

FII's & Capital fund cos hold talks with U.P. Govt

Principal Secretary, Infrastructure & Industrial Development: *"We are trying to change cultural inertia and closing the gap between perception and reality of investment scenario in U.P."*

"Tapping vast rural markets of U.P. are the key to success."

"Draft of Industrial Services Guarantee Act in advance stage"

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Sincere efforts of Uttar Pradesh government to streamline the business processes and procedures as well as strengthening of investment facilitation mechanisms seem to be eliciting encouraging response from investors. In a bid to explore opportunities of investment and business in Uttar Pradesh, a delegation, mainly comprising of various Foreign Institutional Investors (FIIs) and venture capitalists of standing from India and abroad arrived in Lucknow today.

Facilitated by Ambit Capital, the twenty-member strong group partook in a comprehensive interactive session with **Principal Secretary, Infrastructure & Industrial Development Department (IIDD), Dr Surya Pratap Singh** and **Managing Director, U.P. State Industrial Development Corp (UPSIDC), Manoj Singh** on the investment climate in Uttar Pradesh and the challenges with measures to improve it.

Welcoming the visitors, **Principal Secretary IIDD), Dr Surya Pratap Singh** said, *"Home to twenty crore people, the huge consumer base will drive growth in Uttar Pradesh. Nothing can stop market forces to spur development here, any business model successful in west will succeed here also. U.P. is one of the few States which have grown at 7 per cent during the last five years." "Growing consuming class of U.P. amounts to 14 per cent of all India figures, the highest in the country," he added.*

Emphasising on the majority rural population in the State and challenges ahead on industrial development, **Dr Surya Pratap Singh** stated, *"Rural markets in U.P. are the key, these markets are untapped, waiting to be penetrated." He said, "Value addition to large resource base and raw materials can be of huge potential, we are trying to change the cultural inertia and closing the gap between perception and reality of investment scenario in U.P. to attract investment." "U.P. Government is bringing in an Industrial Services Guarantee Act with accountabilities and penalties fixed for speedy issuance of clearances required to set up industries and enterprise, draft of this Act is advance stage" he added.*

Earlier initiating the dialogue, **Saurabh Mukherjee, CEO-Institutional Equity of Ambit Capital** asked about the *reasons behind U.P.'s stellar economic growth numbers in the last five years, the challenges vis-a-vis the investment climate in the State and the steps the UP Government was taking to address the same.*

Responding to these queries, **Managing Director of PTC Industries, Sachin Agarwal** said that *contrary to general perception his company had not lost a single man-day in the Lucknow unit in many years and attrition was the second lowest in the country. "We appreciate the change in approach of the new government in last one and a half year, it is the most opportune time to invest here," he added.*

Sharing his experience in Lucknow, **Jayant Krishna, Principal Consultant of Tata Consultancy Services** said that *experience of TCS here had been extremely good, productivity figures of the unit in Lucknow matched with the best of TCS centres elsewhere. He said that not many people know that the second largest plant of Tata Motors is in Lucknow.*

Amrish Bakaya, Vice President of Samsung Electronics said, "In a welcome change from last regime, business climate in the State is rapidly changing as the senior officers of government are moving out and reaching out to industries to resolve their issues."

The visiting delegation included Jeetu Punjabi, Macro Analyst & Strategist-Capital Global, USA; Ajit Dange, Fund Manager - SBI MF; Anand Vasudevan, Fund Manager-Franklin Templeton, USA; Sashi Balachandar, Senior Fund Manager-Premji Invest; Amit Hirawat, Director-India Value Fund; Swanand Kelkar, Fund Manager-Morgan Stanley Investment Management; Mihir Shah, Hitesh Jain, Sreeram Viswamani, Vice presidents of India Capital; Shekhar Sambhshivan, Director & Fund Manager-Invesco, USA; Ganesh Chidambaram, Fund Manager-Union Bancaire Privee; Anirudha Dutta, Research Head-Ex-CLSA; Paresh Jain, Analyst & Fund Manager- Max Life Insurance; N.Balaji Vaidyanath, Fund Manager-Sundaram Mutual Fund; and Saurabh Mukherjee, CEO-Institutional Equity, Nitin Bhasin-Vice President, Ritika Mankar-Economist, Nitesh Bhadani-Senior Manager, and Praveena Pattabiraman-Assistant VP of Ambit Capital, etc.

An impressive & detailed audio-visual presentation outlining the strengths of Uttar Pradesh and the way forward along with development implementation strategy of the State government in infrastructure development and sectoral focus areas of interest and emerging opportunities was also screened and described by **Ernst &Young, the Knowledge Partner** of State government for encouraging investment. Several bold and novel steps taken by the state government under New Infrastructure & Industrial Investment Policy, namely- significance of PPP in infrastructure development, fiscal and enabling incentives, various projects underway and in offing, which include Delhi-Mumbai Industrial Corridor and Eastern Dedicated Freight Corridor, roads network, mega leather cluster projects, IT cities, plastic city at Auriya, new initiatives in transport, civil aviation, education, healthcare and tourism etc. were aptly depicted.
