

7th-8th October, 2018
www.destinationuttarakhand.in



Govt. of Uttarakhand



Uttarakhand

All Geared-up to Race Ahead

Designed by sanket

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Automobile



WELCOME!

In Uttarakhand, we have been successful in creating an investor friendly environment. The State has immense potential and favourable conditions to attract investments in various sectors mainly Tourism & Wellness, Organic Farming, Food Processing, Horticulture, Electricity, Solar Energy, Automobile, Pharmaceutical & Sericulture sectors. Uttarakhand is also welcoming new ideas and innovations by creating appropriate ecosystem for nurturing Start-Ups. The state has done a commendable job in creating a symbiotic atmosphere of confidence and enterprise.

Uttarakhand beckons all investors to come, invest and excel.

Trivendra Singh Rawat
Chief Minister, Uttarakhand

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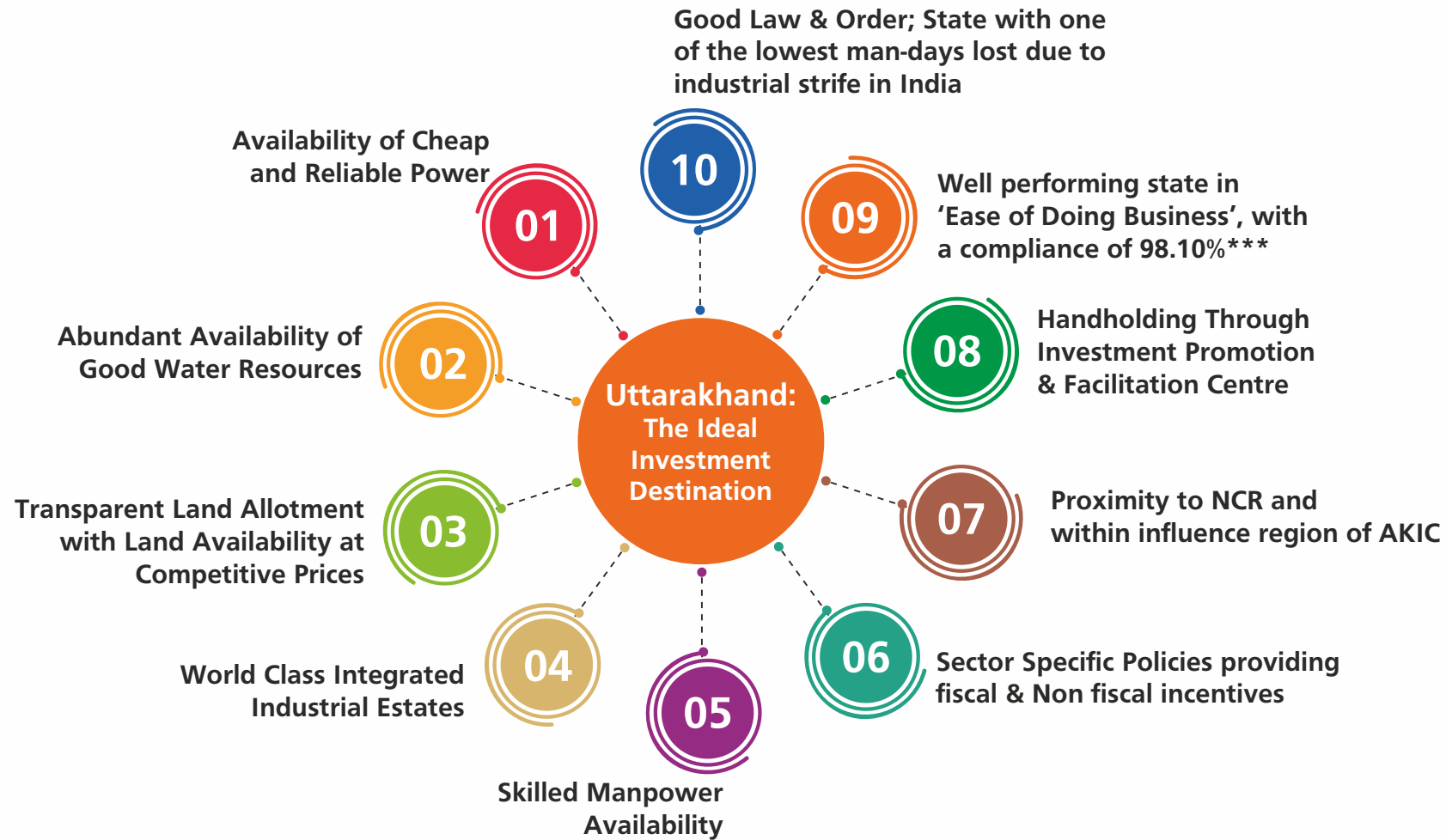
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UTTARAKHAND OVERVIEW

