

# GUJARAT



**RUDABAI STEPWELL IN ADALAJ**

June 2021

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# Executive summary

1

## Preferred Investment Destination

- According to the Department for Promotion of Industry and Internal Trade (DPIIT), in FY21, Gujarat received the highest FDI (Foreign Direct Investment) at US\$ 21.89 billion and stood at the top of all states, with 30% of the total equity inflows.



2

## Port Capital of India

- Gujarat is the first state in India to undertake port privatisation. Gujarat Maritime Board has developed multiple port privatisation models such as private/joint sector ports, private jetties, captive jetties and GMB jetties.



3

## Highest Share in India's Total Dairy Output

- Gujarat is the fifth-largest state in milk production in India. In 2019-20, per day 203.43 lakh litre milk was received in 22 co-operative dairy plants. There are 19,522 co-operative milk societies in the state.



4

## 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.



*Note: MT- Million Tonnes, FDI- Foreign Direct Investment*

*Source: Gujarat Economic Review, 2020-21, Ministry of Textiles, Industrial Extension Bureau,*

# INTRODUCTION




# Gujarat fact file




Source: Maps of India

  
**Gandhinagar**  
Capital


  
**308** persons per sq km  
Population density

  
**60.3** million  
total population

  
**196,024** sq.km.  
geographical area

  
**28.9** million  
female population

  
**31.5** million  
male population

  
**79.31%**  
literacy rate

  
**33** Administrative  
districts

**919:1000**  
Sex ratio  
(females per 1,000 males)

## Key Insights

- There are seven agro-climatic zones in the state that support cultivation of a wide range of crops.
- The most spoken language of the state is Gujarati. Hindi and English are the other Indian languages used.
- 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, Vadodara, Surat, Rajkot, Bhavnagar and Jamnagar are some of the key cities of the state.

Source: Gujarat Socio Economic Review

# Advantage: Gujarat

## 2. 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.

## 3. Facilitating infrastructure

- Gujarat has successfully developed world class infrastructure.
- There are 46 ports, 18 domestic airports & one international airport. The state also has an extensive road & rail network. A 2,200 km gas grid supplies gas to the industrial areas.
- In May 2021, the government announced to establish a container hub in the state to meet the rising global demand for containers.

## 1. High economic growth and industrial development

- At current prices, Gujarat's Gross State Domestic Product (GSDP) is estimated at Rs. 18,79,826 crore (US\$ 259.25 billion) in FY22, an increase of 7% YoY.
- Gujarat has achieved the distinction of being one of the most industrially developed states. Accounting for 5% of the total Indian population, Gujarat contributes about a quarter to India's goods exports.



## 4. 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

Source: Ministry of Statistics and Programme Implementation, News articles

# Gujarat vision 2022

## 1 EDUCATION/ SKILL DEVELOPMENT

- Make Gujarat a globally recognised knowledge society.
- Develop two knowledge corridors enabling functioning of institutions in sectors like retail, aviation and centres of excellence.

## 2 GSDP/ PER CAPITA INCOME

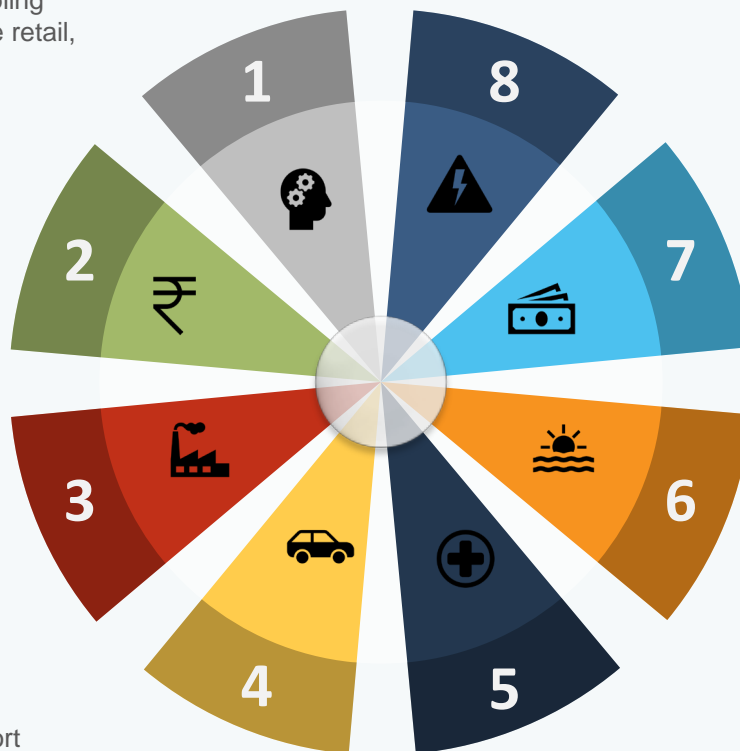
- Real GSDP to grow three times by 2020.
- Per capita income to be around US\$ 12,615 (in PPP terms) by the year 2020.

## 3 INDUSTRY

- Develop world class and globally competitive industrial infrastructure.
- Invest in ports and infrastructure to boost imports and exports.

## 4 TRANSPORT

- Develop high speed integrated transport network meeting global standards.
- Bullet train and Metro Rail Transport Project to reduce travel time.



## 8 ENERGY & POWER

- Encourage solar and wind energy generation.
- Encourage power generation and become a trading hub for the West.
- Enhance gas supplies through E&P.

## 7 INVESTMENT PROMOTION

- Attract investments in SIRs, industrial areas, SEZ infrastructure.
- Develop PCPIR to attract investments in the petroleum products and chemicals sectors.

## 6 TOURISM

- Make Gujarat a global tourist destination.
- Setting up a tourism development fund, which would provide incentives to tourism projects.

## 5 HEALTHCARE/ SOCIAL AMENITIES


- Improve quality of life of people by developing clean, green and safe cities.
- Create good healthcare infrastructure to be at par with upper middle income countries.

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

# Gujarat in figures


## Gujarat's Contribution to Indian Economy (2019-20)


 **GSDP as a percentage of all states' GSDP**  
India: 100.0 | Gujarat: 7.7

 **GSDP growth rate\*\* (%)**  
India: 12.3 | Gujarat: 10.02


 **Per capita GSDP\* (US\$)**  
India: 17,503 | Gujarat: 4,435


## Social Indicators

 **Literacy rate (%)**  
India: 74.04 | Gujarat: 79.31


 **Birth rate (per 1,000 population)**  
India: 20.4 | Gujarat : 20.1

## Industrial Infrastructure


 **Operational PPP projects (No.)**  
(as of December 2019)  
India: 1824 | Gujarat: 130


 **Notified SEZs (No) (as of October 2020)**  
India: 426 | Gujarat: 26

## Physical Infrastructure in Gujarat

 **Installed power capacity (MW)**  
(as of April 2021)  
India: 382,730.02 | Gujarat: 38,255.07

 **Wireless subscribers (million)**  
(as of February 2021)  
India: 1,167.71 | Gujarat: 68.59


 **Internet subscribers (million) (as of December 2020)**  
India: 795.18 | Gujarat: 48.81

 **National highway length (km) (as of FY21)**  
India: 136,440 | Gujarat: 7,744

 **Major and minor ports (No.)**  
India: 13+187 | Gujarat: 46

 **Airports (No.)**  
India: 129 | Gujarat : 11

## Investments (as of March 2021)

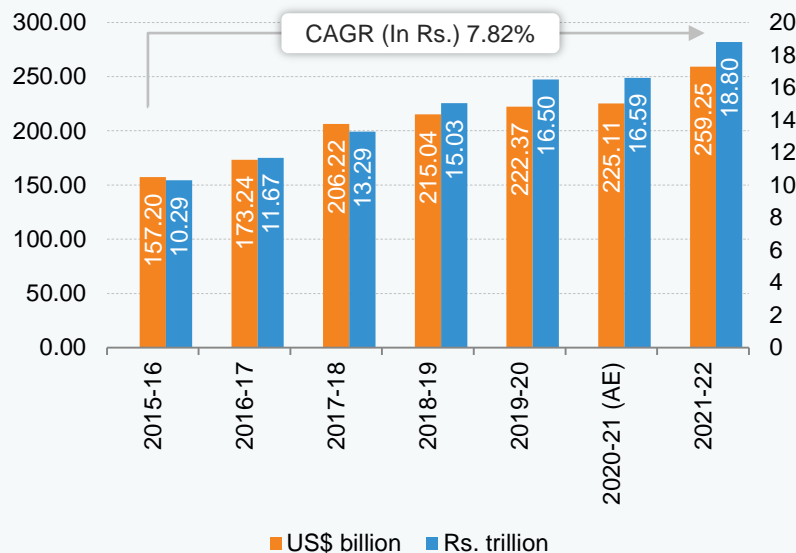
 **Cumulative FDI equity inflow between October 2019 and March 2021 (US\$ billion)**  
India: 83.516 | Gujarat: 24.48

*Note: GSDP, per capita GSDP figures are budget estimates, PPP: Public-Private Partnership, SEZ: Special Economic Zone, SRS: Sample Registration System,*

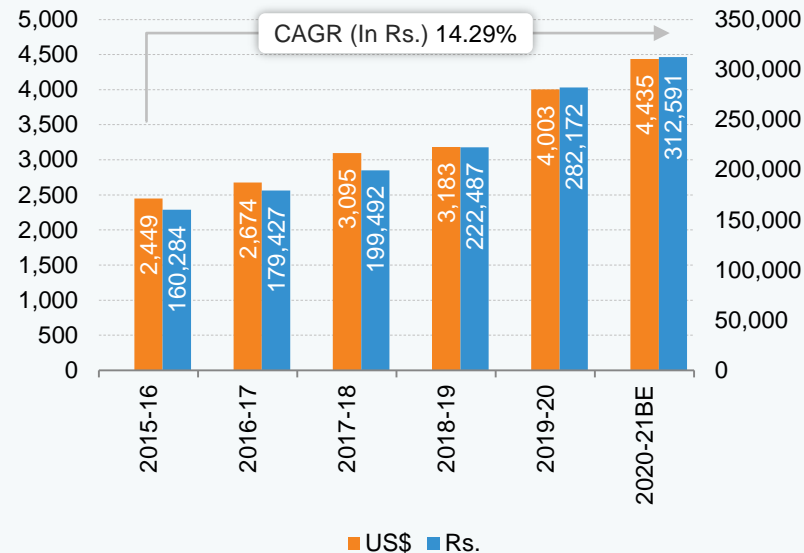


# Economic snapshot – GSDP

### GSDP at current prices



### Per capita GSDP



- At current prices, Gujarat's Gross State Domestic Product (GSDP) is estimated ~Rs. 18.80 trillion (US\$ 259.25 billion) in FY22.
- The state's GSDP increased at a CAGR of 7.82% between 2015-16 and 2021-22.
- With 4.99% population share, Gujarat accounts for 8.11% of India's GDP.

