

Investor Konnect

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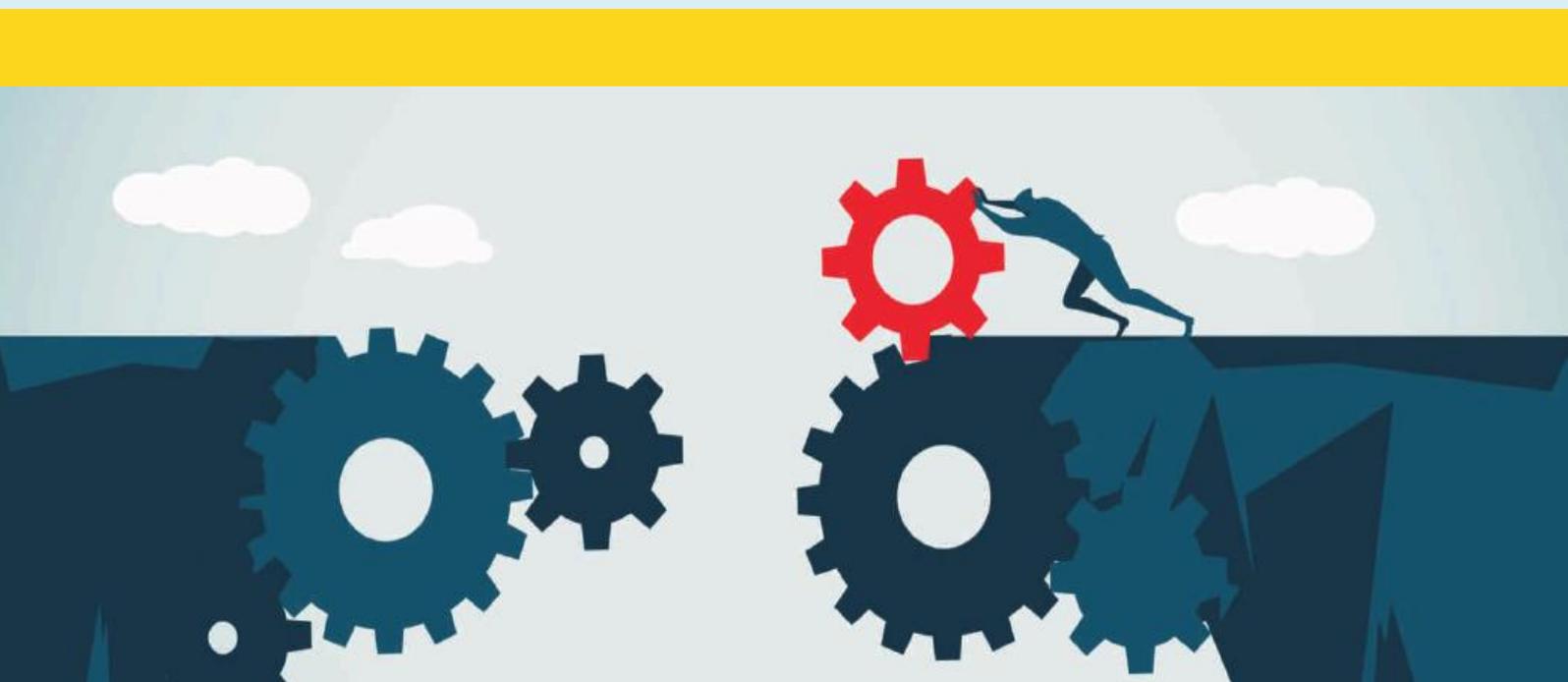
FROM THE EDITOR'S Desk



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Government of Kerala through "The Kerala Investment Promotion Facilitation Act, 2018", "The Kerala Micro Small Medium Enterprises Facilitation Act, 2019", "The Kerala Industrial Single Window Clearance Boards and Industrial Township Area Development (Amendment) Act, 2019" and "The Kerala Micro Small Medium Enterprises Facilitation (Amendment) Ordinance, 2020" has considerably eased the licensing process in the State.

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. These reforms have led to a steady increase in the size of Kerala's manufacturing sector, in value terms, especially so over the last four years where it saw double digit growth of 11.2 per cent for the first time in 2019 making the State a MSMEs haven now. During the last four years, a total of 68256 MSMEs (June 2016-Mar 2021) have been setup in the State (which constitute more than 49 per cent of total MSMEs in the State) with investment of over Rs. 6,365 Crore and employment of over 2.4 lakh people. In this edition I wish to highlight the key reforms undertaken to transform Industrial Licensing in the State along with few key highlights with respect to minimizing Regulatory Compliance Burden for businesses.



RECENT EVENTS: QUICK WALKTHROUGH



Bamboo Expo 2021 Virtual Exhibition

Indian Federation of Green Energy (IFGE), Uttar Pradesh organised the event from March 23 to 25, 2021 in collaboration with Ministry of Micro Small & Medium Enterprises . The key highlights of the event will be a Virtual Exhibition, Virtual Sessions, and Virtual Meetings. The event will be attended by senior officials from Central and State Governments, industry leaders, professionals, Bamboo Experts, farmers, academicians, entrepreneurs and start-ups etc. Kerala State Bamboo Mission facilitated the participation of Bamboo Artisans/Craftsmen from Kerala.



Bamboo Skill Upgradation Training Programme

A skill upgradation training programme was conducted for artisans and craftsmen in bamboo sector by Kerala State Bamboo Mission functioning in Kerala Bureau of Industrial Promotion through Mulagramam Idukki, (an NGO engaged in making bamboo products activities) from March 1 to 17, 2021 at Thattekkani in Idukki District.