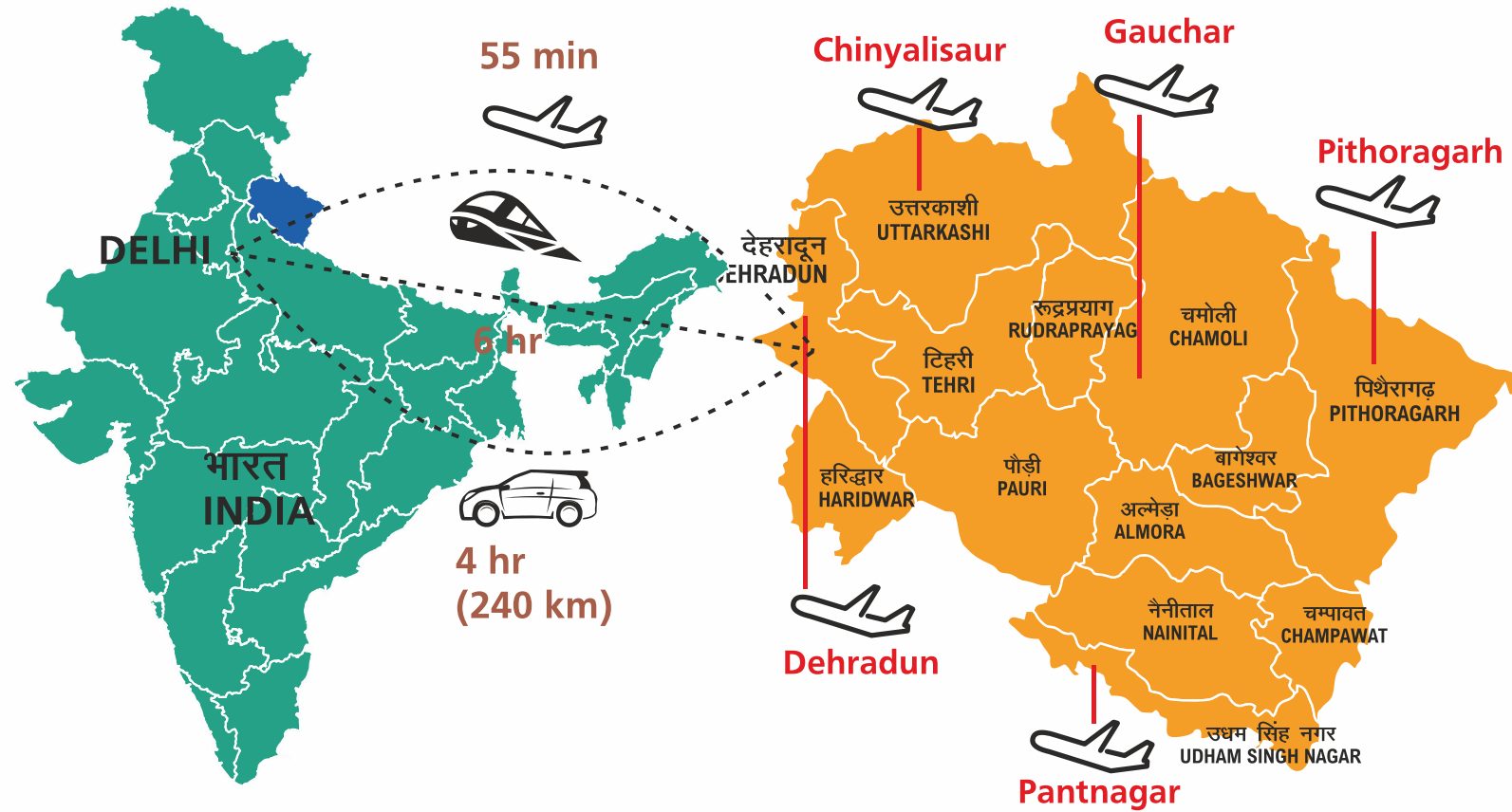
- The State of Uttarakhand was formed on 9th November 2000 as the 27th State of India, when it was carved out of northern Uttar Pradesh
- The State is close to the National Capital Region (NCR) and has excellent connectivity with its neighbouring states
- With levels of literacy rate* (78.80%) higher than the national average and the presence of institutes of international repute, the State has abundant availability of quality human resources
- GSDP of the state stood at INR 2,17,609 Million with a growth rate of 11.23% (FY 2017-18)*
- The state offers a wide range of benefits in terms of interest incentives, financial assistance, subsidies and concessions
- The secondary sector in the state contributes around 50% to the Gross State Domestic Product (GSDP: 2017-18), much higher than the national average **

ACKNOWLEDGED FOR EASE OF DOING BUSINESS & PEACE OF DOING BUSINESS...



