

UTTRAKHAND MICRO, SMALL & MEDIUM ENTERPRISE POLICY-2015

Government of Uttarakhand has sanctioned the “**MSME Policy-2015**” for promoting investment in the MSME Sector through Investment Promotion as well as to incentivize MSMEs. The Policy aims at utilizing local resources and to generate employment opportunities and promoting Self Employment, Skill Development in the Youth.

The Policy shall remain in effect till 31st March 2020. Fiscal incentives and other benefits of this policy shall be available to the eligible enterprise from the commencement of production upto a maximum of 10 years or 31st March 2025, whichever is earlier.

➤ **SALIENT FEATURES OF THE POLICY**

1. CATEGORIZATION OF VARIOUS REGIONS OF THE STATE:

State has been divided into four categories for the purpose of quantum of incentives/subsidies as under:

Category	Regions Included
Category A	Whole Districts of Pithoragrah, Uttarkashi, Chamoli, Champawat, Rudraprayag and Bageshwar.
Category B	<ul style="list-style-type: none"> • Whole Districts of Pauri Garhwal, Tehri Garhwal, Almora, • All hilly development blocks of District Dehradun other than Vikasnagar, Doiwala, Sahaspur and Rajpur. • All hilly development blocks of District Nainital other than Haldwani and Ramnagar.
Category C	<ul style="list-style-type: none"> • Regions located above 650 mtrs from sea level of Raipur, Sahaspur, Vikasnagar and Doiwala development blocks of District Dehradun. • Ramnagar and Haldwani development blocks of District Nainital.
Category D	<ul style="list-style-type: none"> • Whole Districts of Haridwar and UdhamSingh Nagar • Remaining area of District Dehradun and Nainital (which are not included in category ‘B’ and ‘C’).

Note: *Fiscal incentives under the policy shall be available only for Manufacturing Activities in regions identified under Category C and D as above.*

**2. ACTIVITIES IDENTIFIED UNDER MANUFACTURING/
SERVICE SECTOR WHICH ARE ELIGIBLE FOR FISCAL
INCENTIVES:**

Following activities shall be eligible for the fiscal incentives and subsidies under the policy:

Category 'A' and 'B' Areas

- Non-polluting manufacturing enterprises of green and orange category.
- Thrust Sector industries/activities as notified under Special Industrial Package.
- Activities which have been granted status of industry by the State Government viz. Poultry farming and Tourism activities.
- Following activities included in Special Industrial Package announced for the North-Eastern states:
 - Hotel, adventure and vocational sports, rope-way.
 - Nursing home with health and medical facilities.
 - Vocational Training Institute viz. Hotel Management, Catering and Food Craft, Entrepreneurship Development Training, Nursing and Paramedical, Civil aviation related training, Fashion Designing and Skill Development training.
- Biotechnology.
- Protected Agriculture and Horticulture, cold storage etc. activities.
- Petrol-Diesel pumping station/Gas Godown.
 - Only manufacturing activities shall be eligible in Category C and D.
 - Riverbed material based Industries (Including stone crusher) will not be eligible in entire state for any Incentives.

2.1 Capital investment made on transport vehicle exclusively for the purpose of transportation/marketing of raw material and finished good products shall be eligible for capital investment subsidy.

2.2 Investment made on necessary additional construction/expansion/renovation on building (owned or leased) for conduct of enterprise will also be eligible for subsidy on capital investment.

3. FISCAL INCENTIVES & CONCESSIONS

- 3.1 **Investment Promotion Assistance (Capital Subsidy)** - Fixed capital investment on plant, machinery and work shed will be admissible for investment promotional assistance as under:-

Sl. No.	Category	Quantum/Cash limit
1	Category- A	40% (Max. up to Rs. 40 lacs)
2	Category- B	35% (Max. up to Rs. 35 lacs)
3	Category- C	30% (Max. up to Rs. 30 lacs)
4	Category- D	15% (Max. up to Rs. 15 lacs)

- Enterprises in Category A,B and C will be eligible for Central Investment Subsidy Scheme of central government in addition to State's Capital Investment Subsidy subject to the condition that total subsidy shall not exceed 60% of the total capital investment(Maximum cash limit Rs. 60 lacs).
- In Category D, Capital investment subsidy shall be available only from either Central or State investment subsidy scheme.