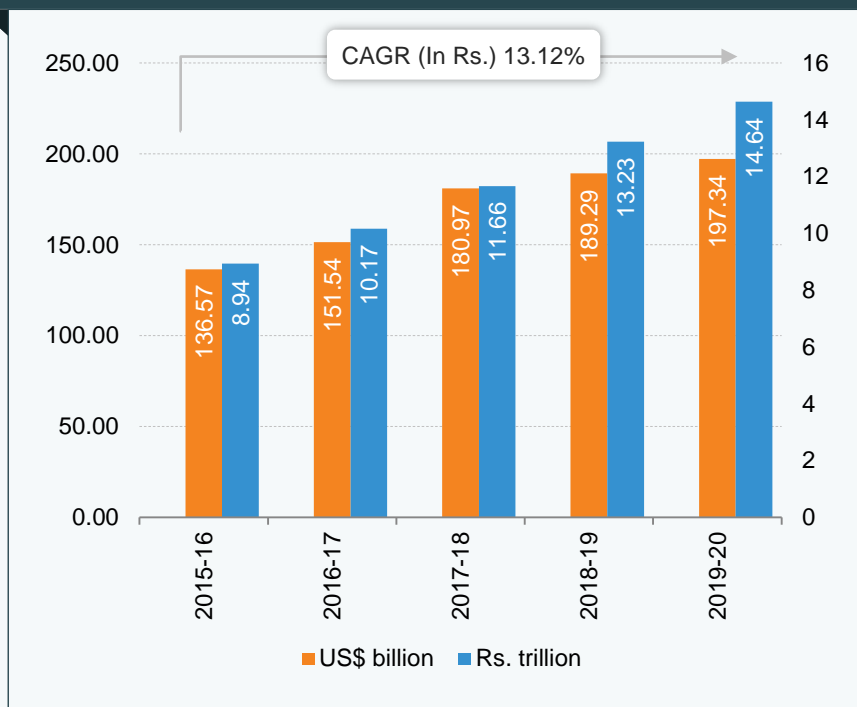
- The state's per capita GSDP<sup>^</sup> stood at Rs. 3,12,591 (US\$ 4,434) in 2020-21, compared with Rs. 101,075 (US\$ 2,108) in 2011-12.
- Gujarat's per capita GSDP increased at a CAGR of 14.29% between 2015-16 and 2020-21.

*Note: AE: Advance estimate*

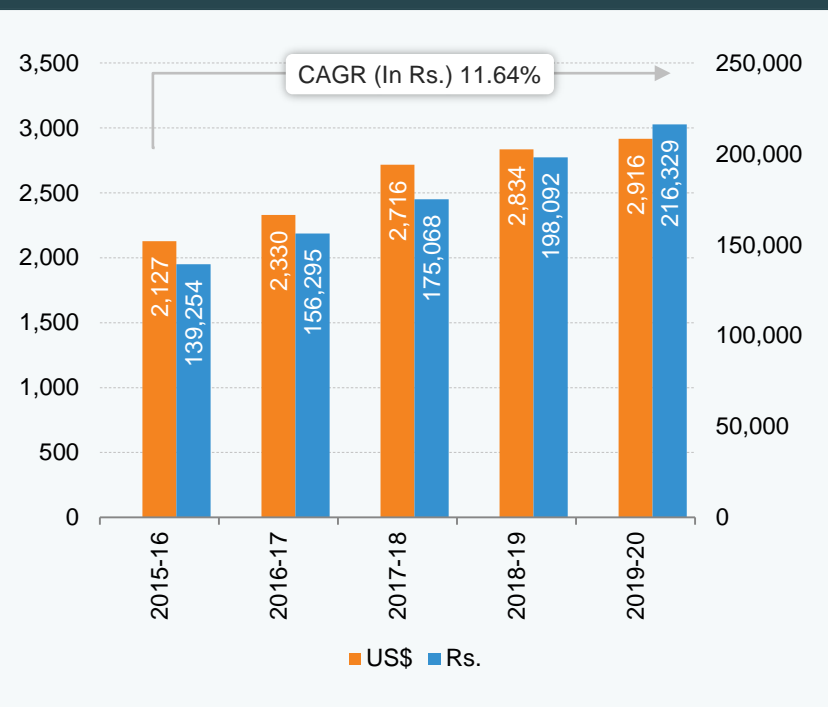
*Source: Directorate of Economics and Statistics Gujarat, Government of Gujarat, Government of Gujarat per Capita GSDP<sup>^</sup> - calculated using GSDP million US\$ /Population in million*

# Economic snapshot – NSDP

### NSDP at current prices



### Per capita NSDP



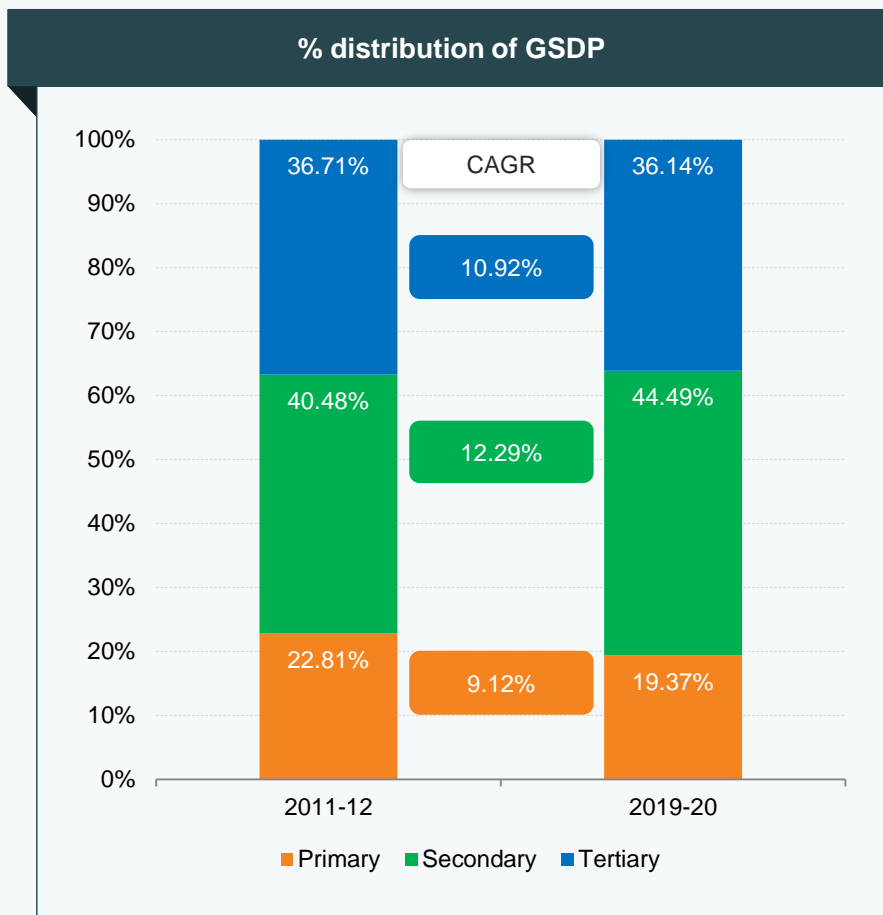
- Gujarat's NSDP was ~Rs. 14.64 trillion (US\$ 197.34 billion) in 2019-20.
- The state's NSDP expanded at a CAGR of 13.12% between 2015-16 and 2019-20.

- Gujarat's per capita NSDP was Rs. 216,329 (US\$ 2,916) in 2019-20.
- The state's per capita NSDP increased at a CAGR of 11.64% between 2015-16 and 2019-20.

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

# Economic snapshot – % distribution of GSDP

- In 2019-20, the secondary sector contributed 44.49% to the state's GSDP (at current prices), followed by tertiary (36.14%) and primary (18.82%) sectors.
- Primary sector increased at a CAGR of 9.12% between 2011-12 and 2019-20.
- At a CAGR of 12.29%, secondary sector was the fastest rising sector between 2011-12 and 2019-20. This was driven by expansion in manufacturing, construction and electricity and gas & water supply industries.
- Tertiary sector increased at a CAGR of 10.92% between 2011-12 and 2019-20. This was driven by trade, hotels, real estate, finance, insurance, transport, communications and other services sectors.



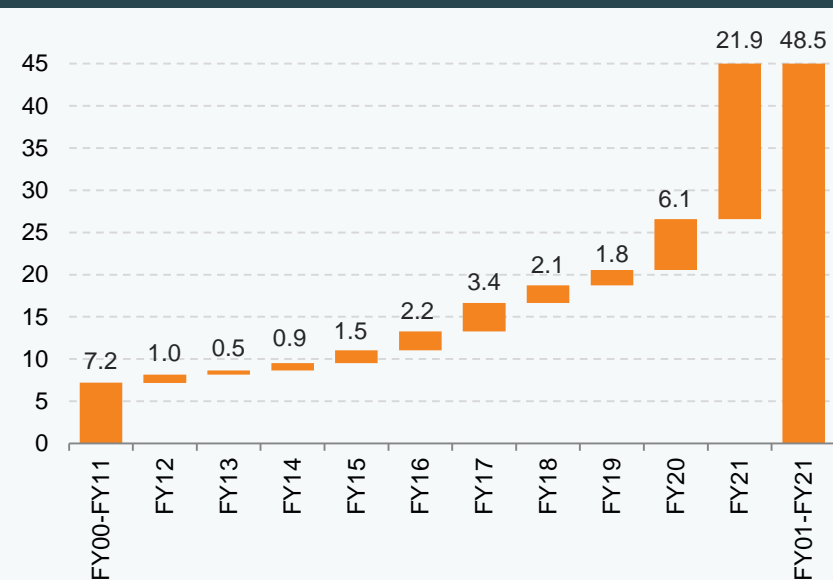
Source: Directorate of Economics and Statistics, Government of Gujarat

# Economic snapshot – FDI inflow & investments

- According to the DPIIT, FDI inflows in Gujarat stood at US\$ 21.89 billion in FY21 and were US\$ 24.48 billion between October 2019 and March 2021.
- In 2019, around 28,360 memorandums of understanding (MoU) were signed during the Vibrant Gujarat Global Summit 2019, which is expected to generate over 21 lakh jobs.
- 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.
- In 2020, 220 investment intentions worth Rs. 46,141 crore (US\$ 6.36 billion) were filed in Gujarat.
- FDI has boosted development of MSMEs in the state.

