

**STATE INDUSTRIAL PROFILE
OF
GUJARAT
(2012-13)**

Prepared by:

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FOREWORD

The Small Scale Industries has acquired prominent position in the economical structure of Gujarat. The Contribution of this sector both towards the economical advancement and for the removal of disparities among the cross section of society is significant.

The Small Scale Sector with 3 lakhs units spread throughout the State of Gujarat is producing different items for domestic as well as for foreign markets. There is ample evidence that the Small Scale Sector will continue to play an increasing role in the future.

As a part of over all strategy for accelerated industrial growth in the State, incentive package offered to industry has been found to be more attractive in comparison to the other states in the country. This sector has served both the low and upper income groups with affordable consumer items and services, and it is considered that with its flexibility & diversity, the sector is ready to face the new challenges.

The State Industrial Profile has been prepared as a part of Institute's core programme and aims to provide comprehensive information on Small Sector in Gujarat. I hope this State Industrial Profile will serve as an information guide for the entrepreneurs, Governmental and Non- Governmental agencies for planning the promotional and developmental activities. I appreciate the efforts put in by Shri T. K. Solanki, Asstt. Director,(Stat.) of the Institute in bringing out this report.

Place: Ahmedabad
Date: February, 2013

[ARVIND PATWARI]
DIRECTOR

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CHAPTER-1

GUJARAT STATE AT A GLANCE COMPARISION WITH INDIA

Sr. No.	Descriptions	Unit	Gujarat	India	% Share of State
1	Area and Population				
1. A	Area-2011	Sq. Mt.	196024	3287240	5.96
1.B	Census-2011				
1.1	Total Population (*)	'000	60384	1210193	4.99
	(a) Males	'000	31482	623724	5.25
	(b) Female	'000	28901	586469	4.93
	(c) Rural	'000	34671	833088	4.16
	(d) Urban	'000	25713	377106	6.82
	(e) Percentage of Rural Population	%	57.42	68.84	...
	(f) Percentage of Urban Population	%	42.58	31.16	...
1.2	Density of Population	Per Sq. km	308	382	...
1.3	Effective Literacy Rate (excluding population of 0-6 age group) (2011)				
	(a) Males	%	87.23	82.14	...
	(b) Females	%	70.73	65.46	...
	(c) Persons	%	79.31	74.04	...
1.4	Sex Ratio(Females per 1000 Males)(Census 2011)	No.	918	940	...
1.5	Decadal Growth Rate, 2001-2011	%	19.17	17.64	...
1.6	As per Census 2001 (P)				
	(a) Total workers	Lac	213	4022	5.28
	(b) Percentage of Total Population	%	41.95	39.10	...
1.7	(a) Cultivators	Lac	58	1273	4.56
	(b) Percentage to total workers	%	27.30	31.65	...
1.8	(a) Agricultural Labourers	Lac	52	1068	4.83
	(b) Percentage to total workers	%	24.28	26.55	...
1.9	(a) Workers in Household Industry	Lac	4	170	2.53
	(b) Percentage to total workers	%	2.02	4.22	...
1.10	(a) Other Workers	Lac	99	1512	6.52
	(b) Percentage to total workers	%	46.40	37.59	...
1.11	(a) Main Workers	Lac	170	3130	5.44
1.10	(a) Other Workers	Lac	99	1512	6.52
	(b) Percentage to Total Population	%	33.60	30.43	...

Sr. No.	Descriptions	Unit	Gujarat	India	% Share of State
1.12	(a) Marginal Workers	Lac	42	892	4.74
	(b) Percentage to total population	%	8.35	8.67	...
1.13	(a) Non-Workers	Lac	294	6264	4.70
	(b) Percentage to total population	%	58.05	60.89	...
1.14	(a) Population of Scheduled Castes	'000	3593	166636	2.16
	(b) Percentage to total population	%	7.09	16.20	...
1.15	(a) Population of Scheduled Tribes	'000	7481	84326	8.87
	(b) Percentage to total population	%	14.76	8.20	...
1.16	Effective Literacy Rate Among Scheduled Castes				
	(a) Males	%	82.56	66.64	...
	(b) Females	%	57.58	41.90	...
	(c) Persons	%	70.50	54.69	...
1.17	Effective Literacy Rate Among Scheduled Tribes				
	(a) Males	%	59.18	59.17	...
	(b) Females	%	36.02	34.76	...
	(c) Persons	%	47.74	47.10	...
1.18	No. of Census Houses(2001)				
	(a) Total	Lac	124.47	2490.96	5.00
	(b) Urban	"	49.22	715.58	6.88
	(c) Rural	"	75.25	1775.37	4.24
2	Health				
2.1	Vital Statistics(Based on SRS-2011)				
	(a) Birth Rate (Per '000)	Person	21.3	21.8	...
	(b) Death Rate (per '000)	Person	6.7	7.1	...
	(c) Infant Mortality Rate (Per '000)	Birth	41	44	...
	(d) Life expectancy at Birth (2006-2010)				
	(i) Male	Year	64.9	64.6	...
	(ii) Female	"	69.0	67.7	...
2.2	Primary Health Centres (As on 31.3.2007)	No.	1123	23887	4.70
2.3	Community Health Centres (As on 31.3.2007)	No.	305	4809	6.34
2.4	Sub Centres(As on 31/3/2007)	No.	7274	148124	4.91
2.5	Average No. of Villages Served by (As on 31-3-2011)				
	i) Primary Health Centre	No.	16	27	...
	ii) Community Health Centre	No.	60	133	...
	iii) Sub Centre	No.	3	4	...

Sr. No.	Descriptions	Unit	Gujarat	India	% Share of State
3.	Education				
3.1	Total number of Recognised Institutions, 2009-10(P)				
	(a) Primary/Junior Basic Schools	No.	17729	823162	2.16
	(b) Middle/Senior Basic Schools	No.	24366	367745	6.63
	(c) High School/Higher School/ Intermediate/Junior Colleges	No.	5791	123726	4.68
	(d) Colleges for general education (As on 30/09/2009)	No.	564	NA	NA
	(e) Professional Education Institutes	No.	NA	NA	NA
	(f) Universities/Deemed Universities/Institute of National Importance/ Research Institutes	No.	26	436	5.90
	(g) Gross Enrolment Ratio (6 to 10 Years)				
	(i) Class I-V(6-11 years)	%	120.42	115.47	...
	(ii) Class VI-VIII (11-14 years)	%	86.51	81.52	...
	(iii) Class I-VIII(6-14 years)	%	107.56	102.47	...
4.	Domestic Product 2011-12				
4.1	Gross Domestic Product				
	(i) At Current Prices	Rs. Crore	611767	8353495	7.32
	(ii) At Constant (1999-2000) Prices	Rs. Crore	398884	5243582	7.61
4.2	Per Capita Income				
	(i) At Current Prices	Rs.	89668	61564	...
5	Agriculture				
5.1	Gross Area Sown, 2009-10 (P)	'000 Hector	11138	192197	5.80
5.2	Net Area Sown,2009-10 (P)	'000 Hector	10302	140022	7.36
5.3	Reporting Area, 2009-10 (P)	'000 Hector	18810	305611	6.15
5.4	Net Irrigated Area, 2005-06(P)	'000 Hector	4336	63257	6.85
5.5	Percentage of Net Area Irrigated over Net Area Sown, 2009-10 (P)	%	42.09	45.18	--
5.6	Gross Irrigated Area, 2009-10 (P)	'000 Hector	4933	86423	5.71
5.7	Percentage of Gross Irrigated Area to Gross Cropped Area, 2009-10 (P)	%	44.29	44.97	--
5.8	Percentage of Net area sown to Reporting Area, 2009-10 (P)	%	54.77	45.82	--

Sr. No.	Descriptions	Unit	Gujarat	India	% Share of State
5.9	Area under food grain crops to Gross Cropped Area, 2009-10(P)	%			
5.10	Area under non-food grain crops to Gross Cropped Area, 2009-10 (P)	%			
5.11	Cropping Intensity, 2009-10 (P)	%	108.11	137.26	--
5.12	Net Cropped Area per Agricultural Worker, 2009-10 (P)	Hector			
5.13	Average size of land Holding 2009-10 (P)	Hector			
5.14	Per Hector Consumption of NPK Fertilizers 2009-10 (P)	Kg.			
5.15	Area under Principal Crops 2009-10(P)				
	(a) Rice	Million Hector	0.68	41.92	1.62
	(b) Wheat	"	0.88	28.46	3.09
	(c) Total Cereals	"	1.40	27.68	5.06
	(d) Total Pulses	"	0.73	23.28	3.14
	(e) Total Food grains	"	3.69	121.33	3.04
	(f) Groundnut	"	1.82	5.48	33.21
	(g) Total Oil Seeds	"	2.79	25.96	10.75
	(h) Cotton	"	2.46	10.13	24.28
5.16	Production of Principal Crops 2009-10 (P)				
	(a) Rice	Million Tonne	1.29	89.09	1.45
	(b) Wheat	"	2.35	80.80	2.91
	(c) Total Cereals	"	1.60	33.55	4.77
	(d) Total Pulses	"	0.52	14.66	3.55
	(e) Total Food grains	"	5.76	218.11	2.64
	(f) Groundnut	"			
	(g) Total Oil Seeds	"	3.10	24.88	12.46
	(h) Cotton (each of 170 kg.)	'000 Bales	7.99	24.02	33.26
5.17	Average Yield of Principal Crops 2009-10 (P)				
	(a) Rice	Quintal Per Hector	19.03	21.25	...
	(b) Wheat	"	26.79	28.39	...
	(c) Total Cereals	"	11.40	12.12	...
	(d) Total Pulses	"	7.05	6.30	...
	(e) Total Food grains	"	15.60	17.98	...
	(f) Groundnut	"	9.64	9.91	...
	(g) Total Oil Seeds	"	11.09	9.59	...
	(h) Cotton	"	5.51	4.03	...

5.

Sr. No.	Descriptions	Unit	Gujarat	India	% Share of State
6.	Horticulture				
6.1	(A) Area of Principal Horticulture crops (2010-11)		1380.8	21824.1	6.33
	Fruits	'000 Hector	349.9	6382.60	5.48
	Vegetables	"	515.9	8494.50	6.07
	Plantation Crops	"	23.10	3305.70	0.70
	(B) Production	"			
	Fruits	'000 Tonne	5245.0	74877.50	9.68
	Vegetables	"	9379.5	146554.5	6.40
	Plantation Crops	"	129.3	12007.0	1.08
7.	Employment				
7.1	Employment in the Industry (As on 31 st March, 2010)				
	(a) Public Sector	Lac	7.86	178.63	4.40
	(b) Private Sector	Lac	11.96	108.47	11.03
	(c) Estimates of Employment in organized public and private sectors	Lac	19.82	287.10	15.43
	(d) Employment Exchange	Nos.	41	969	4.23
	(e) Placement	'000	40.2	107.10	37.54
	(f) Vacancies notified	'000	260.70	706.9	36.88
8.	Animal Husbandry				
8.1	Livestock Census-2007 Total Livestock (Without Dogs)	'000	23515	529698	4.44
	(a) Total Cattle	"	7976	199075	4.01
	(b) Total Buffaloes	"	8774	105343	8.33
	(c) Total Sheeps	"	6642	212095	3.13
	(d) Total Goats	"	4640	NA	NA
	(e) Total Horses and Ponies	"	18	NA	NA
	(f) Other Livestock	"	123	13184	0.93
8.2	Total Poultry	'000	13352	648830	2.26
8.3	Major Livestock Product-2010-11 (P)				
	(a) Milk	'000 Tonne	9321	121848	7.65
	(b) Eggs	Crone in No.	132.69	6302.44	2.11
	(c) Wool	'000 Kg.	2918	42991	6.79
9.	Forests				
	Area under forest to total geographical area – 2011	Sq. Km.	18927	769538	2.46

6.

Sr. No.	Descriptions	Unit	Gujarat	India	% Share of State
10.	Industries And Mining				
10.1	Results of Annual Survey of Industries 2011 (P)				
	(a) No. of Factories	No.	21282	211660	10.05
	(b) Average Daily Employment	'000	1290	12716	10.14
	(c) Value of Output	Rs. Crore	806783	5685213	17.22
	(d) Net Value Added by Manufacturers	Rs. Crore	89448	712640	12.55
10.2	(a) Government and Non-Govt. Joint Stock Companies t Work March, 2010	No.	48177	773432	6.23
	(b) Paid-up Capital March,2010	Rs. Crore	80370	918943	8.75
10.3	Value of Mineral, 2009-10 (P)	Rs. Crore	12057	160650	7.51
11.	Economic Census				
11.1	Economic Census 2005				
	(a) No. of establishment engaged in all Agricultural Activities				
	(a) Rural	No.	677299	5708999	11.86
	(b) Urban	No.	33652	370984	9.07
	(c) Combined	No.	710951	6079983	11.69
	(b) No. of establishments engaged in all Non-Agricultural Activities				
	(a) Rural	No.	685687	19827067	3.46
	(b) Urban	No.	1029384	15919939	6.47
	(c) Combined	No.	1715071	35747006	4.80
	(c) No. of Workers engaged in All Agricultural Activities				
	(a) Rural	No.	1312135	10175198	12.90
	(b) Urban	No.	78994	738403	10.70
	(c) Combined	No.	1391129	10913601	12.75
	(d) No. of Workers engaged in All Non-Agricultural Activities				
	(a) Rural	No.	1567909	41894153	3.74
	(b) Urban	No.	3140485	48096367	6.53
	(c) Combined	No.	4708394	89990520	5.23
	(e) Selected characteristics of Own Account Establishments				
	(a) Rural	No.	1506439	24726438	6.09
	(b) Urban	No.	766580	11005648	6.97
	(c) Combined	No.	2273019	35732086	6.36

7.

Sr. No.	Item	Unit	Gujarat	India	% Share of State
	(f) Selected characteristics of Establishments (with hired workers)				
	(a) Rural	No.	1373605	27342913	5.02
	(b) Urban	No.	2452899	37829122	6.48
	(c) Combined	No.	3826504	65172035	5.87
12	Electricity				
12.1	Installed Capacity, 2008-09	MW	9273	147966	6.27
12.2	Electricity Generated(Net) 31 st March,2005	GWH	43542	693763	6.22
12.3	Villages Electrified – as on 31 st March, 2005	No.	17823	439800	4.05
13.4	Per Capita Power Consumption, March,2005 (Source: Statistical Abstract,India-2007)	KWH	1457	733	...
13.	Banking (As on 3th Dec.,2011)				
13.1	Branch Offices of Commercial Banks	No.	5076	92690	5.48
13.2	Population served per Bank office(\$)	'000	13	14	...
13.3	Deposits with Scheduled Commercial banks	Rs. Crore	287464	5810546	4.95
13.4	Advances by Scheduled Commercial Banks	Rs. Crore	192650	4387179	4.39
13.5	Credit – deposit Ratio	%	67.0	75.5	...
14.	Co-operative Societies (As on March,2006)				
14.1	(a) Primary Agricultural Co-op. Societies	No.			
	(b) Membership	'000			
15.	Transport and Communication				
15.1	Total Railway Length 2010-11	Km.	520719	64460	8.18
15.2	Road length 31/03/11				
	(a) Total length(**)	Km.	156188	3790342	4.12
	(b) Of which Surfaced Roads	Km.	141565	2341480	6.05
	(c) Of which National Highways	Km.	2345	70934	4.57
	(d) Of which State Highways	Km.	18241	163898	11.24
	(e) Road per 100 sq. km. area	Km.	79.7	115.3	...
15.3	No. Of Motor Vehicles Registered – March,2004(P)	Million No.	129.93	1418.66	9.16
15.4	Vehicle Density per 100 sq.km. 2011 (P) (Transport & Non-Transport)	No.	6629	4316	...
15.5	Post Offices 2010-11	No.	8982	154866	5.80
15.6	Total Telephone subscriber (Wireline+Wireless) As on 31 st March,2012	Lac	58.24	NA	NA
15.7	No. of Cellular Connections (As on 31 st March,2012)	'000	5782536	NA	NA

Sr. No.	Item	Unit	Gujarat	India	% Share of State
15.8	Tele density per '00 population (As on 31 st December, 2009)	No.	87.67	76.86	...
16.1	Monthly Per Capita Consumer Expenditure(NSS-66 th Round, July 2009-June, 2010)				
	Rural	Rs.	1065	953	...
	Urban	Rs.	1914	1856	...
17.	Poverty and Un-employment				
17.1	Percentage of Population Below Poverty Line (NSS-61 st Round, July, 2004- June, 2005) (Based on URP Consumption)				
	(a) Rural	%	19.1	28.3	...
	(b) Urban	%	13.0	25.7	...
	(c) Combined	%	16.8	27.5	...
17.2	Percent of un-employment in labour force (usual status) adjusted (NSS 62 nd Round, July-2005 to June-2006)				
	(a) Rural				
	Male	%			
	Female	%			
	(b) Urban				
	Male	%			
	Female	%			

Source: Socio Economic Review 2009-10 published by the Directorate of Economics & Statistics, Gandhinagar.

Note: Since this an all-India comparison, the data for certain sectors may not reflect the latest indicators for the state.

CHAPTER – II

RESOURCE ANALYSIS

LAND UTILISATION:

Agriculture plays an important role in the economy of Gujarat. It provides food grains as well as raw materials for some of the major industries such as cotton textiles, sugar, oil, etc. and also provide large portion of exports. The Land utilisation pattern of the Gujarat State is given below:

LAND UTILISATION PATTERN IN GUJARAT FROM 2005-06 TO 2007-08

Sr. No.	Description	Year		
		2005-06	2006-07	2007-08
1	2	3	4	5
1	Forests(\$)	18605	18334	18340
2	Barren and Uncultivable Land	25998	25950	25515
3	Area under Non-Agricultural Uses	11482	11632	11711
4	Cultivable Waste	19731	19758	19600
5	Permanent Pasture and other Grazing Land	8506	8525	8514
6	Land under Miscellaneous tree Crops and Other Groves and Other Groves not included in Net Area Sown	40	35	36
7	Current Fallows	6960	6227	5097
8	Other Fallows	136	192	189
9	Net Area Sown(\$)	97222	98009	99658
10	Total Reporting Area	188118	188102	188102
11	Area under Food Crops	50882	53260	57065
12	Area under Non-Food Crops	64065	64814	65049
13	Gross Cropped Area(\$)	114947	118074	122114

(\$) Cropped areas of Dang have been included in forest areas.

Source: Directorate of Agriculture, Gujarat State, Gandhinagar.

AREA (In '000 Hectares), PRODUCTION (In '000 Tonnes) AND YIELD (In kg.)

PER HECTARE OF PRINCIPAL CROPS

Sr. No.	Crops	Area	YEAR		
		Production	2009-10	2010-11	2011-12
		Yield			
1	2	3	4	5	6
1	Rice	Area	680	808	836
		Production	1293	1666	1790
		Yield	1903	2061	2142
2	Wheat	Area	878	1589	1351
		Production	2351	5013	4072
		Yield	2678	3156	3015
3	Jowar	Area	163	126	124
		Production	171	139	140
		Yield	1048	1105	1127
4	Bajra	Area	623	873	866
		Production	828	1501	1612
		Yield	1231	1720	1861
5	Maize	Area	412	566	516
		Production	397	978	787
		Yield	963	1728	1525
6	Total Cereals	Area	2861	4015	3778
		Production	5086	9349	8477
		Yield	1778	2328	2244
7	Tur	Area	267	277	244
		Production	242	273	258
		Yield	906	986	1054
8	Gram	Area	132	176	240
		Production	125	200	273
		Yield	945	1138	1139

11.

Sr. No.	Crops	Area	YEAR		
			2009- 2010	2010- 2011	2011- 2012
1	2	3	4	5	6
9	Total Pulses	Area	736	890	957
		Production	519	722	780
		Yield	706	812	815
10	Total Food grains	Area	3596	4905	4735
		Production	5605	10071	9257
		Yield	1559	2053	1955
11.	Groundnut	Area	1822	1922	1686
		Production	1757	3575	2717
		Yield	964	1860	1611
12.	Total Oilseeds	Area	2686	3110	3130
		Production	3010	5142	5035
		Yield	1121	1653	1609
13.	Cotton (**)	Area	2464	2623	3003
		Production	7401	9825	10375
		Yield	511	637	587
14.	Tobacco	Area	63	148	158
		Production	102	281	278
		Yield	1616	1899	1762

(*) Based on final forecast, (**) in '000 bales of 170 kg. each

A= Area, P=Production, Y=Yield per hectare

Source: Socio-Economic Review 2009-10 Published by the Directorate of Economics & Statistics, Gandhinagar.

FORESTS:

The total forest area of the State is 21647.44 sq. km, being about 11.04 percent of its area in the year 2011-12. The forest in the State are concentrated mainly in Dangs, Junagadh, Surat, Valsad, Panchmahals, Banaskantha and Sabarkantha districts and to some extent in Kachchh and Junagadh districts. The major objectives of the forestry programmes are to assist rural communities living in and around forests, to improve and increase productivity of forests, to conserve and develop flora and fauna, to provide employment to the rural poor in general, to increase production of minor forest produce and to associate rural poor in forest development through decentralised micro-planning. The state has 23 Wild life Sanctuaries and 4 National Parks covering about 8.71 % of the total geographical area of the state as against the National average of 4 %.

Gujarat Forestry Development Project to be funded by the JBIC, Japan was launched in the year 2007-08 and will be completed by 2015. The Project cost is Rs. 83027 lacs. The Project aims at an integrated forestry development encompassing the various wings like territorial forestry, wild life and social forestry in tribal district. The important features of the Project are having provisions for raising various plantations in an area of 1,46,646 hectare of plantation under various models in forestry and non-forestry areas, Wild life Conservation, Joint Forest Management, R & D and providing infrastructural facilities through Gujarat Forest Development Project.

ANIMAL HUSBANDRY:

As per the livestock census 2007, the total livestock population was 237.94 Lacs in the State (including dogs).

LIVE STOCK POPULATION:

Sl. No.	Description	('000 Nos.)
1.	Cattle(Total)	7976
2.	Buffaloes(Total)	8774
3.	Sheep	2002
4.	Goats	4640
5.	Other Livestock	470
6.	Total Livr stock	23862
7.	Total Poultry	

(Source: Socio-Economic Review 2012-13 published by the Directorate of Economics & Statistics, Gandhinagar)

DAIRY DEVELOPMENT:

Dairy Industries is well established in Gujarat State and is taken as a model for other states in the country. There are 17 Co-operations plants in the state with handling capacity of 125 lac litres of milk per day. Against this, the milk received in co-operative plants was 101.38 lac litres per day in 2011-12. There are also 25 private dairy plants. There are 12566 Co-operative dairy societies in the State. The scheme of preservation of milch animals is being implemented in order to control the illegal exports of the cattle outside the state. As per the estimate of Integrated Sample Survey of major livestock products, the production of milk has increased to 98.17 lac tonnes in 2011-12 from 93.21 lac tonnes in 2010-12.

The estimated production of milk, eggs and wool of last 3 years is presented in the box hereunder:

Items	Unit	Year		
		2009-10	2010-11	2011-12
1	2	3	4	5
Milk	Lac Tonnes	88.43	93.21	98.17
Eggs	Lac Nos.	12762	13269	14269
Wool	Lac Kg.	29.19	29.18	28.19

FISHERIES:

Gujarat is emerging as a major fish producing centre in the region. During the year 2011-12, total fish production in the State has been estimated at 7.84 lac tonnes worth Rs. 4604.79 Crore. The marine fish production constitutes about 88.27 % of the total fish production of the state. There were 36,090 fishing boats registered in the state, out of which 23,927 were mechanised and 12,163 were non-mechanised. During the year 2011-12, through foreign export of 1,96,850 tonnes of fish and fish products, the State has obtained an exchequer of Rs. 2333.99 Crore.

Gujarat State has the longest coastline about 1600 kms broken by several bays, inlets, roadsteads, estuaries and marshy lands. The area available for fishing extends from Lakhpat in Kachchh district in north to Umbargaon in Valsad district in South. The important commercial varieties of fish, mainly Pamphlet, Jow fish, Bombay duck, Prawn, Lobster, Squids, Cuttle, Dai, Hils, Shark, Cat fish, Mulletts etc. are found in large quantity in these areas. In addition, the Gulf of Kachchh has congenial conditions for the growth and substance of different types of oysters, Shell fish and sea weeds.

According to the Eighteenth Live Stock Census 2007, there are 1058 fishing villages scattered in the remote places of the state, classified into Marine(260), Inland(716), Estuarine(82), villages inhabited by 5.59 lac fishermen, out of which 2.18 lac were active fishermen who were engaged in fishing, marketing of fish and repairing of boats/nets, etc. The Fisheries statistics are given in the Table given hereafter.

Marine and Inland Fish Production:

Sr. No.	Year	Fish Production			Value (Rs. In crore)
		Marine	Inland	Total	
1	2009-10	687445	84071	771516	3493.74
2	2010-11	688930	85972	774902	4151.05
3	2011-12	692488	91231	783719	4604.79

Source: Commissioner of Fisheries, Gujarat State, Gandhinagar.

District wise Probably Suitable Area for Aquaculture: 2011-12

Sr. No.	District	Probable Suitable Area	
		No. Of Sites	Area(Hect)
1	Valsad		
2	Navsari		
3	Surat		
4	Bharuch		
5	Bhavnagar		
6	Amreli		
7	Junagadh		
8	Jamnagar		
9	Rajkot		
10	Kachchh		
	Total		

Source: Commissioner of Fisheries, Gujarat State, Gandhinagar.

MINERALS:

Though Gujarat is not rich in metallic minerals, there is abundance of non-metallic minerals. The important minerals are limestone, manganese, bauxite, lignite, gypsum, fireclay, flour spar, dolomite, glass, sand etc.

MINING:**Mineral Production:**

As per provisional estimates, the production of Agate, Steatite (Soap stone) was 2316 M. T. and 8532 M. T. of gypsum during the year 2010-11 respectively. The production of Limestone, Lignite, Bauxite, Dolomite and Laterite were 24830, 8650, 1900, 643 and 251 thousand tonnes respectively. The production of Clay (Others), China Clay, Bentonite, Silica Sand, Quartz and Chalk were 6197, 19790, 1661, 447 and 189 thousand tonnes respectively. During the year 2010-11 (P), the production of Oil (Petroleum Crude) and Natural Gas was 5905 thousand tonnes and 2263 million cubic metres respectively.

As per the provisional estimates, the value of mineral production of the state , for the year 2008-09, 2009-10 and 2010-11 is given in the Table below:

Mineral	Value of Mineral Production		
	2008-09	2009-10	2010-11
Oil(Crude)and Natural Gas	1077494	1075018	1150177
Major Minerals	137806	121237	115076
Minor Minerals	89896	104371	179200
Total	1305196	1300626	1444453

As per the provisional estimated, the production of Gypsum and steatite during the year 2010-11 was 8532 and 2316 tonnes respectively. The production of Limestone, Lignite, Bauxite, Dolomite and Laterite were 24830, 8650,1900, 643 and 251 thousand tonnes respectively. The production of Clay (Others0, China Clay, Bentonite, nSilica Sand, Quartz and Chalk were 6197,19790, 1661, 447 and 189 thousand tonnes respectively. During the year 2010-11 (P), the production of Oil (Petroleum Crude) and Natural Gas was 5905 thousand tonnes and 2263 million cubic metres respectively.

The information about the production of bauxite and lignite is given in the Table:

Production (in Lac M.T.)			
Sr. No	Year	Bauxite	Lignite
1	2010-11	5.48	102.32
2	2011-12	6.89	113.42
3	2012-13*	3.74	53.30
	*Up to September, 2012		

MINERAL RESERVES OF GUJARAT:

Sr. No.	Name of the Mineral	Reserve (M.T.)	Main Location
1	Base metal	8.50	Banaskantha
2	Bauxite	105.00	Kachchh, Jamnagar
3	Bentorite	105.00	Kachchh , Bhavnagar, Sabarkantha
4	Calcite	0.87	Sabarkantha
5	Chalk	57.90	Junagadh, Rajkot
6	China Clay	163.00	Kachchh, B'kantha, S'kantha, Mehsana
7	Dolomite	720.00	Bhavnagar, Vadodara
8	Fluorite	11.60	Vadodara
9	Fire Clay	155.55	Surendranagar, Rajkot, , Sabarkantha
10	Gypsum	23.57	Kachchh, Jamnagar
11	Lignite	1022.55	Kachchh, Bharuch, Bhavnagar, Surat
12	Limestone	11860.00	Kachchh, Jamnagar, B'kantha, S'kantha, Amreli, Kheda, Junagadh, Panchmahals, Bhavnagar
13	Quartz	4.00	Panchmahals, Vadodara
14	Siderite	4.60	Kachchh, Bhavnagar
15	Marble	95.60	Panchmahals, Banaskantha, Vadodara
16	Coal	6300.00	Mehsana
17	Graphite	2.06	Panchmahals, Vadodara
18	Manganese Ore	2.50	Panchmahals, Vadodara
19	Nepheline Syanite	9.03	Junagadh, Vadodara
20	Woolastonite	3.04	Banaskantha
21	Granite	2005.00	Panchmahals, Banaskantha, Vadodara, S'kantha
22	Oil	418	Ahmedabad, Mehsana. Bharuch, Surat, Vadodara, Kheda

Source: Directorate of Geology & Mining, Gandhinagar.

