

Investor Konnect

EDITION 01 | September 2020



Kerala has always been a role model for the entire country with our social infrastructure such as literacy, life expectancy, health index, social security and many more. Kerala is now moving towards industrialization, economic growth and ease of doing business. To ensure an industry-friendly atmosphere in the State the Government plans to provide the most progressive policies and regulatory frame work, ensuring that Kerala is truly the best place to do business. Kerala recognizes infrastructure, capacity building, and human capital development as the strongest and most effective tools for developing an innovation eco system for businesses. It therefore comes as no surprise that today the State has become a land with incredible potential for investors.

We are committed to provide State of the art industrial infrastructure, highly qualified & skilled labour and other necessary resources to make the industry of the State globally competitive. However, these immense opportunities can be converted into tangible results only when the Government and industry work together as equal partners.

The industries department of the State has done a remarkable job to provide maximum support to the investors. I hope that this new initiative of starting a monthly newsletter would further help the industry and Government of Kerala to bridge communication gaps and to work together in true spirit of collaboration and partnership.

I wish them all the best on the launch of the 1st edition of the monthly news letter.

Pinarayi Vijayan
Chief Minister of Kerala



The State of Kerala is proactively engaged in creating an enabling environment for investors looking to setup their units in the State. We are conscious that industrialization holds the key for fostering socially inclusive economic growth, creating employment and ushering in prosperity for the people. Our aim is to make Kerala the preferred investment destination for both domestic and global investors. Kerala with its favourable economic climate, abundant technical and skilled manpower, strong resource base, excellent transport infrastructure and supportive policy framework, has the potential to emerge as the easiest place to do business in the country. The State Government has assiduously implemented a series of reforms in the past 4 years, including the landmark legislation, by way of the Kerala Investment Promotion and Facilitation Act,2018, for mandating a digitized approval process, revising obsolete policies and promoting online systems.

Today, we have an industry-friendly regulatory environment in Kerala which has been enabled through a blend of policy, process and technology led reforms. Further, we have introduced a new Industrial policy to offer attractive incentives to investors. We look forward to welcoming you to the State of Kerala and invite you to become a partner in the progress of the State.

E P Jayarajan
Minister of Industries, Sports & Youth Affairs) , Government of Kerala

INVEST KERALA: YOUR DEDICATED ONE STOP INVESTMENT DESK



The Invest Kerala Portal has been designed to improve Kerala's investment ecosystem. It helps entrepreneurs from different parts of India and abroad set up and run businesses in Kerala in a congenial environment.

Visit this portal for everything related to investing in Kerala <https://invest.kerala.gov.in/>

Look up the portal for details about

- K-SWIFT
- INTELLIGENT BUILDING PLAN MANAGEMENT SYSTEM
- EASE OF DOING BUSINESS
- LAND BANK



Who's Who



Dr K Ellangovan IAS
Principal Secretary (NORKA, Industries & Commerce)



Shri. APM Mohammed Hanish IAS
Secretary (Industries & Commerce)



Shri. M G Rajamanickam IAS
Managing Director
Kerala State Industrial Development Corporation Ltd (KSIDC)



Shri. V R Premkumar IAS
Director
Directorate of Industries & Commerce (DIC)



Shri. Santhosh Koshy Thomas
Managing Director
Kerala Industrial Infrastructure Development Corporation (KINFRA)



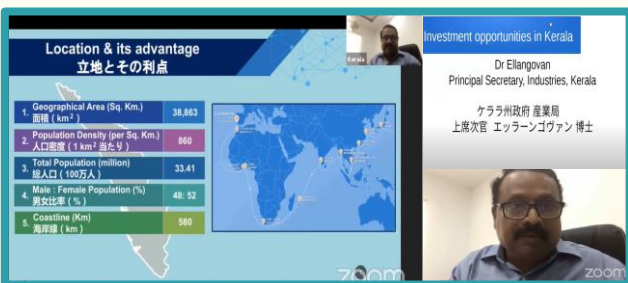
Shri. Suraj S
Chief Executive Officer
Kerala Bureau of Industrial Promotion (K-BIP)

RECENT EVENTS: QUICK WALKTHROUGH



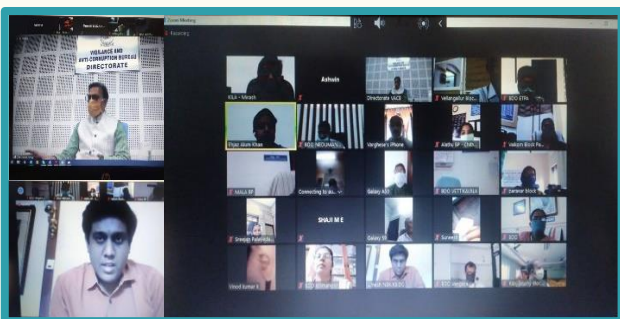
CM Shri. Pinarayi Vijayan lays foundation for MedSpark

