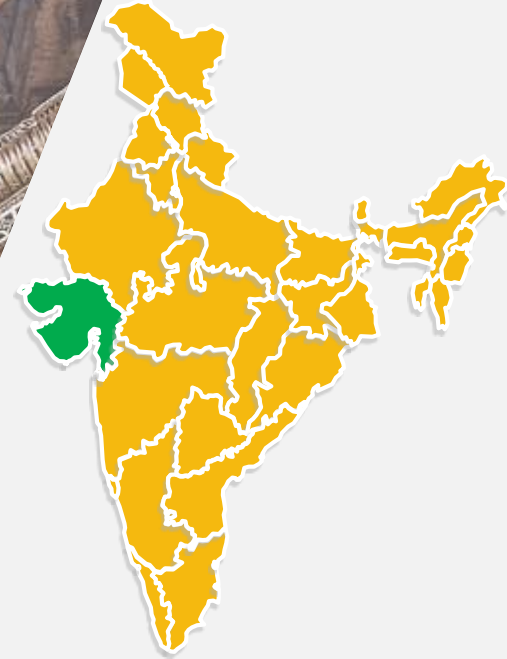


RUDABAI STEPWELL IN ADALAJ, GUJARAT



**GUJARAT**

**THE GROWTH ENGINE OF INDIA**

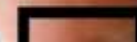
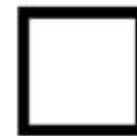
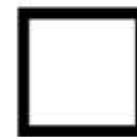


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**December 2019**

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## Preferred Investment Destination

- According to the DPIIT, FDI inflows in the state of Gujarat totalled US\$ 23.18 billion during April 2000 – June 2019. During the same period, Gujarat accounted for about 5 per cent share in the overall FDI inflows in India.

## Petro Capital of India

- During 2018-19 (till Feb 19), the state produced 4,218 million tonne of petroleum (crude) and natural gas (utilised) was 1,234 million cubic metres. Total consumption of petroleum products was 21.21 million MT during 2018-19P.

## Highest Share in India's Total Dairy Output

- Gujarat's dairy sector consists of 17 district milk producers' unions with around 14,598 milk co-operative societies. The state's milk production which stood at 14.49 million tonnes during 2018-19, was the fifth largest state in India with 7.69 per cent of India's share.

## Strong Textile Base

- The state attracted investment commitments worth US\$ 1,407 million under Gujarat's textile policy 2012, for varied units such as processing, spinning, weaving, made-ups, technical textiles etc. The Gujarat Garment & Apparel policy was announced in October 2017 with the aim of creating 100,000 jobs in the state.

**Note:** As per latest data available., MT- Metric Tonnes, P - Provisional

**Source:** Gujarat Economic Review, 2017-18, Department of Industrial Policy & Promotion, April 2000 to June 2018, Ministry of Textiles, Industrial Extension Bureau  
Ministry of Petroleum & Natural Gas

# INTRODUCTION





Source: Maps of India

Gujarat is located on the western coast of India and has the longest coastline of 1,600 km in the country. The state shares its borders with Rajasthan, Madhya Pradesh, Maharashtra and the Union Territories of Daman & Diu and Dadra & Nagar Haveli. The Arabian Sea borders the state both to the west and the south-west.

Gandhinagar, Ahmedabad, Vadodra, Surat, Rajkot, Bhavnagar and Jamnagar are some of the key cities of the state.

- There are seven agro-climatic zones in the state that support cultivation of a wide range of crops.
- The most commonly spoken language of the state is Gujarati. Hindi and English are the other Indian languages used.

Parameters	Gujarat
Capital	Gandhinagar
Geographical area (sq km)	96,024
Administrative districts (No)	33
Population density (persons per sq km)	308
Total population (million)	60.3
Male population (million)	31.5
Female population (million)	28.9
Sex ratio (females per 1,000 males)	919
Literacy rate (%)	79.31

Source: Gujarat Socio Economic Review

## High economic growth and industrial development

- Average annual Gross State Domestic Product (GSDP) growth rate from 2011-12 to 2019-20 was about 13.53 per cent.
- Gujarat has achieved the distinction of being one of the most industrially developed states. Accounting for 5 per cent of the total Indian population, Gujarat contributes about a quarter to India's goods exports.

## Policy incentives

- The state government has framed policies in almost all key sectors such as industry, power, ports, roads, agriculture & minerals.
- The Gujarat Garment & Apparel policy was announced in October 2017 with the aim of creating 100,000 jobs in the state.
- Gujarat, with highest installed solar capacity, plans to announce new net metering policy providing financial support to solar power generating households.

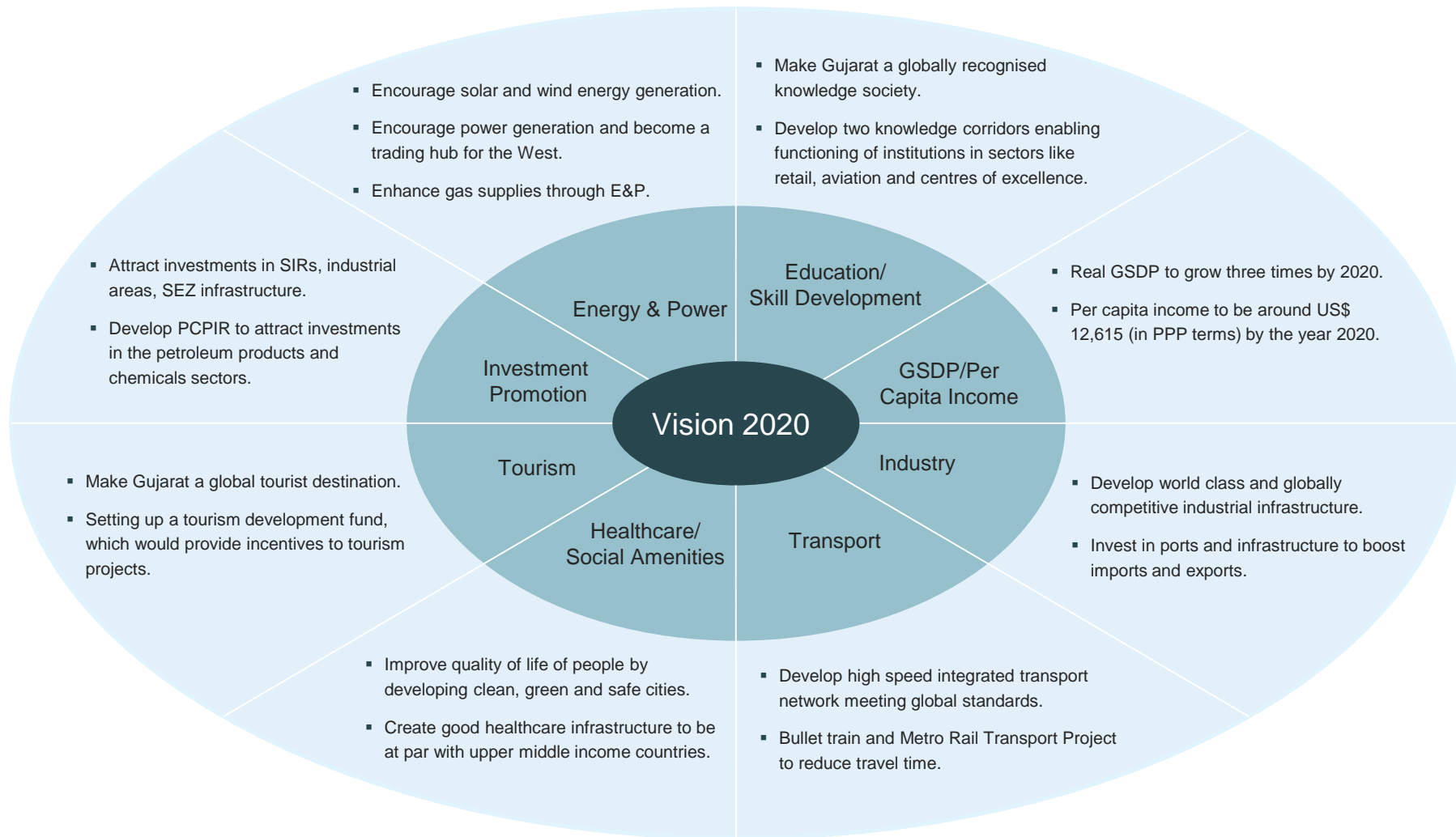
## Advantage Gujarat

## Rich labour pool

- Gujarat has a good educational infrastructure with premier institutes in management, fashion, design, infrastructure planning & pharmaceuticals.
- There are industrial training institutes in each district to train manpower for the shop floor level. The state government has undertaken many initiatives to encourage innovation in the education sector.

## Facilitating infrastructure

- Gujarat has successfully developed world class infrastructure.
- There are 42 ports, 18 domestic airports & 1 international airport. The state also has an extensive road & rail network. A 2,200 km gas grid supplies gas to the industrial areas.



Source: Blueprint for Infrastructure in Gujarat (BIG 2020) PCPIR: Petroleum, Chemical and Petrochemical Investment Region

## Gujarat's Contribution to Indian Economy (2017-18)

Parameter	Gujarat	India
GSDP as a percentage of all states' GSDP	7.7	100.0
GSDP growth rate (%)	12.97	10.80
Per capita GSDP (US\$)	2,654	17,503

## Social Indicators

Parameter	Gujarat	India
Literacy rate (%)	79.31	74.04
Birth rate (per 1,000 population)	20.1	20.4

## Industrial Infrastructure

Parameter	Gujarat	India
Operational PPP projects (No) (as of December 2019)	130	1824
Notified SEZs (No) (as of November 2019)	24	349

## Physical Infrastructure in Gujarat

Parameter	Gujarat	India
Installed power capacity (MW) (as of November 2019)	34,544.67	364,960.14
Wireless subscribers (No) (as of Sept 2019)	68.74	1173.75
Internet subscribers (Mn) (as of June 2019)	41.41	665.31
National highway length (km) (November 2019)	6,635	1,31,326
Major and minor ports (No)	1+41	13+187
Airports (No)	11	129

## Investments (as of June 2019)

Parameter	Gujarat	India
Cumulative FDI equity inflows since April 2000 (US\$ billion)	23.184	436.47

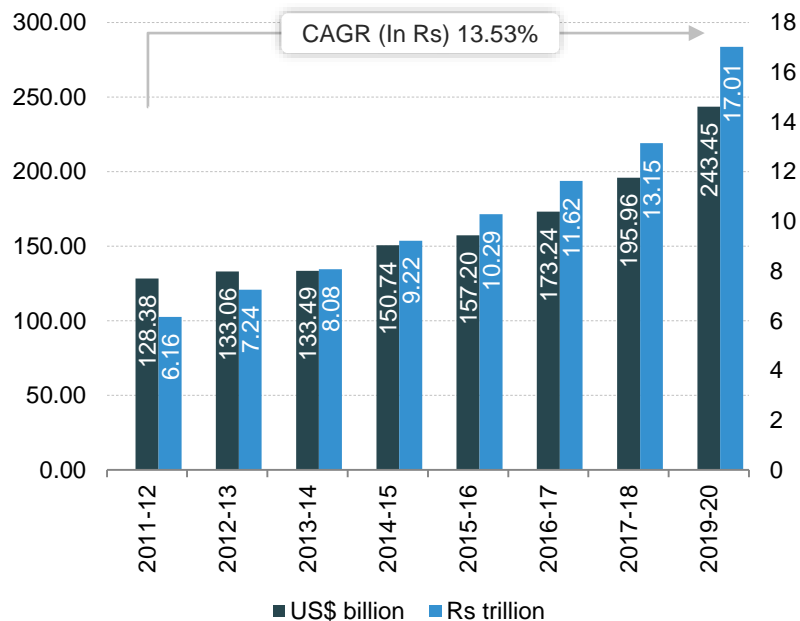
**Note:** GSDP, per capita GSDP figures are taken at current prices, Exchange Rate used is average of 2016-17, i.e. USD = INR 67.09, PPP: Public-Private Partnership, SEZ: Special Economic Zone, SRS: Sample Registration System,



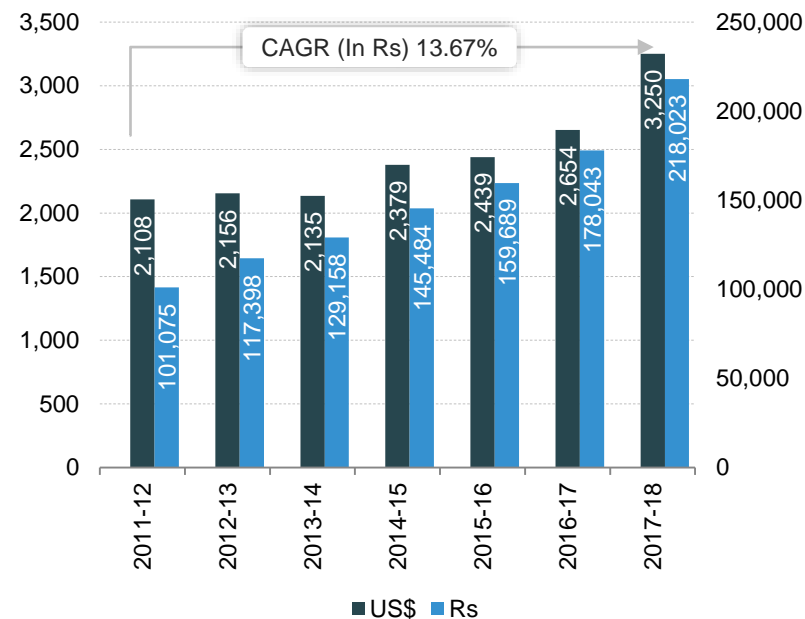
# ECONOMIC SNAPSHOT



### GSDP at current prices



### Per capita GSDP

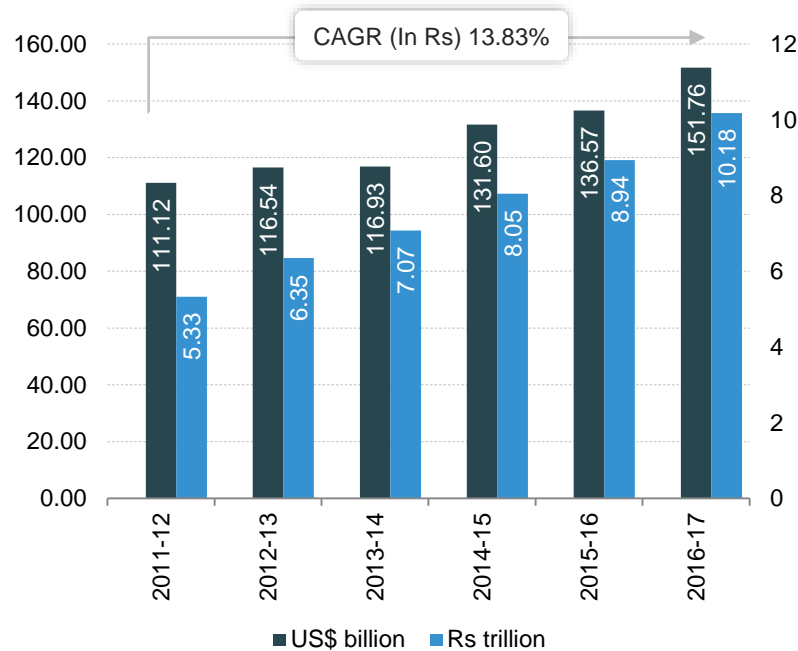


- At current prices, Gujarat's GSDP\* was about Rs 17.01 trillion (US\$ 243.45 billion) during 2019-20.
- The state's GSDP grew at a CAGR of 13.53 per cent, during 2011-12 to 2019-20.

