POLICY BENCHMARKING SERIES | 2026

STRENGTHENING WEST BENGAL'S INDUSTRIAL COMPETITIVENESS

Benchmarking Industrial Policies against Gujarat, Maharashtra, Tamil Nadu and Telangana

POLICY COMPARISON | PERFORMANCE BENCHMARKING | GAP ANALYSIS | BEST PRACTICES | REFORM ROADMAP

QUANTIVE ADVISORY LLP

Strengthening West Bengal's Industrial Competitiveness

Benchmarking Industrial Policies against Gujrat, Maharashtra, Tamil Nadu and Telengana

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Acknowledgement

This report has been prepared as part of Quantive Advisory LLP's commitment to supporting evidence-based policymaking and strengthening industrial competitiveness in India. It presents a preliminary assessment of West Bengal's industrial policy ecosystem through a comparative review of leading industrial states, with the objective of identifying best practices and informing future policy reforms.

The study draws upon publicly available government policies, official reports, economic surveys and institutional publications. We acknowledge the valuable work undertaken by the Government of West Bengal, the Governments of Gujarat, Maharashtra, Tamil Nadu and Telangana, as well as various national institutions whose policy frameworks and publications have informed this analysis.

We hope this report serves as a useful starting point for a more comprehensive benchmarking exercise and contributes to informed discussions on enhancing West Bengal's industrial competitiveness through strategic, implementation-oriented and evidence-based reforms.

Quantive Advisory LLP
Policy Benchmarking Series 2026

EXECUTIVE SUMMARY

Building a Stronger Industrial Future for West Bengal

This preliminary benchmarking exercise compares West Bengal's industrial policy ecosystem with four leading industrial states to identify best practices and priority reform areas.

01 **West Bengal has strong industrial fundamentals,** including a large market, diversified MSME base, established industrial sectors, major transport gateways and strategic access to Eastern India and neighbouring countries.

02 **The state has introduced several important policies** on logistics, exports, industrial corridors, renewable-energy manufacturing and industrial parks. However, these remain spread across multiple frameworks and require stronger integration under a unified industrial strategy.

03 **Leading states offer valuable lessons.** Gujarat in infrastructure-led and cluster-based industrialisation; Maharashtra in integrating manufacturing, services and investment promotion; Tamil Nadu in sector-specific ecosystems and supplier development; Telangana in time-bound approvals, innovation and investor facilitation.

04 **West Bengal should focus on six priorities:** policy integration, value-chain development, performance-linked incentives, industrial land readiness, end-to-end investor facilitation and stronger logistics–industry integration.

05 **The objective is to adapt, not replicate.** Best practices must be customised to West Bengal's economic geography, institutional capacity and industrial strengths to deliver sustainable and inclusive industrial growth.

06 **A detailed benchmarking study is essential** to validate policy gaps, assess implementation performance and support the preparation of an actionable **West Bengal Industrial Policy 2.0** and **Industrial Competitiveness Roadmap.**

LESSONS FROM LEADING STATES

GUJARAT
Infrastructure-led and cluster-based industrialisation with strong port ecosystem and institutional coordination.

MAHARASHTRA
Integration of manufacturing, services and investment promotion within a comprehensive industrial strategy.

TAMIL NADU
Sector-specific ecosystems, supplier development and employment-intensive manufacturing.

TELANGANA
Time-bound approvals, regulatory efficiency, innovation ecosystem and strong focus on entrepreneurship and emerging industries.

SIX STRATEGIC POLICY PRIORITIES FOR WEST BENGAL

1. POLICY INTEGRATION
2. VALUE-CHAIN DEVELOPMENT
3. PERFORMANCE-LINKED INCENTIVES
4. INDUSTRIAL LAND READINESS
5. END-TO-END INVESTOR FACILITATION
6. LOGISTICS–INDUSTRY INTEGRATION

ULTIMATE OBJECTIVE
An actionable West Bengal Industrial Policy 2.0 and Industrial Competitiveness Roadmap
supported by measurable targets, institutional responsibilities and time-bound implementation.

