

‘More specific strategies required to attract quality investment’

MNCs in developed countries are now holding a record \$4.5 trillion in cash. This investment will be seeking a place and China leads the queue internationally and Gujarat domestically. Policies attracting investment have become standard in most Indian states, irrespective of their level of development, geographical location or industrial structure.

I am of the view that the present investment promotion strategy should aim to meet both short-term and long-term targets.

MP may need to use broad-based policies investment without posing too many obstacles or restrictions in order to stimulate the economy. At the same time, more specific measures aimed at attracting quality investment should be applied to meet MP's long-term strategic needs.

However, attracting quality investment requires that MP delivers enough satisfactory re-

sults to make investors agree to transfer funds to MP businesses and entrepreneurs/opportunities. These rewards cannot be generated by simple incentives, but from the readiness of economic factors, the quality of physical infrastructure (I am sure we don't want to create another Pithampur with first world dream and third world infrastructure) factors, and the environment that is conducive to quality investment.

Attracting quality investment would not be successful if superficial investment promotion incentives are used, but only through compelling factors that lead the investors to believe that they will be rewarded with lasting benefits. Specifically we need to work on some aspects:

Image Building: Creating the perception of MP as an attractive state for investment. Activities commonly associated with image building include focused advertising, public relations events and the generation of favourable news stories by cultivating positive stories.

Investor Facilitation



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and Investors Servicing: Range of services provided in MP that can assist an investor in analysing investment decisions, establishing a business and maintaining it.

Investment Generation: This entails targeting specific sectors and companies with the aim of creating investment leads. Activities include identification of potential sectors and investor campaigns, individual presentations to targeted investors.

Policy Advocacy: This consists of the activities via which the agency supports initiatives to improve the investment climate and identifies the views of MP leading private sector leaders on this matter. Activities include surveys of the private

sector, participation in task forces, policy and legal proposals and lobbying their contacts in MNCs.

Effective policies: Reduce Vulnerability, Support Sustainability and Control Corruption.

Infrastructure: Support market access and increase productivity and competitiveness.

Capable workforce: Invest in human capital, demand driven diverse, skilled and qualified workforce that meets new demands of Retail Industry. The government can also promote the same on a national level.

Environment management: To maintain long-term viability of economic growth across the sector.

Accountable government: A government that is willing to adopt the transparent management of this economy and provide safe, stable and attractive environment for businesses in the industry.

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