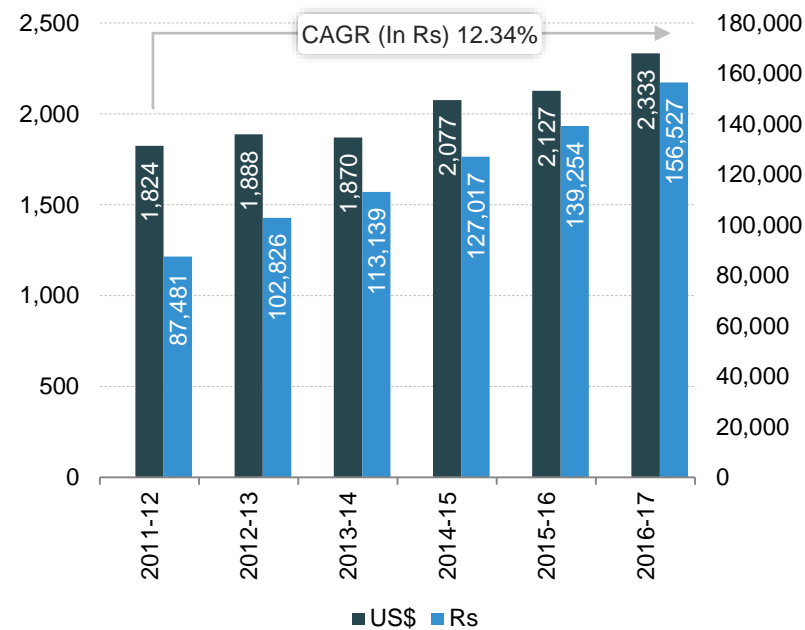
- The state's per capita GSDP^ stood at Rs 2,18,023 (US\$ 3,250) during 2017-18 in comparison with Rs 101,075 (US\$ 2,108) during 2011-12.
- Gujarat's per capita GSDP increased at a CAGR of 13.67 per cent between 2011-12 and 2017-18.

Source: Directorate of Economics and Statistics Gujarat, Government of Gujarat, Government of Gujarat per Capita GSDP^ - calculated using GSDP million US\$ /Population in million

### NSDP at current prices



### Per capita NSDP



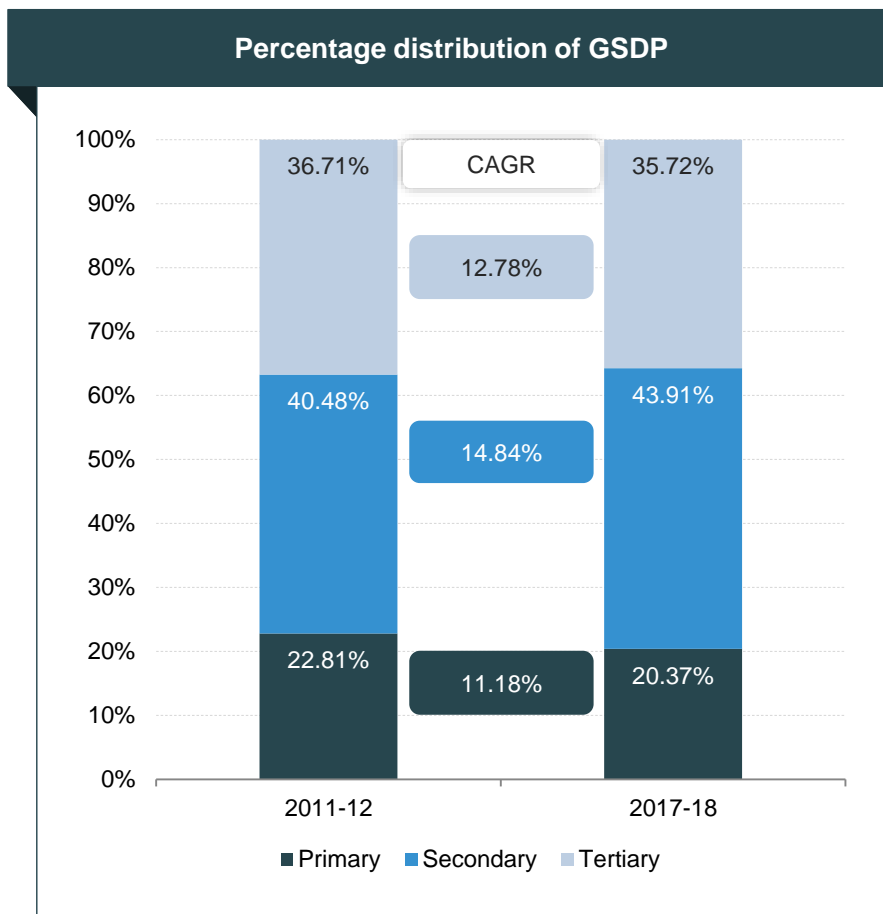
- Gujarat's NSDP was about Rs 10.18 trillion (US\$ 151.76 billion) during 2016-17.
- The state's NSDP expanded at a CAGR of 13.83 per cent from 2011-12 to 2016-17.
- Gujarat's per capita NSDP<sup>&</sup> was Rs 156,527 (US\$ 2,333) during 2016-17 in comparison with Rs 87,481 (US\$ 1,824) during 2011-12.
- The state's per capita NSDP increased at a CAGR of 12.34 per cent between 2011-12 and 2016-17.

*data is expected to be updated by April 2019 in Gujarat Economic Survey 2018-19*

**Source:** Directorate of Economics and Statistics Gujarat, Government of Gujarat, Government of Gujarat per Capita NSDP<sup>&</sup> -calculated using NSDP million US\$/Population in million

# ECONOMIC SNAPSHOT – PERCENTAGE DISTRIBUTION OF GSDP

- During 2017-18, the tertiary sector contributed 35.72 per cent to the state's GSDP (at current prices), followed by shares of secondary (43.91 per cent) and primary (20.37 per cent) sectors.
- The primary sector increase at a CAGR of 11.18 per cent between 2011-12 and 2017-18.
- At a CAGR of 14.84 per cent, the secondary sector has been the fastest growing sector, during 2011-12 and 2017-18. Growth in the sector was driven by expansion of manufacturing, construction and electricity, and gas & water supply industries.
- The tertiary sector increased at a CAGR of 12.78 per cent between 2011-12 and 2017-18. Growth was driven by trade, hotels, real estate, finance, insurance, transport, communications and other services sectors.



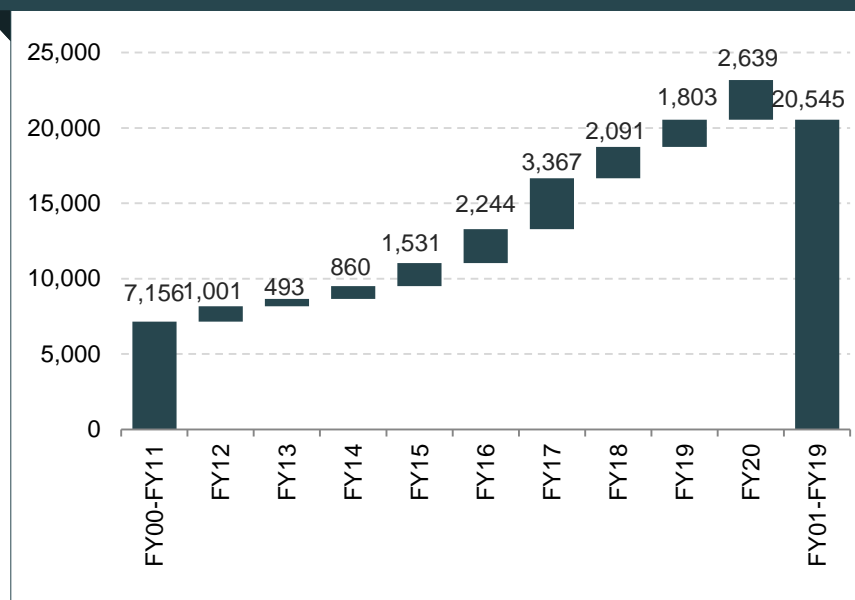
Source: Directorate of Economics and Statistics, Government of Gujarat

# ECONOMIC SNAPSHOT – FDI INFLOWS & INVESTMENTS

- According to the DPIIT, FDI inflows to Gujarat totalled US\$ 23.18 billion from April 2000 to June 2019.
- The Vibrant Saurashtra Expo and Summit, was held in Rajkot in January 2016. MoUs worth US\$ 341.88 million were realised for the development of various sectors of the state during the event. The 2018 edition of the expo will be held in April 2018.
- Domestic companies which have disclosed their investment commitments include Reliance Industries, Suzlon, Aditya Birla Group, and Videocon. Foreign companies who have committed investments include Rio Tinto, Suzuki and CLP Holdings.
- The lifting of suspension from 3 industrial clusters — Vapi, Vatva, and Ankleshwar including Panoli is expected to boost employment, investment and growth opportunities in the respective industrial areas.
- Up to October 2019, 367 investment intentions worth Rs 218,611 crore (US\$ 31.28 billion) were filed in Gujarat.

Source: Department for Promotion of Industry and Internal Trade, News Articles.

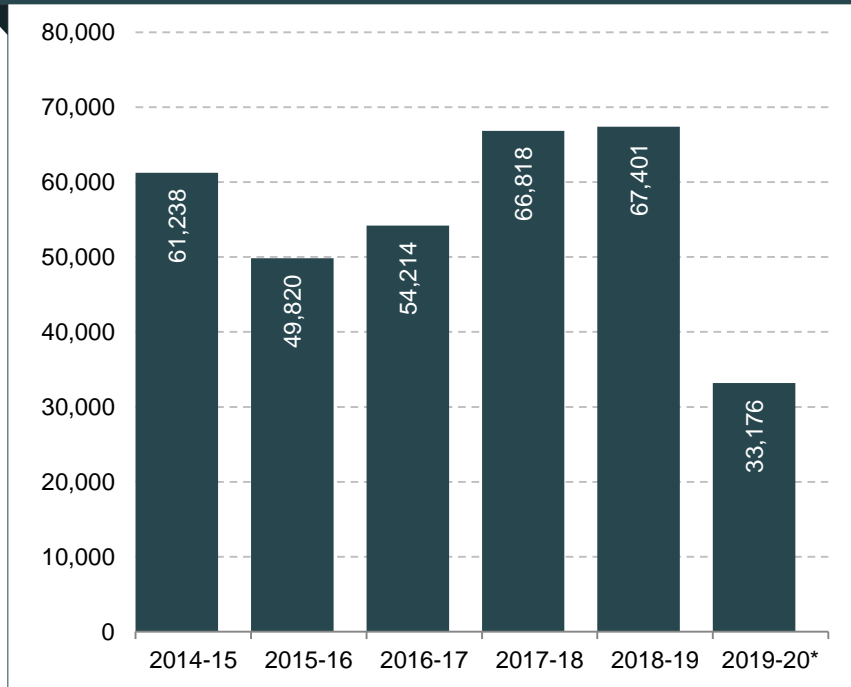
**FDI Inflows chart (US\$ million)**



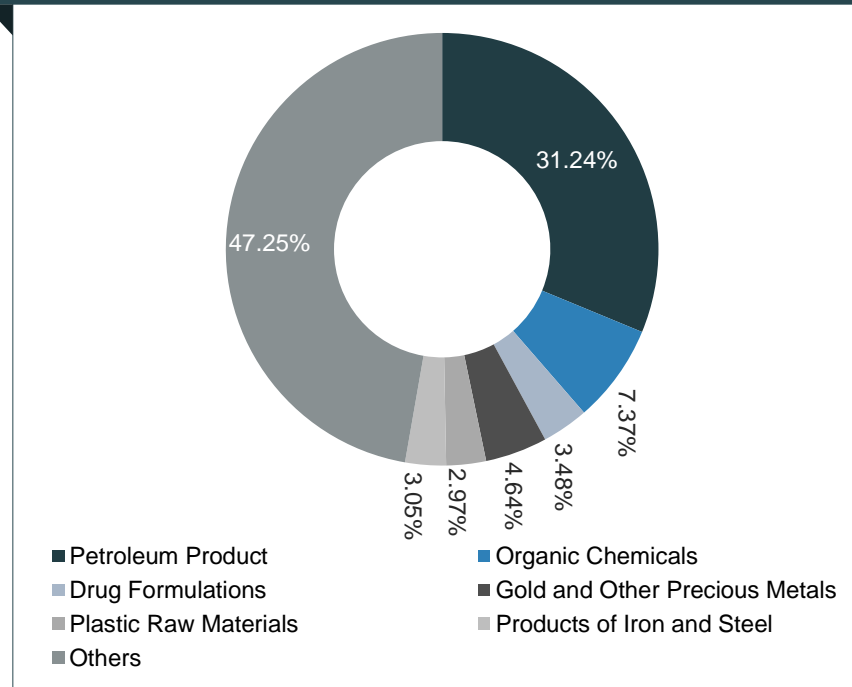
**Investment intentions in terms of IEMs filed, LOIs / DILs issued**

Year	Number	Proposed Investments (US\$ billion)
2016	415	8.37
2017	428	12.27
2018	464	11.01
2019 (up to Oct 2019)	367	31.28

### Export Trend (US\$ million)



### Composition of Major Item Exported (2019-20\*)



- Total exports from the state stood at US\$ 67,401 million during 2018-19 and US\$ 33,176 million in April-September 2019.
- Major items exported from Gujarat are Petroleum Product and Organic Chemicals etc.
- During 2018-19, total exports of Petroleum Product from Gujarat stood at US\$ 21,953.99 million which was 39.19 per cent of the total exports.

