



// उद्योगात् सकल समृद्धिः //
MAHARASHTRA INDUSTRIAL
DEVELOPMENT CORPORATION
MIDC

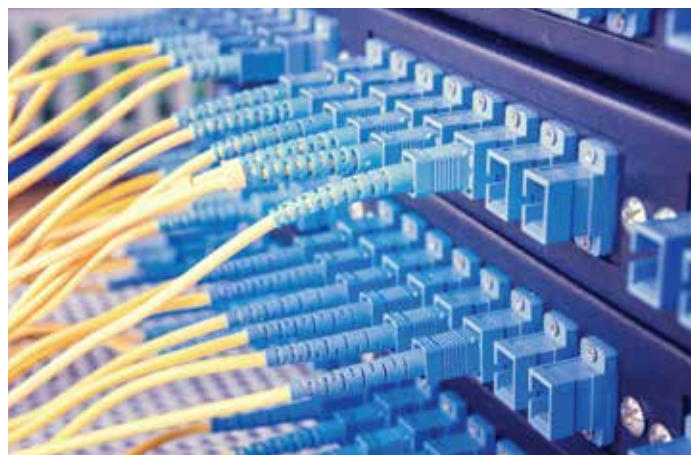
ELECTRONIC SYSTEM DESIGN AND MANUFACTURING (ESDM) SECTOR

**Magnetic
Maharashtra**
Attractions Unlimited



MAHARASHTRA: The Enduring Leader

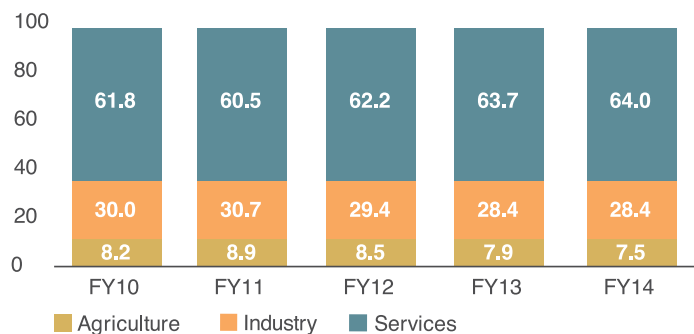
- Strategically located with a long coastline and borders with several states
- Progressive Government taking measures to facilitate industrial infrastructure
- Presence of a large number of diverse industries and a well-developed service sector
- 'Financial and Trade' capital of India
- Presence of specialized institutes that offer skilled resources for industries and services sector
- Accounts for 30 percent of the total FDI inflow in India



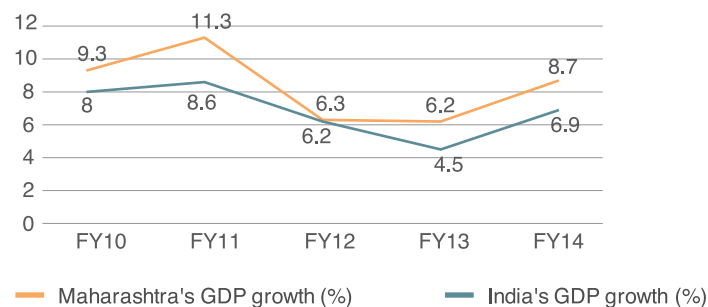
MAHARASHTRA: Economic Profile

One of the biggest contributors to Indian economy, the state has been growing at a faster pace than all-India average in most periods and is expected to continue the momentum

Maharashtra's GDP composition (%)

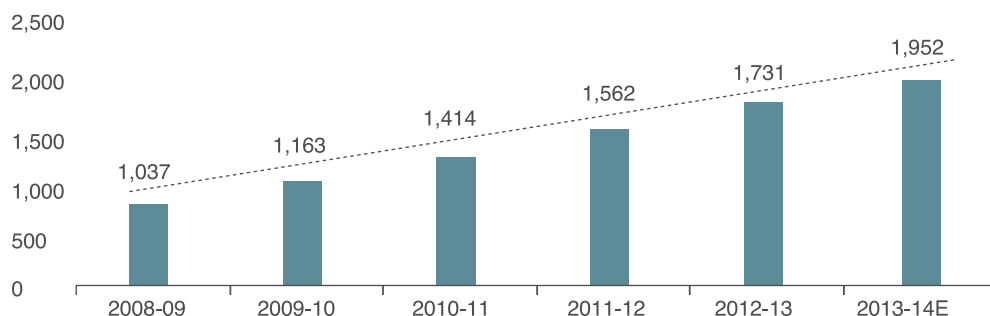


Economic growth (%)



