PRADESH INDUSTRIAL DEVELOPMENT CORPORATION LAND POOLING SCHEME 2019

Madhya Pradesh government is constantly improving the business environment through progressive policies and proactive measures. The government offers strong infrastructure for industries to flourish. Madhya Pradesh has 120,000 acres of industrial land bank which includes 40,000 acres of developed area. The state is known for its large land bank and no industry has been turned away due to lack of land availability so far.

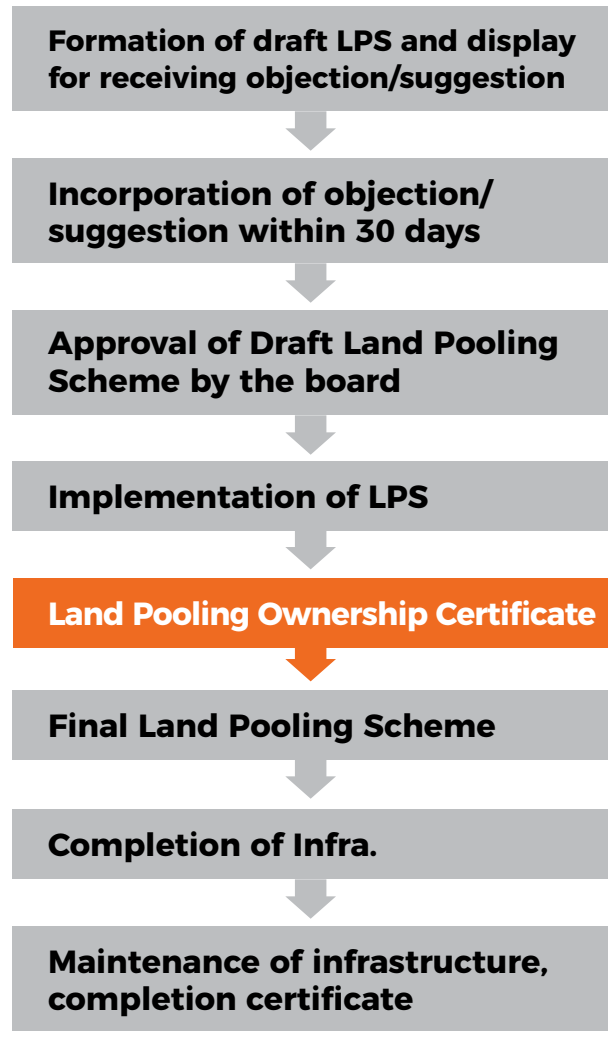
Looking at the industrial demand, eventually land may not be available in the years to come. Almost all the government lands around Pithampur industrial area have been acquired for industrial purpose; hence the acquisition of private land is now necessary around Pithampur. Land acquisition is a lengthy and costly affair, most of the land acquisition projects are marred with litigation. So, MPIDC has decided to go for Land Pooling to create additional land banks. This system will replace the process of land acquisition. Madhya Pradesh Industrial Development Corporation Land Pooling Scheme 2019' is aimed at evolving a fair and transparent mechanism for pooling of land for development of an Industrial Area or Integrated Industrial Township or a part thereof by the MPIDC from the willing landowners.

The objective of the scheme is to procure and assemble land required for meeting the industrial park development objectives in an inclusive manner where the landowners willingly part with their land, rather than being forced to surrender, making them partners in the development process.

Basic principles of the scheme:

- Land owners are compensated with double the value of their property at collector guideline rates in the form of mix of cash and developed commercial / residential plot
- Approximately 60 percent of the developed land will be available for sale / allocation
- Land Pooling Certificate will be given to the effective owners which will be a tradeable document
- Only Holder of Land Pooling Certificate will be eligible to claim returnable land

Process flow:



ADVANTAGE MP

EXPLORING 'ELECTRIC MOBILITY' IN INDIA AND M.P

The growing environmental consciousness and seeing the adverse effects of climate change, the governments in India are supporting initiatives for development of eco-friendly mobility solutions including electric vehicles. Madhya Pradesh government is proactively devising policies and forming partnerships that not only upgrades the existing industrial ecosystem here but also makes M.P as the strategic Electric Mobility destination in India.

