

**Gujarat Industrial Policy, 2009  
Scheme for Enhancement of  
Technical Competence and  
Manpower**

Government of Gujarat  
Industries & Mines Department  
Resolution No. CED-112007/2081(1)/I  
Sachivalaya, Gandhinagar  
Dated: 27/2/2009

**Read:**

1. Industrial Policy, 2009
2. G.R. No. CED-112006-606-I dated 25.01.2008

**Preamble**

Gujarat is known for its enterprise and symbolizes the growth engine of India. Government of Gujarat has undertaken speedy reforms and continues to intensify steps to accelerate growth. With the establishment of 202 GIDC industrial estates, 60 approved Special Economic Zones, 21 registered Industrial Parks and 83 identified Industrial Clusters; Gujarat has generated vast scope for employment of technically competent manpower.

Though the State has over the years attracted large volumes of investment the availability of suitable manpower has been lagging. Despite large requirement of manpower on the one hand and institutional arrangements for equipping/skilling on the other, there has been a qualitative demand-supply mismatch resulting in shortage in the industry with simultaneous unemployment/underemployment.

To address this issue, the State Government intends to develop industry-responsive and readily employable manpower focusing on local resources. The Industrial Policy, 2009 has laid emphasis on the expansion of a skilled and educated manpower base.

With a view to enhance trained manpower by 2 lakhs per year, after 5<sup>th</sup> year onwards, that is, on completion of operating expenditure support time of four years as mentioned in para 3.6.2 of these orders, a scheme for enhancement of technical competence and manpower has been under consideration. After careful consideration Government is pleased to introduce the following Scheme:

## Resolution

Looking to the specific objective of providing need based, industry-responsive managerially and technically competent manpower at various levels to the industries in the State, along with the need of benchmarking the courses, Government has decided to evolve following four schemes:

- (i) A scheme to establish and operationalize Anchor Institutes in the focused sectors like chemical, engineering, textile, garment, infrastructure, gems & jewellery, plastic, etc.
- (ii) A scheme for starting/running industry-responsive specific courses at existing ITIs/ Polytechnics / Engineering Colleges involving the industry/ institutes as partners
- (iii) A scheme to establish Extension Training Centers, in major GIDC Estates, identified Industrial Clusters and existing and upcoming Industrial Parks and Special Economic Zones and
- (iv) A scheme for setting up of specialized skill development institutes.

### 1.0 Operative period

All above schemes will come into operation from the date of issue of this GR and will remain in force till further orders.

### 2.0 Definition

1. **Anchor Institute:** The State Level Approval Committee will select a University or Government Educational Institution established and operating in Gujarat as an **Anchor Institute** for specific focus sectors like Chemical, Engineering, Textile, Gems & Jewellery, etc.

In each focus /identified sector, there could be only one institute as Anchor Institute OR there could be at the most two institutes to function as Anchor and Co-Anchor Institute.

2. **Nodal Institute :** A degree or diploma level institute or ITI identified by Anchor Institute in accordance with para 3.5 for a specific region for particular sector ( e.g. Nodal Institute for Textile in South Gujarat).
3. **Host Institute:** A degree or diploma level institute or ITI identified for running need based specific training courses for a definite period under para 4.2.

### **3.0 Scheme -1 : Setting up of State Level Anchor Institute**

**3.1 The scheme will be known as a “ Scheme of financial assistance for setting up State Level Anchor Institute” in the selected focus sectors for enhancement of technical competence and manpower.**

### **3.2 Selection Criteria for Anchor Institute**

The State Level Approval Committee may select the Anchor Institute on the basis of some of the following criteria.

1. Market leadership/ industry acceptance of the Institute
2. Availability of scholar faculty resources
3. Understanding of the sector
4. Availability of relevant infrastructure
5. Global linkages
6. Industry linkages
7. Any innovative methodology or approach
8. Suitable road map for implementation

### **3.3 Procedure and modalities**

- (i) The Anchor Institute will set up an exclusive cell for the purpose and will engage full time employees as per requirements. The Cell will act as a nucleation center for training programmes in the respective sectors in the entire state in collaboration with the Co-Anchor institute, if any.
- (ii) The selected Anchor Institute shall submit a proposal with comprehensive schedule of implementation of the entire programme including the details of training courses to be run by the nodal institutions.
- (iii) The selected Anchor Institute in its proposal will submit the yearly projection of number of trainees in different courses proposed by them.
- (iv) The State Level Approval Committee will approve the programmes to be implemented and budget requirement of Anchor/ Nodal Institutes.
- (v) The representatives of industries shall be actively involved by selected Anchor Institute for preparing the course material.

