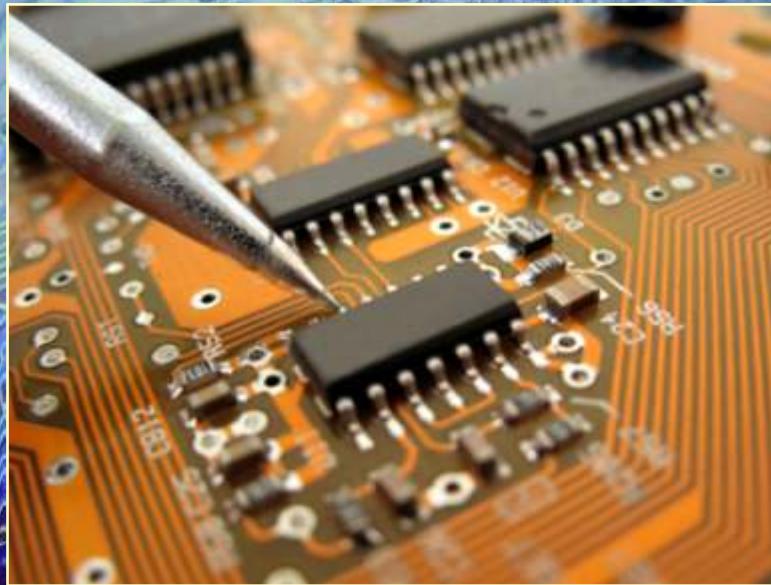




Credible Chhattisgarh
विश्वसनीय छत्तीसगढ़

Electronic System Design & Manufacturing (ESDM)

Sector Profile - 2015



Contents

State Profile: Chhattisgarh	2
Chhattisgarh: Key Strengths	3
Institutional Framework for Investment Facilitation	5
Policy Support	6
Key Investment Enablers	7
Naya Raipur: The new SMART city of Chhattisgarh	9
Sector Snapshot: ESDM in India	10
Chhattisgarh – ESDM in Chhattisgarh	12
Chhattisgarh – Initiatives in ESDM	13
Electronics and IT/ITeS Incentives	14
Chhattisgarh – Potential in ESDM	15
Key Contacts	

State Profile: Chhattisgarh

State Snapshot

- Geographical area: 1.35 Lakh square km.
- 27 districts with Raipur as the Capital city
- Major cities: Bhilai, Bilaspur, Raigarh, Durg, Korba
- Ranks 17th in terms of population and 10th in terms of area in the country
- GSDP growth consistently higher than National average. The State has clocked on an average more than 8% growth rate over last 5 years
- GDP per Capita: INR 69,000 (FY2013-14)
- Established Exports Profile with exports aggregating INR 30 billion



Chhattisgarh: Key Strengths

Rich in Mineral Resources

- Of total production in India, Chhattisgarh produces:
 - ✓ 30% Aluminum
 - ✓ 30% Steel/ Sponge Iron
 - ✓ 17% Coal
 - ✓ 15% Cement
 - ✓ 11% Dolomite
- High reserves of Bauxite, Limestone , Quartzite
- Only Tin producing State of the Country



Rich Water Resources

- Rich water resource State
- 5 river basins. 3 major ones – Mahanadi, Indravati and Rihand
- Surplus run-off water available.
- INR 15,000 Crore for water resource development
- in 12th Five Year Plan



Power Surplus State

- Uninterrupted power supply
- New, separate and attractive power tariff slab proposed for units in IT/ITeS sector
- 1/3rd of national target of 90,000 MW in 12th Five Year Plan to be commissioned in the State.
- Total installed capacity of 23,000 MW
- Planned installed capacity of 41,384 MW by the end of the 12th plan



Zero power cut across the State

Average power tariff
35% cheaper than all India average



Chhattisgarh: Key Strengths

Central Location and Excellent Connectivity

- Direct physical access to markets of 7 states: Telangana, Andhra Pradesh, Uttar Pradesh, Madhya Pradesh, Maharashtra, Bihar and Odisha
- Total road length of 35,411 km including 12 National Highways
- 1187 km of Rail network
- Highest freight loading capacity and Railway operations in Chhattisgarh generates 1/6th of Railway's revenues
- Existing Airport in Naya Raipur - 'National Tourism Award 2012-13' for best
- Airport in India in non-metro category. International flights to commence operations from Raipur soon. Airports proposed at Raigarh and Bilaspur
- Vizag Port at a distance of 548 km from Raipur
- Cargo complex is under development by AAI