3.2 **Interest Subsidy-**

Sl. No.	Category	Quantum/Cash limit
1	Category- A	10% (Maximum up to Rs. 8 lacs/yr/unit)
2	Category- B	8% (Maximum up to Rs. 6 lacs/yr/unit)
3	Category- C	6% (Maximum up to Rs. 4 lacs/yr/unit)
4	Category- D	Nil

3.3 Reimbursement of VAT- Vat will be reimbursed from the date of commencement of production.

Sl. No.	Category	Quantum of Reimbursement
1	Category- A	100% for the first 5 yr and 90% thereafter
2	Category- B	100% for the first 5 yr and 75% thereafter
3	Category- C	Nil
4	Category- D	Nil

3.4 Concession on Stamp Duty-

S. No.	Category	Quantum of Concession
1	Category- A	100%
2	Category- B	100%
3	Category- C	100%
4	Category- D	50%

3.4 Reimbursement of Electricity Bills- Reimbursement of electricity bills is only available in category- A & B area (No incentive in Category C & D).

Sanctioned Load	Category- 'A'	Category- 'B'
	Quantum of Reimbursement	Quantum of Reimbursement
Upto 100 KVA	100% for the first 5 year and 75% thereafter	100% for the first 5 year and 60% thereafter
Above 100 KVA	60%	50%

This facility will not be applicable to Hotel/Motel, Resort, Guest House, Steel Rolling Mill, Electric Furnace and other heavy Power consumption enterprises.

3.6 Special State Transport Subsidy-

Sl. No.	Category	Quantum of subsidy
1	Category- A	7% of Annual Turnover (Maximum up to Rs. 7 lacs/yr/unit)
2	Category- B	5% of Annual Turnover (Maximum up to Rs. 5 lacs/yr/unit)
3	Category- C	Nil
4	Category- D	Nil

4. INFRASTRUCTURAL SUPPORT

In order to ensure easier availability of developed industrial lands at reasonable rates to MSMEs, the following provisions have been made:-

- i. Establishment of Land Bank
- ii. Infrastructural development fund for MSMEs
- iii. Special Industrial Estate for MSMEs
- iv. Establishment of New Industrial Estates
- v. Establishment of Multi-Storied Estates
- vi. Upgradation of Existing Industrial Estates
- vii. Establishment of Vendor and Ancillaries Parks
- viii. Interventions under Cluster Development Scheme

5. INSTITUTIONAL SUPPORT, SIMPLIFICATION AND ENACTMENT

- i. Single Window Facilitation and Clearance Act
- ii. Creation of MSME development fund
- iii. Udhyog Mitra committee for addressing various issues of MSMEs
- iv. Uttarakhand Micro and Small Enterprises Facilitation Council
- v. Entrepreneurship and Skill Development Cell
- vi. Vendor/Ancillary Enterprises and Cluster Development Cell

6. PROMOTION OF SELF-EMPLOYMENT

- i. **Self-employment and Entrepreneurship Day-** Last Friday of every month is being convened as **“Self-employment and Entrepreneurship Day”** in all Districts. Officers from all related departments, banks and other organizations are present to provide information and advise the entrepreneurs. At State Level Industries Associations and Head of the Departments of the concerned

departments meet in the Directorate of Industries. Potential investors are also invited.

- ii. Chief Minister's Self Employment Scheme on the pattern of erstwhile Prime Minister's Rojgar Yojana (PMRY). Micro Enterprises in Industry, Services and Business Sector will be provided smaller loans upto Rs. 5 lakh for manufacturing and Rs. 3 lakh for business and service sector through the Banks. Margin Money Assistance will be provided in urban areas @ 15 to 25 percent and 25 to 35 percent in rural areas.

7. SPECIAL SCHEME FOR PROMOTING WOMEN ENTREPRENEURSHIP (Nav Disha Yojana):

A special scheme of providing 25% Capital Subsidy (maximum Rs. 25 lacs and Interest Subsidy @ 6% (maximum Rs. 5 lacs per unit per annum) has been approved to encourage women entrepreneurship in manufacturing as well as services sector.

For detailed information, Contact Directorate of Industries/District Industries Centre (DIC's) of concerning District.

Directorate of Industries, Dehradun

Telephone No. 0135-2728272, 2728227 Fax: 0135-2728226

E-mail: mpr@doiuk.org, Website: www.doiuk.org

Toll free Helpline: 1800-270-1213

District Industries Centers

S.No.	District Industries Center	Telephone No.
1.	District Industries Center, Dehradun	0135-2724903
2.	District Industries Center, Haridwar	01332-262452
3.	District Industries Center, Pauri Garhwal	01382-222266
4.	District Industries Center, Tehri Garhwal	01378-227297
5.	District Industries Center, Chamoli	01372-252126
6.	District Industries Center, Uttarkashi	01374-222744
7.	District Industries Center, Rudraprayag	01364-233511
8.	District Industries Center, Nainital	05946-220669
9.	District Industries Center, Almora	05962-230177
10.	District Industries Center, Pithoragarh	05964-223574
11.	District Industries Center, Bageshwar	05963-221476
12.	District Industries Center, Champawat	05965-230082
13.	District Industries Center, U S Nagar	05944-250273
14.	State Design Center, U S Nagar	05944-250273