### 3.4 Role & Functions of Anchor Institute

- (i) Anchor Institute will provide technical Support to the technical educational institutions in the Sector across shop floor, supervisory and managerial level. Their Functions will include:
  - (a) To collect information on all the technical courses being offered in the State considering need to upgrade and make it industry-responsive.
  - (b) To suggest required changes in the curriculum in the courses at the degree level (both Undergraduate & Post graduate), diploma level and the courses offered by ITIs in the State.
  - (c) To suggest introducing new courses as per emerging needs of industries.
  - (d) To organize training programmes for faculty development. The training programmes will be planned in such a way that all the faculties, except persons retiring in next 2 years, of degree level, diploma level institutes and ITIs are trained atleast once in four years.
  - (e) To benchmark the courses offered by ITIs / Polytechnics and Engineering Colleges with international/ national standards.
  - (f) To prepare teaching, learning and reference material for faculty training programmes.
  - (g) To select and coordinate with nodal institutes at degree, diploma and ITI level and to oversee their performance
  - (h) To continuously evolve new training programmes based on the need of the industries in the state and improvements/ changes/ modifications/ upgradation in the courses based on the industry feedback.
  - (i) To arrange faculty/ speakers from the institutes, industries and professionals for the training programmes.
  - (j) To encourage the faculties for undertaking R&D and consultancy assignments.
  - (k) To continuously identify new areas of growth.

- (ii) The Anchor Institutes will identify the trainers/ training partners to train the faculties upon approval by the State Level Approval Committee.

### **3.5 Selection of Nodal Institute by Anchor Institute**

In view of large number of degree, diploma, ITI level institutes in the respective sectors, the Anchor Institute may identify one or more Nodal Institutes (not more than three such institutes) for performing its tasks in the respective regions as per requirements of that sector considering criteria as mentioned below, however the Anchor Institute shall be ultimately responsible for quality of outcome.

- (a) Intake capacity, number of students passed out, placement ratio.
- (b) Availability of existing infrastructure and approach of the management of the institution.
- (c) Presence of industries in the surrounding areas.
- (d) Existing training resources in terms of faculties and training materials, equipments and library.

### **3.6 Quantum of Assistance**

#### **3.6.1 Capital Expenditure Support**

The institutes will be provided following financial support:

- (i) Expenditure towards equipment only will be reimbursed and cost of land, building required for setting up of Anchor/ Nodal institute will not be included.
- (ii) Expenditure for internal refurnishing of the premises dedicated for the programme will also be eligible for financial support.
- (iii) No institutional overheads will be permitted.
- (iv) 3% contingency may be considered as part of the project cost.
- (v) Reasonable amount of Pre-project expenses, to the extent of up to Rs. 2 lakhs, may be considered.

#### **3.6.2 Operating Expenditure Support**

- (i) Financial support towards operating expenses for Anchor and Nodal Institutes would be allowed to the extent of the following percentages:

|                     |      |
|---------------------|------|
| First & Second Year | 100% |
| Third Year          | 75%  |
| Fourth Year         | 25%  |

- (ii) The cost of office consumables, communication expenses and travelling and dearness allowance of the faculty for the program will be approved as a part of the operating cost.

### **3.6.3 Other Conditions**

- (i) Total financial assistance under both capital and operating expenses support shall not exceed Rs. 10 crores for each sector for the entire operative period.
- (ii) The Anchor Institute shall submit the progress report on completion of every six months to the State Level Approval Committee.
- (iii) The performance of the Anchor Institute shall be reviewed every two years by State Level Approval Committee for continuing financial assistance.
- (iv) At the end of the fourth year, the State Level Approval Committee shall evaluate the performance of the Anchor Institutes on the basis of following objective deliverables.
  - (a) Extent of international benchmarking
  - (b) Moving in the direction of assimilation of the training programmes as elective subjects in the regular degree courses
  - (c) Popularity of the programme to be judged by number of intake seats v/s number of applicants.
  - (d) Number of man-months devoted for the training of faculty and beneficiaries
  - (e) Accomplishment against time schedule

## **4.0 Scheme - 2: Short-term bridge courses under PPP Mode**

**4.1** The Scheme will be known as a “Scheme of financial assistance for running short-term bridge courses under Public Private Partnership”.

### **4.2 Implementation Models**

Need based specific training courses for a definite period under PPP could be introduced in the existing ITIs/ Polytechnics/ Engineering colleges with following two options. The industry partner can opt for any of the options:

#### ***Option I***

The Industry Partner could run one or more courses from the existing courses, with addition of certain subjects addressing their specific requirements. Such modules could also be offered to students of non-ITI / Polytechnics / Engineering colleges.