CM laid the foundation stone for MedSpark on 25th September 2020. A joint venture of Kerala State Industrial Development Corporation Limited and Sree Chitra Tirunal Institute for Medical Sciences and Technology located at the Life Science Park, Thonnakkal. MedSpark will come up at 9 acres of land and the total outlay of the project is Rs. 230 crore. The initiative will bring aspects like research & development, testing & valuation of medical devices, manufacturing support, technology innovation and knowledge dissemination associated with medical devices under one umbrella.



India-Japan Webinar : Investment Opportunities in the States of Southern India

Under the aegis of Tokyo Mission, an Indo-Japan webinar was organized by Embassy of India, Tokyo in association with Invest India, DPIIT, JETRO and the State Governments of Kerala, Tamil Nadu, Andhra Pradesh, Telangana & Karnataka. Dr. K Ellangovan IAS, Principal Secretary, Industries & NORKA appraised the investors and key stakeholders on the new investment opportunities and investor friendly reforms undertaken by the State. He also showcased the strategic key investment areas of the State.



LSGD Capacity Building Workshop

KSIDC in collaboration with KILA conducted specialized online webinars for LSGD Secretaries on various EODB reforms such as the working mechanism of KSWIFT, awareness on recent Ordinance and modification to existing Acts/Rules, salient features of "The Kerala Investment Promotion Facilitation Act, 2018", "Micro Small Medium Enterprises Facilitation Act – 2019" and Rules there under – Automated approval route for MSME's not falling under Red Category etc. The specialized online webinars saw participation of more than 1400 LSGD officials across the State. This was undertaken to empower the LSGD secretaries to become investment facilitators of the State.

SPECIAL INVESTMENT PROMOTION TASK FORCE



Under the Chairmanship of **Dr Vishwas Mehta IAS, Chief Secretary, Government of Kerala** a Special Investment Promotion Task Force was formed. The primary objective of the task force is to showcase the States unique advantages to Global audience and build an investor friendly ecosystem that would follow a "collaborative" and "investor first" approach to make "Investing in Kerala Simpler, Faster and Friendlier". The first meeting of the task force was attended by all 23 members and a conducive action plan for a new-age industrial vision was formulated.

FROM THE EDITOR's Desk



Dr K. Ellangovan IAS
Principal Secretary
Industries & NORKA
Government of Kerala

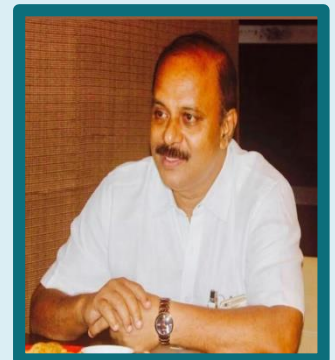
Kerala has achieved laurels on the Social Development front and has tremendous potential to boost its economic output to much higher levels. Government of Kerala has been pro-active in taking up many initiatives to energize the business environment in the State. It has rolled out many policy reforms to clear hurdles for investment. Creating an investment climate through Investor-friendly policies which is aligned to sustainable and eco-friendly development. The State is also building a strong start-up ecosystem and Industry-specific infrastructure to realise the immense investment potential. The latest Industrial Licensing reforms of the State are first of the kind in the country and are paving way to changing investment climate in the State. To further support this agenda, Kerala has identified priority sectors and is engaged in attracting investments (domestic & foreign) to the State, providing timely approvals, facilitation & aftercare to incoming investors.

We continue to explore newer areas for collaboration with industry leaders, academic institutions and international organizations to bring best practices and investments to Kerala. We are thankful to all our partners who have supported us in our growth story and are confident that with your support we will continue to achieve the vision to make Kerala an investor friendly destination

HEAR FROM OUR INVESTORS: SUCCESS STORY GLIMPSES

OKAY GROUP, an Oxygen Manufacturing Plant located at major Industrial Estate, Kalamassery was inceptioned in the year 1996 with an objective to manufacture and supply Medical Oxygen to the Kerala market. Due to the failure of oxygen plants in Gujarat all financial Institutions declined to support our unit, it is during these unseen circumstances that Kerala State Industrial Development Corporation (KSIDC) came forward with an helping hand and financed the unit. KSIDC was a major facilitator to help build our dream - OKAY GROUP of companies. Today we have grown to build a niche in the sector with Oxygen Manufacturing Plants at various strategic locations in Kerala like Thiruvananthpuram, Kollam, Kottayam, Kozhikode and Palakkad apart from Acetylene plant at Kalamassery and Carbon Dioxide Plants at Udyogamandal, Kollam and Kozhikode.

