



Dr. Rajesh Rajora
IAS, Principal Secretary,
Department of Industrial
Policy and Investment
Promotion, Government
of Madhya Pradesh

At the outset, I would like to wish everyone a very happy and a prosperous new year 2020.

2019 has been a glorious year with the state government setting memorable milestones with events like Magnificent Madhya Pradesh.

We have initiated several reforms to make Madhya Pradesh a better place to do business. The state government has come up with the country's first land pooling scheme for industrial use. Madhya Pradesh Industrial Development Corporation (MPIDC) is running a pilot project of land pooling at Pithampur. Under phase 1, the pilot project aims to create a new industrial land pool of ~400 Hectares in the said region. We realised that power is a major cost to the industrial units and we are setting up a separate DISCOM for one of the industrial areas of MPIDC. Post analysis of the success of this model, it will be replicated in other industrial areas of the State. Additionally, the State is also working on Renewable Energy Service Company (RESCO) model. Under this model, independent solar power producers will install rooftop solar panels on industrial units and will supply the power to the industries at competitive rates. Madhya Pradesh is the first state in the country to adopt this model which is under implementation in Mandliep.

Government is undertaking policy reforms, ease of doing business, working on new technologies and infrastructure upgradation amongst other such initiatives. The underlying objective behind all these activities is to provide gainful employment in the State. Another essential step in this direction is attracting industries and potential investors by creating awareness of these initiatives taken by the State. And for this, the State Government organised its flagship investment promotion event, Magnificent Madhya Pradesh on 18th October 2019.

I feel great joy in sharing the success and outcomes of Magnificent Madhya Pradesh - MMP 2019 through this newsletter. The event witnessed the participation of industry leaders from around the world. A Global Trade Exhibition 2019 was also organised as an integral part of the MMP 2019 that provided an excellent opportunity for showcasing of products and services of MP. This event served as an ideal platform for deliberations between the government officials, thought leaders, industry experts and other eminent stakeholders from across the world. MMP 2019 was inaugurated by Hon'ble Chief Minister, Shri Kamal Nath, and key business leaders joined him in sharing their experience of doing business in Madhya Pradesh. Eight thematic sessions were hosted during the daylong event to brainstorm on the leading practices and deliberate on the way forward for the State. The details of the event are available in the Cover Story of this newsletter.

We walk into 2020 with much stronger belief and confidence to assure you that the state government is proactively engaging with industries to enhance the industrial ecosystem and realise the full potential of the State. To achieve this, we look forward to having continuous, constructive interactions with the industrialists and all the stakeholders and make Madhya Pradesh a premium investment destination.

COVER STORY MAGNIFICENT MADHYA PRADESH 2019

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COVER STORY

MAGNIFICENT MADHYA PRADESH 2019

Magnificent Madhya Pradesh - MMP 2019 was organized in the city of Indore on 18th October 2019. The event witnessed participation of industry leaders from around the world. Renowned personalities from media, Ministers, Head of the Departments and senior bureaucrats graced the event with their presence. The event started with lamp lighting by the dignitaries, followed by a cultural performance.

Mr. S. R. Mohanty, Chief Secretary of the Government of Madhya Pradesh welcomed the delegates and talked about the strengths and potential of the state. It was followed by a holographic audio-visual presentation on 'Advantage MP - The Power of Trust' which was applauded by all the participants. Hon'ble Chief Minister, Mr. Kamal Nath, during his key note address welcomed industry captains and highlighted the key steps taken by government to facilitate investors. He also invited the industrialists to explore further investments in the State. It was followed by experience sharing speeches by eminent industrialists including Mr. Adil Godrej - Godrej Group, Mr. Sanjiv Puri - ITC, Mr. Vikram Kirloskar - Toyota Kirloskar Motors, Mr. Dilip Sanghi - Sun Pharma, Mr. N. Srinivasan - India Cements, Mr. Ravi Jhunjhunwala - HEC, Mr. Chandrilj Banerji - Cil, Mr. Rajinder Gupta - Trident, Mr. Marc Jarraut - Lapp India and Mr. Rakesh Bhardati Mittal - Bharati Enterprises. They hailed the enthusiasm displayed by the Government and praised the efforts being undertaken to promote investments in the State. They also shared their experience of working in Madhya Pradesh and their potential expansions. The inaugural session was concluded with a vote of thanks by Dr. Rajesh Rajora, Principal Secretary, Dept. of Industrial Policy and Investment Promotion.