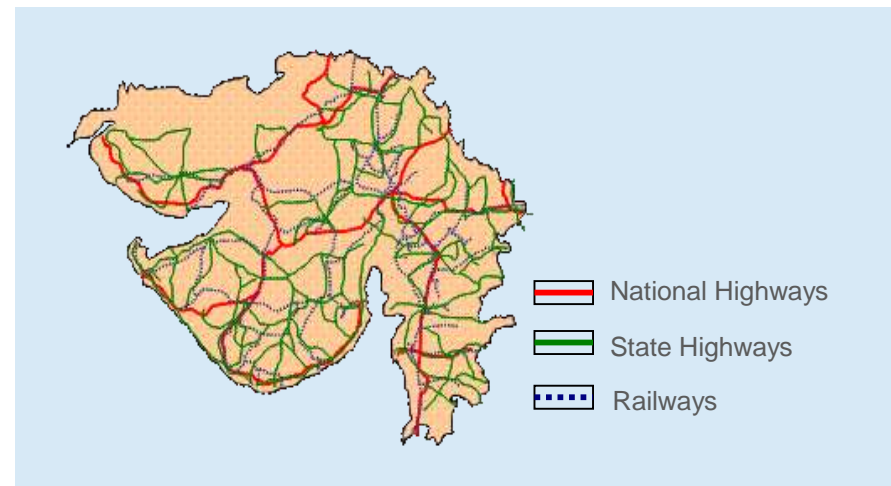
*Note: \*-till September 2019*

*Source: Directorate General of Commercial Intelligence and Statistics*

# PHYSICAL INFRASTRUCTURE



- National highways length in Gujarat is 5,456 km (as of February 2018).
- The Government of Gujarat, through GIDB, has prepared a vision document – Blueprint for Infrastructure in Gujarat (BIG) - 2020. Under this document, the state has identified a series of projects and investments required across the road sector to be implemented on priority basis for Gujarat’s inclusive growth.
- Under the State Budget 2019-20, government has allocated Rs 1,559 crore (US\$ 223 million) to Mukhya Mantri Gram Sadak Yojana.
- Along with road infrastructure, the Government of Gujarat is focusing on the growth of transportation sector in the state. The Gujarat State Road Transport Corporation delivers transportation facility to about 24 lakh people every day.
- As of January 2018, 3,387 habitations were eligible under Pradhan Mantri Gram Sadak Yojana (PMGSY), out of which 3,052 were cleared and further 3,040 habitations were connected.



Type of road	Road length (km) as of 2016-17
National highways( <i>up to January 2019</i> )	6,635
State highways	17,201
Major district roads	20,641
Other district roads	10,493
Village roads	21,119

Source: Gujarat State Road Development Corporation , Road & Building Department, Government of Gujarat, NHAI



- As per of state budget 2018-19, government has allotted US\$ 221 million for the development road transport.
- Under the plan and non-plan head for Ports and Transport Department, the state government has allocated US\$ 198 million during 2017-18.
- In March 2017, the Prime Minister announced investment of US\$1.78 billion for upgrading 8 state highways to national highways in order to boost the infrastructure development in the state.
- Under the State Budget 2019-20, Gujarat has allocated 4.3 per cent of its total expenditure for the development of roads and bridges.
- In August 2017, Government of India signed a loan agreement worth US\$ 329 million for the Gujarat Rural Roads Project. The projects will be implemented to improve rural road connectivity and accessibility in 1,060 villages in the state.
- Funds accrued under Central Road Fund (CRF) for Gujarat reached Rs 486.61 crore (US\$ 67.44 million) in 2018-19 (up to Sep 2018).

## Fund Allocation and Expenditure

	CRF (US\$ million)		EI & ISC (US\$ million)	
	Accrual	Release <sup>1</sup>	Accrual	Expenditure
2015-16	27.04	9.47	NA	0.95
2016-17	69.06	20.49	0.31	0.31
2017-18	64.06	11.57	1.40	1.35
2018-19 (Sep 2018)	67.44	51.60	0.97	0.37

## Road work completion under PMGSY

Year	Road works (No)
2014-15	600
2015-16	377
2016-17	31
2017-18	44
2018-19(June 2018)	5

**Note:** <sup>1</sup>Release may be more than Accrual of current year due release of unspent balance of previous years, NA – Data not available.

**Source:** State Budget 2016-17

- Gujarat had total length of railway line are 5,258.49 route kms which consists of 3,506.55 kms of Broad Gauge (BG), 1,193.04 kms of Meter Gauge (MG) and 558.90 kms of Narrow Gauge (NG) lines.
- The rail traffic in Gujarat mainly falls under the following divisions of Western Railway: Vadodara, Rajkot, Bhavnagar, Ratlam, Mumbai & Ahmedabad.
- Ahmedabad, Anand, Bhavnagar, Bhuj, Godhra, Porbandar, Rajkot, Vadodara (Baroda) & Valsad are some of the important railway stations in the state.
- India's first National Rail and Transportation University which will be set up in Vadodara.
- Government of India has sanctioned construction of Ahmedabad Metro with a length of 36 km at a cost of Rs 10,773 crore (US\$ 1.61 billion). The project is expected to be completed by July 2020.
- Average capital investment is stood at Rs 3,327 crore (US\$ 461.12 million) per year between 2014-19.



Source: Maps of India

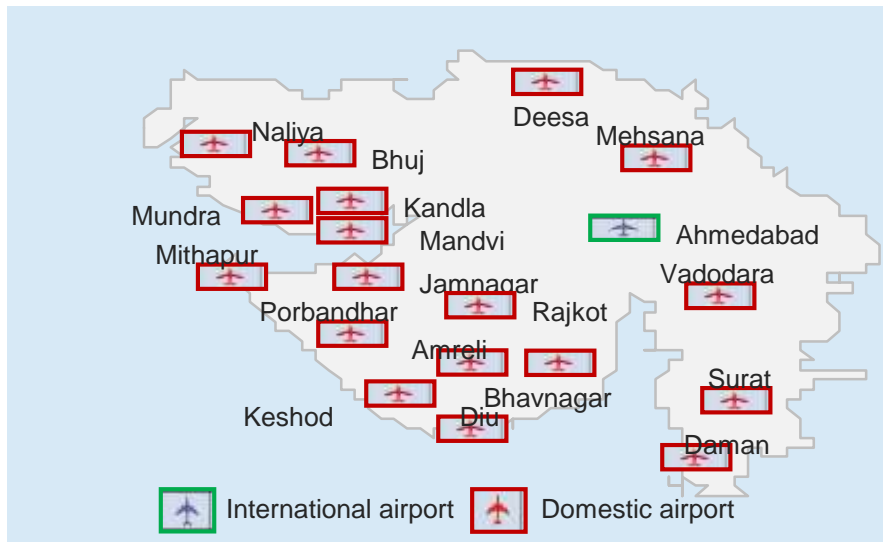
- The state government is developing a High Speed Rail passenger corridor from Ahmedabad to Mumbai with the cooperation of the Government of Japan. The length of the corridor is 508 km and total journey time for the train is estimated at 2.07 hrs with total estimated cost of the project is US\$ 14.92 billion. About 81 per cent of the funding for the project will come by way of a loan from Japan.

Source: Socio-Economic Review of Gujarat, 2015-16 MEGA-Metrolink Express for Gandhinagar and Ahmedabad, News articles

# PHYSICAL INFRASTRUCTURE – AIRPORTS...(1/2)

**Aircraft movement, Passenger and Freight in 2019-20\***

Airport	Aircraft movement (nos.)	Passenger traffic (nos.)	Freight (MT)
Ahmedabad	48,250	66,15,783	65,048
Vadodara	4,289	6,09,715	1,993
Rajkot	998	96,133	17



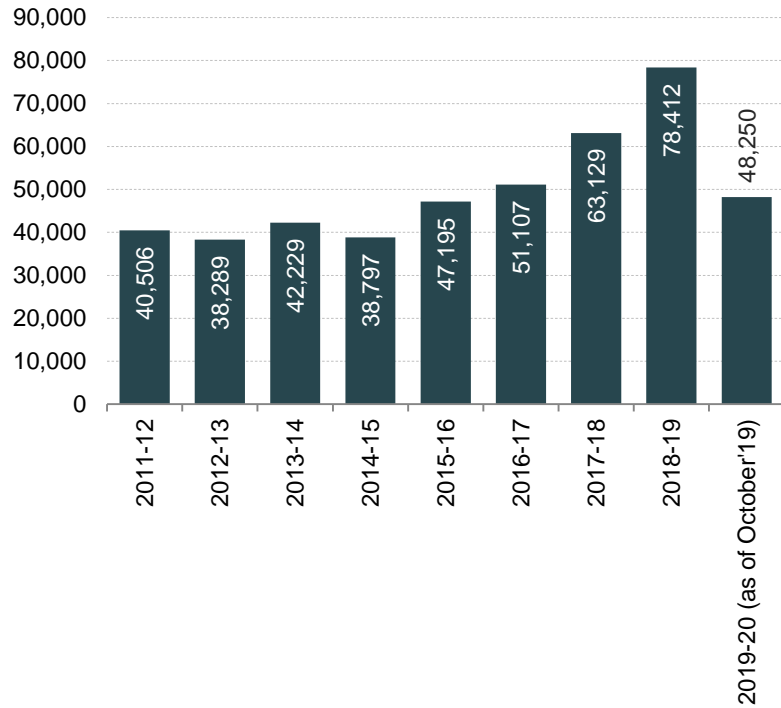
- The state has 10 domestic airports (the highest in any state) and one international airport.
- There are domestic airports at Bhavnagar, Bhuj, Jamnagar, Kandla, Keshod, Deesa, Porbandar, Rajkot, Surat, Vadodara, Mundra, Mandvi and Palanpur.
- Freight traffic at Vadodara and Rajkot airports reached 1,993 MT and 17 MT, respectively till October 2019.

*Note: MT – metric tonnes, \*- till October 2019*

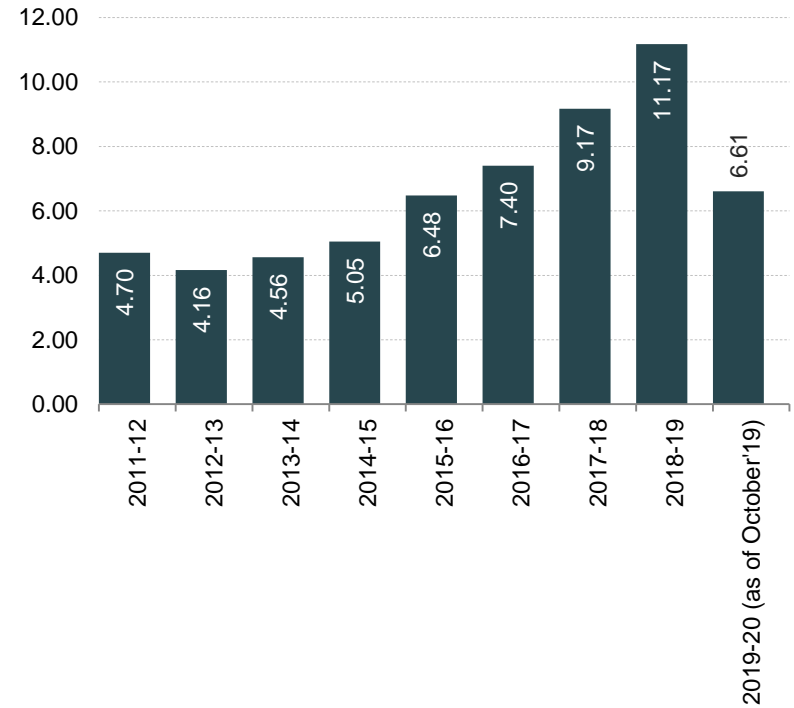
*Source: Director Civil Aviation, Government of Gujarat, News articles*

# PHYSICAL INFRASTRUCTURE – AIRPORTS...(2/2)

### Aircraft movement in Ahmedabad (nos.)



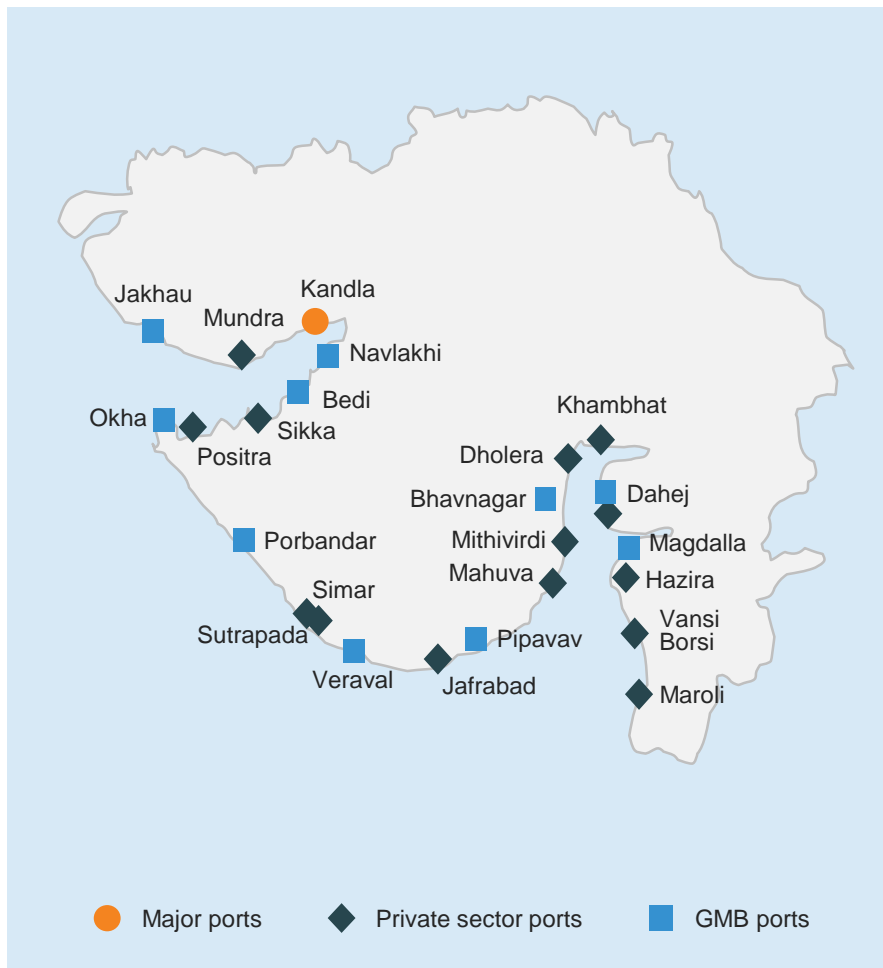
### Passenger traffic in Ahmedabad (million)



Source: Airports Authority of India

# PHYSICAL INFRASTRUCTURE – PORTS ... (1/2)

- The state has one of the strongest port infrastructures in India. It is the first state in India to take up port privatisation. Gujarat has 42 ports, including one major port at Kandla and 41 minor ports, along a 1,600 km coastline.
- GMB, which manages 41 non-major ports, has developed port privatisation models such as private/joint sector ports, private jetties, captive jetties and GMB jetties.
- During 2018-19 Deendayal (Kandla) port handled 115.40 million tonnes of cargo traffic.
- As per Budget 2018-19, the state government has made a provision of US\$ 221 million for the port and transport department.
- During 2018-19, Essar ports will invest Rs 4.5 billion (US\$ 63 million) in Hazira port in Gujarat to increase the cargo-handling capacity of the port to 50 million tonnes (MT), current capacity of the port, is 30 MT, raising the company's capacity to 110 MT.