Sources: *Uttarakhand at a glance 2016, DES, GoUK
**Directorate of Economics & Statistics, GoUK
*** Evaluation of BRAP 2017 Reform Evidence, DIPP

CONNECTIVITY - UTTARAKHAND



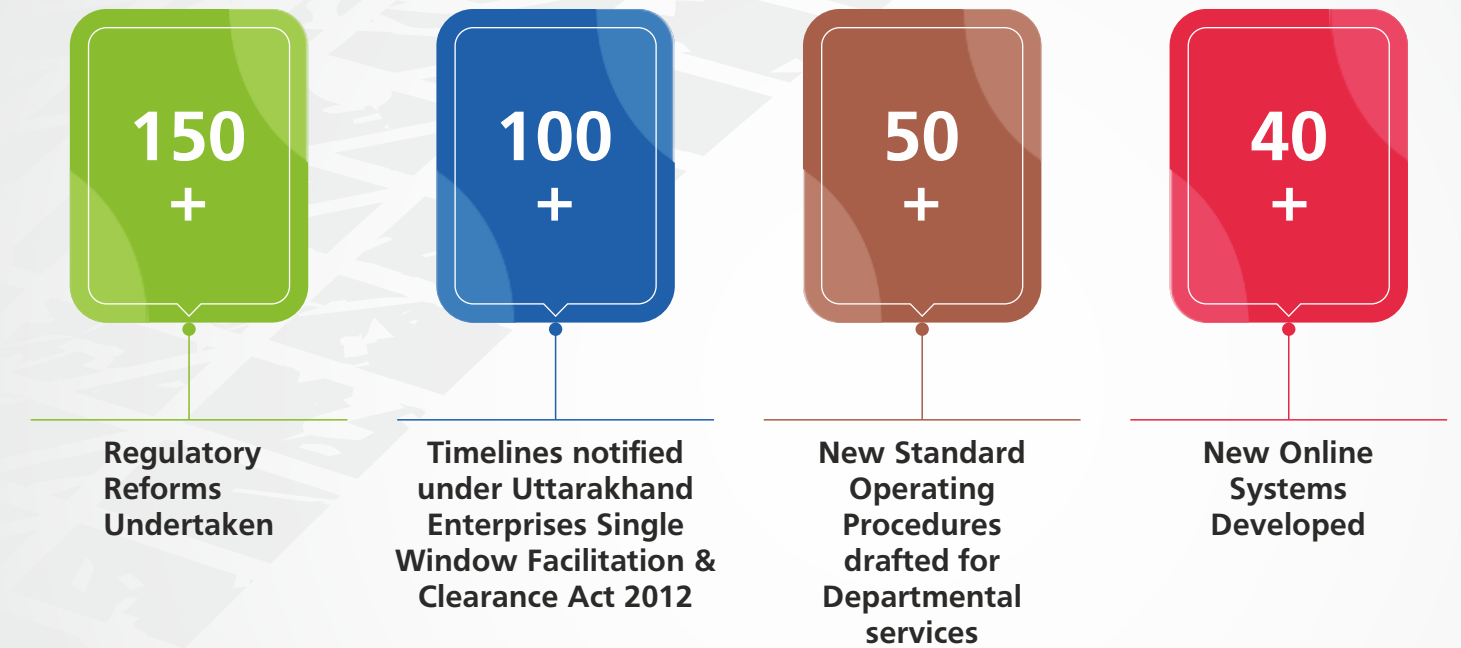
General Characteristics	Population ('000) 10086	Area (Sq. Km) 53,483	Water bodies Ganga, Yamuna, Bhagirathi and others
Economic Indicators	GSDP (Million INR) 2,17,609 (FY 2017-18)	GSDP Growth Rate 11.23% (FY 2017-18)	Per Capita Income (INR) 1,77,356 (FY 2017-18)
Technical Institutes	Higher Education Institutes 159	Industrial Training Institutes (ITI) 179	Polytechnic Institutes 70

Sources: Uttarakhand at a glance 2016, DES, GoUK

	INTEGRATED INDUSTRIAL ESTATES (IIEs) 07		INLAND CONTAINER DEPOTS 2 ICDs (FY 2017)		AIRPORTS 2 (Domestic)		ELECTRICITY TARIFF INR 4.99* /kWh (2017-18)
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EASE OF DOING BUSINESS

Under the 'Ease of Doing Business' initiative, the State has implemented a web based Single Window Clearance System - www.investuttarakhand.com, allowing investors to avail the necessary State Government approvals to establish and start their business operations through a single platform without any physical touch point with the approving / licensing authority.