PRODUCTION OF IMPORTANT MINERALS:

Sr. No.	Name	Unit	Production		
			08-09	09-10	10-11
		Tonne			
1	Agate	Tonne	20	0	0
2	Bentonite	'000 Tonne	1099	1485	1661
3	Bauxite	'000 Tonne	3586	2834	1900
4	Laterite	'000 Tonne	60	186	251
5	Calcite	Tonne	0	0	0
6	China Clay	'000 Tonne	1420	1627	1979
7	Dolomite	'000 Tonne	647	831	643
8	Fire Clay	'000 Tonne	422	404	449
9	Florite-Crude	Tonnes	25203	100236	52920
10	Gypsum	Tonne	1739	34110	8532
11	Limestone	'000 Tonne	22843	34796	24830
12	Manganese Ore	Tonne	88536	0	55090
13	Ochre	Tonne	360	650	2953
14	Quartz	'000 Tonne	306	421	447
15	Silica sand	'000 Tonne	1149	1105	1313
16	Steatite	Tonne	668	2360	2316
17	Lignite	'000 Tonne	11007	7677	8650
18	Chalk	'000 Tonne	214	181	189
19	Clay(Others)	'000 Tonnes	5805	10175	6197
20	Ball Clay	Tonnes	9397	25674	34230
21	Moulding sand	Tonnes	20	800	0
22	Pipe clay	Tonnes	0	0	0
23	Perlite	Tonnes	0	184	510
24	Pozonic Clay	'000 Tonnes	59	462	181
25	Petroleum Oil	'000 Tonnes	5944	5960	5905
26	Natural Gas	M. Cubic Mt.	2605	2444	2363

DISTRICTWISE LENGTH OF COASTLINE OF GUJARAT STATE:

Sr. No.	Name of the District	Length of Coastline(Kms)	Percentage with total
1.	Valsad (Incl. Navsari)	90	5.63%
2.	Surat	83	5.19%
3.	Bharuch(Incl. Narmada)	127	7.94%
4.	Kheda(Incl. Anand)	51	3.19%
5.	Bhavnagar	152	9.50%
6.	Amreli	62	3.88%
7.	Junagadh(Incl. Porbandar)	261	16.31%
8.	Jamnagar	342	21.38%
9.	Rajkot	26	1.63%
10.	Kachchh	406	25.37%
	Total Length	1600	100.00%

(Source: Commissioner of Fisheries, Gandhinagar.)

CHAPTER – III

Infrastructure facilities

INFRASTRUCTURE:

Infrastructure facilities are considered essential for sustainable industrial development. The state has, therefore given utmost priority for the development of new infrastructure facilities, upgrade the existing infrastructure to ultimately transform them to world class standards. For the purpose, the State Government has taken several initiatives in the recent years with a view to providing the infrastructure as per the requirements of modern industry. The status of important infrastructure facilities is as under: -

GUJARAT INFRASTRUCTURE DEVELOPMENT BOARD:

Gujarat Infrastructure Development Board has been set up to promote private sector participation in infrastructure projects. The Board is established under Gujarat Infrastructure Development Act, 1999. The Board is also designated as Special Investment Region Apex Authority under Gujarat Special Investment Region Act, 2009 (SIR Act). The objective of SIR Act is to provide opportunities for establishment, operation, regulation and management of large size investment regions and industrial area in the State to be developed as global economic hubs of all type of economic activities. These areas are to be supported by world class infrastructure and premium civic amenities.

POWER:

Although the per capita consumption of electricity is very high in Gujarat as compared to other Regions, the State is self-sufficient in power. The total generation of electricity in the state including GSECL (28638 MUs), Private sector (41290 MUs) and Central sector share (8723 MUs) was 78651 MUs in the year 2010-11. The total electricity generated during the year 2012-13 (up to 31 st December 2012) works out to 65840 MUs. The total consumption of electricity during the year 2012-12 was 63715 MUs as against 58670 MUs in the previous year 2010-11. The per capita consumption of electricity during 2011-12 was reported to 1642 units.

PORTS:

The state encompasses 1,600 km long coastline, representing one fourth of India's water front. Gujarat is strategically positioned to service the vast Northern and Central Indian hinterland. Gujarat Maritime Board (GMB) manages 41 minor and intermediate ports. During the year 2011-12, the intermediate and minor ports have handled the total cargo of 259 million tonnes, which accounts for the 28 % of the total cargo handled by all the ports of our nation. The main items of imports include: Crude Oil, Naphtha, Coal, Iron Ore, Rock Phosphate, Fertilizer, Ammonia, Machinery, SKO, Ethylene, Paraxylene, Clinker, Cement, Steel Coils, LPG, Propylene, Waxy residue, LDT etc. The items that were exported include: HSD, Naphtha, Petrol, Oil Cakes, Bauxite, SKO, Paraxylene, Salt, Soda Ash, Food Grains, Cement Clinker, Ethylene, IOF, LPG, Pet-cock etc.

State-of-the art ports have become significant in modern era. Some of these all weather, direct-birthing, deep-sea ports represents country's first Greenfield port developed in the joint sector on BOOT (Build, Own, Operate and Transfer) basis. 10 such Green field site are to be developed in Gujarat in near future to handle the matching global standards. 7 captive jetties have been developed on the various ports to facilitate export/import cargo. A total 27 captive jetties are operational along the coastal line of Gujarat.

ROAD:

The total length of roads (except Non-Plan, Community, Urban and Project roads) in the state is 77,265 km at the end of 2009-10, of which 96.96% are surfaced roads which include National Highways(NH)-3,262 km, State Highway (SH)-18,421 km, Major District Roads(MDR)-20,503 km and other District Roads-10,227 km and length of village roads is 24,852 km. The length shown relates to only R & B Department's roads.

The Government of Gujarat has recognized the need for private participation in the Road Sector. The Roads and Buildings (R&B) Department has identified several projects to be offered to private sector.

RAILWAYS:

The Total length of railway lines in the state, is 5,271 route km comprising 3,382 km of Broad Gauge (BG), 1,205 km of Meter Gauge(MG) and 684 km of Narrow Gauge(NG) lines up to March 2011.

AIRPORTS:

Gujarat has a fairly extensive network of airports and air fields scattered through out the State. The airport locations in Gujarat can be calssified as tourist centres and industrial centers. The state has 12 domestic airports and one International airport, the highest in any state in the country. Ahmedabad is connected with important domestic as well as international airports of various countries in the world.

Gujarat will get 11 new airports to provide easy connectivity to major pilgrimage sites in the state. The Gujarat government is working on 11 new airports which would come up at pilgrim places like Palitana (Bhavnagar), Dwarka (Jamnagar) and Ambaji (Banaskantha). Gujarat has some 20 small and big airports, and to promote tourism better air onnectivity is needed.

GAS:

GSPC is the only nodal State Government undertaking in the feild of Exploration of Oil & Natural Gas. The company has 64 Oil & Gas blocks in the state. GSPL has successfully constructed and commissioned high pressure Gas Grid. The length of the pipeline network is 2065 km as on July, 2012. This network passes though 18 districts of the State. GSPL led consortium (Projects being executed in Joint Venture with Indian Oil Corporation Limited, Bharat Petroleum Corporation Ltd. and Hindustan Petroleum Corporation Ltd.) was awarded by PNGRB on 7th July, 2011 and two SPV were formed for exaction of these projects. GSPL India Transco Ltd. is implementing Mallavaram-Bhilwara-Bhopal-Vijaipur pipeline a 1746 km long and GSPL India Gasnet Limited. is implementing Mehsana Bhatinda and Bhatinda-Jammu-Srinagar a 2510 km long pipeline. The current transmission of Natural Gas through this pipeline network of GSPL is about 28 MMSCMD to various industries in different cities of Gujarat, including around 18 MMSCMD of re-gasified LNG.

Under the monitoring of Government of Gujarat, GSPC company Limited has implemented City Gas Distribution networks in approximately 340 locations which include cities, towns and villages of Gujarat. At present, GSPC Gas is supplying 4.33 MMSCMD of gas to more than 382000 domestic households, 1400 commercial & non-commercial customers and 1700 industrial customers in the State.

To promote greener power, GSPC has established a 52.5 MW power project on development cum O&M moel at village Jakhau of Kutchh district and Gujarat State Petronet Limited has also set up another 52.5 MW Wind Power Project in Maliya Miyana and Goarsar in Saurashtra District of the Stae.

TELE COMMUNICATIONS:

As on 31st October, 2012, there were total 15,58,158 landline connections and 90,391 internet connections of BSNL. And, as per COAI data there were 4,16,49,972 G.S.M. cellular connection of all the telecom companies in Gujarat at the end of October,2012.

TECHNICAL EDUCATION:

Gujarat is having well developed educational facilities including technical education at degree, diploma and craftsmen level to provide skilled manpower. At the end of Academic year 2011-12, the total intake capacity was 46,560 seats in degree Engineering, 780 seats in degree Architecture, and 6427 seats in degree Pharmacy course, which have increased to 56275, 1020 and decreased to 5217 respectively during the Academic year of 201-13 (P). In diplomacourses in the year 2011-12 the total intalke capacity of 51327 in Engineering based on Xth Standard and 651 seats of Pharmacy based on XIIth Statndard, which and increased to 59017 for Engineering and decreased to 553 seats for Pahmacy in the year 2012-13 (Provisional) respectively.

NATURAL RESOURCES:

Natural Resources play an important role in industrial development. Gujarat is endowed with important resources like minerals, marine, agriculture: as also animal wealth and human resources. The state government has taken several measures to explore and exploit these resources for further processing and value addition. Information on important natural resources useful for industrial processing in the state is as under.

MINERAL RESOURCES:

The important mineral resources in Gujarat include limestone, lignite, bauxite, bentonite, chalk, china clay, dolomite, marble and granite: besides oil and natural gas. Information on reserves and location of the important minerals is as under:

MINERAL RESERVES OF GUJARAT:

Mineral	Main locations (District)
Base Metal	Banaskantha
Bauxite	Kachchh, Jamnagar
Bentonite	Kachchh, Bhavnagar, Sabarkantha
Calcite	Sabarkantha
Chalk	Porbandar, Rajkot
China clay	Kachchh, Mehsana, Sabarkantha
Dolomite	Bhavnagar, Vadodara
Fluorite	Vadodara
Fireclay	Surendranagar, Sabarkantha, Rajkot
Gypsum	Kachchh, Jamnagar
Lignite	Bharuch, Kachchh, Bhavnagar, Surat
Limestone	Amreli, Kachchh, Kheda, Jamnagar, Junagadh, Panchmahal, B'kantha, Bhavnagar, S'kantha, Porbandar
Quartz	Panchmahal, Vadodara
Siderite	Kachchh, Bhavnagar
Marble	Panchmahal, Banaskantha, Vadodara
Coal	Mehsana
Graphite	Panchmahal, Vadodara
Manganese Ore	Panchmahal, Vadodara
Nepheline syenite	Junagadh, Vadodara
Wollestonite	Banaskantha
Granite	Banaskantha, Sabarkantha, Vadodara, Panchmahal, Mehsana

MARINE RESOURCES:

Gujarat State has the longest coastline about 1600 kms broken by several bays, inlets, roadsteads, estuaries and marshy lands. The area available for fishing extends from Lakhpat in Kachchh district in north to Umbargaon in Valsad district in South. The important commercial varieties of fish, mainly Pamphlet, Jow fish, Bombay duck, Prawn, Lobster, Squids, Cuttle, Dai, Hils, Shark, Cat fish, Mulllets etc. are found in large quantity in these areas. In addition, the Gulf of Kachchh has congenial conditions for the growth and substance of different types of oysters, Shell fish and sea weeds.

According to the Eighteenth Live Stock Census 2007, there are 1058 fishing villages scattered in the remote places of the state, classified in to Marine(260), Inland(716), Estuarine(82), villages inhabited by 5.59 lac fishermen, out of which 2.18 lac were active fishermen who were engaged in fishing, marketing of fish and repairing of boats/nets, etc.

Gujarat is emerging as a major fish producing centre in the region. During the year 2011-12, total fish production in the State has been estimated at 7.84 lac tonnes worth Rs. 4604.79 Crore. The marine fish production constitutes about 88.27 % of the total fish production of the state. There were 36,090 fishing boats registered in the state, out of which 23,927 were mechanised and 12,163 were non-mechanised. During the year 2011-12, through foreign export of 1,96,850 tonnes of fish and fish products, the State has obtained an exchequer of Rs. 2333.99 Crore.

AGRICULTURAL RESOURCES:

Due to pioneering work of agriculture scientists, government hierarchy and the simultaneous efforts of farmers has helped to achieve a breakthrough in the agriculture sector of the State. High agricultural production and productivity achieved in some crops has helped to attain better economic growth. The growth of agriculture and allied sectors is still a critical factor in the overall performance of the State economy. Moreover, this sector is a supplier of food, fodder and raw materials for a vast segment of the industries. Hence, the growth of agriculture can be considered as a necessary condition for 'inclusive growth'. Recently, the rural sector (including agriculture) is being seen as a potential source of domestic demand, a recognition that is even shaping the marketing strategies of entrepreneurs wishing to widen the demand for goods and services

Gujarat is known for the production of cash crops. Though the state constitutes just 5% of the geographical area of the country, it accounts for 30% of groundnut production, 18% of cotton production and 57% of tobacco production in India. The other important agricultural crops used as industrial raw materials include sugarcane, maize, rice wheat, pulses, vegetables and fruits like banana and mango.

The important agricultural produces in Gujarat used as raw material in industry during the year 2011-12 are as under: -

Crop	Area (in '000 hectares)	Production (in '000 tonnes)
Rice	836	1790
Wheat	1351	4072
Cotton	3003	10375*
Groundnut	1686	2717
Oil Seeds(Total)	3130	5035

* The production of cotton was 103.75 lac bales each of 170 kg. during the year 2011-12.

ANIMAL WEALTH:

Animal Husbandry and Dairying play a vital role in the rural economy by generating substantial income to rural population where employment is scarce. As per the provisional results of Livestock Census 2007, total livestock population of Gujarat was Rs. 237.94 lac.

There are 23 Veterinary Polyclinics, 707 Veterinary Dispensaries (including 645 Veterinary Dispensaries, 27 Branch VD and 35 Mobile Dispensaries), 552 First Aid Veterinary Centres, 178 Rural Primary Animal Health Centres, 2 Epidemiological Units, 17 Disease Investigation Units and 1 Animal Vaccine Institute at Gandhinagar.

DAIRY DEVELOPMENT:

Gujarat is known for dairy development. There are 23 Intensive Cattle Development Projects (ICDP) in the State. The basic objective of the project is to improve the breed of cattle and buffaloes for increasing production of milk in the state. There are 1128 centres under this projects functioning in the state. The main activities carried out under these projects are Artificial Insemination (A.I.), Castration, Sexual health Control Services, Cattle camps for providing health services, increasing the production of fodder and other activities.

Dairy Industry is well established in Gujarat State and has been emerged as a Model State in the country. There are 17 Co-operative dairy plants in the state with handling capacity of 125 litre of milk per day. Against this, the milk received by the Co-operative Plants was 101.38 lac litres per day in the year 2011-12. There are also 25 private dairy plants and 16044 Co-operative Societies in the State. The scheme of preservation of milch animals is being implemented to control the illegal export to other states or outside.

CHAPTER- IV

MICRO, SMALL & MEDIUM ENTERPRISES

Government of India under the Ministry of Micro, Small and Medium Enterprises have in October, 2006 enacted Micro, Small and Medium Enterprises Development Act 2006. Under the Act Micro, Small and Medium Enterprises are classified as under:

Enterprises	Investment in Plant & Machinery (Manufacturing)	Investment in Equipment (Service)
Micro	Up to Rs.25 lakh	Upto Rs.10 lakh
Small	Above Rs.25 lakh up to Rs.5 Crore	Above Rs.10 Lakh up to Rs.2 Crore
Medium	Above Rs. 5 crore up to Rs.10 crore	Above Rs. 2 crore upto Rs.5 crore

The small and medium enterprises as classified above, are required to file Entrepreneurs Memorandum (EM) Part-I to District Industries Centre for starting an industrial project. On completion of the project, the entrepreneur concerned is required to file Entrepreneurs Memorandum (EM) Part-II.

Earlier there was a system of granting registration to small scale industrial units by the District Industries Centre. These units are now required to file EM Part-II as Micro, Small or Medium enterprises as classified above. Over a period of time, Gujarat has registered a sizeable growth of SME sector. There were only 2,169 small industries in 1961 at the time of formation of the state. The number of SSIs increased continuously and has reached to over to 3,12,000 by September 2006. This may be observed from the following table:

No. of registered units from 02/10/2006 to 31/03/2012

Year	No. of SSI Units
02/10/2006 to 31/03/2007	4130
2007-08	13186
2008-09	17867
2009-10	19993
2010-11	27940
2011-12	51781
2012-13	68235

District wise Progress of SSI Registration in Gujarat:

Sr. No.	District	1990	1995	2000	2001	2002	2003	2004	2005	Up to Sept. 2006(P)
1	Ahmedabad	29661	43320	58332	59747	60693	62137	63193	64916	65763
2	Amreli	1426	2566	3929	4179	4339	4627	4711	4811	4890
3	Banaskantha	1755	3230	5003	5343	5733	6093	6401	6665	6819
4	Bharuch	3815	6983	10874	11518	12004	12734	13384	13996	14328
5	Bhavnagar	5152	7947	10612	11106	11130	11355	11484	11671	11821
6	Gandhinagar	843	1881	2958	3275	3648	4009	4371	4630	4808
7	Jamnagar	5396	7698	10413	10920	11518	12222	12591	13035	13236
8	Junagadh	2632	4261	8283	6505	6575	7231	7578	7830	7966
9	Kheda	5669	8522	11216	11568	11915	12388	12809	13201	13521
10	Kutch	1746	3127	4780	5100	5279	5470	5718	5962	6109
11	Mehsana	5290	8877	12299	12749	13137	13580	14043	14453	14602
12	Panchmahals	2071	3785	5463	5698	5772	6045	6363	6572	6704
13	Rajkot	14417	20923	27874	29409	29639	30611	31371	32030	32461
14	Sabarkantha	2362	4307	6497	6829	7214	7721	8114	8359	8601
15	Surat	16764	25780	36069	39309	41063	43015	44420	465316	47404
16	Surendranagar	2949	4757	6792	7134	7585	7872	8188	8402	8609
17	Vadodara	6648	10134	14209	15011	15653	16273	17219	17990	18498
18	Valsad	6778	10508	13805	14167	14662	14996	15318	15714	15966
19	Dang	10	21	24	24	24	53	53	53	53
20	Anand	Figures are Included in Concerned Old DICs.		848	1147	1354	1715	1965	2184	2298
21	Dahod			342	535	710	817	914	1015	1092
22	Narmada			300	402	479	578	672	747	816
23	Navsari			1152	1590	2030	2451	2815	3200	3357
24	Patan			731	1065	1450	1679	1982	2184	2274
25	Porbandar			262	338	419	533	639	710	766
	Total			251088	264668	2743315	286185	296306	306646	312782

District wise Registration of MSME Units from 02/10/2006 to 31/03/2012

Sr. No.	District	02/10/2006 to 13/03/2007	2007-08	2008-09	2009-10	2010-11	2011-12
1	Ahmedabad	865	2341	3979	6531	9124	13196
2	Amreli	0	75	57	126	151	173
3	Anand	43	255	240	246	353	377
4	Banaskantha	19	235	243	148	141	170
5	Bharuch	154	305	407	649	815	901
6	Bhavnagar	150	246	333	331	438	903
7	Dahod	0	90	20	8	101	56
8	Gandhinagar	109	438	355	350	401	461
9	Jamnagar	96	324	429	484	710	822
10	Junagadh	48	100	141	100	226	262
11	Kutch	19	116	301	206	228	250
12	Kheda	54	174	124	147	102	150
13	Mehsana	129	401	283	200	332	234
14	Narmada	3	99	100	100	101	101
15	Navsari	12	321	289	324	404	425
16	Panchmahals	13	107	139	118	153	241
17	Patan	12	53	64	56	55	127
18	Porbandar	3	103	88	60	100	100
19	Rajkot	532	899	1473	1917	2272	4433
20	Sabarkantha	45	221	144	217	401	395
21	Surat	1225	4544	6627	5884	9459	24548
22	Surendranagar	64	249	175	236	325	360
23	Tapi	0	0	0	0	77	100
24	Vadodara	307	916	1158	906	887	2408
25	Valsad	228	574	698	649	584	588
	TOTAL	4130	13186	17867	19993	27940	51781

District Industries Centres in all the districts of the state and the institutions such as Gujarat Industrial Development Corporation (GIDC) and Gujarat State Financial Corporation (GSFC) have been instrumental in accelerating the pace of development of MSMEs.

On the other hand, Small Scale industries have also played an important role in dispersal of industries. Ahmedabad district leads the state with the highest number of MSME units followed by Surat, Rajkot and other districts.

Following table presents the percentage share of number of SSI units in major districts from 02/10/2006 to 31/03/2012.

Districts	No. of SSI Units (% Share)
Ahmedabad	26.71
Surat	38.76
Rajkot	8.54
Vadodara	4.88
Valsad	2.46
Mehsana	1.17
Bharuch	2.40
Kheda	0.56
Jamnagar	2.12
Bhavnagar	1.78
Other Districts	10.61

Development of small scale sector is spread across different industrial sectors; however, the trend when compared with large industries presents a different picture.

Textiles including hosiery and garment account for the largest number of SSI units, followed by other sectors. This can be observed from the following table:

Sr.No.	Industry Group	No. of SSI Units	% Share
1.	Textiles	43411	32.18
2.	Machinery and parts except electrical	12824	9.51
3.	Metal Products	1353	1.00
4.	Food Products	2447	2.56
5.	Chemicals & Chemical Products	7672	5.69
6.	Wood products	1428	1.06
7.	Rubber & Plastic Products	4094	3.03
8.	Non-Metallic mineral products	3612	2.68
9.	Basic metal industries	12720	9.43
10.	Paper products & Printing	3404	2.52
11.	Electrical machinery and apparatus	4001	2.97
12.	Transport equipments and parts	1581	1.17
13.	Leather products	4022	2.98
14.	Beverages, tobacco & tobacco products	754	0.56
15.	Service activities	9258	6.86
16.	Trading activities	15217	11.28
17.	Other	6099	4.52
	Total	134897	100

Following the enactment of the MSME Development Act from 2nd October, 2006, registration of all the MSMEs came within the purview of the Industries Commissioner ate.

Following table presents the details of the group-wise registrations of MSMEs in Gujarat from 02-10-2006 to 31-3-2010:

Sr. No.	Group	Registration from 02-10-2006 to 31-3-2010			
		Micro	Small	Medium	Total
1.	Agriculture, Hunting , etc.	0	0	0	0
2.	Forestry, Logging & Related Activities	0	0	0	0
3.	Fishing, Fish Hatcheries & Fish Farms	0	0	0	0
4.	Mining of Coal & Lignite, Extrn. of Peat	26	9	0	35
5.	Extrn. of Crude Petroleum & Natural Gas, Service Activities, Oil & Gas Extrn.	98	57	2	157
6.	Mining of Uranium & Thorium Ores	13	2	0	15
7.	Mining of Metal Ores	63	16	0	79
8.	Other Mining & Quarrying	605	288	4	897
9.	Mfg. of Food Products & Beverages	1730	683	19	2432
10.	Mfg. of Tobacco Products	39	3	0	42
11.	Mfg. of Textiles	15156	3538	114	18808
12.	Mfg. of Wearing Apparels, Dressing & Dyeing of Fur	4365	941	29	5335
13.	Tanning & Dressing of Leather, Mfg. of Luggage, Handbags, Saddlery, Harness etc.	167	6	3	176
14.	Mfg. of Wood Products & Cork, Straw & Plating Materials	742	132	4	878
15.	Mfg. of Paper & Paper Products	629	189	20	838
16.	Publishing, Printing & Reproduction of Recorded Media	839	207	4	1050
17.	Mfg. of Coke, Refined Petroleum Products & Nuclear Fuel	107	53	2	162
18.	Mfg. of Chemicals & Chemical Products	3363	1393	74	4830
19.	Mfg. of Rubber & Plastic Products	1902	562	30	2494
20.	Mfg. of Other Non-Metallic Mineral Products	1445	576	32	2053
21.	Mfg. of Basic Metals	2529	645	29	3203
22.	Mfg. of Fabricated Metal Products	2306	449	22	2777
23.	Mfg. of Machinery & Equipments n. e. c.	5822	1027	38	6887
24.	Mfg. of Office, Accounting & Computing Machinery	70	12	0	82
25.	Mfg. of Electrical Machinery & Apparatus n. e. c.	1014	178	3	1195
26.	Mfg. of Radio, T. V. & Communication Equipments & Apparatus	208	70	1	279
27.	Mfg. of Medical, Precision & Optical Instruments, Watches & Clocks	383	72	5	460

District wise Registration of MSME (From 02.10.2006 to 31.03.2007)

Sr. No.	District	Micro			Small			Medium		
		Units	Investt. (Rs. Crore)	Employ	Units	Investt. (Rs. Crore)	Employ	Units	Investt. (Rs. Crore)	Employ
1	Kachchh	9	123.00	56	10	1561.00	221	0	0.00	0
2	B'kantha	7	538.42	35	12	2114.05	165	0	0.00	0
3	Patan	7	146.98	56	5	1582.00	126	0	0.00	0
4	Mehsana	66	1637.00	719	58	10754.79	1911	5	3505.00	422
5	S'kantha	23	1020.00	212	22	4091.55	796	0	0.00	0
6	G'nagar	58	1415.65	685	48	11279.74	2907	3	3094.00	407
7	A'bad	569	12932.85	5663	293	33767.75	7261	3	1295.20	258
8	S'nagar	50	1085.16	577	14	1833.75	388	0	0.00	0
9	Rajkot	354	8902.04	2739	164	33533.72	4925	14	12509.69	1241
10	Jamnagar	79	899.93	683	16	2344.37	391	1	1416.00	36
11	Porbander	2	34.00	12	1	77.00	18	0	0.00	0
12	Junagadh	31	472.00	343	16	1876.00	354	1	1183.00	746
13	Amreli	0	0.00	0	0	0.00	0	0	0.00	0
14	Bhavnagar	96	1729.34	1360	52	9618.76	1529	2	1691.30	253
15	Anand	23	395.00	295	17	1986.00	727	0	0.00	0
16	Kheda	27	759.10	267	27	3902.00	738	0	0.00	0
17	Panchmhal	10	201.00	149	2	798.00	528	1	872.00	317
18	Dahod	0	0.00	0	0	0.00	0	0	0.00	0
19	Vadodara	99	2618.91	1109	203	18229.96	4266	5	2791.00	347
20	Narmada	3	4.79	18	0	0.00	0	0	0.00	0
21	Bharuch	69	1804.39	1188	80	10939.51	2396	5	3311	345
22	Surat	855	15201.94	9698	364	36035.57	8280	6	5728.00	492
23	Dang	0	0.00	0	0	0.00	0	0	0.00	0
24	Navsari	9	208.00	75	3	241.40	49	0	0.00	0
25	Valsad	140	3086.13	2516	79	14584.44	4006	9	10331.26	796
26	Tapi	0	0.00	0	0	0.00	0	0	0.00	0
	Total	2589	55215.63	28455	1486	201151.38	41982	55	47727.53	5660

District wise Registration of MSME (From 01.04.2007 to 31.03.2008)

Sr. No.	District	Micro			Small			Medium		
		Unit	Investt. (Rs. Crore)	Employ	Unit	Investt. (Rs. Crore)	Employ	Unit	Investt. (Rs. Crore)	Employ
1	Kachchh	80	1411.00	849	34	6147.33	1012	2	860.00	93
2	B'kantha	180	1887.38	776	55	11221.21	824	0	0.00	0
3	Patan	30	572.65	360	23	3069.40	420	0	0.00	0
4	Mehsana	275	8490.07	2577	115	18408.76	3442	11	9632.00	1254
5	S'kantha	160	2989.54	1229	60	5932.00	937	1	703.00	50
6	G'nagar	236	17945.09	3381	189	39425.04	6815	13	10678.00	1018
7	A'bad	1840	43138.59	19235	479	72106.68	15376	22	18044.19	1734
8	S'nagar	196	5051.94	1892	49	7841.62	1401	4	2617.11	518
9	Rajkot	640	10822.80	5290	254	45736.96	7271	5	4666.09	250
10	Jamnagar	266	4430.44	2532	57	11687.61	2256	0	0.00	0
11	Porbander	99	256.23	152	4	803.47	400	0	0.00	0
12	Junagadh	68	1173.80	636	32	5056.00	2615	0	0.00	0
13	Amreli	51	1369.30	824	22	2905.00	395	2	1091.66	83
14	Bhavnagar	182	2473.80	1564	57	7882.96	2132	7	5621.93	1401
15	Anand	178	3127.00	2056	74	8951.37	2170	3	2849.00	550
16	Kheda	134	1987.41	1083	36	4032.00	1602	4	3782.00	555
17	Panchmahal	80	1058.45	674	25	4572.57	1037	2	1523.00	159
18	Dahod	73	628.51	446	17	1802.15	385	0	0.00	0
19	Vadodara	645	23394.70	6808	265	46187.07	8650	6	6750.00	973
20	Narmada	98	369.10	205	1	176	74	0	0.00	0
21	Bharuch	151	4443.46	2362	150	24478.44	3490	4	10219.00	538
22	Surat	3384	68999.61	28978	1106	108398.84	22849	53	42290.58	3080
23	Dang	0	0.00	0	0	0.00	0	0	0.00	0
24	Navsari	296	1499.82	760	25	3012.15	957	0	0.00	0
25	Valsad	372	8042.72	4279	181	30325.00	6602	21	22532.39	3013
26	Tapi	0	0.00	2	0	0	0	0	0.00	0
	Total	9714	215563.41	88948	3310	470159.69	93112	160	143859.95	15269

