



Investment Opportunities for Vietnamese Companies in Odisha

Oct 20, 2020

- Odisha: Land of Opportunities
- Odisha as an investment destination
- Sector-specific opportunities for Vietnamese companies :
 - Steel and Steel Downstream
 - Chemicals and Petrochemicals
 - Electronics Manufacturing
 - Seafood Processing
 - Apparel and Textiles Manufacturing
- Incentives under Industrial Policy 2015
- Sector-specific policies
- Industry Experience in Odisha

Odisha: Land of Opportunities



ODISHA
NEW OPPORTUNITIES



#1 State in India in terms of **attracting investments** during Apr -Sep 2019 as per Centre for Monitoring Indian Economy (CMIE)



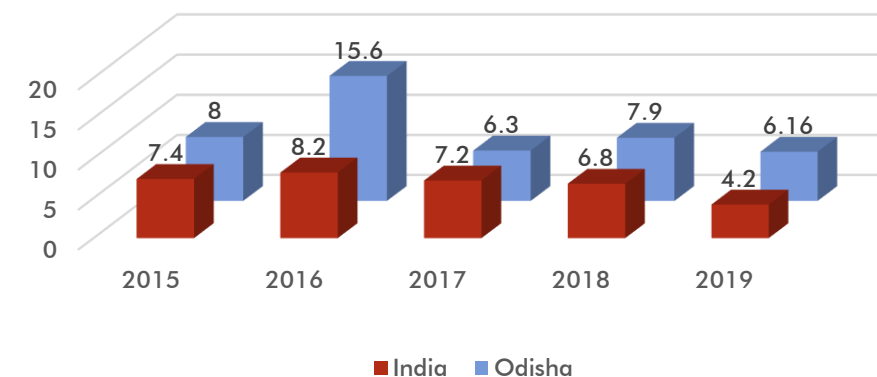
Services and Industries - largest sectors contributing to the State GSDP with **40.5%** and **39.06%** respectively



Stable and transparent governance framework leading to **GSDP growth above national average**