HASSLE FREE SETUP AND OPERATIONS IN THE STATE



INVESTOR FACILITATION

- The Government of Uttarakhand has laid huge emphasis on business facilitation by creating an enabling environment for industries to set up and start their operations in the State
- The State government houses a dedicated '**Investment Promotion & Facilitation Centre (IPFC)**' which acts as a centralized one-stop-shop for the investors / businesses and provides complete handholding support in a structured, focused and comprehensive manner. IFC will focus on investment promotion, facilitation, direct engagement and consultation with investors / Stakeholders and ensures investment realization and sustainable industrialization in the state
- '**Uttarakhand Right to Service Act, 2011**' & '**The Uttarakhand Enterprises Single Window Facilitation and Clearance Act, 2012**' were enacted to provide necessary time bound licenses, permissions and approvals for the setting up of commercial establishments in the state. The State has ensured robust legal resolution mechanisms to ensure time bound delivery of government services with more than 100 investor related services already notified under both the acts separately and is in the process of adding more such services of multiple sectors shortly

CREDITED BY INDUSTRY ASSOCIATIONS

Story of 'Make in Uttarakhand' which started in 2003 is a classic example of what manufacturing can deliver to a region's economy in terms of both economic growth and employment generation

-CII Report 'Making Uttarakhand Competitive, June 2016'

CII

NCAER Assessment based on "Perception of good business climate" ranks Uttarakhand as the Least Corrupt state in India

NCAER N-SIPI Index Survey ; Five states – Uttarakhand, Gujarat, Assam, Andhra Pradesh and Himachal Pradesh – had more than 90% respondents say they faced no problem in getting land

NCAER

Uttarakhand has emerged as the top state in the country in terms of growth in the industry and service sectors in the last ten years.

Uttarakhand has also figured as the second best performing state in terms of project implementation, improving investment scenario in the state

ASSOCHAM

AUTOMOBILE SECTOR - INDIA

INDIAN AUTOMOBILE INDUSTRY

- The Indian auto industry accounts for 7.1% of the country's Gross Domestic Product (GDP)
 - Provides direct and indirect employment to 29 million people
- Current annual production of 25 million vehicles and export of 3.5 million vehicles
- The USD 74 billion auto industry is expected to grow to 135 billion by 2020 and 300 billion by 2026 at a CAGR of 15%.
- India is the largest tractor manufacturer, second largest bus manufacturer and third largest heavy trucks manufacturer globally.
- India is a net vehicle exporter, and reports negligible automotive imports
- India attracts foreign automotive manufacturers providing 100% FDI under the automatic route
 - *During the period April 2000 to December 2017, the industry attracted FDI worth USD 18413 million, contributing to 5% of the total FDI inflows*
- Demand of automobiles in India is also driven by India's positive economic fundamentals and the performance of key sectors such as agriculture, mining, steelmaking, and construction
- The Indian domestic market is dominated by two wheelers for about 80% of the Indian automobile industry in terms of both volume and value
 - *India has become the second-largest two-wheeler market in the world. Alongside this, the sales of Passenger Vehicles and Commercial Vehicles grew by 7.89% & 19.94% respectively during the period April-March 2018*

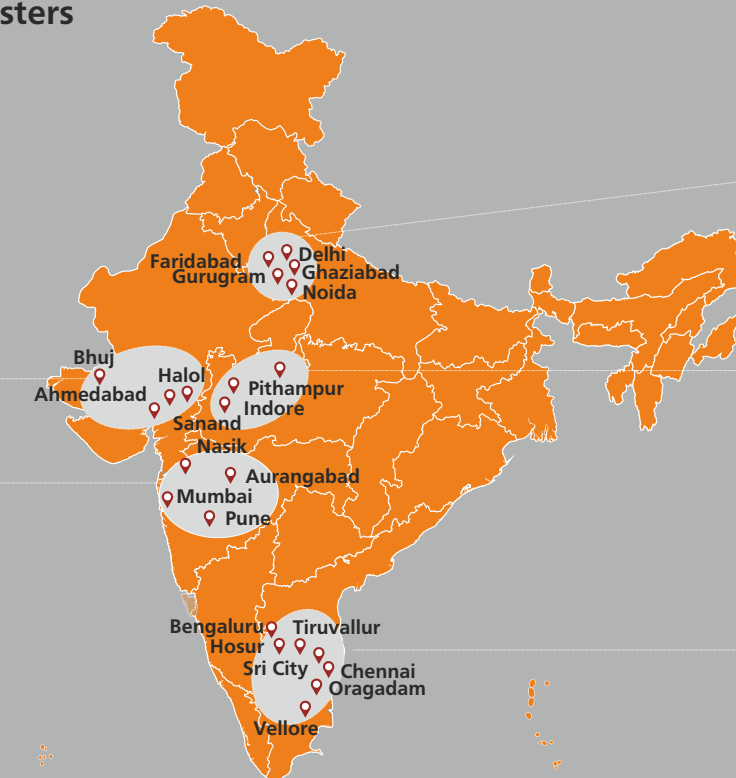
Automobile Clusters

Ahmedabad (Sanand)