District wise Registration of MSME (From 01.04.2008 to 31.03.2009)

Sr. No.	District	Micro			Small			Medium		
		Units	Investt. (Rs. Crore)	Employ	Units	Investt. (Rs. Crore)	Employ	Units	Investt. (Rs. Crore)	Employ
1	AHMEDABAD	3415	75435.99	34350	548	77654.12	15812	16	14821.94	2842
2	AMRELI	32	653.00	330	24	3787.90	532	1	732.00	11
3	ANAND	185	2611.41	1794	50	5961.70	1363	5	4024.46	456
4	B. K.	223	1298.79	580	20	3381.86	326	0	0.00	0
5	BHARUCH	303	5242.13	3030	92	19939.10	3546	12	12862.50	785
6	BHAVNAGAR	266	3457.30	3441	66	10444.45	1830	1	591.15	30
7	DAHOD	19	436.08	271	1	70.00	10	0	0.00	0
8	GANDHINAGAR	247	6081.60	4726	103	20755.62	3599	5	4971.30	808
9	JAMNAGAR	385	5408.99	3129	44	5136.14	987	0	0.00	0
10	JUNAGADH	101	1797.29	1066	39	6038.10	2610	1	1001.00	70
11	KAUTCHH	226	4155.64	3353	68	14199.74	1899	7	5555.00	49
12	KHEDA	78	1746.10	1053	46	9794.00	1349	0	0.00	0
13	MEHSANA	203	4173.58	2355	73	17617.00	2246	7	6438.00	942
14	NARMADA	97	189.33	286	3	1191.00	186	0	0.00	0
15	NAVSARI	261	2097.51	1042	28	3765.07	964	0	0.00	0
16	PANCHMAHAL	102	1567.68	972	35	5360.88	2078	2	1916.00	524
17	PATAN	49	559.00	624	15	2333.05	358	0	0.00	0
18	PORBANDAR	78	465.41	250	10	2022.34	159	0	0.00	0
19	RAJKOT	1113	23361.17	9782	341	62317.75	7796	19	14592.47	797
20	S. K.	94	2870.94	1005	47	6722.59	926	3	2852.25	157
21	SURAT	5524	87486.05	47256	1078	107763.60	32775	25	24986.71	5688
22	SURENDRANAGAR	125	1726.51	1027	50	8112.40	1571	0	0.00	0
23	TAPI	0	0.00	0	0	0.00	0	0	0.00	0
24	VADODARA	863	21292.85	9428	282	43111.60	9685	13	12400.00	1294
25	VALSAD	541	12185.76	5621	147	34065.42	7217	10	11019.00	914
	Total	14530	266300.10	136771	3210	471545.44	99824	127	118763.78	15367

District wise Registration of MSME (From 01.04.2009 to 31.03.2010)

Sr. No.	District	Micro			Small			Medium		
		Units	Investt. (Rs. Crore)	Employ	Units	Investt. (Rs. Crore)	Employ	Units	Investt. (Rs. Crore)	Employ
1	AHMEDABAD	5828	134369.39	40804	669	131443.27	18742	34	48992.30	2351
2	AMRELI	104	633.00	415	22	3919.00	638	0	0.00	0
3	ANAND	207	2925.44	1795	37	5671.41	670	2	2452.00	84
4	B. K.	113	776.50	310	34	7160.12	626	1	970.00	125
5	BHARUCH	497	8304.29	5829	147	17320.33	3272	5	4897.00	464
6	BHAVNAGAR	255	12092.12	3592	71	9369.31	2536	5	3125.00	15
7	DAHOD	7	181.30	57	1	133.00	16	0	0.00	0
8	GANDHINAGAR	225	6098.00	2483	116	23184.01	3870	9	8291.55	593
9	JAMNAGAR	434	7889.90	3359	48	5505.55	1127	2	605.00	877
10	JUNAGADH	81	1622.18	782	19	3720.50	1199	0	0.00	0
11	KAUTCHH	144	2493.78	2004	53	8680.93	1439	9	8056.00	243
12	KHEDA	115	2885.29	1167	30	5225.00	857	2	973.86	202
13	MEHSANA	121	2997.74	1311	76	14894.05	1827	3	2603.36	492
14	NARMADA	96	281.72	462	4	261.80	76	0	0.00	0
15	NAVSARI	280	1985.08	999	41	6501.93	1220	3	2632.36	430
16	PANCHMAHAL	94	1262.87	850	22	2558.88	401	1	800.00	244
17	PATAN	41	890.00	451	15	2608.86	309	0	0.00	0
18	PORBANDAR	54	551.57	231	5	915.50	58	1	985.00	65
19	RAJKOT	1631	37647.16	13034	276	49736.61	5309	10	9594.30	336
20	S. K.	179	2247.33	1015	37	5197.05	737	1	320.00	235
21	SURAT	4783	57470.17	44292	1067	94256.67	31824	34	26092.35	5568
22	SURENDRANAGAR	198	2381.55	1146	38	5339.74	625	0	0.00	0
23	TAPI	0	0.00	0	0	0.00	0	0	0.00	0
24	VADODARA	673	17153.69	8241	219	37006.57	8131	14	12699.05	646
25	VALSAD	515	7746.00	4850	119	24754.59	5905	15	16773.54	3142
	Total	16676	322886.06	139479	3166	465364.68	91414	151	150862.31	16112

District wise Registration of MSME (From 01.04.2010 to 31.03.2011)

Sr. No.	District	Micro			Small			Medium		
		Units	Investt. (Rs. Crore)	Employ	Units	Investt. (Rs. Crore)	Employ	Units	Investt. (Rs. Crore)	Employ
1	AHMEDABAD	8373	206370.94	51741	718	133976.04	15595	33	31749.11	3681
2	AMRELI	137	2336.55	773	14	2858.00	381	0	0.00	0
3	ANAND	319	3852.18	2715	33	4421.30	709	1	1557.00	81
4	B. K.	122	1036.65	1008	19	2369.82	339	0	0.00	0
5	BHARUCH	739	9106.51	5920	70	17779.88	3205	6	6145.00	473
6	BHAVNAGAR	356	6166.21	4634	82	11790.80	3011	0	0.00	0
7	DAHOD	94	866.32	492	5	532.27	67	2	1085.00	70
8	GANDHINAGAR	295	60772.57	2639	102	19307.48	2476	4	3461.56	521
9	JAMNAGAR	644	8195.70	3814	54	6264.99	1108	12	7589.00	84
10	JUNAGADH	191	3190.20	1490	34	6636.29	1192	1	902.00	241
11	KAUTCHH	170	3087.71	1759	52	7877.45	1572	6	5599.81	423
12	KHEDA	73	1801.07	743	27	12873.00	474	2	2071.00	210
13	MEHSANA	253	3909.81	1954	73	15547.23	1673	6	5729.58	518
14	NARMADA	100	109.83	444	1	50.00	9	0	0.00	0
15	NAVSARI	367	2269.22	1133	36	6504.12	920	1	796.00	1968
16	PANCHMAHAL	122	1461.74	881	30	4730.19	661	1	941.00	85
17	PATAN	32	743.75	359	23	3382.00	424	0	0.00	0
18	PORBANDAR	86	443.36	336	13	2852.00	186	1	1713.00	175
19	RAJKOT	1847	43729.39	13336	406	73523.61	6660	19	16821.40	691
20	S. K.	348	2144.08	1267	52	7786.56	1103	1	386.01	116
21	SURAT	8347	41134.05	63226	1056	89343.16	23851	56	45222.99	4462
22	SURENDRANAGAR	272	3648.73	1753	52	6628.45	1256	1	912.00	26
23	TAPI	72	666.25	504	5	388.00	51	0	0.00	0
24	VADODARA	698	15798.31	5165	177	31218.37	6279	12	12794.00	806
25	VALSAD	448	7871.58	3842	124	26602.60	4397	12	11244.77	701
	Total	24505	473712.70	171928	3258	495243.62	77599	177	156620.23	15332

District wise Registration of MSME (From 01.04.2011 to 31.03.2012)

Sr. No.	District	Micro			Small			Medium		
		Units	Investt. (Rs. Crore)	Employ	Units	Investt. (Rs. Crore)	Employ	Units	Investt. (Rs. Crore)	Employ
1	AHMEDABAD	12340	317894.24	69630	825	160907.19	15778	31	28299.81	2828
2	AMRELI	160	2385.19	1357	13	2269.30	239	0	0.00	0
3	ANAND	346	3473.14	2790	30	3355.18	422	1	3051.00	45
4	B. K.	130	1693.00	1309	40	9087.82	471	0	0.00	0
5	BHARUCH	846	7684.11	6280	54	11930.56	1791	1	596.00	43
6	BHAVNAGAR	811	9161.46	5409	92	21799.08	2341	0	0.00	0
7	DAHOD	48	624.08	342	8	1677.00	436	0	0.00	0
8	GANDHINAGAR	333	24310.44	2215	124	26087.30	2793	4	3976.40	162
9	JAMNAGAR	766	12563.91	8601	53	9420.59	1181	3	2536.00	52
10	JUNAGADH	224	4042.56	1979	37	7166.59	1278	1	1171.00	166
11	KAUTCHH	184	3425.11	1278	61	13616.66	1376	5	5508.00	416
12	KHEDA	115	3568.00	1249	31	4754.50	465	4	3541.00	106
13	MEHSANA	160	4025.44	1602	68	11855.75	1320	6	7039.00	233
14	NARMADA	97	294.03	1012	3	210.00	41	1	1351.00	21
15	NAVSARI	372	2578.74	119	51	7020.92	1298	2	1638.00	435
16	PANCHMAHAL	211	2488.92	1256	28	4359.43	755	2	1763.00	86
17	PATAN	94	1665.04	752	33	5811.00	411	0	0.00	0
18	PORBANDAR	90	533.70	438	10	1779.25	266	0	0.00	0
19	RAJKOT	3710	91451.43	20733	686	105019.41	8641	37	31841.59	1829
20	S. K.	329	2683.95	1463	62	11729.66	1328	4	3562.68	192
21	SURAT	22966	158968.86	119569	1518	126452.85	25718	64	47606.52	3052
22	SURENDRANAGAR	312	4633.809	1614	46	5364.59	857	2	1508.00	39
23	TAPI	91	944.15	778	9	1979.99	149	0	0.00	0
24	VADODARA	2227	37183.68	15598	170	28838.47	7231	11	11382.00	538
25	VALSAD	460	8673.48	3698	119	25520.43	3167	9	9622.14	730
	Total	47422	706951.36	272142	4171	608013.51	79753	188	165993.14	10973

CHAPTER-V

DEVELOPMENT OF MSMES IN GUJARAT

INDUSTRIAL SCENARIO:

Gujarat has registered an impressive industrial development since its formation as a separate state in 1960. The industrial sector at present comprises of over 1200 large industries and over 4,00,000 micro, small and medium industries. As per the results of the Annual Survey of Industry (ASI), 2009-10 carried out by the Central Statistical Organization (CSO), under Ministry of Statistics and Program Implementation, Government of India, Gujarat accounts for 18% of fixed capital investment, 17.22% of gross output and 15.20% of net value added in industrial sector in India. This survey further reinforced the position of Gujarat as the most industrially developed state in India in respect of first ranking in industrial investment and second in terms of value of production and value addition in industrial sector.

Over the years, Gujarat has diversified its industrial base substantially. In the year 1960-61, textiles and auxiliaries were the major contributor to industrial economy of the state. In the span of over 52 years, the industrial spectrum has completely transformed and today 13 major industry groups together account for 83% of factories, 94% of fixed capital investment, 93% of value of output and 93% of value addition in the state's industrial economy. In the recent years, refined petroleum products has emerged as one of the largest industrial groups having 37% share, followed by chemicals having 14% share. Other important groups Basic Metal(8%), food products (7.14%), textiles (5%), machinery and equipment (3.36%), non-metallic mineral based products (2.8%), plastic and rubber products (1.81%), fabricated metal products (2.74%). The industries in Gujarat produce a wide variety of products. The products which have substantial contribution in terms of production in India include: Soda Ash having 94% share, Salt (80%), Processed Diamond (80%), Polyester Filament Yarn (63%), Caustic Soda (42%), Phosphatic Fertilizers (37%), Sponge iron (35%), Textile Fabrics (34%), Refined Petroleum Products (33%), Nitrogenous Fertilizers (19.5%), Cement (10%) and so on.

Over a period of time, Gujarat has also succeeded in widening its industrial base. At the time of inception in 1960, the industrial development was confined only to four major cities namely Ahmedabad, Baroda, Surat and Rajkot and some isolated locations such as Mithapur and Valsad. Today, almost all the districts of the state have witnessed industrial development in varying degree. Such a massive scale of industrial development has been possible on account of judicious exploitation of natural resources, such as minerals, oil and gas, marine, agriculture and animal wealth. The discovery of oil and gas in Gujarat in the decade of 60s has played an important role in setting up of petroleum refineries, fertilizer plants and petrochemical complexes. During the same period, the state government has also established a strong institutional network. Gujarat Industrial Development Corporation (GIDC), established industrial estates providing developed plots and ready built-up sheds to industries all across the state. Institutions were also set up to provide term finance, assistance for purchase of raw materials, plant and equipment and marketing of products. Later, District Industries Centers (DICs) were set up in all the districts to provide assistance in setting up industrial units in the form of support services. The state also developed infrastructure facilities required for industries, such as power, roads, ports, water supply and technical education institutions.

The Government also introduced incentive schemes, from time to time, to promote industries mainly in the under-developed areas of the state to correct regional imbalances. All these initiatives have made Gujarat to emerge as the highly industrialized state in the country today

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MSMEs being backbone of industrial development in Gujarat has always accorded high priority to this sector. Before inception of MSMED Act, 2006 there were 3,12,752 SSI units registered and having generation of employment to 14,89,216 people in the state. A total of 1,40,587 MSMEs were acknowledged during 1/10/2006 to 31/03/2012. Thus the total MSMEs aggregates to 4,52,339 units on 31/12/2012 providing employment to 25,04,856 people in the state.

The number of factories have increased from 15,576 in 2009-10 to 21,282 in 2011-12 (p), Showing a growth of 36.63 % over the previous year. The net value added by factories in the state has decreased from Rs. 90,028 Crore in 2009-10 to Rs. 89,448 Crore in 2010-11(P); showing reduction of 0.64 % over the previous year.

It is also observed that the industry group (13) Manufacturing Textiles consisting of 2539 (11.39 %) factories is the prime group in the state in terms of number of factories. Industry group (19) Manufacture of coke and refined petroleum products & Nuclear fuel is the prime group in terms of fixed capital of rs. 87,534 Crore (32.19 %). Industry group (13) Manufacture of textile is the prime group in terms of employment to 2,39,775 people and the industry group (19) Manufacture of coke and refined petroleum products & Nuclear Fuel is the prime group in terms of net value added (NVA) of Rs. 26,167 Crore in the state. The number of operational registered factories in the state has increased from 25,206 (P) at the end of the year 2010 to 26088 at the end of year 2011 (P). The average daily employment in the operational factories has also from 13,117,634 at the end of the year 2010 (P) to 13,87,157 at the end of the year 2011 (P). Chemical products (except products of petroleum and coal) group was the leading industry group accounting for about 15.45 % of the operational factories at the of year 2011 (P) followed by Manufacturing of Textile Products (11.33 %), Manufacture of Non-Metallic Minerals Products (9.27 %), Manufacture of Machinery & Equipments (8.88 %), Manufacture of Food Products & Beverage (8.85 %), Manufacture of Basic Metal Products (7.22 %), Manufacture of Rubber & Plastic Products (5.30 %) , Manufacture of Wood Products & Cork (3.73 %) and Agriculture, Hunting and related service activities (2.87 %).

CHAPTER – VI

CLUSTER DEVELOPMENT

The development of small and medium enterprises has taken place in the form of different industrial clusters. There are, in all 83 industrial clusters for different industry groups that has been identified in the state, developed at a number of different locations. The approach of cluster-based development has helped in improving cost competitiveness of the industries by way of creating common facilities, developing market centres and brand names, promotion of skill.

The State Government have introduced “Cluster Development Scheme” to promote and strengthen existing crafts & craft-clusters of Khadi, Handloom, Handicraft, Gramodyog and Clay work. The scheme is being implemented with design intervention through NIFT, NID and its freelance designers for value addition in product. Total (upto October-2010), 91 clusters of silk weaving, Embroidery, khadi, Wood work, Toys, Sujani, Saudagari Print, Mata ni Pachhedi etc. have been identified. Diagnostic survey of 88 clusters has been completed . Training completed in 67 clusters and 56 clusters started production under the scheme.

Some important industrial clusters identified in Gujarat:

Type of Clusters	Location
Brass Parts	Jamnagar
Casting & Forgings	Ahmedabad, Bhavnagar, Jamnagar, Rajkot, Vadodara, Anand
Ceramics	Morbi, Thangadh, Himatnagar, Ahmedabad
Chalk Industry	Porbandar
Common Salt	Anjar, Gandhidham, Dasada
Dyestuff	Ahmedabad
Data Processing	Ahmedabad, Surat
Diamond Processing	Ahmedabad, Surat
Fabrication	Ahmedabad, Vadodara
Fish Processing	Veraval
Machine Tools	Rajkot
Oil Engines	Rajkot
Power driven pumps	Ahmedabad, Mehsana
Re-rolling Mills	Bhavnagar
Textiles	Ahmedabad, Dholka, Surat
Textiles-Finishing	Ahmedabad, Manavadar
Textiles-Printing	Jetpur
Textiles-Khadi	Wadhvan
Textiles-Finishing	Bhuj
Type of Clusters	Location
Textiles-Synthetic	Surat, Mangrol
Jari-Printing	Surat
Textiles-Powerloom	Ahmedabad, Surat
Readymade Garments	Ahmedabad
Textile Stores	Ahmedabad, Surat, Wadhvan
Utensils	Ahmedabad, Vadodara
Wood based	Nadiad
Book Publishing	Ahmedabad

The state Government has taken initiatives to extend support for further strengthening these clusters through interventions such as technology upgradation, quality improvement, setting up of common facility centres, skill development facilities etc. with the active assistance of R&D institutions, as well as industry associations.

Under the scheme, currently 22 clusters have been taken up for further development through various institutions as per the following details:

Sr. No.	Cluster	Location	Institution
1.	Ceramics	Morbi & Thangadh	CGCRI
2.	Powerloom	Ahmedabad	ATIRA
3.	Submersible Pump Industry	Ahmedabad & Mehsana	ERDA
4.	Ceramics	Himatnagar & Ahmedabad	CGCRI
5.	Brass Parts	Jamnagar	EDI
6.	Jewellery	Ahmedabad	NIFT
7.	Garment	Ahmedabad	NIFT
8.	Salt Industry in LRK	Surendranagar	CSMCRI & SEWA
9.	Fish Processing	Veraval	CEPT
10.	Re-rolling Mill Industry	Bhavnagar	GITCO
11.	Chalk Industry	Porbandar	GITCO
Sr. No.	Cluster	Location	Institution
12.	Ginning Industry	Ahmedabad	ATIRA
13.	Gold and Jewellery	Rajkot	NIFT
14.	Dyes & Intermediates	Naroda, Ahmedabad	GCPC
15.	Pharmaceuticals	Ahmedabad	PERD
16.	Plastic Processing Training		CIPET
17.	Foundry	Ahmedabad	GITCO
18.	Salt Industry	Rajkot	CSMCRI ANANDI
19.	Common Facility Centre for Diesel Engine Research	Rajkot	EDI
20.	Engineering at Makarpura	Vadodara	EDI
21.	Facilitating survival and growth of existing enterprise in the textile accessories and machinery	Ahmedabad, Surat and Surendranagar	EDI
22.	Utensils	Dabhoi, Vadodara	Shree Ram Vasani Industries Cluster Association, Dabhoi.

CHAPTER VII

FACTORY SECTOR/MEDIUM AND LARGE SCALE INDUSTRIES

FACTORY SECTOR

MSMEs being backbone of industrial development in Gujarat has always accorded high priority to this sector. Before inception of MSMED Act, 2006 there were 3,12,752 SSI units registered and having generation of employment to 14,89,216 people in the state. A total of 1,40,587 MSMEs were acknowledged during 1/10/2006 to 31/03/2012. Thus the total MSMEs aggregates to 4,52,339 units on 31/12/2012 providing employment to 25,04,856 people in the state.

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Source: Socio-Economic Review 2009-10 Published by Directorate of Economics & Statistics, Gandhinagar.

MEDIUM AND LARGE SCALE INDUSTRIES

Under the Liberalised Licensing Processing introduced by the Government of India, Gujarat has received acknowledgement of 8529 Industrial Entrepreneurs Memorandum (I.E.M.) with 121.92 percent share in Total I.E.M.s filed in the country from August, 1991 to September, 2007. The investment among all these projects is expected at Rs. 447130 crores constituting 15.03 percent in the country. In addition, the state has received 459 letter of intents (L.O.I.) with 10.69 percent share having investment of Rs. 22418 crores with 17.71 percent share and has also received 509 Letter of Permission (L.O.P.) with investment of Rs. 8627 crores for setting up 100 percent Export oriented units (E.O.U.) during post liberalisation period. The details of Approvals Analysis of LOI, LOP, and IEM filed is given in the table hereunder.

PART I PROGRESS OF INDUSTRIAL APPROVALS (Post liberalisation period): (Investment in Rs. Cr.)

Sr. No.	Approvals	Gujarat		India		% Share	
		Nos.	Investment	Nos.	Investment	Nos.	Investment
1	IEM (Aug.-91 to March 2010)	9481	771401.00	81084	6210539.00	11.69	12.42
2	LOI (Aug.-91 to March 2010)	467	23404.00	4451	130709.00	10.49	17.91
3	100%EOU (Aug.-91 to March 2010)	509	8667.00	4261	235632.00	11.95	3.66
(IEM+LOI+EOU)		10457	803472.00	89796	6576880.00	11.64	12.21
4	FDI (Aug.-91 to March 2010)	707	15608.00	20293	354662.00	3.48	4.40

PART II MONITORING OF APPROVALS (As on 30.04.2010):

Description	Nos.	Investment (Rs. Cr.)	Employment
A. Projects Implemented	5384	169512.00	907535
B. Projects under implementation	2483	502754.00	523937

IEM: Industrial Entrepreneurs Memorandum

LOI: Letter of Intent

LOP: Letter of Permission for 100% Export Oriented Unit

FDI: Foreign Direct Investment.

(Source: Commissioner of Industries, Govt. Of Gujarat, Gandhinagar.)

CHAPTER –VIII

INSTITUTIONAL SUPPORT

GUJARAT INDUSTRIAL AND TECHNICAL CONSULTANCY ORGANISATION:

Its objective is to provide high quality technical, managerial and marketing Consultancy to new as well as existing entrepreneurs, Financial institutions and state Govt. Organisations. Major Services included in the sphere of operations are as under:

1. Project opportunity identification studies for medium and large companies.
2. Preparation of project profiles and desk based market analysis reports.
3. Preparation of Techno-economic feasibility studies and detailed project reports.
4. Undertaking detailed national/State Level market studies.
5. Identification of project appraisals reports for the purpose of resource mobilisation through institutional finance/public issue.

GUJARAT AGRO INDUSTRIES CORPORATION:

Gujarat has long been considered as one of the most progressive states of India, be it on the industrial front or the agricultural front. Imbued with a proactive, visionary outlook, its government has catalyzed development in various spheres the collective effort has, thus, propelled the state towards progress.

Gujarat Agro Industries Corporation (GAIC), which promotes agricultural activities at the ground level and fosters the development of agro industries in the state, is a manifest example of the forward-looking policies of the state.

Facilitate Growth Process:

Destination: A Progress Vehicle GAIC

The present-day globalized agri - cultural environment necessitates a holistic approach to farming and all related activities. Moreover, strengthening of the forward and backward linkages between agriculture and industry has also become a prerequisite.

Enabling Change:

Networking All The Way To Farmer's Door step: Agro Service Division

The Nucleus of all the activities of GAIC is the farmer. GAIC has a strong presence in rural Gujarat through its network of 18 district-level centers and 1200-plus agri business centers run by private sector entrepreneurs which provide services at the doorstep to farmers. Lakhs of farmers visit these outlets regularly.

Catalyst of new Agro Economy:

Implementer of policies: Marketing & Projects Division

GAIC plays the role of a catalyst in the development of the state's agro industries sector, with its Marketing and Projects Division handling all functions related to this area.

Messenger of Know-How: Sharing the Learning Process

GAIC believes in exchanging information and deepening the learning curve of farmers and agro entrepreneurs. It employs various method to achieve this objective.

The corporation has set-up a Research & Development centre for Onion at Talaja, District Bhavnagar. The Corporation has commenced following infrastructure project during the year.

1. Banana Pack House, Jhagadia, Dist. Bharuch.
2. Centre for Perishable Cargo at SVPL Airport, Ahmedabad.
3. Integrated pack House for fruits and vegetables at Naroda.

GUJARAT STATE HANDLOOM & HADNDICRAFTS DEVELOPMENT CORPORATION LTD:

The main function of the Gujarat State Handloom and Handicraft Development Corporation is identification, revival of traditional Handicrafts/Handloom of Gujarat.

Promotion and Development:

The Corporation sales its product under the brand name of Garvi-Gurjari at Ahmedabad, Delhi, Kolkatta, Banglore, Hyderabad, Lucknaw, Mumbai, Vadodara, Surat, Surendranagar, Bharuch, Bhuj, Anand etc. In addition to this, 42 exhibitions, two international exhibitions and 17 adivasi melas were organised in big cities of India to promote sales during this year 2011-12. The corporation has organised training to 2350 handicraft and 1180 handloom workers. The corporation has covered 1600 artisans under insurance scheme during the year 2012-13. The Corporation has provided information regarding market trend, new designs & colour matching to Artisans & Weavers.

GUJARAT STATE KHADI GRAMODYOG BOARD:

Gujarat State Khadi & Village Industries Board implements various schemes for development of village industries like khadi and poly-cloth, soap, carpentry, blacksmith, gur and khandsari, oil ghani, leather, pottery, bamboo work, incense stick etc. The information about the value of output, sales and employment in these industries are given in the following table:

Sr. No.	Industry	2010-11			2011-12		
		Value of output Rs. In Lac	Sales Rs. In lac	Employment No.	Value of output Rs. In Lac	Sales Rs. In lakh	Employment No.
1	Khadi	2506.16	3454.06	13041	1776.87	3205.96	11962
2	Village Industries	7195.72	9484.83	41635	14287.91	15538.25	44669
	Grand Total	9701.88	12938.89	54676	16064.78	18744.21	56631

During the year 2011-12, Khadi worth Rs. 27.16 Crore was produced, while the sales were Rs. 44.06 Crore. The Khadi Gramodhyog industry has provided employment to 10278 persons during the year 2011-12.

The value of production, sales and employment of village industries for the year 2011-12 were Rs.191.02 Crore, Rs.160.41 Crore and 52244 persons respectively.

DISTRICT INDUSTRIES CENTRES:

1. Jurisdiction:

In each district one agency to deal with all requirements of small and village Industries. This is called "District Industries Centre".

The District Industries Centers have undertaken various programmes for investment promotion at the grass root level such as a organizing seminars workshops, extending support for trade fairs and exhibitions organized by various Industries associations.

All the services and support required by for MSME units under the single roof of the District Industries Centre. The Centre has a separate wing to look-after the special needs of cottage and house-hold industries as district from small industries.

2. Administration

General Manager is the head of the District Industries Centre. The post of General Manager is of Joint / Deputy Commissioner level. The General Manager has senior officers to assist him, such as Manager (Raw Material), Manager (Credit), Manager (Economic Investigation), Manager (Marketing) Industrial Promotion Officer(IPO) and Technical Officer cum Project Manager (PM)

3. Monitoring of DICs:

The functioning of DICs and their achievement is monitored by Industries Commissioner, Meeting of General Managers are organized frequently to evaluate the performance and also help in resolving difficulties in implementation of different schemes. To resolve the problems of industries/industrialists, there are two types of committee at the district level viz.

a. District Industrial Executive Committee (DIEC):

DIEC is constituted for solving industry related problems And promoting industrial growth. District Collector is the Chairman of this Committee and General Manager of DIC is the Member Secretary. The other members of the DIEC are President of District Panchayat, DDO, MP, MLAs, Prominent persons active in Industries in the district and members of all district level industries associations.

b. Single Window Industrial Follow up Team (SWIFT):

Entrepreneurs face many difficulties when they start new industries. They have to deal with many government agencies and get many clearances. SWIFT helps them in guiding solving their problems at a single spot. This committee is working under the District Collector, General Manager of DIC is the Member Secretary and District Development Officer is Vice President of SWIFT. All industries related officers in the district are members of this committee.

4. Functions of DICs:

Registration

- EM Part-I acknowledgement
- EM Part-II acknowledgement
- C.S.P.O.
- Lubricating, Oil, Grease Licence

5. Recommendation

Land recommendation for N.A.

Incentive Scheme:

Seminars

- District or Taluka Level
- Buyer-Seller & Exhibition
- Recovery of Package Loan margin Money Loan & Subsidy
- Welfare of Salt Workers and Recovery of Royalty from Salt Workers.
- Follow up of Industrial Approvals.
- Follow up of units which have availed benefits under incentives schemes

Self Employment scheme

1. Recommendation of loan applications under Vajpayee Bankable Scheme
2. Recommendation of loan application under PMEGP Scheme
3. Manav Kalyan Yojana – Tool kits to artisans.

