

“It is my belief that with investment in **infrastructure, skills, and dedicated relationship management** the entire state can rise to the occasion of being **truly magnetic.**”



Dr. P. Anbalagan, IAS

Chief Executive Officer
Maharashtra Industrial Development Corporation (MIDC)
Govt. of Maharashtra

1. Maharashtra became the first Indian state to receive an award at COP26 for 'Inspiring Regional Leadership'. As the most developed and industrialised state of India, how is Maharashtra taking the lead to reach net-zero emissions, while balancing industrial and economic growth?

It is a proud moment for Maharashtra as our Hon'ble Minister of Environment, Tourism and Protocol, Shri Aditya Thackeray Ji received an award at COP26 for 'inspiring Regional Leadership'. He highlighted how the State Government has succeeded in creating a culture of climate action in Maharashtra by protecting its **9,800 hectares of Mangroves forest** and investing heavily in clean energy sources.

We at MIDC will support the State Government and its fight against climate change as we acknowledge that sustainable infrastructure development is the key to industrial success. In our efforts to promote clean energy MIDC is bringing in investments from **JSW energy and Tata power** to decrease our reliance on nonrenewable sources of energy. Moreover, MIDC

itself is moving towards using renewable energy for utilities such as **streetlights, water treatment plants, waterworks, pumping stations** and its **offices** by installing **Solar PV systems at 800 locations** across Maharashtra which will help **reduce 30%** of our conventional electricity consumption. MIDC is also going to utilize its shallow areas for generation of clean energy and promote a cyclic economy which will help reduce pollution. We have collaborated with the forest department and private industry players to initiate greening of MIDC, where open spaces in MIDC areas will be converted into **Miyawaki forest** which will reduce pollution and promote ecological balance.

2. How has the unveiling of 'Magnetic Maharashtra 2.0' evolved your strategy to facilitate increased FDI flow to the state?

In June 2020, the Hon'ble Chief Minister announced 'Magnetic Maharashtra 2.0' with an aim to restore the state's economic activity and fight against the impacts of the COVID-19 pandemic. Under Magnetic Maharashtra 2.0, we have signed

MAGNETIC MAHARASHTRA 2.0

MAJOR INDUSTRIAL CLUSTERS

- **Mumbai-Thane-Raigad | 15,000 Acres**
Engineering | Food Processing | Auto & Components | Chemicals | Pharmaceutical
- **Pune-Chakan-Talegaon-Satara | 8,000 Acres**
Data Centre | Gems & Jewelry | Engineering | Food Processing | Auto & Components | ESDM Logistics
- **Nashik-Malegaon-Ahmednagar | 5,000 Acres**
Food Processing | Medical Equipment | ESDM | Engineering
- **Aurangabad (AURIC, DMIC)-Jalna | 8,000 Acres**
Food Processing | Auto & Components | ESDM | Textile
- **Nagpur-Amravati | 4,000 Acres**
Aerospace & Defence | Engineering | Textiles | Food Processing

Maharashtra: The economic powerhouse

- **Largest GDP in India**
Maharashtra's GDP size is \$480 billion; accounting for 16% of India's GDP
- **Largest share in FDI**
Attracted \$154 billion FDI in 2000-2020; accounting for 30% of India's share.
- **Leader in Manufacturing**
Maharashtra contributes to 15% of the Industrial output in India.
- **Excellent industrial area in IPRS**
As per the Industrial Park Rating System (IPRS) report released by the Department of Promotion of Industry and Internal Trade (DPIIT), Maharashtra's most favourable industrial zones.
- **Excellent Law and order**
This is known for progressive administration and policy continuity.
- **Leader in Exports**
Maharashtra has the highest value of exports; accounting for 21% of India's exports
- **Best Quality Workforce**
Maharashtra has the highest employable talent in India at 68%.

Robust Infrastructure

3 International & 13 domestic airports, 2 major & 53 minor ports, and largest power capacity.

Key Reforms Initiated

1. **Plug and Play Infrastructure - 6 Regions | 5950 Acres | 450 Sheds**
Allowing an FDI investor to utilize a ready to use infrastructure complete with affordable rental sheds, comprehensive utilities, expat housing, modular spaces in a 100% compliant ecosystem.
2. **Maha Parwana - 20+ Departments | 100+ Permissions**
A single window clearance system for FDI investors that meet statutory norms to start operations within 48 hours.
3. **Maha Jobs - 3.05 Lakh Applicants | 2,905 Employer | 42,817 Jobs**
Dedicated industrial employment portal, launched in July 2020, aims to help new and potential investors employ the vast and skill rich local talent in Maharashtra on the portal across 17 sectors and 950+ job roles
4. **Investor First Programme - Assigned to 59 MoU Partners | 10 Investment Fellows**
Relationship Manager (RM) and Relationship Executive (RE) are assigned to investors for overall co-ordination and providing necessary support to the Investors on continuous basis.