Growth Rate (in %) India vs Odisha

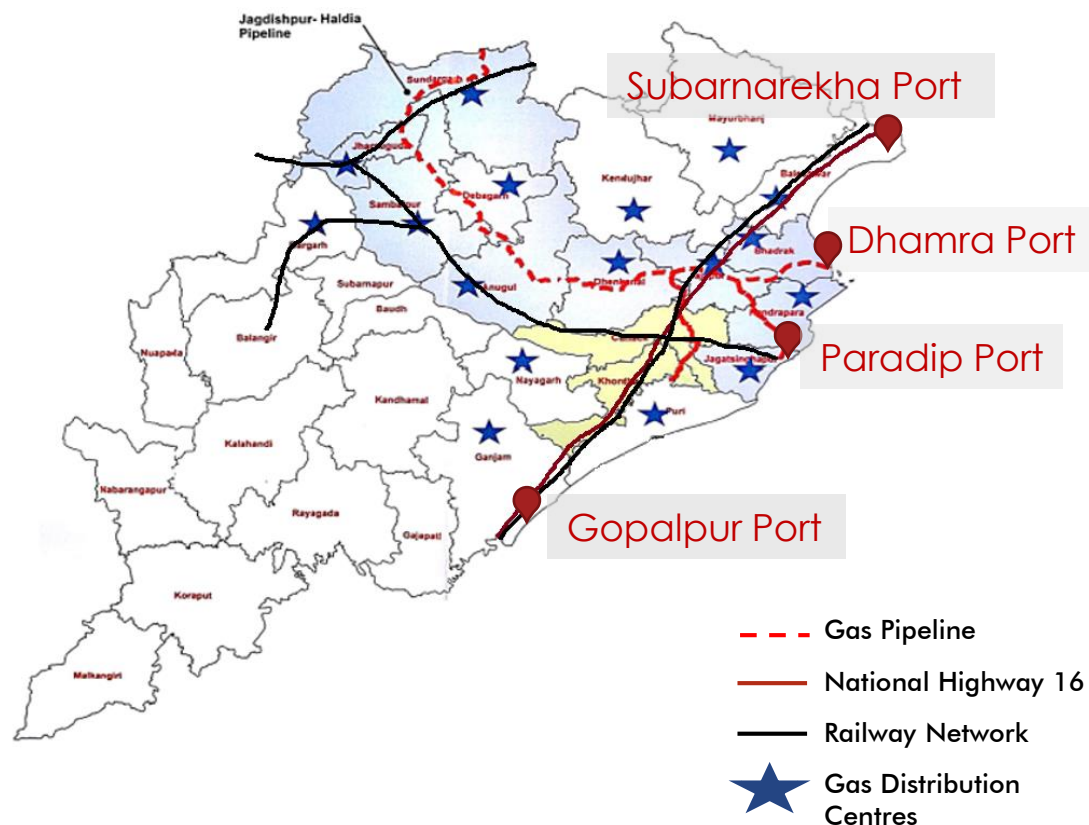


Odisha as an Investment Destination – 1/2



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A. Infrastructure- led industrial development



11 % of India's water resources and **power surplus** with **over 17,600 MW** of production



Home to Paradeep port: 1st in Average Output Per Ship Berth-day in India and **2nd** in capacity and quantity of Traffic Handled in India

Dhamra Port: Deep draught all-weather port, **second largest private port** on the Eastern coast



10,000 km of Highway Network along with a **mesh of Railways** providing **connectivity to the Indian hinterland**



Largest producer of Minerals, Aluminium, Steel and Stainless Steel in India

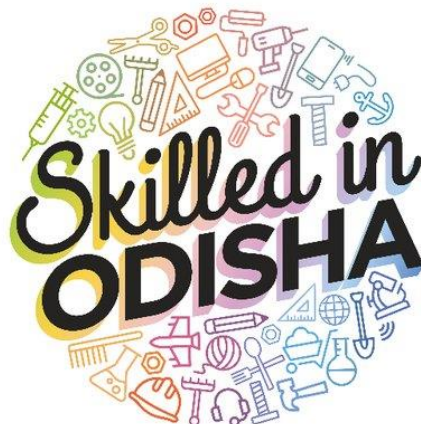
Odisha as an Investment Destination – 2/2



Dedicated authority to facilitate skill development for industries

- **More than 170,000** graduates every year from **950+** training institutions in Odisha
- Globally recognized **Institutes of Higher Learning & Research** including **CIPET**, **Institute of Chemical Technology (ICT)** and **Biju Patnaik National Steel Institute**
- Bhubaneswar emerging as **knowledge hub in India**
- Development of first-of-its kind **World Skill Centre** at Bhubaneswar

Vision of OSDA:
Odisha's Best, World's Next



A cost-effective and hassle-free destination for industrial investments

Odisha has one of the lowest* cost of doing business in India, with:

1. Lowest industrial electricity tariffs
2. Low industrial land cost
3. Low water tariffs
4. Competitive skilled labour wage rate

*As per a report by Asian Development Bank (ADB)



- First-of-its-kind single window system which supports industries throughout their investment lifecycle
- Recognised as a best practice by Government of India

Sector-Specific Opportunities for Vietnamese companies

Steel and Steel Downstream



Kalinganagar Industrial Cluster



Odisha's Unique Value Proposition:

- **20%** of Steel making capacity of India
- **Largest** Stainless Steel Producer in India
- Vision 2030: Achieve **more than 50% value addition** to the primary metal produced in the State

Snapshot of Investment Region:

- Integrated development with presence of large Steel players such as: TATA Steel, JSL, VISA Steel, MESCO, etc.
- Over 160 Sq.km of development plan
- Proximity to Odisha's mineral rich region
- Situated adjacent to NH 215 and Jajpur- Keonjhar Railway Station
- Biju Patnaik International Airport: 100 km
- Paradip Port: 127 km
- Perennial 215 MLD water source

Salient Features

- Self- contained ecosystem covering entire value chain of steel and metals
- Robust infrastructure framework for water, power, solid waste and sewage
- Logistics hub with common warehousing Unit Integrated along with Packaging Unit

Investment Opportunities for various industries from Vietnam in:

- | | |
|---|---|
| • Manufacturing of Electrical Machinery and Equipment | • Foundries, fabrication, machining and precision equipment |
| • Auto component manufacturing | • Products for building and construction sector |
| • Energy and process equipment | • Infrastructure Development particularly social infrastructure |
| • Engineering machinery | |
| • Hot and cold rolled products | |