### ***Option II***

The Industry Partner could start new course(s) as per their specific requirements in the existing ITIs/ Polytechnics/ Engineering colleges, which could be offered to existing students of respective colleges and to the apprentice and external trainees, etc.

## **4.3 Quantum of Assistance**

For running courses at Existing ITIs / Polytechnics/ Engineering colleges, the host institute will offer the basic infrastructure facilities i.e. land & building. The cost of machinery & equipment of up to 75%, limited up to Rs. 100 lakhs, will be contributed by Directorate of Technical Education and/or Directorate of Employment & Training and/or Industries Commissionerate and the balance cost shall be borne *by partner industrial house/ Industries Association/ Institutes (referred to as "Industry Partner")*.

## **4.4 Implementation Process**

For the purpose of this Scheme, DET or DTE, Industry/ Industry Association/ Institute and Industries Commissionerate will have insititutional management committee (IMC) to run the courses.

### **4.4.1 Role of Institutional Management Committee (IMC)**

The role of the IMC will include to:

- (i) Form an Advisory Committee comprising representatives of the Industries/ Industries Association, Government and Institutes including sector experts and shall hold its meeting atleast twice in a year.
- (ii) Decide on the requirements of equipment and training facilities and procure the assets.
- (iii) Decide and finalize the course content.
- (iv) Determine the fee structure for the course.
- (v) Receive grants/donations
- (vi) Maintain separate accounts for receipts and expenditure.
- (vii) Appoint the Course Coordinator.
- (viii) Select external and internal faculties and decide their remuneration.
- (ix) Brand and promote the objectives of the Center as deemed fit.

#### **4.4.2 Role of State Government**

The role of the State Government will include to:

- (i) Provide necessary accreditations to the courses on fulfillment of requisite criteria.
- (ii) Nominate members on the Advisory Committee of the IMC.

#### **4.4.3 Role of the Host Institute**

The role of the host institute will include to conduct examinations on completion of courses.

#### **4.4.4 Role of Industry Partner**

The role of Industry Partner will include to:

- a) Raise minimum 25% requirement of the cost of machinery & equipment and required funds if any for upgradation of infrastructure facilities.
- b) Sponsor trainees for a minimum of 25% intake capacity.
- c) Train the faculty of the host institution for smooth conduct of the course.
- d) Extend technical support initially, if required, by sponsoring experts from the industries for teaching purposes, until necessary capacity is built within the institute.
- e) Nominate members on the Advisory Committee of the IMC.
- f) Impart practical/on the job training to the trainees.

#### **4.5 Other Conditions**

- (i) The Courses may be offered under the brand name by the Industry Partner with a joint certificate by Partner Industry and Gujarat Knowledge Society/ Gujarat Council of Vocational Training (GCVT).
- (ii) After offering such courses and validating these for at least two years, these may be introduced as elective courses in regular curriculum of ITI/Polytechnic/Engineering Colleges.
- (iii) The State Level Approval Committee, from time to time, will decide and approve the scope and need for new courses as per the need of Industries.



## 5.0 Scheme - 3: Extension Training Centers at GIDC Estates/ Industrial Clusters/ Industrial Parks/ SEZs

### 5.1 The Scheme

The Scheme will be known as a "Scheme of financial assistance for extension training centers at GIDC Estates/ Industrial Clusters/ Industrial Parks/ SEZs".

### 5.2 Extension Training Centers

- (i) Industry /Industries Association/ National Level Training Institutions/ Developer could start Extension Training Centers of ITIs, Polytechnics and/or Engineering colleges in GIDC Estates / Industry Clusters / SEZs/ Industrial Parks to run specific courses to meet the industry-specific manpower needs.
- (ii) For extension centers, land and building shall be made available by
  - (a) GIDC in GIDC Estates
  - (b) Industry Clusters will provide the land and the Industries Commissionerate for the building thereon.
  - (c) Developers in SEZs / Industrial parks

### 5.3 Quantum of Assistance

- (i) For each extension center, one time financial assistance to the extent of following percentages of the cost of machinery and equipment will be provided, subject to maximum limit of Rs. 1 crore:
  - (a) 100% for GIDC estates
  - (b) 75% for Industrial Clusters, and the remaining by the cluster/ association
  - (c) 50% for Industrial Parks/ SEZs, and the remaining by the developer
- (ii) In case the cost of machinery and equipment exceeds the maximum limit of assistance for GIDC estates, the same shall be borne by the Industry /Industries Association/ National Level Training Institute.
- (iii) There will be a MoU/ agreement between the relevant participating agencies.
- (iv) The assistance shall be provided under the Critical Infrastructure Fund of Industries Commissionerate and/or Directorate of Technical Education and/or Directorate of Employment & Training, Government of Gujarat.
- (v) The State Level Approval Committee may decide to avail the services of National Level Training Institution to run the extension training centers at GIDC Estates / Industrial Clusters.