With a vision to establish one-to-one connect with key industry stakeholders, facilitate discussions, and to receive feedback on policies; the following special thematic sessions were successfully organized:

Urban Mobility and Real Estate: Discussions were centred around the importance of urbanisation & real-estate and its contribution to the economy being the second largest employment intensive sector after agriculture. Government's vision for promoting real-estate as a focus sector and its prospects in MP was discussed in detail.
Speakers - Mr. Jaivardhan Singh, Hon'ble Minister, Urban Development and Housing Department, Government of Madhya Pradesh; Mr. Sanjay Dubey, Principal Secretary, Urban Development & Housing, Government of Madhya Pradesh; Mr. Anthony De Sa, Chairman, M.P. RERA and Mr. N. Srinivasan, India Cements and Mr. Sreenivasan Jain, NDTV as the Moderator.

MP as a logistic Hub: Opportunities for Madhya Pradesh to emerge as an ideal location for logistics hub was the theme of this session. It was discussed that the aim of the country is to bring down logistics costs to 10% from the current 13-15% by 2022. Post GST, conditions for the logistics & warehousing sector has changed. The sector focus has shifted from tax saving to logistics management & bringing in operational efficiencies.
Speakers - Mr. S R Mohanty, Chief Secretary, Government of Madhya Pradesh; Mr. Gaurav Taneja, Ernst & Young LLP; Mr. Pranav Adani, Adani Enterprises and Mr. Krish Iyer, Walmart India and Ms. Smrita Sharma , Executive Editor (Consulting) TV9 Bharatvarsh as the Moderator.

Industry 4.0, MP the Emerging Innovation Hub: Session focused on creating an innovation ecosystem in the state and how the State can emerge as an innovation hub. The state government's vision for adoption of technology for better governance and its efforts for encouraging youth and start-up ecosystem was appreciated.
Speakers - Mr. Manish Kant, CEO, NITI Aayog; Ms. Debjani Ghosh, NASSCOM and Mr. Tej Bhatia, Tata Consultancy Services (TCS) and Mr. Sanjay Pugalisa, Business Journalist as the Moderator.

MP as the emerging Pharmaceutical destination: Session focussed on how to make Madhya Pradesh as a most preferred destination for Pharmaceutical research and products manufacturing. Pharmaceutical products are the largest exported commodity from the State. State government is taking multiple initiatives to promote this sector like getting Dry-Port status for Indore with Drug Technical Advisory Board and a notification for clinical trials has been issued which will result in enabling properly structured clinical trials in the state and boost research investments.
Speakers - Mr. Tulsiram Silawat, Hon'ble Minister, Department of Public Health and Family Welfare, Government of Madhya Pradesh; Dr. Pallavi Jain Govil, Principal Secretary, Department of Public Health and Family Welfare, Government of Madhya Pradesh; Dr. S. Eswara Reddy, Joint Drug Controller (India), CDSCO, Ministry of Health and Family Welfare Government of India; Mr. Dillip Shanghvi, Sun Pharmaceutical Ltd.; Mr. Varun Gera, Health Assure amongst others and Ms Ruchi Bhatia, Deputy Bureau Chief-ET Now as the Moderator.

Textile & Garment: Stitching for Young India: Discussion was centred on the current scenario of textile and garment sector in the State. Special package for garment industry, dedicated textile parks, export potential of textiles and ecosystem for textile and garment manufacturing in MP were key topics elaborated upon. It was highlighted that the factors and existing ecosystem in the State like central location, outstanding road network, surplus energy, huge developed land bank, availability of water, dedicated textile parks etc. is one of the best in the country for textile sector to flourish.
Speakers - Mr. Mohammed Suleman, Additional Chief Secretary, Energy Department Government of Madhya Pradesh; Mr. Rajinder Gupta, Trident; Mr. Shreyaskar Choudhry, Pratibha Syntax; Mr. Siva Ganpathi, Cokaldas Exports and Mr. Sachit Jain, Vardhman and Ms. Nidhi Razdan, NDTV as the Moderator.

MP RE-powering the Country: Opportunities in New & Renewable Energy: Discussion was centred around investment opportunities in renewable energy sector and success in past projects like REWA Solar Power Plant. NRE is an increasingly accepted alternative and in last 7 years the installed capacity has increased from 6% to 20% in the state.
Speakers - Mr. Manu Srivastav, Principal Secretary, NRE Department, Government of Madhya Pradesh; Mr. Ramesh Kymal, Siemens Gamesa; Mr. Sumant Sinha, Renew Power and Mr. Sunil Jain, Hero Future Energies and Ms. Shutapa Paul as the Moderator.