Co-operative Package Scheme

4. Package Scheme
5. Handloom Development Scheme
6. Training & Production centre
7. Woolen Carpet Centre
8. Weaving Scheme
9. Recovery of Loan & Share contribution of Co-operative Societies
10. Liquidation of Industrial Society
11. Preparation of Project Profiles
12. Audit of Industrial Society
13. Gramodyog Vikas Kendra
14. Hastakala Mela

During the year 2008-09, 25 District Industries Centres (DIC) were functioning in the state. The main objective of establishing the DIC is to provide all assistance under one roof to the entrepreneurs engaged in dispersed and diversified industries and to those proposing to establish small and cottage industries. The prospective entrepreneurs get all assistance like credit, raw materials, power, land and building from the DIC. In case of large projects having investment of more than Rs. 100 crore where corporate office in Gujarat state, DIC helps in speedy follow up for the implementation of the project.

The working of all DIC is monitored by the Industries commissionerate. The progress achieved by each monitored every month by Industries commissioner in the meeting of General Managers of District Industries Centres.

At district level, there is a District Industrial Executive Committee with Member of Parliament (MP) or Collector as the Chairman. This Committee meets periodically to discuss and solve the problems of industrialists with the help of the DIC.

In order to achieve better co-ordination between agencies and to solve the problems of Entrepreneurs, a "single Window Industries Follow Up Team (SWIFT)" has been constituted in all the districts under the Chairmanship of Collector of the district.

Moreover, the arrangement has been made for applicant to have proper guidance and authentic information of various scheme implemented by District Industries Centres (DIC) with establishing the "Citizen Charter Centre" in all the DICs.

GUJARAT STATE FINANCIAL CORPORATION:

Gujarat State Financial Corporation has formulated various schemes to meet credit needs of various segments of the economy. Its major Scheme are given below in brief.

- 1) General Scheme
- 2) Gold Card line credit Scheme
- 3) Doctors Friend Scheme
- 4) Working Capital Term Loan Scheme
- 5) Technology development & Modernisation scheme
- 6) Factoring services
- 7) Marketing assistance for SSI products
- 8) Lease & hire purchase
- 9) Bill discounting
- 10) Merchant Banking
- 11) Effluent Treatment Plant
- 12) ISO Certification

ELECTRICITY:

Gujarat state has taken numerous measures on Power Sector reforms and has moved towards Corpratization/unbundling of Generation, Transmission and Distribution activities of the GEB. Accordingly, Gujarat Electricity Board (GEB) was reorganised into 7 different companies in the year 2005 consisting of: Power Trading & Co-ordinating and Monitoring Company-Gujarat State Electricity Corporation Limited (GSECL), Transmission Company-Gujarat Energy Transmission Corporation Limited (GETCO), and distribution companies namely Madhya Gujarat Vin Co. Ltd. (MGVCL), Dakshin Gujarat Vij Co. Ltd. (DGVCL), Uttar Gujarat Vij Co. Ltd. (UGVCL) and Paschim Gujarat Vij Co. Ltd. (PGVCL) w.e.f. 1st April, 2005.

The total installed capacity of the state as on March-2012 was 15306 MW (comprising of 4996 MW by Gujarat State Electricity Corporation Ltd. (GSECL), 7130 MW by private sector and 3180 MW by Central sector share). While as on December, 2012 it has touched to 16808 MW (comprising of 4996 MW by Gujarat State Electricity Corporation Ltd. (GSECL), 8452 MW by private sector and 3360 MW by Central sector share).

The total Generation of Electricity in the State including GSECL (28638 million Units), Private sector (41290 Million Units) and Central sector share (8723 Million Units) was 78651 million Units in the year 2008-09 as against 65656 Million units generated in the previous year i.e. 2011-12. The total electricity generated in the year 2012-13 (up to December-2013) is 65840 million Units.

The total Consumption of electricity during the year 2011-12 was 63715 Million Units as against 58670 Million Units in the previous year i.e. 2010-11 (including Torrent Power Ltd.). The highest consumption was reported 27606 million Units (43.33 %) by industrial use, followed by 13955 million Units (21.90%) by agricultural use, 10067 Million Units (15.80%) by other uses, 7210 million Units (11.31%) by domestic use, 2571 million Units by commercial use, 1598 MUs (2.51 %) by Private lighting & water works and 708 MUs (1.11 %) by Railway Traction.

The per capita consumption of electricity during the year 2011-12 was reported to 1642 units as against 1512 units of the previous year 2010-11.

During the year 2011-12, GUVNL has completed the electrification work of 68,941 agricultural wells (including Taluka Scheme) in the State. During the year 2012-13 (up to December, 2012), electrification work of 75322 agricultural wells have been completed.

Gujarat Power Corporation Ltd (GPCL):

The Gujarat Power Corporation Ltd. acts as a nodal agency for augmenting the power generating capacity in the state through private/joint sector participation and to identify power projects based on different fuels and prepare Techno-Economic feasibility report for such power projects as mentioned below.

- (A) 500 Lignite based Power Project at Bhavnagar.
- (B) 700 MW Gas based Power Project at Pipavav.
- (C) 1000+ MW Pipavav Power Project.
- (D) Development of 6-1000 MW Nuclear based Power Project at Bhavnagar.
- (E) Gujarat Solar Park at Charanka village of Patan district.
- (F) Gujarat Solar Park at Radhanesda of B. K.
- (G) Tidal Power Project at Gulf of Kutchh near Mandvi (62.8 Sq.km.) and Gulf of Khambhat near Hajira (37.3 sq. Km.)

GPCL also assists and provides necessary guidance to private sector developers for the identification of potential sites of clearances in Gujarat. Topographical survey and soil investigation at three potential sites at Surendranagar, Patan and B. K. Has been carried out. GPCL has decided to establish a Training/Research Center within the state to meet out the need for skilled & technically sound manpower requirements for solar power projects. It has also commissioned Asia's largest "Gujarat Solar Park" to mitigate the impact of Climate change and to protect environment for our future generation, making solar sector vibrant and viable not only in our nation but also across the Globe.

Gujarat Industrial Investment Corporation:

Gujarat Industrial Investment Corporation is a State level Financial Institution set up with an objective of assisting Medium and Small Industrial units by way of providing Term Loan/Equity Support. However, in the recent past, fresh lending activities have been put on hold and the Corporation is concentrating on recoveries and disinvestment of equity.

GUJARAT STATE EXPORT CORPORATION LTD:

The corporation undertakes exports of various products manufactured in Gujarat state. It manages an Air Cargo complex at Ahmedabad Air port to facilitate export-import trade by air for the industries in Gujarat.

GUJARAT INDUSTRIAL DEVELOPMENT CORPORATION:

The Gujarat Industrial Development Corporation (GIDC) is the nodal agency building the industrial backbone of the state. With a huge land bank, it provides sustainable infrastructure with a long term perspective. It works cohesively with all State departments to minimize turnaround time of setting up projects. GIDC is all set to accelerate growth by developing Investment Regions.

The Gujarat Industrial Development Corporation is a public sector undertaking body established by Government of Gujarat. Its motto is to develop industrial infrastructure by acquiring appropriate land in the state. There were approved 257 industrial estates at the end of year 2008-09. The corporation has approved 8 new proposals for industrial estates at the end of 2009-10. Further, the corporation has decided to expand 2 existing industrial estates and also decided to drop 3 industrial estates. The corporation is active for balanced and speedy industrial growth in the state. The corporation has decided to develop infrastructure in underdeveloped areas for the economical activities and corporation has also decided to develop industrial estate in tribal area. For the development of industrial estates, the corporation has acquired about 32687 hectares of land at the end of the year 2009-10 (November-2009).

SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA:

In response to the long standing demand of the small scale sector in India, Small Industries Development Bank of India (SIDBI) was set up by an Act of parliament as an apex institution for promotion, financing and development of industries in the small scale sector and for co-ordinating the functions of other institutions engaged in similar activities. It commenced its operations on April, 1990. SIDBI is operating through its head office at Lucknow and a network of 5 regional offices and 33 branch offices in all the states.

GUJARAT POLLUTION CONTROL BOARD:

The requirement of sustainable development entails the need to tighten the pollution control measures and environmental safety in the state. The chemical and petroleum industry along with dyes, intermediates and pharmaceuticals triggered the industrial transformation of the state in the 70s and 80s. Since most of the laws relating to pollution control and environmental safety came in to force in the 80s. In order to comply with the legal provisions as also the standards prescribed by Gujarat Pollution Control Board, the state has contemplated a number of measures like supporting the setting up of common effluent treatment plants in industrial, facilities for collection and disposal of effluents and hazardous wastes in such clusters, Tightening the implementation of laws, strengthening the machinery of Gujarat Pollution Control Board.

GUJARAT INFRASTRUCTURE DEVELOPMENT BOARD:

Gujarat Infrastructure Development Board (GIDB) implements infrastructure development in the State. Overall planning, co-ordination between various sector specific departments and monitoring projects are the focus areas of GIDB. On the anvil are Special Investment Regions being provided for accelerating the growth of various industries.

CENTRE FOR ENTREPRENEURSHIP DEVELOPMENT:

In the year 1969, the premier state level development Corporations of Gujarat, GIIC-GIDC-GSFC & GSIC realised the need for training and developing potential small entrepreneurs in a systematic manner. The pioneering activity was initiated in April 1970 by a cell specially created for the purpose with GIIC and later on as an autonomous body. Centre For Entrepreneurship Development was registered under the Societies Act and Public Trust Act in May 1979. CED is managed by a governing body headed by the State Industries Commissionerate. Entrepreneurship Development is essentially a human resource development activity encompassing motivation, knowledge, skills, competencies and other similar qualities and personality traits. The Centre organises the following programmes and imparts training to around 2000 beneficiaries every year.

1. Entrepreneurship Development programme for new entrepreneurs.
2. Skill formation programmes for educated youth.
3. Management appreciation programmes for existing entrepreneurs.
4. Entrepreneurship awareness programmes for students of educational institutions.
5. Training in business administration courses.
6. Training to Trainers programme.

INDUSTRIAL EXTENSION BUREAU (iNDEXTb):

Industrial Extension Bureau was set up in 1978, popularly known as 'iNDEXTb' serves as a co-ordinating agency between the entrepreneurs on the one hand and the government authorities, on the other. The main role is acting as a single point contact for the investment promotion both in industrial and infrastructure projects. iNDEXTb caters monitoring implementation of all industrial approvals through a computerised system. It also extends assistance to small scale units for technology upgradation acting as single point contact. Its international division caters to the specific needs of NRI entrepreneurs in the state. The technical wing of the bureau identifies new investment industry groups. iNDEXTb has published following status reports in the recent past :

1. Engineering Industry-Export Potential
2. Pharmaceutical Industry in India
3. Crimping and Texturising industry in India-capacity assessment
4. Gujarat Directory of Manufactures
5. Mineral Resources of Gujarat and potentiality of Mineral based industries
6. Handbook of Mineral Processing & Mining Machinery
7. Prospects for Export oriented Granite units in Gujarat
8. Prospects for Bentonite based industries in Gujarat
9. Scope for Bauxite based industries in Gujarat
10. Potentialities of Ceramic projects

INDO GERMAN TOOL ROOM (IGTR):

Indo German Tool Room, Ahmedabad was established under technical co-operation programme between govt. of India and Germany as a govt. Of India society. The management of affairs of the society rests with the governing council Constituted by govt. of India. Additional Secretary and Development Commissioner, small scale industries , Govt. of India is the president of the society and chairman of governing council.

Main Functions:

To provide Technical advisory and consultancy services for existing and planned small scale and ancillary industrial units in the areas of designing , developing and manufacturing tools, dyes, moulds, jigs., jugs, fixtures, metal casting and related items, production, planning, utilisation and repair and maintenance of these items.

1. To provide service facilities at the Tool Room for designing, developing, manufacturing and repairing the products mentioned in its sub-clause(I) in so far as such requirements cannot be met elsewhere.
2. To provide training for tool makers and others engaged in occupations related to the field mentioned in its sub-clause(II) at the Tool Room and in service training of such kind for staff of small scale and ancillary units, if so required and demanded, without distinction.
3. To promote, advise, support, encourage and assist training activities in small scale and ancillary units and to provide in-plant training oriented services to such units in the field mentioned under sub-clause(if so required and demand without distinction).

MICRO SMALL MEDIUM ENTERPRISES-DEVELOPMENT INSTITUTE:

MSME-Development Institute, Ahmedabad is a Field Agency of MSME-Development Organisation under the Development commissioner, Micro_Small & Medium Enterprises (DC,MSME),New Delhi .The office of the DC(MSME) is an apex body and is the nodal agency for formulating ,coordinating and monitoring policies and programmes for promotion and development of Micro,Small & Medium Enterprises in the country. The MSME-DI ,Ahmedabad provides a wide range of extension services to the MSME in the state of Gujarat through main institute at Ahmedabad and two branch institutes at Rajkot and Silvassa.

Technical Consultancy Services:

1. Prepare model project profiles, Feasibility Reports, Technical Guides, Technology Transfer Documents etc.
2. Prepare Project/Appraisal Reports at the request of entrepreneurs or financial institutions.
3. Provide Technical Advice for proper selection of Machinery & Equipment, Manufacturing Process, use of appropriate Raw Materials, Plant Layout etc. Alongwith information on feasibilities & incentives available for MSME, including formalities involved in setting up industry.

Economic Information services:

1. Help the entrepreneurs by informing them about latest circulars relating to policy matters through personal contacts, MSME Newsletter, Seminars and Workshops.
2. Prepare Area survey Reports to highlight the industrial potentialities based on resources and market available in the area.

Industrial Management & Training Services:

1. To Organise Industrial Motivational Campaign to motivate young entrepreneurs for setting up small scale enterprise.
2. To Conduct Industrial Management Courses on Various Subject.
3. To Conduct Entrepreneurship Development And Skill Development Programme including process cum product Development Programme for educated unemployed youths covering various aspects for setting up of new enterprise to create self-employment.

Marketing assistance to SSI :

1. Helping The Micro & Small Scale Units to get registered with National small Industries Corporation(NSIC) for participation in the govt. Stores Purchase Programme(GSPP) under single point Registration Scheme.
2. Recommending to NSIC for issue of Competency Certificate in favour of Micro & Small Scale units for executing Govt. Orders.

ISO 9000/14000 Certification:

The Institute Conducts Seminars/Training programme to bring awareness among Entrepreneurs for Quality Upgradation, Quality Management system etc. The Institute reimburse Micro & SSI units @ 75% of the eligible cost or Rs.75000/- whichever is less for obtaining ISO 9000/14000 certification.

Pollution Control/Waste Minimisation:

The Institute organises Awareness Programme/workshop on Waste Minimisation , Pollution Control& Cleaner Production for the Industry.

Energy Conservation:

Conduct Seminars/workshop for awareness on Energy Conservation /saving and also to conduct energy audits with the help of other agencies.

Vendor Development programme:

- 1) Identify potential items for the development in micro & small scale sector in consultation with Large and Medium Scale establishments for the purpose of Vendor development.
- 2) To organise Buyer-seller Meets/Vendor Development Programme & industrial Exhibition to provide marketing support to Micro & Small Scale Sector.

CHAPTER –IX

IDENTIFICATION OF NEW INDUSTRIES

DESCRIPTION OF VARIOUS INDUSTRIE AS PER NIC CODE LIST:

CODE	DESCRIPTION AS PER NIC 2004
01405	Cotton ginning, cleaning and baling
05012	Fishing on commercial basis in inland waters.
11101	Off shore extraction of petroleum
11103	Off shore extraction of natural gas
11201	Services incidental to off shore oil extraction
11203	Services incidental to off shore gas extraction
11204	Services incidental to on shore gas extraction
15111	Mutton-slaughtering,
15116	Processing and canning of meat
15132	Artificial dehydration of fruit and vegetables
15134	Manufacturing of fruit/vegetable juices and their concentrates, squashes and powder
15135	Manufacture of sauces, jams, jellies and marmalades
15136	Manufacture of pickles, chutneys, murabbas etc.
15141	Manufacture of hydrogenated oils and vanaspati ghee etc.
15201	Manufacture of milk powder, ice-cream powder and condensed milk except baby milk foods
15203	Manufacture of butter, cream, ghee, cheese and khoya etc.
15204	Manufacture of pasteurized milk whether or not in bottles/ polythene packs etc. (plain or flavoured)
15205	Manufacture of ice-cream and kulfi etc.
15311	Flour milling
15312	Rice milling
15313	Dal milling
15318	Manufacture of other readymade mixed powders like idli, gulabjamun etc.
15321	Manufacture of starch
15323	Manufacture of glucose & glucose syrup, maltose
15331	Manufacture of cattle feed
15332	Manufacture of poultry feed
15412	Manufacture of biscuits, cakes and pastries
15421	Manufacture and refining of sugar (vacuum pan sugar factories)
15422	Manufacture of `gur'from sugar cane
15424	Manufacture of `khandsari' sugar from sugar cane
15428	Manufacture of molasses
15432	Manufacture of sugar confectionery (except sweetmeats)
15440	Manufacture of marconi, noodles, couscous and similar farinaceous products
15541	Manufacture of aerated drinks
15543	Manufacture of mineral water
15544	Manufacture of ice
15545	Manufacture of soft drinks
15492	Coffee curing, roasting, grinding and blending etc. including manufacture of instant coffee, chicory and other coffee substitutes, essence of concentrates of coffee.
15494	Manufacture of malted foods including food for infants and invalids
15495	Grinding and processing of spices
15496	Manufacture of papads, appalam and similar food products
16003	Manufacture of cigarette and cigarette tobacco
16004	Manufacture of snuff
16006	Manufacture of `zarda'
16007	Manufacture of catechu (katha) and chewing lime
17111	Preparation and spinning of textile fiber including weaving of textiles (excluding khadi/handloom)
17114	Preparation and spinning of man-made fiber including blended* man-made fiber.
17115	Weaving, manufacture of cotton and cotton mixture fabrics.
17116	Weaving, manufacture of silk and silk mixture fabrics.
17117	Weaving, manufacture of wool and wool mixture fabrics.
17118	Weaving, manufacturing of man-made fiber and man-made mixture fabrics.
17121	Finishing of cotton and blended cotton textiles.
17122	Finishing of silk and blended silk textiles.
17123	Finishing of wool and blended wool textiles.

CODE	DESCRIPTION AS PER NIC 2004
17124	Finishing of man-made and blended man-made textiles.
17126	Activity related to screen printing
17132	Weaving of cotton khadi
17133	Weaving of cotton textiles on handlooms
17135	Weaving of woolen and silk khadi
17136	Weaving of wool and silk on handlooms
17137	Weaving of artificial/synthetic textile fabrics on handlooms
17141	Bleaching, dyeing and finishing of cotton cloth and yarn by hand printing of cloth by hand
17145	Bleaching, dyeing, printing and finishing of artificial/synthetic textile fabrics by hand
17211	Manufacture of curtains, bed-covers and furnishings.
17214	Manufacture of bedding, quilts, pillows, cushions and sleeping bags (manufacture of coir foam mattresses and pillows is classified in class 3610)
17215	Manufacture of tarpaulin
17221	Manufacture of blankets shawls
17233	Manufacture of coir rope and cordage
17241	Embroidery work by hand
17242	Zari work by hand
17243	Making of laces and fringes by hand
17291	Embroidery work and making of laces and fringes other than by hand
17292	Zari work and making of other ornamental trimmings other than by hand
17295	Manufacture of made-up canvas goods such as tents and sails etc.
17296	Manufacture of wadding of textile materials and articles of wadding such as sanitary towels and tampons
17298	Manufacture of waterproof textile excluding Tarpaulin.
17301	Manufacture of knitted and crocheted cotton textile products
17302	Manufacture of knitted and crocheted woolen textile products
17303	Manufacture of knitted and crocheted synthetic textile products
18101	Manufacture of all types of textile garments and clothing accessories
18102	Manufacture of rain coats of waterproof textile fabrics or plastic sheeting
18104	Manufacture of wearing apparel of leather and substitutes of leather
18202	Manufacture of wearing apparel of fur and pelts
18204	Embroidering and embossing of leather articles
17214	Manufacture of bedding, quilts, pillows, cushions and sleeping bags (manufacture of coir foam mattresses and pillows is classified in class 3610)
17215	Manufacture of tarpaulin
19112	Tanning and finishing of sole leather
19115	Chrome tanning of leather
19116	Finishing of upper leather, lining leather and garment leather etc.
19121	Manufacture of travel goods like suitcases, bags and hold alls etc.
19122.	Manufacture of purses and other ladies handbags, artistic leather presented articles and novelties etc.
19123	Manufacture of saddlery and harness
19201	Manufacture of footwear (excluding repair) except of vulcalized or moulded rubber or plastic.
19202.	Manufacture of footwear made primarily of vulcalized or moulded rubber and plastic. This class includes manufacture of rubber footwear, plastic & PVC, canvas -cum-rubber/plastic footwear etc. including sports footwear.
20101	Sawing and planning of wood (other than plywood)
20211	Manufacture of plywood and veneer sheets
20212	Manufacture of flush doors and other boards or panels
20232	Manufacture of plywood chests
20233	Manufacture of market basketry, grain storage bins, ration baskets including baskets made-up from rachis (toddy tree) and similar product made from bamboo and reed etc.
20239	Manufacture of other wooden containers and products made entirely or mainly of cane, rattan, bamboo, willow, fibres, leaves and grass n.e.c.
20291	Manufacture of wooden industrial goods
20293	Manufacture of bamboo and cane article and fixture of bamboo, cane, reed and grass products (thatching etc.)
20295	Manufacture of wooden agricultural implements
20296	Manufacture from cane and bamboo of shopping bags, ornament boxes, costume articles, trays, table lamps, fancy baskets, table mats, tumbler and vessel holders and other household utilities
21012	Manufacture of paper incl. Printing & writing paper
21013	Manufacture of newsprint
21014	Manufacture of packaging paper
21015	Manufacture of paper board and straw board

CODE	DESCRIPTION AS PER NIC 2004
21021	Manufacture of sacks & paper bags
21022	Manufacture of card board boxes
21023	Manufacture of corrugated fiber board containers
21024	Manufacture of corrugated paper board
22190	Other publishing [includes publishing of photos and postcards, greeting cards, time-tables, forms, posters or other printed matters.]
22211	Printing but not publishing of newspapers
22219	Printing and allied activities like screen printing other than textile, n.e.c.
22221	Engraving, etching and block making etc.
22222	Book binding on account of others
23201	Production of liquid or gaseous fuels, illuminating oils, lubricating oils or greases or other products from crude petroleum or bituminous minerals
23202	Manufacture of paraffin wax
23203	Bottling of LPG
23209	Manufacture of other petroleum products n.e.c. (includes manufacture of petroleum jelly, micro-crystalline petroleum wax, slack wax, ozokerite, lignite wax, petroleum coke, petroleum bitumen and other residues of petroleum oils or of oils obtained from bituminous minerals.
24111	Manufacture of industrial gases (includes manufacture of elemental gases, liquid or compressed air, acetylene refrigerant gases and mixed industrial gases etc.)
24113	Manufacture of tanning or dyeing extracts; tannings and their derivatives and colouring matter
24114	Manufacture of dyes (includes manufacture of such dyes and colouring matters which are for final use by household/industrial/institutional consumers, manufacture of special dyes used in laboratories e.g. to colour microscopic preparations is also included)
24115	Manufacture of turpentine and resins of vegetable origin
24121	Manufacture of nitric acid, ammonia, commercial ammonium chloride, nitrates of potassium and other basic chemicals of nitrogenous fertilizer industry
24122	Manufacture of straight inorganic fertilizers
20232	Manufacture of plywood chests
20233	Manufacture of market basketry, grain storage bins, ration baskets including baskets made-up from rachis (toddy tree) and similar product made from bamboo and reed etc.
20239	Manufacture of other wooden containers and products made entirely or mainly of cane, rattan, bamboo, willow, fibres, leaves and grass n.e.c.
20291	Manufacture of wooden industrial goods
24124	Manufacture of mixed, compound or complex fertilizers
24131	Manufacture of synthetic rubber in primary forms
24211	Manufacture of insecticides, fungicides and weedicides
24221	Manufacture of prepared pigments, prepared pacifiers and prepared colours, vitrifiable enamels and glazes enrobes and similar preparations of a kind used in the ceramic, enameling or glass industry
24222	Manufacture of paints, varnishes and similar coatings,
24223	Manufacture of printing ink (manufacture of writing or drawing ink is classified in sub-class 24299)
24231	Manufacture of chemical substances used in the manufacture of pharmaceuticals: antibiotics, endocrine products, basic vitamins; opium derivatives; sulpha drugs;
24232	Manufacture of allopathic pharmaceutical preparations
24233	Manufacture of 'ayurvedic' or 'unani' pharmaceutical preparation
24234	Manufacture of homoeopathic or biochemical pharmaceutical preparations
24235	Manufacture of veterinary preparations
24236	Manufacture of surgical dressings, medicated wadding, fracture bandages, catgut and other prepared sutures
24241	Manufacture of soaps all types (includes medicated soap, household soaps, rosin, naphthenate soaps and industrial soaps)
24242	Manufacture of waxes & polishes (includes manufacture of artificial waxes, prepared waxes; polishes and creams for footwear, furniture, floor, coachwork, glass or metals and scouring-pastes/powders and similar preparations)
24244	Manufacture of perfumes and cologne de-eau
24245	Manufacture of preparations for oral or dental hygiene (includes manufacture of tooth pastes, tooth powder, mouth wash, oral, perfumes, dental fixative pastes and powders etc.)
24246	Manufacture of cosmetics and toileteries (includes manufacture of pre-shave, shaving or after shave preparations; personal deodorants and anti-respirants; perfumed bath salts and other bath preparations; beauty or make-up preparations and preparations for the care of the skin, other than medicaments; manicure and pedicure preparations etc.)
24247	Manufacture of hair oil, shampoo, hair dye etc. (includes manufacture of shampoos, hair sprays, hair fixers, hair oils, hair creams, hair dyes and bleaches and preparations for permanent waving or straightening of the hair etc.)
24248	Manufacture of "Agarbatti" and other odoriferous preparations which operate by burning
24291	Manufacture of matches
24292	Manufacture of explosive, ammunition and fire works
24298	Manufacture of processed salt
25111	Manufacture of tyres and tubes for motor vehicle, tractors and aircrafts

CODE	DESCRIPTION AS PER NIC 2004
25112	Manufacture of tyres and tubes for motor cycles, scooters and three-wheelers
25113	Manufacture of tyres and tubes for cycles & cycle rickshaws
25114	Retreading of tyres; replacing of tread on used pneumatic tyres
25191	Manufacture of rubber plates, sheets, strips, rods, tubes, pipes, hoses and profile-shapes etc.
25192	Manufacture of rubber conveyer or transmission belts or belting
25193	Manufacture of rubber contraceptives
25194	Manufacture of rubber balloons
25201	Manufacture of semi -finished products of plastics
25202	Manufacture of packing products of plastics (except household)
25203	Manufacture of bathing tubs, wash-basins, lavatory pans and covers, flushing cisterns and similar sanitary-ware of plastics
25204	Manufacture of travel goods of plastics (suitcase, vanity bags, holdalls and similar articles)
25205	Manufacture of spectacle frames of plastic
25206	Manufacture of moulded industrial accessories of plastics [including electrical insulating fittings of plastics]
25207	Manufacture of tableware, kitchenware and other household articles and toilet articles of plastic, including manufacture of vacuum flasks and other vacuum vessels
25208	Manufacture of plastic headgear (helmets)
26101	Manufacture of glass in primary and semi manufactured forms (such as sheets & plates) including mirror sheets and wired, colored, tinted, toughened or laminated glass
26103	Manufacture of hollow glassware
26105	Manufacture of table and kitchen glassware
26911	Manufacture of articles of porcelain or china, earthenware, imitation porcelain or common pottery
26913	Manufacture of ceramic tableware and other articles
26915	Manufacture of ceramic insulators and insulating fittings for electrical machines, appliances and equipments
26921	Manufacture of refractory bricks, blocks, tiles and similar refractory ceramic constructional goods
26922	Manufacture of refractory cements; ceramic products that can withstand the high temperature encountered in metallurgical operations; retorts, crucibles, muffles,
26931	Manufacture of bricks
26932	Manufacture of non-refractory ceramic pipes, conduits, and guttering pipe fittings
26933	Manufacture of ceramic building material, other than bricks: flooring blocks, roofing tiles, wall tiles (whether or not glazed), flags and paving, mosaic cubes etc.
26941	Manufacture of cement in the form of clinkers
26942	Manufacture of Portland cement, aluminous cement, slag cement and similar hydraulic cement, except in the form of clinkers
26943	Manufacture of asbestos cement
26953	Manufacture of asbestos sheets
26954	Manufacture of R.C.C. bricks and blocks
26955	Manufacture of concrete tiles
26956	Manufacture of Hume pipes and other pre-fabricated structural components of cement and/or concrete for building or civil engineering
26960	Cutting, shaping and finishing of stone [includes cutting, shaping and finishing stone for use in construction, in cemeteries, on roads, as roofing and in other applications]
27110	Manufacture of Ferro alloys.
27120	Manufacture of Direct Reduced Iron (DRI)/Sponge Iron and other spongy ferrous products.
27130	Manufacture of Pig Iron (hot metal).
27141	Manufacture of semi -finished non ally steel of these shapes
27142	Manufacture of semi -finished alloy steel of these shapes
27143	Manufacture of semi -finished stainless steel of these shapes
27151	Manufacture of alloy-steel of these shapes
27152	Manufacture of non-alloy steel of these shapes
27153	Manufacture of stainless steel of these shapes
27161	Manufacture of non-alloy steel hot rolled flat products (including plates, sheets, strips, wide coils)
27162	Manufacture of alloy steel hot rolled flat products (including plates, sheets, strips, wide coils)
27163	Manufacture of stainless steel hot rolled flat products (including plated sheets, strips, wide coils)
27164	Manufacture of non-alloy steel cold rolled flat products (including sheets, strips, wide coils, TMBP)
27165	Manufacture of alloy steel cold rolled flat products
27172	Manufacture of Tinplate
27181	Manufacture of non-alloy steel wires
27182	Manufacture of alloy steel wires
27183	Manufacture of stainless steel wires
27184	Manufacture of wires coated with zinc or other materials
27201	Manufacturing of Copper (includes basic processing, smelting, refining for production of base metal; its further rolling, drawing and extruding; and production of powders or flakes, foil, plates, sheets or strip, bars, rods, profiles, wires, tubes, pipes and tube or pipe fittings)

