

**GOVERNMENT OF ANDHRA PRADESH
ABSTRACT**

Industrial Promotion – Incentives for setting up of New Industrial Enterprises in Andhra Pradesh – Industrial Investment Promotion Policy (IIPP) 2010-2015 – Operational Guidelines for implementing the Policy – Issued.

INDUSTRIES AND COMMERCE (IP) DEPARTMENT

G.O.Ms.No.42,

Dated: 05. 05.2011

Read the following:-

1. G.O.Ms.No.61, Industries & Commerce (IP) Dept. dated 29.6.2010.
2. From the Commissioner of Industries, A.P., Hyderabad Note in Single File No.30/01/2010/0959 received on 10.12.2010.
3. From the Commissioner of Industries, A.P., Hyderabad Letter No.39/1/2010/0006/FD, dated 25.1.2011.

ORDER

In the G.O. 1st read above, Government have issued orders for extending the incentives/benefits to all eligible New Micro, Small, Medium, Large and Mega industries set up in the State except in the Municipal Corporations limits of Vijayawada, Greater Visakhapatnam Municipal Corporation and Greater Hyderabad Municipal Corporation excluding existing Industrial Estates/Parks, Industrial Estates notified/ to be notified and commence commercial production on or after 1.7.2010 but before 31.3.2015 under Industrial Investment Promotional Policy (IIPP) 2010-15. Projects involving substantial Expansion / Diversification of existing industries in the eligible lines of activities are also entitled for benefits offered under the policy.

2. The Commissioner of Industries, A.P., Hyderabad in the references 2nd and 3rd read above, has submitted draft Operational Guidelines for implementation of Industrial Investment Promotion Policy 2010-15.

3. Government after careful examination of the proposals of Commissioner of Industries in the matter hereby accord the operational guidelines under Industrial Investment Promotion Policy 2010-15 as appended to these orders. Government have also considered that the time of six months period for filing claim applications from the date of issue of operational guidelines for existing Enterprises/Industries which have already commenced commercial production with effect from 01.07.2010. In case of all other Enterprises/Industries commencing production after issue of operational guidelines claim applications can be submitted as per the time limit prescribed in the operational guidelines.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

B.SAM BOB,
PRINCIPAL SECRETARY TO GOVERNMENT &
COMMISSIONER FOR INDUSTRIAL PROMOTION

(P.T.O.)

To

The Commissioner of Industries, A.P., Hyderabad.

The Vice Chairman & Managing Director, APIIC, Hyderabad

The VC & Managing Director,, APIDC, Hyderabad.

The Managing Director, Andhra Pradesh State Finance Corporation, Hyderabad.

Copy to:

The Finance .(Expr.Inds & Com.) Department/The Revenue (CT/LA/Registration) Department.

The Irrigation & CAD (Reforms) Department/ The Energy Department.

The LET & F (Employment) Department./ The Law Department.

The Social Welfare Dept./The Y.A. &T.C. Dept.

The Accountant General, Andhra Pradesh, Hyderabad

The Convener, State Level Banker's Committee, Andhra Bank Head Office, Secretariat Road, Saifabad, Hyderabad - 500 004.

The General Manager, Small Industry Development Bank of India, (SIDBI), Hyderabad.

The Pay and Accounts Officer, Hyderabad/The Director of Treasuries and Accounts, Hyderabad.

All District Collectors through Commissioner of Industries, Hyderabad.

All Heads of Departments through Commissioner of Industries, Hyderabad.

All Govt. Companies/Corporations through Commissioner of Industries, Hyderabad.

The P.S. to Spl. Secretary to Chief Minister.

The P.S. to Chief Secretary to Government

All Private Secretaries to the Ministers.

All General Managers, District Industries Centre through Commissioner of Industries, Hyderabad.

SF/SC .

Encl: as above.

// Forwarded:: By:: Order //

Section Officer

OPERATIONAL GUIDELINES FOR IMPLEMENTATION OF INDUSTRIAL INVESTMENT PROMOTION POLICY (IIPP) 2010-2015.

(G.O.Ms.No.42, INDUSTRIES & COMMERCE (IP) DEPARTMENT, DATED 05.05.2011)

1.0. INTRODUCTION:

To promote Andhra Pradesh as an attractive and competitive destination for industrial investments, the State Government have offered various incentives/benefits to all eligible new industrial Enterprises set up in the State. Projects involving substantial Expansion/Diversification of existing industries in the eligible lines of activities are also entitled for benefits offered under the policy notified vide G.O.Ms.No.61, Industries & Commerce (IP) Department, dated: 29.06.2010.

2.0. AREA OF OPERATION:

The Scheme covers the whole of the State except in the Municipal Corporation limits of Vijayawada, Greater Visakhapatnam Municipal Corporation and Greater Hyderabad Municipal Corporation excluding existing Industrial Estates/Parks, Industrial Estates notified/ to be notified and commence commercial production on or after 01.07.2010 but before 31.03.2015. However, the Industrial Enterprises located in Sanathnagar, Azamabad, Chandulal Baradari and Kattedan Industrial Estates of Hyderabad and Rangareddy Districts are not eligible for any incentives/concessions. However, the service activities set up in all Municipal Corporation limits as appended in Annexure-II are eligible only for investment subsidy and all other service / Business activities are not eligible for any incentives set up anywhere in the State.

3.0. COMMENCEMENT AND DURATION.

The Scheme will be in operation from 01.07.2010 to 31.03.2015 (inclusive of both dates), with such further modifications as may be brought about during the currency of this scheme

4.0. DEFINITIONS:

4.1. Industrial Investment Promotion Policy (IIPP): Industrial Investment Promotion Policy means, the Policy of State Incentives / Facilities announced by the State Government vide G.O. Ms.No.61, Industries & Commerce (IP) Department, dated:29.06.2010.

4.2. Industry or Enterprises: Industrial Enterprises means any industrial undertaking and servicing Enterprise/Industry, other than those run departmentally by Government of India / State Government and other than those listed in Annexure-III to the G. O. Ms. No. 61 Industries & Commerce (IP) Department, dated: 29.06.2010.

4.3.0 New Industrial Enterprises:

4.3.1. New Industrial Enterprise means and includes an industrial Enterprise which has been established in the State with new machinery and commenced commercial production after 01.07.2010 and before 31.03.2015 (inclusive of both dates) holding valid approvals from the respective authorities.

4.3.2. **Expansion/Diversification enterprise/industry should also obtain all the statutory/required approvals.**

a) **Micro Enterprises:** Micro Enterprise means an enterprise in which Investment on plant and machinery up to limit as defined by the Government of India from time to time.

b) **Small Enterprises:** Small Enterprise means an enterprise having the investment on plant and machinery up to limit as defined by the Government of India from time to time.

c) **Medium Enterprises**

Medium Enterprise means an enterprise in which Investment on plant and machinery up to limit as defined by the Government of India from time to time.

d) **Large Industries**

Large Industry means an industry in which the investment on plant and machinery is above Medium Enterprises (as defined by Government of India from time to time).

e) **Mega Projects:**

- i) Mega Project means the Industrial Enterprise, which set up with a capital investment of Rs.250 Crore and above (as defined by the State Government from time to time) for a span of three years.
- ii) Ginning/Spinning/Weaving/Processing projects with an investment of Rs. 125 Crore and above (as defined by the State Government from time to time).
- iii) The industrial Enterprise which creates employment to more than 2000 persons (as defined by the State Government from time to time).

- 4.4. **Expansion Projects:** Existing industrial Enterprises, in all eligible areas, setting up expansion projects other than those listed in the ineligible list, involving enhancement of fixed capital investment by at least 25% as well as enhancement of capacity by 25% for the same product lines will be eligible for incentives.
- 4.5. **Diversification Projects:** Existing industrial Enterprises, in eligible areas, making investment for a new product other than those listed in the ineligible list, involving Diversification with an enhancement at least by 25% of fixed capital investment as well as enhancement of turnover by 25%, in value terms, will be eligible for incentives.
- 4.6. **Erection of additional machinery continuation in the policy period i.e. IIPP 2010-15:** Any industrial enterprise/industry availing incentives under IIPP 2010-15 can add new machinery & power. However, incentives/concessions are limited upto (5) years from the original date of commencement of commercial production. But the Date of Commencement of Commercial Production (DCP) will be considered as DCP of the original Enterprise/industry.
- 4.7. Any Enterprise/Industry going for substantial expansion/diversification, should submit the claim application separately subject to conditions stipulated at para No. 4.4 and 4.5, other wise the Enterprise/industry will be treated as one and the incentives/concessions will be considered from the DCP of the original Enterprise/Industry.
- 4.8. **Original Fixed Capital Investment:** All original fixed capital investment prior to Expansion/Diversification will be treated as original fixed capital investment. While computing this original fixed capital investment, neither depreciation nor revaluation will be taken into account.
- 4.9. **Production Capacity of Original Enterprise/Industry:** The highest annual production achieved during preceding three financial years prior to expansion/diversification, will be treated as production capacity of the original Enterprise/Industry.
- 4.10. **Fixed Capital Investment:** Fixed Capital Investment means investment on land, building, plant, machinery & equipment assessed as per para 8 of these guidelines.
- 4.11. **Tax:** Tax means Commercial Tax paid to State Government by the way of VAT and CST or State Goods and Services Tax (SGST) on goods produced by the industrial enterprise.
- 4.12. **Date of Commencement of Commercial Production (DCP):** The date on which commercial production is started, as indicated in the EM Part - II in respect of Micro, Small & Medium Enterprises and as confirmed through part-B of IEM/IL filed with Government of India in respect

of Large industries/Mega Projects. The General Manager, District Industries Centre concerned has to confirm and certify the Date of Commencement Commercial Production. In case of any dispute with regard to date of commencement of commercial production, the SLC (State Level Committee on Incentives) decision is final.

- 4.13. **Continuous Production:** Continuous production means continuous working of an industrial Enterprise engaged in the activity of manufacture of approved lines for a minimum period of six (6) years, without any break in production. If any break in production is there, such period will be extended. If any industrial enterprise is not in operation/working for more than 90 days continuously, then the industrial enterprise will be treated as not in continuous working. This condition is not applicable for seasonal industrial enterprises which must be working during the season.
- 4.14. **Approved Project Cost:** Approved project cost means that cost of the project on different components of the project as approved by the term lending institution or in case of joint financing, by the lead term lending institution. The appraised project cost by the Scheduled Commercial Banks/Financial Institutions recognized by Reserve Bank of India for the purpose of sanction of working capital limits would also be treated as the approved project cost. In respect of self-financed projects, the approved project cost will be fixed by the Multi Disciplinary Committee in respect of Micro, Small & Medium Enterprises. In case of self financed large scale industries which have not availed any assistance from financing institutions, such projects shall be referred to Standing Scrutiny Committee (SSC)/Sub-Committee of SLC for inspection and report on the reasonable investment limits on different components of the projects i.e. land, building, plant & machinery and other assets which are necessary to make the project viable. These figures shall be taken as approved project cost.
- 4.15. **REVISED PROJECT COST:** The revised project cost for the self financed Industrial Enterprises should be as certified by the Technical Committee consisting of representatives of Industries Department, APSFC, APIDC, and APITCO as mentioned in the G.O Ms No.193, Ind. & Com. (IP) Department Dated 25.11.1995.
- 4.16. **Aided Enterprise/Industry:** Availing term loan from Scheduled Commercial Banks/Financial Institutions recognized by Reserve Bank of India, A.P. State Financial Corporation (APSFC) and Small Industrial Development Bank of India (SIDBI) for setting up the Enterprise/Industry is treated as Aided Enterprise/Industry.
- 4.17. **Month:** Calendar months.
- 4.18. **Financial Year:** 1st April to 31st March.