Feeding India: Opportunities in Food Processing: The central location of MP adds to its value proposition as a food processing industry hub. It was emphasized that food exports from Madhya Pradesh should be encouraged and for that steps like certification of farmers, development of export variety of produce, new technological interventions, new varieties, easy market access should be taken. Opportunities for value addition in medicinal and aromatic plants were highlighted.
Speakers - Mr. Iqbal Singh Bains, Additional Chief Secretary, Horticulture & Food Processing Government of Madhya Pradesh; Mr. Chitranjan Dar, ITC; Mr. Ashok Sharma, Mahindra Agri while Ms. Nisha Poddar, Business Journalist was the Media Moderator.

Tourism opportunities in MP: This session focussed on enhancing the potential of tourism in the State across sub sectors like wildlife national parks, heritage sites, important religious and cultural destinations. It was highlighted that the state can cater to a wide range of tourists because of natural features and factors like presence of 11 national parks, 6 tiger reserves, 3 world heritage sites and 2 Jyotirlingas. It was suggested that the film tourism sector should be given a special push as it has trickle down effect on the entire economy.
Speakers - Mr. Faiz Kidwai, Principal Secretary, Department of Tourism Government of Madhya Pradesh; Mr. Nakul Anand, ITC and Ms. Suma Venkatesh, IHCL and Ms. Swati Khandelwal, Executive Editor, Zee Business (EX-CNBC & Bloomberg) as the Media Moderator.

Hon'ble Chief Minister Mr. Kamal Nath in his valedictory speech made major announcements to promote current industrial scenario in the state. He stressed on the need to provide 'Timely clearance' to industrialists. He mentioned that the government trusts investors and industrialists and will therefore work to simplify the regulations and make them time bound. For equitable development of industries in the state, electricity to be provided on concessional rates for a fixed period in identified areas. He shared his vision that some areas near Indore will be developed on the same line of Bandra-Kurla Complex (BKC) of Mumbai. The Valedictory session was followed by a cultural performance and dinner for the guests.

POLICY UPDATES

To provide impetus to the existing focus sectors and extend support to new innovative sectors, Government of Madhya Pradesh take continuous feedback from the industry and come up with policy support. A recent exercise led to amendment in existing policies and creation of some new policies. Highlights of these amendments are as follows:

A. INDUSTRIAL PROMOTION POLICY 2016: AMENDMENTS

- For Green Industrialization, assistance of up to INR 1 crore will be provided for creation of CETP and waste infrastructure.
- Investment in Research & Development Labs shall be considered as capital investment for Pharma units.
- Incentives for Patents and quality certifications.
- Slack period of upto 2 years to Pharma companies for claiming incentives

[\(Click here to view policy\)](#)

B. REAL ESTATE POLICY

- 'One State One Registration' - A colonizer shall be required to register only once for work within the state, with provision for renewal in every five years.
- Waiving the dual 'Shelter tax' - Developer is mandated to construct EWS/LIG units and to deposit tax in lieu of construction of EWS housing which also termed as 'Shelter tax'. Developer shall pay it only once.
- The number of required licences has been reduced from 27 to 5 for obtaining layout/ building permission.
- Free FAR shall be created within the planning area on periphery to attract investment for commercial activities.
- To promote green development, the landowners will be incentivized through green FAR or Transit Development Rights benefits.

[\(Click here to view policy\)](#)

C. MADHYA PRADESH ELECTRIC VEHICLE POLICY

- Capital Subsidy upto 25% to be provided to Public Charging Stations (PCS)
- Additional subsidies in form of land rental holiday to operators developing PCS on Government land and a provision for Viability Gap Funding for PCS operators will be granted.
- Public amenities like cafeteria, public toilets, outdoor-media, advertisement, etc to be allowed on medium and large PCS for additional revenue generation.
- Electricity to the PCS will be provided at a subsidized tariff.
- The policy also offers incentives to EV users / purchasers which includes exemption from road tax & registration charges and parking charges for certain period.

[\(Click here to view policy\)](#)

D. MINING

- Amendments has been made in Madhya Pradesh Minor Minerals Law 1996 which will allow 30 minor minerals to be available for auction.
- Excavation lease will be allotted directly for Minor Mineral based projects subject to minimum investment of INR 25 crore.

[\(Click here to view policy\)](#)

E. MADHYA PRADESH MSME DEVELOPMENT POLICY 2019

- 40% Grant on plant and machinery along with building and additional grant of 8% to the units run by women/SC/ST entrepreneurs and additional incentive for exporting units.
- Special concessional package for selected sectors like pharmaceuticals, apparel and powerlooms.
- Assistance for infrastructure development in private sector industrial area.
- Additional assistance for patents, IPR and quality registrations.

