

Gujarat Industrial Policy 2020
Scheme for Financial Assistance
to Industrial Parks

Government of Gujarat
Industries and Mines Department
Resolution No. GID-102020-324968-G
Sachivalaya, Gandhinagar
Dated 01/09/2020

Read:

- (1) Industries and Mines Department Resolution No: GID-102015-893580(1)-G dated 21-04-2015.
- (2) Gujarat Industrial Policy 2020.

1.0 Preamble

Gujarat has been witnessing significant surge in investments over the past years. Gujarat's economy today has reached a critical size which is strong platform to launch itself on an accelerated and high growth trajectory. The state has always been in the forefront of economic growth in the country. Gujarat Industrial Policy 2020 lays significant emphasis on infrastructure development. A state's competitive economic advantage clearly depends on strong articulated vision for industrial and infrastructure development. The Industrial Policy seeks to create adequate provisions which aims to further upgrade and improve the status of infrastructure in the State. Private participation in infrastructure development helps bring the latest technologies, facilities and operations to the region. The policy aims to incentivize cost of building and infrastructure facilities and other facilities as may be required for the development of such parks.

A Task Force was constituted to review the impact of existing schemes under the Industrial Policy 2015 in consultation with Industries Associations and to suggest necessary modifications. The Task force recommended to extend support to maintain



competitiveness of enterprises by modifying schemes in operation. To enable the industrial clusters to address their comprehensive infrastructural needs and initiate steps for fulfilling their needs by utilizing these schemes and to ensure commitment and complete involvement of the benefiting units, it is necessary to ensure collective participation of the units in sharing a portion of the project cost. Setting up of Industrial Parks / estates is one of the important infrastructure components for Industrial development. Gujarat Industrial Development Corporation (GIDC) has played a pivotal role in this regard. The State Government is encouraging participation of private sector for setting up Industrial Parks / estates. The new Industrial Policy emphasizes on continuing the financial assistance for Multiproduct/ Industrial Parks etc.

RESOLUTION:

In view of the strategy under Gujarat Industrial Policy, the Government is pleased to introduce a "**Scheme for Financial Assistance to Industrial Parks** " 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 will be known as "Financial Assistance to Industrial Parks".

2.0 Definitions

2.1 Eligible Institution

Eligible Institution means any Industries Association / any enterprise registered under the Societies Act, Partnership Act, Trust Act, Companies Act or SPV constituted for setting up of Industrial Park shall be eligible to develop Industrial Park under this scheme.



2.2 Industrial Park

Industrial Park means an estate which is developed in at least minimum area of 20 hectares for establishment of minimum 10 Industrial units, and minimum 2 units for each additional area of 5 hectares or part thereof, to manufacture any product or service and having basic infrastructure facilities such as developed plot, internal roads, water distribution facilities, sewage, power distribution, communication facilities, hostel for workers and such other facilities/services as may be required. In case of Vanbandhu taluka minimum area required for Industrial Park is 5 hectares for establishment of minimum 5 Industrial units and minimum 1 unit for each additional area of 1 hectare.

Industrial Park above 100 hectares will be facilitated and assisted by Government in peripheral external link infrastructure like road, facilities for drawl of water, drawl of power including substation, gas and effluent disposal etc.

Industrial Parks which are being set up in the land allotted by GIDC or in closed textile mills /closed Industrial units will also be eligible under this scheme

The Institution which purchases land for setting up an Industrial Park will be considered as bonafide Industrial user of land and eligible to obtain permission under Gujarat Tenancy and Agricultural Lands Laws (amendment) act, 1997. Such Industrial Park can allot the plot / shed to Industrial project.

2.3 Eligible Fixed Capital Investment

2.3.1 New Building

The cost incurred for New Buildings constructed in the Industrial Park for providing specific infrastructure facilities/services to the units located in the Park will be eligible. Eligible cost will be worked out in accordance to relevant SOR norms of concerned Government Department or its undertakings.

2.3.2 Other Construction

Other construction includes facilities like boundary wall and other related infrastructure for security of the Park as may be required to facilitate the units located within the Park and as approved by the SLEC, will be eligible. The eligible cost of construction of such infrastructure will be worked out in accordance to relevant SOR norms of concerned Government Department or its undertakings. However, the SLEC may review the norms for construction cost of these infrastructure facilities in accordance to the location, area of Industrial Park and type of Industrial Park.

2.3.3 Infrastructure Facilities

Infrastructure facilities will include facilities such as internal roads, substation to draw power for requirement of Park, power distribution lines, communication facilities, water distribution lines and water augmentation facilities, sewage and drainage facilities, common parking and other facilities as may be required in the Industrial Park. The expenditure incurred for such infrastructure development will only be considered as eligible investment. The eligible cost of construction of such infrastructure facilities will be worked out in accordance to relevant SOR norms of concerned Government Department or its undertakings. However, the SLEC may review the norms for construction cost of these infrastructure facilities in accordance to the location, area of Industrial Park and type of Industrial Park.

2.4 Eligible Fixed Capital Investment for Hostel/Dormitory

The cost incurred for New Buildings constructed for Hostel/Dormitory in and around the Industrial Park with specific infrastructure facilities/services for residential facilities to domicile workers of the units located in the Park will be eligible. This would also include other common facilities like canteen, playground, labour welfare centre, child care centre, RO Plant, underground facilities etc. Eligible cost will be worked out in

accordance to relevant SOR norms of concern Government Department or its undertakings.