"KSIDC has supported us as mentors more than financiers and was a constant guide to help us move on the right track to contribute to the national growth of the country"



Mr. Antony Joseph
Managing Director
Okay Group

**DID YOU
KNOW?**

- More than **4000 Acknowledgement Certificates** issued under Kerala Single Window Interface for Fast and Transparent Clearance (KSWIFT) for MSME's with a proposed investment of more than Rs. 950 crores.
- More than **25 projects cleared** under State Single window Clearance Board with a proposed investment of more than Rs. 3500 crores.
- Under the **Seed Fund Assistance scheme**, KSIDC has sanctioned financial assistance of more than **INR 22 Cr to 109 innovative start-ups**

ACHIEVEMENTS GALLORE



The first State in the Country to enact an omnibus legislation "The Kerala Investment Promotion and Facilitation Act, 2018" *amending 7 Acts related to clearances of various Departments / Agencies*. These amendments enabled to bring in more transparency and accountability in the functioning of the administration, reduced the number of Government approvals required to setup an Industry in the State which in effect reduced the time taken for granting approvals to industry.

The State achieved a significant increment in Business Reform Action Plan implementation percentage from **22.8% in 2016 to 85% in 2019**.

State introduced *automated approval route for MSME's* enacting "The Kerala Micro Small Medium Enterprises Facilitation Act, 2019". As on today more than 4000 MSME's have availed the Acknowledgement Certificate under the legislation for setting up MSME units across the State.

KSIDC SPEAK: FROM THE MD'S DESK

How has KSIDC helped facilitate Investors to start their "Invest Kerala" journey?

KSIDC is the nodal agency for foreign and domestic investments in Kerala, KSIDC facilitates clearances, approvals and processes various incentive schemes for starting a new business ventures. KSIDC acts as a spokesman of the State spreading its industrial ethos besides being an interface between the Government and the Industry. The corporation has so far promoted more than 750 projects in the State and has played a vital role in the setting up of many pioneering organizations.

What are the steps taken to boost investor confidence during the COVID 19 pandemic?

The State has introduced a special package of relief schemes and financial assistance under the "Vyavasaya Bhadratha" package. The package was formulated to reduce the burden on new investors by decreasing the upfront lease premium to be paid and increasing the duration of the payment period in Industrial Parks. The package will also extend financial assistance to MSMEs for the expansion/ diversification purpose. Many other key issues faced by the investors have also been addressed through the "Vyavasaya Bhadratha" package.

What are new initiatives KSIDC has planned for Investors?

KSIDC has always been at the forefront of industrial development initiatives of the State Government. As part of the Government's new Investor focused initiative, we intend to establish a dedicated Call Centre for investors. The Call Center would function as a help desk to provide clarifications and support to Investors seeking to establish and run enterprises in the State. It would also provide handholding support and act as a dedicated channel for investor community to access information.

KNOW YOUR RULES: QUICK GUIDE

Criteria for classification of micro, small and medium enterprises

Old MSME Classification

Criteria: Investment in Plant & Machinery or Equipment

Classification	Micro	Small	Medium
Manufacturing Enterprises	Investment <Rs. 25 Lakh	Investment <Rs. 5 Crore	Investment <Rs. 10 Crore
Service Enterprises	Investment <Rs. 10 Lakh	Investment <Rs. 2 Crore	Investment <Rs. 5 Crore

Revised MSME Classification

Composite Criteria: Investment and Annual Turnover

Classification	Micro	Small	Medium
Manufacturing & Services	Investment <Rs. 1 Crore And Turnover <Rs. 5 Crore	Investment <Rs. 10 Crore And Turnover <Rs. 50 Crore	Investment <Rs. 50 Crore And Turnover <Rs. 250 Crore

INCENTIVES CORNER



Chief Minister's Entrepreneurship Development Programme (KFC-CMEDP)

For more details contact

☎ 1800 425 8590 (7 am - 9 pm)

✉ cmdep@kfc.org

ARE YOU

- Aged between 18 and 50 years?
- Having a Great Business Idea?
- Aspiring to be an Entrepreneur?

For all your queries, reach us at:

✉ investkerala@ksidcmail.org