[\(Click here to view policy\)](#)

F. MADHYA PRADESH START-UP POLICY 2019

- Increased support to Start-ups like Sustenance allowance of INR 10,000 per month for 1 year and reimbursement for participating in national and international events up to 1 lakh along with lease rental subsidy and marketing allowance.
- Government is setting-up two 200-seater incubators in MP.
- Access to Seed funding of INR 10 Crores and Venture funding of INR 50 Crores.
- Additional benefits for women entrepreneurs.
- Development of a one stop solution through an Online portal dedicated for Start-ups.

[\(Click here to view policy\)](#)

G. SUBSIDY FOR TOURISM PROJECTS

- Capital Investment Subsidy for tourism projects established and operationalised during the operative tenure of Tourism Policy 2016 (amended 2019) ranging from 15% to 30%. Maximum capital incentive of INR 90 Cr for ultra-mega projects
- 40% capital incentive for installation of ropeway infrastructure in inaccessible tourist places/ forest areas.
- Allotment of Land / heritage assets for establishing tourism projects and exemption/reimbursement of Director and Stamp Duty Fees for heritage hotels.
- Special Incentive Scheme for Branded - Hotels, Resorts, Heritage Hotels

[\(Click here to view policy\)](#)

INVESTMENT UPDATES

ASHOK LEYLAND EVALUATING MP FOR ITS FUTURE INVESTMENT

Dr Rajesh Rajora, Principal Secretary, Department of Industrial Policy & Investment Promotion, Government of Madhya Pradesh, met eminent industrialists Mr. Gopichand P Hinduja and Lord Swaraj Paul in UK, and apprised them of investment-friendly reforms in Madhya Pradesh. The meeting was organized at the House of Lords in United Kingdom. Mr. Gopichand P Hinduja, chairman of Hinduja Group is exploring opportunities to set up their auto unit in MP with an investment of around INR 7,000 Cr.



Dr. Rajesh Rajora with Mr Gopichand P Hinduja

INFRASTRUCTURAL UPDATES

PITHAMPUR WATER SUPPLY PROJECT

With a project cost of ₹225 Crore, Pithampur Water Supply Project was inaugurated by Hon'ble Chief Minister Mr. Kamal Nath during Magnificent Madhya Pradesh 2019. The primary objective of this project is to ensure water supply in unserved/underserved areas of Pithampur. Additionally, the water supply project will also result in enhanced service standards, energy conservation and water quality improvement.



SINHASA IT PARK, INDORE

During MMP 2019, Shri Kamal Nath, Hon'ble Chief Minister inaugurated newly constructed Sinhasa IT Park. This new built-up space at Sinhasa IT Park is an all-equipped 64,000 sq. ft building where space is available at the rate of INR 14 / sq. ft. This new infrastructure is developed by the state government at a project cost of INR 139 Crore in an area of 107 Acres.



EVENT UPDATES

MADHYA PRADESH IN ABLF AWARD Dubai (November 05th - 06th 2019)

A high-level Government of Madhya Pradesh delegation led by Mr. Kamal Nath, Hon'ble Chief Minister participated in Asia Business Leadership Forum (ABLF) in Dubai from 5th to 7th November. Government of Madhya Pradesh delegation participated in ABLF Awards as well as convened various one to one business meetings with Dubai-based business leaders. Established in 2007, the ABLF is held under the patronage of H.H. Sheikh Nahayan Mabarak Al Nahayan, Cabinet Member and Minister of Tolerance, UAE, and is recognised by the UAE Federal Government through a long term partnership with the UAE Ministry of Economy.



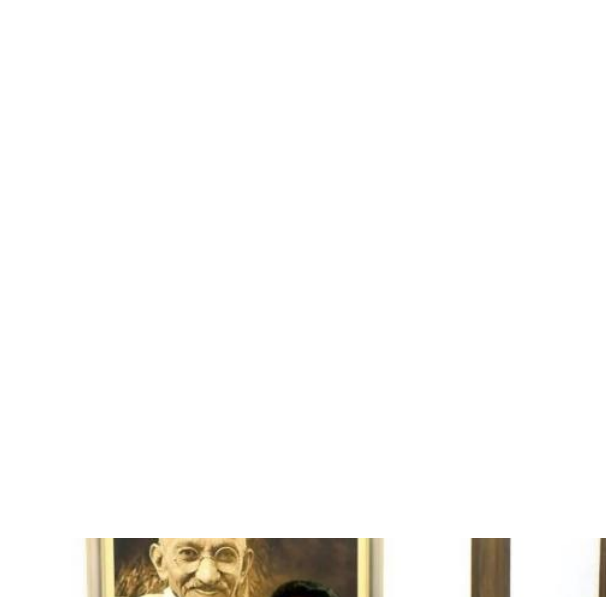
Mr. Kamal Nath meeting H.H. Sheikh Nahayan Mabarak Al Nahayan