Tata Motors
AMW Motors
Maruti Suzuki
Ford
Honda
Hero Motocorp

Mumbai-Pune

Volkswagen
Daimler
Mahindra & Mahindra
Bajaj Auto
Mercedes-Benz



Delhi NCR

Honda
Hero Moto Corp
Yamaha
Maruti Suzuki
Eicher

Indore(Pithampur)

Eicher
Volvo
Mahindra & Mahindra
Hindustan Motors

Bengaluru-Chennai

BMW
Royal Enfield
Renault
Hyundai
Mitsubishi Motors
Daimler

Source: Make in India, DIPP; Invest India, DIPP; SIMA

COMPETITIVE ADVANTAGE - AUTOMOBILE

KEY CREDENTIALS

Uttarakhand has a good number of automobile and auto-component manufacturers in the state. Pantnagar and Haridwar have evolved as important auto hubs in the Northern India

Most of the Auto component units are contract manufacturers and are spread across the state with majority of them located in the Integrated Industrial areas of Pantnagar and Haridwar

There a few private industrial estates, which provide 24*7 electricity, Effluent treatment plants, waste management facility, etc. These Industrial Estates are very well connected to major cities and hubs through roads and railways

To facilitate availability of skilled and trained manpower for the sector, the state is pushing the implementation of National Skill Development Mission throughout the state




The state has a good presence of commercial banks and financial institutions to provide financial assistance to these industries for managing their working capital requirements, daily operation maintenance costs, etc.




COMPETITIVE ADVANTAGE

- The Industrial electricity tariff in Uttarakhand is one of the lowest across the States in India with ample availability of land, providing enabling environment for doing business in the State.
- Uttarakhand is proud of having a history of industrial harmony, with one of the lowest man-days lost due to industrial strife in India.
- Uttarakhand offers locational advantage with close proximity to the National Capital Region including advanced as well as emerging markets.
- Uttarakhand has large no. of ancillary units in the districts of Udham Singh Nagar, Haridwar etc.
- Abundant skilled manpower is available in the State. The Uttarakhand Skill Development Mission provides specific courses on the Automobile Sector.
- Uttarakhand has a well-established Industrial base of long-standing and reputed business houses like Mahindra & Mahindra Ltd, Hero MotoCorp Ltd, Bajaj Motors Ltd, TATA Motors Ltd., Ashok Leyland Ltd. etc. These players have introduced state-of-the-art operating practices which have been fed into the local production environment

KEY PLAYERS

EXISTING AUTOMOBILE PLAYERS

		
Mahindra & Mahindra Ltd.	Bajaj Auto Ltd.	Tata Motors
Location: Haridwar Products: 3 Wheelers, 4 Wheelers	Location: Pantnagar, Haridwar Products: 2 Wheelers/Motorcycle	Location: Pantnagar

		
Ashok Leyland	Hero Motor Corp	Rockman Industries Ltd.
Location: Haridwar Products: Commercial Vehicles	Location: Haridwar Products: 2/3/4 Wheelers & Parts	Location: Haridwar Products: Automotive components





Mahindra & Mahindra Ltd.

- The entity established its unit in Haridwar in the year 2006 with a total project cost of INR 62.8 Cr. The entity holds 360 direct employees
- Company's sole automotive plant in North India also manufactures two wheeler and three wheelers
- Mahindra & Mahindra Ltd. (M&M Ltd.), has achieved a production milestone of 7 lakh vehicles from its automotive plant. The Haridwar plant achieved this milestone in less than 10 years
- The plant's earlier production milestone of 6 lac vehicles was achieved in November 2014 and since then it has taken just ten months to reach the 7 lac vehicles production mark
- The plant has earned the distinction of having one of the highest production capacities amongst other automotive plants of Mahindra from 2013-15





Hero MotoCorp Ltd.

- The Motor cycle market leader Hero MotoCorp Ltd. formerly Hero Honda, has established its third manufacturing plant in Haridwar in the year 2008 with a total project cost of INR 596 Cr out of which INR 511 Cr is into Plant and Machinery
- The unit employed around 3,900 direct Employees
- The products that the plant deals with includes two wheelers, three wheelers, four wheeler & parts thereof. The unit also deals in exporting the finished goods to different countries





Tata Motors Ltd.