Investment Intentions Signed

Under the leadership of the Hon'ble Chief Minister and Hon'ble Minister Industries, the Industries department along with MIDC signed 59 MoU's with key investors in the months of June 2020 to October 2021 amounting to INR 1,67,762 Crores and potential employment generation of 3,09,542 jobs.

- **Magnetic Maharashtra 2.0, June 2020 - INR 17,047 Cr | 16,230 Jobs**
No. of MoUs - 14 | Key Sectors - Chemicals, Auto, ESDM, Oil & Gas | Key Countries - USA, Japan, Singapore, South Korea
- **Magnetic Maharashtra 2.0, Nov 2020 - INR 34,850 Cr | 23,182 Jobs**
No. of MoUs - 15 | Key Sectors - Data Centers, Logistics, Electronics | Key Countries - Spain, United Kingdom, Japan, Singapore, India
- **Magnetic Maharashtra 2.0, Dec 2020 - INR 61,042 Cr | 2,53,880 Jobs**
No. of MoUs - 25 | Key Sectors - Data Centers, Logistics, Electronics | Key Countries - India
- **Magnetic Maharashtra 2.0, June 2021 - INR 16,500 Cr. | 5,000 Jobs**
No. of MoUs - 2 | Key Sectors - Petroleum, Natural Gas, Renewable Energy | Key Countries - Australia, India
- **Magnetic Maharashtra 2.0, Sept 2021 - INR - 35,500 Cr. | 10,000 Jobs**
No of MoU's - 2 | Key sectors - Renewable Energy | Key countries - India
- **Magnetic Maharashtra 2.0, Oct 2021 - INR - 2,823 Cr. | 1,250 Jobs**
No of MoU's - 1 | Key sectors - Electric Vehicle | Key countries - UK

Total Investment Intentions – INR 1,67,762 Cr

Foreign Direct Investment – INR 2,01,984 Cr

(October 2019 - March 2021)

Regular Investment – INR 22,142 Cr

(from December - 2020)

Strategic investment cooperation agreements with key corridor partners:

- US-India Strategic Partnership Forum, (USISPF) for USA
- Korea Trade-Investment Promotion Agency, (KOTRA) for South Korea
- United Kingdom – India Business Council, (UKIBC) for the UK
- World Association of Investment Promotion Agencies (WAIPA)



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MIDC

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Georg Fischer Ltd.'s manufacturing facility in Ratnagiri, a port town in Maharashtra

83 MoUs with investment commitments worth **INR 183,022 lakh Crores (\$24.57 Billion)**. Besides these investment commitments, the state also attracted regular investments of **INR 22,000 Crores (\$2.9 Billion)** & FDI investments of **INR 171,807 Crores (\$22.95 Billion)** during October 2019 and March 2021. With these investments, the state has succeeded in mobilizing industrial investments of over **INR 350,000 Crores (\$46.7 Billion)**.

The state has been a preferred investment destination for foreign investors in the last couple of decades and has attracted almost USD 140 billion FDI, accounting for almost 30% of India's share. To further boost the FDI flow into Maharashtra, we have signed strategic investment cooperation agreements with key corridor partners such as **USISPF (US-India Strategic Partnership Forum)** for the USA, **UKIBC (United Kingdom – India Business Council)** for the UK, **KOTRA (Korea Trade-Investment Promotion Agency)** for South Korea, **Indo-France Chamber of Commerce and Industry (IFCCI)** for France and **WAIPA (World Association of Investment Promotion**

Agencies) for global investors. MIDC also ensures priority investor handholding for investors from focus countries such as **Germany, Spain, Japan, South Korea, United Kingdom, United States** among others.

MIDC with its well-developed infrastructure, large pool of **skilled manpower, presence of prominent educational and research institutions as well as excellent living conditions**, continues to give Maharashtra an edge in attracting global investments.

3. The Indian State of 'Maharashtra' has been an integral part of India's growth story as the highest recipient of FDI in India, during the last two decades (2000 – 2021). How is the State uniquely positioned to be a preferred investment destination?

Technology coupled with strong vision and governance has helped Maharashtra attract nearly 1/3rd of all FDI inflow in India. Foreign Direct Investment (FDI) has bought innovative technologies and raised competitiveness which has led to increased investment from domestic markets in the state.