Mr. Kamal Nath meeting H.H. Sheikh Nahayan Mabarak Al Nahayan



Mr. Kamal Nath meeting HE Sultan Ahmed Bin Sulayem



Mr. Kamal Nath meeting Mr. Tanweer Saultat



Mr. Kamal Nath meeting Mr. Tavwif F. Alrabiah

Meeting with HH Sheikh Ahmed Bin Saeed Al Maktoum, Chairman, Emirates Group During the meetings opportunities were explored with Emirates group to start flights between Indore and Dubai. The same will have a positive impact on the tourism sector in the state. Considering MP's strategic central location, discussions were also focused on evaluating opportunities to establish a logistics hub in the state by Emirates group.

Meeting with HE Sultan Ahmed Bin Sulayem, Group Chairman and CEO, DP World: His Excellency Sultan Ahmed Bin Sulayem, Group Chairman and CEO, DP World met HCM Shri Kamal Nath to discuss about investment plans of DP world in logistics park and dry port in MP. MP's central location is one of the key driver along with ample availability of land in the state. HCM also briefed him on how MP has emerged as a potential Logistic Hub post the taxation reforms in the country.

Meeting with Mr. Tanweer Saultat, Founder Synchrotron: During the meetings Mr. Tanweer Saultat, Founder Synchrotron (a leading global IT company) discussed on company's growth plans and expressed his intention to set up an IT unit near Bhopal. HCM asked them to submit a detailed proposal.

Meeting with Mr. Tavwif F. Alrabiah, Minister of Health, Saudi Arabia: HCM Shri Kamal Nath in Dubai had a meeting with Mr. Tavwif F. Alrabiah, minister of health Saudi Arabia and discussed the health sector scenario in both the countries and important government initiatives. Prominent investors were also present during the meeting.

Meeting with Mr. Naushad Oomer, Virgin Hyperloop One: CM Shri Kamal Nath in Dubai met Mr. Naushad Oomer, PE, director-operations, India, Virgin Hyperloop One and discussed on possibilities of future hyperloop link between Indore-Bhopal-Jabalpur. During his discussion, he emphasised importance of time and how the emerging technologies like Hyperloop can contribute in development of infrastructure in the State.

Meeting with Mr. Matiani, Head, Friends of MP, UAE Chapter: MP's diaspora living abroad can play a pivotal role in development of the state. During the meeting with Mr. Matiani, Head, Friends of MP, UAE Chapter; HCM discussed the well-being of MP's diaspora and encouraged them to look at possibilities of investment in manufacturing and services sector in Madhya Pradesh. He offered to extend every possible support.

MP TRIVIA

51% of world's organic cotton is produced in India with Madhya Pradesh being the leading contributor with 47% of India's production (by volume) and 39% (by acreage)



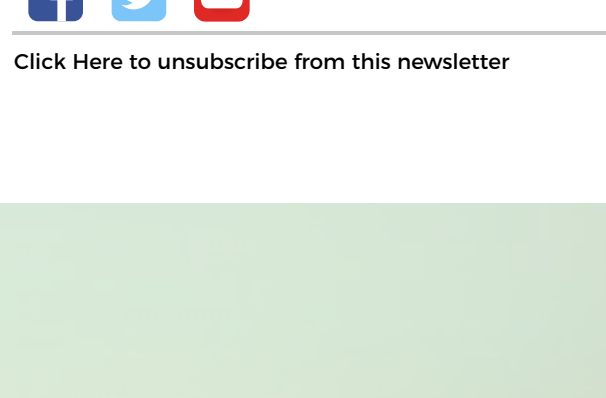
TESTIMONIALS



Madhya Pradesh has been doing exceedingly well. I wish the State great luck. The Godrej Group continues to be a steadfast investor in Madhya Pradesh.
Listen to what more Mr. Adil Godrej, Chairman, Godrej Group, had to say about [\(Click here to watch this video\)](#)



Being the heartland of India, the connectivity to all over India is marvellous from MP.
Listen to what more Mr. Pranav Adani, Director, Adani Enterprises Limited had to say about [\(Click here to watch this video\)](#)



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MPIDC
WE ARE LISTENING!
"CEDMAP BHAWANI" 16-A Arera Hills, Bhopal- 462011 (India)
Tel: (91) 755-2575618, 2571830
Fax: (91) 755-2559973
Email: facilitation@mpidc.co.in

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