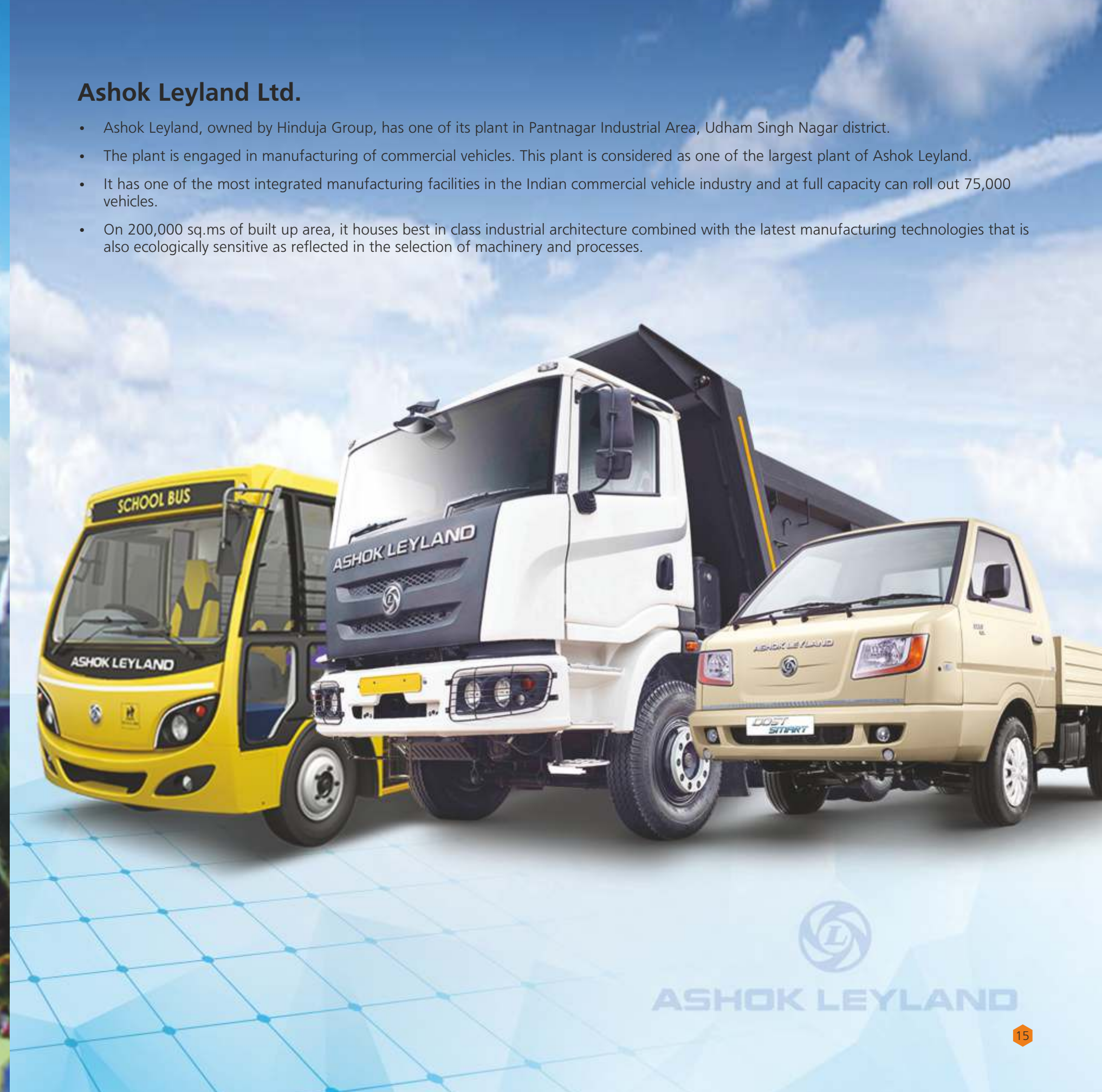
- Tata Motors Ltd has setup one of their six manufacturing plants in Pantnagar, Udham Singh Nagar District





Ashok Leyland Ltd.

- Ashok Leyland, owned by Hinduja Group, has one of its plant in Pantnagar Industrial Area, Udham Singh Nagar district.
- The plant is engaged in manufacturing of commercial vehicles. This plant is considered as one of the largest plant of Ashok Leyland.
- It has one of the most integrated manufacturing facilities in the Indian commercial vehicle industry and at full capacity can roll out 75,000 vehicles.
- On 200,000 sq.ms of built up area, it houses best in class industrial architecture combined with the latest manufacturing technologies that is also ecologically sensitive as reflected in the selection of machinery and processes.