Maharashtra's per capita GSDP stands at **USD 3,255** compared to India's average of **USD 1,978** during 2019-20. On the sectoral front, Maharashtra's Services sector contributes the highest in state's GSDP at 60.7%; followed by Industries sector (25.8%) and Agriculture sector (13.5%) in 2019-20. Maharashtra also contributes 14% to the nation's GDP and 15% to the nation's production output. Maharashtra's exports stood at USD 65 billion in 2019-20, accounting for 21% share in India's overall exports. The state also ranked 2nd on Niti Aayog's Export Preparedness Index 2020.

Over the last few years, Maharashtra has focused on building strong relationships with **Germany, Spain, Japan, South Korea, United Kingdom, United States among other countries**. To further strengthen Maharashtra's position as a preferred



Industrial Area in Nagpur

investment destination, new investment reforms were introduced to boost the FDI inflow in Maharashtra. They include **Plug & Play** infrastructure which allows investors to utilize ready to use infrastructure complete with affordable rental sheds and comprehensive utilities. The **Maha Parwana** portal facilitates smooth application process by integrating 20+ departments and facilitating 100+ permissions and allowing investor to start operations within 48 hours. **Maha Jobs portal** which helps new and potential investors employ the vast and skill rich local talent in Maharashtra. **Relationship Managers (RMs) and Relationship Executives (REs)** who have been assigned to investors for the overall coordination and provide the necessary support to the Investors on a continuous basis.

It should also be acknowledged that a **robust policy framework and progressive actions** initiated by the state political leaders have helped the state in achieving this unparalleled growth.

4. What are some of the biggest challenges and key opportunities with respect to Industrial Development in the state?

Ensuring the availability of land for industrial use, increased cost of land and balanced industrial growth are some of the key challenges faced by the State Government.

To ensure the **availability of land**, we have adopted suitable measures like utilizing land of **de-notified SEZs** and promoting the development of **new cooperative industrial estates**. We have also permitted **additional Floor Space Index (FSI)** to address this challenge in the existing industrial areas to the extent of 0.5. It has also allowed the similar FSI extension in new cooperative industrial estates over and above the basic FSI, by charging premium rates decided by MIDC and approved by the state government.

An **increase in cost of land** is another a major concern for entrepreneurs of small and medium enterprises who wish to obtain land for their ventures. Therefore, to promote MSMEs in new industrial areas, we have **reserved 20%** of the area for micro and small industries. Out of which, 5% area is been allotted on a priority basis to **woman entrepreneurs, SC and ST entrepreneurs and industrial units of woman savings group**. We also allot plots to mega and ultra-mega projects along with FDI investments on priority to promote a diverse industry base in the state.

To ensure balanced industrial growth across all regions in Maharashtra the State Government launched the Package scheme of incentive 2019. This scheme ensures that there is balanced industrial growth across all regions in Maharashtra by classifying them based on their level of industrialization and granting additional incentive to regions such as Vidarbha, Marathwada, Ratnagiri, Sindhudurg, Dhule and aspirational districts which include Osmanabad, Gadchiroli, Washim and Nandurbar.

5. Your theme at the Dubai Expo 2020- "Realizing the Trillion Dollar Vision" of Maharashtra positions the state as a key player in the Hon'ble Indian PM's economic goal of USD 5 Trillion Indian Economy. What policy changes, urban developments, trade strategies are being adopted to realize this?

Maharashtra is the most industrialized state in India and plays a crucial role in India becoming a USD 5 trillion economy. The state has focused their efforts on bringing in **new reforms**, improving its **governance strategies** and **infrastructure**, and focusing on **skill development** to reach its goal of a trillion-dollar economy.



Volkswagen India Private Limited's Headquarters and Manufacturing facility in Pune, Maharashtra



Persistent Systems Ltd., at Hinjewadi, Pune (Maharashtra)

The State Government launched Maharashtra's Industrial Policy 2019 which identifies Electric Vehicles, Aerospace and Defence Manufacturing, Industry 4.0, Integrated Data Centre Parks, Textile Machinery Manufacturing, Biotechnology and Medical and Diagnostic Devices, Agro & Food Processing, Information Technology, Electronic Systems Design & Manufacturing, Logistics & Warehousing, Green Energy/ Bio-Fuel Production, Sports and Gym Equipment Manufacturing, Nuclear Power plant equipment manufacturing and Mineral/Forest based Industries as thrust sectors.

The state has specific policies that cater to specific demands of these trust sectors. EV policy that provides incentives and assistance for companies setting up EV Charging facilities and special incentives for EV Buyers, Aerospace & Defence Manufacturing Policy 2018 which reserves multiple 200-acre parcels across the state for specialty parks and townships, Logistics Park Policy which will provide additional FSI and concession in power rates, IT/ITeS Policy that caters to AVGC parks, data centers and IT parks providing them with Stamp duty and electricity Duty exemption and electricity Tariff at industrial rates, and Electronics Policy which will provide incentive benefits to units manufacturing components for semiconductors and integrated chips.