5 LEADING STATES BENCHMARKED | **15+** DIMENSIONS ASSESSED | **COMPARATIVE INSIGHTS** TO INFORM EVIDENCE-BASED REFORMS | **STAKEHOLDER** CONSULTATIONS TO VALIDATE FINDINGS | **5-YEAR** ACTION HORIZON

1. BACKGROUND AND RATIONALE

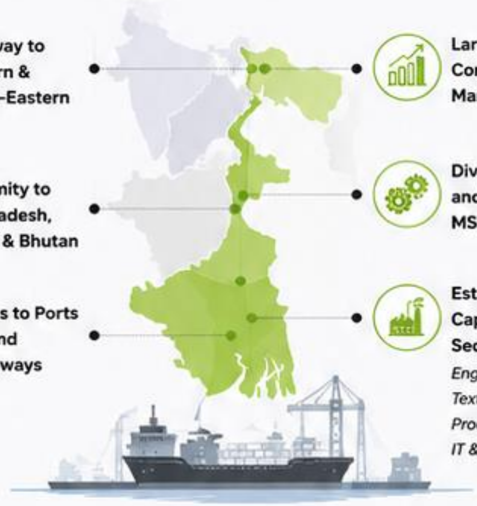
> Industrial competitiveness today is determined not just by incentives, but by the strength of the entire ecosystem that enables investment, production and growth.

Indian states are increasingly competing not merely through tax concessions but through integrated industrial ecosystems covering land, infrastructure, logistics, regulatory approvals, skills, innovation, sector-specific clusters and investor aftercare.

The effectiveness of an industrial policy therefore depends on how well its **incentives are connected** with **implementation institutions**, **industrial land**, **supply chains**, **technology**, **workforce development** and **measurable investment outcomes**.

WEST BENGAL: STRATEGIC ADVANTAGES

West Bengal possesses several significant structural advantages that position it as a natural industrial hub for Eastern India and beyond.



- **Gateway to Eastern & North-Eastern India**
- **Proximity to Bangladesh, Nepal & Bhutan**
- **Access to Ports & Inland Waterways**
- **Large & Growing Consumer Market**
- **Diversified and Strong MSME Base**
- **Established Capabilities in Key Sectors**
  Engineering, Leather, Textiles, Tea, Food Processing, Chemicals, IT & ITeS

POLICY FOUNDATION IN PLACE

The State has introduced several important policy instruments to drive industrial growth.

West Bengal Logistics Policy	2023
West Bengal Export Promotion Policy	2023
Industrial and Economic Corridor Policy	2023
Renewable Energy Manufacturing Promotion Policy	2023
Data Centre Policy	2021
Scheme for Approved Industrial Parks	–

THE NEED FOR A STRONGER FRAMEWORK

West Bengal's industrial-policy framework is distributed across multiple policies and schemes.

This creates the need to examine whether these individual instruments collectively provide investors with:

- Clear industrial vision
- Coordinated institutional structure
- Attractive incentive framework
- Predictable implementation pathway

A systematic comparison with **Gujarat**, **Maharashtra**, **Tamil Nadu** and **Telangana** can help West Bengal identify reforms that are relevant to its own industrial structure rather than mechanically reproducing another state's model.

OBJECTIVE OF THIS STUDY

To benchmark West Bengal's industrial policy ecosystem against leading states and develop a reform roadmap that strengthens competitiveness, attracts quality investments and drives inclusive and sustainable industrial growth.

2. PRELIMINARY ASSESSMENT OF THE FIVE POLICY MODELS

Key policy approaches across leading states and lessons for West Bengal

PURPOSE OF THIS SECTION

To understand the policy strengths, approaches and institutional models of our leading states and identify transferable lessons for West Bengal.

WEST BENGAL — MODEL 01

A GROWING BUT FRAGMENTED POLICY ARCHITECTURE

Recent policies emphasise logistics, exports, industrial corridors, renewable-energy manufacturing and private industrial parks—creating a strong foundation for corridor-led and logistics-supported industrialisation.