FAME Policies

To increase EV uptake in India, Government of India has taken various policy level initiatives. Under the National Electric Mobility Mission Plan 2020 (NEMMP), scheme, a total estimated subsidy worth INR 14,000 crore was planned to be invested in creating infrastructure and promoting the use of environment-friendly electric vehicles. In 2015, the Government of India launched Faster Adoption and Manufacturing of Hybrid and Electric Vehicles (FAME) scheme for a two-year period at an approved outlay of INR 795 crore, with a focus on technology development, demand creation, pilot projects

and charging infrastructure. The Union Cabinet in March 2019, approved the proposal for the implementation of the second phase of the FAME India program, to promote electric mobility in the country.

Madhya Pradesh Scenario Favouring 'Electric Mobility'

The government of Madhya Pradesh has been able to create an investment friendly climate in the state through incentives such as exemption of electricity duty for HT connections and rebate on power tariff for a period of 5 years. The state demonstrates great compatibility with the electric mobility transformation and a single window system to enable investors with ease of doing business.

The Madhya Pradesh Power Management Company Limited (MPPMCL) has proposed the tariff for electric vehicle (EV) and electric rickshaw charging infrastructure at a tariff of ₹6 and ₹5.90 for LT and HT consumers. The determined tariff is applicable exclusively for EV charging stations which is an attractive initiative for investors.



Electric Vehicle charging infrastructure at the New & Renewable Energy Department Bhopal

INVESTMENT UPDATES

Year 2018-2019 has proven to be another successful year for investments in Madhya Pradesh. From December 2018 till May 2019, Madhya Pradesh Industrial Development Corporation has successfully grounded an investment of ₹ 5677.58 Crores via 38 industries in multiple sectors. These industries have

supported employment of approximately 9213 people across the state. Investors continue to support the efforts made by the government in forming an industry friendly policy and various world class industrial ecosystems across the state.



INFRASTRUCTURAL UPDATES

ATULYA IT PARK -INDORE

On May 1st 2019, MPIDC has launched one of its futuristic projects, Atulya IT Park. Inaugurated by Smt. Sumitra Mahajan - Former Speaker of Lok Sabha and Member of Parliament from Indore along with Shri. Jitu Patwari - Cabinet Minister for Higher Education, Sports and Youth Affairs of Madhya Pradesh. This high-tech IT park has enabled IT companies render world class products & solutions in one of the best developed IT setup.

Located in the campus of Crystal IT Park, Khandwa Road, Atulya IT Park is backed by efficient support on the trade policies offering great opportunities and an ideal high-tech ecosystem to Information Technology companies. The building accommodates 40 offices of varying sizes from 100 Square Meter to 500 Square Meter along with conference halls, restaurants & food court.



Smt. Sumitra Mahajan - Former Speaker Lok Sabha and Member of Parliament from Indore along with Shri. Jitu Patwari - Cabinet Minister of Higher Education, Sports and Youth Affairs, Madhya Pradesh at the inauguration ceremony of Atulya IT Park Indore



Atulya IT Park Indore

EVENT UPDATES

MAGNIFICENT MADHYA PRADESH (OCTOBER 18TH - 19TH 2019)

October 18th and 19th 2019 are the dates for Madhya Pradesh state's interactive industrial branding event 'Magnificent Madhya Pradesh'. The state government is focused to showcase Madhya Pradesh's Vision 2030 and opportunities for deliberations on emerging markets and future technologies. Magnificent Madhya Pradesh will be the state's 6th edition of dedicated industrial investment promotion and branding event showcasing the true potential of the state to the leaders from various industries and sectors.

INDUSTRIAL ASSOCIATION MEET MD - MPIDC

On April 9th 2019, Mr. Vivek Porwal - Managing Director (IAS) MPIDC met key personals from Automotive Component Manufacturers Association of India (ACMA), Automotive Tyre Manufacturers Association (ATMA) and India Cellular and Electronics Association (ICEA). Furthermore on May 15th 2019, Mr. Porwal had a meeting with Consumer Electronics and Appliances Manufacturers Association (CEAMA). These meetings serve as key platforms to connect with industry stalwarts, key decision makers and SMEs resulting in promotion of policies and investment opportunities.