Source: Indian Port Association, Ministry of Shipping

- Gujarat has 2 LNG terminals that offer transportation facilities for natural gas, crude oil & petroleum products from the Middle East and Europe.
- The state has a vast hinterland surrounded by the northwest markets of Rajasthan, Delhi/NCR & Punjab. Together, these areas generate approximately 60 per cent of India's cargo, of which a majority is currently handled by the ports of Gujarat. The state has a large external trade potential, given its vast coastline.
- There is an increase in connectivity to non-major ports due to development of the Delhi-Mumbai Dedicated Freight Corridor.
- More than 4,800 ships and 1,000 sailing vessels visit the ports of Gujarat every year.
- Private jetties in the state handled a total cargo traffic of 3.12 million tonnes in 2017-18 (*up to November 2017*). Captive jetties handled total cargo of 159.9 million tonnes along with the coastline of Gujarat cargo handled during 2017-18\* was around 110.07 million tonnes.

## Traffic handled by Deendayal (Kandla) port (million tonnes)

2012-13	93.62
2013-14	87.00
2014-15	92.50
2015-16	100.05
2016-17	105.44
2017-18	90.99
2018-19	115.40
2019-20 (till Nov 19)	82.20

## Key private sector stakeholders in Gujarat's ports sector

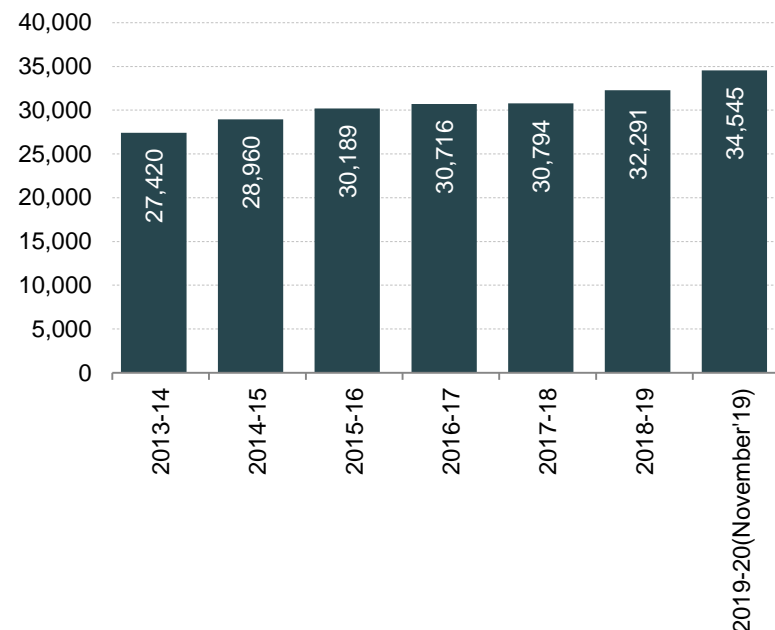
- Adani Ports and Special Economic Zone Ltd
- Peninsular & Oriental Steam Navigation Company
- Gujarat Pipavav Port Limited
- Reliance Industries Limited
- Maersk
- Welspun
- Petronet LNG
- Shell

Source: Indian Port Association. Ministry of Shipping, Gujarat Economic Review, 2017-18

# PHYSICAL INFRASTRUCTURE – POWER AND GAS ... (1/2)

- As of November 2019, Gujarat had an installed power generation capacity of 34,544.67 MW (comprising 8,565.57 MW under state utilities, 21,387.61 MW under private utilities & 4,591.49 MW under central utilities).
- Thermal power contributed 23,182.68 MW to the state's total installed power generation capacity, followed by a contribution of 772 MW by hydropower, 559 MW by nuclear power & 10,030.99 MW by renewable power.
- Power capacity of 600 MW Solar Power Stations have been commissioned by 31 developers in Gujarat Solar Park. Further power capacity of 175 MW is under planning with an estimated cost of Rs 755 crore (US\$ 117.15 million).
- Energy requirement in the state for 2019-20 (up to October 2019) reached 67,567 MU.
- Investments of Rs 2.2 trillion (US\$ 30.49 billion) are expected in Gujarat's renewable energy sector over the next decade.

Installed power capacity (MW)



- In the State Budget 2019-20, US\$ 2.57 billion was allocated to the Energy, Industry & Minerals.

*Note: GWH – GigaWatt Hour,*

*Source: Central Electricity Authority, Gujarat Economic Review, 2018-19*

# PHYSICAL INFRASTRUCTURE – POWER AND GAS ... (2/2)

- Gujarat has the most developed gas pipeline network in the country, which is operated by GSPL, GGCL and GAIL.
- Provision of US\$ 29.13 million was channelled towards installation of 15,000 solar domestic energy systems and providing around 3,210 solar pumps for agriculture purpose across the scattered areas of the state, during 2016-17.
- For the provision of free power supply to the water works of each voluntary organization and gram panchayat of the state, the state government has proposed an allocation of US\$ 62.08 million during 2017-18.
- GAIL primarily serves consumers who have been allocated natural gas by the Ministry of Petroleum and Natural Gas. Its pipeline network can be divided into three sections: South Gujarat Network, North Gujarat Network and ex-Hazira.
- GSPL is the nodal agency responsible for setting up a gas grid in Gujarat, operating on common carriage basis. In 2015-16, the company carried out the construction of a 366-km long pipeline and gas compressor station at Gana, Gujarat, with a pipeline capacity of 14 mmscmd.
- GGCL currently operates a 1,550 km and 350 km under construction/development pipeline network. It is planning to set up a pipeline network of about 3,000 km in Gujarat.
- GCL has a total gas pipeline length of about 2,700 km and services 230,000 customers.

## GSPL's integrated gas-grid

Current transmission	24.85 mmscmd
Operational pipeline	2,454 km
Under construction pipeline	69 km

**Source:** Gujarat Economic Review, 2017-18, State Budget 2016-17, GSPL-Gujarat State Petronet Ltd., GGCL-Gujarat Gas Company Ltd., GAIL-Gas Authority of India Ltd., MMSCMD: Million metric standard cubic metres per day.



## Telecom infrastructure (as of September 2019)

Wireless subscribers	68,744,855
Wire-line subscribers	1,207,714
Internet subscribers(As of June 2019)	41.41
Tele-density (in %)	105.78

## Performance status of BharatNet (National Optical Fibre Network) Project

No. of GPs in Phase-I (July 2018)	6,905
Optical Fiber Cable laid (in kms, as of December 02, 2018)	14,265
GPs for which cable laid (as of December 02, 2018)	5,875
Service ready GPs (as of November 11, 2019)	7,822

- As of June 2019, the state had 41.41 million internet subscribers.
- According to Telecom Regulatory Authority of India (TRAI), as of September 2019, Gujarat had 68.74 million wireless connections and 1.20 million wire-line subscribers.
- By the end of September 2019, 30.55 million subscribers had submitted request for mobile number portability in Gujarat.
- The Government of India has approved Rs 1,652.97 crore (US\$ 256.47 million) through Department of Telecommunications for implementation of BharatNet Phase-II in 7295 (6916 of Phase II + 379 from Phase-I) Gram Panchayats of Gujarat.

*Note: GP-Gram Panchayats,*

*Source: Telecom Regulatory Authority of India, Ministry of Communications & Information Technology. Gujarat Economic Review, 2017-18.*

- With household income of more than US\$ 1.9 billion by 2018, Surat is expected to emerge as a new metro in India.
- Gujarat has 8,188 villages and 159 towns connected with Narmada-based Water Supply Grid through Bulk Pipeline and Distribution Group network.
- In order to develop and improve urban areas of Gujarat, the state government has announced plans to invest US\$ 1.93 billion as per the budget 2018-19. For construction of individual, community and public toilets and solid and liquid waste management, the Government of Gujarat has announced plans to invest US\$ 108.12 million during 2018-19.
- Under the State Budget 2019-20, Rs 1,955 crore (US\$ 279.57 million) has been allocated to grants-in-aid to municipal corporations under Swarnim Jayanti Mukhya Mantri Shaheri Vikas Yojana.
- Under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), 19,892 check dams were constructed in Gujarat. As per the state budget for 2017-18, US\$ 43.31 million was allocated by the state government for improving and reinforcing the network of existing canals in the state.

**Source:** Economic Survey of Gujarat 2015-16 State Budget 2016-17

## Classification of AMRUT Cities (Funds allocated, committed and sanctioned by central) (US\$ million)(As of February 2019)

	Total Allocation	Committed	Sanctioned
Fund under AMRUT Program	676.98	286.90	108.57
Total number of AMRUT cities		31	

## Fund allocation under PMAY (as of July 2018)

State	Cities included In Mission	Approved in (US million)	Released in (US million)	Utilised in (US million)
Gujarat	171	736.11	383.39	263.84

- Six cities in Gujarat, namely Ahmedabad, Surat, Vadodara, Rajkot, Dahod and Gandhinagar are shortlisted to be transformed into smart cities under the central government’s Smart City Mission.
- The state will receive an amount of around US\$ 0.49 billion for the development of smart cities. A large number of projects are anticipated to be established under the mission.
- As of July 2018, Rs 700 crore (US\$ 104.42 million) have been released for smart city projects in Gujarat.
- As per State Budget 2019-20 government has allocated Rs 2,606 crore (US\$ 372.87 million) for urban health service.
- The Government of India has released US\$ 108.57 million to the state under AMRUT scheme in April 2018-Feb 2019. The scheme covers 31 cities in the state.
- As of December 2017, Ahmedabad had utilized the 40.89 per cent of the funds provided for smart city related projects.

## Smart Cities in Gujarat

Cities	Population	Area (sq km)	Literacy rate
Ahmedabad	7,214,225	8,107	85.31%
Gandhinagar	1,391,753	2,140	84.16%
Rajkot	3,804,558	11,198	80.96%
Surat	6,081,322	4,549	85.53%
Vadodara	1,602,424	148.95	78.92%
Dahod	94,578	23	NA

Source: TechSci Research

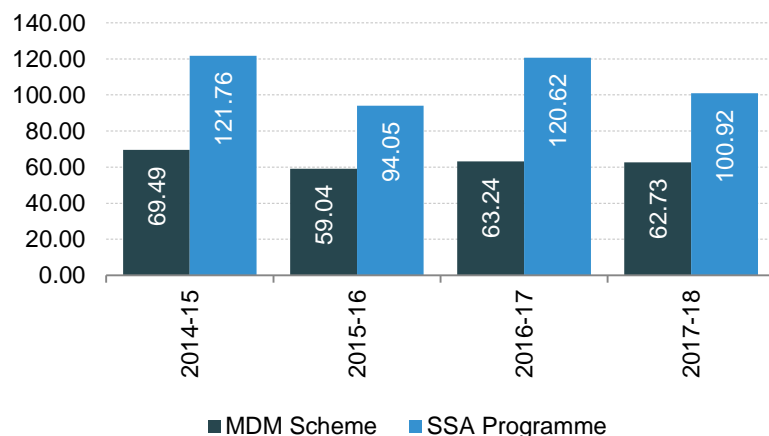
# SOCIAL INFRASTRUCTURE



# SOCIAL INFRASTRUCTURE – EDUCATION

- Gujarat has a literacy rate of 79.31 per cent; the male literacy rate is 87.23 per cent and the female literacy rate is 70.73 per cent.
- Gujarat's government set up Indian Institute of Information Technology college near Vadodara approved by Central government. The IIT (Vadodra) based on a public-private partnership model.
- According to State Budget 2019-20, Rs 5,272 crore (US\$ 754.32 million) has been allocated for providing assistance to non-government secondary schools.

## Funds released for Primary Education (US\$ million)



## No. of seats in technical education 2018-19(P)

Engineering	63,846
MBA	8,979
Pharmacy	5,035
MCA	4,732
Architecture	1,660

## No. of seats in diploma courses 2018-19(P)

Engineering	61,650
Pharmacy	710

## Literacy rates (%) (consensus 2011)

Literacy rate	79.31
Male literacy	87.23
Female literacy	70.73

**Note:** (P) = Provisional

**Source:** Census 2011, Gujarat Economic Review, 2018-19, State Budget 2019-20, Lok Sabha

- Gujarat is at the forefront of establishing & maintaining a good health infrastructure.
- Gujarat's health infrastructure facilities have 2,124 primary health centres, 9,700 sub-centres, 3,472 community health centres, 393 sub district hospitals, and 54 district hospitals.
- In the State Budget 2019-20, US\$ 1.54 billion has been allocated by the state government for Department of Health & Family Welfare under Plan & Non-Plan expenditure.
- Under the State Budget 2019-20, Rs 2,606 crore (US\$ 372.87 million) and Rs 899 crore (US\$ 128.6 million) have been allocated towards urban health services and rural health services.
- Under medical services, the following provisions have been made for 2017-18:
  - Provision of US\$ 20 million upgradation and modernization of civil hospital Ahmedabad.
  - Provision of US\$ 6.21 providing free treatment to BPL and lower income families at cancer, kidney and cardiac public institutions.
  - Provision of US\$ 15.52 million under Medical Policy 2016.

