

**Scheme of assistance to Mega/  
Innovative Projects.**

Government of Gujarat  
Industries & Mines Department  
Resolution No.MGP/102009/58782/I  
Sachivalaya, Gandhinagar.  
Dated 29/12/2009

**Preamble**

The State Government has introduced Industrial Policy 2009 with a vision to make the State a beacon of comprehensive social and economic development. The policy focuses on making Gujarat the most attractive investment destination not only in India but also in the world. To ensure that the State transforms into a global investment destination, development by way of establishment of several mega projects in focus sectors is considered necessary.

The State Government intends to promote and facilitate mega projects in certain focus sectors that have a large multiplier effect on economy, leading to employment generation and inclusive development of the State. Such projects are expected to promote ancillary and auxiliary industries, particularly in the SME sector. Thus facilitating development of mega projects is being envisaged as a key strategy to trigger large scale economic activity in the State.

With the objective of remaining in the forefront of competition and technology innovation, and to attract large-scale investments with state-of-the-art technology, the State Government also intends to encourage and attract investments in innovative projects.

**Resolution :**

1.0 The Scheme will be known as Assistance to Mega/Innovative Projects and it will come into force from the date of issue of this Government Resolution and will remain in force for five years ("Operative Period").

**2.0 Definitions :**

**2.1 Mega Project**

- (i) A "Mega Project" means a Project in certain focus sectors having an actual investment of at least Rs.1000 crore AND which provides direct employment to at least 2000 persons.

- (ii) A Project having an investment of at least Rs.2000 crore in Core Infrastructure Sectors.

## 2.2 Innovative Project

An Innovative Project means a Project having investment of at least Rs.500 crore AND generating direct employment of at least 1000 persons AND satisfying the Evaluation Criteria for Innovative Projects.

## 2.3 Focus Sectors

The focus sectors include the following, in addition to such other sectors as may be decided by the Government from time to time:

- (i) Auto and auto components
- (ii) Ship building and ship repair
- (iii) Semi conductor fabrication
- (iv) Industries having Nanotechnology applications
- (v) Maintenance, Repair and Overhaul (MRO) hub for aircraft

## 2.4 Core Infrastructure Sectors

Core infrastructure sectors include the following categories of projects, in addition to such other category of projects as may be decided by the Government from time to time :

- (i) Metro Rail Line
- (ii) Logistic Parks
- (iii) Railway Line
- (iv) Express Ways
- (v) Fast Passenger Trains
- (vi) High Speed Trains

Townships, residential or commercial projects are excluded from this category.

## 2.5 Evaluation Criteria

The Evaluation Criteria for determination of eligible Innovative Projects will be the following in addition to such other criteria as may be specified by the Government in future :

- (i) It should be a manufacturing unit.
- (ii) The technology should be introduced for the first time in Gujarat.
- (iii) The Project should envisage the use of high-end state-of-the-art/cutting edge technology.

- (iv) It should meet the criteria of capital investment and employment generation.
- (v) It should have a proven multiplier effect.
- (vi) It should add to skill formation and local capacity building.

The State Level Approval Committee (SLAC) set up for the purpose will consider overall evaluation of criteria as identified, to decide upon the eligibility of Innovative Projects.

## 2.6 Project Investment

Project Investment means the projected investment in fixed assets of projects/facilities including cost of land, buildings, equipment, plant & machinery, etc.- excluding the margin for working capital, capitalized interest, good-will fee, preliminary and pre-operative expenses, royalty, second-hand plant-machinery and transport vehicles except those vehicles which are required for the project within its site.

## 3.0 Assistance to Mega/Innovative Projects

- (i) Financial assistance to the Mega/Innovative Projects will be decided on merit on a case to case basis.
- (ii) The State Government may make special dispensation for the land use and tenure conversion for Mega/Innovative Projects.
- (iii) If the Mega/Innovative Projects require support of ancillary units and if such support is to be extended by MSME units, GIDC would identify land for setting up of such MSME ancillary units.
- (iv) GIDC would assist, if required, in identifying land for setting up of Mega/Innovative Projects as their anchor clients.

## 4.0 Procedure

- (i) The company will make an application to the Industries Commissionerate for eligibility for assistance under the Scheme as Mega/Innovative Project in a prescribed format. The application will be scrutinised by the Industries Commissionerate and will be put up before the SLAC. The applications for Mega Projects in the Core Infrastructure Sectors will be made to the Gujarat Infrastructure Development Board (GIDB), and those cases will be considered and examined by GIDB.
- (ii) The SLAC will approve the registration of the application for eligibility on the basis of Eligibility Criteria as set out above.
- (iii) The Industries Commissionerate will issue registration certificate to the applicant after the approval of the SLAC.