Centrally located with potential to develop as the logistics hub of



Barrier-free State

Ease of Doing Business

Land and Construction Cost amongst the lowest in India

Lower Operating Cost

Positive Governance

- Pro-Active Government
- Stable Leadership
- Enabling Institutions
- IT leveraged Administration

Institutional Framework for Investment Facilitation

- State Investment Promotion Board (SIPB) created to facilitate investment proposals more than INR 10 Crores
- SIPB is the single point of contact for Investments in the State
- SIPB is headed by the Chief Minister, and consists of departmentally related ministers and Government officials, so as to ensure inter-departmental co-ordination
- SIPB exercises powers of the State Government and Cabinet in so far as all matters relating to investment promotion are concerned.



- Chhattisgarh State Industrial Development Corporation (CSIDC) is the executive authority involved in industrial promotion and facilitation
- Its functions includes land allocation, entering into JVs, managing PPPs and maintenance & up-gradation of industrial areas.
- It is also the nodal agency for implementing and monitoring NMFP scheme

- CHiPS is the state nodal agency for Electronics, IT and ITeS and is the single point of contact
- Provision of complete handholding support over the entire investment lifecycle
- Headed by the Chief Minister, other departmentally related ministers and Government officials, so as to ensure inter-departmental co-ordination



Policy Support

Industrial Policy 2014-19

- To accelerate pace of industrialization
- To promote private sector participation for the development of basic and industrial infrastructure

Electronic & IT/ ITeS Policy 2014-19

- To develop the ecosystem for a knowledge economy in the State
- To promote the State as an investment destination
- Separate online Single Window Portal

Agro & Food Processing Policy 2012

- Value addition of the Agriculture produce, Fruits & Vegetables and Pulses & Oilseeds in the State.
- Generation of new opportunities of employment in the agro and food processing sector.

Automotive Policy 2012

- To bring special focus and spotlight on the Auto Sector
- Tremendous scope given existing metal ancillaries in Central Chhattisgarh

Solar Policy 2012

- To encourage, develop & promote solar power generation
- To meet growing demand of power in environmentally and economically sustainable manner

Focus on Ease of Doing Business

Introduction of self certification/ third party certification

Chhattisgarh is an emerging and attractive destination for investors



Key Investment Enablers: Talent Pool and Educational Infrastructure

- **Indian Institute of Technology**- MHRD has announced to set up a new IIT in the State of Chhattisgarh
- **IIM, Raipur**- A premier national institute in Management Education/ specialized research established in 2010
- **NIT, Raipur**- Premier institute in Engineering, IT and Technical Education offering graduate / PG courses established in 2005
- **All India Institute of Medical Science (AIIMS)**- A premier institute for medical science and research in Raipur established in 2012
- New campus of Indian Institute of Information Technology (IIIT) will start from Academic session 2015-16. Centre of Excellence set up by Siemens.
- **Hidayatullah National Law University** operational in Naya Raipur

Ever Enlarging and Deep Pool of Talent

Education I Institutes	Number	Intake Capacity
Engineering	49	18,870
Polytechnic	43	7,120
MBA	36	2,640
MCA	12	900
Total Intake Capacity		29,530

- 7 State universities, 1 central university, 6 private universities, 204 government colleges and 256 private colleges
- Courses related to IT like B.Sc. in Computer Science, PGDCA, BCA etc. - offered by >50 colleges in the State
- Total enrolment of 125,656 students in the Government Colleges in the State (2012-13)



Nearly 30,000 professionals passing out into the job market annually

First state to provide skill development as a right

1 lakh engineering candidates to be job-ready over the 12th plan period

Key Investment Enablers: Social and Physical Infrastructure

Public Transportation Facilities

- Bus Rapid Transit System (BRTS) under implementation
- Raipur Nagar Nigam Transport Limited (RNNTL) - City Bus is operational and currently 4 routes inside the city are being served by the city bus service
- 4/6 lane road connectivity in Raipur, Naya Raipur, Bhilai and Bilaspur
- Travel time is less within the city and there are no traffic jams, which leads to more productivity and higher quality of life



Adequate Power Infrastructure

Support Facilities

- Excellent support facilities and on-site infrastructure like internal road network, parking areas, security, uninterrupted power supply, water supply, sewage treatment, solid waste management and landscaping, especially in Naya Raipur.