## Health infrastructure (as of December 2019)

Primary Health Centres	2,124
Sub-Centres	9,700
Community Health Centres	3,472
Sub District Hospitals	393
District Hospitals	54

## Key health schemes of Gujarat government

- Chiranjeevi Scheme
- Bal Sakha Yojna
- Mukhyamantri Amrutam Yojana (MA Yojana)
- Centre-aided Health Insurance Scheme
- Rogi Kalyan Samiti

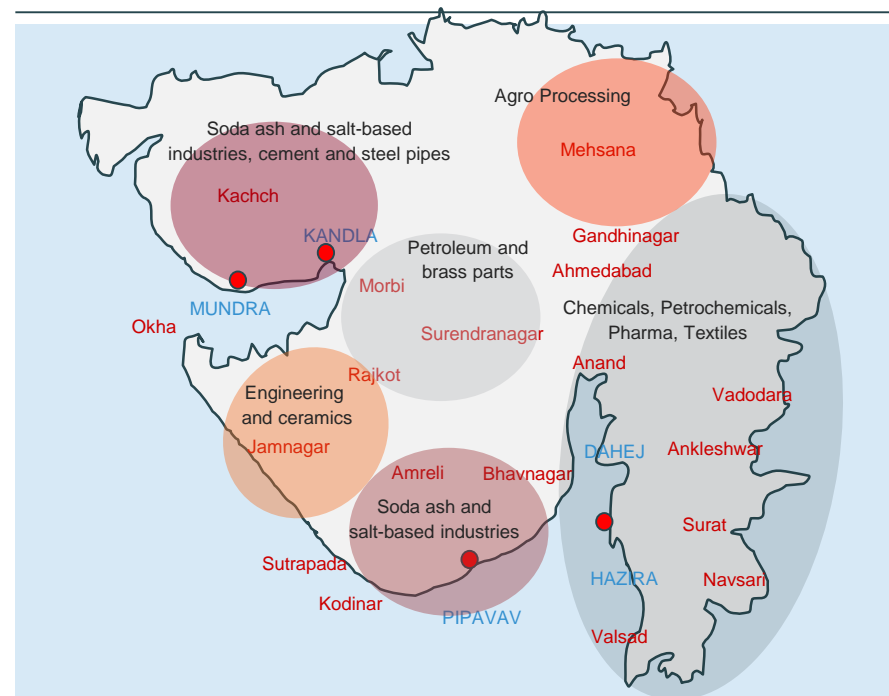
Source: Gujarat Economic Review, 2018-19, Health Management Information System, State Budget 2019-20

# INDUSTRIAL INFRASTRUCTURE



- Gujarat has 106 product clusters. The Cluster Development Scheme has been launched for furthering the growth of product clusters.
- Some of the successful clusters include ceramics cluster at Morbi, brass-parts cluster at Jamnagar, fish-processing cluster at Veraval and power-looms cluster at Ahmedabad.
- There are 13 major industry groups that together account for around 82.05 per cent of total factories, 95.85 per cent of total fixed capital investment, 90.09 per cent of the value of output & 93.21 per cent of value addition to Gujarat's industrial economy.
- Gujarat is a leader in industrial sectors such as chemicals, petrochemicals, dairy, drugs, pharmaceuticals, cement, ceramics, gems, jewellery, textiles & engineering.
- The industrial sector of the state comprises of around 603,000 micro, small & medium industries which provide employment to about 3,851,000 people.
- As per Budget 2018-19, state government announced plans to invest US\$ 682.2 million for the growth of industrial sector of Gujarat.

## Product Clusters



- The state has announced an Incentive program for the Industries (General) from 2016-2021 in accordance with the New Industrial Policy of 2015. The scheme aims to attract increased investments to the state in the manufacturing sector to create more employment opportunities.

**Source:** Industries Commissionerate, Government of Gujarat Socio-Economic Review of Gujarat, 2015-16, State Budget 2018-19, MSME: Micro, Small & Medium Enterprises, GIDC: Gujarat Industrial Development Corporation,



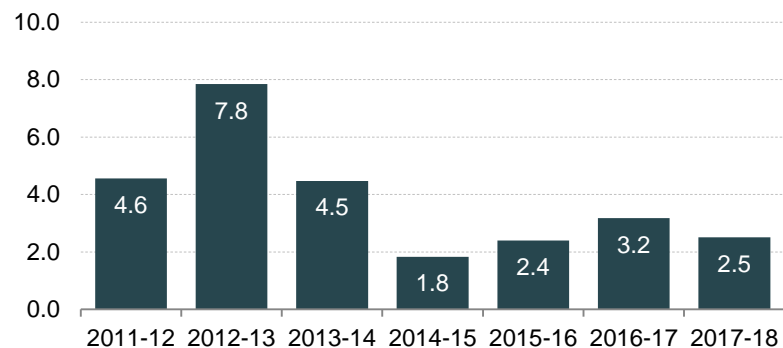
- Gujarat ranks first in terms of total area covered under SEZs in India. It is also a leading SEZ state with the highest geographical area of 29,423.9 hectares under SEZ development.
- As of November 2019, Gujarat had 20 operational SEZs. In addition to operational SEZs, Gujarat had four SEZs with valid in-principle approvals, 28 SEZs with formal approvals and 24 SEZs with notified approvals.
- Gujarat is the first state to formulate an SEZ policy, which includes flexible labour laws and exit options for investors. SEZs in Gujarat receive a 10-year corporate tax holiday on export profits (100.0 per cent for the initial five years and 50.0 per cent for the next five years).

## Sector-wise operational SEZs in Gujarat (As of November 2019)

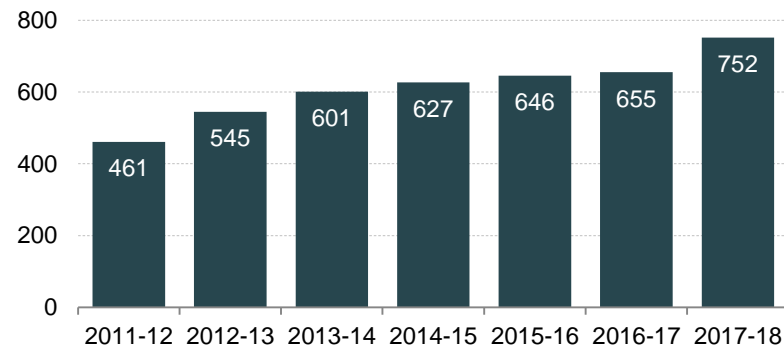
Sector	Operational SEZs in Gujarat
Multi Product	6
IT/ITES	6
Textiles and Articles of Textiles	1
Hi-tech engineering products and related services	1
Engineering goods	1
Chemicals	1
Non-conventional Energy incl. (solar energy equipments/ cell)	1
Multi Services	1
Apparel	1
Pharmaceuticals	1

Source: Ministry of Commerce & Industry, Government of India

### Surat SEZ exports (US\$ billion)



### Kandla SEZ exports (US\$ million)



- Surat accounts for more than 120 units of SEZs and supplies products to various locations around the world. Some of the key clients of the Surat SEZ include Adorn Gioielli, Flexit Laboratories Pvt Ltd., Priyank Cord & Tassels Ind. Ltd., Flair Impex Corporation and Pidilite Industries.
- Other large SEZs in Gujarat include M/s. Adani Port & Special Economic Zone Limited., M/s. Reliance Industries Ltd. and Sterling SEZ & Infrastructuring Ltd.
- In 2017-18, 264 units operate in Kandla and export products across the globe. The employee strength in Kandla SEZ is around 25,433.
- Overall exports from Gujarat increased 22 per cent in 2017-18 to US\$ 66 billion.

*Note: Data is expected to be updated from Gujarat Economic Survey 2018-19*  
**Source:** Ministry of Commerce & Industry, Government of India, Gujarat Economic Review, 2017-18

# KEY SECTORS

- ❖ Agro & Food Processing
- ❖ Textiles and Apparel
- ❖ Gems and Jewellery
- ❖ Oil and Gas
- ❖ Pharmaceuticals and Biotechnology
- ❖ Chemicals and Petrochemicals



# KEY SECTORS – AGRO & FOOD PROCESSING ... (1/4)

- Gujarat accounts for the largest share in the total investments in the food processing sector of India.
- Cotton, groundnut, bajra, paddy, maize, jowar, sesamum, castor & tur (pigeon pea), along with fodder & vegetables, are the major kharif crops in the state. Normal area under kharif cultivation is 8.6 million hectares.
- As of March 2019, 79 Agricultural Produce Market Committees (APMCs) are linked with the National Agriculture Market (eNAM).
- GAIC promotes agricultural activities at the ground level & aids the development of agro industries in the state.
- To provide an impetus to the development of farmers, Gujarat announced 'Agro Business Policy 2016-21. Food processing units and agriculture infrastructural projects would be provided with various kinds of assistance to ensure that the crops and fruits cultivated in the state last longer and get exported on a large scale.

Crop	Gujarat's position in world production	Share of world production (%)
Castor seeds	1	41
Fennel	1	67
Isabgul	2	35
Cotton	8	3.5

## Agri Export Zones Projects in Gujarat

- Mango and vegetables
  - Value added onions
  - Sesame seeds<sup>0</sup>
- In the budget 2018-19 for the state of Gujarat, an outlay of US\$ 1043.4 million was allocated for the Agriculture, Co-operation and farmer Department. Initiatives for the agro & food processing sectors include: Provision of US\$ 61.01 million for the Rashtriya Krishi Vikas Yojana. Allocation of US\$ 59 million for the development of fisheries

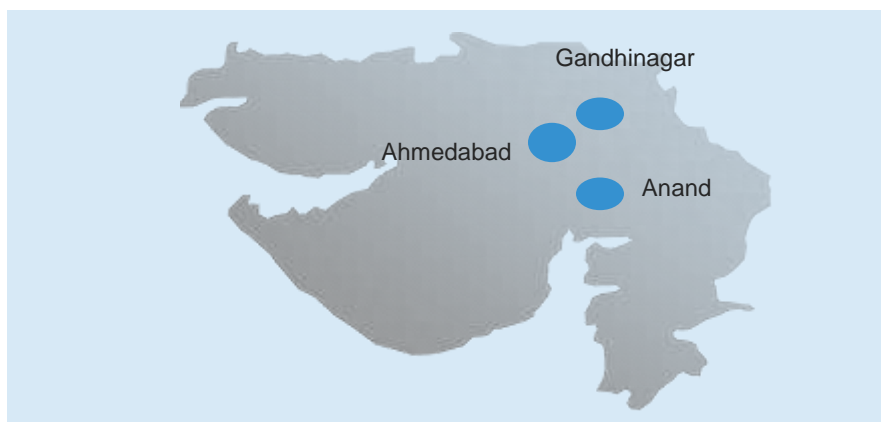
*Source: Vibrant Gujarat, APMC-Agriculture Produce Market Committees, GAIC-Gujarat Agro Industries Corporation, Gujarat Economic Review, 2017-18*

- In 2018-19, exports of major agriculture commodities from Gujarat stood at US\$ 5.36 billion.
- Gujarat's dairy sector consists of 17 district milk producers' unions, with around 14,598 milk co-operative societies.
- The state's milk production, which stood at 13.57 million tonnes during 2017-18, was the fifth largest state in India with 7.69 per cent of India's share.

## Agri Exports (US\$ million)

Crop	2018-19
Fruits and Vegetable seeds	0.54
Fresh Onions	1.95
Dairy Products	31.39
Wheat	4.77
Pulses	60.79
Groundnut	214.51

## Key districts in the dairy sector



# KEY SECTORS – AGRO & FOOD PROCESSING ... (3/4)

- As per the State Budget 2019-20, an allocation of US\$ 824.63 million has been made to the Agriculture, Cooperation and allied activities sector.
- In 2018-19\*\*\*, the production of cotton, rice, total foodgrains and total oilseeds reached 5,053 thousand tonnes, 1,909 thousand tonnes, 5,053 thousand tonnes and 4,152 thousand tonnes, respectively.

## Agricultural production (thousand tonnes)

Crop	2015-16	2016-17	2017-18*	2018-19***
Rice	1,702.0	1,929	1,889	1,909
Wheat	2,484.0	2,737	3,068	2,378
Pulses	543.6	818.0	926.0	437.2
Total Foodgrains	6,279.3	7,422	7,661	6,691
Cotton****	9,400	8,575	10,113	5,053
Nutri / Coarse Cereals	1,549.7	1,937.0	1,709.0	783.8
Sugarcane	11,950.0	11,950.0	12,052.0	12,967.7
Total Oilseeds	4,179.1	4,789	5,858**	4,152.2

**Note:** \*\* - As per 4th advance estimate, \* Second advance estimate, NA- not available, \*\*\* As per 3<sup>rd</sup> Advance Estimates, \*\*\*\* Production (000 Bales of 170 kgs each

**Source:** Ministry of Agriculture, National Horticulture Board, Gujarat Economic Review, 2018-19, State Budget 2019-20, <sup>1</sup>1000,000 bales (170 kgs each), area in lakh hectares as per 3<sup>rd</sup> advance estimates

## Key players in agro and food processing industry



**Amul**

- Anand Milk Union Limited (AMUL) was established in 1946 in Anand, Gujarat. Amul is a market leader in butter, whole milk, cheese, ice cream, dairy whitener, condensed milk, saturated fats and long-life milk. In August 2015, dairy major Amul announced plans to invest US\$ 124 million for increasing its cheese manufacturing capacity from 40 tonnes to 120 tonnes.



**Parle Products Pvt Ltd**

- Parle Products Pvt Ltd has been India's largest manufacturer of biscuits and confectionery for almost 80 years.
- Brands include Parle-G, Krackjack, Monaco, Hide and Seek, Poppins, Melody and Mango Bite.
- The company has a factory at Bhuj, Gujarat.



**Vadilal**

- Vadilal was established in 1907 at Ahmedabad. The company manufactures ice-creams and frozen desserts. In October 2013, Vadilal was rated as India's second most attractive food & beverage brand by TRA.
- Exports processed products. One manufacturing plant at Pundhra in Gandhinagar, second in Bareilly, Uttar Pradesh, and third in Dharampur, Surat.