KEY POLICY FOCUS AREAS

- Logistics & Trade
- Industrial Corridors
- Renewable Manufacturing
- Export Promotion
- Industrial Parks

NEEDS CONSOLIDATION AND STRONGER INTEGRATION ACROSS

- Target sectors and emerging industries
- Industrial land and corridor development
- Fiscal and non-fiscal incentives
- MSME participation
- Logistics and export infrastructure
- Skills and employment
- Innovation and research
- Investor facilitation and aftercare
- District-level industrial development

KEY TAKEAWAY

The issue is not the absence of policies, but the need for stronger integration, prioritisation and implementation architecture.

GUJARAT — MODEL 02

INFRASTRUCTURE- AND CLUSTER-LED INDUSTRIALISATION

Gujarat combines manufacturing clusters, ports, industrial estates, reliable infrastructure and investment facilitation. Industrial Policy 2020 emphasises competitiveness, innovation, sustainability, MSMEs, research and sunrise sectors.

COMPARATIVE STRENGTH

- Strong Policy–Institution Alignment
- Port-led Development
- Special Investment Regions
- Cluster Ecosystem
- Industrial Infrastructure

LESSONS FOR WEST BENGAL

- Integrate ports & logistics with industrial development
- Cluster-based targeting of value chains
- Development-ready industrial land
- Structured support for anchor & large investments
- Common infrastructure for MSMEs
- Clearly defined institutional responsibilities

CONTEXT NOTE

Not a directly replicable model. Differences in land, coastline, industrial history and urban geography must be considered.

MAHARASHTRA — MODEL 03

A BROAD INVESTMENT AND SERVICES STRATEGY

Industries, Investment & Services Policy 2025 integrates manufacturing, technology, logistics, design, business services and research with policies for IT, GCCs, AVGC-XR, gems & jewellery and more.

STRATEGIC FOCUS AREAS

- Manufacturing Excellence
- Technology & IT
- Logistics Leadership
- Emerging Sectors
- Global Integration

LESSONS FOR WEST BENGAL

- Integrate manufacturing with modern services
- Differentiated incentives for mega & strategic projects
- Stronger investor aftercare
- Sector-specific policy packages
- Develop industrial regions beyond metro
- Align industrial, logistics & technology policies

RELEVANCE

Kolkata can anchor a combined manufacturing–services economy across engineering, logistics, finance, design, IT, research and GCCs.

TAMIL NADU — MODEL 04

SECTOR-SPECIFIC MANUFACTURING DEPTH AND EMPLOYMENT ORIENTATION

Strong ecosystems in auto, electronics, textiles, aerospace, life sciences and more—supported by supplier networks, industrial parks, ports and skilled talent.

- ~15% Manufacturing Employment Share (Economic Survey 2025–26)
- Deep Manufacturing Ecosystems
- Strong Supplier & Industry Linkages
- Skilled Labour & Specialized Institutions
- Beyond Incentives, Focus on Ecosystem Depth

LESSONS FOR WEST BENGAL

- Sector-specific value-chain strategies
- Incentives linked with employment and skills
- Supplier-development programmes
- Stronger industry–institution partnerships
- Regional distribution of industries
- Dedicated R&D & innovation incentives
- Infrastructure tailored to sectors

IMPACT

Demonstrates the importance of policies that generate sustained factory employment, not just investments.

TELANGANA — MODEL 05

REGULATORY FACILITATION AND INNOVATION-LED DEVELOPMENT

Built on investor facilitation, industrial land, time-bound approvals, T-IDEA, T-PRIDE and a vibrant innovation ecosystem (T-Hub, WE-Hub, research organisations).