5.0 PROCEDURE FOR CLAIMING VARIOUS INCENTIVES OFFERED UNDER THE SCHEME:

The Incentives will be inclusive of any similar incentives of State Government / Government of India/Institutions/Agencies already availed/ Government of India incentives which may be announced from time to time by the Government of India and other such incentives extended by any other Government Agency.

5.1.0 Reimbursement of Stamp duty, Transfer duty, Mortgage & Hypothecation duty:

- 5.1.1 All eligible industrial Enterprises shall submit their claims in the prescribed application form given at Annexure-VI for reimbursement of stamp duty, transfer duty, mortgages and hypothecation duty within six months from the date of commencement of commercial production, to the General Manager, District Industries Centre concerned.

- 5.1.2 100% reimbursement of Stamp duty and transfer duty paid by the industry on purchase of land/shed/building meant for industrial use.
- 5.1.3 100% reimbursement of Stamp duty for Lease of Land/Shed/ Buildings and also mortgages and hypothecations deeds.
- 5.1.4 The Stamp duty, Transfer duty, mortgages and hypothecations benefits shall be applicable to all eligible (a) new industrial Enterprises and (b) Expansion/Diversification projects, subject to fulfillment of the conditions stipulated at para No. 4.4 or 4.5.
- 5.1.5 The above incentive shall be admissible to eligible Enterprises on the land area upto five times of the plinth area of the factory building constructed within the approved project cost. However, in respect of industries where the open land requirements would be larger due to the specific nature of industry, SLC may consider allowing land in excess of five times plinth area on case to case basis.
- 5.1.6 Mortgages and hypothecations duty paid by an enterprise for availing Term loan from the financial institutions on assessed fixed capital investment would only be eligible.
- 5.1.7 If any industrial enterprise had already availed stamp duty or transfer duty concession on land under G.O.Ms.No.9, Industries & Commerce (IP) Department, dated:05.01.2001, the concession would be reduced proportionately.

5.2.0 Reimbursement of land cost in IE/IDA/IP's:

- 5.2.1 All eligible industrial Enterprises shall submit their claims in the prescribed application form given at Annexure – VI for Reimbursement of land cost within six months from the date of commencement of commercial production, to the General Manager, District Industries Centre concerned.
- 5.2.2 25% Reimbursement of land cost in IE/IDA/IP's limited to Rs.10.00 Lakh to the industrial enterprises located at Industrial Estates/Industrial Parks.
- 5.2.3 The above benefit shall be applicable to all eligible (a) new industrial Enterprises and (b) Expansion/Diversification/forward & backward integration Projects, subject to fulfillment of the conditions stipulated at para No. 4.4 or 4.5.
- 5.2.4 The above benefit shall be provided on purchase of land directly from APIIC only.
- 5.2.5 The above benefits shall be admissible upto five times of the plinth area of the factory building constructed within the approved project cost. However, in respect of industries where the open land requirements would be larger due to the specific nature of industry, SLC may consider allowing land in excess of five times plinth area on case to case basis.

5.3.0 Reimbursement of land conversion Charges.

- 5.3.1 All eligible industrial Enterprises shall submit their claims in the prescribed application form given at Annexure- VI for reimbursement of land conversion charges within six months from the date of commencement of commercial production, to the General Manager, District Industries Centre concerned.
- 5.3.2 25% Land conversion charges for industrial use limited to Rs.10.00 Lakh for Micro, Small and Medium Enterprises only.
- 5.3.3 The Reimbursement of Land conversion charges shall be applicable to all eligible (a) new Micro, Small and Medium Enterprises and also (b) Expansion/Diversification of Micro, Small and Medium Enterprises, subject to fulfillment of the conditions stipulated at para No. 4.4 or 4.5.
- 5.3.4 The above incentive shall be admissible to eligible Enterprises on the land area upto five times of the plinth area of the factory building constructed. However, in respect of industries where

the open land requirements would be larger due to the specific nature of industry, SLC may consider allowing land in excess of five times plinth area on case to case basis.

5.4.0 Reimbursement of Power consumption Charges:

- 5.4.1 All eligible industrial Enterprises / industries shall submit their claims in the prescribed application form given at Annexure - VII for Reimbursement of Power cost within six months after completion of every half-year i.e., last date for filing claim application is 31st of March for first half -year and 30th of September for second half-year along with the documents mentioned in the Application to the General Manager, District Industries Centre concerned on half-yearly basis.
- 5.4.2 Fixed power cost @ Rs.0.75 per unit (upper ceiling) on energy consumption charges as per G.O.Ms.No. 61, Industries & Commerce (IP) Department, dated: 29.06.2010 will be reimbursed for a period of five (5) years from the date of commencement of commercial production. In case, decrease in Power Tariff on the revised rates (2010-2011), the reimbursement will be reduced proportionately.
- 5.4.3 This reimbursement is only on the energy consumption (KWH) charges but not on Maximum Demand or any other charges levied by DISCOMs. Residential & Colony power consumption are not eligible for Reimbursement of Power Cost.
- 5.4.4 The Reimbursement of power cost shall be applicable to all eligible (a) new industrial Enterprises and (b) Expansion/Diversification Projects, subject to fulfillment of the conditions stipulated at para No. 4.4 or 4.5.
- 5.4.5 The power cost reimbursement shall be applicable to the industrial enterprises, which are utilizing power from DISCOM only and power connection should be in the name of the Enterprise/industry.
- 5.4.6 Reimbursement of power cost will be allowed in case of Expansion/ Diversification Projects over and above base power consumed. For the purpose of reimbursement, annual power consumption will be taken into account. The reimbursement will be made every six (6) months, but in case of actual power consumed during the year is less than annual base consumption, reimbursement made during any previous period will be adjusted in future reimbursement. If excess is paid and could not be adjusted in future claims, will be recovered under Revenue Recovery Act.
- 5.4.7 The base annual consumption will be either average annual power consumption of previous three financial years of the Expansion/Diversification project as certified by Chartered Accountant or power consumption for 75% of installed capacity utilization of the original industrial enterprise, whichever is higher. Power consumed over and above the base consumption will be eligible for reimbursement of power cost. If the Enterprise/Industry taken up expansion/diversification in the same year, the base power consumption will be calculated proportionately.

5.5.0 Investment subsidy:

- 5.5.1 All eligible industrial Enterprises shall submit their claims in the prescribed application form given at Annexure – VIII for investment subsidy within six months from the date of commencement of commercial production, to the General Manager, District Industries Centre concerned.
- 5.5.2 15% investment subsidy on fixed capital investment subject to a maximum of Rs.20.00 Lakh.
- 5.5.3 Additional 5% investment subsidy on fixed capital investment subject to a maximum of Rs.5.00 Lakh to Micro & Small Enterprises for Woman entrepreneurs.

- 5.5.4 Investment subsidy shall be applicable to all identified service activities related to industries setup in all Municipal Corporation limits in the State as per the list appended as Annexure - II.
- 5.5.5 Investment Subsidy shall be applicable to all eligible (a) new Micro and Small Enterprises and (b) Expansion/Diversification of Micro and Small Enterprises, subject to fulfillment of the conditions stipulated at para No. 4.4 or 4.5.
- 5.5.6 In respect of existing Micro and Small Enterprises, going for expansion/ diversification, the capital investment subsidy would however subject to upper limit of Rs. 20.00 Lakh including all earlier availed capital investment subsidy. This limit however would be Rs.25.00 Lakh in case of Women.

5.6.0 Seed Capital Assistance:

- 5.6.1 All eligible industrial Enterprises shall submit their claims in the prescribed application form given at Annexure – X for Seed Capital Assistance within six months from the date of sanction of term loan by the Financial Institution, to the General Manager, District Industries Centre concerned.
- 5.6.2 The Seed capital assistance to First Generation Entrepreneurs to set-up Micro Enterprises, @10% of the Machinery cost will be paid and the same will be deducted from the eligible investment subsidy.
- 5.6.3 This facility shall be applicable to new Micro Enterprises only. This facility is not applicable for expansion/diversification programme, since the assistance is mainly meant for the first generation Entrepreneurs.

5.7.0 Reimbursement of Tax:

- 5.7.1 All eligible industrial Enterprises shall submit their claims in the prescribed application form given at Annexure – XI for Reimbursement of Sales Tax within six months after completion of the financial year i.e. on or before 30th September along with required documents mentioned in the Application, to the General Manager, District Industries Centre concerned.
- 5.7.2 In case of Micro Enterprises, 100% VAT/CST or State Goods and Services Tax (SGST) will be reimbursed for a period of five (5) years from the date of commencement of commercial production.
- 5.7.3 In case of Small Enterprises, 50% VAT/CST or State Goods and Services Tax (SGST) will be reimbursed for a period of five (5) years from the date of commencement of commercial production.
- 5.7.4 In case of Medium Enterprises and Large Industries, 25% VAT/CST or State Goods and Services Tax (SGST) will be reimbursed for a period of five (5) years from the date of commencement of commercial production.
- 5.7.5 The above incentive shall be applicable to all eligible (a) new industrial Enterprises and (b) Expansion/Diversification projects, subject to fulfillment of the conditions stipulated at para No. 4.4 or 4.5.
- 5.7.6 The Expansion/Diversification projects will be allowed reimbursement on VAT/CST or State Goods and Services Tax (SGST) paid on production made over and above the base annual production capacity of the original Enterprise/Industry i.e. before expansion/ Diversification. The base annual production is either the average annual production of previous three financial years or 75% of installed capacity of the original industrial enterprise, whichever is higher in case of manufacturing single product (as certified by Financial Institution/ Chartered Accountant). If the Enterprise/Industry taken up expansion/diversification in the same year, the base capacity will be calculated proportionately. In case of multi products, the average annual

sales turnover of previous three financial years will be taken as base turnover (as certified by Chartered Accountant).

5.7.7 The enterprise/industry shall obtain the details of the net commercial tax paid during the year for which the claim is being made duly certified by Commercial Tax authorities in form prescribed at Form-A for original/expansion / Diversification Enterprise/Industry separately as the case may be.

