

Gujarat Industrial Policy-2020  
Scheme for Assistance for  
Industrial Infrastructure

Government of Gujarat  
Industries & Mines Department  
Resolution No.GID-102020-325953-G  
Sachivalaya, Gandhinagar  
Dated : 01/09/2020

**Read:**

- 1) Industries and Mines Department G. R. No. GID-102014-922908-G.  
dtd.19/01/2015.
- 2) Gujarat Industrial Policy-2020

**Preamble:**

Gujarat has always been the economic engine of India. The state has been continuously witnessing double digit growth rate in GSDP. Besides being strategically located on the western coast of India, Gujarat's main value proposition to the industries is its world class infrastructure. The robust infrastructure includes a wide network of connectivity and utility till the last mile.

Gujarat Industrial Policy 2020 lays focus on development of comprehensive infrastructure facilities to facilitate industrial development. A key objective of Gujarat Industrial Policy 2020 is to facilitate state of the art, sustainable infrastructure in the State. In recent years, the state government has undertaken several initiatives for creation of new infrastructure and upgradation of existing infrastructure in industrial areas and estates, leveraging from industrial infrastructure scheme. A Task Force constituted to review the impact of existing schemes under the Industrial Policy 2015 in consultation with Industries Associations and thereby suggest necessary amendments. The task force recommended to extend support to maintain competitiveness of enterprises by modifying schemes in operation. In continuation of previous critical infrastructure scheme, it has been decided to introduce a modified scheme for improvement of infrastructure in GIDC/non-GIDC

estates/ private estates/industrial areas. The scheme will also support in addressing the infrastructural needs in industrial clusters. Further the Government decided to make the existing scheme more attractive and to make them globally competitive.

## **RESOLUTION:**

In view of the strategy under Gujarat Industrial Policy, the Government is pleased to introduce a '**Scheme for assistance for Industrial Infrastructure**' which will come into force from the dt. 07.08.2020 and will remain in operation for a period of five years. i.e. upto 06.08.2025.

### **1.0 The Scheme**

The scheme is known as a "Scheme for Assistance for Industrial Infrastructure".

### **2.0 Definitions:**

#### **2.1 Eligible Institution**

- (i) Eligible institution means any Industries Association, Chamber of Commerce and industry or SPV of industries (which are registered under Societies Act, Trust Act or the Companies Act) or any Large Project/Group of Industries are eligible.
- (ii) Any Government Department, Govt. Agency or Authority, State and Central Govt. PSUs, Board, Corporation, Municipal Corporations will be considered as eligible Institution.

#### **2.2 Eligible Activities**

- (i) Common Infrastructure facilities as may be required in an existing industrial estates/Industry clusters or industrial area such as:
  - a. Approach road from industrial estate/area to District road/ State highway/ National highway/Port.
  - b. Over bridge on road/railway connecting Industrial area

- c. Up gradation of existing roads/widening of roads
- d. Construction of bypass roads
- e. Setting up of Earth station/Communication facilities
- f. Water/ Gas/electricity/energy distribution network
- g. Setting up of common warehousing facilities
- h. Common Facilities Centre, Incubation Centre, Product Development Centre, Training Center, Convention Centre, Exhibition Centre, Business Support Center, Testing laboratory.
- i. Fire Stations.
- j. Water Desalination Plant
- k. Transport Nagar / Common Transport facilities
- l. Water Augmentation Facility
- m. Networking Facility
- n. Primary Health Centre, Trauma/Emergency Centre
- o. Common Alternative Energy source project.
- p. SWD, Sewage and drainage network.
- q. Any other infrastructure facilities as approved by SLEC.

(ii) Link infrastructure facilities and last mile connectivity to Large/Mega project, Central and State Industrial PSUs.

(iii) Dormitory housing facility for industrial workers developed by Industrial Association / SPV of industries / Large projects.

### **2.3 Eligible Investment.**

- (i) Fixed capital investment in the project of industrial infrastructure (excluding land cost) as approved by the SLEC will be eligible.
- (ii) Cost of preparation of work estimates, cost of technical sanction and cost of third party Inspection for Quality assurance will be eligible limited to 5% of the project cost or Rs.20.00 Lacs, whichever is less.
- (iii) In case of up gradation of any infrastructure facilities in existing estate/industrial area as listed in para 2.2 will be eligible, only if, the said infrastructure facility has been established before 7 years or more.



## **2.4 Ineligible activities and Investment:**

Expenditure incurred towards purchase of land and land development, goodwill fees, commissioning fees, royalty, preliminary & pre-operative expenses, interest capitalized, transportation equipment's/vehicles, technical fees/consultant fees, working capital and not specifically expressed as eligible investment or any other expenditure specified as non-eligible expenditure by the State Level Empowered Committee will not be eligible investment for any assistance.