KEY ENABLERS

- Time-bound Approvals
- Incentive Schemes
- Industrial Land Banks
- Innovation Ecosystem
- MSME Support Mechanisms

LESSONS FOR WEST BENGAL

- Legally/administratively time-bound approvals
- Application tracking & accountability
- Support for women & disadvantaged entrepreneurs
- Innovation institutions linked to commercialisation
- Active facilitation, not passive processing
- Institutional support for stressed MSMEs

RELEVANCE

Valuable comparator for governance, digital approvals, entrepreneurship and emerging technologies.

KEY INSIGHT

Each state has a distinct policy model shaped by its strengths. West Bengal can adapt the right practices across infrastructure, institutions, incentives, innovation and implementation to build a competitive and inclusive industrial ecosystem.

Source: State Industrial Policies, Government Websites, Economic Survey 2025-26, Industry Reports

3. INITIAL COMPARATIVE FINDINGS

Key insights from the preliminary comparative assessment of West Bengal's industrial policy ecosystem in comparison with leading states.

OBJECTIVE

Identify gaps, adopt best practices and chart a reform pathway for a competitive industrial future.

3.1 WEST BENGAL NEEDS AN INTEGRATED INDUSTRIAL-POLICY UMBRELLA

West Bengal has multiple thematic policies but lacks an umbrella framework that presents them as a coherent industrial transformation strategy.

An updated industrial policy should consolidate ambitions across key pillars

- Manufacturing & Modern Services
- Industrial Corridors & Growth Centres
- Employment & Skills
- MSMEs & Supplier Development
- Export Competitiveness
- Green Manufacturing
- Technology & R&D
- Logistics & Multimodal Connectivity
- Balanced Regional Development

KEY IMPLICATION

Consolidation will create a clear, investor-friendly framework that is easier for investors, departments, agencies and districts to understand and implement.

3.2 SECTOR IDENTIFICATION NEEDS TO PROGRESS TO VALUE-CHAIN PLANNING

Policies should move beyond listing priority sectors to building complete value chains with strong ecosystem support.

Map the complete value chain for each sector

Raw Materials → Intermediate Inputs → Component Suppliers → Testing & Certification → Logistics Requirements

Skills & Workforce → Technology Gaps → Anchor Investors → Export Markets

LESSON

Tamil Nadu's sectoral depth and supplier ecosystems demonstrate how value-chain strategies create long-term manufacturing competitiveness.

3.3 INCENTIVES SHOULD BE LINKED WITH MEASURABLE OUTCOMES

Incentives must be evaluated based on the outcomes they generate, not just subsidy rates.

Outcomes that incentives should drive

- Capital Investment
- Direct Employment
- Women's Employment
- Local Procurement
- Exports
- R&D Expenditure
- Renewable Energy Adoption
- Waste Reduction
- District-level Dispersal
- MSME Supplier Integration

KEY ACTION

Adopt a performance-linked incentive system based on quality, location and wider developmental impact.

3.4 INVESTOR FACILITATION MUST COVER THE COMPLETE PROJECT LIFECYCLE

Facilitation should go beyond approvals to support investors through the entire journey.

Proposed investor lifecycle model for West Bengal

1. Investment Enquiry & Site Selection
2. Approval Coordination
3. Land & Infrastructure Facilitation
4. Construction & Commissioning Support
5. Supplier & Skill Linkages
6. Grievance Resolution
7. Post-Investment Aftercare

Continuous handholding at every stage

LESSON

Telangana's approval architecture and Maharashtra's facilitation approach merit detailed institutional examination.

3.5 INDUSTRIAL LAND SHOULD BE ASSESSED FOR READINESS, NOT MERELY AVAILABILITY

Land banks are valuable only when sites are ready for investment.

Key parameters to assess industrial land readiness

- GIS-based Land Information
- Title & Encumbrance
- Land-use Conversion
- Allotment Procedures
- Lease & Pricing Models
- Trunk Infrastructure
- Utility Availability
- Environmental Clearances
- Plug-and-Play Facilities
- Timelines for Possession

WHY IT MATTERS

Efficient land use and corridor-based development are critical for West Bengal given land constraints and settlement density.