CODE	DESCRIPTION AS PER NIC 2004
27202	Manufacturing of Brass (includes the making of brass and its further rolling, drawing and extruding; and production of powders or flakes, foil, plates, sheets or strip, bars, rods, profiles, wires, tubes, pipes and tube or pipe fittings)
27203	Manufacturing of Aluminum (includes basic processing, smelting, refining for production of base metal; its further rolling, drawing and extruding; and production of powders or flakes, foil, plates, sheets or strip, bars, rods, profiles, wires, tubes, pipes and tube or pipe fittings)
27310	Casting of iron and steel
27320	Casting of non-ferrous metals
28111	Manufacture of doors, windows and their frames, shutters and rolling shutters ; fire escapes, gates and similar articles of iron or steel used on buildings
28112	Manufacture of fabricated structural products of iron or steel: bridges and bridge parts, towers, masts, columns, girders, trusses, arches, sluice gates, piers and jetties. Erection of the structures from self-manufactured parts is included
28113	Manufacture of fabricated structural products of metal other than of iron or steel
28121	Manufacture of containers of metal for compressed or liquefied gas such as gas cylinders
28122	Manufacture of tanks, reservoirs and similar containers
28123	Manufacture of central heating boilers, radiators and its parts and accessories
28128	Repair and maintenance of tanks, reservoirs and containers of metal
28131	Manufacture of steam or other vapor generating boilers and hot water boilers other than central heating boilers
28133	Manufacture of auxiliary plant for use with boilers, such as economizers, super heaters, steam collectors and accumulators; soot removers, gas recoverers and sludge scrapers and their parts and accessories
28138	Repair and maintenance of steam generators, except central heating hot water boilers
28910	Forging, pressing, stamping and roll-forming of metal; powder metallurgy
28931	Manufacture of metal articles in and about the house: knives and knife blades; other articles of cutlery; including cleavers and choppers, razors and razor blades, scissors, hair clippers and nail clippers; spoons, forks, ladles, skimmers, fish knives, tongs and other articles for use at table or in the kitchen
28932	Manufacture of tools of a kind used in agriculture, horticulture or forestry; of a kind used in carpentry, cabinet work or other wood work; of a kind used for mechanical assembly work; of a kind used in sheet metal work; and in other trades
28939	Manufacture of general hardware n.e.c.
28991	Manufacture of metal fasteners (nails, rivets, tacks, pins, staples, washers and similar non-threaded products and nuts, bolts, screws and other threaded products); springs including semi-finished springs for all purposes other than watch springs; metal chains (other than power transmission chains) and weights and measures
28992	Manufacture of containers used for packing or conveyance of goods: casks, drums, pails, cans, boxes etc. (manufacture of railway and ship containers used in container-traffic is classified 3420)
28993	Manufacture of reinforced safes, vaults, strong room doors and gates and the like
28994	Manufacture of metal sanitary ware, including baths, sinks, wash basins, and other metal sanitary and toilet articles, whether or not enamled
28996	Manufacture of hollow-ware, dinnerware or flatware whether or not of base metal plated with precious metal; fry pans, sauce pans, and other metal cooking utensils
28997	Manufacture of pressure cookers and other small hand operated kitchen appliances used in preparation, conditioning or serving of food
28998(A)	Repair and maintenance of other fabricated metal products n.e.c.
29111	Manufacture of steam engines and turbines
29112	Manufacture of reciprocator or rotary spark-ignition or compression-ignition internal combustion piston engines for use in moving or stationary applications
29113	Manufacture of parts and accessories of engines and turbines.
29118	Repair and maintenance of engines and turbines, except aircraft, vehicle and cycle engines
29119	Manufacture of other movers n.e.c. hydraulic turbines, water wheels and their regulatory machinery; gas turbines for marine propulsion or for use as prime movers of electric generators or pumps; boiler-turbine set or a stationary steam engine with integral boiler.
29121	Manufacture of pumps, compressors, taps and valves
29128	Repair and maintenance of pumps, compressors, taps and valves
29131	Manufacture of bearings, gears, gearing and driving elements
29138	Repair and maintenance of bearings, gears, gearing and driving elements
29141	Manufacture of non-electric furnaces and ovens for roasting, melting or other heat treatment of ores, pyrites, non-metallic minerals, metals or other materials; manufacture of mechanical stokers, mechanical grates, mechanical ash dischargers and similar appliances
29142	Manufacture of electric furnaces or ovens, including induction or dielectric furnaces and ovens including incinerators and industrial heaters
29148	Repair and maintenance of ovens, furnaces and furnace burners
29149	Manufacture of other ovens, furnaces and furnace burners n.e.c.
29151	Manufacture of lifting and handling equipment
29158	Repair and maintenance of lifting and handling equipment

CODE	DESCRIPTION AS PER NIC 2004
29191	Manufacture of refrigerators or freezing equipment for commercial and other non-household purposes and assemblies of their major components e.g. compressors and condensers mounted on a common platform even though motor, evaporator or cabinet is missing;; furniture designed to accommodate refrigeration of freezing equipment.
29192	Manufacture of domestic air-conditioners.
29193	Manufacture of fire extinguishers and other equipment for projecting, dispersing or spraying liquids or powders whether or not hand-operated, including sand blasting machines, stream cleaning machines etc.
29194	Manufacture of centrifuges machinery for liquids and gases, other than cream separators\ or clothes dryers
29195	Manufacture of packing and wrapping machinery including machines which perform one or more of such functions as filling, closing, sealing, capsuling or labeling containers such as bottles, cans, boxes or bags; machinery for cleaning or drying bottles or other containers or for aerating beverages.
29196	Manufacture of weighing machinery other than sensitive laboratory balances: household and shop scales, portable or mobile platform scales, scales for continuous weighing of goods, scales for weighing a continuous flow of liquid, weigh bridges and so forth, including weighing machinery incorporating calculators etc.
29197	Manufacture of filtering and purifying machinery or apparatus for liquids and gases
29198	Manufacture of distilling and rectifying plants; heat exchangers; machinery for liquefying air or gas; producer gas or water gas and acetylene gas generators.
29198 (A)	Repair and maintenance of other general purpose machinery
29199	Manufacture of other general purpose machinery: fans intended for industrial applications, exhaust hoods for commercial, laboratory or industrial use; calendaring or other rolling machines other than for metals or glass; gaskets and similar joints made of a combination of materials or layers of the same material and other general purpose machinery n.e.c., including manufacture of parts and accessories for general purpose machinery and equipment.
29211	Manufacture of tractors, harvesters and other heavy machinery for use in agricultural and forestry(manufacture of over-the-road tractors for semi -trailers is classified in class 3410)
29212	Manufacture of light agricultural and forestry machinery and equipment other than
29214	forage press: ploughs, harrows, weeders, hoes, seeders, manure spreaders, thinners etc.
	Manufacture of parts and accessories for agricultural and forestry machinery and equipment
29218	Repair and maintenance of agricultural and forestry machinery
29221	Manufacture of automatic capstans and turrets and lathes
29222	Manufacture of boring, broaching, drilling and threading machines
29223	Manufacture of milling, planing, shaping, gear cutting and slotting machines
29224	Manufacture of grinding, lapping, honing and polishing machines
29225	Manufacture of sawing, contour sawing, filling and cut-off machines
29228	Repair and maintenance of machine-tools
29231	Manufacture of machinery for metallurgy: converters, ingot moulds, ladles and casting machines; metal rolling mills and rolls for such mills
29238	Repair and maintenance of machinery for metallurgy: converters, ingot moulds, ladles and casting machines; metal rolling mills and rolls for such mills
29241	Manufacture of lifting and handling machinery specially designed for use underground
29242	Manufacture of boring and sinking machinery
29243	Manufacture of machinery for treating minerals by screening, sorting, separating or similar processes
29244	Manufacture of bulldozers, angle-dozers and other earth moving machinery; manufacture of pile drivers, pile excavators and compacting machinery
29245	Manufacture of track-laying tractors used in construction or mining
29246	Manufacture of parts and accessories for machinery/equipment used by construction and mining industries
29248 (A)	Repair and maintenance of machinery for mining, quarrying and construction
29251	Manufacture of machinery for dairy industry and for processing of meat
29253	Manufacture of machinery chiefly employed by grain milling industry and for the oil mills: machinery to clean
29254	Manufacture of machinery for manufacture of sugar and for manufacture of bakery and confectionery products
29255	Manufacture of machinery for manufacture of fruit/vegetable juices, malt liquors and alcoholic beverages including machinery for processing vegetables
29256	Manufacture of parts and accessories of machinery for industrial preparation or manufacture of food or drink.
29258	Repair and maintenance of machinery for food, beverage and tobacco processing
29261	Manufacture of machinery for preparation of textile fibers upto spinning stage and other similar machines, including ginning machinery.
29262	Manufacture of spinning machines for preparing textile yarns for weaving knitting
29264	Manufacture of machinery for washing, bleaching, dyeing, dressing, finishing coating or impregnating textile yarns, fabrics or made up apparel,; machines for applying paste to the base fabric or other support used in the manufacture of linoleum or similar floor coverings; machines for reeling, unreeling, folding, cutting or pinking textile fabrics.
29265	Manufacture of sewing and knitting machines: sewing machines of all types (including those for household use) and its heads.
29266	Manufacture of machinery for preparing, tanning or working hides, skins and leather; machinery for making or repairing footwear or other articles of hides, skins, leather of fur skins.
29267	Manufacture of laundry-type washing and drying machines and dry-cleaning machines; ironing machines including fusing presses, (manufacture of centrifugal clothes dryers is classified in class 2929)

CODE	DESCRIPTION AS PER NIC 2004
29268	Manufacture of accessories and parts of all types of machinery for textile, apparel and leather production.
29268(A)	Repair and maintenance of machinery for textile, apparel and leather production
29291	Manufacturing of machinery for working rubber or plastics or for manufacturing of products of these materials.
29292	Manufacture of machinery for producing tiles, bricks, shaped ceramic pastes, pipes, graphite electrodes, blackboard chalk, and foundry moulds etc.
29293	Manufacture of machinery for pulp, paper and paper board industries machinery for producing paper of a given size or shape or for producing articles such as envelopes, bags, boxes or cartons.
29294	Manufacture of printing machinery (presses, screen printers and other special printing machines), type-founding machinery; typesetting machinery; machines for photo-type setting and composing machines; blocks, plates and cylinders and other printing components; book binding machinery and machines for uses ancillary to printing (stockers, feeders, folders, gummers, staplers)
29295	Manufacture of molding boxes for metal foundry; mould bases; molding patterns, mould for metals (other than ingot moulds); metal carbides, glass, mineral materials, rubber or plastics and other parts special purpose machinery, not elsewhere classified.
29296	Manufacture of cement machinery
29297	Manufacture of pharmaceutical and chemical machinery
29298	Manufacture of centrifugal cloth dryers, machines to assemble electric or electronic lamps, tubes or bulbs in glass envelopes; machines for production of hot-working of glass or glassware; machinery for isotopic separation
29298(A)	Repair and maintenance of other special purpose machinery
29301	Manufacture of oil stoves, hurricane lanterns and oil pressure lamps
29302	Manufacture of gas stoves, cooking ranges and other similar appliances
29303	Manufacture of electric fans
29304	Manufacture of vacuum cleaners and other electro-mechanical domestic appliances with self-contained electric motors, such as food processors and juice extractors etc.
29305	Manufacture of electro-thermal domestic appliances such as immersion water heaters, hot-plates, geysers; electro-thermal hair dressing appliances; electric irons and electric/electronic cooking appliances (ovens, micro-wave ovens, cookers, hot plates, toasters, coffee or tea makers etc.)
29306	Manufacture of domestic refrigerators/freezers
29307	Manufacturing of items based on solar energy like solar cookers, air/water heating system etc. except cell.
29308	Manufacture of other electric domestic appliances n.e.c. : dishwashers, household type laundry equipment, electric razors including parts and accessories for electrical domestic appliances
29309	Manufacture of other (non-electric) domestic appliances n.e.c. and part and accessories for electrical and non-electric domestic appliances
30003	Manufacture of hand-held or desk-top calculating machines; other calculators; accounting machines, cash registers, postage franking machines, ticket issuing machines and similar machines incorporating a calculating device.
30006	Manufacture of complete digital systems comprising a central processing unit, an input unit and an output unit; digital systems which include peripheral units such as additional input/output units, additional storage units etc
30009	Manufacture of automatic data processing machines and other computing machinery, including parts and accessories for computing machinery n.e.c.
31101	Manufacture of generators/generating sets
31102	Manufacture of transformers of all sizes and types & rewinding of electric motors
31103	Manufacture of electric motors : universal AC/DC motors and DC motors or generators
31104	Manufacture of converters all types (including inverters)
31108	Repair and maintenance of electric motors, generators and transformers
31109	Manufacture of all types of rectifiers, battery charges, inductors etc. n.e.c
31300	Manufacture of insulated wire and cable [insulated (including enamelled or anodized) wire, cable (including coaxial cable) and other insulated conductors; insulated strip as is used in large capacity machines or control equipment; and optical fiber cables]
31401	Manufacture of electric accumulators: lead-acid, nickel-cadmium, nickel-iron or other accumulators
31402	Manufacture of primary cells and primary batteries: cells containing manganese oxide, mercuric oxide, silver oxide or other material
31403	Manufacture of parts and accessories such as separators, containers, etc.
31404	Re-charging/re-conditioning of batteries
31501	Manufacture of electric filament lamps including manufacture of sealed beam lamp units
31502	Manufacture of ultra-violet or infra -red lamps
31503	Manufacture of discharge lamps, florescent, hot-cathode or other discharge lamps
31504	Manufacture of arc lamps
31505	Manufacture of flash bulbs used in photography
31506	Manufacture of lighting equipment, illuminated signs, illuminated name -plates and the like; flash light; torch; parts of electric lamps and lighting equipment (manufacture of lighting equipment for cycles and motor vehicles is classified in class 3190) parts of electric lamps
31901	Manufacture of electrical ignition or starting equipment of a kind used for spark ignition or compression ignition internal combustion engines; ignition magnetos,
31902	Manufacture of electrical lighting (other than sealed beam lamp units) or signaling including sound signaling equipment specialized for use on cycles and motor vehicles; windscreen wipers and electric defrosters and de-misters

CODE	DESCRIPTION AS PER NIC 2004
31904	Manufacture of electro-magnets; electro-magnetic or permanent magnet chucks, clutches, brakes, couplings, clamps or lifting heads
31905	Manufacture of wiring sets including wiring sets of a kind used in vehicles, aircraft, ships or other machinery
31906	Manufacture of dynamos for cycles and motor-cycles
31907	Manufacture of electric sound or visual signaling apparatus (bells, sirens, indicators panels, burglar or fire alarms etc.)
31908	Carbon or graphite electrodes, carbon brush, lamp carbons, battery carbon with or without metals used for electronic purpose
31908(A)	Repair and maintenance of other electrical equipment n.e.c.
32104	Manufacture of printed circuits i.e. circuits which are made by forming on an insulating base, by conventional or non-conventional printing process, conductor elements, contacts or other printed elements.
32106	Manufacture of electronic integrated circuit and micro-assemblies: monolithic or hybrid and electronic micro-assemblies of moulded module, micro-module or similar types.
32205	Manufacture of reception apparatus for radio-telephony or radio-telegraphy, including apparatus combined with sound recording or reproducing apparatus or a clock
32208	Repair and maintenance of television and radio transmitters and apparatus for line telephony and line telegraphy
32302	Manufacture of reception apparatus for radio broadcasting (includes apparatus with sound recording or reproducing apparatus or a clock).
32308(A)	Repair and maintenance of television and radio receivers, sound or video recording or reproducing apparatus, and associated goods
32309	Manufacture of microphones, loudspeakers, ear-phone, amplifiers, sound amplifier sets and other sound/video reproducing apparatus n.e.c.
33111	Manufacture of apparatus based on the use of X-rays or alpha, beta or gamma radiations, whether or not for use in human or animal medicine. Included is the manufacture of X-ray tubes, high tension generators, control panels, desks, screens and the like
33112	Manufacture of instruments and appliances used in medical, surgical, dental or veterinary practice, including electro-diagnostic apparatus such as electrocardiographs, dental drill engines, ophthalmic instruments including sight testing sets, syringes, needles used in medicine and the like
33113	Manufacture of sterilizers
33114	Manufacture of mechanic-therapy appliances; massage apparatus; artificial respiration or other therapeutic respiratory apparatus; other breathing appliances and gas masks other than simple protective masks
33115	Manufacture of orthopedic appliances including crutches, surgical belts and trusses, orthopedic corsets and shoes; splints and other fracture appliances; appliances worn, carried or implanted (e.g. hearing aids or pace makers etc.)
33116	Manufacture of artificial teeth, artificial limbs and other artificial parts of the body
33121	Manufacture of regulating or controlling instruments and apparatus except industrial process control equipment: thermostats, pressure controllers, level regulators and automatic regulators of electrical quantities
33122	Manufacture of supply meters for electricity, water or gas
33123	Manufacture of sensitive balances and mathematical calculating instruments (e.g. measuring rods and tapes, micrometers, calipers, gauges etc.)
33124	Manufacture of radar apparatus and radio remote control apparatus
33126	Manufacture of navigational, meteorological, geophysical and related instruments and apparatus oceanographic or hydrological instruments; seismometers, rangefinders, automatic pilots, sextants, ultrasonic sounding instruments and special instruments for air navigation
33127	Manufacture of specialised parts and accessories for instruments and apparatus included in this group.
33130	Manufacture of industrial process control equipment [apparatus used for automatic continuous measurement and control of variables such as temperature, pressure, viscosity and the like of materials or products as they are being manufactured or otherwise processed]
33201	Manufacture of optical elements of glass or of any material; prisms and lenses, mirrors constituting optical elements; colour filters, polarizing elements; ophthalmic lenses, including contact lenses; optical fibers and cables of optical fibers not individually sheathed [(manufacture of optical sheathed fibers is classified in class 3130)glass (except mirror glass) and lenses
33202	Manufacture of spectacle frames and frames fitted with lenses, whether or not the lenses are optically worked (e.g. sun glasses, protective glasses and corrective glasses)
33203	Manufacture of optical instruments such as binoculars, monoculars, other optical telescopes and their mountings; optical astronomical instruments; compound
33208	Manufacture of specialized parts and accessories for photographic/cinematographic and optical instruments, n.e.c. (e.g. discharge lamps and other flashlight apparatus, but not flash bulbs; projection screens etc.)
33209	Manufacture of other photographic, cinematographic and optical instruments and apparatus n.e.c.: image projectors, enlargers and reducers including microfilm readers; and apparatus for photographic or cinematographic laboratories)
33301	Manufacture of watches and clocks of all kinds
33302	Manufacture of parts and accessories for watches and clocks: watch and clock cases, including cases of precious metals; watch and clock movements; metal watch straps, watch bands and watch bracelets including those of precious metals; watch and clock springs, jewels, dials, ; and other parts
34101	Manufacture of heavy motor vehicles: buses and vans principally designed for transport of persons

CODE	DESCRIPTION AS PER NIC 2004
34102	Manufacture of motor vehicles for the transport of goods: ordinary lorries, trucks and goods vans; lorries with automatic discharging devices, tankers, drop frame lorries, refuse collectors, etc. ; special purpose motor lorries and trucks e.g. motor breakdown lorries, armoured cars, street sweepers, mobile medical and dental clinics, travelling libraries etc.; also included over-the-road tractors for semi-trailers
34103	Manufacture of motor cars
34104	Manufacture of jeeps and station wagons
34107	Manufacture of compression-ignition or spark-ignition reciprocating or rotary internal combustion engines used to power motor vehicles
34201	Manufacture of bodies (including cabs) designed to be mounted on motor vehicle chassis, bodies for vehicles without chassis and unit construction bodies; bodies for passenger vehicles, lorries and special purpose vehicles; bodies of metal, wood, plastics or combination of these or other material
34202	Manufacture of trailers and semi-trailers designed to be drawn by motor vehicles, including rail-road trailers; parts of trailers and semi-trailers
34203	Manufacture of containers (including the containers for the transport of fluids) specially designed and equipped for carriage by one or more modes of transport
34300	Manufacture of parts and accessories for motor vehicles and their engines [brakes, gear boxes, axles, road wheels, suspension shock absorbers, radiators, silencers, exhaust pipes, steering wheels, steering columns and steering boxes and other parts and accessories n.e.c.]
35111	Making including repair of ships and other vessels drawn by power, whether or not used in passenger/ freight carriages
35113	Building and repairing of non-motorised vessels (i.e. barges), other than pleasure or sporting boats
35114	Manufacture of sections for ships or floating structures.
35121	Manufacture and repair of pleasure and sporting boats drawn by power
35122	Building and repairing of non-motorised pleasure & sporting boats including inflatable boats and rafts.
35123	Manufacture of parts and accessories for pleasure and sporting boats
35203	Manufacture of specialized parts of railway or tramway locomotives or of rolling stock: bogies, axles and wheels, brakes and parts of brakes, hooks and coupling devices, shock absorbers (but not springs), wagon and locomotive frames, bodies and corridor connections
35208	Repair and maintenance of railway and tramway locomotives and rolling stock.
35991	Manufacture of bullock-carts, pushcarts, tongas and hand-carts etc.
35998	Repair and maintenance of other transport equipment.
35303	Manufacture of parts and accessories for aircraft and spacecraft: aircraft launching gear; deck arrestor or similar gear; major assemblies such as fuselages, wings, doors, control surfaces, landing gear and so forth; helicopter rotors etc.; motors and engines of a kind typically found on aircraft and other specialized parts and accessories for aircraft and space craft
35309	Manufacture of other air-craft, space craft and parts n.e.c.
35911	Manufacture of motorcycles (including mopeds) and cycles fitted with and is classified in class 2520)
35912	Manufacture of scooters
35913	Manufacture of three-wheelers
35923	Manufacture of parts and accessories for bicycles, cycle -rickshaws and invalid
36101	Manufacture of furniture & fixtures made of wood, cane & reed
36102	Manufacture of furniture and fixtures primarily of metal
36103	Manufacture of furniture and fixtures, primarily of plastics
36104	Manufacture of coir foam mattresses and pillows etc.
36109	Manufacture of photo frame and other furniture & fixtures n.e.c.
35913	Manufacture of three-wheelers
35923	Manufacture of parts and accessories for bicycles, cycle -rickshaws and invalid
36911	Manufacture of gold jewellery: gold, silver and other precious metal jewellery; precious and semi-precious stone jewellery; gold and silver articles including presentation coins but not the coin used as a legal tender
36912	Diamond cutting and polishing and other gem cutting and polishing
36919	Manufacture of other jewellery and other articles, n.e.c.
36920	Manufacture of musical instruments [this class includes manufacture of keyboard stringed instruments, including automatic pianos, and other stringed instruments, keyboard pipe organs and harmoniums and similar keyboard instruments with free metal reeds, accordions and similar instruments including mouth organs]
36931	Manufacture of carrom boards and tables for billiards, table tennis and other parlour games
36932	Manufacture of billiard sticks, hockey sticks, cricket bats, stumps and other cricket accessories
36933	Manufacture of rackets for badminton, lawn tennis, table tennis etc.
36934	Manufacture of balls including those of billiards
36935	Manufacture of athletic/gymnasium articles and equipment
36941	Manufacture of children's play equipment including toys and toy musical instruments
36942	Manufacture of wooden toys, decoration pieces and wooden lamp stand etc. [including carved wood articles and articles made from coconut shells]
36992	Manufacture of umbrellas, sun umbrellas, walking sticks, seat sticks, whips, riding crops, buttons, press fasteners, snap fasteners, press studs and slide fasteners
36995	Making of candles, tapers and the similar products of wax
36996	Manufacture of imitation jewellery
36997	Manufacture of brooms and brushes; hand operated mechanical floor sweepers, mops and feather dusters; paint pads and rollers; squeezes and other brushes, brooms, mops etc.

CODE	DESCRIPTION AS PER NIC 2004
36998	Manufacture of miscellaneous decorative articles .n.e.c.: articles made from ivory, bones and horns; artificial flowers; garland from natural fresh flowers and other novelties and presentation articles n.e.c.
36999	Manufacture of other miscellaneous products, n.e.c.: roundabouts, swings, shooting galleries and other fairground amusements; tailors' dummies, banners, signboards and other articles n.e.c.
40101	Generation and transmission of electricity: hydro-electric power plants
40102	Generation and transmission of electricity: coal based thermal power plants
40103	Generation and transmission of electricity: oil-based thermal power plants
40106	Generation of solar energy
40107	Generation and distribution of bio-gas energy
40108	Generation of electricity from other non-conventional sources.
40200	Manufacture of gas; distribution of gaseous fuels through mains
41000	Collection, Purification and distribution of water
45201	General constructions (including alteration, addition, repair and maintenance) of residential buildings, carried –out on own-account basis or on a fee or contract basis.
45202	General constructions (including alteration, addition, repair and maintenance) of non-residential buildings, carried –out on own-account basis or on a fee or contract basis.
45203	Construction and maintenance of roads, rail-beds, bridges, tunnels, pipelines, rope-ways, ports, harbours and runways etc.
45204	Construction/erection and maintenance of power, telecommunication and transmission lines
45205	Construction and maintenance of waterways and water reservoirs
45206	Construction and maintenance of hydro-electric projects
45207	Construction and maintenance of power plants, other than hydro-electric power plants
45208	Construction and maintenance of industrial plants other than power plants
45301	Plumbing and drainage
45302	Installation of heating and air-conditioning systems, antennas, elevators and escalators; insulation work (water, heat, sound); and sound proofing systems.
45401	Setting of wall and floor tiles or covering with other materials like parquet, carpets, wall paper etc.
45402	Glazing, plastering, painting and decorating, floor sanding and other similar finishing work
45403	Finish carpentry such as fixing of doors, windows, panels etc. and other building finishing work n.e.c.
45500	Renting of construction or demolition equipment with operator [Renting of machinery and equipment without operator is classified under Division 71]
50404	Maintenance and repair of motor vehicles [including washing and polishing etc.]
55101	Hotels and motels
55102	Inns, Dharmshalas and other places providing short term lodging/ camping facilities open to general public, including those run by religious and charitable organisations (includes provision of short term accommodation in houseboats).
55103	Provision of short term lodging/camping facility to members of a particular organisation (includes government quest/rest/circuit houses, company quest houses and similar establishments)
55104	Operation of dormitories and/or residence halls/hostels at educational institutions for short-stay.
55203	Canteens
55204	Activities of caterers
55205	Operation of dining cars in the railways and other transport facilities when carried on by separate units
60102	Freight railway transport
60211	Land transport other than urban, sub-urban including underground and elevated railways.
60221	Other non-scheduled passenger land transport by motor vehicles
60231	Freight transport by motor vehicles
60232	Freight transport other than by motor vehicles (i.e. by man or animal drawn vehicles such as bullock carts, cycle rickshaws and the like)
60300	Transport via pipelines [Includes transport of gases, liquids, slurry and other commodities via pipelines. Included are the incidental activities like operation of pump stations and maintenance of the pipeline.]
61100	Sea and coastal water transport
61200	Inland water transport
63011	Cargo handling, incidental to land transport
63012	Cargo handling, incidental to water transport
63013	Cargo handling, incidental to air transport
63022	Warehousing of agricultural products with refrigeration (i.e. cold storage) Storage and warehousing n.e.c.[Includes general merchandise warehouses and warehousing of furniture, automobiles, gas and oil, chemicals, textiles etc. Also included is storage of goods in foreign trade zones]
63040	Activities of travel agencies and tour operators; tourist assistance activities n.e.c. Includes furnishing travel information; advice and planning; arranging tours, accommodation and transportation for travellers and tourists; and furnishing tickets etc. Also included are tourist assistance activities, such as carried on by tourist guides]
63090	Activities of other transport agencies [Includes forwarding of freight, organization or arrangement of transport on behalf of the shipper or consignee, receiving and acceptance of freight, transportation document preparation, consolidation and break bulk of freight, freight brokerage, custom house brokerage, bill auditing and freight rate information, brokerage for ship and aircraft space, packing and crating and unpacking and de-crating, weighing and sampling of freight etc.This also includes the services provided by chauffeurs and personal car drivers.]