5.8.0 Reimbursement on the expenses incurred for quality certification/patent registration:

5.8.1 All eligible industrial Enterprises shall submit their claims in the prescribed application form given at Annexure - XII for Reimbursement of the expenses incurred for quality certification within six months from the date of obtaining quality certification along with required documents mentioned in Application, to the General Manager, District Industries Centre concerned.

5.8.2 50% subsidy on the expenses incurred for quality certification/ patent registration limited to Rs. 2.00 Lakh for Micro, Small and Medium Enterprises will be reimbursed.

5.8.3 This facility shall be available to all eligible new and Existing Micro, Small and Medium Enterprises, obtaining quality certification from BIS/ISO/HACCP/other national/international certification agencies.

5.9.0 Reimbursement on specific cleaner production measures:

5.9.1 All eligible industrial Enterprises shall submit their claims in the prescribed application form given at Annexure - XIII for subsidy on specific cleaner production measures within six months from the date of commencement of commercial production along with required documents mentioned in Application, to the General Manager, District Industries Centre concerned.

5.9.2 25% subsidy limited to Rs.5.00 Lakh will be provided on the cost incurred on capital equipment installation for specific cleaner production measures.

5.9.3 Cleaner production measures are adoption of cleaner technologies and techniques within the industry to reduce and avoid pollution and waste in the entire production cycle.

5.9.4 The Enterprise/Industry shall obtain a certificate from APPCB on the specific cleaner production measures adopted and the cost of the equipment involved therein.

5.9.5 This facility shall be applicable to all eligible new and expansion/ diversification projects.

5.10.0 Reimbursement of cost involved in skill upgradation and training:

5.10.1 All eligible industrial Enterprises shall submit their claims in the prescribed application form given at Annexure - XIV for Reimbursement of cost involved in skill up gradation and training the local manpower within six months after completion of such training programme along with required documents mentioned in Application, to the General Manager, District Industries Centre concerned.

5.10.2 50% Reimbursement of cost involved in skill up gradation and training only local manpower limited to Rs.2000/- per person as a onetime facility will be provided.

5.10.3 After recruitment of the local candidates, in-plant training to be organized.

5.10.4 Reputed Agencies both Government and Private shall be engaged.

5.10.5 The eligible Enterprises/Industries have to inform the General Manager, District Industries Centre concerned well in advance of the commencement of training programme. The General Manager, District Industries Centre concerned shall monitor the skill development training programme.

- 5.10.6 The Enterprise/industry should submit the list of employees trained along with their appointment letters duly certified by the promoter.
- 5.10.7 The training should be more practical oriented rather than pure theoretical one.
- 5.10.8 This facility should be utilized for training the local manpower so that the local manpower will be readily suitable for employment.
- 5.10.9 The training should be aimed at up gradation of skill, which should be useful to the organisation.

5.11.0 PAVALA VADDI

- 5.11.1 All eligible industrial Enterprises shall submit their claims in the prescribed application form given at Annexure - IX for Pavala Vaddi within six months after completion of every half-year i.e., last date for filing claim application is 31st of March for first half-year and 30th of September for second half-year along with the documents mentioned in the Application to the General Manager, District Industries Centre concerned on half yearly basis.
- 5.11.2 This facility shall be applicable to the Term Loan availed on Fixed Capital Investment by all eligible new Micro and Small Enterprises only. This facility is not applicable for expansion/diversification projects.
- 5.11.3 a) Minimum 3% interest per annum should be borne by the Enterprise.
b) Over and above 3% interest per annum reimbursement will be done to the extent of 9% maximum i.e. upto 12% interest per annum for a period of 5 years from the date of commencement of commercial production under Pavala Vaddi Scheme.
c) Over and above 12% interest per annum, the enterprise has to bear.
- 5.11.4 **Eligible servicing and repairing enterprises for reimbursement of Interest Subsidy under Pavala Vaddi Scheme:** (a) Auto Servicing and / or repairing units; (b) Retreading units; (c) Industrial material testing laboratories; (d) General engineering machining workshops; (e) Common effluent treatment plants; (f) CAD and/or CAM; (g) Cold storage; (h) Heat treatment, Electroplating and Galvanizing units; (i) Seed processing units; (j) Xerox units set up with institutional finance only and (k) Desk top printing units.
- 5.11.5 The new Micro and Small enterprises under Industrial Investment Promotion Policy (IIPP), 2010-15, availing term loan from Scheduled Commercial Banks / Financial Institutions recognized by Reserve Bank of India, A.P. State Financial Corporation (APSFC) and Small Industrial Development Bank of India (SIDBI) only are eligible under this scheme.
- 5.11.6 The Interest amount paid by the new eligible Micro & Small enterprises to the Financial Institutions/Banks on the term loan availed will be reimbursed with a maximum limit of 9% on half yearly basis through the Financial Institutions/Banks concerned. Benefit will be available for a period of five (5) years from the date of commencement of commercial production i.e. upto the 1st half of 6th year or till the closure of the term loan account, whichever is earlier.
- 5.11.7 The sanctioned term loan disbursed within six months from the date of commencement of commercial production has to be part and parcel of original Term Loan sanctioned. Second Term Loan is not eligible under the Scheme.
- 5.11.8 The reimbursement of interest will be considered only from the Date of Commencement of Commercial Production onwards whatever the interest liability is for moratorium or regular loan.
- 5.11.9 This reimbursement to the Enterprise/Industry shall not include penal interest, liquidated damages etc. paid to the Financial Institutions / Banks.

- 5.11.10 The benefit shall be extended only to the eligible new enterprises/industries which are regularly repaying the Loan installments of principal & interest.
- 5.11.11 The loan accounts that are classified as overdue in the books of the bank at the time of half-yearly closing and that which are classified as Non-performing Assets at year-end closing are ineligible. However, if they resume on-time repayments and regularize the arrears, they are eligible for the incentive in the next half-yearly period. For this purpose the banker has to certify that the repayment is regular and the Account is standard and the same certificate is to be enclosed along with claim application.
- 5.11.12 After receipt of the Crossed cheque for Reimbursement of Interest by the Bank branch concerned from A.P. State Financial Corporation (APSFC), the amount shall be disbursed to the industrial Enterprise immediately.

OPERATIONAL GUIDELINES FOR SC/ST ENTERPRENUERS UNDER IIPP 2010-15

6.1.0. SPECIAL PROVISIONS UNDER SCSP/TSP SCHEMES:

- 6.1.1. These provisions are applicable for Micro / Small Enterprises set up by SC and ST entrepreneurs.
- 6.1.2. There should be 100% ownership by SC/ST entrepreneurs or both together in case of joint venture Enterprise as per G.O.Ms.No.105, Inds.& Comm(IP) Dept., dated: 23.04.2008. Wherever SC/ST entrepreneurs joint together and form a joint venture the incentives will be determined basing on majority holding by Scheduled Caste or Scheduled Tribe promoters. Such combination should continue for at least six (6) years from the date of commencement of commercial production, failing which the special incentives allowed to Scheduled Caste/Scheduled Tribe entrepreneurs, if any will be recovered. In this regard, the General Manager, District Industries Centre should monitor the progress of these Enterprises and submit report to the Commissioner of Industries on half-yearly basis.
- 6.1.3. Industrial Cooperative Societies engaged in the Industrial activity promoted by SC/ST should be exclusively (i.e.100%) for the benefit of SC/ST entrepreneurs.
- 6.1.4. In case of Enterprises set up by SC/ST entrepreneurs, transfer of ownership is not normally permitted. However, transfer from one SC/ST entrepreneur to another SC/ST entrepreneur may be allowed with the prior approval of Commissioner of Industries subject to condition that ultimately 100% share holding of the SC/ST entrepreneur is protected / maintained.
- 6.1.5. In respect of existing Micro and Small Enterprises, going for expansion/ diversification, the capital investment subsidy will be limited to Rs.50.00 lakhs.
- 6.1.6. All non-statutory concessions granted to S.C. (Hindus) by the State Government including economic support schemes sanctioned by A.P.S.C. Co-op. Fin. Corporation have been extended to S.Cs. converts to Christianity and Buddhism as per orders issued in the G.O.Ms.No.341, Social Welfare (PR) Dept. dated 30.8.1977.
- 6.2.0. **Service Sector projects by the SC/ST entrepreneurs as listed at Annexure-IV of G.O.Ms. No.61 Inds. & Com. (IP) Department, dated:29/06/2010.**
- 6.2.1. Not more than 50% of Budget will be allocated to Service activities during the financial year.
- 6.2.2. The preference should be given to variety of service activities instead of sanctioning to same activity by multiple entrepreneurs. The applications shall be scrutinized and approved by DLC on first cum first serve basis. While releasing the investment subsidy, the seniority list will be maintained at the Central Office separately for SLC & DLC cases.
- 6.2.3. The SC/ST entrepreneurs are eligible for claiming subsidy on fixed capital investment and the investment made on the working capital is not eligible for claiming subsidy.

6.2.4. EM Part-I and Part-II are not necessary for the activities which are not required to be registered under MSMED Act, 2006.

6.2.5. All the entrepreneurs should have Permanent Account Number (PAN) and regularly should file the Income Tax Returns.

6.2.6.0. Eligibility criteria for service sector for SC/ST Entrepreneurs for units at annexure-IV of GOMs. No .61, Inds&Com.(I.P)Department dt:29/06/2010

	LINE OF ACTIVITY	:	ELIGIBILITY & GUIDELINES
6.2.6.1	The manufacture, preservation or processing of goods	:	As per G O Ms Nos. 61 Ind. & Com. (IP) Dept dt: 29/06/2010.
6.2.6.2	Mining or development or mines	:	The cost of equipment in mining process is eligible.
6.2.6.3	The Hotel industry	:	The fixed capital investment involved in the land, hotel building, equipment, furniture & Kitchen ware for running the hotel are eligible.
6.2.6.4	The transport of passengers or goods by road or by water or by air or by ropeway or by lift	:	<ul style="list-style-type: none"> ➤ Hiring arrangement with the reputed Organization or Government or Government undertakings is required OR ➤ Having own transport company as per Government norms. Personal use vehicles are not eligible for claiming the subsidy. Only commercial use vehicles are eligible.
6.2.6.5	The generation or distribution of electricity or any other form of power	:	The fixed capital investment involved in the power generation plant is eligible.
6.2.6.6	The maintenance, repair, testing or servicing of machinery of any description or vehicles or vessels or motor boats or trailers or tractors	:	The fixed capital investment involved in the land, building and tools / equipment is eligible.
6.2.6.7	Assembling, repairing or packing any article with the aid of machinery or power	:	The fixed capital investment involved in the land, building & machinery/ equipment is eligible.
6.2.6.8	The setting up or development of an industrial area or industrial estate:	:	The guidelines for this line of activity is placed below the table under 6.2.6.8.
6.2.6.9	Fishing or providing shore facilities for fishing or maintenance thereof	:	The fixed capital investment involved in land, building and equipment is eligible.
6.2.6.10	Providing weigh bridge facilities	:	The fixed capital investment involved in the land, building and equipment is eligible.