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

FDI inflow chart (US\$ billion)

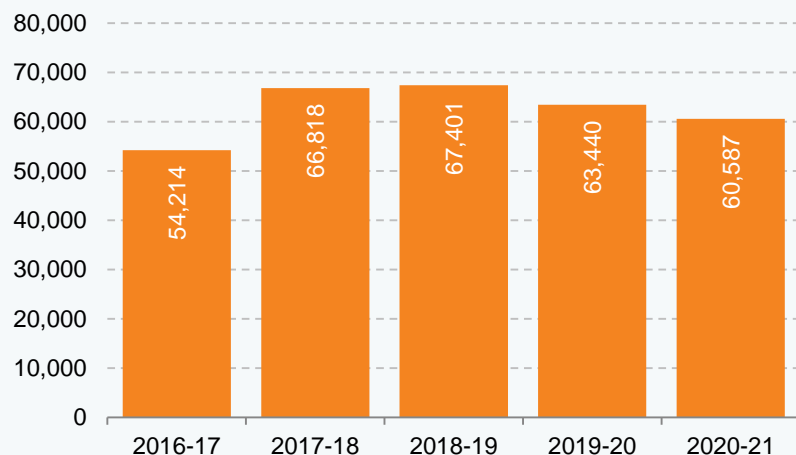


Investment intentions in terms of IEMs filed, LOIs / DILs issued

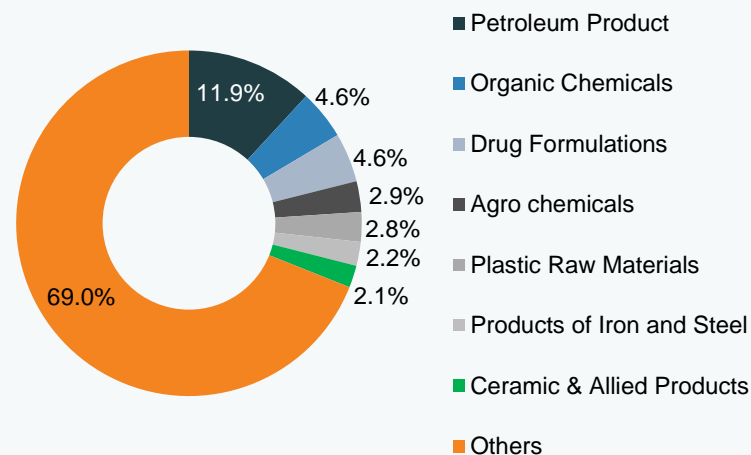
Year	Number	Proposed Investments (US\$ billion)
2017	428	12.27
2018	464	11.01
2019	433	49.24
2020*	220	6.36

# Economic snapshot – Export

Export Trend (US\$ million)



Composition of Key Exported Items (2020-21)



- Gujarat is a leader in exports, with >20% share in India's aggregate exports.
- Total exports from the state stood at US\$ 63,440 million in 2019-20 and US\$ 60,587 million in 2020-21.
- The key items exported from Gujarat are petroleum products, organic chemicals, etc.
- In the 2020 Export Preparedness Index by NITI Aayog, Gujarat topped the index with a strong display in various sub-pillars such as export promotion policy, business environment and infrastructure.

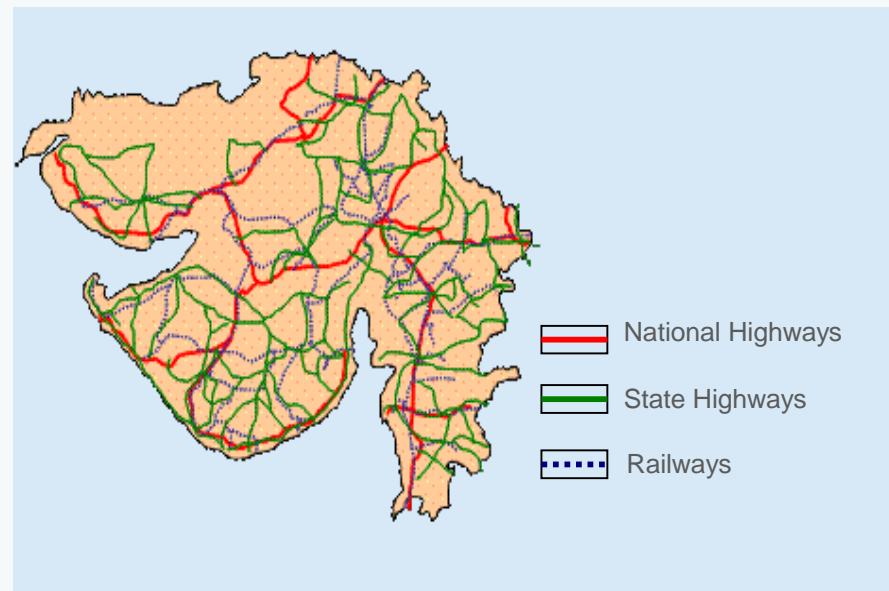
Source: Directorate General of Commercial Intelligence and Statistics

# PHYSICAL INFRASTRUCTURE



# Physical infrastructure – Roads

- In Gujarat, length of the National Highways is 7,744 kms, as of FY21. The Government of Gujarat, through Gujarat Infrastructure Development Board (GIDB), has prepared a vision document, Blueprint for Infrastructure in Gujarat (BIG), for 2020.
  - Under this document, the state identified a series of projects and investments that will be implemented across the road sector on a priority basis for Gujarat's inclusive growth.
- Along with road infrastructure, the state government focused on growth of the transportation sector. The Gujarat State Road Transport Corporation delivers transportation facility to ~24 lakh people every day.
- Under State Budget 2021-22, the government allocated Rs. 8,137.23 crore (US\$ 1.12 billion) to develop roads and bridges.
- In 2019-20, the Roads & Buildings Department launched Mukhya Mantri Gram Sadak Yojana for three years, i.e., from 2019-20 to 2022-23. Under this scheme, 18,000 villages and 16,245 habitations will be connected via all weather roads.
  - The department also gave a provision of Rs. 2,011 crore (US\$ 277.77 million) for Mukhyamantri Gram Sadak Yojana. Of the total amount, Rs. 936 crore (US\$ 129.28 million) will be used for construction and improvement of non-plan roads and Rs. 244 crore (US\$ 33.70 million) will be used for widening other district roads, main district roads and through routes.



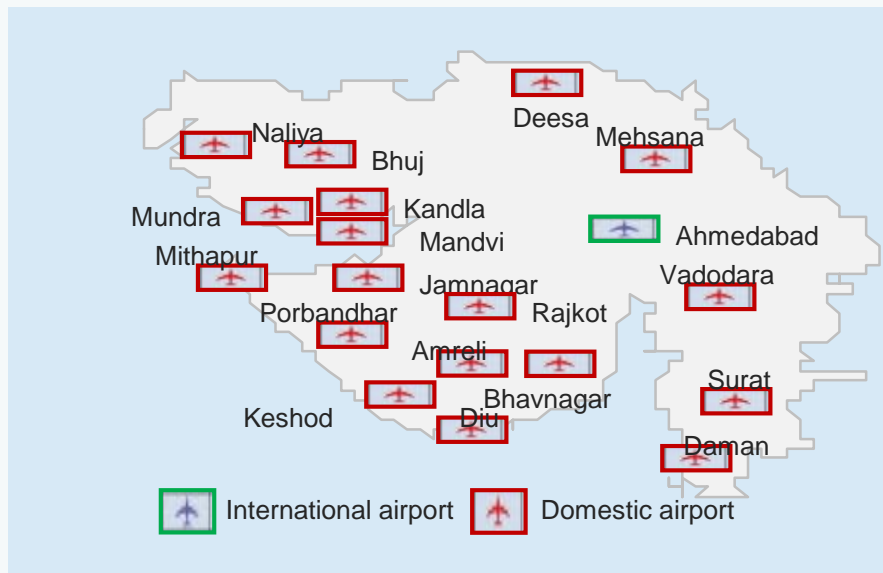
Type of road	Road length (km) as of 2020
National highways	4,697
State highways	17,201
Major district roads	20,563
Other district roads	10,246
Village roads	28,293

*Source: Road & Building Department, Government of Gujarat, NHAI*

# Physical infrastructure – Airports...(1/2)

**Aircraft movement, Passenger and Freight in 2020-21**

Airport	Aircraft movement (nos.)	Passenger traffic (nos.)	Freight (MT)
Ahmedabad	40,209	36,42,413	60,749
Vadodara	2,611	2,67,800	2,494
Rajkot	1,542	1,43,740	73



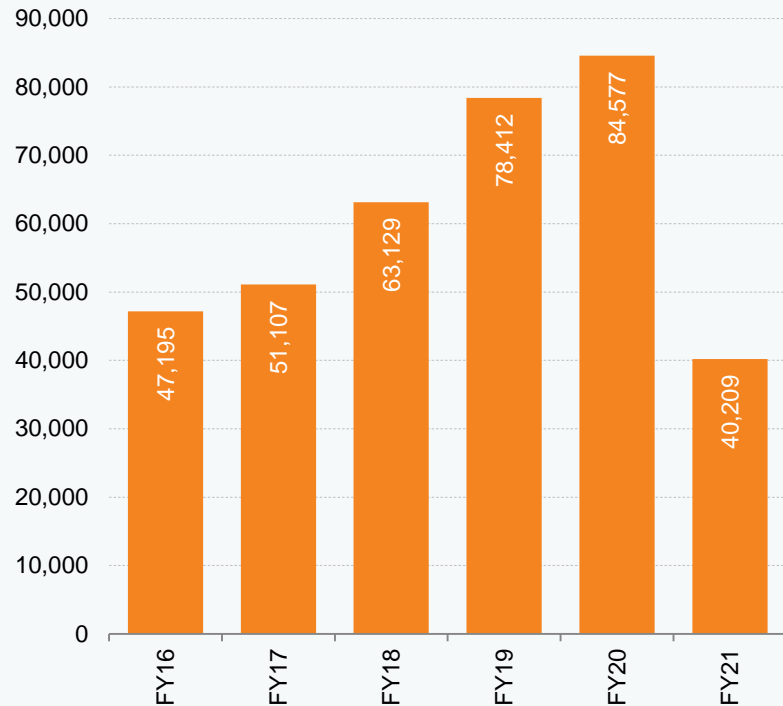
- The state has 10 domestic airports (the highest in any state) and one international airport.
- There are domestic airports at Bhavnagar, Bhuj, Jamnagar, Kandla, Keshod, Deesa, Porbandar, Rajkot, Surat, Vadodara, Mundra, Mandvi and Palanpur.
- In February 2021, the Airports Authority of India (AAI) approved construction of the first phase of an international airport at Dholera in Gujarat, entailing an investment of Rs. 987 crore (US\$ 136.33 million). Located north of the Dholera Special Investment Region (DSIR), the upcoming airport is expected to cater to not only DSIR and its hinterland but also to traffic overflow from the Ahmadabad International Airport.