The state has also taken initiatives towards digital governance, through platforms like **Maha jobs** and **Maha Parwana**, which aim to simplify investor journey by providing fast-track Permission through the **Single Window System** and matching the right talent with jobs via digital solutions. Initiatives like **Plug-and-Play Infrastructure and Investor First Programme** have enhanced investor experience and sentiment.

The State government has undertaken **strategic projects** with an aim to improve connectivity within and beyond the state boundaries which will facilitate trade and commerce. Maharashtra has a formidable infrastructural capacity with over **30+ Mega Projects under development**, with a total investment of about **40 billion dollars** in **Transport Infrastructure. Major transport and connectivity-related infrastructure projects** like the Mumbai Trans-Harbor Link, Vadhavan Port, Delhi-Mumbai Industrial Corridor, Maharashtra Prosperity Corridor and Metro projects in tier 1 cities will facilitate connectivity between Mumbai and the rest of the state. In recent years, the state has also made efforts in developing educational institutes with **added focus on Research and Development, Capacity Building and Skill development** across all sectors.

Such bold initiatives have helped Maharashtra grow rapidly and be on track to becoming the nation's first trillion-dollar economy.

6. Economic gravity is shifting towards Asia. How is the Govt. of Maharashtra driving the State as a major fulcrum in the global supply chain and logistics network?

Maharashtra's **strategic location and seamless connectivity** with national and international geographies on account of its port and airport linkages makes it an ideal location for logistics and warehousing activities and has immense potential to support global supply chain demand.

To ensure support to the global supply chain Maharashtra has two major ports i.e., Mumbai and Jawaharlal Nehru Port (JNPT) and the upcoming Vadhavan port project. This port will be constructed near Dahanu in Maharashtra and is a part of the

Centre's Sagarmala initiative that aims to make Indian ports major contributors to the country's GDP.

Along with this Maharashtra is working with the National Highway Authority of India (NHAI), Government of India to build **4 Multi-Modal Logistics Parks**, at least **25 integrated multi-modal logistics parks** and promote a minimum of **100 logistics parks across the State to strengthen the logistics network across Maharashtra and improve last-mile connectivity**.

The state provides limitless opportunities for manufacturers, innovators, and suppliers. We recognize the unparalleled future potential of the sector and we will extend our full cooperation and will undertake the necessary steps to develop Maharashtra as a logistic hub.

From Information Technology, Electronic Vehicles, Data Centers to Medical Equipment, MIDC enlists 12 focus sectors on its website, how is MIDC preparing special districts and smart cities to foster business ease and growth for these sectors, under your able leadership?

Maharashtra possesses India's largest industrial land bank spanning nearly **2.25 lakh acres** encompassed in more than **289 industrial estates**. To support the expanding industrial ecosystem, MIDC increases its land bank by **3% year over year**. The corporation provides best-in-class infrastructure to investors including **roads, 24x7 power, regular water supply, chemical disposal system, logistical connectivity, and sector specialized zones**.

To foster the ever-growing industrial ecosystem in Maharashtra, MIDC has India's first smart industrial city for **Food Processing, Auto & Components, ESDM and Textile** in AURIC, Aurangabad

as part of the Delhi-Mumbai Industrial Corridor spread over 10,000 acres. In future, an electronic and engineering smart city is coming up in Talegaon along with a Hi-Tech city spread across 15,000 acres in Dighi Mangaon. MIDC is also in the process of finalizing an **engineering hub** at Khalapur in Raigad and Shahpur in Thane. A dedicated **Data Center** is coming up in Taloja. With a focus on **food processing, electronic system design and manufacturing, medical equipment and engineering**, Nashik-Malegaon-Ahmednagar region is fast developing over 5000 acres. To give boost to the pharmaceutical sector, MIDC has proposed a dedicated **Bulk Drug Park** in Raigad and a **Medical Device Park** in Aurangabad. Over 8000 acres has been identified in Pune-Chakan-Talegaon-Satara region as a hub for **auto components, defence, food processing, heavy engineering, gems, and jewellery**. With an area of 4000 acres Nagpur-Amravati region is poised to further develop **as an aerospace & defence along with Textile and Food Processing hub**. To consolidate the state's position as a leader in electronic manufacturing, the government is developing **Electronic Manufacturing Cluster 2.0** at Ranjangaon. The park will have tailored infrastructure and utilities that fit requirements of the industry and investors.

MIDC has an excellent track record of attracting investments into the state with its industrial ecosystem coupled and dynamic policies. It is my belief that with investment in infrastructure, skills, and dedicated relationship management the entire state can rise to the occasion of being truly magnetic. ■