

Government of India
Ministry of Commerce & Industry
(Department of Industrial Policy & Promotion)

NOTIFICATION

New Delhi, the 4th March, 2014

F.No.2(1)/2013-SPS. The Government of India is pleased to notify the extension of the following scheme of Central Grant or Subsidy under Special Package –II for Industrial units in the states of Himachal Pradesh and Uttarakhand with a view to accelerating the industrial development in these States.

- 1 **Short Title:-**This scheme may be called the Central Capital Investment Subsidy Scheme, 2013. *It will be a Central Sector Scheme.*
- 2 **Commencement and duration of the Scheme:-**It will come into effect from the 7January, 2013 and remain in force upto and inclusive of 31-03-2017.
- 3 **Applicability of the Scheme:-**The scheme is applicable to all new industrial units and existing industrial units on their substantial expansion in Growth Centres or Industrial Infrastructure Development Centres (IIDC) or Industrial Estates / Park / Export Promotion Zones and Commercial Estates set up by states of Himachal Pradesh and Uttarakhand. The scheme is also applicable to new industrial unit and existing industrial unit on their substantial expansion in the specified Thrust Industries (**Annexure- I**) located outside these Growth Centres and other identified locations.
- 4 **Extent of admissible subsidy :**

All new industrial units and existing industrial units on their substantial expansion , would be eligible for Capital Investment Subsidy @ 15% of investment of Plant & Machinery, subject to a ceiling of Rs. 30 lakhs. Micro, Small and Medium enterprises would be eligible for Capital Investment Subsidy @ 15% of the investment in plant & machinery subject to a ceiling of Rs. 50 lakh.
5. **Eligibility period:**

The subsidy will be available for the duration of the scheme to such units which have pre-registered and commence commercial production / operation prior to 31-03-2017. The unit should file its claim as per prescribed procedure at District Industry Centre concerned within one year from date of commencement of commercial production / operation.

6. *The industrial unit registered before 07-01-2013 under the erstwhile scheme of subsidies and have filed the claims within one year from the date of commencement of commercial production / operation would be eligible for subsidies under erstwhile scheme. Units which have registered on or after 07-01-2013 would be covered under the present scheme. However, if such a unit has not registered with DIC (District Industry Centre) due to non-existence of the package during the intervening period or not submitted claim within one year of the date of commencement of commercial production / operation , the unit can do so not later than 31st May, 2014.*

7. Definitions:-

(i). **“Industrial Unit”** means any industrial unit where a manufacturing programme is carried on or a suitable servicing unit as defined in M/o SSI letter No. 2(3)/91-SSI.Bd. dated 30-09-1991, other than that run Departmentally by the Government.

(ii) **‘New Industrial Unit’** means an industrial unit which commences commercial production/operation on or after 7th January, 2013.

(iii) **‘Existing Industrial Unit’** means an industrial unit which has commenced commercial production / operation before 7th January, 2013.

(iv) **‘Substantial Expansion’** means increase by not less than 25% in the value of fixed capital investment in plant and machinery of an industrial unit for the purpose of expansion of capacity.

(v) **‘Fixed Capital Investment’** means investment in plant and machinery for the purpose of this scheme.

(vi) **‘Micro, Small and Medium Enterprises’** means enterprises as classified under sub-section (1) of section 7 of the Micro, Small and

Medium Enterprises Development Act, 2006, as amended from time to time”

(vii). In calculating the value of **Plant and Machinery**, the cost of industrial plant and machinery at site will be taken into account. Further explanatory note is at **Annexure-II**.

8. The approval of claims of subsidy will be as follows:

- i) A State Level Committee headed by Secretary, Industry will approve claims for subsidy. The composition of the State Level Committee is at **Annexure-III**.
- ii) **Operational Guidelines** for approval of the claims under para (i) above shall be notified separately by the Govt. of India.

9. Negative list :- The list of industries not eligible for subsidy under Central Capital Investment Subsidy Scheme, 2013 is given at **Annexure-IV**.