*Note: MT - metric tonnes*

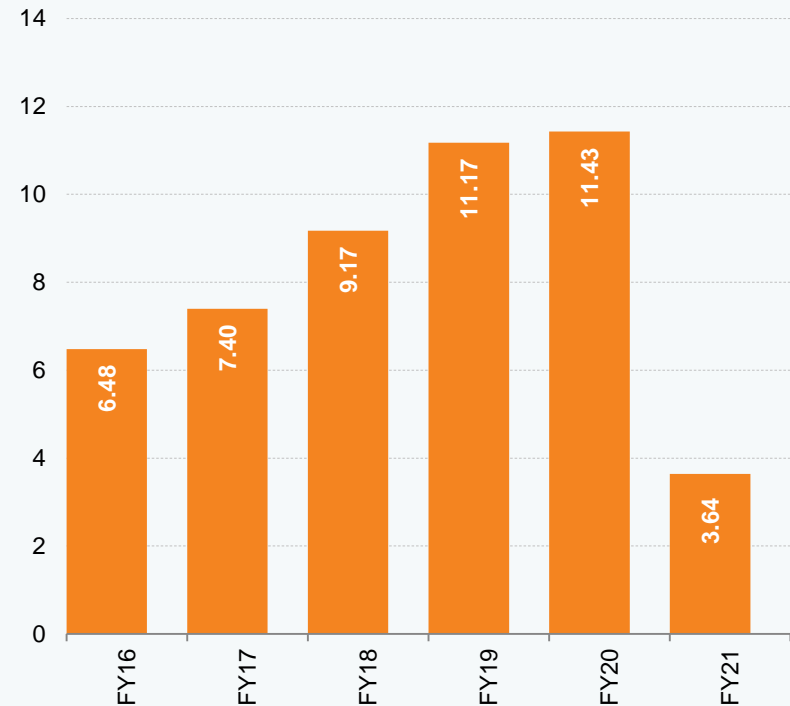
*Source: Director Civil Aviation, Government of Gujarat, News articles*

# Physical infrastructure – Airports...(2/2)

**Aircraft movement in Ahmedabad (nos.)**



**Passenger traffic in Ahmedabad (million)**



Source: Airports Authority of India

# Physical infrastructure – Railways

- Gujarat's total length of railway lines stood at 5,258.49 route kms, consisting 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.
- Ahmedabad, Anand, Bhavnagar, Bhuj, Godhra, Porbandar, Rajkot, Vadodara (Baroda) and Valsad are some of the important railway stations in the state.
- Vadodara-based National Rail and Transportation Institute (NRTI), which was established in 2018, is India's first university that focuses on railway and transport technology-related education, multidisciplinary research and training established by the Indian Railways.
- Government of India has sanctioned construction of Ahmedabad Metro with a length of 36 kms at a cost of Rs 10,773 crore (US\$ 1.61 billion). The project's first phase was completed in December 2020.
- In March 2021, Gujarat allocated Rs. 15 billion (US\$ 205 million) for development of the Ahmedabad–Mumbai bullet train. The bullet train corridor will cover a length of 508.17 kms and comprises 12 stations in Gujarat, Maharashtra and the UT of Dadra and Nagar Haveli.



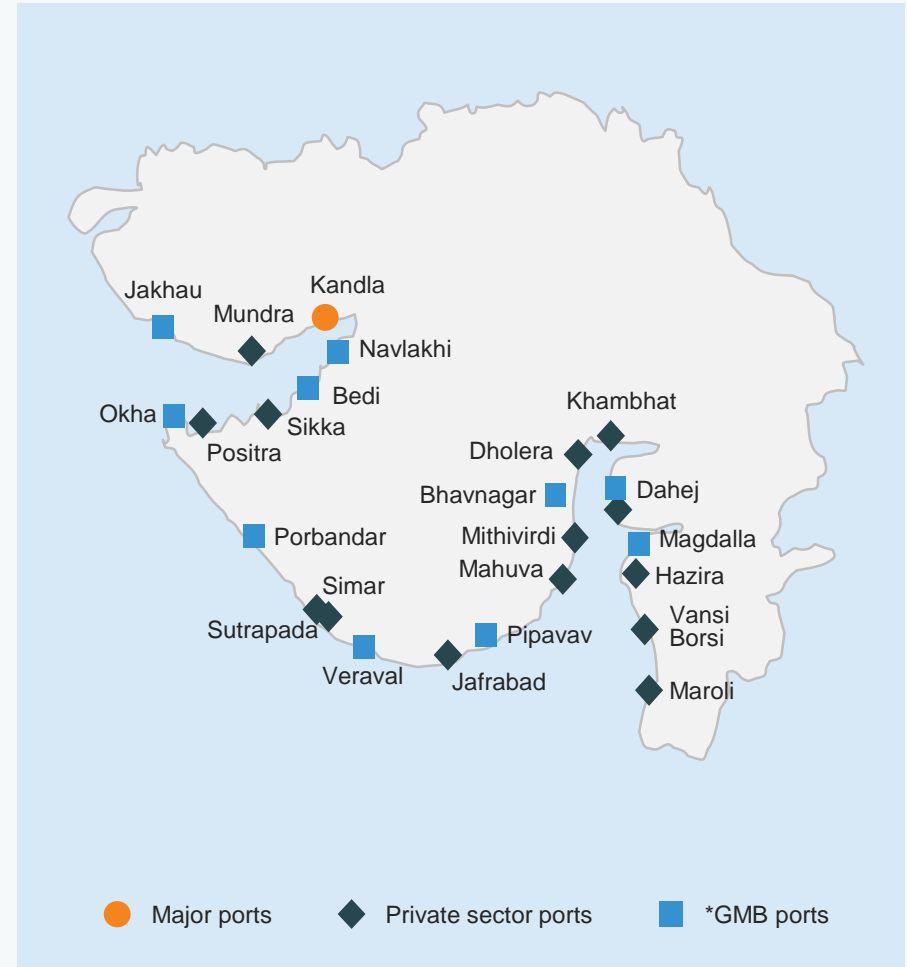
Source: Maps of India

- 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 kms 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% 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 – Ports ... (1/2)

- Gujarat is the first state in India to undertake port privatisation. It has been a pioneer in encouraging public-private partnership in the port sector. It has reaped enormous success in its PPP model and set up a benchmark for other states to follow.
- As per Indian Ports Association data published in June 2020, the number of ports in the state stands at 46.
- The state has a vast hinterland surrounded by the northwest markets of Rajasthan, Delhi/NCR & Punjab. The state has a large external trade potential, given its vast coastline. The small ports of Gujarat hold 70% share of the cargo handled by all small ports in the country.
- 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.
- Gujarat has two LNG terminals that offer transportation facilities for natural gas, crude oil & petroleum products from the Middle East and Europe.
- The cargo handled by minor & intermediate ports in Gujarat has notably increased from 27.8 lakh tonnes in 1980-81 to 41,17.92 lakh tonnes in 2019-20.



\*Gujarat Maritime Board (GMB)

Source: Indian Port Association, Ministry of Shipping

## Physical infrastructure – Ports ... (2/2)

- In 2020-21\*, Deendayal (Kandla) port handled 73.86 million tonnes of cargo traffic.
- In State Budget 2021-21, the government plans to develop Nargole and Bhavnagar ports according to the PPP model with an investment of ~Rs.4,800 crore (US\$ 662.99 million).
- Gujarat Maritime Board has developed multiple port privatisation models such as private/joint sector ports, private jetties, captive jetties and GMB jetties.
  - It will develop a second jetty at Rs.1200 crore (US\$ 165.75 million) for extension of chemical port terminal at Dahej and a new jetty at Rs.192 crore (US\$ 26.52 million) at Navlakhi port is being planned.
- To resume ship-breaking activities at Sachana Ship Breaking Yard, infrastructural facilities will be developed at ~Rs. 25 crore (US\$ 3.45 million).
- An international mediation and arbitration centre will be established at the GIFT City by Gujarat Maritime University.
  - The centre will provide international services such as mediation & arbitration, ship leasing and legal services in the maritime sector.

\*April to November 2020

Source: Indian Port Association. Ministry of Shipping, Gujarat Economic Review, 2020-21

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

2015-16	100.05
2016-17	105.44
2017-18	90.99
2018-19	115.40
2019-20	122.49
2020-21*	73.86

### 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

# Physical infrastructure – Energy and Petro-Chemicals... (1/2)

- In 2021-22 State Budget, Rs. 13,033.81 crore (US\$ 1.80 billion) has been allocated to the energy and petrochemicals sector. The budget states the following objectives:
  - Supply reliable power with economically viable cost
  - Improve efficiency in use of renewable energy
  - Increase share of renewable energy
  - Increase the per capita consumption of energy
  - Supply environment-friendly & cheaper lignite to power plants
- Investments of Rs 2.2 trillion (US\$ 30.49 billion) are expected in Gujarat's renewable energy sector over the next decade.
- Gujarat also has the most developed gas pipeline network in the country, which is operated by Gujarat State Petronet Ltd. (GSPL), Gujarat Gas Company Limited (GGCL) and GAIL.
- In May 2021, Borosil Renewables announced a plan to expand its manufacturing unit in Gujarat at an investment of Rs. 500 crore (US\$ 68.96 million), with an aim to double its capacity to 900 tonnes per day or 5GW of installed capacity at its solar power plants.
- In May 2021, ReNew Power announced to establish a solar component manufacturing unit in Gujarat at an initial investment of Rs. 1,200 crore (US\$ 165.49 million), which is likely to increase to Rs. 2,000 crore (US\$ 275.82 million).
- In April 2021, Coal India Limited (CIL) signed a PPA (Power Purchase Agreement) with Gujarat Urja Vikas Nigam Ltd (GUVNL) for the sale of 100 MW solar power to the company for 25 years.

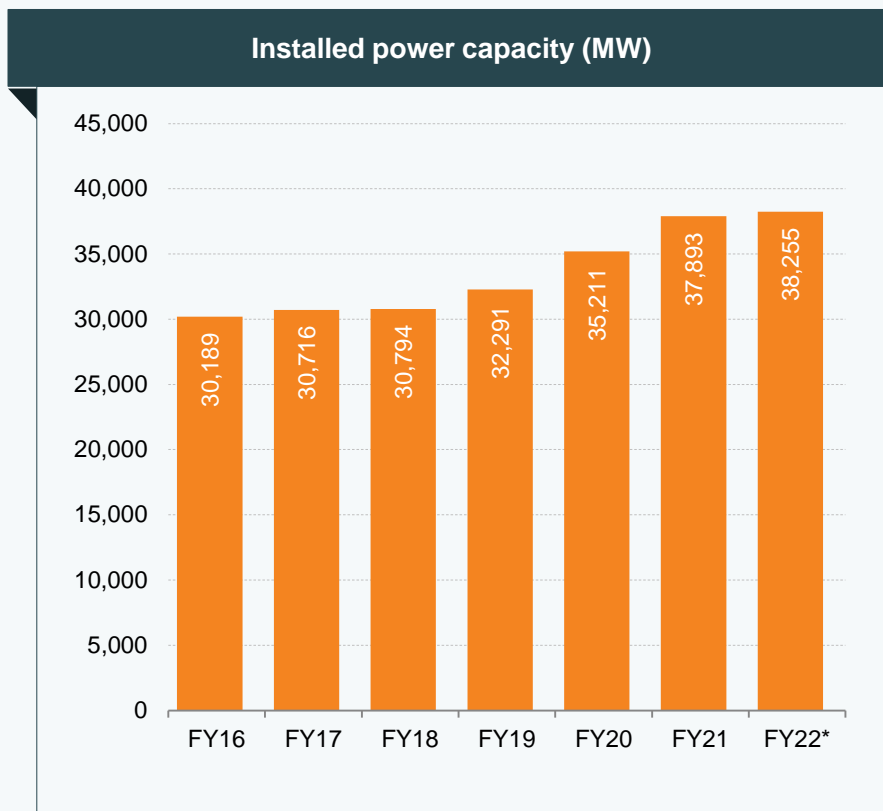
State Budget Allocations – By Categories	Provision (Rs. Crore)
Energy and Petrochemicals Sector	4.60
Tax Collection Charges	24.33
Power Projects	12,428.23
Other Expenditure pertaining to Energy and Petrochemicals Sector	1.18
Welfare of Scheduled Tribes	0.90
Scheduled Caste Sub Plan	13.22
Tribal Area Sub Plan	561.35
<b>TOTAL</b>	<b>13,033.81</b>

*Note: MW- megawatt, MU- million unit, \* Until February 2021*

*Source: Central Electricity Authority, Gujarat Economic Review, 2020-21, State Budget 2021-22*

## Physical infrastructure – Energy and Petro-Chemicals... (2/2)

- As of April 2021, Gujarat had a total installed power generation capacity of 38,255.07 MW, comprising 24,814.57 MW under private utilities, 8,445.91 MW (state utilities) and 4,994.59 MW (central utilities).
- In April 2021, Adani Renewable Energy Holding Fifteen (AREHFifteenL), a subsidiary of Adani Green Energy (AGEL), secured a 150 MWac solar power project in Gujarat.
- In May 2021, NTPC Renewable Energy, a subsidiary of the state-owned NTPC, signed a power purchase contract with Gujarat Urja Vikas Nigam Ltd. (GUVNL) to sell electricity produced by its 150 MW solar project.
- In May 2021, Torrent Power Ltd. announced plans to establish a 300 MW capacity solar power unit in Gujarat at an estimated budget of Rs. 1,250 crore (US\$ 172.39 million).
- In December 2020, the Chief Minister of Gujarat announced the Solar Power Policy, 2021 for the next five years. The policy aims at reducing the power costs of the industrial units by almost 50% and removing any capacity ceiling for setting up a solar project in the state.