6.2.6.11	Providing engineering technical, financial, management, marketing or other services or facilities for industry	:	The fixed capital investment involved in the land, building and Tools /Equipment is eligible.
6.2.6.12	Providing medical, health or other allied services	:	The fixed capital investment involved in the land, building and Hospital equipment is eligible.
6.2.6.13	Providing software or hardware services relating to information technology, telecommunications or electronics including satellite linkage and audio or visual cable communication	:	The fixed capital investment involved in the land, building and equipment is eligible.
6.2.6.14	Setting up or development of tourism related facilities including amusement parks, convention centres, restaurants, travel and transport (including those at airports), tourist service agencies and guidance and counseling services to the tourists	:	The fixed capital investment involved in the land, building and equipment is only eligible.
6.2.6.15	Construction	:	The fixed capital investment involved in the “construction equipment only” is eligible.
6.2.6.16	Development, maintenance and construction of roads	:	The fixed capital investment involved in the equipment used for laying the Road is eligible i.e Road rollers, Pavers etc.
6.2.6.17	Providing commercial complex facilities and community centres including conference halls	:	The fixed capital investment involved in the land, building is eligible. The other essential facilities required for complexes are also eligible. The facility created should be in the name of the entrepreneur or enterprise for a minimum period of six years.
6.2.6.18	Floriculture	:	The fixed capital investment involved in the land, building and equipment is only eligible.
6.2.6.19	Tissue culture, fish culture, poultry farming, breeding and hatcheries	:	The fixed capital investment involved in the land, building and equipment is only eligible.
6.2.6.20	Service industry, such as altering, ornamenting, polishing, finishing, oiling, washing, cleaning or otherwise treating or adapting any article or substance with a view to its use, sale, transport, delivery or disposal.	:	The fixed capital investment involved in the land, building and equipment is only eligible.

6.2.6.21	Research and development of any concept, technology, design, process or product, whether in relation to any of the matters aforesaid, including any activities approved by the Small Industries Bank; or	:	The fixed capital investment involved in the land, building and equipment is only eligible.
6.2.6.22	Such other activity as may be approved by the Small Industries Development Bank of India.	:	The fixed capital investment involved in the land, building and equipment is only eligible.

6.2.6.8. The following are the guidelines for the line of Activity of “Setting up or development of an industrial area or industrial estate” by SC/ST entrepreneurs:

- (i) The minimum land area required may be 10 acres. The land is registered in the name of the developer (SC/ST) only. No leased land is allowed.
- (ii) The minimum plots in the estate may be 10 (ten) plots and maximum 20 (twenty) plots.
- (iii) The applicant (SC/ST entrepreneur) has to provide the facilities of infrastructure i.e. Roads, Water supply, Power supply, Waste Management (Effluent Treatment Plant) both solid and liquid waste, Fire safety measures etc.
- (iv) The title deeds are to be registered in favour of the Industrial Estate/ Industrial Area to be established by SC/ST entrepreneur and they may be kept with the GM, DIC concerned in Original until the project is completed for proper utilization of the incentives released.
- (v) The applicant (SC/ST entrepreneur) should get the change of land use for the Industrial purpose. The applicant (SC/ST entrepreneur) should pay the NALA Tax before completion of the Project.
- (vi) The applicant (SC/ST entrepreneur) should obtain approvals of layout, Pollution clearance etc. from the Local Authorities/ competent authorities/AP Pollution Control Board;
- (vii) The applicant (SC/ST entrepreneur) should furnish the Project report covering means of finance and sources of funding.
- (viii) In case of partnership, the applicant (SC/ST entrepreneur) should furnish the Registered Partnership Deed.
- (ix) In case of applicant (SC/ST entrepreneur) registered under Companies Act, the applicant should furnish the Certificate of Incorporation, Memorandum of Association, Articles of Association, Balance sheet certified by a Chartered Accountant etc.
- (x) The eligible industries under industrial policy may be established in the Industrial estate/ Industrial Area to get incentives under the industrial policy.
- (xi) Subsidy / Incentives may be released to the Industrial Estate/ Industrial Area after approval of layout by the competent authority and after obtaining APPCB approval and also after financial closure from the financial institution for the entire project.
- (xii) If any irregularities take place in Industrial Estate/ Industrial Area the General Manager, District Industries Centre of concerned may take necessary action under intimation to the Commissioner of Industries.
- (xiii) The allotment committee members from O/o. General Manager, District Industries Centre will monitor the steps that are being taken for establishment of Industrial Estate/ Industrial Area by the SC/ ST Entrepreneurs.
- (xiv) No further subsidy shall be eligible for the land purchased by the units in the proposed Industrial Estate, as the land is already covered under subsidy scheme.

6.3. Reimbursement on land cost in IEs/IDA/IP's:

- 6.3.1 All eligible industrial Enterprises shall submit their claims in the prescribed application form given at Annexure – VI for Reimbursement on land cost within six months from the date of commencement of commercial production, to the General Manager, District Industries Centre concerned.
- 6.3.2 33 1/3% Reimbursement on land cost in IE/IDA/IP's limited to Rs.10.00 Lakhs to the industrial enterprises located at Industrial Estates/Industrial Parks is allowed.
- 6.3.3 The above benefit is available to all eligible a) new industrial Enterprises and b) Expansion/Diversification projects, subject to fulfillment of the conditions stipulated at para No. 4.4 or 4.5.
- 6.3.4 The above benefit shall be provided on purchase of land directly from APIIC only.
- 6.3.5 The above benefits shall be admissible to the extent upto five times of the plinth area of the factory building constructed within the approved project cost. However, in respect of industries where the open land requirements would be large due to the specific nature of industry, SLC may consider allowing land in excess of 5 times plinth area on case to case basis.

6.4. Reimbursement of Power consumption Charges:

- 6.4.1 All eligible industrial Enterprises shall submit their claims in the prescribed application form given at Annexure - VII for Reimbursement of Power cost within six months after completion of every half-year i.e., last date for filing claim application is 31st of March for first half year and 30th of September for second half year along with the documents mentioned in the Application to the General Manager, District Industries Centre concerned on half yearly basis.
- 6.4.2 Fixed power cost reimbursement @ Rs.1.00 per unit (upper ceiling) on energy consumption charges as per G. O. Ms. No. 61 Industries & Commerce (IP) Department, dated: 29.06.2010 for a period of 5 years from the date of commencement of commercial production. In case, decrease in Power Tariff on the revised rates (2010-2011), the reimbursement will be reduced proportionately.
- 6.4.3 This reimbursement is only on the energy consumption (KWH) charges but not on Maximum Demand or any other charges levied by DISCOMs. Residential & Colony power consumption will be deducted.
- 6.4.4 The Reimbursement of power cost shall be applicable to all (a) new industrial Enterprises and (b) Expansion/Diversification Projects, subject to fulfillment of the conditions stipulated at para No. 4.4 or 4.5.
- 6.4.5 The power cost reimbursement shall be applicable to the industrial enterprises, which are utilizing power from DISCOM only and power connection should be in the name of the Enterprise/industry.
- 6.4.6 Reimbursement of power cost will be allowed in case of Expansion/ Diversification Projects over and above base power consumed. For the purpose of reimbursement, annual power consumption will be taken into account. The reimbursement will be made every six (6) months, but in case of actual power consumed during the year is less than annual base consumption, reimbursement made during any previous period will be adjusted in future reimbursement. If excess is paid and could not be adjusted in future claims, will be recovered under R.R. Act.

- 6.4.7 The base annual consumption will be either average annual power consumption of previous three financial years of the Expansion/Diversification project as certified by Chartered Accountant or power consumption for 75% of installed capacity utilization of the original industrial enterprise, whichever is higher. Power consumed over and above the base consumption will be eligible for reimbursement of power cost. If the Enterprise/Industry taken up expansion/diversification in the same year, the base power consumption will be calculated proportionately.

6.5. Investment subsidy:

- 6.5.1 All eligible industrial Enterprises shall submit their claims in the prescribed application form given at Annexure – VIII for investment subsidy within six months from the date of commencement of commercial production, to the General Manager, District Industries Centre concerned.
- 6.5.2 35% investment subsidy on fixed capital Investment for Micro and Small Enterprises by SC and ST Entrepreneurs and additional 5% investment subsidy for SC Women and ST Women Entrepreneurs, with a maximum limit of Rs.50.00 lakhs per Enterprise. (i.e. 35% for SC and ST Entrepreneurs and 40% for SC Women and ST Women entrepreneurs). Additional 5% investment subsidy for enterprises/industries set up in Scheduled Areas by ST entrepreneurs with a maximum limit of Rs.50.00 Lakhs per Enterprise.
- 6.5.3 Investment subsidy shall be applicable to all identified service activities related to industries setup in all Municipal Corporation limits in the State as per the list appended as Annexure –II appended to GO.Ms.No.61, Inds.& Comm(IP) Dept., dated: 29.6.2010.
- 6.5.4 Scheduled Caste and Scheduled Tribe entrepreneurs can set up projects covered in the line of activities in Annexure – III and Annexure – IV appended to GO.Ms.No.61, Inds. & Comm. (IP) Dept., dated: 29.6.2010, to avail the incentives under the Industrial Investment Promotion Policy (IIPP) 2010-2015 any where in the state, however projects proposed to be set up in the Municipal Corporation limits of Vijayawada, Greater Visakhapatnam Municipal Corporation and Greater Hyderabad Municipal Corporation shall obtain pollution clearances wherever necessary.
- 6.5.5 Service Sector projects set up by the SC/ST entrepreneurs will be limited to 50% of the budget, in order to encourage the remaining 50% for the manufacturing sector.
- 6.5.6 Investment Subsidy shall be applicable to all eligible a) new Micro and Small Enterprises and b) Expansion/Diversification of Micro and Small Enterprises, subject to fulfillment of the conditions stipulated in para No. 4.4 or 4.5.
- 6.5.7 The line of activity of Proclainer is considered as eligible exclusively in case of Scheduled Caste and Scheduled Tribe entrepreneurs and incentive shall be extended under service activity.
- 6.5.8 Two and Three wheelers are not eligible for any type of incentives under IIPP 2010-15 as these can be considered under SC/ST Finance Corporations.

6.6. CLAIMING OF INVESTMENT SUBSIDY PRIOR TO DATE OF COMMENCEMENT OF COMMERCIAL PRODUCTION(DCP) BY SC/ST ENTREPRENEURS:

- 6.6.1 The Commissioner of Industries , A.P, Hyderabad will act as Nodal Agency for implementation of SCSP/TSP.
- 6.6.2 The General Manager, District Industries Centre will recommend the applications after placing before the District Investment Promotion Committee (DIPC) to the Commissioner of

Industries with his specific remarks/recommendation on the proposed sanction of Investment Subsidy prior to Date of commencement of Commercial Production (DCP).