Healthcare and Entertainment Facilities

- Healthcare Institutions such as Apollo, Fortis, AIIMS, Raipur (regional) Vedanta Cancer Care and Research Centre, Care, Sri Satya Sai Hospital and Narayana Hospitals are functional
- 6 shopping malls in the city of Raipur, 2 in Bilaspur. More than 15 lakh sq. ft. of shopping space
- Presence of major hotel groups: Taj, Hyatt, Marriot, Babylon, VW Canyon, GT Star. Park Group soon to come.
- PVR, INOX, CineMax, Glitz, Big Cinema etc.



World Class Shopping Malls



JSPL Steel Plant

Good Quality of Life

- World Class Schools: Delhi Public School (DPS), NH Goel World School, Krishna Public School, RKC, Kanger Valley, Mayur School and others
- Excellent Law & Order situation
- Abundant availability of comfortable housing at affordable prices.
- All major and aspirational brands have presence. For example, luxury car showrooms such as Jaguar, Audi, BMW, Mercedes.

Naya Raipur: The new SMART city of Chhattisgarh

- **Greenfield City:** 4th New Capital City in the country (and first in 21st Century) having a total gross area of 237 sq. km. (23,700 Hectares). Naya Raipur has emerged as country's first smart city with World class amenities
- **Knowledge hub** with university, research and institutional complexes
- **World class amenities** including 18-hole Golf Course, Theme Township, Convention Centre, IT SEZ, Shopping Malls and Multiplexes
- **In-principle approval** received for setting up of Electronics Manufacturing Cluster (EMC) and IT SEZ in Naya Raipur.
- Notification for Information Technology Investment Region (ITIR) and National Investment & Manufacturing Zone (NIMZ) under process.

Completed Projects:

Over 75 kms of road (phase-I), International Cricket Stadium, Hidayatullah National Law University, Capitol Complex, Expressway (from NH-6 and Airport to Naya Raipur), Muktangan etc.

Ongoing Projects:

Star Hotel and Convention Centre, Exhibition Centre, Mana-Tuta Tourism Centre, IIIT, IIM, ITM University, Knowledge Park, Underground City Electrical Infrastructure, Underground Telecom System etc.

Up Coming Projects:

Railway Station, IT SEZ, Sports City, Theme Township, Logistics Hub, BRTS, Amusement park, EMC, ITIR, NIMZ etc.



Aerial view of Capitol Complex



New Airport Terminal



Mantralaya

Sector Snapshot: ESDM in India

India is emerging as a major Semiconductor hub

2

USD billion – Revenue generation per annum in India for the chip design services

2,000

Chips being designed per year in India

20,000

Engineers are working in various aspects of chip design and verification

India has huge potential to grow as a hub for semiconductor design and manufacturing



Sector Snapshot: ESDM in India



National Program designed to facilitate investment, foster innovation, enhance skill development and build best-in class manufacturing infrastructure



Naya Raipur has been planned and is being executed to be a Smart City of the 21st Century. Its located 28 Km away from Raipur.



Aims to offer a one-stop shop for Government services and would use the mobile phone as the backbone of its delivery mechanism.



