

West Bengal Introduction



West Bengal, one of the most diverse Indian state, both in terms of culture & civilization, is located in the eastern part of country. The State economy is an agrarian economy with an agriculture growth rate of 3.19% (2006-07 to 2009-10). It is one of the largest producer of agriculture & textile products & leading exporter of finished leather products. The State's gross state domestic product in financial year 2009 was US \$ 76.20 billion which moved to US \$ 84.57 billion in the financial year 2010. This growth figures was achieved chiefly by major

contribution from the tertiary sector as the contribution from the primary sector was marginal.

The Census (2011) estimates the State's population to be 91.35 million with literacy rate 77.08%. The growth rate of net domestic product is estimated to be 6.61 % (2001-02 to 2008-2009) with per capita income of Rs 41,469 (2010-11). The State's 73% of patient undergoes treatment from public health system (2010) and 94 % of the State's households are being provided with improve source of drinking water (2005-06).

A good investment destination provides opportunities and motivation for the potential investor to invest productively and reap economic benefits both to the business & economy & the State in question possess all required attributes to develop different business units.



The State industrial environment is highly favourable for investment proposals. Its infrastructure has been given a new shape to meet the expectation of the investors. Locations have been identified for setting up industrial units wherein all infrastructures like water, power, human resource, telecommunication, transport, lands etc are made accessible in order to develop industries. The State has developed twelve industrial estates, which is located at Falta, three at Kalyani, Uluberia, Bishnupur, Raninagar, Cooch Bihar, Malda, Dabgram, Haldia and Kharagpur. Four more industrial estates have been identified they are Jalpaiguri, Malda, Bolpur and Falta. These regions are conducive for developing industries like petrochemicals, electronics, information technology, iron and steel industry, textile, leather and leather products, food processing, medical plants, edible oils, vegetable & fruits processing, rubber and tea. Currently, the main industrial locations in the State are Kolkata, Haldia, Asansol-Durgapur and Kharagpur.

Kolkata is an important hub for manufacturing industries like jute, steel, leather & textile as well as services like IT, real estate, financial consultancies & travel & tourism. Haldia is a port city & its existing industrial base, social infrastructure & favourable transport connectivity make it an

investor preference & choice for investment in petrol, petrochemical & other related industries.. Asansol-Durgapur region is strong in field of metal work, mining, iron & steel, petrochemical, agro-based & forest based industries as well as service like IT, logistics, retail, education, tourism & telecommunication. Kharagpur is home to a large number of engineering industries.

With a view to attract the investor the State has enhance the infrastructure development process & has set up various industrial parks, Special Economic Zones (SEZ) & Agri-Economic Zones (AEZ).



The State has set up Toy Park at Salt Lake with a total investment of \$ 2 million for toy manufacturing units. A Leather Complex with private partnership to accommodate leather-manufacturing units. A Biotechnology Park in Midnapore in association with IIT Kharagpur is in process. Food Park & Poly Park projects have been initiated with an estimated investment of \$ 49 million & \$ 50 million respectively.

A few food parks have already commenced their commercial operation. Plasto Steel Park, which will cater to the need of steel & plastic manufacturing units, will be located at Bankura district. Apparel Export Park at Howrah with an estimated investment of \$12.5 million. Under Central Government sponsored scheme & with the Central Government grant of \$2.22 million & State grant of \$0.89 million an Export Promotion Industrial Park will be set up at Durgapur. The aim of the park is to attract export related industries. A Foundry Park will be developed at Howrah in association with Indian Foundry Association. A Chemical Park in collaboration with Indian Chemical Merchants' & Manufacturing Association will be set up at Howrah district with an estimated cost of Rs 2 billion. All India Rubber Association (AIRA) is in process of setting up a Rubber Park at Howrah district & to achieve the same the Government of India has approved a grant of \$ 3.8 million, West Bengal Industrials Development Corporation has granted a term loan of \$0.75 million & the members of AIRA shall contribute \$2.78 million. The park will mainly accommodate manufacturing units of footwear & automotive rubber parts.



SEZ is a particular area within the State, which act as a special territory for tariff & trade operation. There are three SEZ in operation in State i.e. Manikanchan at Salt Lake (Gems & Jewellery) IT SEZ of Wipro at Salt Lake & Falta SEZ (textile, plastic, rubber, chemical, leather, agro products etc).

AEZ is to provide remunerative return to farmers on a sustained basis by improved access to exports. The government has set up five AEZ for specific crops – pineapple, mango, litchee

vegetables & potatoes. To achieve the same objective the State has adopted Public Private Partnership (PPP) policy.

In current scenario we cannot imagine development without the support of information technology. The State has adopted measures to spread IT Infrastructure in partnership with Software Technology Parks of India (STPI) under the Department of Information Technology, Government of India (GOI). The State has four STPI units – at Bidhannagar in Durgapur, Nimpura in Kharagpur and two in Kolkata. With the development of these parks the State will be equipped to capture & develop software exports market in the near future.