- (iv) The project registration application has to be approved by the SLAC before commencement of the Project. The Project which has not been granted prior approval will not be eligible for assistance under the scheme.
- (v) Last mile connectivity to Mega/Innovative Projects by funding through Critical Infrastructure Scheme may be considered by the State Government on the recommendations of the SLAC.
- (vi) If the Project has been/is granted assistance/subsidy/benefits under any other scheme of the Central/State Government, the assistance under this scheme may be decided on merits of the Project by the State Government taking into account such other assistance/subsidy or other benefits.
- (vii) Within 3 months of issuance of Registration Application by Industries Commissionerate, the project owner will make application for assistance under this Scheme to the Industries Commissioner who will examine the same and recommend as deemed fit to the Government.
- (viii) The decision of the Government will be conveyed to Industries Commissioner and the project owner. The decision of the Government will be final and binding to all the concerned.

**5.0 State Level Approval Committee (SLAC)**

(i) A State Level Approval Committee consisting of following members is hereby constituted for recommending the application to Government for approval of assistance under the scheme.

Chief Secretary	Chairman
Principal Secretary, Finance Department	Member
Principal Secretary, Industries & Mines Department	Member
Principal Secretary, Revenue Department	Member
Principal Secretary, Ports & Transport Department	Member
Principal Secretary, Energy & Petrochemicals Department	Member
Principal Secretary, Science & Technology Department	Member
V.C. & M.D., G.I.D.C.	Member
Industries Commissioner	Member Secretary
Principal Secretary, Roads & Buildings Department	Member
C.E.O., Gujarat Infrastructure Development Board (GIDB)	Member

The Committee may also invite such other officers as and when deemed fit.

- (ii) The SLAC will recommend the application for assistance to Government, and on approval of the application will also monitor the progress of the implementation of the Project for which assistance is sanctioned.
- (iii) The Committee will also prescribe the terms and conditions for implementation of the Project and decision of the Committee will be final and binding to the applicant in this regard.
- (iv) The cases relating to Core Infrastructure Sectors shall be dealt with by the GIDB and such applications need not be submitted to the SLAC or the Government.

## 6.0 Other Conditions

- (i) The financial assistance would be provided for holistic development based on definite outcomes.
- (ii) The assistance will be focused on upcoming industrial areas along Delhi-Mumbai Industrial Corridor (DMIC) and infrastructure requirement in identified Special Investment Regions (SIRs) and Industrial nodes.
- (iii) The applicant should prepare a comprehensive project report, clearly highlighting the overall investment needs, project cost, implementation schedule and means of financing in terms of promoters' equity, contribution from financial institutions and required component of assistance under this Scheme. The report should also indicate mode of repayment of the loan taken from the financial institutions. The applicant will have to provide all the required details including financial details as and when required by the Government and SLAC.
- (iv) The detailed O&M arrangement and mechanism for third party inspection will have to be set up as an integral part of the Project to claim assistance under the Scheme.
- (v) The employment defined for eligibility of the Project for assistance under the Scheme is only an indicative minimum and the Project is expected to generate additional direct employment after its commissioning.
- (vi) The Project proponents shall make efforts for local capacity building and gainful employment to local people of the region. The SLAC will take this into consideration while fixing terms and conditions.
- (vii) The arrangement for training of manpower may be made by the promoters by establishing an ITI or such training centers with the help of State Government technical institutions under Directorate of Technical Education (DTE)/ Directorate of Employment & Training (DET).
- (viii) The Project will be required to meet the implementation schedule as submitted by the Applicant and as approved by Government, failing which the incentives granted may be recovered/withheld at the discretion of Government as arrears of Land Revenue.
- (ix) The assistance granted to the Projects, which fail to fulfill the criteria specified in this GR at any point of time, may be recovered as arrears of Land Revenue from the benefiting entity.
- (x) For the Mega Projects in Core Infrastructure Sector, GIDB will ensure fulfillment of above conditions.

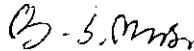
## 7.0 Expenditure

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

Demand No. : 49  
Major Head : 2851-Village and Small Industries.  
Sub-Major Head : (800) Other Expenditure  
Minor Head : (16) IND-1  
Sub Head : Financial Assistance to Industries, 3135  
Item No. : Grant in Aid & Others.