**Note:** \* Until April 2021

**Source:** Gujarat Economic Review, 2017-18, State Budget 2021-22

# Physical infrastructure – Telecom

## Telecom infrastructure – (as of February 2021)

Wireless subscribers	68,599,319
Wire-line subscribers	961,902
Internet subscribers (as of December 2020)	48.81
Tele-density (in %) (as of December 2020)	97.23

## 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 2020)	12,577

- As of December 2020, the state had 48.81 million internet subscribers.
- According to the Telecom Regulatory Authority of India (TRAI), Gujarat had 68.59 million wireless connections and 0.96 million wireline subscribers, as of February 2021.
- By February 2021, 37.79 million subscribers submitted a 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, 2020-21

# Physical infrastructure – Urban...(1/2)

- Ahmedabad, along with Surat and Rajkot, have ranked the first, second and forth, respectively, in the Clean City Survey carried out in the entire country. Further, Gandhinagar was conferred the Best City in Innovation and Best Practices Award.
- Under the State Budget 2021-22, a total provision of Rs. 13,493 crore (US\$ 1.86 billion) has been allocated for the Urban Development and Urban Housing Department. Key objectives to be achieved under the budget are as follows:
  - Increase in home ownership
  - Ensure adequate availability of public spaces
  - Increase share of public transport in modal split
  - Increase coverage and quality of water and sanitation services
  - Increase livelihood opportunities for urban poor
  - Improve delivery of civic services through use of ICT
- 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.
  - Provision of Rs. 700 crore (US\$ 96.69 million) has been made towards these cities under the State Budget 2021-22.

*Source: Economic Survey of Gujarat 2020-21 State Budget 2021-22*

## State Budget Allocations – By Categories

Category	Provision (Rs. Crore)
Urban development & Urban Housing Department	8.13
Urban Housing	951.10
Urban Development	10,325.24
Compassion, Assignment and Tax Collection Charge	263.00
Other Expenditure pertaining to Urban Develop and Urban Housing Department	0.62
Scheduled Caste Sub Plan	996.16
Tribal Area Sub Plan	948.50
<b>TOTAL</b>	<b>13,492.75</b>

- Gujarat has 8,188 villages and 159 towns connected with Narmada-based Water Supply Grid through Bulk Pipeline and Distribution Group network.
- In December 2020, the Gujarat Urban Development Corporation laid the foundation for 28 sewage treatment plants and water treatment plants in 16 municipalities across the state. The project cost is worth Rs. 121.03 (US \$ 16.5 billion).

## Physical infrastructure – Urban...(2/2)

- The state government launched the Swarnim Jayanti Mukhya Mantri Shaheri Vikas Yojana (SJMMSVY) in 2009. In the budget 2021-22, Rs. 4,563 crore (US\$ 630.26 million) has been allocated to Swarnim Jayanti Mukhya Mantri Shaheri Vikas Yojana.
- In State Budget 2021-22, a provision of Rs. 1,163 crore (US\$ 160.64 million) has been made for providing infrastructure facilities such as roads, drainage, water, health, environment and streetlights to the people living in municipalities, municipal corporations and cantonment area.
- In addition, conversion of Gandhinagar-Chiloda stretch of S.G. Highway starting from Sarkhej, passing through the Ahmedabad City, into six lane is ongoing at a cost of Rs. 867 crore (US\$ 119.75 million). Projects for developing flyover at Sindhu Bhavan junction, an over bridge on Sarkhej-Sanand road and Uvarsad flyover at the gateway of Gandhinagar are also in progress.

### 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

### 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	

Source: Economic Survey of Gujarat 2020-21 State Budget 2021-22



# Social infrastructure – Education

- According to State Budget 2021-22, Rs. 32,719 crore (US\$ 4.51 billion) has been allocated for the education sector. The budget aims to cover the following:
  - Increase mean years of schooling
  - Improve grading in learning outcomes
  - Reduce literacy gaps across gender and social groups
  - Increase diverse opportunities for higher education
  - Increase employability of educated youth
- In December 2020, an MOU was signed between the Government of Gujarat and Cerestra Managers Private Limited to establish an international standard Gujarat-Special Education Region (G-SER) at Dholera Special Investment Region (DSIR).
- In January 2021, the Gujarat government decided to incorporate a company called Gujarat Education Technologies (GET) Ltd. that will promote the required technology-based e-learning systems and provide improvised content to schools.
  - The content will be available through GET for an amount of Rs. 1,500-3,000 (US\$ 20.72-41.44) per year for private schools, while government schools will receive the content free of cost.

*Note: (P) = Provisional*

*Source: Gujarat Economic Review, 2020-21, State Budget 2021-22*

## State Budget Allocations – By Categories

Category	Provision (Rs. Crore)
Education Department	11.80
Education	30,542.87
Other Expenditure pertaining to Education Department	47.18
Office Buildings	303.57
Residential Building	3.90
Welfare of Scheduled Tribes	2.34
Scheduled Caste Sub Plan	500.57
Tribal Area Sub Plan	1,306.47
<b>TOTAL</b>	<b>32,718.71</b>

Education Institutions	2018-19	2019-20
Primary Education	45,315	45,315
Secondary & Higher Secondary Education	12,234	12,445
Higher Education	2,392	2,504

Student Enrolments (lakh)	2018-19	2019-20
Primary Education	86.75	86.14
Secondary & Higher Secondary Education	28.06	28.67
Higher Education	14.56	15.27

# Social infrastructure – Health

- Gujarat is at the forefront of establishing & maintaining a good health infrastructure.
- In 2020-21, an expenditure of Rs. 12,302.16 lakh (US\$ 16.94 million) was incurred under the SDRF Grant by the state government to counter COVID-19 pandemic.
- Under State Budget 2021-22, a provision of Rs. 11,323 crore (US\$ 1.56 billion) was made for the Health and Family Welfare Department. Besides achieving the basic healthcare requirements, the budget aims to address the following key goals:
  - Increase beds strength of UN Mehta Institute of Cardiology and Research Centre, Ahmedabad- 650, Institute of Kidney Disease of Research Centre , Ahmedabad-600, Gujarat Cancer and Research Centre, Ahmedabad-350.
  - Establish super specialty services at Rajkot, Bhavnagar and Surat under PMSSY.
  - Provide free health treatment through Ayurveda medicine system.
  - Enhance Ayurveda medicine system in scheduled caste area.
  - Enhance Ayurveda medicine system to provide free health treatment in tribal area.

## Health infrastructure (as of March 2021)

Primary Health Centres	1,474
Sub-Centres	9,231
Community Health Centres	363
Urban Health Centres	319
Sub District Hospitals	393
District Hospitals	54
District Hospitals	22
Sub-District Hospitals	37
Hospitals for Mental Health	4
Eye Diseases Hospital	2
Infectious Diseases Hospital	1
Hospitals & Dispensaries run by the NGO's	117

- Under the State Budget, a provision of Rs. 1,106 crore (US\$ 152.76 million) has been made towards the Pradhan Mantri Jan Arogya Yojana and the Maa Vatsalya Yojana. Under these schemes, beneficiaries will be given free treatment of up to Rs. 5 lakh p.a. (US\$ 6,906.18)

*Source: Gujarat Economic Review, 2020-21, Health Management Information System, State Budget 2021-22*

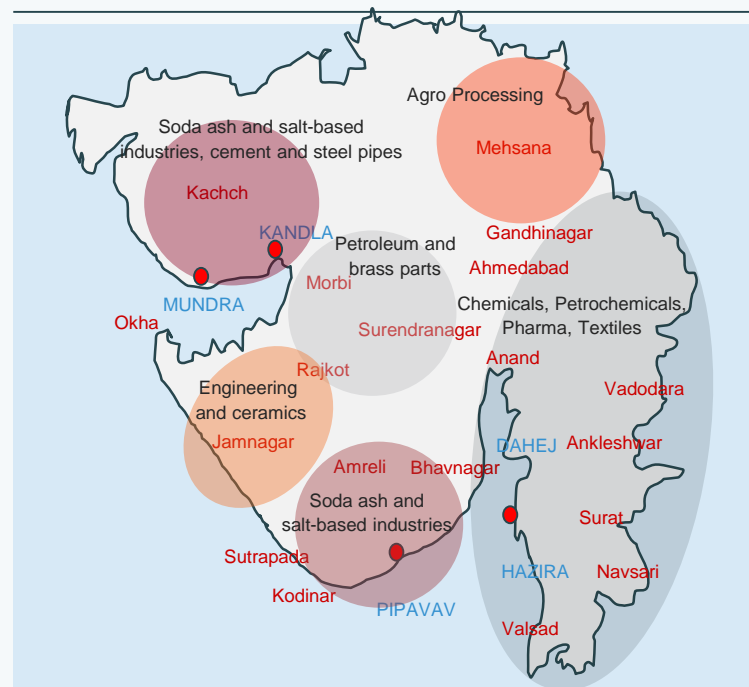
# INDUSTRIAL INFRASTRUCTURE



# Industrial infrastructure

- Gujarat enjoys the status of being the industrially developed state of India, with 16.85% share to India's industrial output, the largest among other states of India.
- 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.
- The Gujarat Industrial Development Corporation is responsible for development of industrial estates.
- There are 13 major industry groups that together account for around 82.05% of total factories, 95.85% of total fixed capital investment, 90.09% of the value of output & 93.21% 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.
- In the budget 2020-21, Rs. 950 crore (US\$ 134 million) has been allocated to assist large industries and Rs. 100 crore will be used to rehabilitate sick industries.
- 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.
- To meet the rising demand for containers, in May 2021, the government announced to establish pilot projects for containers. It aims to receive an estimated potential investment of Rs. 1000 crore (US\$ 137.91 million) from private players.

