

GCCI/DYSGR2/REPR/2019-20/7633

01/07/2019

Shri Pankaj Joshi – IAS
Principal Secretary,
Petroleum and Energy Department,
Government of Gujarat,
Block No. 5, 5<sup>th</sup> Floor, Sachivalay,
Gandhinagar.

Sub: Reduction of Electricity Duty on Electric supply to facilities owned / Operated by logistics sector at par with other Industry.

Ref: <u>Our Meeting with your goodselves dated 08/05/2019 and with Hon. Minister Shri</u> Saurabhbhai Patel.

Respected Sir,

Greetings from Gujarat Chamber of Commerce & Industry, Ahmedabad.

With this letter, we wish to bring forward an issue being faced by the logistics sector of the state with respect to the higher electricity duty being levied on them in comparison to the other industries in the state.

We have made a representation to your good selves in person dated 08/05/2019 at your office and submitted the issue. To refresh the subject, at present the electricity duty levied to cold storage units in the state is 25% for HT connection and 20% for LT connections, where as the manufacturing units of other sectors which falls within the ambit of "Industries" definition as per the prevalent laws, are charged 15% Electricity Duty.

Also, as per the Industries and Mines Department GR No. Parach-102017-720694-G dated 30/08/2018, the logistics sector has been classified as "Industry".

### **CONTINUATION SHEET**



It has nearly been 10 months from the date of this declaration, but the sector is yet to get the benefit if being classified as "Industrial Sector" from within the government.

We therefore request you to kindly do the needful in this regard and provide relief to the sector at the earliest.

Thanking you,

Yours Sincerely,

**Durgesh Buch** 

President

C.C.:

Shri Saurabhbhai Patel, Hon. Minister of Energy & Petrochemicals, Govt. of Gujarat.

Shri M.K.Das – IAS, Principal Secretary, Industries & Mines Department, Govt. of Gujarat.

**Shri Ashish Guru,** Guru Cold Storage Pvt. LtdOpp. Adani Pump, Sabarmati, President, Gujarat Cold Storage Association, Ahmedabad.

### Encl:

Our letter No. GCCI/DYSR2/2019-20/27 dated 07/05/2019 written to Hon. Minister – Shri Saurabhbhai Patel, Minister – Energy & Petrochemicals, Govt. of Gujarat.

DR. JAIMIN R. VASA PRESIDENT DURGESH V. BUCH SR. VICE PRESIDENT HEMANT N. SHAH VICE PRESIDENT GCCI
GUJARAT CHAMBER OF
COMMERCE & INDUSTRY

(SINCE 1949)

AMBAR J. PATEL HON. SECRETARY NILESH J. SHUKLA HON. SECRETARY (R)

SAURIN J. PARIKH HON. TREASURER COLUMNY CH

Date: 07/05/2019

GCCI/DYSGR2/PR/2019-20/ 27

Shri Saurabhbhai Patel,
Minister of Energy & Petrochemical,
Government of Gujarat,
Swarnim Sankul,
Gandhinagar

Email: min-ener@gujarat.gov.in

**Sub: Request for Appointment** 

Ref-1: <u>Reduction of Electricity Duty on Electric Supply to facilities Owned/</u>
<u>Operated by logistics Sector at Part with Other Industry</u>

Ref-2: Industries & Mines Department GR No.: Parach-102017-720694-G dated 30/08/2018

## Respected Sir,

Greetings from Gujarat Chamber of Commerce & Industry, Ahmedabad.

In order to represent the Interest of Cold storages of Gujarat referring the captioned ref. subjects, my self along with the President of Gujarat Cold Storage Association wishes to meet your goodselves to present the views of the sector with respect to the above referred subject.

Request you to kindly accord the appointment for any date and time convenient to your goodselves.

#### **CONTINUATION SHEET**



Besides, please be briefed on the reference subject related to reduction in Electricity duty to logistics sector as captioned above,

Kindly refer GR No. Parach-102017-720694-G dated 30/08/2018 issued by Industries and Mines Department, vide the said GR Gujarat Government has granted Industrial status to the logistics sector in the State.

