



WELCOME

**PACKAGE SCHEME OF INCENTIVE
2013**

**PROMOTION OF
INDUSTRIALIZATION**

VISION

To make Kolhapur as one of the most preferred investment destination in Maharashtra leading to Textile, Engineering, Agro base, Auto component Industries



Objective

To augment & improve the supportive Infrastructure to facilitate Industrial growth.

To make Kolhapur as industrial hub for production of qualitative Textile, Foundry & Agro base.

PSI 2013

- **Coverage – Eligible Industrial Units in Pvt., Co-op, Public and Joint sector**
 - *Industries in 1st Schedule of IDR Act 1951*
 - *Manufacturing enterprises under MSMED 2006*
 - *IT & BT manufacturing units*
 - *Cold storages*
 - *Mechanized Food/ Agro processing industries*
 - *Dairy, Fruit and Vegetable Processing*
 - *Grain Processing*
 - *Fish Processing*
 - *Packed foods*
 - *Non alcoholic beverages from fruits & vegetables*

- **New Unit :-** A unit set up for the first time by an entity in any taluka where there is no Existing Unit set up by the same entity and satisfies following conditions

- *It is not an Existing Unit*

or

- *At least one of the effective step is completed on or after 01.04.2013.*

- *a) Effective possession of Land.*

- *b) Constitution. c) MPCB consent to Establishment*

- *d) E M-1 (If Obtained) / IEM*

or

- *It is not formed as a result of re- establishment, mere change of ownership, constitution or revival of existing unit.*

- **Existing Unit:-** Unit satisfying following criterion
 - *A unit in production prior to 01.04.2013, or*
 - *A unit which has been granted EC or has availed any incentives (Ex St Duty) under earlier scheme, or*
 - *A unit which has filed a valid application under PSI 2007 on or before 31.03.2013*

- **Expansion / Diversification :-** Additional FCI on or after 01.04.2013 for manufacture of same or different products provided
 - *Additional Investment should be more than 25% of Gross FCI of immediate previous year (Min FCI Rs 25 lakhs for MSME and Rs 5 Crs for others) and,*
 - *Additional FCI should result in increase in capacity by at least 25% and,*
 - *Additional FCI should result in increase in employment by atleast 10% .*

Implementing Agencies

Sr. No.	Category of Industrial unit	Implementing Agencies
1	Micro & Small Manufacturing Enterprises	District Industries Centre
2	Medium Manufacturing Enterprises	Regional Jt. Director of Industries
3	Large Scale Industries/Mega Project/Ultra Mega Projects	Directorate of Industries, Government of Maharashtra.

- **Defination**
- **MSMEs** :- As per MSMED Act, 2006.
- **Large Scale units** :- Investment more than medium mfg. enterprises as per MSMED Act, 2006, but less than the mega projects
- **Mega Project / Ultra Mega Project**

Type of unit	Taluka /Area Classification	Minimum Fixed Capital Investment (Rs. in Crs)	Minimum Direct Employment (Nos.)
Mega Project	A & B	750	1500
	C	500	1000
	D & D+	250	500
Ultra Mega Project	Entire State	1500	3000

Financial Incentives for MSMEs/LSI

Area / Zone	Ceiling as % of FCI		No. of Years	
	MSME	LSI	MSME	LSI
A	--	--	7	7
B	20	--	7	7
C	40	30	7	7
D	70	40	10	7
D+	80	50	10	7

Industrial Promotion subsidy (MSME)

Area	IPS
Group B Taluka	SGST on local sales minus ITC or Zero whichever is more + CST payable + 20% of ITC
Group C Taluka	SGST on local sales minus ITC or Zero whichever is more + CST payable + 30% of ITC
Group D Taluka	SGST on local sales minus ITC or Zero whichever is more + CST payable + 40% of ITC
Group D+ Taluka	SGST on local sales minus ITC or Zero whichever is more + CST payable + 50% of ITC
SGST	As per Govt. Resolution dtdd.14/02/2018 IPS of 100% of Gross SGST for MSMEs .

Industrial Promotion subsidy (LSI)

Area	IPS
Group C Taluka	60% of SGST on 1 st sale in Maharashtra minus ITC or Zero whichever is more
Group D Taluka	70% of SGST on 1 st sale in Maharashtra minus ITC or Zero whichever is more
Group D+ Taluka	80% of SGST on 1 st sale in Maharashtra minus ITC or Zero whichever is more
No Industries District & Vidarbha, Marathwada	90% of SGST on 1 st sale in Maharashtra minus ITC or Zero whichever is more
Naxalism Affected Area	100% of SGST on 1 st sale in Maharashtra minus ITC or Zero whichever is more

● **Interest S/S :-**

- **All New MSMEs Manufacturing enterprises in area other than A Group are eligible for Interest subsidy. The Interest subsidy will be payable on term Loan @ 5% effective rate of interest (after deducting penal/compound interest, interest receivable under any other scheme)**

Interest S/S should not exceed power bill paid during that year.

