

Orissa

Introduction



Orissa, located on India's east coast, embraces 30 districts and has a total land area of 155,707 sq. km. As per the provisional report of Census 2011, the State's current population is 41.95 million, which has shown an increment of 13.97 percent. The literacy rate has improved to 73.5 percent, indicating growth and development of human resource. The State GDP, which was \$28.76 billion in the financial year 2009 moved to \$34.27 billion in the financial year 2010 and the per capita income, which was of Rs 29,464 in the financial year 2009, has increased to Rs 33,226 in 2010.

The economic reforms and liberalization process which was initiated in 1991 provided an opportunity to leverage the natural resource with a view to attract investment both domestic and international level. It enjoys competitive advantage in terms of abundant availability of minerals, water and power supply. Beside, its regulatory framework, incentive to industry, physical and social infrastructure and availability of other resources, makes it a perfect destination for investment.

According to Orissa Industries Facilitation Act (OIFA) 2004, there are three levels of authority, constituted by the State and depending upon the size of investment and proposals, each authority has been vested with power to approve investment projects. The District Single Window



Clearance Authority (DSWCA) will approve project whose total investment is less than Rs 50 crore, State Level Single Window Clearance Authority (SSWCA) will approve project whose total investment is between Rs 50 crore and Rs 1000 crore and project whose total investment exceed Rs 1000 crore shall be approve by High Level



Clearance Authority (HLCA). However, to provide professional guidance to the investors in the respective sectors, the State has constituted a Special Single Window Clearance Committee for four sectors - Tourism, Information Technology, Biotechnology and Agro and Food Processing.

Owing to various advantage offered to the investors, number of projects, both large and medium scale industries, involving large investment are in proces of being set up. On the other hand the government in order to promote investment has set up various agencies and departments like Industrial Development Corporation of Orissa, Directorate of Information and Technology, Directorate of Information Technology, Orissa State Finance Corporation etc.

According to the Global Economic Forum report of Morgan Stanley, the State has potential to emerge as a centre for metals business and attract investment within a bracket of \$30 to \$40 billion. Some of the major investment project announced and in the pipeline are POSCO steel project (\$12 billion) at Paradeep, Infosys Technologies has invested more than US \$ 29.98 million (INR 135 crore) in its Bhubaneswar Development Centre, Reliance Energy has invested US \$ 10.66 billion (INR 48,000 crore) to set up 12,000 MW coal-based power plant, Tata Steel plans to invest US \$ 3.42 billion (INR15, 400 crore) for 6 million MT steel plant and Vedanta group is setting up aluminum complex with an investment of US \$2.1 billion.



The State has well connected roadway network which connect it with other neighbouring States.It has plan to extend the network by encouraging private participation in the construction of highways.The airport is located at Bhubaeswar and has 13 Airstrips and 16 Helipads.Paradeep port is a major port of the State. As per 2006-07, the port has handled 38.52 million tones of cargo out which 24.85 million tone were export and 13.65 million tonnes were imports.It is also reported that it had handled a total volume of 56.01 million tonnes (MT) of cargo in the fiscal 2010-11.(Source: IBEF & http://www.ports.gov.sa/section/full_story.cfm?aid=2084)

The State is also home to many ancient monuments, beaches, religious and Buddhist tourist attraction, forest and wildlife, which attract many souls. A new tourism policy is being placed and private sector participation is being encouraged with the government acting as a catalyst in the process.

The State has been successful to attract the interest of IT firms like TCS, WIPRO, Mind Tree Consulting, Hexaware Technology, Robert Bosch and Syntel as a destination for growth. The State has confirmed that during last three years i.e. from 2007-08 to 2009-10 the State has exported software worth US \$ 710.74 million (INR 3200 crore) and it is targeting to export software ware worth US \$ 299.85 million (Rs 1350 crore) in the financial year 2010-11.This was possible by setting up an Industry

Facilitation and IT Investment Promotion Cell to facilitate IT investment and promotion of IT by IT department of the State.

The State has ambitious plan to develop biotech industry and has allocated 54.86 acres of land to Bharat Biotech towards the development of an integrated industrial park to attract and promote pharmaceutical and biotechnology.

The State, which is 7th largest producer in fish in the country and the total area under fish production, is estimated to be 6.66 lakh hectare under fresh water area and 4.18 lakh hectare under brackish water area. The total fish production is reported to be 374.8 TMT. It is to be noted that 70 percent of Orissa's exports of fish are from marine sources, whereas the imports comprise only fresh water fish.

Thailand is exploring the possibilities of establishing trade relationship with Orissa with the signing of the Free Trade Agreement between India and Thailand. Speaking on the sidelines of 'Enterprise Orissa' organized by the Confederation of Indian Industry (CII) on November 2009, the then Consul General of Thailand - Kolkata, Mr Manop Mekprayoongthong said Orissa has a high level of potential for cooperation with Thailand. He has identifies areas and scope of business in engineering, science, medicine, small scale industries, iron and steel, minerals, tourism development, biotechnology, information technology, food processing and gem and jewellery where both could benefit mutually through trade, exchange of knowledge, research and development.