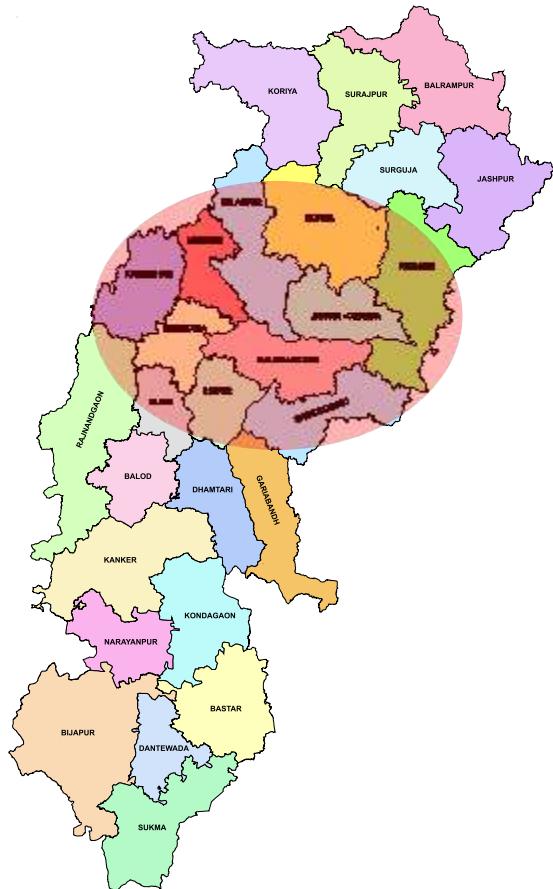
Department of Electronics & Information Technology (DeitY)
Ministry of Communications & IT, Government of India

Promotion of IT and IT enabled services and Internet and initiatives for development of Hardware / Software industry

Extensive focus on Information and Communication Technology



Sector Snapshot: ESDM in Chhattisgarh



- Durg-Bhilai-Raipur-Naya Raipur urban agglomeration
- 2 million people
- Industrial growth center for the State
- Educational and socio-cultural hub
- Seismically safe
- At the crossroads of optical fiber network and ideal for data centres

State wide IT Connectivity

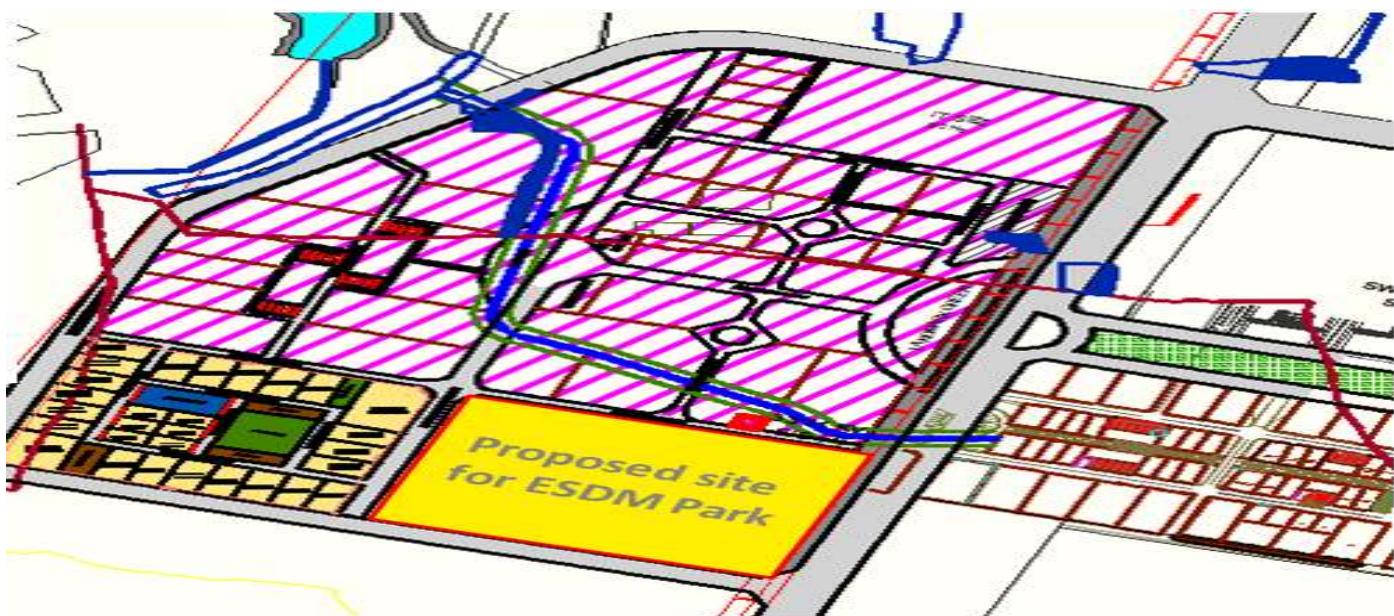
- Chhattisgarh SWAN (CG SWAN): A hybrid network with a mix of wireless and wire line access supporting voice, data and video traffic.
- Chhattisgarh has the 2nd largest deployment of fixed WiMAX in the country, providing access to 3,000 locations in the State.
- STPI with 17000 sq. ft. of state-of-art facilities operational in Bhilai with units in Software Development, Medical Transcription, KPO, Back Office, Financial Control & Accounting