Source: CSO

Per Capita Income (in USD)



Manufacturing sector's average contribution to Maharashtra's GSDP is **20.9%**

Per Capita Income of Maharashtra is estimated at **1,952 USD** at current prices for the year 2013-14

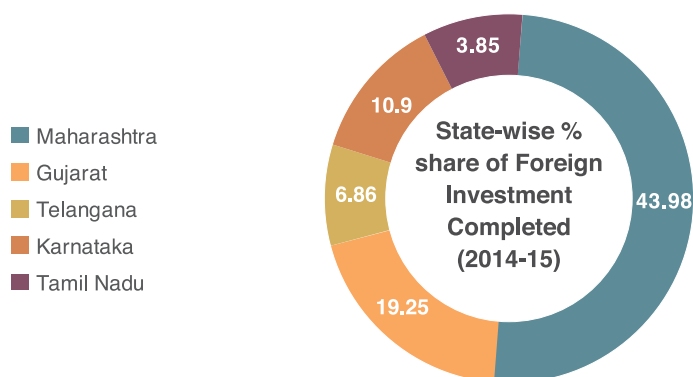
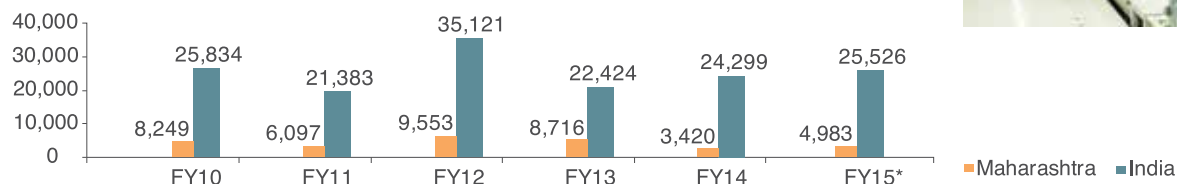
Source: "FDI Statistics" DIPP ; CMIE ; *Estimated

MAHARASHTRA: Investment Profile

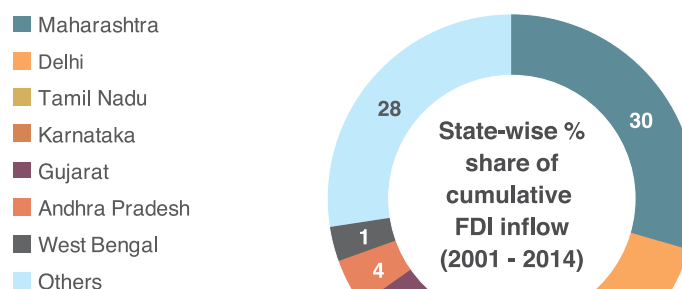
Attracts the highest FDI in the country; expected to maintain its lead in the future as well

FDI inflow

FDI inflow and state contribution (US\$ million; %)



Number of Foreign Private Sector Investment Projects completed in 2014-15 were worth: **US\$6.27 bn**



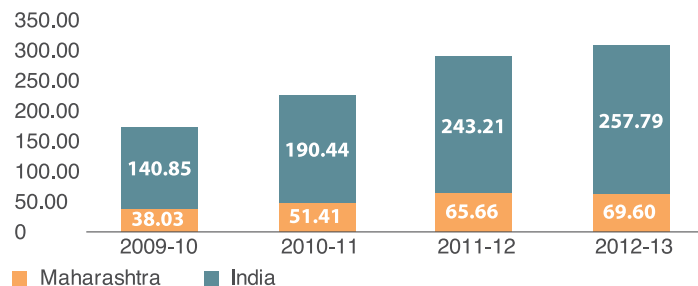
Maharashtra's share in the total FDI inflow in India during the period 2001-2014 was: **30%**