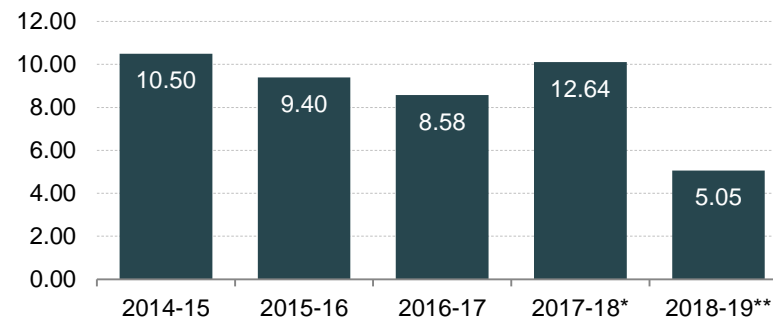
**Rasna**

- Rasna was formed in 1984 and has around 93.0 per cent market share in the powdered Indian soft drink concentrate market.
- The company has a wide range of products in the processed-foods category such as fruit jams, energy sports drink powder, fruit cordial, rose syrup and iced tea.
- Rasna has the largest capacity in Asia to make powder concentrates, with seven facilities spread across India. The company is based in Ahmedabad.

# KEY SECTORS – TEXTILES AND APPAREL ... (1/3)

- As per the Government of Gujarat's survey report, technical textiles is a key emerging area, with over 860 units in Gujarat.
- The textile industry contributes around 6 per cent to the total industrial production in the state (organised sector). Gujarat is the largest producer of denim in India (65-70 per cent) and the third-largest producer in the world.
- Surat is the largest manufacturing centre of silk fabric and produces over 40 per cent of silk in the country. About 24-28 per cent of fixed investment, production value and employment of SSI is from the textiles sector. Gujarat has extended full support to entrepreneurs who want to invest in the technical textile market in the state.
- In 2014, state Government of Gujarat introduced textile policy. In order to promote the textile policy in the state, Gujarat state government had allocated US\$ 88.44 million for implementation of this policy under budget 2017-18.

**Cotton production in Gujarat (million bales of 170 kg each)**



**Note:** \* - As per 4th advance estimate, \*\* - As per 1st advance estimates

**Source:** Ministry of Textiles, SSI – Small Scale Industries, News articles, \* as per 3rd Advance Estimates.



- On the basis of capital investments worth US\$ 2.3 billion, the textile policy of Gujarat has been successful in providing large scale employment opportunities in the state.
- The Government of Gujarat has introduced various schemes to provide assistance in the form of:
  - Interest subsidy, power tariff and VAT exemption.
  - Support to technical textiles.
  - Assistance for energy conservation, water conservation and environmental compliance to the existing unit.
  - Assistance for technology.
  - Acquisition and upgradation.
  - Assistance for apparel training institutions and trainees.
- The state government has announced plans for the setting up of brown and green field projects to facilitate environment friendly processing standards in the textile units of the state.

## Investment opportunities

### ▪ Conventional textiles

- Ginning and pressing
- Cotton & synthetic based spinning, weaving & processing units, cotton knitwear
- Terry towel/home furnishing
- High valued garment manufacturing

### ▪ Technical textiles

- Protective textiles
- Agro textiles
- Geo textiles
- Automotive textiles
- Home textiles

### ▪ Infrastructure development

- Cotton Integrated Textile and Apparel Park

*Source: Industrial Extension Bureau (A Government of Gujarat organisation)*

## Key players in textiles and apparel industry



**Arvind Ltd**

- One of the largest producers of denim in the world and largest producer in Asia. Product line includes fabrics (denims, shirtings, khakis and knitwear) and garments. Asia's first fabric-manufacturing unit to receive an ISO-14001 certification.



**Ashima Group**

- 100 per cent cotton-fabric manufacturers and a vertically integrated group. It has its registered office at Ahmedabad. Exports fabric to over 45 countries, markets to over 150 Indian garment exporters.



**Digjam Ltd**

- Part of the S.K. Birla Group, the company was established in Jamnagar, Gujarat in 1948. The company manufactures fabrics for suiting and casual wear. It has restructured its business portfolios to focus on textile manufacturing and marketing of fabrics and ready-to-wear clothing under its own brands.



**Raymond Ltd**

- With over 60.0 per cent market share in India, Raymond is one of the largest integrated manufacturers of worsted fabric in the world. The group is into textiles, engineering and aviation.
- Raymond Apparel Limited is a 100 per cent subsidiary of Raymond Limited. The plant at Vapi in Gujarat has a production capacity of 14 million metres per annum.

# KEY SECTORS – GEMS AND JEWELLERY... (1/2)

- Gujarat accounts for around 72 per cent of the world's share of processed diamonds and more than 80 per cent of diamonds processed in India. It also accounts for 95 per cent of diamonds exported from India. About 90 per cent of diamonds in Gujarat are processed by about 10,000 diamond units located in and around Surat.
- Eight out of 10 diamonds in the world are polished in Surat. The state has the highest labour productivity in the jewellery sector, with major jewellery clusters at Ahmedabad, Surat and Rajkot.
- It is also internationally renowned for the production of unique hand-made silver ornaments (85 per cent of total silver jewellery production of India).
- Renowned institutions such as the Indian Diamond Institute, Gujarat Hira Bourse, and the Gems and Jewellery Export Promotion Council provide skilled manpower for the industry.

## Investment opportunities

- Jewellery fabrication
- White gold
- Platinum jewellery
- Paved diamond jewellery
- Studded jewellery

## Infrastructure development

- Jewellery manufacturing units
- Assaying and hallmarking centres
- Gold refinery
- Diamond park

## Jewellery retail

- Luxury Products such as watches, brooches, clocks

*Source: Industrial Extension Bureau (A Government of Gujarat organisation), Directorate General of Commercial Intelligence and Statistics*

## Key players in gems and jewellery industry



### Sanghavi Exports

- Sanghavi Export's core business is exporting polished diamonds and diamond studded jewellery, and manufacturing diamonds and jewellery.
- It boasts of a large network of marketing offices worldwide, from the US to Hong Kong, Belgium to Japan, Australia to Canada, and Singapore to the European nations.
- The company's well-equipped hi-tech diamond manufacturing factory, Sanghavi Diamond Mfg Pvt Ltd at Surat, is one of the largest units in Asia.



### Venus Jewel

- Venus Jewel is a partnership firm established in 1969, specialising in manufacturing large-sized premium diamonds.
- The company deals in sizes from 0.50 to 15.00 carats in an expensive array of shaped diamonds of exceptional symmetry and polish.

**FOREVERMARK**



### Forever Diamonds

- Forever Diamonds is a manufacturer and exporter of diamond jewellery.
- The company deals in loose diamonds, diamond jewellery and gold jewellery.

# KEY SECTORS – OIL AND GAS ... (1/2)

- Gujarat is a preferred destination for MNCs like BASF, Bayer, DuPont, GE Plastics, Solvay, Cairn Energy, Shell, British Gas, etc.
- Gujarat is known as India’s chemicals and petrochemicals hub. The state has eight chemical clusters, 14 industrial estates and three SEZs, which are primarily dedicated to the chemicals and petrochemicals industry. Oil and gas reserves are located at Ankleshwar, Mehsana, Tapti High, Hazira, Bharuch, Gandhar, Dahej, Jambusar, Palej and Kalol. Isolated gas fields are located around Ahmedabad.
- As of July 2018, Gujarat had four refineries with a combined capacity of 101.9 MMTPA. In March 2018, Indian Oil owned Gujarat refinery of Vadodara city announced that it will invest about Rs 24,174.00 crore (US\$ 3.75 million) on new projects and expansions till 2022 which includes capacity expansion to 18 MMTPA, these will generate huge employment in the state.
- In Gujarat, Oil and Natural Gas corporation (ONGC), 406 wells are proposed to be drilled for the development at a cost of Rs 2,403 crore (US\$ 343.82 million).
- Exports of petroleum products from Gujarat reached US\$ 25,184.83 million in 2017-18 and US\$ 21,953.99 million in April-December 2018.

*Note: As per latest data available, MMTPA – Million Metric Tonnes Per Annum*

*Source: Industrial Extension Bureau Ministry of Petroleum & Natural Gases, Gujarat Economic Review, 2017-18, Directorate General of Commercial Intelligence and Statistics*

Key locations	Oil and gas companies
Jamnagar	Reliance Industries refinery: Largest grassroots refinery in the world; Essar Refinery
Dahej	Petronet LNG’s re-gasification terminal
Hazira	Shell and Total’s LNG terminal
Vadodara	Indian Oil Corporation’s refinery
Gandhar	ONGC’s gas processing complex

## Investment opportunities

- Oil & gas refining
- Gas distribution
- Investments in PCPIR are incentivised
- Gujarat consists of 47 per cent of total domestic gas connections in the country.
- Gujarat, with Maharashtra and Delhi, accounts for 96 per cent of domestic connections of piped natural gas and 92 per cent of commercial connections.

## Key players in oil and gas industry



IndianOil

Indian Oil Corp Ltd  
(IOCL)

- IOCL is India's largest integrated oil refining and marketing company by sales. It is the 18th largest petroleum company in the world. It owns and operates 10 of India's 22 refineries; the company had a refining capacity of 65.7 million metric tonnes per annum (MMTPA) (1.3 million barrels per day).
- The refinery at Koyali is IOCL's largest with a capacity of 18 MMTPA.



Cairn India

- The company operates the largest oil producing fields in the Indian private sector. Cairn India holds material exploration and production positions in 11 blocks in west and east along with new exploration rights elsewhere in India and one in Sri Lanka. CIL plans to invest \$3 billion over three years, with 80 per cent of capex in the Barmer oil block.
- In April 2017, Cairn India merged with Vedanta Ltd to form US\$ 15.6 billion market capital.



ONGC

- ONGC is India's leading exploration and production company for oil and gas. It has 240 onshore production installations, 77 drilling rigs and a 26,598 km pipeline network. ONGC has a plant at Hazira; assets in Mehsana, Ahmedabad and Ankleshwar.
- The company has the Institute of Reservoir Studies (IRS) in Ahmedabad and a regional office in Baroda.

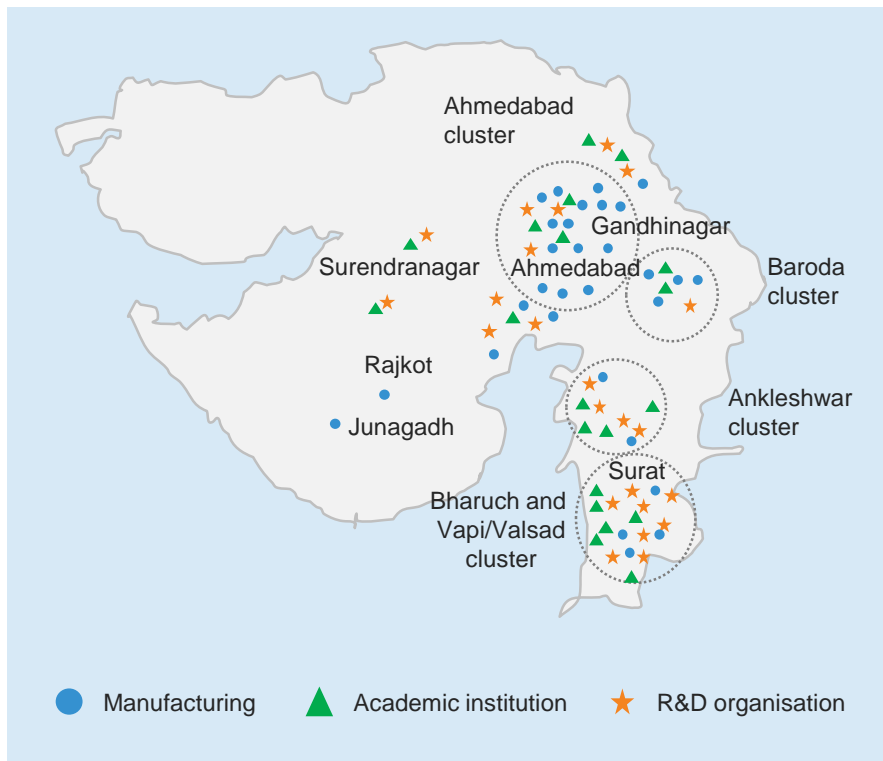


Shell

- Shell is among the global leaders in the oil, gas and petrochemicals sector, with interests in bio-fuels, wind, solar power and hydrogen. The company operates in over 90 countries, employing around 93,000 people worldwide. It is one of the largest and most diversified international investor in India's energy sector.
- The company is the only global major to operate petro-fuel retail outlets in India. The Hazira LNG Terminal and port project is Shell's largest venture in India.

# KEY SECTORS – PHARMACEUTICALS AND BIOTECHNOLOGY ... (1/2)

- Gujarat has over 3,300 pharmaceutical manufacturing units and contributed 30-35 per cent to India's pharma sector's turnover and around 28 per cent to India's pharma exports during 2014-15.
- The state accounts for 80 per cent of intravenous sets manufactured in the country. About 75,000 people are employed in the pharmaceutical sector in Gujarat. It has the largest number of clinical research organisations in India and over 100 companies with WHO-compliant manufacturing units. The state accounts for 40 per cent of the pharma machinery production of India.
- The landscape of the Gujarat biotechnology industry consists of more than 50 biotechnology companies and 66 support organisations. Gujarat holds the maximum number of patents among all Indian states, with 3,637 licensed units engaged in drug manufacturing.
- Key initiatives taken by the government for the industry are as follows:
  - (1) Gujarat is the only state in the country to issue sales license through IT application with the help of National Informatics Centre. Setting up SEZs dedicated to the pharmaceutical sector to boost investments.
  - (2) Establishment of National Institute for Pharmaceutical Education and Research for human resource development.



- Exports of drug formulations from Gujarat reached US\$ 1,912.78 million in 2018-19 and stood at US\$ 2,062.76 million during April-November 2019.

Source: Directorate General of Commercial Intelligence and Statistics

## Key players in pharmaceuticals and biotechnology industry



Sun Pharma

- Sun Pharma was established in 1983. It manufactures Active Pharmaceutical Ingredients (APIs) and specialty pharmaceuticals. The company has 50 manufacturing plants across the world. Sun Pharmaceutical Advanced Research Centre (SPARC) is situated in Vadodara (Baroda). Manufacturing plants in Gujarat are located at Vapi, Halol, Ankleshwar, Ahmednagar and Vadodara.



Bayer Cropscience

- Bayer is a global enterprise with core competencies in the fields of healthcare, agriculture & high-tech materials. In India, Bayer operates 6 companies including Bayer Cropscience, which offers a range of products & it has service back-up for modern agriculture & non-agricultural applications. The company has three business groups: crop protection, environmental science & bio-science. It has 2 factories in Gujarat, at Ankleshwar & Himatnagar. During 2016-17, the company generated revenues of US\$ 4.60 billion.