- 6.6.3 New Micro and Small Enterprises are only eligible for investment subsidy only after term loan sanctioned and disbursed.
- 6.6.4 The Investment Subsidy prior to DCP would be computed, as per the financial institution appraisal. However, the SC/ST Entrepreneurs should bring in capital at least 10% of the total project cost.
- 6.6.5 The SC/ST entrepreneurs shall submit the claim applications to the General Manager, District Industries Centre of the district concerned in the prescribed application form given at Annexure-XVI, after sanction of term loan by the financial institution /scheduled commercial banks.
- 6.6.6 The subsidy component should not be taken into consideration, while appraising the projects by the financial institutions. The subsidy released can be adjusted against the term loan already released.
- 6.6.7 After release of investment subsidy, the Enterprise should commence commercial production within eighteen (18) months, other wise the released investment subsidy will be recovered except in the case where the unit fails to implement the project due to reasons beyond its control.
- 6.6.8 The General Manager, District Industries Centre should monitor the progress of the Enterprise and submit report to the Commissioner of Industries on quarterly basis.
- 6.6.9 The SC/ST entrepreneurs are eligible for investment subsidy only after term loan is sanctioned & disbursed. The commissioner of industries, A.P, Hyderabad will sanction and release Investment subsidy after disbursement of the term loan by the APSFC/Scheduled Banks irrespective of the date of commencement of commercial production, to facilitate the SC/ST entrepreneurs to implement the project.
- 6.6.10 The Investment Subsidy prior to DCP will be sanctioned and released @ 35% and 45% of the eligible Investment subsidy as 1st & 2nd installments respectively in “pari passu” mode along with term loan by the Commissioner of Industries subject to availability of budget under SCSP/TSP.
- 6.6.11 The final 20% Investment subsidy will be sanctioned and released after the commencement of commercial production by the respective SLC/DLC.
- 6.6.12 The Self finance SC & ST Entrepreneurs are eligible for the Investment Subsidy as per General Operational Guidelines of IIPP 2010-15. In respect of units availing term loan from Non Banking/financial Institutions, the separate guidelines will be issued.
- 6.6.13 All eligible SC/ST entrepreneurs shall submit the applications for the sanction of Investment Subsidy prior to DCP in the proforma given at Annexure – XVI, after obtaining all the statutory approvals for establishment of the enterprise.

6.7. INDUSTRIAL INFRASTRUCTURE DEVELOPMENT FUND (IIDF) FOR SC/ST ENTREPRENEURS

- 6.7.1 **This assistance would be available for all eligible Medium Enterprises & Large Industries and Mega projects only. However, in case of Scheduled Caste and Scheduled Tribe entrepreneurs the assistance would be available for all Micro and Small Enterprises also.**
- 6.7.2 For Micro and Small Enterprises set up by Scheduled Caste and Scheduled Tribe entrepreneurs, Infrastructure like roads, power and water will be provided at doorstep of the industry for standalone enterprises/industries by contributing 50% of the cost of infrastructure from IIDF with a ceiling of Rs.1.00 Crore, subject to (a) the location should be beyond 10 Kms from

the existing Industrial Estates/IDAs having vacant land/shed for allotment and (b) cost of the infrastructure limited to 15% of the eligible fixed capital investment made in the industry. 50% of the cost of infrastructure is raised to 75% in respect of enterprises/industries set up by ST entrepreneurs in Scheduled areas

6.7.3 The Industries which are declared as “in-eligible industries” under Annexure-III of Industrial Investment Promotion Policy – 2010-15 are not eligible for financial assistance from Industrial infrastructure Development Fund. However, it is not applicable to Scheduled Caste and Scheduled Tribe entrepreneurs.

6.7.4 The other operational guidelines under IIDF at para 7.5.0 will be applicable for SC/ST Entrepreneurs.

6.8.0. For Reimbursement of Stamp duty, Transfer duty, Mortgage & Hypothecation Duty, Land conversion Charges, Seed capital assistance, Reimbursement of Tax, Pavala Vaddi, Reimbursement of cost involved in Skill upgradation and Training, Reimbursement on the expenses incurred for Quality Certification / Patent Registration and Reimbursement on specific cleaner production measures etc., to SC/ST entrepreneurs, the General Operational Guidelines under IIPP 2010-15 should be followed.

6.9.0. Women entrepreneurs.

6.9.1 These provisions are applicable for Micro / Small Enterprises set up by Women entrepreneurs.

6.9.2 Micro / Small Enterprises wholly promoted by Women entrepreneurs as proprietor / partnership / private limited company as sole Proprietress are eligible or invariably having 100% share in Partnership/Private Limited Companies are eligible as per the G.O.Ms.No.274, Industries & Commerce (IP) Department, dated: 16.08.2008.

6.9.3 Industrial Cooperative Societies engaged in the Industrial activity promoted by Women should be exclusively (i.e.100%) for the benefit of Women entrepreneurs.

6.9.4 In case of Enterprises set up by Women entrepreneurs, transfer of ownership is not normally permitted. However, transfer from one Woman entrepreneur to another Women entrepreneur may be allowed with the prior approval of Commissioner of Industries subject to condition that ultimately 100% share holding of the Women entrepreneur is protected / maintained.

7.0 Mega Projects:

7.1. Mega Project means the Industrial Enterprise, which sets up with a capital investment of Rs.250 Crore and above for a span of three years or a project that creates employment to more than 2000 persons. Spinning / Weaving/Ginning projects with an investment of Rs. 125 Crore will be classified as Mega Project (as defined by the State Government from time to time).

7.2. Mega projects i.e. projects with an investment of Rs.250 Crore and above or a project that creates employment to more than 2000 persons are eligible for all the incentives available for Large Industries and Medium Scale Enterprises(as defined by the State Government from time to time).

7.3. Further, the Government will also extend tailor-made benefits to suit to a particular investment requirements on case to case basis.

7.4. Companies intending to establish Mega Projects and are desirous of seeking Financial Assistance/concessions have to make detailed representations along with project reports to the Commissioner of Industries, clearly spelling out special incentives being sought for with due justification before or during initial stages of implementation. On receipt of such proposals Commissioner of Industries will examine the same and forward it to the Government and the decision of the Government is final in the matter.

7.5.0. INDUSTRIAL INFRASTRUCTURE DEVELOPMENT FUND (IIDF)

- 7.5.1. All eligible industrial Enterprises shall submit their claims in the prescribed application form given at Annexure – XV for financial assistance before date of commencement of commercial production or within six months from the date of commencement of commercial production along with required documents, to the General Manager, District Industries Centre concerned.
- 7.5.2. Infrastructure like roads, power and water will be provided at door step of the industry for standalone enterprises/industries by contributing 50% of the cost of infrastructure from IIDF with a ceiling of Rs.1.00 Crore, subject to (a) the location should be beyond 10 kms from the existing Industrial Estates/IDA/IP's having vacant land/shed for allotment and (b) cost of the infrastructure limited to 15% of the eligible fixed capital investment made in the industry.
- 7.5.3. The General Manager, District Industries Centre will recommend the applications after placing before the District Investment Promotion Committee (DIPC) Meeting to the Commissioner of Industries with his specific remarks/recommendation on the proposed Infrastructure to be developed together with the following information.
- 7.5.4. The Enterprise/Industry should give a declaration stating that they have not availed any financial assistance from the Government earlier for the proposed Infrastructure to be developed:
- 7.5.5. Declaration from the line department concerned shall be obtained stating that the project is not covered in the budgetary estimates of current year.
- 7.5.6. The Infrastructure estimates are to be confirmed by District head of the line department concerned with certificate that no departmental funds are available for this purpose.
- 7.5.7. This assistance would be available for all eligible Medium Enterprises & Large Industries and Mega projects only. However, in case of Scheduled Caste and Scheduled Tribe entrepreneurs the assistance would be available for all Micro and Small Enterprises also.
- 7.5.8. For Micro and Small Enterprises set up by Scheduled Caste and Scheduled Tribe entrepreneurs, Infrastructure like roads, power and water will be provided at doorstep of the industry for standalone enterprises/industries by contributing 50% of the cost of infrastructure from IIDF with a ceiling of Rs.1.00 Crore, subject to (a) the location should be beyond 10 Kms from the existing Industrial Estates/IDAs having vacant land/shed for allotment and (b) cost of the infrastructure limited to 15% of the eligible fixed capital investment made in the industry. 50% of the cost of infrastructure is raised to 75% in respect of enterprises/industries set up by ST entrepreneurs in Scheduled areas.
- 7.5.9. The State Government has provided financial assistance as a grant to the new Industrial Enterprises for the development of following Infrastructure facilities upto the door step of the proposed Industrial Enterprises.
 - a. Drinking Water and Industrial Water
 - b. Electricity – Power connection
 - c. Laying of drainage line from the Enterprise/Industry/Industrial Estate to the existing Point or to the natural drainage point:
 - d. Approach Road to the Enterprise/Industry
 - e. Any other infrastructure facilities as approved by the Government/SLC.
- 7.5.10. The Industries which are declared as “in-eligible industries” under Annexure-III of Industrial Investment Promotion Policy – 2010-15 are not eligible for financial assistance from Industrial infrastructure Development Fund. However, it is not applicable to Scheduled Caste and Scheduled Tribe entrepreneurs.
- 7.5.11. Before release of incentives amount, the General Manager, District Industries Centre concerned has to ascertain the working condition of the enterprise/industry.

7.5.12. The Enterprise/Industry should be in operation for at least six (6) years from the Date of Commencement of Commercial Production, if not, the grant will be recovered. In this regard, the General Manager, District Industries Centre should monitor the progress of these Enterprises and submit report to the Commissioner of Industries on half-yearly basis.

7.6.0. STATE LEVEL SCRUTINY/VERIFICATION COMMITTEES FOR IIDF

(1) Additional Director of Industries, Hyderabad.	Chairman
(2) President of Federation of A.P. Chamber of Commerce and Industry or his nominee	Member
(3) President of FAPSIA or his nominee.	Member
(4) Managing Director, A.P. State Financial Corporation, Hyderabad or his nominee	Member
(5) Convenor, State Level Bankers Committee (SLBC).	Member
(6) Executive Director, A.P. Industrial Infrastructure Corporation, Hyderabad or his nominee	Member
(7) Chief Engineer, APTRANSCO	Member
(8) Chief General Manager of DISCOM concerned	Member
(9) Engineer-in-Chief, R&B or his nominee	Member
(10) Engineer-in-Chief, HMWS&SB or his nominee	Member
(11) Joint Director of industries	Member- Convenor

7.7.0. TEXTILE SECTOR

7.7.1. The eligibility period for Spinning/Weaving/Garmenting enterprises/industries commissioned during IIPP 2005-10 period is extended by another three (3) years, making total eligibility period as eight (8) years.