Attractive Policy Incentives

Vibrant Pool of Talented Resources

Chhattisgarh – Initiatives in ESDM

Electronics Manufacturing Cluster (EMC) in Naya Raipur



- In-principle approval received from Govt. of India for setting up of EMC
- 28.32 hectares at Naya Raipur in Sector 22 earmarked for EMC
- Unified integrated facilities with manufacturing support, welfare and common infrastructure to serve the needs of prospective electronics manufacturing units.
- World class eco system for electronics manufacturing industries is being put in place
- Divided into well-demarcated Processing and Non – Processing Zone.
- Naya Raipur is well connected with the major ports like Haldia, Paradip and Vishakhapatnam.
- Interest already received from investors for forming Special Purpose Vehicle (SPV) to execute the EMC. More Partners/ Players are welcome.



Electronics and IT/ITeS Incentives

as per Electronics and IT/ITeS Policy 2014-19

100%	Entry Tax/ CST reimbursement for 10 years
75%	Interest Subsidy for 8 years; maximum limit of INR 110 lakhs per annum
50%	Fixed Capital Investment Subsidy with maximum limit of INR 150 Lakh
12	Years of Electricity Duty Exemption

Other Incentives and Subsidies

- ✓ 80% rebate on land premium
- ✓ 100% exemption on stamp duty as well as 100% exemption on sale to another IT unit
- ✓ Subsidy in bandwidth utilization
- ✓ Concession on buildup space lease/ rental
- ✓ Quality Certification
- ✓ Technical Patent subsidy
- ✓ IT product companies are also under coverage of the policy
- ✓ Margin Monet subsidy
- ✓ Industrial Award Scheme



Chhattisgarh - Potential in ESDM

Target Segments & Demand Drivers for EMC in Naya Raipur

Mobile Devices

-
- Mobile Phones**

- Strong increase in wireless telephone subscriptions.
- Sharp drop in prices (especially smartphones)
- Launch of 3G and LTE services

IT Systems & Hardware

-
- Notebook, Tablets, Printers**

- Government's initiatives – "Aakash" tablets, providing free laptops to students
- Shift in preference - adopting laptops instead of desktops
- Consolidation of printing devices

Consumer Electronics

Flat panel display TV, set top box

- Rising incomes and growing affordability
- Shift in consumer preference from CRT TVs to LED / LCD
- Cable TV digitization policy of the GoI

1st Laptop/ Tablet/ Mobile assembly unit in Chhattisgarh to start production soon



Chhattisgarh - Potential in ESDM

Target Segments & Demand Drivers for EMC in Naya Raipur

Industrial Electronics
- LED Lighting, Inverters, Solar PV modules, power Supply, Energy meter

- Increasing adoption of LED lighting
- Acute power shortage – Higher market for Inverters
- Gol aims to achieve 100% metering by 2020.
- Increasing use of solar PV based electricity generation