Quintiles

- Quintiles is a fully integrated biotech & pharmaceutical services provider offering clinical, commercial, consulting & capital solutions. Key services in India include biostatistics, data management, clinical monitoring, central laboratory services, electrocardiogram monitoring services, project management & regulatory services. Quintiles India, the Indian subsidiary, has five offices in India. The research laboratory of the company is located at Ahmedabad.



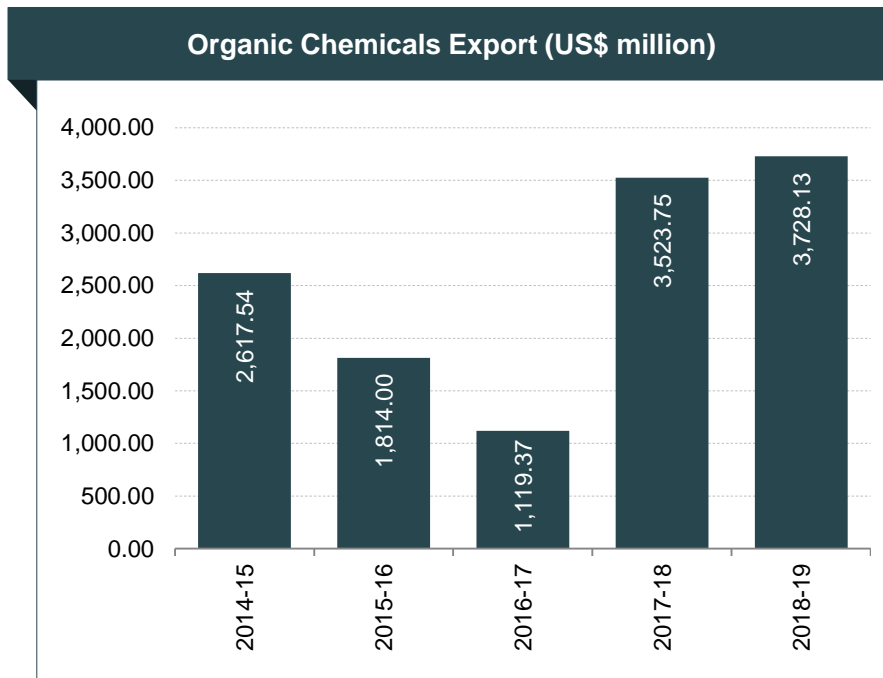
Zydus Cadila

- Zydus Cadila is one of the leading pharmaceuticals companies with a huge product line which includes formulations, APIs, diagnostics, health-foods & diet-foods, skin care & animal healthcare products. The company maintained a strong position in the market segments of cardiovasculars, gastrointestinal, women's healthcare & respiratory. Production units are located in Ahmedabad, Vadodara & Ankleshwar for manufacturing tablets, injectibles, capsules, liquids & APIs.



# KEY SECTORS – CHEMICALS AND PETROCHEMICALS

- Gujarat's chemicals and petrochemicals industry is one of the fastest growing sectors in the state's economy and is the leader in the production of chemical and allied products in India.
- Gujarat is the hub of chemical industry in India, accounts for 62 per cent of India's petrochemical production, 35 per cent of other chemicals production and 18 per cent of India's chemical exports.
- Gujarat produces 6,500 chemicals & petrochemicals products and largest supplier of bio fertilizers, seeds, urea and other fertilizers. The state has 500 large and medium scale industrial units, about 16,000 of small scale industrial units and other factory units in chemical and petrochemicals industry.
- Exports of organic chemicals from Gujarat reached US\$ 3,523.75 million in 2017-18 and US\$ 3,728.13 million in 2018-19.



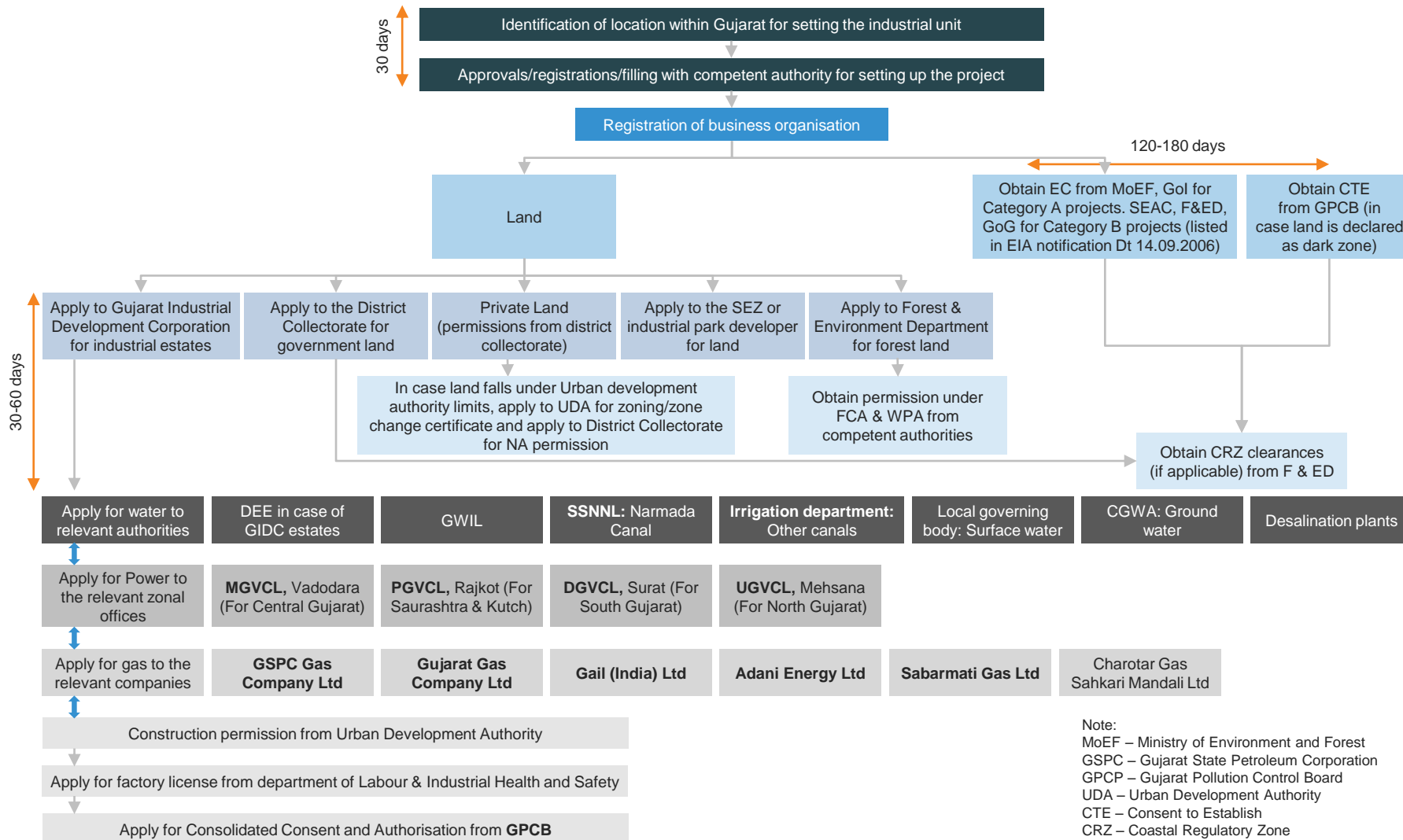
Source: UP Investors Summit 2018, Directorate General of Commercial Intelligence and Statistics

# KEY PROCEDURES & POLICIES



- Industrial Extension Bureau (iNDEXTb) is the single access window in Gujarat. iNDEXTb was established as early as 1978 as a single point of contact for entrepreneurs desiring to set-up an industrial venture in the state. It has three major roles:
  - Identifying investment opportunities and information provision.
  - Marketing and investment.
  - Counselling assistance to entrepreneurs for undertaking investment decisions.
- iNDEXTb has about 60 employees and operates through the following four divisions:
  - International Business: Deals with activities related to projects involving NRI investments and FDI, the promotion of exports, and handling foreign delegations and publicity campaigns. It also processes statistical information on industrial approvals by the Government of India for location in Gujarat.
  - Investment Promotion: For domestic projects from within the country and other than Gujarat, and promotional campaigns within India.
  - Project and Technology: For project inquiries from within Gujarat, preparing industry status reports and area potentiality surveys, monitoring the industrial situation and operating an industrial data bank.
  - Computer Centre: Provides turnkey solutions from identification of customer needs to feasibility studies, design and development, and the development and implementation of customised software packages as well as corporate training.

# A ROADMAP FOR DOING BUSINESS IN GUJARAT



# KEY INVESTMENT PROMOTION OFFICES ... (1/3)

Agency	Description
Industrial Extension Bureau (iNDEXTb)	<ul style="list-style-type: none"> <li>▪ Promotes investment in industrial and infrastructure projects, acts as a single-point contact.</li> <li>▪ Identifies new investment opportunities and prepares project profiles.</li> <li>▪ Prepares and publishes status reports and status papers on different industry groups.</li> <li>▪ Coordinates with various government departments, chambers of commerce and industry associations at the state and central levels.</li> </ul>
Gujarat Industrial Development Corporation (GIDC)	<ul style="list-style-type: none"> <li>▪ Premier promotional agency, for providing all basic infrastructure to the industries in Gujarat.</li> <li>▪ Develops industrial estates at strategic locations all over the state.</li> <li>▪ Offers basic amenities in industrial estates.</li> <li>▪ Develops functional estates to fulfill specific needs of certain industries.</li> <li>▪ Checks environmental degradation by resorting to specific measures.</li> </ul>
Gujarat Agro Industries Corporation (GAIC)	<ul style="list-style-type: none"> <li>▪ Promotes agricultural activities at the ground level and helps in development of agro industries.</li> <li>▪ Accelerates demand-based production of agro products to develop agro industries in the new global agricultural environment.</li> </ul>
Gujarat Small Industries Corporation (GSIC)	<ul style="list-style-type: none"> <li>▪ Encourages the growth of industries in the SSI sector.</li> <li>▪ Acts as an authorised distributor and stockist of steel producers.</li> <li>▪ Assists SSI units by providing imported/indigenous raw materials.</li> </ul>

Source: Ministry of Tourism, Government of Gujarat, State Budget 2016-17

# KEY INVESTMENT PROMOTION OFFICES ... (2/3)

Agency	Description
Gujarat Infrastructure Development Board (GIDB)	<ul style="list-style-type: none"> <li>▪ Attracts private sector investment in infrastructure development projects.</li> <li>▪ Frames policies for involvement of other public sector infrastructure development agencies.</li> <li>▪ Liaison with banks and other financial institutions interested in financing infrastructure projects.</li> </ul>
Gujarat State Financial Corporation (GSFC)	<ul style="list-style-type: none"> <li>▪ Finances industrial units in Gujarat and the Union Territories of Dadra and Nagar Haveli.</li> <li>▪ Provides financial assistance to new and existing SSI units.</li> <li>▪ Offers finance to SSI units for obtaining ISO-9000 certification, marketing and sales promotion activities.</li> </ul>
Industries Commissionerate	<ul style="list-style-type: none"> <li>▪ The commissionerate functions under the Industries, Mines and Tourism Department of the Government of Gujarat, and implements industrial policies of the state and central governments.</li> <li>▪ Promotes development, monitors and controls functions for planned industrial developments in tiny, small, medium and large sectors through a network of district industry centres, attached offices and industrial promotion corporations.</li> </ul>
Gujarat Power Corporation Limited (GPCL)	<ul style="list-style-type: none"> <li>▪ Acts as a nodal agency for augmenting power generating capacity through private sector participation.</li> <li>▪ Identifies power projects based on different fuels and prepares techno-economic feasibility reports.</li> <li>▪ Obtains approvals from relevant authorities to prepare power system master plan for the state.</li> </ul>
Gujarat Maritime Board (GMB)	<ul style="list-style-type: none"> <li>▪ Contributes to the development of vital port infrastructure.</li> <li>▪ Synchronises with hinterland development.</li> <li>▪ Identifies green field ports for development.</li> <li>▪ Specifies missing links in roads and railways and suggests upgradation of existing links to facilitate easier approach to port locations.</li> </ul>

# KEY INVESTMENT PROMOTION OFFICES ... (3/3)

Agency	Description
Gujarat Industrial Investment Corporation Limited (GIIC)	<ul style="list-style-type: none"> <li>▪ Finances medium and large scale industries.</li> <li>▪ Arranges finance for large projects available in consortium with other central and state-level financial institutions and banks.</li> <li>▪ Provides infrastructure financing and offers a variety of financial packages.</li> </ul>
Tourism Corporation of Gujarat Limited (TCGL)	<ul style="list-style-type: none"> <li>▪ Identifies tourism potential in the state.</li> <li>▪ Undertakes the task of developing tourism and related commercial activities.</li> <li>▪ Maintains and upgrades tourism infrastructure and hotel projects with the help of privatised professional services.</li> <li>▪ Encourages investment for development of tourism-related infrastructure.</li> </ul>
Gujarat Electronics and Software Industries Association (GESIA)	<ul style="list-style-type: none"> <li>▪ Premier trade body and the chamber of commerce of the Gujarat IT-ITeS industry.</li> <li>▪ 300+ member companies from various parts of Gujarat.</li> <li>▪ Promotes software, BPO/KPO, telecom/ISP and the electronics industry in Gujarat.</li> </ul>
Gujarat State Biotechnology Mission (GSBTM)	<ul style="list-style-type: none"> <li>▪ Facilitates development of Gujarat's biotechnology sector.</li> <li>▪ Promotes research &amp; development, provides quality human resources and supports development of the biotechnology industry through various measures and policies.</li> </ul>