CODE	DESCRIPTION AS PER NIC 2004
64120	Courier activities other than national post activities
64201	Provision of basic telecom services: telephone, telex and telegraph (includes the activities of STD/ISD booths)
64202	Provision of value added telecom services: paging, e-mail, cellular phone, video conferencing, internet (service directly purchased from internet service providers) etc.
64203	Maintenance of telecom network
64204	Activities of the cable operators
71110	Renting of land transport equipment [Renting without operator of all kinds of and transport equipment e.g. railroad vehicles cars trucks, trailers and semi trailers, motor cycles, scooters, including that of containers, caravans and campers.(Renting and leasing of vehicles or trucks with driver is classified in class
71120	Renting of water transport equipment [Renting of water transport equipment with operator is classified in appropriate class of division 61. Renting of pleasure boats and related docking facilities is classified in class 9249].
71210	Renting of agricultural machinery and equipment [Renting of this machinery or equipment with operators is classified in class 0140].
71220	Renting of construction and civil engineering machinery and equipment. [Renting of this machinery or equipment with operators is classified in class 4550].
71230	Renting of office machinery and equipment [including computers]
71301	Renting of tents, electrical appliances, furniture, table ware, crockery and utensils.
71303	Renting of books, journals and magazines etc. (lending of books is classified under class 9231)
71309	Renting of costumes, musical instruments and other personal and household goods including bicycle, footwear n.e.c.
72211	Production, supply and documentation of ready-made (non-customized) software
72212	Production, supply and documentation of ready-made (non-customized) operating system software
72213	Production, supply and documentation of ready-made (non-customized) software
72214	Production, supply and documentation of ready-made (non-customized) computer games software for all platforms
72291	Analysis, design and programming of custom software, ready to use, including analysis of the user's needs and problems, consultancy on the best solution and production of software to realize this solution
72292	Development, production, supply and documentation of made-to-order soft-ware based on orders from specific users
72293	Writing of programmes of any kind following directives of the users
72294	Web-page designing
72295	Software maintenance
72300	Data processing. [This includes the processing or tabulation of all types of data. Provision of such services on (i) an hourly or time -share basis, and (ii) management or operation of data processing facilities of others on a time sharing basis; on a fee or contract basis].
72400	Database activities and distribution of electronic content [This includes data base development, data storage and data base availability. The provision of data in a certain order/sequence, accessible to everybody or to limited users and can be sorted on demand.(computerised documentation activities provided by libraries and archives are classified in class 9231)].
72501	Repair & maintenance of computers and computer based systems
72502	Repair of office, computing and accounting machinery (including repair of Xerox machine and duplicating machine) other than computers and computer based systems.
72901	Activities of cyber cafe
72909	Other computer related activities, n.e.c.
73100	Research and experimental development on natural sciences and engineering (NSE). [This class includes systematic creative work in the fields of research and development in natural sciences, medical sciences, agriculture and engineering & technology].
73200	Research and experimental development on social sciences and humanities (SSH). [This class includes systematic creative work in the fields of research and development in social sciences and humanities. (Market research is classified in class 7413)].
74110	Legal activities.[Legal services such as those rendered by advocates, barristers, solicitors, pleaders, mukhtiar, etc. (Law court activities are classified in class 7523).]
74120	Accounting, book-keeping and auditing activities; tax consultancy. [Data processing and tabulation are classified in class 7230; activities involving management consultancy by units that do not provide accounting or auditing services e.g. design of accounting systems, cost accounting programmes, budgetary control procedures etc. are in class 7414 and bill collection in class 7499].
74130	Market research and public opinion polling.[This class includes investigation on market potential, acceptance and familiarity of products and buying habits of consumers for the purpose of sales promotion and development of new products and investigation on collective opinions of the public about political, economic and social issues.]
74210	Architectural and engineering activities and related technical consultancy[Test drilling in connection with petroleum and gas extraction is classified in class 1120, Research and development activities in division 73, Technical testing in class 7499 and Interior decorating in class 7499].
74220	Technical testing and analysis.[Testing and analysis of medical and dental specimen are classified in class 8519].
74300	Advertising.[Printing of advertising material is classified in class 2221, Market research in class 7413, Public relations activities in class 7414, Direct mailing activities in class 7499, Production of commercial messages for radio, television and film are classified in the appropriate class of group 921].
74940	Photographic activities. [Includes microfilming, processing motion picture film related to the motion picture and television industries is classified in class 9211].
74993	Photostat, blue-printing, Xeroxing, copying of documents, ammonia printing and cyclostyling services
74994	Fashion design related to textiles, wearing apparel, shoes, jewelry, furniture and other fashion goods.
74996	Interior decoration

CHAPTER X

GUJARAT INDUSTRIAL POLICY – 2009

1.1 Introduction:

The state of Gujarat has been one of the highly industrialised states in India. With its reputation of being a highly investor-friendly state, the state has had a proven track record of attracting high volumes of investment and as a result, becoming the **most favoured investment destination** in India. The changes in the economic order of the world today with an on going meltdown has resulted in global investors exploring newer investment destinations where the investments would be safe and would fetch assured returns. Having exhibited a relatively strong fundamental economic base, with India not being significantly impacted due to the economic crisis, investors globally are looking towards India for relocating their investments. In the backdrop of these developments, the Government of Gujarat has felt it important and necessary to review and update the State's Industrial Policy. The new Industrial Policy with its holistic approach would identify specific interventions across sectors which would facilitate in fostering significant growth and in the process attract global investments.

1.2 Background

In the context of the major economies of the world being caught in the grip of a global meltdown which has far reaching destabilising impact on the economic activity the world over, the need for ensuring a sustained and accelerated growth is greatly felt and needed. In the current economic scenario, the relatively high growth rates being achieved by the Asian economies have drawn global attention, with Asia now being increasingly recognised to provide the much required trigger to the world economy. With India and China expected to register growth rates of 9.5% and 7.5% respectively during fiscal year 2009- 10, these two economies together are expected to provide the much needed impetus to the Asian and global economy.

While India and China also have been impacted by the global economic meltdown, it is largely held that the policy measures adopted by these two countries have resulted in the ability of both withstanding and countering the global recessionary trends, as they fundamentally being strong. These two economies have largely been insulated from the fall out of the volatile global markets. This is especially true in the case of India where on account of it being a largely domestic-driven economy with limited foreign trade dependence, and limited exposure to the global markets, (the pace of economic growth though has reduced) is anticipated to sustain and bounce back. Today India is the 2nd fastest growing economy and 4th largest in terms of Purchasing Power Parity (PPP). Additionally by 2015, India is expected to become the 5th largest consumer market. India's large market and a diversified industrial base, is expected to help to a 9% growth trajectory and overcome the global financial crisis.

The combined factors of a huge domestic market, minimal dependence on exports for GDP growth, and the ability to withstand the global recessionary trends, make India an attractive destination for investments globally. The current financial crisis is expected to witness a shift or relocation in the allocation of capital and production activities to economies which are likely to exhibit sustained economic growth, and in this context, India is seen as a **highly favoured investment destination** and one of the most attractive countries for global retailers.

The new industrial policy for the state of Gujarat takes into account the context of the current global melt down. Given the strong and accelerated growth and development exhibited by the state over the recent years, Gujarat is expected to be one of the key drivers for growth in the Indian economy. The state has proved itself to be a region of excellence was focused and proper attention has been given to ensure that the growth witnessed in the state is sustainable. The Industrial Policy of Gujarat should therefore be tailored with a premise that the state is the **most preferred destination** for investment not only by domestic but also by multinational companies.

1.2.1 Gujarat: Economic Growth Engine of India

Situated on the west coast of India, Gujarat is one of the leading industrialised states in the country. It covers a geographical area of 1,96,024 sq km accounting for 5.96% of the total area of India. Led by entrepreneurial spirit and unfaltering support of the State Government, Gujarat has emerged as a manufacturing powerhouse with world class production capabilities and facilities. Gujarat accounts for 22% of the country's total investment. In fact, the economic activity in Gujarat is based on a strong edifice of manufacturing sector. The State contributes 15.59% to the total value of output added by manufacturing sector in the country.

Gujarat has achieved tremendous growth in the industrial sector and as a result, has emerged as one of the leading industrialized states in India contributing nearly 16.1% to the country's industrial output. The State economy has recorded an average annual growth rate of 10.4% for the 10th Five Year Plan period (2002-2007) as against a target of 10.2% as set out by Planning Commission of India. India had achieved growth rate of 7.6% during this plan period. Gujarat also has achieved annual GSDP growth of 15.81% in 2006-07.

Looking to the growth potential of Gujarat, Planning Commission of India had set a new high of an annual average growth target of 11.2% which is again highest among the states of India, during Eleventh Five Year Plan (2007-12). To achieve this growth target, growth of industrial and manufacturing sectors has to be raised to 14% and growth of services, sector is to be raised to 10.5%. These targets are the highest among all the states. Hence, for India to achieve its overall annual growth target nearly to 9% and industrial growth of 12.6%, Gujarat shall need to accept a responsibility to serve as the growth engine of India.

Gujarat has been one of the states which has seen very high level of capital formation. The state has been a place where excellence has been identified, encouraged and rewarded. The state has been in the forefront of ensuring that excellent levels of support infrastructure are provided to the domestic and international investors. In addition, the Government of Gujarat has played a very proactive role in encouraging private sector participation in infrastructure projects through PPP mode. The development which has been planned in the state has always been a policy-led inclusive development approach which has eventually attached a very high importance to the need for ensuring sustainable development. The new Industrial Policy would therefore capitalise on the inherent entrepreneurial characteristics of the state. The new Industrial Policy in addition to addressing a wide range of areas of intervention would also give adequate thrust to ensuring holistic development in the state. In this context, the Government of Gujarat in addition to facilitating PPP projects would also make the corporate entities, partners to several holistic development activities and thereby promote "Creation of Wealth with Social Health" (Corporate Social Responsibility) in the state.

2 THE GUJARAT VISION:

Given the inherent strengths of the state and the strong positioning both from national and international perspectives, and being in the forefront to promote excellence, the vision for the state of Gujarat could be:

Business - a way of life with Government facilitating and encouraging investment and holistic growth. Achieving highest levels of human development indicators in the country. Attaining high standards of quality with the 'Made in Gujarat' brand receiving international recognition.

3 THE OBJECTIVES:

With the primary focus of making Gujarat the most attractive investment destination of not only in India, but also that of the world, the Government of Gujarat (GoG) is now announcing a new Industrial Policy. The new industrial policy has been formulated in line with the vision that has been framed for the state. The primary policy objectives are as under:

1. Facilitate investments in the state
2. Employment generation and Employability enhancement
3. Adherence to high quality standards

In order to facilitate investment into the state, certain pre-requisites are called for. The same have been adequately addressed in the new Industrial Policy.

3.1 Investment Facilitation:

The primary aim of the policy is to make the state a global investment destination. The policy aims to ensure that conducive conditions are created so that the state attracts high end investments. In addition to attracting bulk investments it would also be ensured that the investments so made meet the socio- economic development goals of Gujarat. The investments would therefore be directed and planned in a way so that the state should witness not only excellent levels of growth but also sustainable and inclusive development as the end result. It is widely held that the prevailing global economic downturn would result in a relocation of capital to safer investment destinations and in that context, the policy aims at attracting substantial amount of this capital in the state.

A special effort is envisaged to ensure that the investments so facilitated would directly benefit the informal and the social sectors. The investments would require a competitive environment for factors of production to function with efficiency and thereby foster innovations in the industrial economy of the state. Since authentic information regarding the investment opportunities in the state is the beginning point, the new Industrial Policy provides for dissemination of information to make it readily available in relevant format in the most user-friendly manner employing the latest available technologies.

Since the availability of land with right kind of infrastructure is the key to competitive operations, adequate provisioning would also have to be made so as to provide the land in an appropriate manner. The policy adequately dwells upon this important aspect. For both attracting investment and for facilitating its efficient functioning, it is critical that support and related infrastructure facilities are adequately provided for in the State. The policy thereby indicates the necessary provisioning and the facilitation which would be made by the Government departments and through private entrepreneurs under Public Private Partnership (PPP) framework in the area of facilities like power, water, gas, road, railway, port connectivity, communications, quality human resources in adequate number etc. Since, choice for investment is also directly governed by factors of overall physical and social quality of life in the state, adequate interventions have been planned and proposed therein for the purpose.

3.2 Employment Generation and Employability Enhancement:

With the state intending to be front runner in attracting global investment, the employment opportunities generated would also be on the lines of other global cities. The policy has laid emphasis on creation of opportunities which would directly augment the levels of employment in the state. The state of Gujarat with its strong presence across a wide spectrum of industrial activities offers ample employment opportunities. Government strongly holds the opinion that increase in gainful employment would ensure that the benefits of investment are shared by the people of the state. The measures to increase employment levels have been designed keeping in mind the need to ensure that the objective of regional balancing is achieved.

Though the state has been witnessing very high levels of industrial activity, employment generation activities have not kept pace with the same. Employment opportunities at each level of economic activity would be aimed to be created. The policy recognises the need to develop trained manpower and therefore has laid substantial focus on increasing the skill sets among the manpower which would have a direct and positive impact on employment generation and productivity levels in the state.

The policy envisages an institutional mechanism in the form of Industry academia fora at local levels with a combination of Government -industry-academia for a at the apex level in a manner that general syllabus and curriculum are subjected to dynamic review for them to be industry-responsive and market- driven. The policy seeks to encourage development of sector-specific training institutes as well. These initiatives highlighted under the policy would help ensuring employment generation opportunities in a sustainable manner and substantial improvement in employability.

Generation of employment opportunities to be spread across the state would be encouraged in the new policy. In the process, it is also intended that the socio-economic growth experienced by the state would lead to achieving Human Development Indicators which would result in the state being benchmarked at a national and international level. By expanding investments across sectors and the region and supplementing it with a strong government administrative set up, state would be able to have a high degree of Human Development Index. The policy thereby meets the dual objectives of attracting investments into the state and also ensuring that these are linked to balanced regional growth.

3.3 Adherence to High Quality Standards:

In addition to these focus areas, the policy also seeks to ensure that Brand Gujarat is made synonymous with high quality standards and high levels of excellence on a global platform. GoG recognises that while ensuring production of high quality output in the state, no compromise is made in the process of production. Best Manufacturing Practices would be adopted in terms of compliance of environmental norms, labour laws etc.. All the necessary safeguards would be ensured so that the end product with the tag of 'Made in Gujarat' would be internationally recognised and the processes adopted be internationally benchmarked as well. The policy aims to be comprehensive in nature and scope to give special focus and encouragement in setting up mechanisms to track the latest in technology and innovation. Research and Development would be encouraged to prepare the environment for attracting and ushering in the next generation of investments and talent.

Pursuing the policy of achieving excellence, adoption of Quality Standards in the State would be vigorously pursued. Conscious effort will be made to institutionalize quality upgradation programmes with an appropriate system of recognition through annual awards. While quality and price competitiveness in product and services would be promoted to make quality the identity and hallmark of all that is sourced from Gujarat, quality would also be sought to permeate other connected aspects of the economic activity viz, the producer, the environment, and the quality of resultant development. It is through such a comprehensive approach towards quality that would make the industrial development **balanced, sustainable and inclusive**.

4 PROPOSED INTERVENTIONS:

In order to achieve the vision envisaged for the state of Gujarat and the resultant objectives, sector intervention strategy at certain macro and micro level is required. The new Industrial Policy has been formulated with an aim of supplementing the existing growth pattern in the state and augmenting the same by way of well thought out and sustainable policy measures. These policies aim at ensuring maximum utilisation of the existing natural resource base and maximising sector specific facilitation.

While aiming Gujarat to be an internationally favoured investment destination under the New Industrial Policy, the GoG has been conscious of the need to ensure that the state's regional and global competitiveness is substantially enhanced.

Accordingly, all the policy measures proposed are presented along the parameters used to measure global competitiveness, viz:

- Promoting geographical strengths to ensure balanced regional development
- Leveraging existing strengths and resources
- Increasing the efficiency of institutions catalyzing industrial development
- Upgrading infrastructure available in the state
- Enhancing of Technical Competence and Manpower
- Creating labour market efficiencies
- Rewarding adoption of new technologies, business sophistication and innovation
- Improving Environmental Infrastructure
- Promoting holistic development
- Responding to changing domestic and global environment.

All the above parameters act as major determinants to the investment attractiveness and sustainability of a location vying for a place in the global arena. The new Industrial Policy has taken them into account and has designed interventions to make Gujarat a most favoured global investment destination.

The interventions which have been proposed under the new Industrial Policy are discussed below:

4.1 Promoting geographical strengths to ensure balanced development:

One of the clear focuses of the new Industrial policy would be to facilitate and ensure a sustainable and balanced development in Gujarat.

4.1.1 Creation of opportunities for vigorous industrial and economic activities in the declared backward talukas:

The policy seeks to ensure that planned interventions are made in order to facilitate balanced regional development. The policy intends to facilitate development by leveraging the potential for value addition based on local skills and resources in the area to catalyse economic activity in the declared backward talukas in the state. For the backward talukas, specific development plan would be worked out where skill formation and upgradation would be a crucial component.

GIDC would be expected to play a key role in the development of the backward regions of Gujarat. GIDC would identify a compact block for development based on local aspirations in each of the backward regions. In addition to area identification, an appropriate development plan for the region in line with the overall development efforts in the state would also have to be worked out.

4.1.2 Special Investment Regions – convergence of Industrial, Social and Urban Infrastructure, Leverage DMIC and the influence area in Gujarat

The State has transformed from the development of industrial estates by GIDC to the emergence of product clusters and development of Special Economic Zones which will continue to attract investment. Of late there has been emergence of Investment Regions around Delhi-Mumbai Industrial Corridor(DMIC). The State Government has planned to develop Ahmedabad - Dholera Special Investment Region (SIR), Petroleum, Chemical and Petrochemical Investment Region (PCPIR), Gujarat International Finance Tech City (GIFT), Knowledge Corridor and Integrated Townships. The State Government intends to proactively develop globally benchmarked infrastructure in all these regions. For the purpose, both the PPP and VGF model will be encouraged.

Social and Urban Infrastructure is important to sustain industrial development. The State Government intends to encourage investment in social and urban infrastructure sectors in the Investment Regions, Hubs and Industrial Parks. There will be linkages between industrial infrastructure and social & urban infrastructure in the vicinity of industrial area in order to make available urban infrastructure and improve quality of life of the people.

An important infrastructure development envisaged for Gujarat is the development of a Dedicated Freight Corridor (DFC) and the associated development of the Delhi Mumbai Industrial Corridor (DMIC). The proposed Multi-modal High Axle Load Western Dedicated Freight Corridor (DFC) between Delhi and Mumbai covers an overall length of 1483 km with end terminals at Tughlakabad and Dadri in the National Capital Region of Delhi and Jawaharlal Nehru Port at Mumbai. A substantial length constituting 38% passes through Gujarat.

The proposed high-speed connectivity between Delhi and Mumbai offers immense opportunities for development of an industrial corridor along the alignment of the connecting infrastructure. A band of 150 km (Influence region) has been chosen on both the sides of the Freight Corridor to be developed as the Delhi-Mumbai Industrial Corridor. The vision for DMIC is to create strong economic base in this bandwidth.

Globally competitive environment and state-of-the-art infrastructure to activate local commerce, enhance foreign investments and attain sustainable development are the objectives proposed to be achieved. In addition to the influence region, DMIC would also include development of requisite feeder rail/road connectivity to hinterland/markets and select ports along the western coast.

High impact/market driven nodes - Integrated Investment Regions (IRs) and Industrial Areas (IAs) have been identified along the corridor to provide transparent and investment-friendly facility regimes. These regions are proposed to be self-sustained industrial townships with world-class infrastructure, road and rail connectivity for freight movement to and from ports and logistic hubs, served by domestic/ international air connectivity, reliable power, quality social infrastructure to provide a globally competitive environment conducive for setting up businesses.

For the first phase of development, the nodes identified for Gujarat include the Investment region of Ahmedabad-Dholera and the industrial area of Vadodara-Ankleshwar. However, the Bharuch-Dahej Petroleum, Chemical and Petrochemical Investment Region (PCPIR) and the Palanpur-Mehsana Industrial area have been decided to be developed by the State Government coinciding with the DMIC Phase I development.

The DFC corridor with significant influence area estimated to cover 62% of the geographical area of the state and comprising the cities of Ahmedabad, Vadodara, and Surat. offers opportunities to pursue high intensity economic activity.

The Special Investment Regions (SIRs) identified for Gujarat offer scope for a range of industrial activities. The new Industrial policy aims at leveraging from various industrial areas identified in the region as under:

- Palanpur-Sidhpur-Mahesana Industrial Area
- Ahmedabad-Dholera Investment Region
- Vadodara-Ankleshwar Industrial Area
- Bharuch-Dahej Investment Region
- Surat-Navsari Industrial Area
- Valsad-Umbergaon Industrial Area

Depending upon their locational advantages and growth potential of the region, projects of the nature of Export-Oriented Units/SEZ, Integrated Agro/Food Processing Zone, Integrated Logistics Hub, Integrated Townships, Greenfield Ports, Biotech Hubs, Knowledge Cities, Power Plants etc would be developed. The GoG intends to leverage upon the immense industrial development activity which the region is envisaged to witness in the times to come.

Special Investment Regions:

The development would be as per pre-specified plan and industrial units intending to set up units in these industrial regions would have to adhere to these pre-specified plans. The Government will come up with a legal framework for development of SIRs.

4.1.3 Facilitation to Mega Projects:

To ensure that the state transforms into a global investment destination, development by way of establishment of several mega projects is considered necessary. The GoG intends to promote and facilitate mega projects in a few critical sectors which would have multiplier effect and would be integral to the employment generation activity and inclusive development in the state. Large and Mega projects promote ancillary and auxiliary industries in the SME sector. Thus facilitating development of mega projects is being envisaged as a key strategy to trigger large scale economic activity in related sectors. The huge employment generation opportunities the mega projects tend to offer, the facilitation for promotion of mega projects in the state would be largely applicable under the following framework:

- a. Promotion of mega projects in focus sectors which may include auto and auto components, ship building & ship repairs, semi conductor fabrication and industries having Nanotechnology applications, MRO hub for aircrafts and such other projects as may be decided by the Government will be encouraged. It will also include the Projects in the core infrastructure sector like Metro Rail Line, Logistic Parks, Railway Line, Express Ways, Fast Passenger Trains, High Speed Trains and such other category of Projects as decided by the Government. However, it will not include townships and residential or commercial projects. In addition, it may also include Innovative Projects as may be decided by the Government. In the focus sectors as above, the units having investment of Rs **1000 crore** and employment of **2000** will be defined as Mega Units. Whereas in Core Infrastructure Sector, the units having investment of **Rs. 5000 crore** will be treated as Mega Units.
- b. For financial benefits to the Mega Projects, the cases will be decided on merit of the case.
- c. In the eventuality of mega projects requiring support of ancillary units and if the same is to be extended by SMEs, then for setting up such units, GIDC would identify land and the incentives which are otherwise extended to the SME sector would be applicable to these ancillary units also.
- d. Detailed O&M and third party quality check mechanism will have to be set up as an integral part of the project to claim assistance from Govt.
- e. The State Government may make special dispensation for the land tenure conversion for Mega Projects as above.

The state government may also mandate GIDC to catalyze Mega Projects in various regions where the development of sector-specific mega projects would be taken up. With the GoG laying strong emphasis on developing infrastructure in the state by way of following PPP initiatives, the development of these industrial estates would be pursued by GIDC by considering mega projects as anchor clients. Thus the development of the mega projects would also open up opportunities of developing infrastructure along with the private sector. Keeping in view the large scale economic development which would be triggered off by these mega projects, the GoG would make special provisions to facilitate the land tenure conversion process.

4.2 Leveraging existing Strengths and Resources:

For sustainable development, it is considered necessary to ensure that the existing and inherent advantages are identified and put to productive use. The new Industrial policy seeks to promote industrial development in the state to optimally use the existing resource base of the state. The strengths of the state in terms of physical advantages such as long coast line, strong manufacturing base, excellent levels of support infrastructure, high base of entrepreneurial economy, policy-driven government etc would all be used to promote industrial development in the state. The new policy has identified and developed a strategy which would promote industrial development in the state in a planned manner and to do so, a few focus sectors have also been identified. These sectors would benefit from special packages which would be extended to them by GoG for encouraging their growth and development further. The focus sectors that have been identified are that of Textiles and Apparels, Gems and Jewellery, innovative projects, mega projects, informal sector, agri-business, fisheries, IT/ Knowledge-based industries, port and related industries and power sector (non-conventional energy). Important interventions which would be needed for each of these sectors have been listed in the new Industrial Policy. The interventions so proposed are discussed in detail below:

4.2.1 Promotion of Cluster Development in the State:

Cluster based approach is increasingly being recognized as sustainable, cost-effective and an inclusive strategy to ensure competitiveness and improvement of Micro, Small and Medium Enterprises (MSMEs). The importance of MSMEs for Indian economy in terms of their contribution to employment, exports and regional development is very significant. Considering the importance, Gujarat would lay special emphasis on cluster development approach in the New Industrial Policy by announcing scheme for assistance to clusters. The scheme would not only lay importance on softer interventions such as capacity building of cluster enterprises through marketing initiatives, technology upgradation initiatives, quality improvement and training/skill upgradation initiatives; but also focus on harder interventions such as creation of cluster-specific common infrastructure and facilities, incubation center, CFC, ITI extension centre and other need-based facilities. This would enable the MSMEs to build their capacities in the clusters, take the advantages of emerging global opportunities, enhance the competitiveness of cluster by facilitating creation of critical common support infrastructure, ensure creation of sustainable employment opportunities and augment the income levels of people working/dependant on MSMEs and make the industry associations/cluster stakeholders more responsive, participatory and empower them to participate in Public-Private Partnership (PPP) initiatives to compete globally.

The financial assistance proposed in New Industrial Policy are as follow:

- (a) The Govt. would extend financial assistance (including assistance from GoI) to cluster development with a ceiling for the period of 3 to 5 years.
- (b) Financial assistance to nodal institutions/hiring of experts.
- (c) Cluster Advisory Institution (CAI) to be constituted for proper development of cluster.
- (d) They will also be provided partial financial assistance for Last Mile connectivity.

4.2.2 Promotion of Textiles and Apparels:

Recognising the state's country-wide presence in the sector of Textile and Apparel segment, the GoG intends to provide adequate thrust to the sector by way of developing specific package which would make the sector an important catalyst to the industrial and economic development for the state. However, it is also considered important that the textiles and apparels produced in Gujarat should necessarily have a global reach. On an international level, the textiles and apparels from Gujarat should have a unique and international brand appeal in itself. The proposed interventions are as under:

- a) Strong presence in the entire value chain: The State Government intends to promote the entire textile chain from farm to fibre to fabric to fashion and foreign trade. The new Industrial policy seeks to build the expertise of the state in the entire value chain, wherein a comprehensive and inclusive development could be fostered. Forward and backward linkages would be created in a manner that the farmers grow the necessary raw materials, the transformation of raw material to finished fabric would take place separately, also engaging professional designers to produce textiles and garments in line with the demands in the domestic and international market. Large scale production of garments involving the cottage to large production units would be encouraged.
- b) Efforts will be made to promote any missing link in the entire value addition: All the necessary steps such as increased R&D in the area of textile/fabric development, design development, adoption of new production techniques, strategic tie ups with premier design institutes, etc would be facilitated.
- c) The State Government also intends to re-establish the spinning and weaving sector by providing enabling environment.
- d) Credit link financial support by way of interest subsidy to spinning, weaving, knitting, apparel and machine carpeting will be offered.
- e) The Apparel sector will continue to be a focus sector and the existing support for training will continue. Training support would also continue for the power loom sector.
- f) The support to technical textile manufacturing activity will be continued. Efforts will be made to make Gujarat a hub for production of technical textile.
- g) GoG will also provide support for technology acquisition and upgradation.
- h) Support for setting up of Ginning/Weaving/Knitting/Technical Textile/Apparel Park under GIDB structured scheme in PPP mode with Viability Gap Funding. The ownership of land in case of Govt. Land however, will remain with the public entity.

4.2.3 Promotion of Gems and Jewellery:

There has been international recognition for the gems and jewellery that are exported out of India. Gujarat being an important player in the segment, it is considered important that the state builds a global reputation for its gems and jewellery industry. The gems and jewellery from Gujarat should appeal to the customers in the international market.