## Product Clusters



**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,

# Industrial infrastructure – SEZs

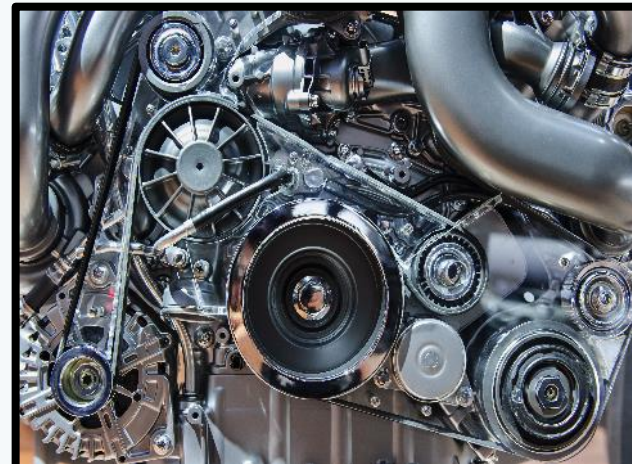
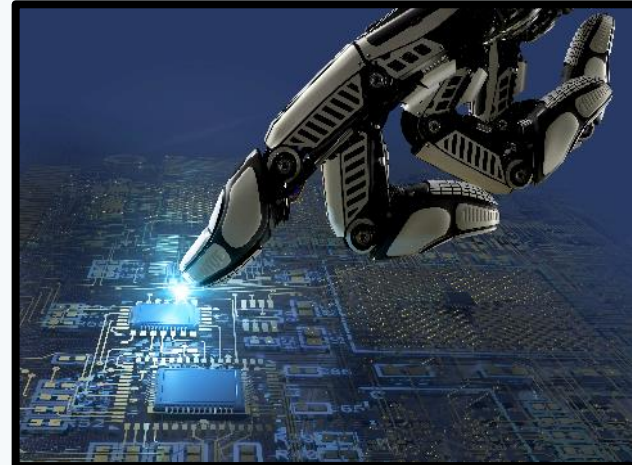
- Gujarat ranks first in terms of total area covered under SEZs in India. It is also a leading SEZ state with the highest geographical area of 29,423.9 hectares under SEZ development.
- As of September 2020, Gujarat had 21 operational SEZs. In addition, as of December 2020, Gujarat had four SEZs with valid in-principle approvals, 26 SEZs with formal approvals and 22 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% for the initial five years and 50.0% for the next five years).
- In April 2021, Singapore Stock Exchange (SGX) announced to establish its offshore office at GIFT City.

## Sector-wise operational SEZs in Gujarat (As of October 2020)

Sector	Operational SEZs in Gujarat
Multi Product	5
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
Automobile, Automobile Ancillary & Engineering	1

Source: Ministry of Commerce & Industry, Government of India

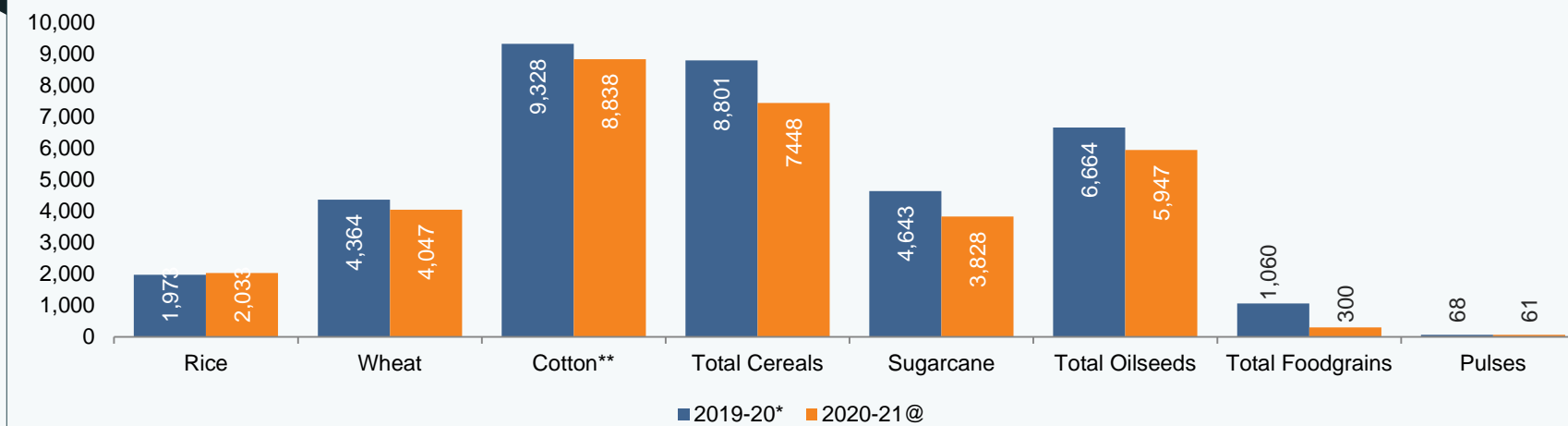
# KEY SECTORS



# Key sectors – Agriculture and Allied Sectors...(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.
- Various developments are taking place within the sector. In January 2021, Chief Minister Mr. Vijay Rupani announced that farmers in all 18,000 villages in Gujarat will get power supply in the daytime for agriculture purposes by the end of 2022. Rs. 3,500 crore (US\$ 482.08 million) is allotted for 'Kisan Suryoday Yojna' (KSY).
- In January 2021, Gujarat government has announced to allot barren government land of 50,000 acres on maximum 30-year lease for horticulture farming. ~20,000 hectares will be provided under the 'Mukhyamantri Bagayat Vikas Mission', which aims to double farmers' income by utilising barren land for horticulture cultivation.

**Agricultural production (thousand tonnes)**



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

# Key sectors – Agriculture and Allied Sectors...(2/4)

- In February 2021, Gujarat's Agriculture & Farmers' Welfare Department has won two prestigious national awards, one under ambitious Pradhan Mantri Kisan Samman Yojna and the other for technological innovation in the agricultural sector.
- The State Budget 2021-22 has allocated Rs. 7,232 crore for Agriculture, Farmers Welfare and Co-operation Department. Key objectives of the budget are as follows:
  - Double farmer incomes.
  - Improve the agricultural growth rate.
  - Improve the yield of key crops and products
  - Increase value addition through mechanisation, storage and agro processing
  - Reduce risk to farm incomes
  - Increase storage capacity
  - Expand area of horticulture crops
  - Ensure availability of good planting materials
- In December 2020, Indian Farmers Fertiliser Cooperative Ltd. (IFFCO) KISAN and the National Bank for Agriculture & Rural Development (NABARD) announced to jointly promote hi-tech farming practices for Gujarat farmers. A pilot has been proposed to empower 1,000+ farmers with data-driven precision farming solutions and 10 demo hi-tech farms set up to gather intelligence on the farm.

*Note: \*As per 4th advance estimate, @ Second Advance Estimates \*\*Production in '000 bales of 170 kgs. ea*

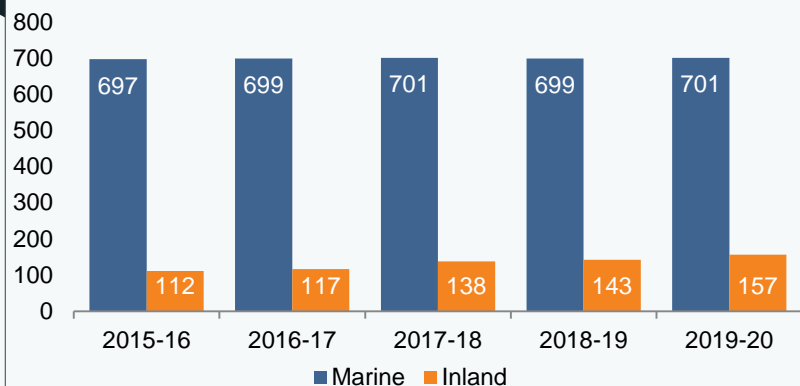
*Source: State Department of Agriculture, Ministry of Agriculture, National Horticulture Board, Gujarat Economic Review, 2020-21, State Budget 2021-22*

## State Budget Allocations – By Categories

Category	Provision (Rs. Crore)
Agriculture and Co-operation Department	19.58
Agriculture	4,083.97
Minor Irrigation, Soil Conservation and Area Development	29.53
Animal Husbandry, Cow Breeding & Dairy Development	650.32
Co-operation	1,346.91
Fisheries	440.01
Other Expenditure pertaining to Agriculture and Co-operation Department	18.67
Works (Fisheries)	53.78
New Gujarat Pattern	0.76
Scheduled Caste Sub Plan	107.15
Tribal Area Sub Plan	480.93
<b>TOTAL</b>	<b>7,231.60</b>

# Key sectors – Agriculture and Allied Sectors...(3/4)

**Fish production (thousand tonnes)**



**Production of Milk, Eggs & Wool**

Item	Unit	Year		
		2017-18	2018-19	2019-20(P)
Milk	Lakh Tons	135.69	144.92	152.92
Eggs	Lakh Nos	17,868	18,544	19,274
Wool	Lakh Kgs	22.95	22.71	22.33

- Gujarat is fifth-largest state in milk production in India. In 2019- 20, per day 203.43 lakh litre milk has been received in 22 co-operative dairy plants that had per day capacity of 262.63 lakh litre milk. There are 19,522 co-operative milk societies in the state.
- In December 2020, the Gujarat Cooperative Milk Marketing Federation Ltd. (GCMMF), which markets the Amul food brand, announced investments of ~Rs. 600 crore (US\$ 82.64 million) to set up additional manufacturing capabilities for dairy products in North Gujarat.
- Gujarat is located on the western coast of India; covers ~1/5 of the country's coastline. In 2019-20, the total fish production in the state was ~8.58 lakh tonnes (7.01 lakh tonnes of Marine fish and 1.57 lakh tonnes of Inland fish) worth Rs.7612.67 crore (US\$ 1.05 billion).

**Source:** State Department of Agriculture, Ministry of Agriculture, National Horticulture Board, Gujarat Economic Review, 2020-21, State Budget 2021-22

# Key sectors – Agriculture and Allied Sectors...(4/4)

## 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 2019-20, company witnessed an increase of 17% in its turnover with Rs 38,550 crore (US\$ 5.52 billion).



**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.



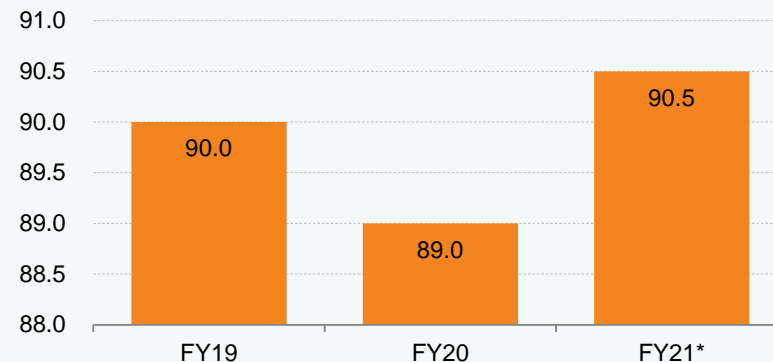
**Rasna**

- Rasna was formed in 1984 and has around 93.0% 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...(1/2)

- 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% to the total industrial production in the state (organised sector). Gujarat is the largest producer of denim in India (65-70%) and the third-largest producer in the world.
- Surat is the largest manufacturing centre of silk fabric and produces over 40% of silk in the country. About 24-28% 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 State Budget 2021-22, a provision of Rs. 1,500 crore (US\$ 207.19 million) has been made for providing subsidy to industries covered under the textiles policy. The government also plans to establish two mega textile parks in the state.