Maharashtra has attracted **US\$ 70.95 billion of FDI** over the 2000 – 2014, which is the highest among all states in India

Source: Economic Survey of Maharashtra 2014-15

MAHARASHTRA: Exports Profile

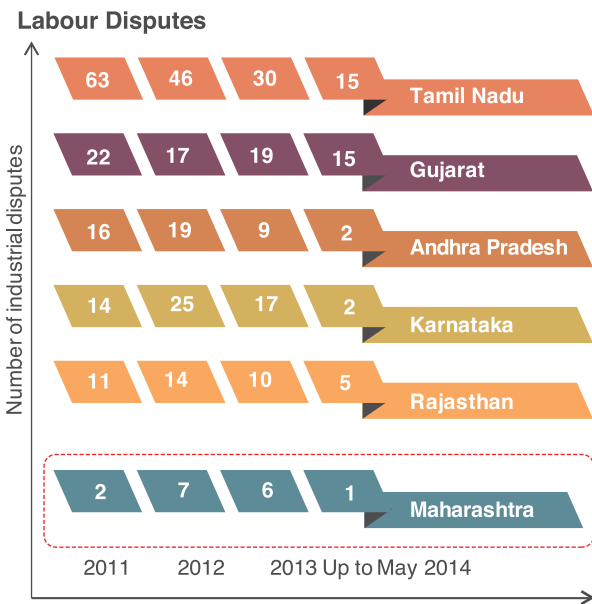
Export Trends (in Billion USD)



The main products exported from the State are:

- Gems & Jewellery • Software • Textiles • Readymade garments
- Cotton yarn • Metal & metal products • Agro-based products
- Engineering items • Drugs & pharmaceuticals
- Plastic & plastic items
- Contribution of 27% of total exports in India
- Maharashtra's export totalled US\$ 65.7 billion over 2012-13
- Initiatives like giving awards based on export performance

MAHARASHTRA: Skilled Manpower



The state is one of the most industry-friendly states with one of the lowest labour disputes

Institutes

Streams	No. of Institutes	Enrolments per year
General Education (Arts, Science, Commerce)	3300	15.20 lacs
Engineering	1,074	5.43 lacs
Architecture	75	10 thousand
MBA/MMS and PGDM	516	36 thousand
Hotel Management and Catering Technology	23	868
Pharmacy	462	38 thousand
Masters in Computer Application	148	15 thousand
Industrial Training Institutes	766	1.05 lacs
Medical Education	293	28.5 thousand

- State has more than 6,000 institutes that enroll over 2.5 million students per annum
- State has the well-renowned Indian Institute of Technology (IITs) at Powai in Mumbai
- Home to reputed R&D institutes, viz. BARC, C-DAC, Tata Institute of Fundamental Research

Source: Economic Survey of Maharashtra, 2014-15 Provisional Data; Ministry of Labour & Employment, Gol

MAHARASHTRA: Infrastructure Profile - Road

Road Type	Road Length (km) (As of March 2012)
National Highway	4,376
State Highway	34,157
Major District Highway	50,256
Other District Highway	47,529
Village Roads	1,06,601
Total Road Length	2,42,919

- Well Connected to other parts of India through 18 National Highways
- Total road length of 2,42,919 km
- Road density of 133.41 km per 100 sq km of area
- 93 km Mumbai-Pune Expressway is India's first six-lane concrete road

Planned Road Infrastructure Projects

- Mumbai Trans Harbour Link (MTHL) is a proposed 22 km, freeway grade road bridge connecting Mumbai and Navi Mumbai. When completed, it would be the longest bridge in India.
- Mumbai – Aurangabad – Nagpur expressway connecting two major cities of Maharashtra which will save more time

Mumbai – Nagpur Expressway to connect capital cities of Maharashtra, i.e. Mumbai and Nagpur by a highway of 6 lanes via Ghoti, Aurangabad and Amravati at the cost of Rs. 30,000 crore. The Expressway would be equipped with optical fiber network, CCTV and Wi-Fi coverage and will shorten the Mumbai-Nagpur distance to an eight-hour drive. Technology parks, smart cities, and educational complexes would be built along the route of the Expressway.