7.7.2. The benefits/concessions of IIPP 2005-10 will be applicable to the Enterprises/Industries which have gone into commercial production on or before 30.06.2010.

7.7.3. The benefits of existing incentives under Textile and Apparel Policy 2005-10 [G.O.Ms.No.300 Industries & Commerce (Tex) Department, dated.08.11.2005] are extended by another five (5) years.

7.7.4. The Spinning/Weaving/Garmenting enterprises/industries commence commercial production on or after 1.7.2010 but before 31.3.2015 are eligible for the benefits/concessions under IIPP 2010-15.

7.7.5. The operational guidelines of Industrial Investment Promotion Policy (IIPP) 2010-15 shall “ipso facto” apply in respect of the enterprises/industries covered under Textile Sector.

7.7.6. The Modern Ginning Enterprises/Industries should fulfillment of the Norms as per Technology Mission on Cotton Appended at Annexure – V.

8.0.0. COMPUTATION OF FIXED CAPITAL INVESTMENT:

8.1.0. LAND :

8.1.1. Cost of land required for the successful working of the new industrial enterprise would normally be computed by considering value of five times the plinth area of the factory building constructed and not exceeding the approved project cost. However, in respect of enterprises/industries where

the open land requirements would be large due to the specific nature industry, SLC may consider allowing land in excess of 5 times of plinth area on case to case basis. However cost of site leveling, clearance, laying of roads, etc. will not be considered for capital cost.

- 8.1.2. Value of leased land will not be taken into account for capital cost.
- 8.1.3. Sale deed should be registered in the name of Enterprise/Industry/Proprietor as the case may be, for sanction of any incentives / concessions.
- 8.1.4. Lands inherited would not be considered for capital cost computation.
- 8.1.5. Stamp duty and Transfer duty component will not be taken in to account while computing the fixed capital investment for sanction of Investment Subsidy.
- 8.1.6.** In case of availing 25% land cost on lands purchased in APIIC developed IEs/IDA/Industrial Parks, the land cost will not be taken in to account while computing the fixed capital investment for sanction of Investment Subsidy.

8.2.0. FACTORY BUILDING:

- 8.2.1. The value of factory building constructions will be limited to the approved project cost. Values of leased building will not be taken into account. Cost of buildings will be computed as per the APSFC approved rates of construction / year of construction or the actual cost, whichever is lower. The items of civil works which are permitted for computation towards eligible cost are:
 - (1) Main Factory Shed.
 - (2) Raw Material and finished products godown.
 - (3) Office room and Lab room.
 - (4) Cooling water ponds.
 - (5) Boiler shed and generator room.
 - (6) Effluent treatment ponds, etc.
 - (7) Overhead Tank, bore-wells, and pump house and sump.
 - (8) Fencing and Gate.
 - (9) Architect fee and supervision charges.
 - (10) Compound wall.
 - (11) Canteen.
 - (12) Rest House.
 - (13) Time Office.
 - (14) Cycle / Vehicle Stand.
 - (15) Security Shed and
 - (16) Toilet room and sanitary fittings.
- 8.2.2. The total value of items at (10) to (16) and similar items shall not exceed 10% of the total value of civil works. Total value of the civil works means items (1) to (9) only (within the approved project cost). The plinth area of the civil works based on the construction made by the industrial enterprise from items (1) to (9) only.

8.3.0. PLANT AND MACHINERY:

- 8.3.1. The computable cost should be within the approved project cost, subject to limitations setout in the following paras.
- 8.3.2. Value of plant, machinery and equipment installed for undertaking production of approved items and the value of tools (other than consumables) Jigs, Dies, Moulds necessary for

production of approved items will be taken into account. Leased plant and equipment is not eligible for incentives.

- 8.3.3. Enterprise/Industry setup with total second hand machinery would not be eligible for any incentives/concessions. However in case of Enterprise/Industry setup with imported machinery, value of 100% imported second hand plant, machinery and equipment will be considered as new indigenous machinery, if it is imported directly by the industrial Enterprise. In case of indigenous second hand machinery purchased by the industrial enterprise, such value should not exceed 25% of the total value of plant and machinery. The value of indigenous second hand machinery will not be computed towards fixed eligible capital investment for incentives. To decide the percentage of second hand machinery, market value as certified by Chartered Accountant (C.A.) will be taken into account, subject to such machinery having a minimum of further six (6) years life for Micro, Small Enterprises and twelve (12) years for Medium Enterprise and Large Industries certified by a Licensed Engineer. New Enterprise/industry setting up with a mix up of new / second hand machinery shall be subjected to these norms.
- 8.3.4. Expenditure on Technical Consultancy / Feasibility study including turn-key charges will be considered towards the fixed capital investment, provided they are part of the approved project cost, capitalised and certified by a Chartered Accountant, but limited to 10% of the total cost of plant machinery and equipment installed.
- 8.3.5. The value of plant, machinery and equipment procured by new industrial Enterprise from APSFC / A.P. State Industrial Development Corporation / Nationalised Banks pertaining to disposed off Enterprise/industry will be taken into account, provided such machinery has not enjoyed any incentives under any of the earlier incentive schemes. Only depreciated value of such plant, machinery and equipment, as certified by Chartered Accountant subject to such machinery having a minimum of further six (6) years life for Micro, Small Enterprises and twelve (12) years for Medium Enterprise and Large Industries certified by a Licensed Engineer, will be taken into account for computing towards eligible fixed capital investment.
- 8.3.6. In respect of new industries Enterprises setup in the premises belonging to disposed off Enterprises from any Financial Institution / disposed off enterprises/industries, if the earlier Enterprises availed incentives, only new assets created with fresh investment would be eligible for incentives.
- 8.3.7. Value of self-fabricated machinery by the new industrial Enterprise/Industry will have to be certified by a Chartered Engineer or Engineer of the term lending institution concerned for the purpose of computing the eligible fixed capital investment.
- 8.3.8.0. The new industrial Enterprises set up for "Heavy Structural Fabrications" will be considered for grant of incentives only in case the following minimum plant, machinery and equipment are installed.
 - (1) Gantry 5/10 tons capacity with chain pulley block or EOT/HOT crane 5/10 tons capacity.
 - (2) Arc welding Transformer with welding Generators or Rectifiers.
 - (3) Gas welding and cutting equipment.
 - (4) Electrical tools namely; Grinder, Rivettor or Drilling Machinery or Pneumatic tools with air compressor.
 - (5) Pillar type drilling machine 1" / 1.1/2" capacity.
 - (6) Pug cutting equipment for cutting heavy sections viz. Angles, Plates and Channels.
 - (7) Drafting machine and drawing office equipment (optional).
 - (8) Any other latest equipment to perform heavy structural fabrication in lieu of any of the above equipment.

8.3.9.0. ITEMS NOT COMPUTABLE TOWARDS FIXED CAPITAL INVESTMENT.

- (1) Working capital, raw material, stores and all consumables including spare tools, etc.
- (2) Value of the Motor Vehicles.
- (3) Pre-operative expenses, advances, expenditure not supported by payment of bills wherever necessary.
- (4) Investment made outside the approved project cost and items not covered by approved project.
- (5) Fixed assets which form part of project cost but not created within 6 months from the date of commercial production or the date of filling the claim whichever is earlier, if it is financed enterprises/industry.
- (6) Term loan sanctioned by the Financial Institution after **the date of commencement of commercial production.**
- (7) In case of self-financed Enterprise/industry, the fixed assets created after the date of commencement of Commercial Production and also payment made after date of commencement of Commercial Production, such value.

9.0. GENERAL

- 9.1. The claim applications filed after six months but before one year from the specified Date as defined for sanction of incentives will be treated as belated claims and are eligible for 50% of all the incentives. All claims filed beyond one year are not eligible for any incentives.
- 9.2. All eligible Enterprise/Industry should furnish a registered lease deed for a minimum period of eight (8) years covering the first six (6) years production period from the date of commencement of production.
- 9.3. If any Micro and Small Enterprise taking up expansion/diversification had availed investment subsidy under any earlier scheme, the subsidy amount already availed would be deducted from the eligible Investment Subsidy, and the total subsidy would be limited to Rs.20.00 lakh in case of general entrepreneurs and Rs.25 lakh in case of Women entrepreneurs and Rs.50 lakh in case of SC/ST Entrepreneurs and Women SC/ST Entrepreneurs as per the limits prescribed in the IIPP 2010-15.
 - 9.3.1. In case of existing Industrial Enterprise setting up a new industrial Enterprise with separate identifiable investment, the words 'SEPARATE IDENTIFIABLE INVESTMENT' shall mean that the Enterprise/Industry should not have any production linkage with the existing manufacturing process and the product should be a separate product itself with independent marketability. The new Enterprise/Industry should be in a separate building, should maintain separate books of accounts and the project should be appraised independently by financial institution as a viable project. A new project will not, however, be regarded as a "Separate Identifiable Investment" if the utilities of the existing Enterprise/Industry like water, electricity, steam and pollution control systems are extended to the new Enterprise/Industry (Government Memo No.27099/IP/A2/97-2, dated:15.06.1998).
 - 9.3.2. If any existing Industrial Enterprise setting up a new industrial Enterprise with separate identifiable investment for the same end product/new product at different location in the same name it will be treated as new Enterprise/Industry (separately identifiable investment), even though there is no separate Sales Tax registration number (VAT) and separate marketability, since the Sales Tax Department is issuing only one Sales Tax registration number (VAT) for one dealer even they have more than one Enterprises/Industries within the state. However they have to maintain separate books of accounts for each location.

10.0. INELIGIBILITY :

- 10.1. Enterprises/Industries listed in Annexure-III to the G.O.Ms.No.61, Ind. Com (IP) Dept., dated:29.06.2010 are not eligible for any incentives/concessions.
- 10.2. New industrial Enterprise being set up within the limits of Vijayawada, Greater Visakhapatnam Municipal Corporation and Grater Hyderabad Municipal Corporation excluding existing Industrial Estates/Parks, Industrial Estates notified, Industrial Estates to be notified and commence commercial production on or after 01.07.2010 but before 31.03.2015. However, the Industrial Enterprises set up at Sanathnagar, Azamabad, Chandulal Baradari and Kattedan Industrial Estates are not eligible under IIPP 2010-15.
- 10.3. New Industrial Enterprise established with Plant and Machinery on lease is not eligible for incentives/concessions.
- 10.4. New Industrial Enterprise established with second hand machinery is not eligible for incentives/concessions except where the cost of such machinery does not exceed 25% of the total cost of plant and machinery.
- 10.5. Composites industrial enterprise set up for manufacture of an eligible item along with an ineligible item are not eligible for incentives/concessions except when the proportion of ineligible items in the total production is less than 10% in value of the total turnover as per G.O.Ms. No.20 Industries & Commerce (IP) Department, dated:31.01.1997.
- 10.6. New Integrated Steel Plants which produces Steel Billets, Coils, Strips, Slabs or Alloy Steels starting with iron ore / scrap and using the liquid metal produced to make Billets, Coils, Strips, Slabs or Alloy Steels any melting Enterprises/Industries involved part production are eligible for all other incentives / benefits under IIPP 2010-15 except power cost reimbursement. However, manufacture of Sponge Iron and Pig Iron are eligible for reimbursement of power cost including other incentives under IIPP 2010-15.