The Gems and Jewellery sector has witnessed impressive growth in the recent years. This is one of the critical sectors in the state on account of the opportunities offered by way of large scale employment generation. The state intends to further its dominance in the diamond processing sector and would look towards providing an industry status to the Gems and Jewellery sector. The state would build on the international demand for the diamonds and other gems which are processed in the state. The specific interventions which have been proposed for this sector under the new Industrial Policy include the following:

- a. **Jewellery Parks** will be encouraged by the state. In line with industrial parks which are set up for several products in the country where a range of related activities are facilitated and developed, the new Industrial policy seeks to develop a Jewellery Park in the state on PPP basis with option of viability gap funding. The ownership of land in case of Govt. Land would, however remain with the public entity.
- b. Credit linked financial support by way of interest subsidy to Modern Jewellery units.
- c. Government would encourage setting up of national/international level Gems & Jewellery institutions in the state: like other sectors where an elaborate system of R&D activities are undertaken and institutions thus set up would also provide technical and design-related support to the industry, GoG envisages setting up and development of a similar such institute in the state where extensive research relating to various aspects of gems and jewellery making are undertaken.
- d. Government would also encourage the establishment of Hallmark Certification Centres and Gems Testing Centres in line with the underlying objective of GoG to ensure that only high quality goods and services are produced in Gujarat. It is proposed that for establishing the quality of various gems and jewels that are processed and designed in the state, Gems Testing Centres and Hallmark Certification Centres are set up. Both in the domestic and in the international market of gems and jewellery, the demand for certified jewels and gems for their authenticity and purity have increased and customers attach a high value to the same. These testing centres would ensure that the units in the state engage in production of only quality gems and jewellery.
- e. All **safety measures** as well as protection from occupational hazards will be under focus in Jewellery sector: The new Industrial Policy would ensure that all the units in the state which are in the business of gems processing and jewellery making would adopt all the pre-requisite safety conditions. Adequate measures would have to be taken by these units to ensure employee safety, good standards of work environment, use of clean technologies, no use of child labour, etc. Assistance would be provided to units which adopt new technologies which minimise occupational hazards. Since, the government acknowledges the need to have safe work environment for all those employed in various industries, it would ensure that necessary checks are kept in place and adequate monitoring and supervisory systems are kept in place to check the same.
- f. GoG will also promote biennial international conferences as a part of VGGIS
- g. This is a labour-intensive sector. In order to help the workers to tide over temporary mismatches in labour supply and demand in the sector, State Government will frame a scheme for **insurance coverage** with the participation of employers and with the cooperation of Insurance Companies.
- h. The sector is highly export-oriented and has been paying substantial amount towards customs duty and other charges. The State Government will request the Central Government to frame the Scheme on the lines of Textile Workers' Rehabilitation Scheme to give relief to the workers who are temporarily unemployed due to closure of the units.
- i. Steps will be taken to have initiatives in PPP mode to make Gujarat a **Global Leader in Gems & Jewellery** by benchmarking with the best.

4.2.4 Promotion of Agri- Business:

The new Industrial Policy of the state aims at promoting inclusive growth and sustainable Development in the state. The economic growth and development which are envisaged for the state would also have significant and important contribution to be made by the agricultural sector in the state. Instead of developing at the expense of agricultural growth, the development being planned for the state foresees an overall growth on account of agriculture sector.

Given the overall growth trajectory which has been maintained by the agriculture sector in the state, the industrial policy aims at establishing direct and stronger linkages between the agriculture sector and the industrial development in the state. Between the period of 2002-03 and 2006-07, the agriculture sector grew at a CAGR of 12.27%. Given the high growth rate, the vision for the agriculture in the state has been that of developing Gujarat into a national agro hub. To facilitate and ensure growth in the agro business, the GoG seeks to create an enabling environment conducive to attracting investment in Agribusiness so as to provide remunerative price to the farmers, generate employment opportunities in rural areas and provide safe food products to the consumers.

The main crops include Groundnut, Sesame Seeds, Cotton, Wheat, Rice, Maize, Pigeon Pea, Green gram, Gram, Sugarcane, Mango, Banana, Sapota, Lime, Guava, Tomato, Onion, Cumin, Garlic, Isabgul and Fennel. It is proposed to create an enabling environment for growth of agri business to be facilitated which also would provide adequate incentives to fill in the specific gap in the value chain for catalyzing investment. In the context of this broad framework, the policy interventions which are planned and proposed for this sector include:

Financial assistance to attract the investment in Hi-Tech Agriculture, pre-farm gate value addition projects, Agro processing and Agri infrastructure projects, Research for varietal development and post harvest management, Quality Certifications in entire value chain, setting up of Food testing Laboratories, export of fresh fruits, vegetables, flowers, live plants by air and sea route, participation in International Trade Fairs will be provided. With such an elaborate intervention being planned in the value chain of agro production and processing, the state government aims at providing a significant impetus to this sector and ensure a sustained growth. Also the output from this sector would be directed to further processing. The Agriculture Department will bring out a detailed policy separately for this Sector.

4.2.5 Promotion of Fisheries Development:

Gujarat has the longest coastline in the country and the fisheries sector accounts for around 1% of State Gross Domestic Product, yet however forms an important component of the rural coastal economy, by way of generating income, employment, livelihood and food security more specifically for the people in the coastal area. Fishing being a very important activity with a large potential for wealth generation, a policy is called for to realise the vision of creating wealth by proper exploitation of Fish stocks off Gujarat waters. It is also considered important to enhance fish production through culture methods for providing appropriate opportunities to the stakeholders.

The GoG has played a proactive role in addressing major issues pertaining to the fisheries sector in the state. The Government is actively working towards developing and implementing policies which would ensure that the this industry develops into a sustainable activity. In addition, a wide range of issues leading to better livelihoods and living conditions to the fishermen community, strengthening marketing chain both export and domestic, utilization of inland waters and other resources to optimize fish production, construction/upgradation of fishing harbours/landing centres into world class fishing ports, wealth-based approaches to fisheries management, creating more employment opportunities, increased foreign earnings thorough value added fish products, effective co-management and fishing strategy for preservation of natural ecological conditions of coastal and inland areas, integrated brackish water fishing projects through SEZ, and conservation and recoument of fishery resources.

The policy measures which have been designed to address the development of fisheries in the state are:

- a. Promoting ornamental fish production to generate employment
- b. Strengthening the legal framework and ensure effective implementation of existing rules and regulations.
- c. Providing financial assistance for converting the trawlers into tuna liners.
- d. Providing incentives to the trawlers to go for deep sea fishing beyond 100 meters depth contour.
- e. Upgrading and creating world class fishing harbours/fishing ports under PPP mode.
- f. Establishing SEZ for integrated brackish water fishing and develop aqua parks.
- g. Establishing hatcheries to meet with the requirement of fish seeds.
- h. Facilitating development of cold storage facilities. Cold storage plants would be set up on a large scale and for setting up these plants, GIDC can facilitate in identifying suitable land.
- i. Providing incentives to Corporations/Municipalities/women's groups/co-operatives to construct hygienic fish markets.
- j. Ensuring welfare of Fishermen.

4.2.6 Promotion of IT/ITeS Industries:

The GoG has been taking important initiatives in the recent past for the purpose of facilitating and promoting development of IT and ITES industries in the state. ITES industries would include knowledge- based units which are involved in processing of outsourced activities in the area of legal outsourcing, engineering outsourcing, medical outsourcing and other similar key knowledge-based outsourced processing.

- a) Special incentives for mega-IT/ITES projects (Investment above Rs. 50 Crore) creating employment above a minimum threshold level.
- b) Nomination of one escort officer for each IT mega project including IT Parks.
- c) IT Infrastructure Promotion: Financial assistance to IT park developer; Stamp duty exemption for IT park developers; Additional floor space index (FSI) allowed for IT/ITES parks in urban centres;
- d) State shall facilitate a grant of SEZ status to IT industry/ IT parks subject to the provision of SEZ Act/ rules.
- e) All new IT units exempted from the payment of electricity duty for a period of five years and exemption from power cuts;
- f) Stamp duty exemption to units in IT Parks and IT SEZ;
- g) Exemption of IT/ITeS units from zoning regulations;
- h) Waiver of 'no objection certificate' from Gujarat Pollution Control Board" for IT/ ITes units engaged in provision and production of "IT services and IT software".
- i) Simplification of labour laws - Permission to have 24/7 operations + women to work at night
- j) Self certification-cum-consolidated annual return scheme
- k) Gujarat IT Venture Fund, set up to provide venture capital for development of IT/ ITeS and IT products industry.

Future Focus Area:

- Continuous government support for enhancement and development of quality manpower (HRD) for the IT/ ITeS industry e.g. Need to invite Private Universities to set up campuses in Gujarat; focus on quality English education.
- Strengthening of cyber crime detection cell for security purposes
- Single Window Clearance system

4.2.7 Promotion of Port and Related Industries:

The State of Gujarat is blessed with the longest coastline in the country. It has a rich and ancient maritime history. With the opening up of economy and globalization, the opportunities for socio- economic development in a maritime State are immense. Many a country has harnessed the coastline for achieving great economic heights. The State of Gujarat realizes and recognizes the potential that its long coast line holds. With the coming up of DFC and DMIC projects with the possibility of multi modal connectivity with the existing and proposed ports, Gujarat is set to emerge as the coastal capital of the country catering to the vast northern hinterland both for export and import and also offering a very advantageous destination for investment to industries that require materials to be imported or exported. In addition the port-led development throws open many other opportunities like ship building/repairing, ship breaking, bunkering facility, coastal shipping, training ships, marine ship building parks (probable stretches), ship recycling, logistics & services etc.

With realization of the port potential, a new and ultra modern Gujarat can emerge along its coast. In this connection, the Department of Ports has already taken a number of initiatives. The Department **of Port and Transport will** consider, review and revise its policy in this regard separately.

4.2.8 Promotion of Non-Conventional Energy:

For the State to have an inclusive development model, its increasing energy requirements need to be decentralized. For the development to be sustainable, the energy needs in the future should increasingly be met through ecologically friendly renewable energy. Its dependence on ecologically degrading non- sustainable and non-renewable energy sources should be reduced. The concept of **rurban** given by this State to the world principally supposes an inclusive and sustainable development model where the energy requirements would also need to be met with, in a decentralized manner. The non conventional energy sources like solar, wind, tidal and geo-thermal with which the State of Gujarat is blessed, can be harnessed to help operationalizing the concept of **rurban** in the years to come. The State therefore plans to promote increasing use of renewable and environmental friendly sources of energy. The State is desirous of giving to the world the first solar city in the State capital of Gandhinagar.

The State of Gujarat has very limited hydro potential and therefore, promotion of non-conventional energy resources assumes more importance. These non-conventional sources of energy on the cutting edge of technology stage are not yet in a position to compete with the conventional sources of energy and therefore would require State support/intervention up to a point when they become technically and economically competitive.

The State of Gujarat is blessed with several natural resources of energy, such as - windy sites along its long coast line, sunshine hours for almost over 300 days in a year, biomass availability in view of the agricultural activities, etc. The State has a potential to harness 10,000 MW of Wind Power, 900 MW of Biomass Power and approximately 10,000 MW of Solar Power. With the conducive Wind Power Policy, the State already has an installed Wind farm capacity of 1350 MW, which in the next five years, is expected to reach 5350 MW.

It is envisaged that during the next five years, power generation capacity of approx. 500 MW through various solar technologies, which are presently at a nascent stage of development, could be set up in the State through private sector participation, for which a State Policy is being framed. Similarly, a capacity of 500 MW of power generation is anticipated through direct combustion of Biomass, for which the GERC has already decided the tariff of Rs. 3.08 / KWh. Over the next five years, the energy generation through renewable sources is targeted to be 10% of the total energy generation in the State.

4.2.9 Promotion of Women Entrepreneurship:

Government is very keen to promote women entrepreneurs and therefore, will give priority to projects promoted by women entrepreneurs in granting clearances. It will consider grant of additional interest subsidy to such projects. Specific courses to train women in entrepreneurship will also be introduced.

4.3 Increasing the efficiency of the Institutions Catalyzing Industrial Development:

The GoG recognises that investments would flow only into regions which possess a strong, efficient and transparent institutional set up. Information and facilitation being an important aspect had been addressed in the Gujarat Industrial Policy 2003 especially to provide information in all relevant fields to new as well as existing entrepreneurs. At the district level, District Industries Centres (DIC) has been modernized and information kiosks have been set up in each DIC, providing latest information on industrial development and relevant aspects. The State Government intends to continue to focus on its role as a **facilitator** and bringing competitiveness among districts in promoting industries in Gujarat.

4.3.1 Investor Facilitation:

For attracting investments into the state and for ensuring that these are allocated efficiently wherein the maximum returns are reaped using the cleanest of technologies, it is necessary that the state has a strong information dissemination system and the administration be industry-friendly in terms of quick responses to queries, application clearances, zero red-tapism, availability of adequate land for facilitating industrial development, etc. In order to ensure an efficient institutional framework for facilitating industrial development, the new Industrial Policy suggests the following interventions:

4.3.1.1 Investor Support System (ISS):

GoG will strengthen the information dissemination mechanism by developing an Investor Support System (ISS). The ISS software will be designed to assist entrepreneurs in identifying suitable investment locations based on critical parameters such as land requirement, gas and power availability, proximity to ports and airports etc.

The software will also provide detailed information on the availability of infrastructure up to the taluka level in terms of rail and road connectivity, location of GIDC Estates, Industrial Parks, Special Economic Zones, power & gas grids, substations etc.

4.3.1.2 Industrial Zones / Areas:

GoG intends to declare industrial areas/zones across the state focussing sectors for development. This will help the investors and in turn industrial development by providing guidance regarding siting of projects as well as enabling coordinated and planned development of infrastructure through concerned departments.

4.3.1.3 Land Banks:

The Government will identify government land for the purpose of Land Banks for industry in industrial areas/zones. It is planned to undertake an advance valuation of such parcels of government land which would subsequently be allotted to investors on the recommendation of the Industries Department.

4.3.1.4 Framework - Administrative Guidelines:

The GoG further intends to facilitate investment by introducing a framework, initially in the form of administrative guidelines, aimed at streamlining the government interface and making it more transparent, accessible and investor-friendly whereby the investor would need to submit a comprehensive application at one single place and receive permissions/clearances from there itself within a predetermined time limit.

4.3.1.5 Web-based Portal (WBP):

To operationalize the framework – Administrative guidelines, a web-based application portal with enhanced tracking, monitoring and feedback capabilities to further assist entrepreneurs and facilitate speedy and time bound processing of applications will be created.

4.3.1.6 Investment Monitoring System (IMS):

The State Government has introduced an online system for monitoring of approvals including that of MoUs. The system enables effective interface between the entrepreneur, the Industries Commissionerate, various line departments and the District Collectorates.

4.3.1.7 Strengthen Industrial Extension Bureau:

The GoG will also strengthen the Industrial Extension Bureau, the District Industries Centers and related offices in order to enhance their Facilitatory and information dissemination capabilities.

4.3.1.8 GIDC:

GIDC will acquire additional land near existing industrial estates and promote new estates to make the land available to new industries.

4.3.1.9 Special Investment Region (SIR):

In addition, land will be made available in the Investment Regions being developed along the DMIC Corridor. A Special Investment Region Act will be introduced to enable planned development.

4.3.1.10 Feedback & Grievance Redressal System:

In order to play a more proactive role and ensuring that the needs of the industries are adequately addressed, a grievance addressing session for the Industries may be set up with the Industries Commissioner being at the helm of it. These sessions may be conducted on a frequent basis wherein industries can air their grievances and request for a timely intervention by the Government.

4.3.2 Improving the efficiency of Environmental Compliance:

GoG would extend support to the GPCB for improving, optimizing, automating and upgrading the scope and quality of its activities. This would enable GPCB to facilitate the Present and Prospective Investors to carry on with their business with improved environmental compliance. With the intent that Industrial Development be guided and monitored efficiently as per the environment laws, the GoG would support the GPCB with the following interventions:

4.3.2.1 Industrial Zoning:

Zoning on the basis of environmental aspects, existing and proposed infrastructure including Environmental Infrastructure and land availability would be carried out. This would help the investor in selecting appropriate location from the environment point of view and enable GPCB to process the NOC application faster.

4.3.2.2 Third Party Audit:

Support to GPCB for third party audit and its follow up would be provided. This would enable better compliance with environmental laws, besides strengthening the third party audits.

4.3.2.3 Capacity Building:

Support to GPCB in partnership with GEMI to start ITI / Polytechnics / Engineering courses on Environment Management and in-house training of personnel would be provided. This would help in capacity building of professionals working in the field of environment management. The in-house training would lead to skill upgradation of the technical manpower working with GPCB and related organizations.

4.3.2.4 Access to Expertise:

This support would lead to generation of Scientific Reports and taking up of Pilot Projects on Cleaner Production and Technology, Safety, Human Health and Environment through Institutions recognized by GoG / GoI. Of late, safety and human health have become integral aspects of the environment management and thus such studies/reports would help in better understanding, eventually leading to improved environment management.

4.3.2.5 Automated Monitoring – Better Objectivity & Compliance:

Monitoring of Air/Water/Land Pollution levels through sensors in vulnerable areas would be initiated. This would help to generate data on pollution prevention and better environmental compliance would make us globally more competitive. Moreover, it would raise the objectivity of the people engaged in pollution control business and encourage them to behave in a more disciplined and responsible manner, keeping ethical values of environment in their pursuit. This will enhance the image of the state of choice for more business and also as promising investment destination.

4.4 Improving Infrastructure available in the State:

The new industrial policy seeks to create adequate provisions which aim at upgrading and improvising upon the status of infrastructure in the state. Infrastructure which is critical for the efficient functioning of industries has been focused upon in the policy. As per the policy, the onus of industrial infrastructure improvisation largely lies with the GoG and the GIDC.

4.4.1 Upgrading Industrial infrastructure:

The basic infrastructure in the existing industrial estates including those with GIDC and approved large projects/Industry require refurbishing and up-gradation. The new industrial policy would intervene in the following areas:

a) Provision of assistance for upgrading both GIDC and non-GIDC industrial estates: In the recent years GIDC has taken up the responsibility of upgrading the infrastructure at these industrial estates, and some of the measures taken up include categorisation of existing estates, facelift of the current infrastructure, leveraging from critical infrastructure development scheme, and implementation of appropriate cost recovery mechanism. Since there are large industrial estates under the purview of GIDC, and also outside of it, provisions in the form of assistance in improving their status have been made. The estates have been graded as A, B, and C grades based on quality benchmarked infrastructure facilities available in them. The new Industrial Policy aims at providing financial assistance for upgradation of infrastructure. The financial assistance extended would be subject to a review of the current status of infrastructure (grading), and thereby estimation of the costs/investments which would be required therein. Approved large projects/industries would be assisted for providing last mile connectivity.

b) Assistance would be disbursed provided O&M arrangements are setup and would be based on outcomes judged through third party quality checks.

4.4.2 New Industrial Estates for Focus Sectors:

There is a need to develop new industrial estates in focus sectors to promote sector specific economic activity and generate employment. The New Industrial Policy addresses this aspect and provides for financial assistance for infrastructure development in these new estates in focus sectors. The financial assistance will be subject to the Estate having quality benchmarked facilities as per the gradation, a minimum of 25 hectares area, setting up of O&M mechanism, reserving at least 50% area for SMEs and third party quality check. The State Government will give Stamp Duty reimbursement on the cost of land.

4.4.3 Promote new Industrial Estate Development through PPP in the existing industrial areas:

The new Industrial Policy addresses the need for development of new industrial estates within the industrial areas. The state of Gujarat having a vast experience in the arena of developing infrastructure projects on a PPP basis would be able to facilitate development of the new industrial estates within the PPP framework. The GoG has a proven track record of encouraging and facilitating private sector participation in the development of infrastructure facilities in the state. Given this fact, the new policy suggests a proactive role to be played by GIDC/GIDB in the development of new industrial estates. The suggested interventions include:

BOT Concession for Development of Estates: Since the development of the estates is proposed to be taken up on a PPP basis, it has been recommended in the policy that a Build Operate Transfer (BOT) model be adopted and a concession based on this model of PPP framework would be adopted. Viability Gap Funding would be made available through GIDB.

It may also be noted here that for the PPP projects, government land would be exclusively with Government/Public entity. No government land would be made available to the private party under this dispensation. However, no such restriction would be placed on non-Govt. land.

4.4.4 Provide efficient logistic services for industrial growth:

For the nature of industrial development which is being envisaged for the state, the provision of best-in-class logistic practices are critical. For logistics to be effective, it is necessary that the issues of security and reliability, product movement, information movement service time and service cost are adequately and properly addressed. In the case of Gujarat, the areas where logistic intervention are highly critical are in the areas of material handling/loading/unloading, Transportation, Warehouse/storage management, and Compilation/documentation. Mechanization improves the efficiency of logistic processes and often has positive consequences to efficiency, costs and quality of logistic processes. The areas of reverse logistics, packaging etc would need to be sufficiently addressed in such a way that efficient handling of materials may be facilitated. The other critical area which falls under the broad purview of improved logistic support is that of the area of transportation services. The draft logistics policy for Gujarat has laid a substantial emphasis on all the aspects of transportation which has a direct bearing on the logistic services of the state. The GoG would support the logistic industry by way of "investment-linked connectivity commitment". The GoG is in addition pursuing important initiatives which would ensure that the road transport would meet with the requirements of speed and time factors. GoG is also contemplating development of Transport Nagars etc.

In the light of the need to develop a strong logistic sector, following interventions have been proposed in the new Industrial Policy:

1. GIDB, R&B, UDD, GMB etc. to identify and structure PPP projects: Suitable projects which would facilitate development of infrastructure required for logistic development would be identified by GIDB, R&B, UDD, GMB and on the basis of their feasibility, PPP projects would be developed. The technical and financial feasibility assessment of the identified projects would have to be taken up and the options of PPP which are best suited would be suggested to structure the projects accordingly. In bid out project viability gap funding would be provided.
2. In the highly intense industrial area, GIDC/GMB/GIDB would identify multi-institutional facilities like Warehousing Zone (WZs) etc. to be encouraged for development on a PPP basis.
3. In non bid out PPP projects, the same will be taken up by respective departments through a separate SPV. SPV will recover user charges for these projects
4. It is also planned to develop four green field logistic parks linked with road, rail, port and air connectivity by 2010 and four more Parks by 2012.
5. For the PPP projects, government land would be exclusively with Government/Public entity. No government land would be made available to the private party under this dispensation. However, no such restriction would be placed on non-Govt. land.

4.4.5 Infrastructure development for IT industries:

Gujarat has been one of the forerunner states to have implemented e-governance policies and projects. Recognizing the fact that IT drives employment and income for the state, the state government had notified an IT policy for the state in November 2006. This policy intends to promote rapid expansion and growth of the knowledge-based economy in the state. Accordingly it planned to attract investments in IT sector to achieve a turnover of Rs. 5000 crore and create employment opportunities for about 2,00,000 persons in five years. The Government intends to strengthen Fibre Optic network to improve data transmission. The state at present has the highest tele-density in the country with the longest OFC network (over 55,000 km). Substantial developments are underway in the state for development of Information Technology related projects. The implementation of following IT and SEZs projects are underway in the Ahmedabad-Gandhinagar-Vadodara region.

- A mega-financial services hub, Gujarat International Finance Tec city (GIFT) is being developed through private sector participation over an area of 2000 acres at Gandhinagar.
- There are about 11 SEZs in IT/ITeS sectors under various stages of implementation in Gandhinagar-Ahmedabad region and one IT-SEZ is under implementation at Vadodara.
- Two high-tech parks including an infocity at Gandhinagar are operational.

In addition a National Law University is operational at Gandhinagar and an Indian Institute of Technology IIT at Gandhinagar is operational now.

While the above developments are the steps in the right direction, development of GIFT is a major initiative of the Government of Gujarat setting in motion the IT agenda on an accelerated trajectory. The Industry-friendly IT policy, low start up cost, flexible labor laws, premier R&D institutions, uninterrupted power supply and state-of-the-art infrastructure have made the state a favored IT destination in the recent years.

4.4.6 Development of Port Infrastructure:

Gujarat Maritime Board has taken the lead in establishing a Port Policy in 1995 integrating comprehensive development of ports with Industrial Development, Power Generation and Infrastructure Development by realizing importance of private sector in Port Development. GOG has announced a BOOT Policy in 1997.

Gujarat Ports can be broadly divided into GMB Ports, Private and Joint Sector Ports and non-commercial ports such as fisheries and ship recycling/ship building and repair yards. The GMB ports can be further divided into GMB-owned and operated jetties (GMB jetties), GMB-owned but privately operated jetties (Private jetties) and Captive jetties. The commercial ports comprise private sector ports (e.g. Pipavav) and joint sector port (e.g. GCPTCL)

Overall Gujarat's non-major port comprises 11 intermediate and 29 minor ports handling 71% of non-major port traffic of India. Kandla, the only major port situated in Gujarat handled 11% of India's major port traffic. Gujarat ports had a total capacity of 182 MMTPA in 2006-07. This is estimated to have increased to about 200 MMTPA in 2007-08. This covers capacities of private sector, joint sector ports and private and captive jetties. The major capacity addition is from the development of captive jetties and Single Buoy Mooring (SBM) along with development of green field ports. Additionally, three green field ports are likely to be developed by 2013 and cargo handling by minor ports is expected to reach 350 MTPA. The capacity utilization ratio at Gujarat ports has remained around 65% in last three years, the international standard is 70% Cargo on the 41 ports along Gujarat's 1600 km long coastline has grown at a CAGR of 19% over last sixteen years. The ports in Gujarat have been able to leverage its proximity to industrialized north-western hinterland of India, provide better access to Middle East and African markets and tide over capacity limitations at alternative ports of JNPT and Mumbai to position itself as a leading maritime state. The vision for the port sector has been enlisted as below:

- f GMB envisages to contribute over 35-40% of the total national cargo by 2012
- f Hinterland connectivity improvement with Gujarat Ports
- f Development of Mega shipyard on Gujarat coast
- f Security, Safety and Environmental Measures at Gujarat ports
- f Manpower capacity building in the maritime sector in Gujarat

Gujarat's leadership in the port sector has thrown up its own set of challenges, principally in terms of sustaining this growth and exploiting its potential. Issues relating to provision of road/rail linkages, lack of urbanisation near ports, water front monopolies, environmental impact and impending oversupply in port capacity in future are the main concerns. In the context of the vision and the challenges posed to the port sector, overall development strategy adopted includes:

- f To revive GMB ports
- f To integrate port development with coastal area and developing logistic hubs for greater efficiencies.
- f To develop shipbuilding and ship repair projects

In pursuance of Port Policy and BOOT Policy, GMB has developed deep-water direct berthing modern mechanized ports with private investment and achieved remarkable growth in port sector. The new Industrial Policy Gujarat has defined certain interventions which are required to facilitate development in the port sector of Gujarat. These interventions are:

- a) Expansion in the ports privatized by GMB, viz. Mundra, Pipavav, Dahej and Hazira.
- b) Capacity upgradation of the ports directly owned and operated by Gujarat Maritime Board, viz. Porbandar, Bhavnagar, Navlakhi, Magdalla and Okha, in a PPP Mode.
- c) Port mechanization by providing bulk handling facilities to improve discharge rate and tackling environment issues at new private ports viz. Simar, Sutarapada, Dholera, Positra, Mahuva, Khambhat, Vansi-Borsi, Modhava and Maroli.
- d) Enhancing liquid handling capacity in GMB waters by setting up new SPMs.
- e) Ensuring capacity expansion of private and captive jetties.
- f) Coastal cargo movement activities will be encouraged and Ro-Ro ferry service will be introduced between Gogha and Dahej.
- g) Bunkering facilities - proposed location at Okha and Porbandar

4.4.7 Improvement in Hinterland Connectivity:

To foster the development of industries in Gujarat, it is extremely critical to ensure that the industrial regions of the state are well connected to all the important markets and transportation hub by way of excellent multimodal road and rail connectivity. The GoG has taken up concerted efforts over the years in order to ensure that most of the regions of Gujarat are well-connected and have easy access to facilitate movement of both goods and labour mobility. The hinterland connectivity exhibited by the state of Gujarat is comparable to the national standards.

The total road length in Gujarat currently stands at about 74,500 km. This translates to a road density of around 38 km per 100 sq km, and 146 km per a lakh of population. These figures are broadly comparable to 43 km and 126 km for India. The quality of core road network is largely believed to be superior in Gujarat. The State has benefited by the Golden Quadrilateral and North South East West axis, as well as the presence of expressways, pioneering PPP roads, six lane projects under advanced phases of NHDP, prudent use of external funding and relatively better maintenance regime. It has implemented several initiatives under Pragati Path, Kisan Path and Vikas Path development programs.

Broadly, the Roads in the State can be divided into core and non-core network. The core network comprises of the National Highways and around 6000 km State Highways. An ambitious 6000 km State Highway Development Program (SHDP) has been launched to address the core network's need for upgradation and maintenance. Under State Highway Development Programme (SHDP), the State Government intends to widen and upgrade roads extending to 3000 Km by 2013. A key challenge for the core network in the State is to address the needs of the emerging growth centres of the State viz industry, ports, SEZs, urban centres, so as to link them to the state and national arterial network. The State would like to benchmark its core network to international standards, to enable movement of goods at globally competitive costs.

The GoG also recognises the need to provide strong linkages between Gujarat ports/industries with NW hinterland as rail transportation is 50% cheaper compared to road transport and Gujarat ports serve as a gateway to the cargo intensive northwest hinterland. The Dedicated Freight Corridor (DFC) and DMIC have the potential to reduce the logistic cost thereby making Gujarat ports competitive.

The new Industrial Policy has also laid focus on improving the hinterland connectivity in Gujarat and in this context has recommended the following interventions:

- a) Setting up of SPVs for Rail connectivity to Porbandar, Okha, Bedi, Dahej and Hazira.
- b) To ensure four lane good quality roads for entry and exit to ports, which is handling traffic in excess of one million tonnes.
- c) To set up multi modal connectivity to SIR, SEZ, Ports, Airports, etc. to catalyze economic activity.
- d) To develop logistic parks at appropriate nodes around Delhi-Mumbai Freight Corridor. The development of the Logistic Parks would address requirements for cargo distribution, agglomeration and unavoidable mode change.

4.4.8 Augmenting the power requirements of the State:

The State of Gujarat is blessed with several natural resources of energy, such as- windy sites along its long coast line, sunshine hours for almost over 300 days a year, and biomass availability in view of the agricultural activities. The State has a potential to harness 10,000 MW of Wind Power, 900 MW of Biomass Power and approximately 10,000 MW of Solar Power. Given the high pace of industrial and economic growth, there is a significant demand for power in the state. For efficient functioning of industrial units, continuous and uninterrupted power supply is critical. Investments looking for new production sites would need a reliable supply of power and therefore, it is critical that necessary measures are taken by GoG to tap all the sources of power generation.