Source: Economic Survey of Maharashtra, 2013-14

MAHARASHTRA: Infrastructure Profile - Rail

The unique and innovative RO-RO (roll on – roll off) service of Konkan Railway which carried piggy back trucks on railway flat wagons and 3.5 lakhs goods have been carried so far

- Well Connected to other parts of India through 5,984 km railway network
- Headquarters of Central and Western Railways in Mumbai
- Western Railways include country's western coast including the Mumbai Port
- Suburban Railways carry around 6.94 million passengers every day

Planned Rail Infrastructure Projects

- Railway line of 33.7 km connecting Dighi Port with the nearest rail head Roha on Konkan Railway, which is part of one of the projects of connecting ports with rail
- Metro rail projects are planned for cities such as Mumbai, Nagpur and Pune

Source: Economic Survey of Maharashtra, 2013-14



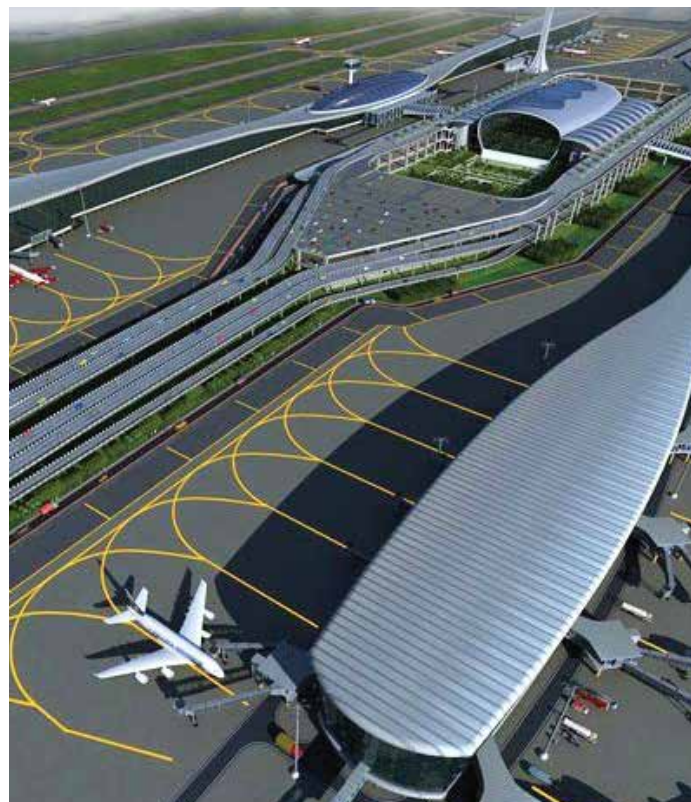
MAHARASHTRA: Infrastructure Profile - Airport

- Three International and Seven Domestic Airports
- Total Traffic in Mumbai airport and Pune airport was around 31 million and 4 million in 2014
- Total Cargo handled at Mumbai, Pune was 1.81 lakhs MT and 0.21 lakhs MT
- Terminal T2 is a state-of-the-art world-class terminal with capacity to handle 40 million passengers per annum

Navi Mumbai International Airport (Planned)

- In order to reduce congestion in Mumbai International Airport, an additional airport has been proposed at Navi Mumbai. It is expected to be commissioned by 2019 with an initial capacity of 10 million passengers per annum

Source: Economic Survey of Maharashtra 2014-15; IBEF, AAI: Airport Authority of India



MAHARASHTRA: Infrastructure Profile - Port

Port-Rail Connectivity

- For Jaitapur Port Project, a special purpose vehicle is being formed between Konkan Railway Corporation, Maharashtra Maritime Board and JSW Jaigad Port to lay a 33.7 km rail line to connect the port to the railway network
- Two principal ports along 720 km coastline: Mumbai Port Trust (MBPT) and Jawaharlal Nehru Port Trust (JNPT)
- 53 Minor Ports
- MBPT and JNPT handled 416.55 lakh MT and 480.73 lakh MT of cargo traffic over 2014-15
- Special committee set up to fast track all ports projects greater than Rs 1000 cr