The State has surplus electricity generation capacity & is in position to supply power at competitive rate. This has been achieved only through timely & adequate investment made in the power sector. Availability of minerals & port facilities, pool of talented human resource & low operation cost are some of the advantages, which create a center of attention of the investors.

Currently, projects relating to different industries like cement, tea, power etc are in progress. It is estimated by the Centre for Monitoring Indian Economy (CMIE), as of quarter ended March 2007, around \$50 billion have been invested in the State. This increment in investment is owing to opportunities available in construction, manufacturing & power sector. The manufacturing sector has attracted an investment of \$20.37 billion.

At the beginning of the year 2012, Kolkata will be receiving a renovated & upgraded Airport (both domestic & international terminal). This projected is undertaken by ITD-ITD CEM JV & the estimated cost of the project is estimated to be Rs 1600 crore. For better connectivity a new airport project work is in progress at Durgapur with an estimated investment of Rs 10,000-crore. Simplex has been awarded the contract for designing and building the airport & it is anticipated that the new airport will commence its commercial operation by June 2012.

During 2010-11, Kolkata Port handled traffic of 47.432 million tonnes against 46.423 million tonnes handled during 2009-10, resulting an overall increase of 2.17% against 1.67 % growth registered by all Indian major ports. An ambitious investment programme has been embarked in the 11th Five Year Plan for development and expansion of the Kolkata Port in order to handle increasing foreign trade. A lay out of Rs. 996.06 crore has been projected in 11th Plan for Kolkata Port for execution of various projects relating to berths, related infrastructure, logistics support, craft, equipments, River Regulatory Works etc

According to the State's Power Ministry, the total installed power generating capacity is 6,970.39 MW where the contribution of the State sector is 3,149.01 MW; Central sector is 2,640 MW & Private sector is 1,181.38 MW. Many power projects, like Green Field Nuclear Power Project at Haripur, Raghunathpur Power Project, Durgapur Power Project, Sagardighi Power Project Stage 2 & Katwa Gas based Power Project been undertaken in order to meet the growing power demand.

To accelerate the development process the State has appointed various nodal agencies to play a crucial & vital role & make positive contribution:

West Bengal Industrial Development Corporation (WBIDC) provides finance to medium & large-scale industries through a single window agency, State Investment Facilitation Centre, which promotes important industries. A project, which needs investment above \$25 million, needs to be approved by a high level cabinet committee & such decision are made after considering the significance of the industry & the overall economic development of the State.

West Bengal Electronics Industry Development Corporation Ltd is another government nodal agency appointed for developing IT & IT Enabled Services (ITES). It acts, as a single window support centre for all IT services required by investors.

For rural electrification through conventional & non-conventional source of energy the State has establish its nodal agency, West Bengal Rural Development Corporation.

The West Bengal Tourism Development Corporation is entrusted with the responsibility to develop several tourist locations.

West Bengal Financial Corporation provides loans & term finance to small & medium scale industries, which are based on local raw material & export oriented output.

The State has adopted the “Look East Policy” to attract Foreign Direct Investment in some areas, which are conducive to industrial growth. Owing to strong industrial base, geographical location, skilled educated workforce, rapidly developing infrastructure, developed telecommunication facilities, increasing purchasing power of the people and availability of power at competitive rates the State is now moving towards faster development. From the period 2006-10 Rs 36,489.13 crore investments have been materialize which has created 141,897 employment opportunities.

Chambers of Commerce

Some important chambers of commerce in West Bengal are as folllows:

Indian Chamber of Commerce
Industry

ICC Towers,

4, India Exchange Place,

Kolkata 700 001

West Bengal, INDIA

Phone: 91-33-22303242 – 44

Fax: 91-33-22313377 / 22313380

Email:ceo@indianchamber.net

The Bengal Chamber of Commerce and

Royal Exchange

6, Netaji Subhash Road,

Kolkata 700 001

West Bengal, INDIA

Phone: 91-33-22303711 / 8384 - 97

Fax: 91-33-22301289

Email: bencham@bengalchamber.com

Bengal National Chamber of
Commerce and Industry

Bharat Chamber of Commerce

BNCCI House
23, Sir R.N Mukherjee Road,
Kolkata 700 001
West Bengal, INDIA
Phone: 91-33-22482951 / 2 / 3
Fax: 91-33-22487058
Email: bncci@bncci.com

Calcutta Chamber of Commerce
Stephen Court
18-H, Park Street
Kolkata 700 071
West Bengal, INDIA
Phone: 91-33-22290758 / 8961
22303354
Fax: 91-33-22298236
Email: calchamb@bsncl.in

9, Park Mansion, 2nd Floor
57A, Park Street
Kolkata 700 016
West Bengal, INDIA
Phone: 91-33-22299608 / 9591
Fax: 91-33-22294947
Email: info@bharatchamber.com

Confederation of Indian Industry
Deputy Director
6, Netaji Subhas Road
Kolkata 700 001
West Bengal, INDIA
Phone: +91-33-22307727 / 28 / 1434 /
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