3.6 LOGISTICS MUST BECOME AN INDUSTRIAL-DEVELOPMENT INSTRUMENT

Leverage existing policies to integrate logistics as a core pillar of industrial strategy.

Build industrial strategies around

- Kolkata–Haldia–Balagarh port & inland-waterway systems
- Eastern Dedicated Freight Corridor interface
- Road & rail corridors to Eastern & North-Eastern India
- Trade routes to Bangladesh, Nepal & Bhutan
- Warehousing & cold-chain networks
- Border trade & land ports
- District-level production & logistics clusters

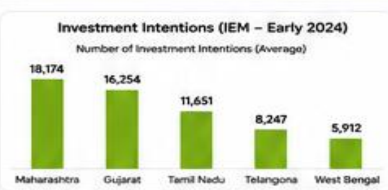
Use LEADS indicators to align industrial policy reforms with logistics performance

IMPACT

Stronger logistics integration drives competitiveness, reduces costs and unlocks trade and investment potential.

3.7 POLICY QUALITY MUST BE DISTINGUISHED FROM IMPLEMENTATION PERFORMANCE

Good policy on paper does not guarantee results. Implementation determines real outcomes.



Source: DPIIT – Industrial Entrepreneurs Memorandum, Jan–Mar 2024 (Average)

Policy must be evaluated across

- Policy Commitments
- Institutional Capacity
- Implementation Experience
- Measurable Outcomes

KEY MESSAGE

Compare policies with actual investment behaviour to understand what works and where reforms are needed.

THE WAY FORWARD

These findings provide the foundation for a deeper benchmarking study to identify best practices, address gaps and build a future-ready industrial ecosystem for West Bengal.

4. PRELIMINARY GAP MATRIX

This matrix highlights key areas where West Bengal can strengthen its industrial ecosystem by learning from leading state models.

AREA	PRELIMINARY POSITION IN WEST BENGAL	RELEVANT COMPARATOR LESSON
Overall industrial vision	Multiple thematic policies but limited umbrella integration	Maharashtra's combined industry, investment and services approach
Sectoral strategy	Priority sectors identified, but value-chain depth can be strengthened	Tamil Nadu's sector-specific manufacturing ecosystem
Industrial land	Industrial parks and corridors are being promoted, but readiness requires detailed assessment	Gujarat's industrial estates and investment-region model
Investor approvals	Digital and single-window reforms exist, but lifecycle performance needs validation	Telangana's time-bound facilitation framework
Mega investments	Scope for a clearer differentiated framework for strategic and anchor projects	Maharashtra and Gujarat
MSME integration	Strong MSME base, but supplier linkage with large investors requires strengthening	Tamil Nadu's cluster and supplier ecosystem
Logistics	Strong policy recognition and locational advantage	Gujarat's port–industry integration
R&D and innovation	Technology potential exists, especially around Kolkata	Tamil Nadu's R&D policies and Telangana's innovation institutions
Skills and employment	Large labour pool, but sector-specific industry linkage needs examination	Tamil Nadu's manufacturing-employment orientation
Regional industrialisation	Significant potential outside Kolkata	Maharashtra and Tamil Nadu's multi-centre industrial geography
Green industry	Renewable-energy manufacturing policy provides a base	Tamil Nadu's green and circular-economy incentives
Monitoring	Need for publicly measurable policy outcomes	Comparator states' project-monitoring and facilitation systems

NOTE

This matrix is preliminary and should not be interpreted as a final ranking. Each observation requires validation through policy analysis, administrative data and stakeholder consultations.

5. WHY A DETAILED BENCHMARKING STUDY IS REQUIRED

Objective

To ensure accurate comparison, identify transferable best practices and design actionable, context-specific reforms for West Bengal.

The preliminary review establishes that a detailed study is necessary for five reasons.

01 DIFFERENT DEFINITIONS AND INCENTIVE STRUCTURES

States use different definitions, eligibility criteria, geographical categories, investment thresholds and incentive-calculation methods.