Mr. Vivek Porwal - Managing Director (IAS) MPIDC at the meeting with Consumer Electronics and Appliances Manufacturers Association (CEAMA)



MADHYA PRADESH'S TRADE RELATIONS WITH ISRAEL

Ever since the establishment of diplomatic relations between India and Israel, a lot of progress has been made on the bilateral level. Israel is strategically formulating policies considering India as a centre politically, commercially, in science and culture. Last year Mr. Benjamin Netanyahu - Prime Minister of Israel tweeted 'There are three things that bind our countries together: The first is that we have an ancient past. The second is that we have a vibrant present. And the third is that we are seizing together a promising future.'

In an effort to further support the collaboration of Israel with the State of Madhya Pradesh, the First meeting of the Joint Working Group representing the government of Madhya Pradesh and State of Israel was held on May 30th 2019. Under the chairmanship of Mr. Sudhi Ranjan Mohanty - Chief Secretary, Government of Madhya Pradesh, the meeting was attended by Mr. Yaakov

Finkelstein - Consulate General, Israel; Mr. Anay Joglekar - Political Affairs and Special Projects Officer, Consulate General, Israel and officials from the Government of Madhya Pradesh. The meeting was aimed at promoting mutual cooperation under which the following were the terms of references:

- Increasing cooperation between the Government of Madhya Pradesh and the State of Israel.
- Building partnerships based on the needs and the expertise of Govt. of Madhya Pradesh and the State of Israel.
- Developing cooperation in the area of Agriculture, Water (water management , waste water, repair and maintenance) Homeland Security, Health care, Information Technology, Higher Education, Trade & Commerce, Culture and Tourism



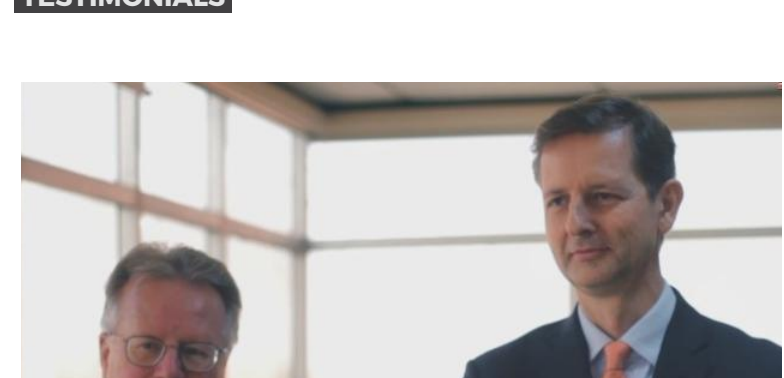
Mr. Sudhi Ranjan Mohanty - Chief Secretary, Government of Madhya Pradesh along with Mr. Yaakov Finkelstein - Consulate General, Israel; Mr. Anay Joglekar - Political Affairs and Special Projects Officer, Consulate General, Israel and officials from the Government of Madhya Pradesh

MP TRIVIA

REWA SOLAR POWER PROJECT TO POWER DELHI METRO RAIL CORPORATION

Delhi Metro Rail Corporation (DMRC) has received 27 megawatts (MW) solar power from Madhya Pradesh's Rewa Solar Power Project which is amongst the largest single-site solar power plant in India. This supply will be gradually increased to 99 MW. The rail corporation has a plan to run all its operations with the help of solar energy by 2021.

TESTIMONIALS



Mr. Andreas Lapp, Chairman of the Board - LAPP Holding AG, along with Mr. Marc Jarraut, Managing Director - LAPP India Pvt. Ltd. spoke about their experience of doing business in the State of Madhya Pradesh

[\(Click here to watch this video\)](#)

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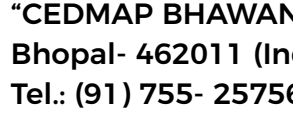
Confederation of Indian Industry

MPIDC

WE ARE LISTENING!

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