Development of infrastructure in new Industrial Estate/Park will not be eligible under this scheme.

The component of the Project will not be eligible for assistance under this Scheme, if the said component has already been sanctioned under any other scheme of the State Government, unless specified otherwise.

## **3.0 Quantum of Assistance**

**3.1** Under the scheme, assistance will be considered up-to 80% of eligible project cost or Rs. 25 Crores per project, whichever is less.

**3.2** If the assistance sanctioned is less than 80% of project cost under any scheme of Government of India, the remaining assistance, collectively to be not more than 80% of total project cost will be provided for eligible activities mentioned in para 2.2 under this scheme. In case of MSE Cluster, balance assistance upto 90% of total project cost will be eligible.

**3.3** The Committee may consider to undertake specific studies for specific industries/industrial area/industrial development activities through professional institution/ reputed consultancy firm under the scheme and expenditure for such study will be eligible under this scheme.

#### **4.0 Procedure**

4.1 The Eligible Institution will apply with project report to Industries Commissionerate.

4.2 Industries Commissionerate will scrutinize the proposal and place before the SLEC for decision.

4.3 The institution will submit the claim of assistance to Industries Commissionerate in prescribed Proforma as per the guidelines to be issued by Industries Commissionerate. Disbursement of assistance sanctioned will be in four installments based on expenditure incurred at 25%, 50%, 75% and 100% of project cost.

#### **5.0 Other Conditions**

5.1 The applicant shall submit a detailed project report, clearly highlighting the infrastructure facilities needed for the estate/ industrial area and its impact on industrial and social sector. The project cost should also indicate the means of finance in terms of contribution of applicant.

5.2 Project estimate mentioned in project report should be based on prevailing SOR of concerned Government Department or its undertakings.

5.3 The Institution shall appoint agency for Third Party Quality Assurance Inspection. The TPQA agency must be selected from the approved / suggestive list of Central / State Government department or / Board – Corporation. The Proponent shall have to submit the TPQA report with each claim.

5.4 Industries commissioner is empowered to extend the sanctioned time limit for completion of the project up to one year within the operative period of the scheme.

5.5 In case there is no stakeholder for the development of the infrastructure of the industrial area/estate, Industries commissioner

may appoint agency to undertake study on requirement of critical infrastructure in referred area and put up to SLEC for sanction of project and to appoint agency to execute the work.

5.6 If a project of common infrastructure or other project for industrial development, is sanctioned by Government of India subject to matching contribution from State Government, for such cases required matching contribution will be sanctioned by SLEC under this scheme

#### **6.0 State Level Empowered Committee**

A State Level Empowered Committee consisting of following members is constituted for approval of project and assistance under the scheme.

ACS /PS (Industries)	Chairman
Secretary (Expenditure), FD	Member
Secretary (R&B)	Member
Addl. Secretary (EPD)	Member
Industries Commissioner	Member
VC&MD, GIDC	Member
Add. /Jt. Industries Commissioner	Member Secretary

The Committee will review the progress of the sanctioned projects.

#### **7.0 Provision for pipeline project.**

7.1 Previous scheme means a scheme of assistance to industrial park declared vide GR NO: GID-102014-922908-G dated 19-01-2015.

7.2 The project which has been approved by the Committee under the previous scheme shall have to complete the project on or before date 06.08.2022. In case the project which is not completed on or before date 06.08.2022, it will be eligible for assistance on expenditure incurred upto date 06.08.2022 only after completion of the project thereafter.

## 8.0 Budget Provision

The expenditure on this account will be met from the sanctioned grant of the respective financial year under the following budget head:

Demand No	-	49
Major Head	-	2852-Industries
Sub- Major Head	-	80-General
Minor Head	-	800-Other Expenditure
Sub Head	-	(22) IND-(3) Development of Infrastructure Facilities.

This issues with the concurrence of Finance Department vide note dt.27/08/2020, received on this department file of even number.

By order and in the name of Governor of Gujarat,

*B. S. Mehta*

(B.S.Mehta)

Joint Secretary

Industries and Mines Department

Copy to:

1. Secretary to Hon'ble Governor of Gujarat
2. Additional Chief Secretary/Principal Secretary to Hon'ble Chief Minister
3. Personal Secretary to all Hon'ble Ministers
4. Advisor to Hon'ble Chief Minister
5. Under Secretary to Chief Secretary
6. Additional Chief Secretary/Principal Secretary, Finance Department
7. Personal Secretary to Additional Chief Secretary I&M
8. C.E.O. GIDB
9. V.C & MD. GIDC Gandhinagar
10. Industries Commissioner, Gandhinagar
11. Accountant General, Rajkot / Ahmedabad
12. Select File

*B.S.*