Direct comparison of headline subsidy rates could be misleading.

IMPLICATION

A detailed study ensures like-for-like comparison using standardised frameworks.

02 HIGHLY SPECIALISED POLICY ENVIRONMENT

Industrial policies now span multiple specialised areas beyond the principal policy.

A meaningful assessment must cover MSMEs, logistics, exports, electronics, semiconductors, data centres, renewable energy, EVs, textiles, food processing, research, startups and industrial parks.

IMPLICATION

Comprehensive coverage captures the full policy ecosystem that influences industrial outcomes.

03 POLICIES ≠ INVESTOR EXPERIENCE

Published policies do not reveal the actual experience of investors.

Interviews with industries, associations and government agencies are required to examine approvals, land allotment, incentives, infrastructure quality and grievance resolution.

IMPLICATION

Ground-level insights validate policy effectiveness and identify implementation gaps.

04 OUTCOMES SHAPED BY STRUCTURAL CONDITIONS

Industrial outcomes are influenced by geography, historical clusters, ports, urbanisation and labour markets.

The study must control for these differences and avoid attributing every performance variation to policy design.

IMPLICATION

Context-aware benchmarking helps isolate the real impact of policies from structural advantages.

05 NEED FOR CONTEXT-SPECIFIC RECOMMENDATIONS

West Bengal's economic geography and industrial structure are unique.

Measures suitable for Gujarat's large industrial regions or Telangana's technology-driven ecosystem cannot be replicated without adaptation.

IMPLICATION

Tailored recommendations ensure relevance, feasibility and sustainable impact for West Bengal.

BOTTOM LINE

A detailed benchmarking study provides the depth, objectivity and context required to design evidence-based reforms that drive inclusive and sustainable industrial growth in West Bengal.

6. CONCLUSION

West Bengal already has many of the building blocks required for a stronger industrial economy: a large market, diversified enterprises, major transport gateways, established industrial capabilities and a growing set of sectoral policies.

OUR KEY TAKEAWAY

The key requirement is to integrate these advantages into a coherent, implementation-oriented industrial strategy.

LEARNING FROM LEADING STATES

GUJARAT

Lessons in infrastructure, clusters and port-led development.

MAHARASHTRA

Lessons in integrating manufacturing, services and investment promotion.

TAMIL NADU

Lessons in sectoral depth, supplier ecosystems and employment-intensive manufacturing.

TELANGANA

Lessons in regulatory facilitation, entrepreneurship and innovation.

A DETAILED BENCHMARKING STUDY WILL HELP WB MOVE BEYOND BROAD COMPARISONS AND IDENTIFY:

- **01** Where its policy framework is competitive
- **02** Where investors face disadvantages
- **03** Which best practices are transferable
- **04** What institutional reforms are required
- **05** How incentives should be redesigned
- **06** What actions should be prioritised over the next five years

THE FINAL OBJECTIVE

AN ACTIONABLE
WEST BENGAL INDUSTRIAL POLICY 2.0
AND
INDUSTRIAL COMPETITIVENESS ROADMAP

- Supported by measurable targets
- Clear institutional responsibilities
- Evidence-based policy actions
- A time-bound implementation framework

INTEGRATED POLICIES. SMART INSTITUTIONS. EFFECTIVE IMPLEMENTATION.
BUILDING A COMPETITIVE AND INCLUSIVE INDUSTRIAL FUTURE FOR WEST BENGAL.

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POLICY BENCHMARKING SERIES | 2026

EVIDENCE. BENCHMARKS. BETTER POLICIES.

A preliminary benchmarking of industrial policies to inform a competitive, inclusive and sustainable industrial future for West Bengal.

FOCUS:
WEST BENGAL

Data-driven Insights | Comparative Analysis | Actionable Reforms | Measurable Outoomes

Comparing West Bengal's industrial policy ecosystem with four leading industrial states:

Gujarat | Maharashtra | Tamil Nadu | Telangana