The logistics sector is thriving in Gujarat in particular in the field of Agri Storage and providing required support to the economy of the state.

We have received representation from Gujarat Cold Storage association (copy enclosed), that the facilities of logistics sectors like – warehouses, Cold Storages etc are being charged the Electricity duty at a rate of 20%, where as the duty for the industries as per the provisions of Gujarat Electricity duty act- 1986 and further amendment, the applicable Duty on the industrial units is 15%.

Accordingly, we bring to your concern that as the logistics sector in the state has been granted industrial status, the applicable electricity duty for the facilities falling in the logistics sector using electricity should be at par with the duty applicable to other industry in the state.

It is requested that an appropriate instruction or GR be issued in this regard.

In ancitpation of a positive cooperation and prompt action from your end.

Thanking you,

**Yours Syncerely** 

Dr. Jamin Vasa,

**President** 

<u>C.C.</u>

1. President, Gujarat Cold Storage Association.

Freshness Chain Between Farmer & Consumer
Website: www.gras.in E-mail: info@gras.in



# **GUJARAT COLD STORAGE ASSOCIATION**

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Ashish Guru President Ganpar Kachhava Secretary Bharat Khubchantani J. Secretary

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શ્રી સોરભભાઇ પટેલ મંત્રીશ્રી ઊર્જા ગુજરાત સરકાર, સ્વર્ણિમ સંકુલ, ગાંધીનગર.

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બાબત*ઃ* <u>કોલ્ડ સ્ટોરેજના વીજ વપરાશ ઉપર લાગતી ઇલેક્ટ્રીક સીટી ડ્યુટી ઇન્ડસ્ટ્રીઝના ધોરણે ચાર્જ કરવા અંગે. માનનીય શ્રી</u>

ગુજરાત રાજ્ય છેલ્લા વર્ષોમાં બટાટાના ઉત્પાદન તેવા કોલ્ડ સ્ટોરેજ કેપેસીટોના વિકાસના દેશ મરમાં અગ્રેસર રહ્યું છે. જેનો યશ બટાટા પકવતાં પ્રગતિશીલ ભેડુતો દ્વારા અપનાવેયલ ક્રીપ નરાંગેશન સાસ્ટમ તેવા રાજ્ય સરકારના કોલ્ડ સ્ટોરેજ કેપીસીટી વધારવાના હકારાત્મક પ્રયાસોને પ્રયાસે

રાજયમાં ૯૦ ટકા કોલ્ડ સ્ટોરેજ કેપેસીટી બટાટાના સ્ટોરેજ માટે ઉપયોગમાં લેવામાં આવે છે. હેરલા તર વર્ષથી બટાટા પકવતાં ખેડુતોને નબળી માંગ તથા બગાડને કારતે વર્ષ આખરે ખલાશનો ઓર રહી અનુ કાર્યું ક નુકસાન આવે છે. રાજય સરકાર દ્વારા દ્વાન્સપોર્ટ સબસીડી અને કોલ્ડ સ્ટોરેજ માડામાં ખું, તેને સમસાત અનુ કર્યું છતાં છતાં ખેડુતો સમયસર ફાર્મર ફાઇનાન્સ ચુકવી શક્યા નથી અને કોલ્ડ સ્ટોરેજના ભાલ પસ અહું રેસ્ટ હે. પરિણામે કોલ્ડ સ્ટોરેજ ઇન્ડસ્ટ્રીઝ ઉપર ખૂબ મોટો આર્થિક બોજો આવી પડ્યો છે.