11.0. CHANGE OF CONSTITUTION/MANAGEMENT/ NAME OR STYLE OF INDUSTRIAL ENTERPRISE/INDUSTRY:

The Industrial Enterprise that availed incentives/concessions should obtain the No Objection Certificate (NOC) from the financing institutions concerned in respect of aided Enterprise/industry and Certificate of incorporation from Registrar of Companies (ROC) within the first six (6) years from the date of Commencement of Commercial Production, before seeking the approval of State Level Committee for any change of the constitution/Management/name & style of the Industrial Enterprise.

12.0. LEASE OF ENTERPRISE/INDUSTRY:

In case of the Industrial Enterprise that availed incentives/concessions whose management is not able to run the Enterprise/Industry and intent to lease out to other management within the first six (6) years from the date of Commencement of Commercial Production should obtain the No Objection Certificate (NOC) from the financing institutions concerned in respect of aided Enterprise/industry before seeking the approval of State Level Committee.

13.0. CHANGE OF LOCATION OF INDUSTRIAL ENTERPRISES SANCTIONED INCENTIVES/CONCESSIONS:

- 13.1. Any Micro/Small Enterprises proposing to shift their Enterprises within the District, they should obtain No Objection Certificate from the financing institutions concerned in respect of aided Enterprises/industries before seeking the approval of District Level Committee concerned. In case of shifting of any industrial enterprise outside the District, they should obtain prior approval of the financing institutions concerned in respect of aided Enterprises/industries before seeking the approval of State Level Committee. In respect of Medium Enterprises & Large industries proposing to shift within the District or outside the

District should obtain prior approval of financing institution if it is aided and then approach Commissioner of Industries for permission of the State Level Committee. Shifting of Enterprise/industry outside the State is not allowed.

- 13.2. In respect of Self Financed Enterprises/industries: In respect of Micro/Small Enterprises proposing to shift their Enterprises within the District, they should obtain prior approval of District Level Committee Concerned. In case of shifting of any industrial enterprise outside the District they should obtain prior approval of State Level Committee through the General Manager, District Industries Centre Concerned. In respect of Medium Enterprise and Large industry (unaided or Self Financed) proposing to shift their enterprise/industry either within the District or outside the District, should obtain prior permission from State Level Committee. Shifting of enterprise/industry outside the State is not allowed.

14.0. MERGER/AMALGAMATION OF THE INDUSTRIAL ENTERPRISES:

- 14.1. Prior approval of the State Level Committee is necessary for any merger/amalgamation of Enterprises/industries. The Public and Private Limited Companies seeking merger/amalgamation of their group of companies shall submit an application to Commissioner of Industries through General Manager, District Industries Centre concerned along with the necessary orders of appropriate forum under Companies Act, NOC from the Financing Institution, amended LI/IL/IEM and Incorporation Certificate form the Registrar of Companies.
- 14.2. The Partnership Firm shall submit No Objection Certificate from their Financing Institution and Firm Registration. The Proprietary concern shall submit NOC from the Financing Institution.

15.0. CHANGE OF LINE OF ACTIVITY/INCLUSION OF ADDITIONAL LINE OF ACTIVITIES:

If an enterprise/industry starts manufacturing new eligible items without any additional machinery or equipment, with the same plant & machinery, then such items shall be permitted for availing sale tax reimbursement within the period of five (5) years from the Date of Commencement of Commercial Production of the original product. They should obtain prior approval of the State Level Committee before taking up production of such new items.

16.0. BREAK IN PRODUCTION:

The Industrial Enterprises obtaining incentives should be in continuous production for a period of six (6) years from the Date of Commencement of Commercial Production failing which all incentives/concessions sanctioned are liable to be cancelled and the incentives/concessions already availed are liable for recovery. **In this regard, the General Manager, District Industries Centre concerned should monitor the progress of these Enterprises and submit report to the Commissioner of Industries on half-yearly basis.** Break-in-production upto a period of three (3) years due to the reasons beyond its control such as shortage of raw-materials, power and change of management, etc. may be condoned by State Level Committee (SLC) on merits. Any break-in-production beyond three (3) years will result in extending the six (6) years continuous production condition by the period of such break.

17.0. PROCEDURE TO BE ADHERED BY THE GENERAL MANAGER, DISTRICT INDUSTRIES CENTRES:

- 17.1. The General Managers of District Industries Centres shall maintain a separate registers a) Receipt of Incentive Applications, b) Sanctions & Releases
- 17.2. All files pertaining to sanctioned DLC cases must be recorded and kept for a period of 10 years, and made available for inspection of audit / inspecting authorities. Files pertaining to audit objection if any, shall be kept in record till such objections are cleared/deleted from the audit paras.

18.0. PROCEDURE FOR SANCTION OF INCENTIVES:

18.1 On receipt of the application claiming incentives from the industrial Enterprises concerned for sanction of incentives under the scheme (if it is aided or self financed Enterprise/Industry), the DIC officials should inspect the Enterprise/Industry and verify all the records/documents as per the PART-B of verification-cum-recommendation of the General Manager, District Industries Centre concerned & Check List duly following the procedure:

- (a) Micro Enterprises should be jointly inspected by Assistant Director/Deputy Director & Industrial Promotion Officer concerned.
- (b) Small Enterprises should be jointly inspected by Assistant Director/Deputy Director/General Manager along with Industrial Promotion Officer concerned.
- (c) Medium Enterprises/Large Industries/Mega Projects should be jointly inspected by the General Manager along with Assistant Director/Deputy Director concerned.

18.2 If it is an aided or self financed Enterprise/Industry, the inspecting officers should verify all the machinery as per machinery list with bills, payment proofs and certify on the list of machinery as follows:

“Verified Plant & Machinery. Found tallying with the list. Duly erected and put to use and is required for manufacturing the approved lines of activities. There are no second hand machinery items in the list”.

If any second hand machinery exists in the list, it can be certified accordingly.

18.3 If it is an aided Enterprise/Industry, the financial institution & General Manager, District Industries Centre concerned or Inspecting Officer should certify that “this is to certify that from the above list of plant & machinery Sl. No. ____ to ____ are new and Sl.No. ____ to ____ are second hand machinery.

18.4 Scrutiny/Verification Committees at the State Level and District Level are constituted for scrutinising and recommending the claims for these incentives to the State Level/ District Level Committees.

18.5 Committees at the State Level and District Level are constituted for sanction/rejection the claims for these incentives.

19.0. STATE LEVEL SCRUTINY/VERIFICATION COMMITTEES

19.1.0 SCRUTINY/VERIFICATION COMMITTEE FOR INVESTMENT SUBSIDY UNDER VARIOUS INCENTIVES/CONCESSIONS

- | | |
|---|-----------------|
| (1) Additional Director of Industries | Chairman |
| (2) President of Federation of A.P. Chamber of Commerce and Industry or his nominee. | Member |
| (3) President of FAPSIA or his nominee. | Member |
| (4) Convenor, SLBC or his nominee. | Member |
| (5) General Manager, A.P. State Financial Corporation, Hyderabad or his nominee. | Member |
| (6) Nominee of Managing Director, A.P. Industrial Infrastructure Corporation, Hyderabad | Member |
| (7) Nominee of Inspector General, Registration & Stamps, Revenue Department | Member |
| (8) Nominee of Chief Commissioner, Land Administration | Member |
| (9) Joint Director of industries | Member-Convenor |

19.2.0 SCRUTINY/VERIFICATION COMMITTEE FOR REIMBURSEMENT OF POWER COST

(a)	Additional Director of Industries, Hyderabad.	Chairman
(b)	President of Federation of A.P. Chamber of Commerce and Industry or his nominee.	Member
(c)	President of FAPSIA or his nominee.	Member
(d)	Convenor, SLBC or his nominee.	Member
(e)	General Manager, A.P. State Financial Corporation, Hyderabad or his nominee.	Member
(f)	Nominee of Managing Director, APCPDCL, Hyderabad	Member
(g)	Nominee of Managing Director, APNPDCL, Warangal	Member
(h)	Nominee of Managing Director, APSPDCL, Thirupathi	Member
(i)	Nominee of Managing Director, APEPDCL, Visakhapatnam	Member
(j)	Joint Director of industries	Member- Convenor

19.3.0 SCRUTINY/VERIFICATION COMMITTEE FOR REIMBURSEMENT OF COMMERCIAL TAX

(1)	Additional Director of Industries, Hyderabad.	Chairman
(2)	Additional/Joint/Deputy Secretary to Govt. Finance Dept.	Member
(3)	President of Federation of A.P. Chamber of Commerce and Industry or his nominee.	Member
(4)	President of FAPSIA or his nominee.	Member
(5)	Convenor, SLBC or his nominee.	Member
(6)	General Manager, A.P. State Financial Corporation, Hyderabad or his nominee.	Member
(7)	Nominee of Commissioner, Commercial Taxes Department	Member
(8)	Joint Director of industries	Member- Convenor

19.4.0 DISTRICT LEVEL SCRUTINY/VERIFICATION COMMITTEES

19.4.1.0 SCRUTINY/VERIFICATION COMMITTEE FOR INVESTMENT SUBSIDY UNDER VARIOUS INCENTIVES/CONCESSIONS

(a)	General Manager, District Industries Centre	Chairman
(b)	Representative from A.P. Chamber of Commerce and Industry.	Member
(c)	Representative from FAPSIA	Member

- | | |
|--|---------------------|
| (d) Lead District Manager or his nominee. | Member |
| (e) Manager, A.P. State Financial Corporation of concerned District | Member |
| (f) Zonal Manager, A.P. Industrial Infrastructure Corporation concerned District or his nominee. | Member |
| (g) District Registration & Stamps, Revenue Department or his nominee. | Member |
| (h) Deputy Director concerned District | Member-
Convenor |

19.4.2.0 SCRUTINY/VERIFICATION COMMITTEE FOR REIMBURSEMENT OF POWER COST

- | | |
|---|---------------------|
| (1) General Manager, District Industries Centre | Chairman |
| (2) Representative from A.P. Chamber of Commerce and Industry. | Member |
| (3) Representative from FAPSIA | Member |
| (4) Lead District Manager or his nominee. | Member |
| (5) Manager, A.P. State Financial Corporation of concerned District | Member |
| (6) Representative from DISCOM concerned | Member |
| (7) Deputy Director concerned District | Member-
Convenor |

19.4.3.0 SCRUTINY/VERIFICATION COMMITTEE FOR REIMBURSEMENT OF COMMERCIAL TAX

- | | |
|---|---------------------|
| (a) General Manager, District Industries Centre | Chairman |
| (b) Representative from A.P. Chamber of Commerce and Industry. | Member |
| (c) Representative from FAPSIA | Member |
| (d) Lead District Manager or his nominee. | Member |
| (e) Manager, A.P. State Financial Corporation concerned District | Member |
| (f) Commercial Tax Officer, Commercial Taxes Department or his nominee. | Member |
| (g) Deputy Director concerned District | Member-
Convenor |

20.0 POWERS OF SCRUTINY/VERIFICATION COMMITTEES OF DLC/SLC.

20.1. After receipt of claim application along with Part-B of verification-cum-recommendation, the Member-Convenor will prepare the appraisal note for each case in the form prescribed for placing before respective Scrutiny-cum-Verification Committee for recommending to the State Level/District Level Committee, as the case may be.