MINIMIZING REGULATORY COMPLIANCE BURDEN : QUICK WALKTHROUGH

Department for Promotion of Industry and Internal Trade (DPIIT) in 2020 has convened an exercise on minimizing regulatory compliance burden on industry/businesses and on citizens. The key objective of the exercise is to provide services in a time-bound, transparent, and predictable manner with minimum human interface by examining Acts and compliances which are outdated in order to remove redundant laws and compliances. The various compliance reduction measures suggested by DPIIT are as follows:

Certificate, License, Permission

1. Abolish renewals
2. Auto renewal with online payment
3. Increase periodicity of renewal
4. Decrease issuance cost
5. Decrease renewal cost
6. Reduce application form size
7. Decrease issuance time
8. Decrease number of issuance procedure
9. Prefill with refilling

Filings

18. Filings to be made online
19. Decrease filing procedures
20. Decrease filing cost

Decriminalization

21. Eliminated penal provision
22. Compounding option provided
23. Imprisonment removed

Inspection, Examination & Audits

10. Self-inspection
11. Third party inspection
12. Randomized inspection
13. Joint inspection by all concerned authorities
14. Decrease inspection procedure
15. Decrease inspection time

Redundancy

24. Repealed
25. Subsumed
26. Amended

Technology

27. Artificial intelligence
28. Block Chain

Registers and Records

16. Registers & Records to be made online

Others

29. Any Other

Display Requirements

17. Display requirements to be reduced

Digitizing and making processes online

30. Removing Physical touch points by making process online

KSWIFT DASHBOARD : DID YOU KNOW?



Registered Entrepreneurs 21418	CAF Submitted 2009	Total Services 1429	Services yet to Process 165
Services Under Process 211	Services Approved 786	Services Rejected 267	MSME Clearances 11863

Total Queries Resolved

4,295

Timeline mandated for Query resolution

15 days

Avg time taken for Query resolution

2 days

% of investors "Extremely Satisfied" with helpdesk support

47%

% of investors "Very Satisfied" with helpdesk support

37%

% of investors "Satisfied" with helpdesk support

12%

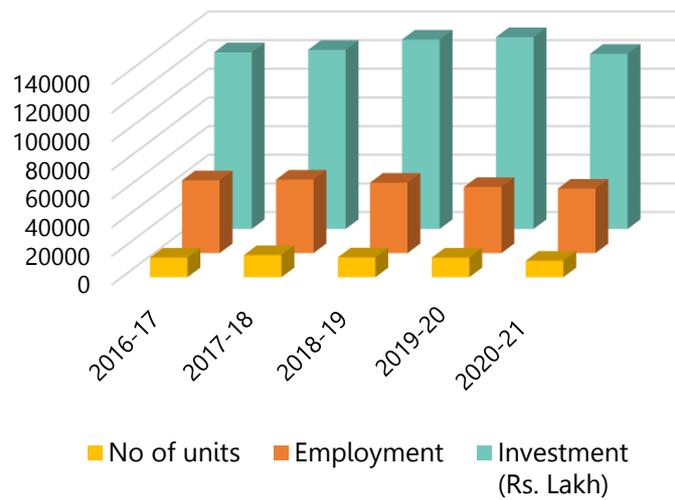
വ്യവസായ സംരംഭകരുടെ സംശയങ്ങൾക്ക് മറുപടി

**ടോൾഫ്രീ നമ്പർ
1800 890 1030**

KERALA: BOOMING MSME GROWTH

Micro, Small & Medium Enterprises has been growing and performing tremendously well in Kerala. The key Statistics of MSMEs are given below:

MSME Units	139200
Total investments of MSMEs	10688 Cr
Total Employment	874708



INDUSTRIAL LICENSING REFORMS

The existing single window boards at State, District and Industrial Parks by were strengthened by bringing amendments to the Kerala State Single Window Clearance Boards and Industrial Township Area Development Act, 1999. The State Single Window Clearances Board has cleared close to 30 projects with an investment over INR 3600 Crore enabling creation of more than 34700 employment opportunities.

The year 2019 witnessed subdued growth and investment across the global due to rising trade barriers, uncertainty surrounding trade and geopolitics, and low productivity growth. The Indian economy has also slowed down considerably in recent times. COVID-19 outbreak has adversely affected global economy, in recognition of the need for special measures to minimize the impact and to attract large scale investments, Government promulgated "The Kerala Micro Small Medium Enterprises Facilitation (Amendment) Ordinance, 2020" to constitute Investment Facilitation Bureau for expeditious disposal of applications for issue of various licenses, clearances, certificates required under various State enactments for setting up enterprises having investment more than INR 50 Crores and not falling under Red Category notified by Kerala State Pollution Control Board.

MSME projects not falling under red category

- Exempted from obtaining approvals under State Acts for a period of three years and a grace period of six months to obtain approvals.
- Instant Acknowledgement Certificate issued basis Self-Certification.

Non - MSME projects not falling under red category

- Investment Facilitation Bureau constituted to scrutinize the applications and issue Composite License within 7 days with a validity of five years.
- Entrepreneurs to complete due procedures and submit a certificate of compliance to CEO of Bureau within a year.

Single Window Clearance Boards (Normal Approval Route) - Composite license in 30 days

State Board

For projects with an outlay of INR 15 Crores (150 Million USD) and above

- Chief Secretary to the State is the Chairperson
- 23 members to the Board at present, comprising Secretaries to Government, Chairpersons of Boards, & CTP
- Convened in every 30 days

District Board

For projects with an outlay of less than INR 15 Crores (150 Million USD)

- District Collector is the Chairperson
- District level officers of various departments as the members
- Convened in every 20 days

Industrial Area Board

For the clearance of projects being set up in industrial parks/areas

- Principal Secretary (Industries), District Collector and District level officers of various departments as the members
- Convened in every 20 days