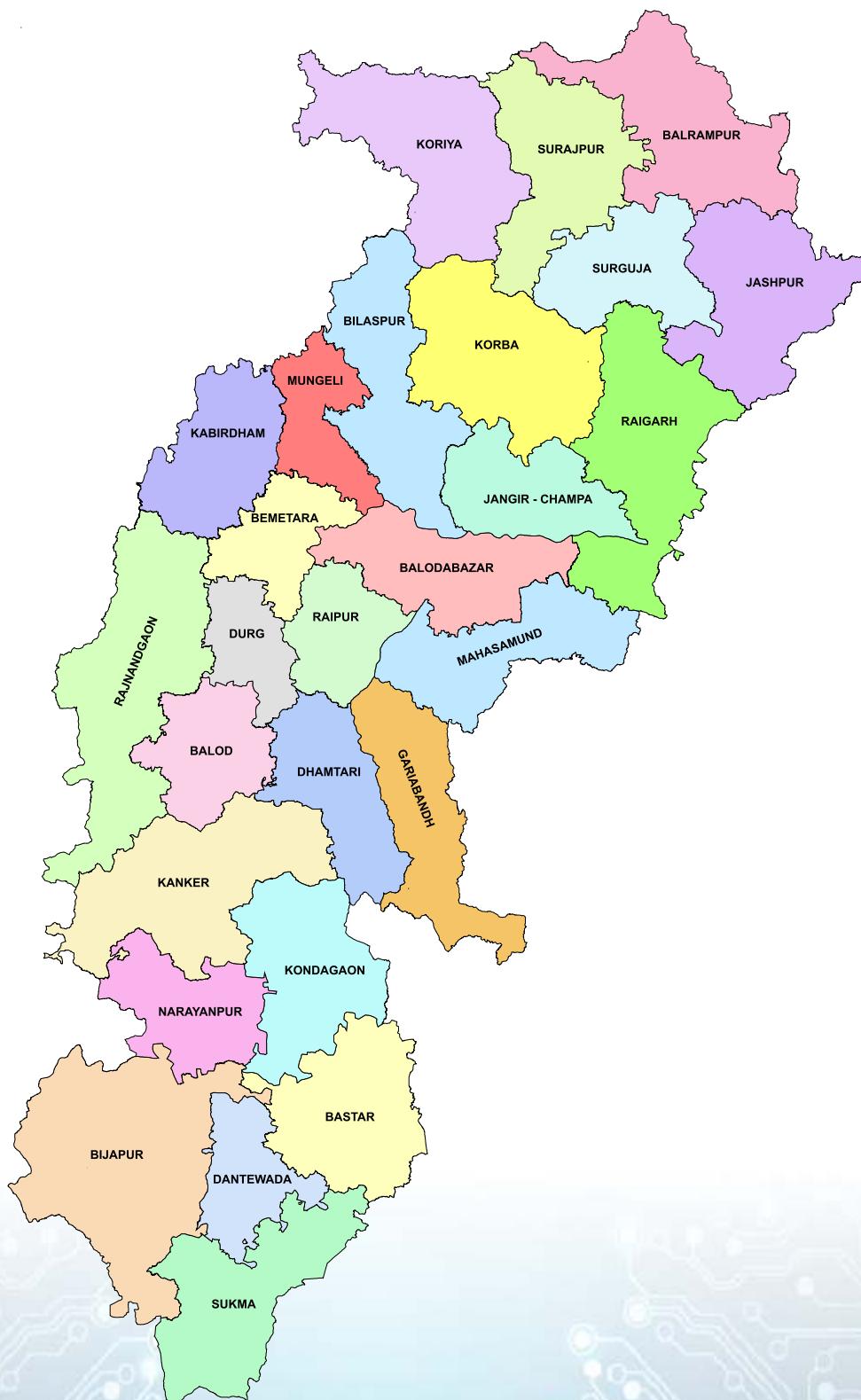
Other Electronics
- Strategic Electronics, Medical Electronics, Automotive Electronics

- Increasing health consciousness
- Government to provide affordable healthcare facilities in rural areas
- Increased safety awareness - anti-lock braking systems (ABS) and airbags

Talent pool is readily available as well

Early mover advantages to definitely accrue to those entities that tap the opportunities in the ESDM sector in Chhattisgarh





Key Contacts

Managing Director, CSIDC
Udyog Bhawan, Telibandha, Raipur
Tel: 0771- 2583793
E-mail: csidc.cg@nic.in

Convener,
State Investment Promotion Board
Near Mantralaya,
Renuka Dwar, Shastri Chowk, Raipur
Tel: 0771-4066351, 4066352
E-mail: sipb.cg@nic.in



Director of Industries & Commerce
Udyog Bhawan, Telibandha, Raipur
Tel: 0771-4080954; 0771-2583652
E-mail: dtic-directorate.cg@gov.in

CEO-Chhattisgarh InfoTech Promotion Society (CHiPS)
3rd Floor, State Data Centre Building
Opp. Civil Lines, Raipur
Tel: 0771- 4066277
E-mail: ceochips@nic.in

Credible Chhattisgarh
विश्वसनीय छत्तीसगढ़