Bajaj Motors Ltd.

- Bajaj Motors Ltd. established their second manufacturing unit at Pantnagar Industrial Area, Udham Singh Nagar district in the year 2007.
- The unit is spread across area of 5 acres and is equipped with a Forging plant and Precision Auto Components Manufacturing facility.
- The unit is engaged in manufacturing of 2 wheelers / Motorcycle manufacturing with a total project cost of INR 300 Cr and 900+ direct employees.
- The unit, with the aforesaid infrastructure and man power has a capacity of approximately 18 lakh vehicles.
- Bajaj also established their third manufacturing plant in Haridwar, Uttarakhand in the year 2010 with a state-of-art Precision Auto Components Manufacturing Facility



INVESTIBLE PROJECTS

Manufacturing of Electric Vehicles



Setting up of Agricultural and Earth Moving Vehicle manufacturing unit



Note: For more details, please visit www.investuttarakhand.com



REGULATORY MECHANISM

REGISTRATION / NOCs / LICENSES REQUIRED FOR SETTING UP OF UNITS

Details of Licenses / Approvals / NOCs / Clearances for Automobile Industries

Sr. No.	Name of Service	Authority/ Agency/ Office/ Department officer granting approval
1	Land allotment in departmental industrial estates	Directorate of Industries
2	Application for Land / Plot Allotment	SIIDCUL
3	Application for new connection LT / HT line non domestic / industrial	Uttarakhand Power Corporation Limited
4	Application for Water Connection	State Infrastructure and Industrial Development Corporation of Uttarakhand Limited
5	Application for Water Connection	Uttarakhand Jal Sansthan
6	Application for building plan approval	State Industrial Development Authority
7	Application for Completion cum Occupancy Certificate	State Industrial Development Authority
8	Consent to Establish under Water (Prevention and Control of Pollution) Act, 1974	Uttarakhand Environment Protection and Pollution Control Board
9	Consent to Establish under Air (Prevention and Control of Pollution) Act, 1981	Uttarakhand Environment Protection and Pollution Control Board
10	Consolidated Consent & Authorization under Water Act, 1974, Air Act, 1981 & Authorization under The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016	Uttarakhand Environment Protection and Pollution Control Board
11	Application for Pre - Establishment Fire NOC (National Building Code, 2005)	Uttarakhand Fire and Emergency Services
12	Application for Pre-Operational Fire NOC (National Building Code, 2005)	Uttarakhand Fire and Emergency Services
13	Site Plan Approval under Factories Act, 1948	Department of Labour
14	Registration of Factories under Factories Act, 1948	Department of Labour
15	Registration under Uttarakhand Dookan Aur Vanijya Adhistan Adhiniyam, 1962	Department of Labour
16	License under Contract Labour Act, (Regulation and Abolition), 1970	Department of Labour
17	Registration under GST (Uttarakhand Goods and Services Tax Rules, 2017)	Department of Commercial Tax

POLICIES & INCENTIVES

POLICIES, SCHEMES AND INCENTIVES

Central Government Schemes and Policies

- Automotive Mission Plan (2016-26)
- National Electric Mobility Mission Plan 2020 (NEMMP)
- Faster Adoption and Manufacturing of Hybrid and Electric Vehicles (FAME)
- National Automotive Testing And R&D Infrastructure Project (NATRIP)
- Merchandise Export from India Scheme (MEIS)
- Industrial Development Scheme 2017

State Government Schemes and Policies

- State Government policies that are currently running include MSME Policy 2015 & Mega Industrial & Investment Policy, 2015 for Automobile Manufacturing & Assembling Industries

CENTRAL GOVERNMENT BENEFITS & INCENTIVES

Sr. No.	Policy / Scheme	Benefits
1	Merchandise Export from India Scheme	Rewards under MEIS are payable as a percentage (2,3 or 5%) of realized FOB value for notified goods going to notified markets, by way of the MEIS duty credit scrip. The scrip can be transferred or used for payment of a number of duties / taxes including the customs / excise duty / service tax

INDUSTRIAL DEVELOPMENT SCHEME 2017

Incentive Type	Quantum of Incentives
Central Capital Investment	Central Capital Investment Incentive for Access to Credit (CCIIAC) @ 30% of the investment in plant and machinery with an upper limit of INR 5.00 crore
Central Comprehensive Insurance Incentive	Reimbursement of 100% insurance premium on insurance of building and Plant & Machinery for a maximum period of 5 years from the date of commencement of commercial production/ operation