# CONTACT LIST... (1/2)

Agency	Contact information
Industrial Extension Bureau	Block No 18, 2 <sup>nd</sup> Floor Udyog Bhavan, Sector-11, Gandhinagar-382 017 Phone: 91-79-23250492/93 Fax: 91-79-23250490 E-mail: <a href="mailto:indextb@indextb.com">indextb@indextb.com</a>
Gujarat Industrial Development Corporation (GIDC)	Block No 4, 2 <sup>nd</sup> Floor Udyog Bhavan, Sector-11, Gandhinagar-382 017 Phone: 91-79-2325 0636, 2325 0637 Fax: 91-79-2325 0705 E-mail: <a href="mailto:gidc@gidcgujarat.org">gidc@gidcgujarat.org</a>
Gujarat Agro Industries Corporation (GAIC)	Khet Udyog Bhavan, Opp. Old Gujarat High Court, Navrangpura, Ahmedabad-380 014 Phone: 91-79-2754 4741/42/43 Fax: 91-79-2754 2518 Website: <a href="http://www.gujagro.org">www.gujagro.org</a>
Gujarat Industrial Investment Corporation Limited (GIIC)	Block No 11 & 12, 6th Floor, Udyog Bhawan, Sector-11, Gandhinagar-382 011 Phone: 91-79-2324 9641-53, Fax: 91-79-2323 6230
Gujarat State Financial Corporation (GSFC)	Block No 10, Udyog Bhavan, Sector-11, Gandhinagar-382 011 Phone: 91-79-23256793, Fax: 91-79-2325 2204 E-mail: <a href="mailto:webmaster-gsfc@gujarat.gov.in">webmaster-gsfc@gujarat.gov.in</a>



## CONTACT LIST... (2/2)

Agency	Contact information
Gujarat Infrastructure Development Board (GIDB)	Block No 18, 8th Floor, Sector-11, Udyog Bhavan, Gandhinagar-382 017 Phone: 91-79-23232701/4, Fax: 91-79-23222481, E-mail: <a href="mailto:gidb@gidb.org">gidb@gidb.org</a>
Industries Commissionerate	Block No 1, 2 <sup>nd</sup> Floor, Udyog Bhavan Gandhinagar-382 010 Phone: 91-79-23252683, 23252617, E-mail: <a href="mailto:iccord@gujarat.gov.in">iccord@gujarat.gov.in</a>
Gujarat Electronics and Software Industries Association (GESIA)	300, 3rd Floor, Parshwanath Business Park, Nr. Prahaladnagar Garden, S. G. Highway, Satellite, Ahmedabad – 380 015 Tel. +91-79-66172117 Email: <a href="mailto:secretariat@gesia.org">secretariat@gesia.org</a>
Gujarat State Biotechnology Mission (GSBTM)	Udyog Bhavan, 11th Block, 9th Floor, Sector-11, Gandhinagar-382017 Phone: 91-79-23252197,14, E-mail: <a href="mailto:info-btm@gujarat.gov.in">info-btm@gujarat.gov.in</a>

# KEY APPROVALS REQUIRED ... (1/4)

Approvals and Clearances Required	Departments
Approvals/registration/filing information for setting up project	<ul style="list-style-type: none"> <li>▪ SSI Registration – District Industries Centre (DIC) of the district, where the unit is to be located.</li> <li>▪ Industrial Entrepreneur’s Memorandum (IEM) – DIC/ Industries Commissionerate, Government of Gujarat.</li> <li>▪ Filing Industrial Entrepreneur’s Memorandum (IEM) and Letter of Intent (LoI) – Secretariat for Industrial Assistance, Ministry of Commerce and Industry, Government of India.</li> <li>▪ Letter of Permission (LoP)-The Development Commissioner, Kandla Special Economic Zone, Ministry of Commerce and Industry, Government of India, Kandla (Dist. Kutch), Gujarat.</li> <li>▪ For automatic approvals-The Development Commissioner, Kandla Special Economic Zone, Ministry of Commerce and Industry, Government of India, Kandla (district Kutch), Gujarat.</li> <li>▪ For other industries-Secretariat for Industrial Assistance, Ministry of Commerce and Industry, Government of India, New Delhi.</li> </ul>
Registration of business organisation	<ul style="list-style-type: none"> <li>▪ Registrar of Partnership Firms, Government of Gujarat for partnership firms and Registrar of Companies, Government of India (office located in Ahmedabad) for corporations.</li> </ul>
Acquisition of land	<p>Authority for lands:</p> <ul style="list-style-type: none"> <li>▪ In GIDC estate-Concerned office of GIDC.</li> <li>▪ Government land-Concerned district collector or collector/district development officer.</li> <li>▪ Private land (purchase of agricultural land for non-agricultural use) – Private land owner.</li> <li>▪ Forest land-Ministry of Forest &amp; Environment, State Wild Life Board, National Wild Life Board and Supreme Court (for land reserved for wildlife sanctuaries or national parks).</li> </ul>

# KEY APPROVALS REQUIRED ... (2/4)

Approvals and Clearances Required	Departments
Clearance from Pollution Control Board	<ul style="list-style-type: none"> <li>No Objection Certificate (NOC) to be obtained from Gujarat Pollution Control Board (GPCB).</li> <li>Environmental clearance:-Ministry of Environment and Forest and Government of Gujarat (State Impact Assessment Committee).</li> </ul>
Consent to establish	<ul style="list-style-type: none"> <li>Gujarat Pollution Control Board (GPCB).</li> </ul>
Arrangement of power	<ul style="list-style-type: none"> <li>GIDC estates-Zonal office.</li> <li>Locations other than GIDC estates-Zonal distribution company.</li> <li>Captive power-Gujarat Energy Transmission Corporation Limited (GETCO).</li> </ul>
Arrangement of gas	Gujarat State Petroleum Corporation (GSPC) or private distributor.
Arrangement of water	<p>Authority depends on the location of unit:</p> <ul style="list-style-type: none"> <li>Proximity to Narmada Canal – Sardar Sarovar Narmada Nigam Limited (SSNNL).</li> <li>For drawing canal/underground water other than Narmada Canal – Irrigation department.</li> <li>For drawing water from the pipeline of Gujarat Water Infrastructure Limited (GWIL) – GWIL.</li> <li>Surface water – Local governing bodies (municipal corporations).</li> <li>For the usage of ground water for industrial purposes from the area falling under dark zone, over-exploited area or saline area – The Superintendent, from Gujarat, Gujarat Water Resources Development Corporation (GWRDC).</li> <li>Water supply for industrial purposes within GIDC estate–Deputy Executive Engineer of the concerned estate.</li> </ul>

# KEY APPROVALS REQUIRED ... (3/4)

Approvals and Clearances Required	Departments
Approval of building plans	<p>Authority depends on location of the unit, if the unit is located:</p> <ul style="list-style-type: none"> <li>▪ In GIDC estates – GIDC executive engineer in the region.</li> <li>▪ Inside and outside GIDC estates – Director, Industrial Safety and Health, is authorised to give approval to plans of the premises, equipment layout and process layout, registration of factory and grant of licenses.</li> </ul>
Approval from Labour Department	<ul style="list-style-type: none"> <li>▪ Labour Commissioner.</li> </ul>
Approval from Commercial Tax Department	<ul style="list-style-type: none"> <li>▪ Value-Added Tax (VAT) registration and Central Sales Tax (CST) registration: Respective area officer in whose jurisdiction the chief place of business falls.</li> </ul>
Mining Lease approval	<ul style="list-style-type: none"> <li>▪ Department of Geology and Mining</li> </ul>
Boiler registration	<ul style="list-style-type: none"> <li>▪ Chief Inspectorate, Steam and Boiler, Government of Gujarat</li> </ul>
Handling of hazardous items	<ul style="list-style-type: none"> <li>▪ Director of Industrial Safety and Health, Government of Gujarat</li> </ul>
Storage of explosive materials	<ul style="list-style-type: none"> <li>▪ Directorate of Explosives, Government of India</li> </ul>
Customs bonding for 100% export oriented units located outside special economic zones	<ul style="list-style-type: none"> <li>▪ Collector of Customs &amp; Central Excise, Government of India</li> </ul>
Quality certification	<ul style="list-style-type: none"> <li>▪ Bureau of Indian Standards (office located in Gujarat)</li> </ul>

# KEY APPROVALS REQUIRED ... (4/4)

## Sector-specific approvals

Sector	Authority
Food and drug manufacturing units	▪ Commissionerate of Food & Drug Administration, Government of Gujarat
Registration for milk products	▪ Milk and Milk Products Board, New Delhi
Projects located within 500 m of the coastline	▪ Gujarat Maritime Board

Source: Doing Business in Gujarat 2013, Vibrant Gujarat

# COST OF SETTING UP BUSINESS IN GUJARAT

Cost parameter	Cost estimates	Source
Manufacturing		
Land (US\$/hectare) <sup>1</sup>	95,312	Government of Gujarat website
Labour cost (US\$/man year)	15,92.4	www.indiastat.com
Employee cost (US\$ / man year)		
Software developers	6,383	KPMG analysis
Team leads	14,893	KPMG analysis
Architects	21,276	KPMG analysis
Project managers	31,915	KPMG analysis
Common heads <sup>2</sup>		
Cost of capital (Prime lending rate,%)	10.57	Government of Gujarat website
Electricity (US cents / kWh)		
Commercial	9.49	KPMG analysis
Industrial	9.29	KPMG analysis

- As per the World Bank and Department for Promotion of Industry and Internal Trade (DPIIT) report - Assessment of State Implementation of Business Reforms 2016, the state ranked 3rd in the Ease of Doing Business Index.

<sup>1</sup>Calculated as the average cost of land at various industrial parks in Gujarat. Land is allotted on a 99 year lease, which can be renewed later

<sup>2</sup>Estimated by computing the average prime lending rates of prominent public sector, private sector and foreign banks in India

Source: <http://www.pppinindia.com/business-gujarat.php>

## Objectives

### Garment and Apparel Policy 2017

- Creation of 100,000 jobs in the state.

[Read more](#)

### Tourism Policy 2015-2020

- To attract domestic and international tourists so that Gujarat ranks amongst the top five tourist destination states in India by 2025.
- To promote various kinds of tourism including medical and adventure tourism

[Read more](#)

### Solar Power Policy 2015

- To promote power generation of green and clean power in the state using solar energy.
- To lower the cost of generation of renewable energy.

[Read more](#)

### Gujarat New Industrial Policy 2015

- To develop Gujarat as a global manufacturing global hub.
- To induct more entrepreneurial and skill development processes in order to support the “Make in India” initiative.

[Read more](#)

### Electronics Policy, 2014-19

- To promote semiconductor manufacturing sector in Gujarat.
- To establish an electronic manufacturing cluster in the state.

[Read more](#)

### IT Policy, 2014-19

- To attract IT companies to Gujarat..
- To accumulate US\$ 15 billion from IT sector in Gujarat by 2020.

[Read more](#)

## Objectives

E-Governance Policy,  
2014-19

- To provide cost efficient services in Gujarat through information and communication technologies.
- To broaden the scope of e-governance.

[Read more](#)

Wind Power Policy 2013

- To promote green energy in the state and accelerate investments in the renewable sector.
- To set the tariff of wind power in the state.

[Read more](#)

Gujarat Textile Policy-  
2012

- To transform the state cotton industry as a leader in manufacturing of yarn, fabric and garments with a policy to work on five F's – Farm, Fibre, Fabric, Fashion (Garment) & Foreign (Export).

[Read more](#)

Shipbuilding Policy 2010

- To explore potential as well as resources available on the Gujarat coast for shipbuilding.
- To enhance industrial growth in the state by encouraging establishment of downstream ancillary industries.

[Read more](#)

Power Generation Policy  
2009

- To develop the state of Gujarat as a power-generation hub.
- To have adequate availability of power in the state for agriculture, households, industry etc.

[Read more](#)

Integrated Township  
Policy 2007

- To promote economic development, and facilitate the creation of efficient, equitable and sustainable urban settlements.
- To facilitate public private partnerships for urban development.

[Read more](#)



## Objectives

Gujarat State  
Biotechnology Policy  
2007

- To accelerate activities in Gujarat's biotech sector.

[Read more](#)

Gujarat State Mineral  
Policy 2003

- To explore opportunities in the sector of mineral resources of the state.
- To enhance efficiency by adopting e-governance.

[Read more](#)

Gujarat State Mineral  
Policy 2003

- To facilitate investments in the road sector.
- To induct more scientific principles of resource allocation for maintenance and new construction programmes.

[Read more](#)

Gujarat Port Policy

- To promote Gujarat's share in ports.
- To attract private sector investment in the existing minor and intermediate ports.

[Read more](#)

SEZ Policy of Gujarat,  
2002

- To encourage investment and export oriented units in the state through specified facilities and concessions.

[Read more](#)

Agro Industrial Policy,  
2000

- To make Gujarat the destination of choice for investors and processors, both global and domestic.

[Read more](#)

Gujarat Aerospace &  
Defence Policy

- To establish Gujarat as India's leading hub for indigenous aerospace and defence manufacturing.
- To develop competitive talent in the sector.
- To promote R&D investments to drive innovation in product design

[Read more](#)

# ANNEXURE



# ANNEXURE...(1/2) - SOURCES

Data	Sources
GSDP (state)	MOSPI, Directorate of Economics and Statistics (Gujarat)
Per capita GSDP figures	MOSPI, Directorate of Economics and Statistics (Gujarat)
GSDP (India)	MOSPI, Directorate of Economics and Statistics (Gujarat)
Installed power capacity (MW)	Central Electricity Authority, as of November 2019
Wireless subscribers (No)	Telecom Regulatory Authority of India, as of September 2019
Internet subscribers (Mn)	Telecom Regulatory Authority of India, as of June 2019
National highway length (km)	NHAI, Roads and Building Department - Government of India
Major and minor ports (No)	India Ports Association
Airports (No)	Airports Authority of India
Literacy rate (%)	Census 2011
Birth rate (per 1,000 population)	SRS Bulletin, September 2017
Cumulative FDI equity inflows (US\$ billion)	Department for Promotion of Industry and Internal Trade, April 2000 to June 2019
Operational PPP projects (No)	Ministry of Finance, Government of India (November 2019)
Notified SEZs (No)	Notified as of January 2019, Ministry of Commerce & Industry, Department of Commerce

# ANNEXURE...(2/2) - EXCHANGE RATES

## Exchange Rates (Fiscal Year)

Year INR	INR Equivalent of one US\$
2004-05	44.95
2005-06	44.28
2006-07	45.29
2007-08	40.24
2008-09	45.91
2009-10	47.42
2010-11	45.58
2011-12	47.95
2012-13	54.45
2013-14	60.50
2014-15	61.15
2015-16	65.46
2016-17	67.09
2017-18	64.45
2018-19	69.89

## Exchange Rates (Calendar Year)

Year	INR Equivalent of one US\$
2006	45.33
2007	41.29
2008	43.42
2009	48.35
2010	45.74
2011	46.67
2012	53.49
2013	58.63
2014	61.03
2015	64.15
2016	67.21
2017	65.12
2018	68.36
2019	69.83

Source: Reserve Bank of India, Average for the year

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