

Gujarat Chamber of Commerce & Industry



22nd July, 2021 / 7488

ગુજરાત વેપારી મહામંડળ

વેલ્વે થી કાર્યરત

To,
Dr. Rajeev Kumar Gupta, IAS
Additional Chief Secretary
Industries and Mines Department
Government of Gujarat
Gandhinagar.

Natubhai Patel
President

Hemant N. Shah
Sr. Vice President

K. I. Patel
Vice President

Pathik S. Patwari
Hon. Secretary

V. P. Vaishnav
Hon. Secretary (R)

Sachin K. Patel
Hon. Treasurer

Subject: MSME Subsidy in Small Scale Distributed Solar Project Scheme 2019

Respected Sir,

Greetings from Gujarat Chamber of Commerce and Industry (GCCI).

Sir, you are kindly aware that various DISCOMs under GUVNL have executed 4000 PPAs for approximately 2450 MW with MSME entrepreneurs in April & May 2021.

Since, these Independent Power Producers (IPPs) are new MSME manufacturing units, they are eligible for financial assistance of Capital Subsidy and Interest subvention under Gujarat Industrial Policy 2020. However, GUVNL has recently announced that such MSME manufacturing units will not be eligible for Capital & Interest subsidies.

Sir, this decision will result in closure of 4000 MSME units, deprivation of investment of approximately Rs. 10,000 Crores in the State and loss of employment opportunities for approximately 20,000 people in rural Gujarat. Moreover, this decision will cause addition loss of Rs. 1,000 Crores worth of investment already done by these MSMEs, which are already struggling due to the COVID pandemic.

You will also appreciate that all such projects, if executed, will be revenue positive for Government of Gujarat. We have highlighted the same in **Annexure** attached.

In view of this unprecedented situation, we request you to grant us an appointment to represent our case.

Thanking You,

Yours faithfully,

Natubhai Patel
President

Copy to: **1. Dr. Rahul Gupta, IAS, Industries Commissioner, Govt. of Gujarat**
2. Shri Ranjeeth Kumar J., IAS, MSME Commissioner, Govt. of Gujarat

Encl.: As above

Annexure

Tangible benefits to Government of Gujarat			
No	Head	Details	Revenue (Rs. crores)
1	GST Income	2500 MW @ Rs.10,000 crores	890
2	Stamp Duty for Land Purchase @ 4 acre/MW	10,000 acre @ 10 lakhs/acre	60
3	Land NA Charges	10,000 acre @ Rs.6000/acre	6
4	Saving in Transmission Charges	Rs. 0.70/unit for 412.5 crore units/year @ Rs.288 crores/year	7200
5	Saving of expense for transmission infrastructure for 2500 MW	@ 50 lakh/MW	1250
TOTAL			9406
Intangible benefits to the Government of Gujarat			
1	Employment of about 20000 persons for 25 years in rural areas		
2	Power availability at distribution network level only during daytime to support Kisan Suryoday Yojna		

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