## Cotton production in Gujarat (Quantity in lakh bales of 170kgs)



## 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

*Note: \* - As of January 2021*

*Source: Ministry of Textiles, SSI - Small Scale Industries, News articles*

# Key sectors – Textiles and apparel...(2/2)

## 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% 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% 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% 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% of the world's share of processed diamonds and more than 80% of diamonds processed in India. It also accounts for 95% of diamonds exported from India. About 90% 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% 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

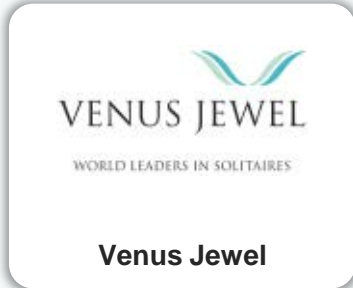
*Source: Industrial Extension Bureau (A Government of Gujarat organisation), Directorate General of Commercial Intelligence and Statistics*

# Key sectors – Gems and jewellery...(2/2)

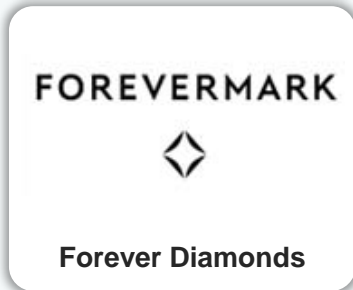
## Key players in gems and jewellery industry



- 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 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.



- 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.
- In April 2019, 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).
- Export of petroleum products from Gujarat reached US\$ 7,180.92 million in FY21.
- Gujarat consists of 47% of total domestic gas connections in the country.
- Gujarat, with Maharashtra and Delhi, accounts for 96% of domestic connections of piped natural gas and 92% of commercial connections.

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

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

*Source: Industrial Extension Bureau Ministry of Petroleum & Natural Gases, Directorate General of Commercial Intelligence and Statistics*

# Key sectors – Oil and gas...(2/2)

## 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 US\$ 3 billion over three years, with 80% of capex in the Barmer oil block.



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.

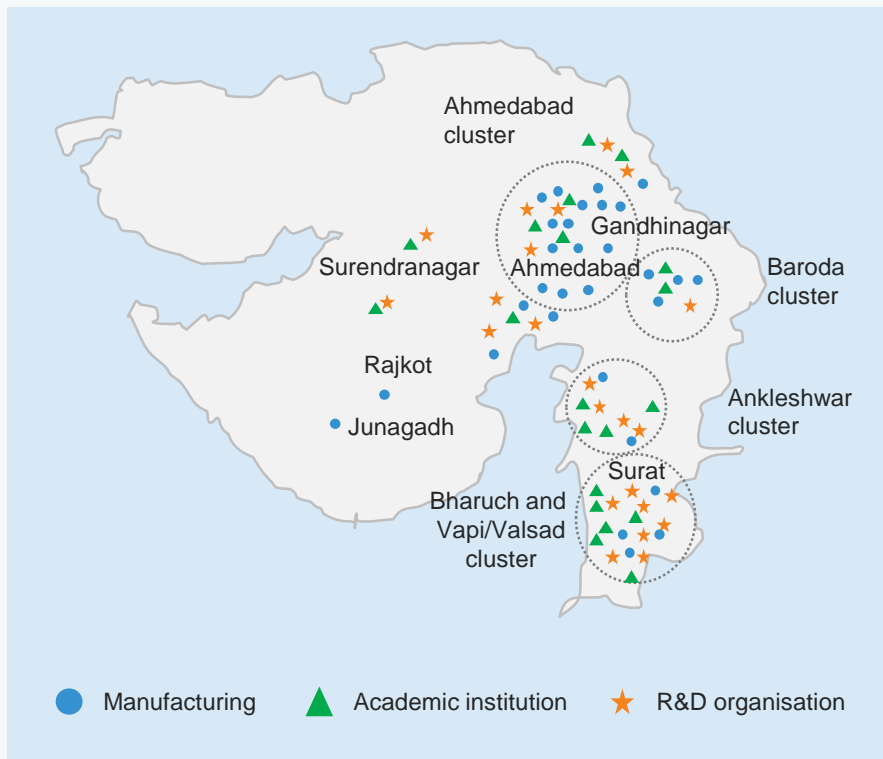


Shell

- 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% to India's pharma sector's turnover and around 28% to India's pharma exports during 2018-19.
- The state accounts for 80% 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% 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.
- In State Budget 2021-22, the government announced plans to establish a Bulk Drug Industrial Park in Jambusar Taluka of Bharuch District and a Medical Device Industrial Park at Rajkot.



- Export of drug formulations from Gujarat reached US\$ 3,053.53 million in 2019-20 and US\$ 2,789.92 million in FY21.

*Source: Directorate General of Commercial Intelligence and Statistics*

# Key sectors – Pharmaceuticals and biotechnology...(2/2)

## 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 and 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 and non-agricultural applications. The company has three business groups: crop protection, environmental science & bio-science. It has 2 factories in Gujarat, at Ankleshwar and Himatnagar.



**Quintiles**

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

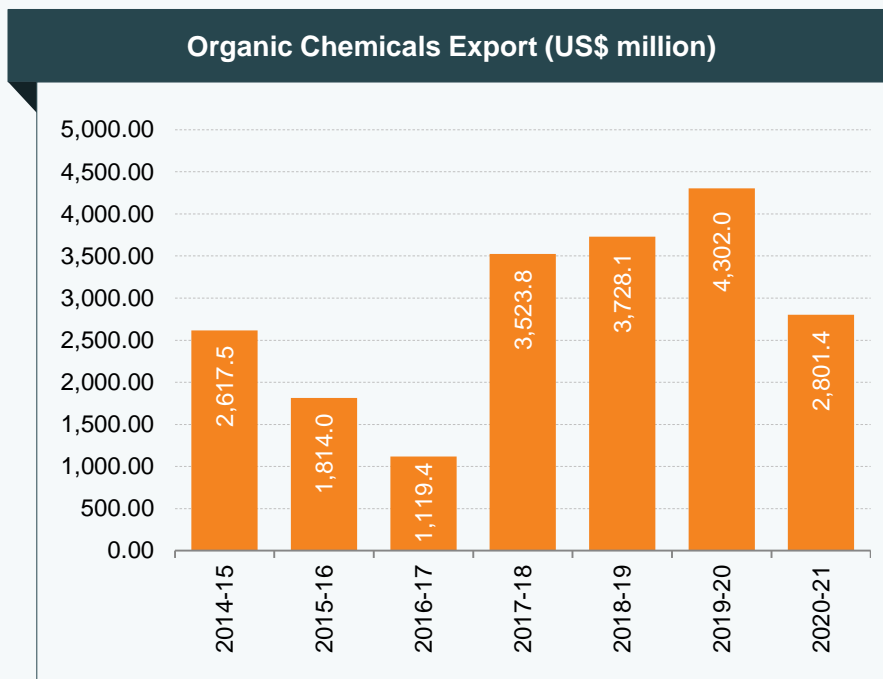


**Zydus Cadila**

- 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 cardiovascular, gastrointestinal, women's healthcare & respiratory. Production units are located in Ahmedabad, Vadodara and Ankleshwar for manufacturing tablets, injectables, capsules, liquids and 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% of India's petrochemical production, 35% of other chemicals production and 18% 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\$ 2,801.35 million in FY21.



*Source: Directorate General of Commercial Intelligence and Statistics*



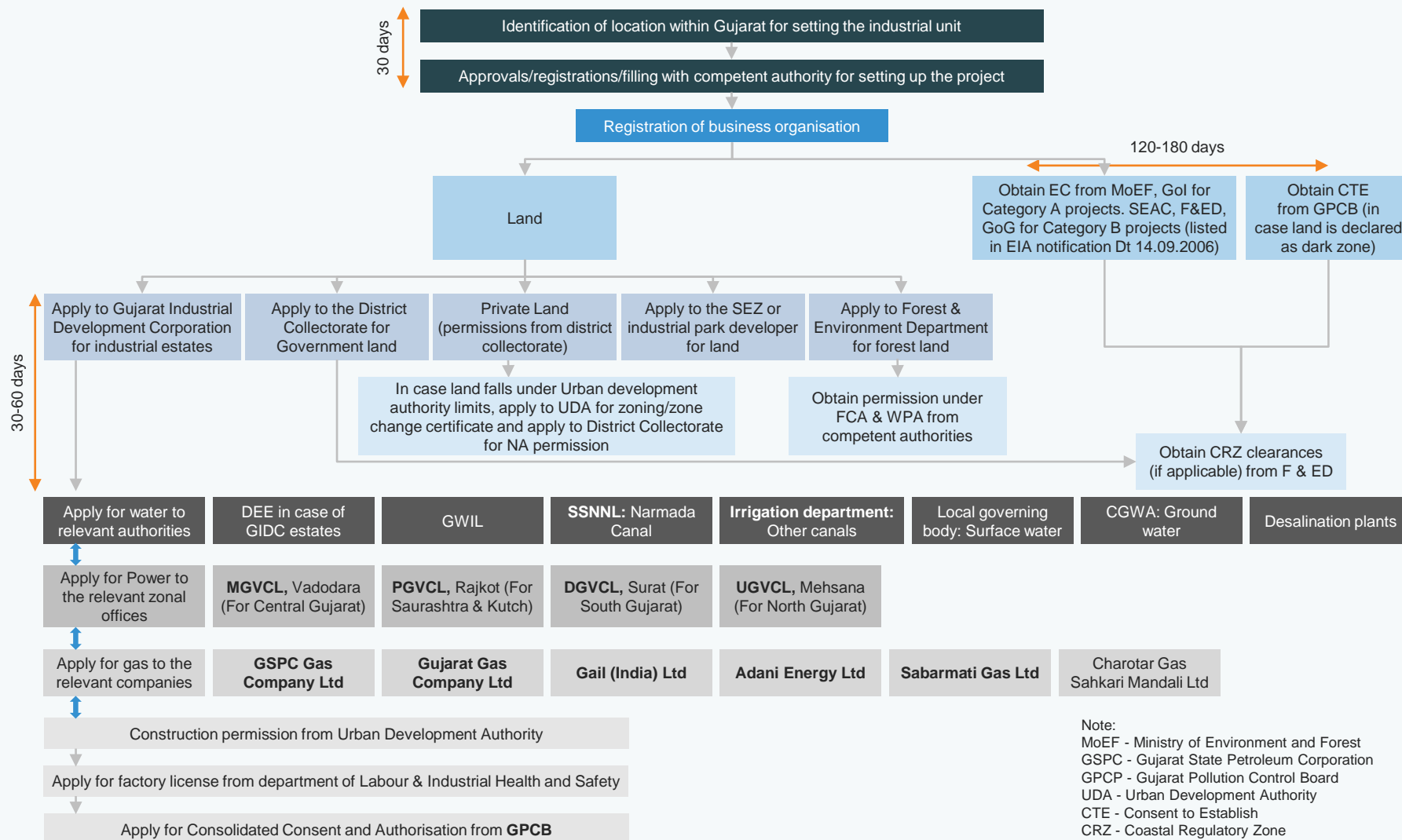
**PROCEDURE**

**POLICIES**

# Single – window clearance mechanism

- 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> Website: <a href="https://www.gsfs.co.in/">https://www.gsfs.co.in/</a>