This issues with the concurrence of Finance Department note dated 6/2/2009 on the even number file of this department.

By order and in the name of the Governor of Gujarat,

  
(B. S. Mehta)

Under Secretary to Government of Gujarat  
Industries and Mines Department.

Copy to:

1. Secretary to H.E. the Governor\*
2. Principal Secretary to Hon. Cm
3. Advisor to Hon. Cm
4. Personal Secretaries to all Hon. Ministers
5. Under Secretary to Chief Secretary
6. Principal Secretary, Finance Department
7. Principal Secretary, Industries & Mines Department
8. Principal Secretary, Revenue Department
9. Principal Secretary, Ports & Transport Department
10. Principal Secretary, Energy & Petrochemicals Department
11. Principal Secretary, Science & Technology Department
12. Principal Secretary, Roads & Buildings Department
12. V.C. & Managing Director, Gujarat Industrial Development Corporation
13. Industries Commissioner, Gandhinagar
14. Commercial Tax Commissioner, Ahmedabad.
15. C.E.O. Gujarat Infrastructure Development Board (GIDB).
16. Accountant General Ahmedabad/Rajkot
17. System Manager for IWDMS, TCS Ltd., Gandhinagar
18. Jt. C.I.O., Industries & Mines Department for uploading on Website.
19. Select File.

\* by letter.

*Gujarat Industrial Policy 2009*  
Scheme for assistance to Micro, Small  
and Medium Enterprises (MSME)  
Market Development Support.

Government of Gujarat  
Industries & Mines Department  
Resolution No. MSM/102009/57928/I  
Sachivalaya, Gandhinagar  
Dated:

**4 JAN 2010**

Read:

- (1) Industries & Mines Department Govt. Resolution  
MSM/102009/57928/I dated 27/2/2009.
- (2) Industries & Mines Dept. Govt. Resolution  
MSM/102009/552200/I dated 13-10-2009.
- (3) Office of Industries Commissioner's letter No.  
ઉદ/સ.ખ./૮૭૮/૨૯૧૬, તા. ૩૦-૧૧-૨૦૦૯.

**Preamble:**

The Government of Gujarat vide Government Resolution at Sr. No. (1) mentioned in read above, introduced scheme for assistance to Micro, Small and Medium enterprises (MSME) under the Gujarat Industrial Policy 2009. The scheme for Market Promotion Support was also covered under it. Representations for making certain amendments in this scheme were received from various Industrial Associations. And vide Govt. Reso. at Sr. No.(2) mentioned in read above, para 3.9 Market Development Support of the GR dated 27-2-2009 was replaced by para 1 of GR dated 13-10-2009 mentioned at Sr. No.(2) above. In this regard representation was made by IC's office vide letter dt. 30-11-2009 mentioned above at Sr. No. (3).

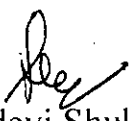
**Amendment:**

After due consideration, the Government is pleased to **amend** the GR dt. 13-10-2009 mentioned at (2) in read above; The second sub-para of para 3.9 of the GR dated 27-2-2009 is replaced by the para mentioned below:

"Assistance to MSME unit for participation in International Trade Fair outside India @ 50% of expenditure towards (i) total rent of stall or rent of space and amount paid to organizers towards creation of stall on rented space (ii) product literature/catalogue and (iii) display material subject to maximum Rs. 2.00 lakhs. The assistance provided will be only once during the operative period of the scheme. The assistance would be in the way of reimbursement. MSME units shall have to apply within six months from the date of participation for the assistance."

This issues with the concurrence of Finance Department note dated 19-12-2009 on the file No. MSM-102009-552200/I of this Department.

By order and in the name of the Governor of Gujarat.

  
(Shridevi Shukla)  
Joint Secretary

Industries & Mines Department.

Copy:

1. Secretary to H.E. the Governor\*
2. Principal Secretary to Hon. CM
3. Advisor to Hon. CM
4. Personal Secretary to all Hon. Ministers
5. Under Secretary to the Chief Secretary
6. Principal Secretary, Finance Department
7. Industries Commissioner
8. Commercial Tax Commissioner, Ahmedabad
9. Managing Director IndextB
10. All Boards & Corporations of I & M Dept.
11. Accountant General Ahmedabad /Rajkot
12. All Officers of I & M Dept.
13. All Branches of I & M Dept.
14. System Manager for IWDMS, TCS Ltd. Gandhinagar
15. Jt. C.I.O., Industries & Mines Department for uploading on Website
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\* by letter.