Note: Units which have commenced production on or after 01st of April, 2017 will be allowed to register with DIPP on or before 30th of September, 2018

STATE GOVERNMENT BENEFITS & INCENTIVES

State has been divided into following five categories under MSME Policy 2015 for the purpose of quantum of incentives/subsidies:

Category	Regions Included
Category A	<ul style="list-style-type: none"> Whole Districts of Pithoragarh, Uttarkashi, Chamoli, Champawat, Rudraprayag and Bageshwar
Category B	<ul style="list-style-type: none"> Whole District of Almora All hilly development blocks of District Pauri Garhwal, Tehri Garhwal (Excluding regions under category B+) All hilly development blocks of District Nainital and Dehradun (Excluding regions under category B+)
Category B+	<ul style="list-style-type: none"> Kotdwar, Sigaddi and adjoining plain regions of Dugadda development block of district Pauri Garhwal Dhalwala, Muni Ki Reti, Tapovan and adjoining plain regions of Fakot development block of District Tehri Garhwal Kotabagh development block of District Nainital Plain regions of Kalsi development block of District Dehradun
Category C	<ul style="list-style-type: none"> Regions located above 650 mtrs from sea level in Raipur, Sahaspur, Vikasnagar and Doiwala development blocks of District Dehradun Ramnagar and Haldwani development blocks of District Nainital
Category D	<ul style="list-style-type: none"> Whole Districts of Haridwar and Udham Singh Nagar Remaining area of District Dehradun and Nainital (which are not included in category 'B', 'B+' and 'C')

Under Mega Industrial and Investment Policy 2015, the state has been divided into following categories for the purpose of quantum of incentives/subsidies

Category	Regions Included
Large projects	<ul style="list-style-type: none"> Investments of INR 50 Cr.to 75 Cr.
Mega Projects	<ul style="list-style-type: none"> Investments of INR 75 Cr.to 200 Cr.
Ultra-Mega Projects	<ul style="list-style-type: none"> Investment above 200 cr.

STATE GOVERNMENT BENEFITS & INCENTIVES

MSME Policy 2015	
Interest Subsidy	5-10% maximum up to INR 3-8 lakhs depending upon the category
Capital Subsidy	15-40% Maximum up to INR 15-40 lakhs depending upon the category
Stamp Duty	50-100% Concession depending upon the category
SGST Concession	100% for the first 5 yrs and 75-90% thereafter depending upon the category
Power Bill Rebate	Sanctioned Load upto 100 KVA: 100% for 5 yrs and 60-75% thereafter; If Load>100 KVA: 50-60% depending upon the category
State Transport Subsidy	5-7% of Annual Turnover (Per year/ unit) depending upon the category or Inbound/ Outbound Logistics Cost whichever is less
Internet Charges	50% Reimbursement on internet usage charges for all categories
Quality Certification	Reimbursement of cost incurred for carrying out standardization and quality certification of products by accredited institutions at national and international level by means of ISI marking, registration of copyright, trade marking etc. - 75% (maximum ₹1 lacs)

Mega Industrial & Investment Policy 2015	
Interest Subsidy	7% for 5 years Investment – Interest 50-75 Cr – 25L Max 75-200 Cr – 35L Max >200 Cr – 50L Max
SGST Concession*	Large: 30% ; Mega / Ultra Mega: 50%
Stamp Duty	50% Exemption
Land Registration Fee	Land registration fee @1/- per 1000/-
ETP Subsidy	30% (up to 50 lacs)
Extra Employment Subsidy	@ 500 P.M. per Male @700 P.M. per Female for a period of 10 years
Power Assistance	Rebate of 1/- per unit on the power bill and 100% rebate on electric duty for 7 years
Land Rates Rebate	Rebate of 15%, 25% and 30% on SIIDCUL prevailing land rate for Large, Mega and Ultra Mega Projects respectively

Note: Uttarakhand Electric Vehicle Manufacturing, E.V. Usage Promotion and related Services Infrastructure Policy 2018; Heavy Industry Investment and Employment Promotion Policy 2018

KEY CONTACTS

INVESTMENT FACILITATION CENTRE

Address	Directorate of Industries Industrial Area, Patel Nagar, Dehradun, Uttarakhand
Website	www.investuttarakhand.com
Email ID	ifc.uttarakhand@gmail.com
Toll Free	18002701213
Phone	+91-135- 2559898, 2559987

SIIDCUL

Address	State Infrastructure & Industrial Development Corporation of Uttarakhand Ltd. IT Park, Sahastradhara, Dehradun, Uttarakhand
Website	www.siidcul.com
Email ID	contactus@siidcul.com
Phone	+91-135- 2708100

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