## Contact list...(2/2)

	Agency	Contact information
 <p>Gujarat Infrastructure Development Board THE INFRASTRUCTURE FACILITATOR</p>  <p>Industries Commissionerate Government of Gujarat</p>	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:gldb@gldb.org">gldb@gldb.org</a> Website: <a href="https://www.gldb.org/">https://www.gldb.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> Website: <a href="https://ic.gujarat.gov.in/">https://ic.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> Website: <a href="https://www.gesia.org/">https://www.gesia.org/</a>
 <p>GUJARAT STATE BIOTECHNOLOGY MISSION Department of Science and Technology, Government of Gujarat</p>	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> Website: <a href="https://btm.gujarat.gov.in/">https://btm.gujarat.gov.in/</a>

# Key approvals required...(1/4)

## Approvals and Clearances Required

## Departments

Approvals/registration/filing information for setting up project

Registration of business organisation

Acquisition of land

- SSI Registration - District Industries Centre (DIC) of the district, where the unit is to be located.
  - Industrial Entrepreneur's Memorandum (IEM) - DIC/ Industries Commissionerate, Government of Gujarat.
  - Filing Industrial Entrepreneur's Memorandum (IEM) and Letter of Intent (LoI) - Secretariat for Industrial Assistance, Ministry of Commerce and Industry, Government of India.
  - Letter of Permission (LoP)-The Development Commissioner, Kandla Special Economic Zone, Ministry of Commerce and Industry, Government of India, Kandla (Dist. Kutch), Gujarat.
  - For automatic approvals-The Development Commissioner, Kandla Special Economic Zone, Ministry of Commerce and Industry, Government of India, Kandla (district Kutch), Gujarat.
  - For other industries-Secretariat for Industrial Assistance, Ministry of Commerce and Industry, Government of India, New Delhi.
- Registrar of Partnership Firms, Government of Gujarat for partnership firms and Registrar of Companies, Government of India (office located in Ahmedabad) for corporations.
- Authority for lands:
- In GIDC estate-Concerned office of GIDC.
  - Government land-Concerned district collector or collector/district development officer.
  - Private land (purchase of agricultural land for non-agricultural use) - Private land owner.
  - Forest land-Ministry of Forest & Environment, State Wild Life Board, National Wild Life Board and Supreme Court (for land reserved for wildlife sanctuaries or national parks).

# Key approvals required...(2/4)

## Approvals and Clearances Required

Clearance from Pollution Control Board

Consent to establish

Arrangement of power

Arrangement of gas

Arrangement of water

## Departments

- No Objection Certificate (NOC) to be obtained from Gujarat Pollution Control Board (GPCB).
- Environmental clearance:-Ministry of Environment and Forest and Government of Gujarat (State Impact Assessment Committee).
- Gujarat Pollution Control Board (GPCB).
- GIDC estates-Zonal office.
- Locations other than GIDC estates-Zonal distribution company.
- Captive power-Gujarat Energy Transmission Corporation Limited (GETCO).
- Gujarat State Petroleum Corporation (GSPC) or private distributor.

Authority depends on the location of unit:

- Proximity to Narmada Canal - Sardar Sarovar Narmada Nigam Limited (SSNNL).
- For drawing canal/underground water other than Narmada Canal - Irrigation department.
- For drawing water from the pipeline of Gujarat Water Infrastructure Limited (GWIL) - GWIL.
- Surface water - Local governing bodies (municipal corporations).
- 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).
- Water supply for industrial purposes within GIDC estate-Deputy Executive Engineer of the concerned estate.

# Key approvals required...(3/4)

## Approvals and Clearances Required

Approval of building plans

Approval from Labour Department

Approval from Commercial Tax Department

Mining Lease approval

Boiler registration

Handling of hazardous items

Storage of explosive materials

Customs bonding for 100% export oriented units located outside special economic zones

Quality certification

## Departments

Authority depends on location of the unit, if the unit is located:

- In GIDC estates - GIDC executive engineer in the region.
- 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.
- Labour Commissioner.
  
- Value-Added Tax (VAT) registration and Central Sales Tax (CST) registration: Respective area officer in whose jurisdiction the chief place of business falls.
  
- Department of Geology and Mining
  
- Chief Inspectorate, Steam and Boiler, Government of Gujarat
  
- Director of Industrial Safety and Health, Government of Gujarat
  
- Directorate of Explosives, Government of India
  
- Collector of Customs & Central Excise, Government of India
  
- Bureau of Indian Standards (office located in Gujarat)

# Key approvals required...(4/4)

Sector	Authority
<p>Food and drug manufacturing units</p>	<ul style="list-style-type: none"> <li>Commissionerate of Food &amp; Drug Administration, Government of Gujarat</li> </ul>
<p>Registration for milk products</p>	<ul style="list-style-type: none"> <li>Milk and Milk Products Board, New Delhi</li> </ul>
<p>Projects located within 500 m of the coastline</p>	<ul style="list-style-type: none"> <li>Gujarat Maritime Board</li> </ul>

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>

# State acts & policies...(1/2)

1

## New Gujarat Industrial Policy 2020

- To promote entrepreneurship & innovation in the state
- To provide new incentives and subsidies to the Micro, Small and Medium (MSME) segment

[Read more](#)

2

## Garment and Apparel Policy 2017

Creation of 100,000 jobs in the state.

[Read more](#)

3

## 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](#)

4

## 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](#)

5

## Electronics Policy, 2014-19

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

[Read more](#)

# State acts & policies...(1/2)

6

## IT Policy, 2014-19

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

[Read more](#)

7

## 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](#)

8

## 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](#)

9

## 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).

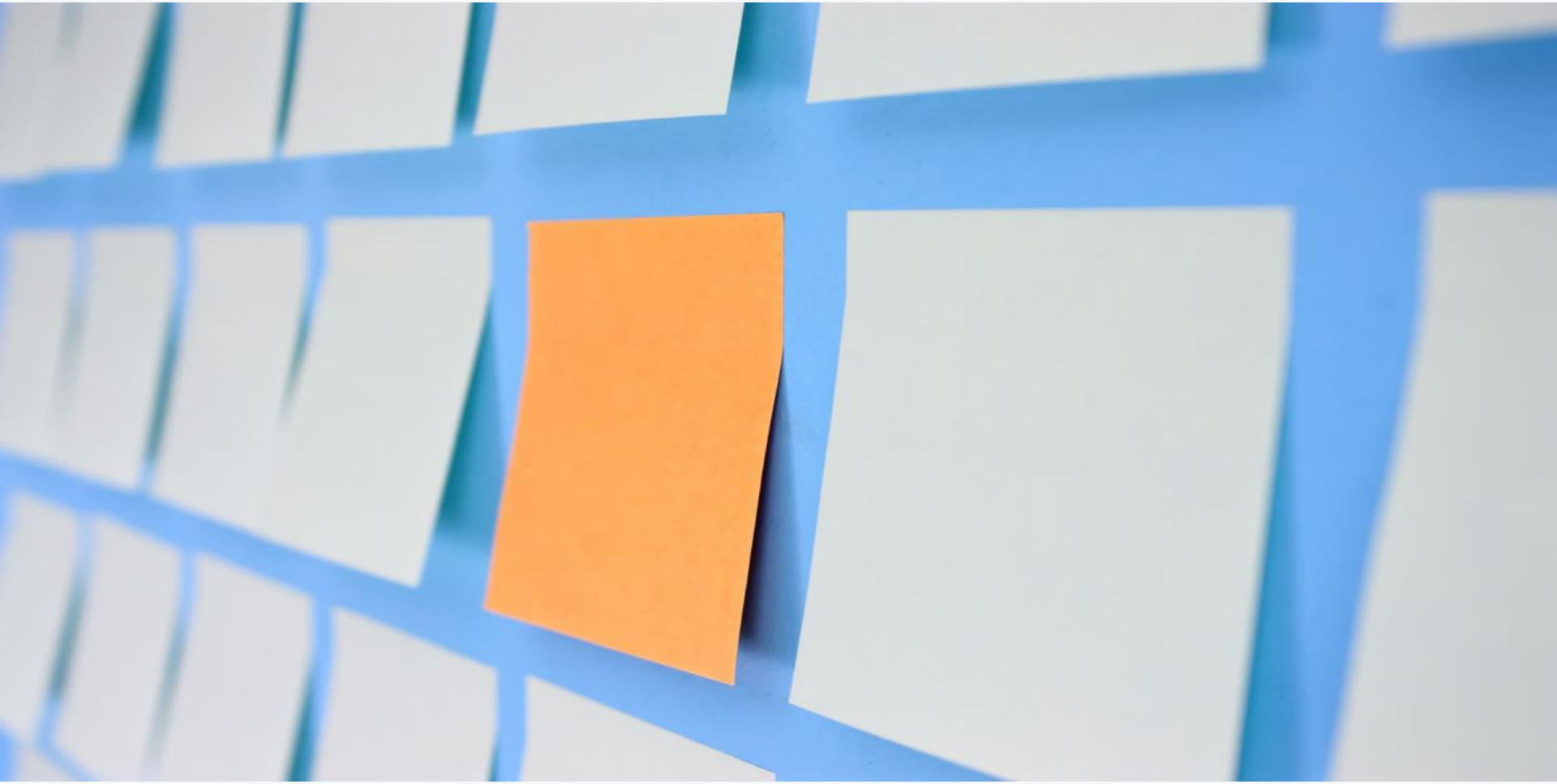
[Read more](#)

10

## Jal Jeevan Mission

- Under the Jal Jeevan Mission, the Union Government allocated Rs. 3,411 crore (US\$ 471.29 million), a 4x increase in fund allocation YoY, to Gujarat for FY22.

[Read more](#)



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
Wireless subscribers (No)	Telecom Regulatory Authority of India
Internet subscribers (million)	Telecom Regulatory Authority of India
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
Operational PPP projects (No)	Ministry of Finance, Government of India
Notified SEZs (No)	Ministry of Commerce & Industry, Department of Commerce

# Exchange rates

## Exchange Rates (Fiscal Year)

Year	Rs. 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
2019-20	70.49
2020-21	73.20

## Exchange Rates (Calendar Year)

Year	Rs. Equivalent of one US\$
2005	44.11
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	69.89
2020	74.18
2021*	74.26

*Note: As of June 2021*

*Source: Reserve Bank of India, Average for the year*

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