## 6.0 Scheme - 4: Specialized Skill Development Centers

6.1 The scheme will be known as a “Scheme of financial assistance for setting up of specialized skill development centers”.

### 6.2 Specialized Skill Development Areas

Assistance will be provided to institutes/ universities/ industries/ industries association or any other legal entity registered under Societies Act, Trust Act or Companies Act for specialized training centers in areas like marine engineering, mining, specialized pipe laying, logistics & services etc. and such other advance/ specialized technologies and management areas as may be decided by the State Level Approval Committee under the aegis of Gujarat Knowledge Society.

### 6.3 Quantum of Assistance

The assistance to the extent of 50%, with ceiling of maximum of Rs. 2 crore, of the project cost covering fixed capital investment in building, equipments and machinery (including installation cost), electrification, furniture and other miscellaneous investment, etc., except for land cost, will be provided.

## 7.0 Approval Procedure

### 7.1 State Level Approval Committee (SLAC)

(i) A Committee consisting of following members is constituted for sanction of assistance with respect to proposals received for the schemes.

|   |                  |
|---|------------------|
| Industries Commissioner                                 | Chairman         |
| VC & MD/ Jt. MD, GIDC                                   | Member           |
| Joint Secretary/ Dy. Secretary, Finance Department      | Member           |
| Director, Directorate of Employment & Training (DET)    | Member           |
| Director , Directorate of Technical Education (DTE)     | Member           |
| CEO, Gujarat Knowledge Society.                         | Member           |
| Director, Centre for Entrepreneurship Development (CED) | Member Secretary |

(ii) Any dispute/interpretation or contention issue under the schemes will be referred to the State Level Approval Committee, decision of which will be final and binding on the applicant.

(iii) All the applications for assistance under the schemes will be received by, CED for onward submission to the Screening Committee.

## 7.2 Screening Committee

- (i) A Committee consisting of following members will screen and appraise the proposals received by CED and will submit its recommendations to the State Level Approval Committee (SLAC).

|  |          |
|--|----------|
| Joint Director, Directorate of Employment & Training (DET) | Member   |
| Joint Director, Directorate of Technical Education (DTE)   | Member   |
| Joint Industries Commissioner, Industries Commissionerate  | Member   |
| OSD , iNDEXTb/ Representative from iNDEXTb                 | Member   |
| Chief Project Leader/Project leader, CED                   | Convener |

- (ii) The Screening Committee may also invite outside experts as and when necessary to screen and appraise the proposals.

## 7.3 National Level Expert Institutes

- (i) The State Level Approval Committee may decide to avail the consultancy services of any national level expert institutes for effective implementation of the projects and to pay professional fess of up to 5% of the total project cost.
- (ii) Expert Institutes will act as consultant of the SLAC for guiding, supervising and monitoring of all the schemes.
- (iii) The role of Expert Institutes would be as under:
- The Expert Institute will provide technical support to the SLAC for selecting the Anchor Institutes and for overseeing the implementation after such selection.
  - It will help in benchmarking the proposed curricula in various sectors at all levels i.e. degree, diploma and ITI level.
  - It will also help in benchmarking the required infrastructure at all the three levels in various sectors.
  - It will assist in finalizing the work plan and implementation schedule and in its timely execution.
  - It will provide such other support as may be required by the SLAC for successful implementation of the schemes.

8.0 All above schemes will be reviewed after two years with reference intended outcome, actual performance and financial burden.

## 9.0 Expenditure

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

Demand No. : 49

Major Head : 2852- Industries

Sub- Major Head: (800) Other Expenditure (23)

Minor Head : IND - 4  
Sub Head : Assistance to Institute for Industrial Development (31)  
Item no. : Grant in Aid (02) (Plan)

This issues with the concurrence of Education Department dated 2/2/2009 and that of Finance Department dated 10/2/2009 on this departments even number file.

By order and in the name of Governor of Gujarat.



(Shridevi Shukla)  
Deputy Secretary  
Industries and Mines Department

Copy:

Copy:

1. Secretary to H.E. Governor\*
2. Principal Secretary to Hon. CM\*
3. Advisor to CM
4. Personal Secretary to all Hon. Ministers
5. Under Secretary to the Chief Secretary
6. Principal Secretary, Finance Department
7. Industries Commissioner
8. Commercial Tax Commissioner, Ahmedabad
9. Managing Director IndextB
10. All Boards & Corporations of I & M Dept.
11. Accountant General Ahmedabad/Rajkot\*
12. All Officers of I & M Dept.
13. All Branches of I & M Dept.
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\* By Letter