10. Expenditure on second hand plant and machinery and plant and machinery for which payment has been made in cash, would not be eligible for consideration of the subsidy.

11. A unit can avail subsidy only under a single scheme, either from the Central Government or from the State Government. A unit seeking subsidy should certify that it has not obtained or applied for subsidy for the same purpose or activity from any other Ministry or Department of the Government of India or State Government.

12. Designated agency for disbursement of subsidy

Himachal Pradesh State Industrial Development Finance Corporation (HPSIDC) and State Industrial Development Finance Corporation of Uttarakhand Limited (SIDCUL) shall be the designated agency for disbursement of Capital Investment Subsidy on the basis of the recommendation of the State Government in the states of Himachal Pradesh and Uttarakhand respectively. HPSIDC and SIDCUL shall furnish the Utilization Certificate to Ministry of Commerce & Industry,

Department of Industrial Policy & Promotion against the funds released for disbursement of subsidy to the eligible units as per extant guidelines. HPSIDC and SIDCUL shall disburse the subsidy to the eligible industrial unit through ECS and RTGS system within 30 days from the date of release of funds by PAO to the account of nodal agency.

13. Rights of the Centre/State Government/Financial Institutions

If the Central Government/State Government/Financial Institutions concerned is satisfied that the subsidy or grant to an industrial unit has been obtained by misrepresenting an essential fact, furnishing of false information or if the unit goes out of commercial production / operation within 5 years after commencement, the unit would be liable to refund the grant or subsidy after being given an opportunity of being heard.

14. No owner of an industrial unit after receiving a part or the whole of the grant or subsidy will be allowed to change the location of the whole or any part of industrial unit or effect any substantial contraction or disposal of a substantial part of its total fixed capital investment within a period of 5 years after its going into commercial production / operation without taking prior approval of the Ministry of Commerce & Industry, Department of Industrial Policy and Promotion/State Government/Financial Institution concerned

15. 100% physical verification of the actual establishment and working status of each of the units availing subsidy under the scheme will be done by State Government through District Industries Centres. District Industries Centres shall submit Annual Report to the Directorate of Industries and HPSIDC / SIDCUL about the functionality of the units. HPSIDC / SIDCUL shall thereafter submit Annual Report to the Department of Industrial Policy and Promotion about the functionality of the units availing subsidy under the scheme. After receiving the grant or subsidy, each industrial unit shall also submit Annual Progress Report to the State Government with a copy to Himachal Pradesh State Industrial Development Corporation

(HPSIDC) and State Industrial Development Corporation of Uttarakhand Limited (SIDCUL) about its working for a period of 5 years after going into commercial production / operation.

16. *2% of outlay would be kept for monitoring and IEC including engagement of PMA.*



(Shubhra Singh)
Joint Secretary

LIST OF THRUST INDUSTRIES FOR STATES OF HIMACHAL PRADESH AND UTTARAKHAND: EXTRACT RELATING TO FOOD PROCESSING INDUSTRY.

Sl. No.	List of Thrust Industries
01.	Floriculture
02.	Medicinal herbs and aromatic herbs etc. –processing
03.	Honey
04.	<p>Horticulture and Agro based Industries such as :-</p> <ul style="list-style-type: none"> a. Sauces, Ketchup etc. b. Fruit juices & fruit pulp c. Jams, Jellies, vegetable juices, puree, pickles etc. d. Preserved fruits and vegetables e. Processing of fresh fruits and vegetables including packaging. f. Processing, preservation, packaging of mushrooms.
05.	Food processing industry excluding those included in the negative list.
06	Sugar and its by-products.

EXTRACT

ANNEXURE-IV

**NEGATIVE LIST OF INDUSTRIES FOR HIMACHAL PRADESH AND
UTTARAKHAND: EXTRACT RELATING TO FOOD PROCESSING INDUSTRY.**

Sl. No.	Negative list of Industries
01.	Flour mills and rice mills.