Planned Port Infrastructure Project at Karanja

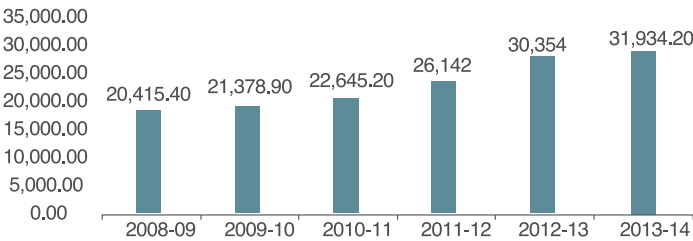
- Karanja Port Project, a multipurpose terminal facility is being set up along 1,000 meter waterfront over 200 acres of inter-tidal zone. This facility will serve as a complement to the existing MBPT and JNPT ports and will ease the cargo traffic congestion in the area

Source: Economic Survey of Maharashtra 2014-15 ; IBEF, AAI: Airport Authority of India



MAHARASHTRA: Infrastructure Profile-Power

Installed Power Capacity (MW)



- Total electricity generated during 2013-14: 91 billion kW
- Industrial sector is the largest consumer of the electricity
- Private sector contribution to total installed capacity is the highest with 54.5%
- Special committee set up to fast track all ports projects greater than Rs 1000 cr

Planned Power Infrastructure Projects across the State

- Solar power projects of 130 MW capacity have been commissioned by MAHAGENCO
- GoM has adopted the policy of achieving the target of renewable purchase obligation up to 10 percent

Source: Economic Survey of Maharashtra, 2013-14



MAHARASHTRA: ESDM Sector

Indian market to
Grow **\$ 400
Billion**
by 2020

India produces only
1.3% to global
electronic hardware
production of
\$1.7 trillion

Electronics imports,
third highest,
next only to
crude and gold

Largest segment –
Consumer Electronics

Consumer electronics
and durable industry
is poised around
\$340 billion

65% of country's
requirement is
satisfied
by imports

Largest export-
**Electronic
Components**

35% of products
Manufactured by India
belongs to
**Low Value Added
Manufacturing**

