



Date: - 17.02.2015

Shri Haribhai P Chaudhary,
Hon'ble Minister of State – Home Affairs,
Government of India
New Delhi.
Camp – Daman

Memorandum

Hon'ble Sir,

Association at outset registers its happiest pleasure on the **"Make in India"** move launched by Hon'ble Prime Minister. We are determined to make it a great success by whatever efforts required at our end.

It is also a matter of satisfaction that local Administration is keeping pace with national policy and has announced recently a new industrial policy for an industry friendly working environment.

This UT has a typical historical background. It did not attain the liberation along with other parts of the country. Therefore, development also reached to it very late. It was the year 1993, when government of India's initiative brought sea-change. The UT did not have its own any raw material nor any consumption market. In order to develop the UT, it was necessary to attract investment. Therefore, an income tax holiday was declared in addition to sales tax exemption for 15 years which was existing. Initiatives brought the results. There has been a total turn around and that too without affecting local culture including its flora and fauna. In spite of being next door neighbor to Asia's biggest chemical conglomerate and in spite of housing 3000 + industrial units within its own fold, the tranquility of the UT remained unaffected.

Industrialization has not only benefited the UT, but benefited to the country as a whole. It has generated employment opportunities, approx 2 lakhs and contributes more than 14000 crores to nation's kitty by way of direct taxes every year. These two are just examples.



A total improvement in socio-economic conditions local tribal does not need any statistics. Improvement in literacy rate, housing condition, average income and reduction in infant mortality rate are there. Above all, there is change in vision to life. Industries have played crucial role.

However, there is other side of the coin. Growing is one thing and retaining the rate of growth and preventing it from slipping back, is another. If existing industries do not expand and new investment does not come to the UT, development will start rolling back. Thus, in order to retain the industries, it is essential to keep them competitive and sustainable. They need a bit additional, care as they are in a place where there is no raw material and no consumption market. Following are our humble suggestions:-

1. Internal Roads and Highway Connectivity

The UT is surrounded by large states. It does not have any rail head. It has to depend upon only road transport. Sir, you are aware that transport is life line to any industry. At present it is connected to highway through Vapi, Bhilad and Talasari (Maharashtra). All three pass thru densely populated villages. Connectivity through Vapi and Bhilad is through Silvassa town.

Since the year 1994, no new road has been added in the UT. Only existing roads have been repaired.

There is a need to take up matters with Government of Gujarat and Maharashtra for Jharoli and Sutrakar roads. Connectivity through Jharoli will provide direct access to industries in the Naroli.

Sutrakar connectivity will be great relief to industries in Khanvel, Surangi, Khadoli, Dapada, Rakholi and Masat area.

Internal roads in the industrial estates are in very poor shape. Local Administration desired dan patra from the developers which have also been given but, still matter has not progressed. There is a need for some immediate steps.

Association appreciates the initiatives for having second bridges at Pipariya, Rakholi, Naroli Road and Dokmardi. We congratulate Administration for these bridges and look for similar sensitivity to industrial estates internal roads.



2. Transport Nagar

There is no transport nagar in the UT. It is resulting in unnecessary movements of the densely populated town of Silvassa.

The project is very old. Land has also been identified. Administration has to move fast and Central Government should provide grant and approvals as early as possible.

3. Fiscal Incentives

Our neighboring states and many other states are giving large numbers of subsidies. Association has provided details of those subsidies and incentives. To keep the industries of the UT as viable and sustainable, these incentives and subsidies are necessary.

Administration of DNH has declared that soon they are going to announce some fiscal incentives to industries in line with what is prevailing in neighboring states.

We request speedy announcement.

4. DIC – Plots making free hold from existing lease hold

DIC has allotted plots in government industrial estates on lease hold basis. Association has been demanding for long time that these plots should be converted in free hold plots, as financial institutions do not give finance on lease hold plots. This is impeding the sustainability and growth of the industries located in governmental industrial estates.

5. Reduction of VAT rates to avoid Refunds

As we mentioned above, UT does not have raw material and also does not have any consumption market. Still some of its finished goods are used as raw material in the other industry. This result in large number of cases of VAT refund as well it gets huge amount blocked as non-productive without any gain to even government. Administration does not get any revenue from those transactions. It only increases paper work and blocking of money. It is suggested that Administration should reduce the rates of VAT in the key sectors like Conductors, yarn, pharmaceuticals, generator sets



manufacturing, lubricants, air conditioner, and plastics etc., based on last three years VAT refund cases.

It will be a great relief to industry.

6. Eco—Sensitive Zone – 100 meter issue

Sir, for last two years expansion and setting up of new industries in the UT has been slowed down to almost to a halt. The matter is pending with Ministry of Environment and Forests for issuing an Eco Sensitive Zone notification declaring only 100 meter area from the boundaries of DNH Wildlife Century. We request, Hon'ble Sir, to use your good office to get the notification issued as early as possible.

7. Simplification of Procedures:

Although Administration has taken many steps to simplify the procedures but still industries permissions, consents, approvals, licenses, power connection, attending complaints are taking considerable time.

We hope that Administration will take suitable steps which will make life industries easier.

8. Industrial Water:

In many parts of the UT, industry depends upon takers for water supply. The UT has long term agreement for water usage from the Daman Ganga reservoir. The Silvassa Industries Association has got a professional survey done for water requirement of UT for next thirty years. Planning Commission had also accorded its approval to the survey and project.

Now, to save industries it should be implemented in speedy manner.

We hope that Hon'ble Minister will look into these matters and ensure that industries in the UT are ease to enable them make true the dreams of Hon'ble Prime Minister on "Make in India"

Coordination Group of



Silvassa Industries Association, Silvassa



DNH Industries Association, Silvassa



Silvassa Industries and Manufacturers Association, Silvassa

With Warm Regards,
Yours faithfully,

For Silvassa Industries
Association

President

For Dadra & Nagar Haveli
Industries Association

President

For Silvassa Industries & Manufacturers
Association

Vice-President