રાજ્ય સરકાર દ્વારા તા. ૩૦ ૦૮ ૨૦૧૮ ને રોજ ઇન્ડસ્ટ્રોલ અને મહીન્સ િપ્લિમેન્ટના કર્ય વન્તર Parach-102017-720694-G થી લોજસ્ટીક્સ સેક્ટરને ઇન્ડસ્ટ્રીલનું સેટસ આપવલના સ્વાલ્યું છે. હાલ્ય કોલ્ડ સ્ટોરેજ ઇન્ડસ્ટ્રીલને લીજ વપરાશ ઉપર ૧૦ ટકા જેટલાં ઇલેક્ટ્રાક સોટા ક્યુટા એવા ટી ત્યા એવાડો કનેક્શન ઉપર લેવામાં આવે છે. ઉપરોક્ત ઠરાવથી <u>હવે જ્યારે કોલ્ડ સ્ટોરેજને ઇન્ડસ્ટ્રીલનું</u> સ્ટેટસ મળ્યું છે ત્યારે કોલ્ડ સ્ટોરેજના વીજ વપરાશના બીલમાં ઇન્ડસ્ટ્રીલ ધોરણે એલ.ટી કનેક્શનમાં ૧૦ ટકા તથા એચ.ટી કનેક્શનમાં ૧૫ ટકા વીજ ક્યુટી લગાવવા વિનંતી છે.

રાજ્ય સરકારના આ પગલાંથી કોલ્ડ સ્ટોરેજ ઇન્ડસ્ટ્રીઝમાં નવો પાણ પુરાશે તેવી ખાતર, હે.

આભાર સહ,

ગુજરાત કોલ્ડ સ્ટોરેજૂ એસોસીએશન વતી

શ્રી આશિષભાઇ ગુરુ (પ્રમુખશ્રી)

(મો) ૯૮૨૫૦૦૮૫૫૦

Government of Gujarat
Industries & Mines Department
Resolution No. parach-102017-720694-G
Sachivalaya, Gandhinagar
Dated: 30.8.2018

### Read:-

- Government of India, Ministry of Commerce, Department of Commerce Letter D.O. No.49/SS(Log)/2017 dt. 13.12.2017
- 2. Industries Commissioner, Gandhinagar letter No. UK/Infra/Lo.Park/1400038 dt.9.2.2018

Some of the States have granted the Logistic Sector 'Industry Status'. Government of India vide letter referred to above at sr. no. 1, requested to take decision in this regard. The matter was under consideration of Government from some time past.

Some of the provisions of Bombay Land Revenue Code, 1879 were amended vide Gujarat Act No. 6 of 1997, namely Bombay Land Revenue (Gujarat Amendment) Act, 1997. Explanation-I under section 5(b) is as under;

"For the purposes of this section, section 48 and section 67a, the expression "Bonafide industrial purpose" means an activity of manufacture, preservation or processing of goods (other than the hazardous and toxic chemicals specified in part II of the Schedule I to the Manufacture, Storages and Import of Hazardous Chemicals Rules, 1989 made under the Environment (Protection) Act, 1986 and for the time being in force) or any handicraft, or industrial business or enterprise, carried on by any person and includes construction of industrial buildings used for the manufacturing process or purpose, or power projects or port projects and ancillary industrial usage like research and development, godown, canteen, office buildings of the industry concerned, or providing housing accommodation to the workers of the industry concerned or establishment of industrial estate including a co-operative estate or service industry or tourism or cottage industry."

Moreover, State Government has already declared Incentive Policy for Logistic Park, vide Government Resolution No. GID-102015-893580(2)-G dt. 21.4.2015.

### Resolution:-

After careful consideration Government is pleased to declare Logistic Sector "Industry Status".

Necessary approvals may be given accordingly.

This issues with the concurrence of State Government approval vide note dt. 23.4.2018 on this department file of even number.

By order and in the name of Governor of Gujarat.

(B.S.Mehta)

Joint Secretary

Industries and Mines Department

### Copy to:-

- 1 Secretary to Hon'ble Governor of Gujarat\*
- 2 Chief Principal Secretary to Hon. Chief Minister\*
- 3 All Secretaries
- 4 All Departments
- 5 Industries Commissioner, Gandhinagar
- 6 All HODs/Boards/corporations of IMD
- 7 Accountant General Rajkot/Ahmedahad.
- 8 Special Secretary(Logistic), Government of India, Ministry of Commerce and Industry, Department of Commerce, R.No. 121, Udyog Bhavan, New Delhi-110011.
- 8 Computer Cell/IMD
- 9 Select File.