Country's imports are
expected to rise
from 50% to **75%**

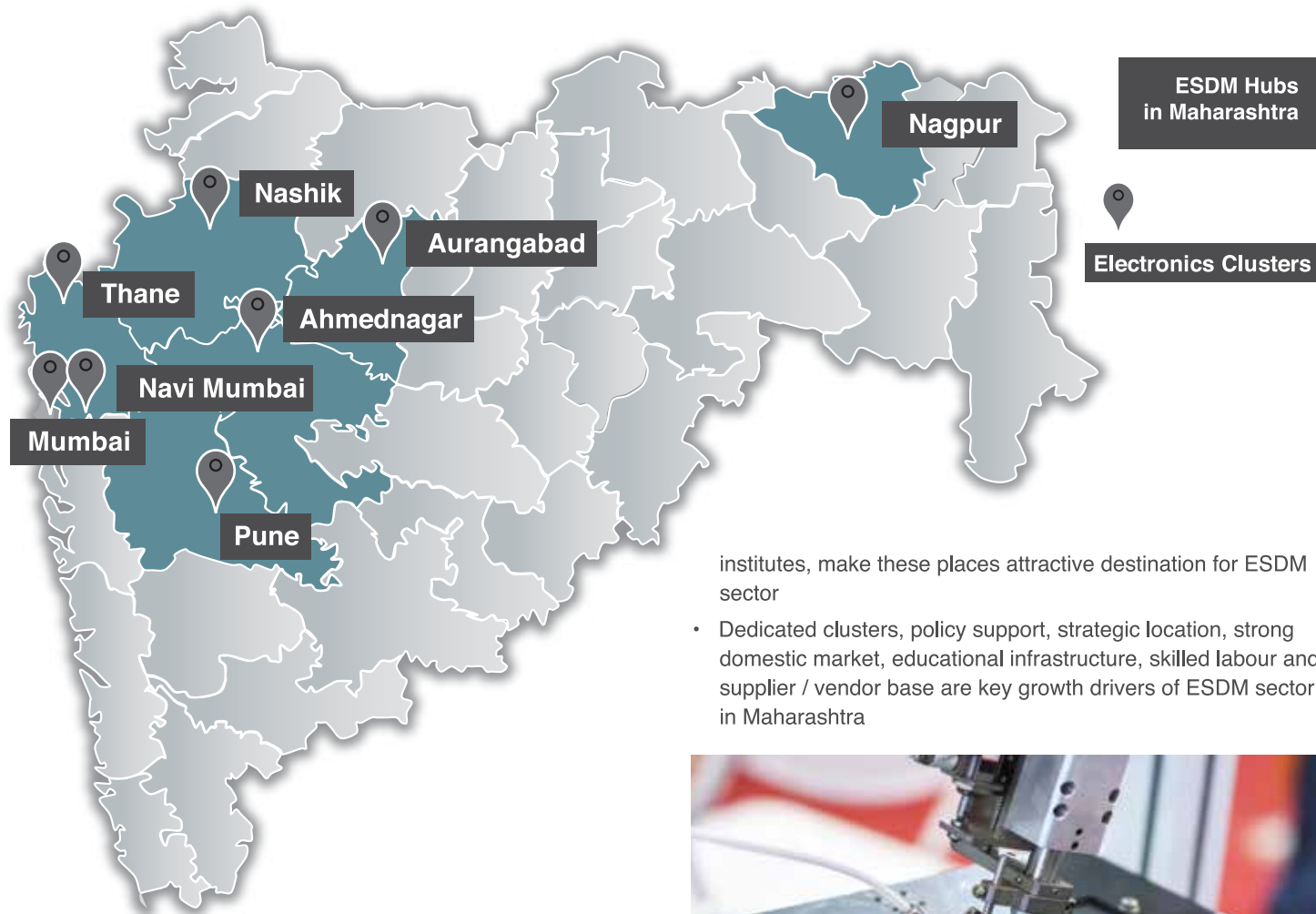
India's ESDM Sector

- This brings **Strategic Importance** to Electronic Sector –
- Not only because of **Internal Security and Defence** but Pervasive deployment of electronics in Civilian domain such as **telecom, power, railways and civil aviation**, can have serious consequences of disruption of services
- Maharashtra occupies a significant share of **30.49** per cent of the industrial output of India's Machinery, Computer,

Electronics, Optical Products and Equipment manufacturing sector in 2012-13

- Maharashtra has identified ESDM as a **sector of focus** and decided to set up 3 brown field EMCs at Pune, Aurangabad and Navi Mumbai with common facilities for production, R&D, test and measurement, prototyping, calibration and funding support

MAHARASHTRA: ESDM Sector Ecosystem



institutes, make these places attractive destination for ESDM sector

- Dedicated clusters, policy support, strategic location, strong domestic market, educational infrastructure, skilled labour and supplier / vendor base are key growth drivers of ESDM sector in Maharashtra

Major ESDM Hubs

- Eight electronic manufacturing clusters have been notified in the State by the Government of India
- Within Pune, Talegaon and Khed are two well-established ESDM Hubs. Excellent connectivity of these locations to two of India's largest ports – JNPT and MBPT. Connectivity, industrial infrastructure, and strong presence of educational



Policy & Regulatory Support for the ESDM Sector

Progressive policies aimed at increasing the
'competitive advantage' of businesses

Fiscal Support	VAT + CST Abatement Stamp Duty Exemption Electricity Duty Exemption Plus, a host of other benefits	Non-Fiscal Support	Skill Development Single Window Clearance (SWC) Investor Facilitation Investor After Care Cell
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Special Incentives

Mega and Ultra Mega projects
can qualify for fiscal incentives
up to **100% of the fixed capital
investment**

10% additional incentive
is provided by the state if the project creates
double the employment required for the eligibility

ESDM Sector Policy Incentives

- Fiscal incentives up to 100% of the fixed capital investment for Mega and Ultra Mega projects
- 10% additional incentive on top of the above-mentioned incentives is provided by the state if the project creates double the employment required for the eligibility
- Preference to domestically manufactured electronic goods in Government procurement
- 100% foreign direct investment (FDI)
- Subsidy for investments in capital expenditure - 20% for investments in SEZs and 25% in non-SEZs
- Under cluster promotion, fiscal assistance up to 70%

Key Players in the ESDM Sector

















































Maharashtra Industrial Development Corporation

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