2.5 Ineligible Expenditure

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 expenses 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 for any assistance.

3.0 Quantum of Assistance

3.1 Industrial Park will be provided financial assistance @ 25% of eligible fixed capital investment as per para 2.3 (except land cost) maximum upto Rs. 30 crores.

Industrial Park will be provided financial assistance @ 50% of eligible fixed capital investment as per para 2.3 (except land cost) maximum upto Rs. 30 crores, if Industrial Park is set up in Vanbandhu Taluka.

3.2 In addition, the Industrial Park will be provided financial assistance @ 25% of the cost of Hostel/Dormitory Housing for domicile workers maximum upto Rs.20 crores as per para 2.4(except land cost), if prior approval of approving authority for setting up of Hostel / Dormitory Housing for domiciled workers of the Industrial Park is obtained.

3.3 The Industrial Park shall be eligible to avail incentive under Government of India scheme. The assistance of State Government and Central Government schemes together should not exceed 60% of the project cost. While in vanbandhu taluka, total assistance should not exceed 80% of the project cost. In such situation the incentive of

the State Government under this scheme will be reduced to that extent.

3.4 Reimbursement of the assistance sanctioned will be proportionate to the expenditure incurred towards project. However 15% of the sanctioned assistance will be disbursed only after completion of the Park.

3.5 Stamp Duty

The Institute developing the Industrial Park shall be eligible for reimbursement of stamp duty paid on purchase of land @ 100 % as required for approved project by SLEC.

Reimbursement of stamp duty will be made only after purchasing total required land and completing at least 10% of infrastructure as approved by SLEC.

Individual units located in the Industrial Park will be eligible for reimbursement of stamp duty paid by them @ 50% on purchase of plot in the Industrial Park.

4.0 Project Completion

Industrial Park as approved by SLEC should be completed within period of 3 years from the date of sanction letter. However, the request for extension of period for completion of the project will be considered, for maximum up to 1 year by SLEC on merit of reasons of delay, if any.

5.0 Procedure

5.1 The institution that intends to develop Industrial Park shall apply to Industries Commissionerate for registration of proposed Industrial Park. Industries Commissioner will scrutinize and issue the registration. The project under execution before obtaining registration will not be eligible for any assistance under this scheme.

5.2 After taking 100 % possession of purchased land, the applicant shall apply to Industries commissssionerate along with Detailed Project Report and approved layout plan for obtaining sanction of financial assistance for the project.

5.3 Industries Commissionerate will scrutinize the application and place before SLEC for its decision.

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

5.5 The institution shall have to inform the Industries Commissioner, if they have applied to Central Government for incentives under any scheme of GOI.

5.6 The Institution developing Industrial Park availing assistance under this scheme will not be entitled to avail assistance under any other scheme of State Government, unless otherwise specified under respective scheme.

5.7 The enterprise setting up project in the Industrial Park will be eligible to avail assistance or incentive under other schemes of the State Government as individual enterprise.

6.0 Other Conditions

- 1) 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.

- 2) Terms and conditions as decided by SLEC from time to time shall be applicable to the Institution developing the Industrial Park.
- 3) The institution will be required to provide plot at concessional rate considering the incentive received under the scheme.
- 4) The institution setting up the Industrial Park shall have to manage, maintain and operate common infrastructure created as a part of Industrial Park for minimum 5 years after its completion. Otherwise, the incentive granted will be recovered from the Institute as arrears of land revenue under the Land Revenue Laws.
- 5) If the institution fails to complete Industrial Park within prescribed period, this will attract action of recovery of incentives already disbursed, including reimbursement of stamp duty, as arrears of land revenue under the Land Revenue Laws.
- 6) The institution shall have to submit the details of allotment price to Industries Commissionerate.
- 7) Industries Commissionerate will prescribe forms, check list, procedure and guidelines in this regard.

7.0 Previous scheme and Pipeline cases.

7.0.1 Previous scheme means a scheme of assistance to Industrial Park declared vide GR NO: GID-102015-893580(1)-G dated 21-04-2015.

7.0.2 The institution which has obtained approval under previous schemes for setting up Industrial Park and project is under implementation, shall continue to avail assistance under previous scheme within prescribed time limit, as specified in approval letter or date 06.08.2022, whichever is later. However, such institution having

registration/approval but not availed any incentives and unable to complete the Industrial Park within the time limit, such institution will be allowed to opt under this scheme, subject to the condition that expenditure incurred prior to the date of this resolution will not be considered as an eligible investment for incentive under this scheme.

8.0 Committee for Approval of project and sanction of assistance

8.1 State Level Empowered Committee

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
Industries Commissioner	Member
VC&MD, GIDC	Member
Add./Jt. Industries Commissioner	Member Secretary

8.2 Approval of the Industrial Park and assistance shall be accorded by SLEC.

9.0 Budget Provision

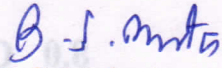
The expenditure on this account will be met from the sanctioned grant of the respective financial year under the following Budget Head:

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)

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