Sector-Specific Opportunities for Vietnamese companies

Chemicals and Petrochemicals



Petroleum, Chemicals and Petrochemicals Investment Region, Paradeep



Snapshot Of Investment Region:

- Development plan over 284 sq km
- Anchored by 15 MMTPA IOCL refinery with committed feedstock of:
 - Polypropylene
 - Paraxylene-PTA
 - Butene-1 & 2
 - Mono Ethylene Glycol
 - Petcoke
 - Ethylene and Propylene
- Situated adjacent to Paradip port and with railway siding
- Biju Patnaik International Airport: 120 km
- Connected through NH 53

Salient Features

- Dedicated 1 sq km plastics park with ready to move land for plastic manufacturers
- Presence of Plastics Product Evaluation Centre (PPEC) by CIPET, a prominent R&D institution
- Development of Common Effluent Treatment Plant in pipeline
- Self- contained ecosystem covering entire value chain of chemicals and petrochemicals
- Logistics hub with common warehousing Unit Integrated along with Packaging Unit

Investment Opportunities for various industries from Vietnam in:

- | | |
|--|---------------------------------|
| • Integrated Petrochemicals products such as Polyester Chips, Fibers, PET Bottles, PET Chips, Sheets | • Pigments and coating products |
| • High performance chemicals | • Injection Moulding |
| | • Extrusion Moulding |
| | • Blow & roto Moulding |

Odisha's Unique Value Proposition:

- **1 out of 4 PCPIRs** in India - Home to **Indian Oil Corporation's largest refinery** complex
- Long coastline with **3 major ports** for easy import and export

Sector-Specific Opportunities for Vietnamese companies

Sea food Processing

Seafood Park at Deras



Snapshot Of Investment Region:

- First-of-its-kind facility on the east coast of India exclusively focused on seafood and marine products
- Developed over 0.6 sq km of developed plots
- Paradip Port: 140 km
- Biju Patnaik International Airport: 19 km
- Connected through National Highway 16
- 17 km from the nearest railway station

Salient Features

- Central Processing Center located within the park with 7 Primary Processing Centers and 15 Pre-Processing Centers each of 10 MT for access to raw materials
- 9 MLD CETP under development
- Dedicated common facility center comprising of cold storages, block ice unit, polythene unit and packaging unit

Odisha's Unique Value Proposition:

- Long coastline with **perennial availability of salt, brackish and sweet water fish**
- Presence of major export industries such as **Falcon Marine, B-One and Magnum Sea Food**

Investment Opportunities for various industries from Vietnam in:

- Integrated shrimp farming and processing
- Pre-processing units
- Packaged food
- Raw processing
- Hatcheries
- Freezing systems
- Warehousing and cold storage

Sector-Specific Opportunities for Vietnamese companies Electronics Manufacturing



Infovalley Electronics Manufacturing Cluster, Bhubaneswar



Snapshot Of Investment Region:

- Developed over 0.6 sq km of land in the suburbs of Bhubaneswar
- Surrounded by a well-developed IT and software ecosystem led by leading IT players such as Infosys, Tata Consultancy Services, Wipro
- Biju Patnaik International Airport: 20 km
- Paradip Port: 120 km
- Connected through NH 16

Salient Features

- Plug-and-play infrastructure ready to move-in
- Integrated township with walk-to-work concept
- Exclusive Common Facility Centre consisting of Testing & Measurement, Mould and Tool Room, Prototyping facility, EMI/EMC lab. Reliability and Environment Testing Lab and Component Testing Lab
- Robust infrastructure framework for water, power, solid waste and sewage

Odisha's Unique Value Proposition:

- **Special Incentive Package** for electronics manufacturing
- Education hub of East India with **large talented workforce in Electronics sector**

Investment Opportunities for various industries from Vietnam in:

- Electronic Products
- Electronic Components
- Equipment Manufacturing
- Semiconductor Design and Fabrication

Sector-Specific Opportunities for Vietnamese companies

Apparel and Textiles Manufacturing



Technical Textiles Park, Bhadrak

Snapshot Of Sector-specific park:

- Development planned over 100 acres
- Anchored by a 300 KTPA capacity polyester plant by Indian Oil Corporation (IOCL) with committed feedstock of:
 - Polyester Staple Fibre (PSF) – 100 KTPA
 - Drawn Texturized Yarn (DTY) – 167 KTPA
 - Fully Drawn Yarn (FDY) – 33 KTPA
- Factory-door availability:
 - Road connectivity to National Highway
 - Electricity through dedicated 33/11 KV sub-station
 - Water supply by State Industrial Development Corporation
- Locational Advantage:

Dhamra Port	60 km
Bhadrak Railway Station	16 km
Biju Patnaik International Airport	128 km
National Highway 16	Adjacent

Odisha's Unique Value Proposition:

- **Abundant availability of skilled workers**; additional skilled manpower availability post COVID-19
- **Dedicated authority** to facilitate skill development for industries



Incentives under Industrial Policy 2015



For Industrial Units:

- **Interest Subsidy @5% per annum** on term loan for a period of 5 years up to **VND 3.16 billion**
- **100% stamp duty exemption** for transfer of land from State Infrastructure Development Corporation to Industrial units or from Private Industrial park developers to Industrial units
- **Exemption from payment of electricity duty up** to a contract demand of 5 MVA or with captive power plants with non-conventional sources and bio-fuel for a period of **5 years**
- Reimbursement of **100% of net GST paid for a period of 7 years**, limited to 200% of cost of plant & machinery
- Depending on investment and employment generated:
 - **10% capital subsidy** on investment in plant and machinery limited to **VND 158 billion** for units in agro & food processing; textiles and apparel; plastics; pharmaceuticals and auto & auto components sectors
 - **79 VND to 395 VND per unit** reimbursement of power tariff for **5 years**
 - **VND 0.55 million to VND 1.26 million per person** newly trained or undergoing skill upgradation for **3 years**

For Private Industrial Parks and Clusters:

- **50% capital subsidy** on infrastructure cost limited to **VND 31.6 billion** for greenfield projects and **VND 15.8**

Policy Focus

Priority Sectors –

Leveraging competitive advantage of Odisha

Infrastructure growth

Employment generation- Build up skills

Facilitation – Concept to Commissioning

Sector-specific policies



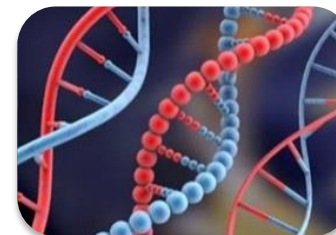
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Apparel Policy,
2016



Aerospace and Defense Manufacturing
Policy, 2018



Biotechnology
Policy, 2016



Fisheries Policy,
2015



Food Processing Policy,
2016



Healthcare Investment Promotion
Policy, 2016



Information and
Communication
Technology Policy, 2014



MSME Development
Policy, 2016



Pharmaceuticals Policy,
2016



Renewable Energy
Policy, 2016



Tourism Policy, 2016



Special Economic Zones Policy, 2015

Industry Experience in Odisha



“The State has been **highly progressive in development of state-of-the-art infrastructure in sector specific clusters**, which bring huge competitive advantage for manufacturing industries on the east coast.”

– **Shri N Chandrasekaran, Chairman, Tata Group**

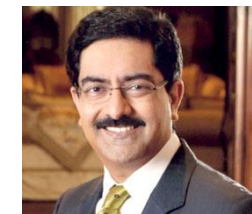


“We are committed to a **digital Odisha** where each of its 4.5 crore citizens has the best quality digital **connectivity** that will improve life of every citizen in the state.”

– **Shri Mukesh Ambani, Chairman & Managing Director, Reliance Industries**

“Chief Minister **Shri Naveen Patnaik’s exceptional leadership, supported by an admirable team** has been the singular factor in the rapid progress of Odisha.”

– **Shri Kumar Mangalam Birla, Chairman, Aditya Birla Group**



With **presence of major ports like Paradeep and Dhamra** along with connectivity through road and **rail networks**, Odisha provides an excellent to connect to the world.

- **Shri Anil Agarwal, Chairman, Vedanta Resources**



THANK YOU



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