● **Power Tariff Subsidy :-**

All New MSMEs Manufacturing enterprises in area other than A Group are eligible for power tariff subsidy @0.50 per unit for a period of 3 years.

- **Incentives for strengthening MSMEs and LSIs**
- **A) New & Expansion MSME in all categories of areas will be eligible for following incentives**
 - *i) 5% subsidy on capital equipment for Tech up-gradation, max Rs 25 lakhs*
 - *ii) 75% subsidy on expenses on quality certification, max Rs 1 lakhs*
 - *iii) 25% s/s on capital equipment for cleaner production, max Rs 5 lakhs*
 - *iv) 75% subsidy on expenses on patent registration. max Rs 10 lakhs for national & Rs 20 lakhs for international*

B) Incentive for Credit rating of MSMEs in all areas

75% of cost carrying our rating by Small Industries Developments Bank of India / Govt. accredited credit rating agency max Rs 40,000/-

C) Incentives for MSME and LSI New & Expansion

- *i) 75% of cost of water audit, max Rs 1 lacs*
- *ii) 75% of cost of energy audit, max Rs 2 lacs*
- *iii) 50% cost of capital equipment for recycle/ conserve water, max 5 lacs*
- *iv) 50% of cost of capital equipment for improving energy efficiency, max Rs 5 lacs*

Non fiscal Incentives

- **Electricity Duty Exemption** :- *New MSME and LSI for eligible period. (From C - Zone onwards)*
- **Stamp Duty Exemption** :- *For New as well as for expansion during investment period (Land & for Loan purposes) (Article 6- Hypothecation, 25 – Conveyance, 33- Further charge on mortgaged property, 36- lease and 40- Mortgage) Notification of R&F Dept dated 14th May 2013.. (From C – Zone onwards)*

Annual Cap on Incentives during Eligibility Period

- Incentives will be disbursed equitably during entire eligibility period of the unit with a provision for carry forward.
 - *Total admissibility Rs 1000 for 10 years , unit will be disbursed max Rs 100 every year*
 - *Suppose annual claim during 1st year comes to Rs 150, Rs 100 will be disbursed and Rs 50 will be carried forward in next year*
 - *If during 2nd year annual claims comes at Rs 75, total will be $75 + 50 = 125$, Rs 100 will be disbursed and Rs 25 will be carried forward to 3rd year*

When to Apply for EC

- Only after completion of effective steps but not later than 30.09.2018 **or**
- Unit shall acquire and pay for the assets and commence commercial production within investment period.
- Delay in production and application will be proportionate curtailment of incentives and eligibility period.
- Investment period will be from date of application or the date suggested by the unit (within the scheme period)
 - *for MSME – 3 years*
 - *For LSI – 4 years*
 - *For Mega/ultra Mega- 5 Years*

How to apply for PSI 2013 ?

- 1. Online application on www.di.maharashtra.gov.in
(New unit and Expansion unit)
- 2. Land Documents
 - a) in MIDC Area – Possession with reg. Lease Deed/ Deed of Assignment
 - b) Non-MIDC Areas – Reg. Doc. with N.A (Industry) acknowledgement receipt of application made under Section – 44 A.
- 3. Constitution (Prop./Partnership/Co-op. Soc./ Memorandum and Article of Association)
- 4. Project Report/Profile.
- 5. Authorization for signing of application, execution of agreements etc.

Bharatratna Dr. Babasaheb Ambedkar Special PSI (SC /ST)

Eligibility of Units

Sole Proprietorship	100% equity of SC/ST entrepreneur
Partnership	100% equity of SC/ST entrepreneur
Co-operative Sector unit	Registered under co-op. Act & having 100% equity of SC/ST entrepreneur
Private / Public Limited	100% equity of SC/ST Shareholders

Note- Entrepreneur have to submit Caste certificate along with Caste Validity certificate of Components Authority

Salient features of Policy

- ▣ *Scheme is applicable to all Eligible Industrial units cover under Para 1.2 of PSI 2013*
- ▣ *The Scheme is applicable to IT/ITES units*
- ▣ *Eligible unit is Group A and B will Eligible for Group C benefits*
- ▣ *Eligible unit is Group C and D will Eligible for Group D+ benefits*
- ▣ *This Scheme is applicable to new as well expansion.*

Additional Incentives

All New MSMEs units are eligible for following additional incentives

1. *Land incentives (Only for New Land)*

a) *30 % Cost of land in MIDC Max 10.00 Lakhs*

b) *20% Cost in Outside MIDC Max. 5.00 Lakhs*

2. *Power Tariff Subsidy : @Rs. 1 per units for period of 5 year*

3. *Special Capital Incentives*

Sr.No	Group	Incentive % of FCI	Max SCI In Lakhs
1	A& B	15	15
2	C	15	15
3	D	20	20
4	D+	25	25



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