One of the main challenges for Gujarat's Power sector to go forward, is that significant generation capacity additions shall have to be undertaken just to manage the current demand-supply deficit. As such the State has witnessed inadequate capacity additions in the past (800 MW including CGS share has been added in the past 4 years) and has clocked demand growth at over 8% per annum. It is noteworthy that in India, Gujarat has highest per capita consumption of 1,391 kWh (in 2007) of electricity which is expected to reach to 1670 kWh by the end of 2012.

To meet the future goals and the growing demand in the state, Government of Gujarat would encourage private participation in conventional as well as in non-conventional sources of energy. Public Private Partnerships have emerged as the preferred mode of generation/transmission capacity augmentation through a competitive bidding process. The distribution component remains the weakest link in the value chain with technical and commercial losses ranging in this activity from 13% to as high as 32% among the Distribution Utilities. However, significant improvements have been made in this area by Gujarat in the recent past by outsourcing certain activities (such as metering, billing & collection), initiating steps such as implementation of HVDS, Demand Side Management, etc. Proactive monitoring and proper project management would be essential to ensure that the progress made so far continues to go forward.

The important policy initiatives which have been drafted for the power sector are as listed below:

- a) With the conducive Wind Power Policy, the State already has an installed Wind farm capacity of 1350 MW, which in the next five years, is expected to reach 5350 MW
- b) It is envisaged that during the next five years, power generation capacity of approx. 500 MW through various solar technologies, which are presently at a nascent stage of development, could be set up in the State through private sector participation, for which a State Policy is being framed.
- c) Similarly, a capacity of 500 MW of power generation is anticipated through direct combustion of Biomass, for which the GERC has already decided the tariff of Rs. 3.08 / kWh.
- d) Over the next five years, the generation of renewable energy is targeted to be 10 % of the total energy generation in the State.

4.5 Enhancement of Technical Competence and Manpower:

The new Industrial Policy for Gujarat has laid adequate emphasis on encouraging expansion of the skilled and educated manpower base. The GoG intends to provide incentives for investments which are directed towards enhancing the skill levels of the manpower and ensuring that the talent pool available in the state is in line with the industry requirements.

Though the state has over the years attracted large volumes of investment into the state, the availability of suitable manpower has been lagging. To address this issue, the State Government intends to develop industry-responsive and readily employable man power focusing on local resources. For this purpose, the State Government has set up Gujarat Knowledge Society and planned to set up knowledge corridors for higher education. In response to the current market trends, a large demand for trained manpower is likely to emerge from the manufacturing and services sector.

The State Government intends to introduce industry-responsive short term/bridged modular courses in existing ITIs, Polytechnics and Engineering Colleges with active user industry participation and involvement on a PPP basis. It has been proposed to set up Extension Training Centres in GIDCs, Industrial Parks, SEZs and industrial clusters. Anchor Institutes would be selected for various industrial sectors to provide industry responsive curricula, need-based training and skill development for faculties. The State Government will support development of Specialized Skill Development Institutions. Support will also be provided to DTE and DET for sub – ITI / Polytechnic, short term (2 weeks) training programme for spot employment.

4.5.1 Skilled Manpower Development:

Government of Gujarat will create a model of enhancing employability through skill development in PPP mode, (through Gujarat Knowledge Society), and every year minimum 1 lac youths will be covered.

4.5.2 Training Extension Centers:

GoG will assist the creation of training extension centres in Industrial estates/Industrial Parks/Industrial Clusters and SEZs. The development of the training extension centres in industrial parks/clusters/ SEZs would be on a PPP basis.

4.5.3 Anchor Institutes:

GoG will select and support state level anchor institutions for developing new training courses, and benchmarking the existing courses against international curriculum and for training the trainers. These anchor institutions would have to look into the skill demand and requirements amongst various sectors and compare the same with existing skill base of the employees. Appropriate training courses addressing various gaps would also be developed by the anchor institutes.

- a. The courses so framed and drafted by the anchor institutes would be for various areas of skill development which has been identified for various sectors.
- b. National level Institutes like IIT and IIM would be involved, on a professional basis, for mentoring and guiding these efforts of the State Government.

4.5.4 Specialized Skill Development:

GoG will also encourage specialized skill development institutions that can impart vocational skills. Skills in desired areas like Marine Engg., Mining, and Specialized pipe laying, Logistic and Services, other Advance/Specialized Technologies & Management.

4.5.5 Incubation Centre for Youth:

The average age of the people in India is one of the lowest in the world. Coming era will therefore belong to the youth. The policy therefore proposes to give a special treatment to the youth below the age of 35 years by way of skill formation and encouragement of their initiatives, innovations and entrepreneurship. It therefore envisages creating and supporting incubation centres in partnership with private and corporate sector as also the academia and Centres of Excellence under PPP Mode to fully harness the potential of the youth in the state. Government will also set up special desks in the state to facilitate such incubation centres. For the purpose, the policy proposes to create a separate fund. Women and new entrepreneurs among the youth will be given preference. Operationalising the entrepreneurial intent of this group would be facilitated on a fast track. In addition, relevant innovations which are essential for becoming competitive in the times ahead for doing business will be encouraged among the youth. Emphasis will be given on the innovative content in the project rather than the investment.

4.5.6 Apparel & Textile:

- a) GoG will support institutions that provide specialized training in the apparel sector.
- b) GoG would also extend support to those institutes which engage in imparting training to those employed in the textile industry.

4.5.7 SME Skill Enhancement:

Support for undertaking training to SME for skill enhancement will be extended.

4.5.8 Institutional Arrangement for Market-driven Curriculum:

An institutional arrangement in the form of Industry academia fora at local levels with the Government - industry - academia fora at the apex level would be set up. These fora will keep the general syllabus and curriculum under dynamic review for making them to be industry-responsive and market driven. Government of Gujarat will set up a Special Purpose Vehicle for creation of Educational Corridors, in which Special Educational Zones will be developed.

4.5.9 Creation of Labour Market Efficiencies:

The GoG has played a proactive role in ensuring that the sick industrial units of the state are provided with such incentives which would facilitate their revival and reutilization of the existing non-performing or under-utilized assets. The government has over the years announced several schemes which have primarily aimed at providing concessions to the sick industrial units in an effort to revive them. The Government intends to bring the focus back on these units and address them through the new industrial policy.

4.6.1 Rehabilitation of sick units:

Financial support for the diagnostic study: Diagnostic studies would be carried out to assess the viability of the sick units. In order to revive the units, the government plans to introduce certain incentives. The study would therefore, aim at reviewing all the aspects of functioning of the sick unit and assess the possibility of its operation in the light of the incentives. The GoG would provide financial assistance on costs of conducting such a study.

Financial assistance to hire experts in the areas of technology, marketing and finance once the recommendations are implemented: The diagnostic study so conducted would highlight the interventions which need to be carried out so as to make these industrial units functional. With the aim of ensuring that the industrial sick units are able to adopt the recommendations which have been made in the diagnostic study, the expertise of professionals in the areas of technology, marketing and finance can be hired. GoG recognises the importance of the inputs of the experts in various fields and therefore in the new Industrial Policy, a provision has been made through which financial support would be provided towards the professional fees for hiring these experts. Recognising the need to provide financial support to the sick industrial units by way of certain key relaxations, the GoG has recommended in the new Industrial Policy to provide for a one time settlement of outstanding dues by sick units on a graded scale.

Financial support will be provided on interest for additional bank finance used for rehabilitation for a limited period. In the event of the sick unit being taken over wholly/partially by a new investor, he would be eligible for all the assistance mentioned above.

4.6.2 Assistance to bring the informal sector into mainstream:

In Gujarat, the Informal Sector accounts for around 82.8 % of the total 2.5 crore workforce and from among them, 67 lakh are engaged in non-agriculture sector and 140 lakhs are engaged in agriculture sector. This sector generates large scale employment with minimum investment. The GoG acknowledges the productive output of the informal sector and the significant contribution made by it in generation of economic activity. However, the informal sector has been plagued with limited skill development among the workers and lack of formal access to credit.

Taking into the consideration the past efforts at providing skill development to the workers of the informal sector, the GoG through the new Industrial Policy aims at fostering an integrated approach where special care would be taken to meet the interests of the workers by providing them training, upgrading their skills, and other measures to enable them to find new avenues of employment, improve their productivity in the existing employment, enhance the competitiveness of their product both in terms of quality and cost which would also help in improving their income and thereby raising their socio-economic status. The new Industrial policy has considered to introduce special interventions in the interest of the informal sector workers.

To enhance the competitiveness of the informal sector, the GoG has earmarked Rs. 100 crore in the budget for 2008-09 to focus attention on activities for the sector. The additional provisions which have been made include:

a) Comprehensive survey of informal sector workers and various existing economic activities, potential activities in the state: Since the informal sector employees are engaged in a wide range of productive economic activities spread across the state, the GoG has felt it important to identify these workers, and map their skill levels. The survey would therefore indicate the areas of intervention required in terms of skill enhancement for a specific sector, provision of credit access and any other facilitation which may be critical to the informal sector workers.

b) New ITIs to be setup and the existing ITIs will be upgraded and equipped with modern technology to impart training to the informal sector workers. Efforts to increase the outreach of these training institutes would be facilitated and GoG would closely monitor the performance at the training institutes. It would also provide for necessary changes which may be currently called for in terms of better training methods, and would facilitate in establishing important tie up with industries in such a way that the skill sets demanded in the market are provided to make informal sector workers more competent.

c) Workers/Artisans will be imparted training for skill improvement/development to achieve higher level of competence. GoG intends to bring the workers and artisans into the mainstream of economic activity and therefore, proposes to help the skill development which would be required. GoG promotes holistic development in the economy and recognizes the important contribution made by the artisans in producing goods which not only have a demand in the local and domestic market, but are also important foreign exchange earners to the country by way of exports. Since the scale of operation by the workers and artisans is usually not large and is at an informal level, they most often are not aware of the technological improvements and do not have an access to the same. The New Industrial Policy to that extent attempts at skill improvement among these workers.

d) Workers/Artisans falling under the unorganised sector will be covered under schemes of housing, insurance, education, social security, bankable assistance etc. Special encouragement will be given for carpet weaving in the tribal areas of the state.

e) Service Exchange Promotion Centres (SEPC) will be established throughout the state which would extend facilities like a Single Window, an Information kiosk, a bridge between service seekers and service providers, a centre for channelizing all governmental schemes. "One Centre, Services Many."

4.7 Rewarding adoption of New Technologies, business sophistication and innovation:

4.7.1 Research & Development

In order to create an environment conducive to the next stage of development and attracting investment and talent, the State Government has accorded priority to research and development activity through promoting R&D institutions as well as encouraging contract research from private sector industries, institutions and industrial associations. Efforts will be made to set up Centre of Excellence among research institutions. Such institutions have been set up in the Textile sector. Many such centres of excellence will be created in the other sectors like Nanotechnology, Port and Shipping, non-conventional energy sources etc. Financial support will be provided to institutions for setting up Centres of Excellence for installing new equipments, instrumentations as well as talent. The State Government also intends to promote Incubation Centres associated with Universities and Management Institutions to encourage research/inventions into industrial projects. Mechanism would be set up to track the latest in technology and innovation for adoption in the state. New and Innovative use of local resources would be encouraged. R&D for technologies and product that bring in the hitherto excluded sections of the society into the productive economic mainstream would be supported. Under the policy interventions envisaged include:

- a. Assistance to R&D institutes for modernization and making them self-reliant.
- b. Assistance for contract/approved research work from SME industrial units to recognized R&D Institute/Technical colleges approved by AICTE.

4.7.2 Enhancing competitiveness of SMEs:

(i) Improving sophistication in SMEs:

Gujarat has witnessed impressive development in Small and Medium Sector Industries. The State Government intends to make the SME Sector more competitive and vibrant. GoG intends to provide necessary support by way of interest subsidy, venture capital assistance, quality certification, skill development, etc. The state government in a bid to make the SME sector technologically advanced would facilitate infusion of latest and modern technology, would emphasize on the need to promote Research and Development activities, patent registration, carry out energy and water audit and conservation etc. A comprehensive approach would therefore be taken up in a manner that all efforts which are required to make these SMEs competent on a global level would be facilitated. Increasing the competence of employees and management practices in such a way that they are oriented towards meeting the needs of the domestic market and are in tune with the needs and the changes in the global market is crucial.

The Industrial policy therefore establishes a direct link between the pre-determined goal of achieving high standards of quality for all the goods which are produced in the state and taking up efforts to increase the competence of the SME sector. GoG would extend all the required support for market development activities. Support would also be extended for the development of ancillary and auxiliary industries for value addition. The State Government will continue to give priority for cluster development of SME in the entire State.

(ii) Awards and Recognition:

GoG will institute separate awards for Micro, Small and Medium enterprises

- a) The awards will be for achieving excellence through
 - i. Growth in production and profit
 - ii. Quality improvement measures
 - iii. Environment improvement measures
 - iv. Innovation and new product/process/technology development
- b) A cash award will be given for each SME identified for excellence at the district level
- c) Award recipients will get priority for participation in international trade fairs and other incentive schemes

(iii) Technology support

Laying sufficient emphasis on improvising technology and ensuring that technological upgradation is pursued in all facets of the sectoral functioning and operation, GoG plans to extend support for the same. Going a step further, the Government intends to create a fund which would be used purely for the purpose of extending financial aid to industrial clusters which would be vying towards a technology upgradation or updating new technologies etc. By initiating such a measure, the Government encourages the industrial units in moving towards adoption of newer and better technologies and facilitates in creating an atmosphere of greater efficiency and speed of operations.

- a) Financial support will be provided to each cluster for every innovative technology they adopt and introduce into the manufacturing process
- b) GoG will facilitate the setting up of R&D institutions by defraying part of the project cost.
- c) For organizations intending to undertake contract research, GoG will provide financial support to the project cost.
- d) Financial support would be extended for the technology used under contract research.
- e) Financial support through partial reimbursement of cost for filing of domestic patents and international patents.

(iv) Market Development Initiatives:

Moving forward in the direction of providing increasing visibility to the output generated from the industrial sector from the large industries and specifically from the smaller industries, the Government intends to provide adequate assistance. Having already made provisions wherein the existing employees are trained with better skill sets, improved technology access, greater understanding of the changing demands in the domestic and international market, the Government wishes to develop a clear marketing strategy to showcase the goods and services of Gujarat.

GoG recognizes that efforts required to be made towards aligning the end product with the expectations of the market. Aggressive marketing strategies are the need of the hour and so would be adequately facilitated by the government. With increasing competition both in the domestic and the international market, it is important that all aspects relating to the products are well taken care of. It would be needed that the domestic trends and the international practices which are adopted by the competing producers and countries are well tracked and understood and the products from Gujarat would therefore need to be positioned on a similar platform. Since most SMEs invest a larger amount in production activities and lesser towards marketing activities, GoG would come to the aid of these SMEs such that they are able to access credit purely for their marketing activities. The new Industrial Policy has therefore taken upon itself the onus of facilitating use of better marketing practices by the SMEs.

One of the most important marketing practices which are followed in the domestic and the international market is the showcasing of the products and services in the trade fairs which are held on a national and international scale. Participation in these fairs provides the much needed visibility and makes it possible for the producers to interact on a direct basis with the buyers, engage in negotiations, strike key important deals, understand competition better and be more aware of the demands prevailing in the market. Since such participation in trade fairs is critical, the Government intends to encourage the participation of SME

sectors in the same. The entire spectrum of associated marketing activities such as product/company brochures etc are extremely important marketing tools and therefore GoG would take necessary steps to ensure that assistance is provided on this aspect as well. Since several SMEs are unable to participate in such trade fairs owing to the costs involved, the GoG has designed some interventions specifically addressing this issue and the incentives so identified are listed below:

Financial support to Innovative packaging and design by SMEs

For participation in international Trade Fairs, GoG will partially defray the costs of rent, literature and display materials.

For *industrial* associations participating in international trade fairs, the GoG will provide financial support.

For organizing international and domestic seminars, GoG will provide a viability gap support.

GoG will provide financial support for new convention and trade centers

(v) Support to Ancillary (Vendor) & Auxiliary Industries:

In order to enhance the value addition chain and increase employment generation, Ancillary & Auxiliary industries to a parent unit would be encouraged. Following interventions are envisaged:

For Ancillary:

- a) Parent unit to contribute a min. for prototype/new product development besides technical support and commitment for procurement.
- b) Parent unit to support minimum 10 ancillary units
- c) Financial Assistance on infrastructure cost excluding cost of land to parent unit for development of industrial park.

For Auxiliary:

- a) Large parent units producing raw material and promoting auxiliary units to be encouraged to develop industrial park for accommodating minimum 20 units.
- b) Financial Assistance on infrastructure cost excluding land cost to the parent unit.

(vi) Quality Certification:

Quality improvement and to become the identity of all that is produced in Gujarat being an objective of the policy, some of the interventions envisaged include:

Financial assistance for 3 quality certifications which would comprise part disbursement of the certification fees, cost of testing equipments, calibration charges, consulting fees and training charges.

(vii) Energy & Water Conservation:

With a view to promoting sustainable development, conservation of Energy & Water is emphasized and encouraged in the policy through following interventions:

- a) Financial support for Energy/Water audit conducted in a unit by a recognized institution/consultant.
- b) Group of units/cluster will be given priority
- c) Financial assistance for equipment would be given.

(viii) Venture Capital Assistance

Innovation is a continuous process and the Government is committed to support such initiatives in a sustainable manner. For the purpose, to promote innovation and new projects in SME the following interventions are envisaged:

- a) Venture Capital Funding for projects adopting innovative technology to be considered. b)

Funds will be provided to FI/nodal bank to provide equity support to SMEs

4.8 Improving Environmental Infrastructure

One of the most important areas of developmental activity also regarded as highly sensitive, pertains to the environment. Globally a very high degree of importance is attached to the fact that production and developmental processes should have minimal negative externality. This is a philosophy which is widely agreed upon by the Government of Gujarat. The growth and development which the Government of Gujarat envisages for the state would necessarily be a sustainable one.

Industrial development and associated growth should therefore be necessarily carried about in a process wherein no damage is done to the ecology and to the environment as a whole. The subject matter of environment safeguard also gathers greater momentum in the light of the fact that Gujarat is a predominantly industrial state. The state accounts for 28% of the national production in Chemicals. In addition, there is a wide range of other categories of industries in the state and thus the state is more conscious about its responsibility in ensuring a clean and green environment.

In light of this the Government in this new Industrial Policy intends to accord Environment the status of Infrastructure. In doing so, the GoG plans to provide a wide range of incentives for all the sectors to encourage greater compliance with the environmental norms and standards. The State Government has taken initiatives to develop infrastructure for environment protection including setting up of Common Effluent Treatment Plants, development of hazardous waste disposal sites and disposal of treated effluents into sea. The environment protection measures would continue to get priority. Now the environment protection operations shall be carried out by third party having responsibility for monitoring and compliance and not by the polluters/ stake holders.

The State Government aims to encourage Environment Management by rational use of resources, environment audit and taking measures to reduce pollution load, waste recovery, recycling and waste recharge besides focusing on adoption of clean process technology. The Government aims to promote waste management as a stand alone viable activity through professional independent technology-driven entities. The State Government intends to gain carbon credits and reduce carbon foot prints in the industrial sectors. It will provide greater opportunity to the people willing to take the benefit of green business like carbon credit earning. Focus would be on Green credits through compensatory or advance afforestation. The State Government aims at zero discharge from specific industrial sectors over a period of 10 years.

Since use of clean green technology also requires large scale investment and is by and large an expensive process, the state government recognises the need to introduce PPP methods for building environment infrastructure. A third party management to that extent would monitor and be responsible for ensuring that all the necessary environmental guidelines, rules and norms are strictly followed and adhered to.

The interventions which have been designed for the Environmental sector under the new Industrial Policy are listed below:

i. GoG will initiate PPP in the following areas:

- ii. Desalination plants and plants for recycling water
- iii. Common hazardous waste infrastructure projects
- iv. Common environmental infrastructure projects
- v. Other projects that can improve environmental compliance

(b) For innovative non-PPP projects, GoG will provide financial support to the following:

- i. Use of innovative technology for recovery of useful material from E-waste, Electroplating waste and photography waste.
- ii. For ship-breaking facilities that adopt modern technologies
- iii. For implementing innovative technology that can help in the recovery of ODS from old equipments
- iv. For reduction in energy consumption
- vii. For common desalination plants via RO technology for SMEs
- viii. Technology upgradation of existing plant through clean innovative measures.

(c) For encouraging green practices, in SMEs, GoG will provide financial assistance for-

- a) Use of Clean, Efficient and Innovative Air Pollution Control Equipments
- b) Periodical Environmental/Energy Audits
- c) Setting up of Environment Management System
- d) Purchase of New Equipments/Systems related to occupational safety and health
- e) Installation of Solar System for energy saving
- f) Grading and Ranking industries according to its environment performance – Gold/Silver/Bronze passes
- g) Rain Water harvesting
- h) Reduction in water consumption
- i) Provide financial assistance for substitution/optimization of raw material including catalysts

(d) Obtaining Carbon Credit and Reduction of Carbon footprint

i. Projects that will impact the entire cluster of units will be given priority for obtaining Carbon Credits.

ii. Support for carrying out life cycle analysis and related measures for reducing Carbon Footprint.

(e) For all projects in the area of environment and waste management, the Government will reimburse the electricity duty for 5 years

4.9 Promoting Holistic Development

The GoG in addition to facilitating economic and industrial growth would also ensure that all round social development in the state is also carried on. The Government has therefore realized the need to synergize social development activities of corporates with Government initiatives to ensure better reach, impact, visibility, sustainability and outcome. In this context, the State Government would lay emphasis on promoting such activities in PPP mode and make the corporates partners in various programmes. The concept of Corporate Social Responsibility would be actively encouraged and promoted in the State.

An indicative list of sectors will be outlined where the corporates and industry associations may like to get associated. These may include: promotion of sports at rural level to make youths capable for participation at national/international competitions, building play grounds, enhancement of technical competence including vocational training and providing "Uniform" to students, adopting PHCs/ CHCs and supporting nutritional programmes, Nirmal Gujarat Programmes etc.

The corporates and industry associations may decide to undertake specific activities or a combination of activities in villages/cluster of villages/talukas/district. The participating companies or associations adopting to take up such activities would need to appoint a designated officer as Director for CSR activities. A committee consisting of Director, (CSR of the company), officer from DRDA and officer nominated by District Collector (DC) will be constituted to decide on activities, allocation of fund from corporates and Government and monitor the progress of activities.

4.10 Responsiveness to changing Domestic and Global Environment

The State Government will ensure implementation of the Industrial Policy 2009 to meet with the stipulated objectives of the industrial policy. Recognizing the increasingly dynamic nature of the world economy in an era of close global linkages and the constant need for frequent and appropriate response, a course correction mechanism would be put in place. The policy envisages building in a response system wherein continuous feedback and quick response to the required policy changes are made possible.

The State Government intends to constitute Development Councils for focus industrial sectors as well as specific aspects like manpower development, environment protection, etc. in order to have continuous inputs and suggestions. The councils will include industries representatives and experts as members.

An inter-departmental committee headed by Hon'ble Minister of State (Industries) will be constituted to enable realisation of intended outcome of the policy. The Committee will also review suggestions received from Development Councils and recommend for midterm corrections to the government.

Chaper–XI

State Economy

Gujarat located on the western most part of India, has one third of coastline of the country. Since inception of the state, The structure of its economy has changed significantly. Now only the state's GSDP and Per Capita GSDP have increased but it has shown all signs of a developed and urbanised economy. The state has maintained its high rank in key economic indicators among the Indian States. Gujarat has emerged as a leading industrialised state in the country providing to be the ultimate destination for many investors, both within and outside India.

As per quick estimates, gross state Product (GSDP) at factor cost at current prices on 2008-09 has been estimated at Rs. 337217 crore as against Rs. 303734 crore in 2007-08, showing a growth of 11.02 percent during 2008-09 during 2008-09. The share of Gujarat state for the year 2008-09 at current prices in gross Domestic Product at all India level works out to 6.45 percent. The per capita income at current prices is estimated at Rs. 49251 in 2008-09 (which is higher than the national average of Rs. 40141), as against Rs. 45433 in 2007-08, registering an increase 8.40 percent over the previous year.

Gujarat is highly industrialised state and Gujarat economy has been able to achieve higher growth rate than the national average. But ,it could not entirely escape from the effects of the global recession . In particular ,exports specially of Chemical and chemical products including pharmaceuticals, refined petroleum products, textiles, gem, jewellery and diamonds were adversely affected due to poor international demand. Poor domestic demand also contributed to the slowing down of the industrial sector. Industrial activity is expected to pick up with recovery in the global and national scenario and it is expected that the growth rate envisaged in the 11th plan will be achieved.

Gujarat has continued to witness impressive industrial development. The state has received acknowledgements of 9216 Industrial Entrepreneurs Memorandum (IEM) filed by entrepreneurs till September 2009 with an estimated investment of Rs. 576196 crore. The Cumulative number of registered Small Scale Industries units crossed the figure of 3.12 lakh at the end of September -2006. SSI act is as Micro, Small and Medium Enterprises Act (MSMED Act,2006) from 2nd October, 2006. In the state during the October 2006 to to September, 2009 the total 44712 Micro, Small & Medium units have been registered having an investment of Rs.21225.51 crore and employment generation of 647657. Board of Approvals(BOA) in Ministry of Commerce and Industries, New Delhi has accorded approvals to 60 SEZs (Special Economic Zone) in Gujarat At the end of September-2009.The total proposed investment by SEZs developers is around Rs. 267374 crore.

“Vibrant Gujarat Global Investors Summit -2009” was organised ON 12-13 January-2009 at Science city, Ahmedabad to attract the investors to establish projects in the state. In all 8660 MoUs have been signed/announced in 28 different major sectors with total proposed investment of Rs. 12.40 lakh crore and 26.83 lakh employment opportunities in the state.

The percentage share of Gujarat in All India aggregates for ASI 2007-08 such as number of factories, number of employees, value of output and net value added accounted for 10.30 percent, 10.01 percent, 16.10 percent and 12.67 percent respectively.

In The state ,during the year 2008-09, 3.31 lakh persons have been registered in the employment exchanges and 1.63 lakh have been placed in employment. The total employment in public sector and private sector has increased from 18.39 lakh at the end of March,2209.

Infrastructure is the backbone of progress and the state has a fairly well developed infrastructural facilities. The generation of electricity in the state, including the generation private sector and central share was 68962 MUs in 2008-09.The per capita consumption of electricity during the year 2008-09 was 1446 units(as per CEA's revised formula).

In the State, aircraft departure has increased from 39478 in 2006-07 to 52862 in 2007-08. Similarly, the passengers embarking and disembarking has also increased from 16.65 lakhs and 15.81 lakhs to 20.15 lakh and 19.81 lakh, registering an increase of 20.96 percent and 25.27 percent over the previous year respectively.

As per the final accounts of the state, the expenditure during the year 2008-09 was Rs. 51919.88 crore which was higher by 9216.30 crore than the previous year. The total tax revenue was Rs. 29282.89 crore, which was higher by 7.22 percent than the previous year of Rs. 27311.66 crore. The state share in central taxes was Rs. 5726.19 crore,higher by 5.52 percent than the previous year of Rs.5426.65 crore. The proceeds from sales tax/VAT was placed at Rs. 16810.65 crore, higher by about 11.30 percent than the previous year of Rs. 15104.54 crore.

The fifth Economic Census was concluded in 2005 in the state. All economic activities(agriculture and non- agriculture) except those involved in crop production and plantation (related to production and/or distribution of goods and/or services other than for the sole purpose of own consumption were covered. There were 24.26 lakh establishments engaged in different economic activities other than crop production and plantation engaging 60.99 lakh persons in the State. Out of the total establishment, 13.63 lakh(56.18 percent)and 10.63 lakh(43.82 percent) establishment are located in rural area and urban area respectively. Out of total 60.99 lakh employed persons,28.80 lakh(47.22 percent) and 32.19 lakh (52.78 percent)persons were employed in rural and urban areas respectively.

Important Sectoral developments in the year 2008-09 and 2009-2010(latest available) has been given in succeeding paragraphs.

Population :

According to population Census 2001,the population of Gujarat was reported at 5.07 crore . The decadal growth rate has increased from 21.19 percent(1981-91) to 22.66 percent(1991-2001). Gujarat accounts 6.19 percent of the area and 4.93 percent of population of the country. The population of Scheduled Castes and Scheduled Tribes in the state have been reported at 35.93lakh(7.09 percent) and 74.81 lakh (14.76 percent) respectively.

The literacy rate in the state(excluding children in the age group 0-6 years) has increased from 61.29 percent in 1991 to 69.14 percent in 2001. The density of Gujarat has increased to 258 persons per sq.km. Nearly 37.36 percent population of Gujarat residing in the urban areas and the sex ratio was worked out to 920 in 2001.

Classification of population by economic activity according to Population Census 2001 reveals that out of the total population of 506.71 lakh in the state, 170.25 lakh were main workers, 42.31 lakh were marginal workers and 294.15 lakh were non- workers. Thus main workers constitute about 33.60 percent of the total population and marginal workers constitute about 8.35 percent of the total population of the state.