20.2. The Scrutiny-cum-Verification Committees will meet as often as required, but not less than once in two months. The Member - Convenor will arrange to record the minutes of each

meeting, get them duly approved by the Additional Director concerned/General Manager concerned and will be placed before State Level/District Level Committee.

20.3. After receipt of Scrutiny-cum-Verification Committee recommendations, the Member-Convenor of State Level/District Level Committee will prepare the agenda note for placing before State Level/District Level Committee for taking decision.

21.0. IN RESPECT OF SELF FINANCE ENTERPRISES:

21.1. All the Self Financed Industrial Enterprises should be inspected by respective Multi Disciplinary Committee / Standing Scrutiny Committee as per G.O.Ms.No.319, I & C (IP) Department, dated:29/12/2004 and the Committee should verify the genuineness of machinery to avoid bogus or false claims.

21.2. The Multi Disciplinary Committee at district level shall inspect the Industrial Enterprises with investment on Plant & Machinery upto Rs. 1.00 Crore with the following members:

(a) Assistant Commercial Tax Officer (ACTO) from Commercial Taxes Department:

(b) Manager, APSFC District concerned; and

(c) General Manager, District Industries Centre concerned – Member Convenor.

21.3. The Standing Scrutiny Committee (SSC) shall inspect the Industrial Enterprises with investment on Plant & Machinery over and above of Rs.1.00 Crore with the following members:

(i) Commercial Tax Officer concerned (CTO) from Commercial Taxes Department;

(ii) General Manager, APSFC of concerned District; and

(iii) Additional Director from Industries Department – Member Convenor

21.4. The **following** Sub-Committee of State Level Committee (SLC) will assist by inspecting the units referred by SLC for taking a decision.

(a) President, FAPSIA

(b) General Manager, APSFC concerned District

(c) Any other member as decided by SLC based on the need.

(d) Additional Director from Industries Department – Member Convenor

21.4.0. STATE LEVEL COMMITTEE ON INCENTIVES – LIST OF MEMBERS:

- | | |
|--|----------|
| (1) Commissioner of Industries, Hyderabad. | Chairman |
| (2) Additional Secretary/Joint Secretary/Deputy Secretary to Government, Finance Dept., Dealing with the subject | Member |
| (3) Additional Secretary/Joint Secretary/Deputy Secretary to Government, Industries & Commerce (IP) Department | Member |
| (4) President of Federation of A.P. Chamber of Commerce and Industry | Member |
| (5) The Chairman of Confederation of Indian Industry (CII) | Member |
| (6) The President of Federation of A.P. Small Industries Association (FAPSIA) | Member |
| (7) The Chairman, A.P. Spinning Mills Association, Hyderabad. | Member |
| (8) Managing Director, A.P. State Financial Corporation, Hyderabad or his nominee. | Member |

(9) Managing Director, A.P. Industrial Infrastructure Corporation, Hyderabad or his nominee.	Member
(10) Commissioner of Commercial Taxes, Hyderabad or his nominee.	Member
(11) Commissioner of Tribal Welfare, Hyderabad or his nominee.	Member
(12) Commissioner of Social Welfare, Hyderabad or his nominee.	Member
(13) Director, Commercial, APTRANSCO or his nominee	Member
(14) Commissioner & Inspector General, Registration & Stamps, Revenue Department or his nominee.	Member
(15) Member Secretary, APPCB or his nominee.	Member
(16) Commissioner, Transport or his nominee	Member
(17) Chief Commissioner, Land Administration or his nominee	Member
(18) Convenor, SLBC	Member
(19) Nominee of Syndicate Bank	Member
(20) Nominee of State Bank of India	Member
(21) Nominee of State Bank of Hyderabad	Member
(22) Nominee of Andhra Bank	Member
(23) Additional Director of Industries dealing with the subject incentives.	Member Convenor

21.4.1 The above Committee shall scrutinize and sanction the claims of Enterprises/Industries involving eligible fixed capital investment on plant & machinery above Rs.25.00 lakhs.

21.5.0. DISTRICT LEVEL COMMITTEE ON INCENTIVES – LIST OF MEMBERS:

(1) District Collector	Chairman
(2) Deputy Commissioner of Commercial Taxes	Member
(3) District Treasury Officer	Member
(4) Project Officer, I.T.D.A. of the concerned District OR District Tribal Welfare Officers of other Districts	Member
(5) Executive Officer, District Scheduled Castes Co-op. Finance Corporation	Member
(6) Branch Manager, A.P. State Finance Corporation	Member
(7) Zonal Manager, A.P. Industrial Infrastructure Corporation	Member
(8) Nominee of the President of Federation of A.P. Chamber of Commerce and Industry	Member
(9) Nominee of the President of FAPSIA	Member
(10) Chief Environmental Engineer, APPCB	Member
(11) Representative of RDO	Member
(12) Superintending Engineer, APTRANSCO	Member
(13) District Registrar, Registrations & Stamps	Member

(14) Nominee of Regional Transport Authority	Member
(15) Lead District Manager	Member
(16) General Manger, District Industries Centre	Member Convenor

21.5.17 The above Committee shall scrutinise and sanction the claims of the Micro Enterprises (as defined by the Government of India from time to time) of the District concerned involving cost of plant & machinery not exceed Rs. 25.00 lakhs (including the original investment in case of expansions and diversifications).

22.0. POWERS OF STATE LEVEL AND DISTRICT LEVEL COMMITTEES.

22.1. The State Level and District Level Committees will meet as often as required, but not less than once in two months. The Member- Convenor will arrange to record the minutes of each meeting, get them duly approved by the Chair-person and communicate attested copies to all the members.

22.2. The decisions of the State Level Committee shall be final in scrutinizing, deciding the eligible investment, sanctioning the incentives. It can also review the decisions wherever is necessary. In case of any doubt/ambiguity on any issue or item covered by these guidelines for implementing the scheme of IIPP, the decision/interpretation of State Level Committee is final and binding on all concerned. The District Level Committee will adopt norms evolved by the State Level Committee.

22.3. The SLC has the powers to condone the Break-in-production period of industrial Enterprises upto three (3) years. However, such Break-in-production period should be due to the reasons beyond the control of the Management such as shortage of raw-materials, power and change of management, etc.

22.4. State Level Committee will review the working of the scheme and release of funds.

23.1.0. WORK TO BE ATTENDED BY THE MEMBER - CONVENOR (SLC)

23.1.1. Convening the SLC meetings, drawing up the minutes of the meetings and communicating these to the members with the approval of the Chairperson;

23.1.2. Disbursement of funds to the Enterprises/Industries sanctioned observing the chronological order of sanctions within the set pattern and norms approved by SLC, if necessary.

23.1.3. Arranging maintenance of records of sanctions / disbursements in the manner prescribed. The incentive sanction register should be in the form prescribed.

23.1.4. Monitoring effective implementation of the scheme.

23.2.0. WORK TO BE ATTENDED BY THE MEMBER - CONVENOR (DLC)

23.2.1. Convening the District Level Committee meetings, drawing up the minutes of the meetings and communication to the members and the Commissioner of Industries with the approval of Chairperson.

23.2.2. Maintaining necessary accounts and registers and furnish details as and when called for by the SLC / Commissioner of Industries and producing to the audit. The incentive sanction register should be in the form prescribed.

23.2.3. Arranging periodical inspections of the beneficiary Enterprises and send reports on continuity in working etc. to the Commissioner of Industries.

24.0. PROCEDURE FOR DISBURSEMENT OF SUBSIDY:

- 24.1. After the sanction of subsidy by SLC, the Joint Director/Deputy Director concerned shall communicate the sanction through intimation letters in the form prescribed to the individual industrial enterprises.
- 24.2. In respect of DLC sanctions, the General Managers shall communicate the sanction through intimation letters in the form prescribed to the individual industrial enterprises and shall forward the proposal to the Commissioner of Industries in statement in the form prescribed.
- 24.3. In respect of SLC sanction the General Managers after receipt of individual proceedings preceded by consolidated proceedings shall obtain an agreement bond in prescribed proforma, advanced stamped receipt and assignment letter and forward the same in original to the disbursing agency APSFC / its branch along with assignment letter and stamped receipts in original after satisfying himself on the physical verification that the Enterprise/Industry is working continuously, the assets are intact and there is no change in the management, no change of financial institution and also the Enterprise/Industry complying with the conditions, if any, imposed in the consolidated proceedings.
- 24.4. The General Managers shall ensure that in case no bridge loan is availed by the beneficiary Enterprise/Industry, the assignment of investment subsidy must be in favour of the term lending institution and in the case of joint financing it must be in favour of the lead institution.
- 24.5. In case of disbursements of Reimbursements of Stamp duty and Transfer duty, rebate in land cost in IEs/IDAs, Power consumption charges, Commercial Tax, such reimbursement amounts will be paid to the industrial Enterprises concerned, in favour of the Enterprise/Industry through crossed Account payee cheque. The GM, DICs on receipt of the individual proceedings shall obtain a self certification, utilization certificates in prescribed proforma and advanced stamped receipt from the Enterprise/Industry and forward the same in original to APSFC after physically verifying the running of the Enterprise/Industry.
- 24.6. Government will allocate the funds for disbursement of incentives under the scheme. The funds so allocated will be drawn and kept in the P.D. Account of APSFC.
- 24.7. The disbursements are made in a bunch of cases through consolidated proceeding separately for SLC sanctions and DLC sanctions observing the chronological order of such meetings held. The consolidated proceedings indicating the name of the industry, amount sanctioned and amount released to Managing Director, APSFC under copies to DICs, Branch Managers of APSFC concerned, etc.,
- 24.8. In respect of SLC sanctions, after the issue of individual proceedings issued by the Member Convener of SLC, in favour of industrial enterprises in the form prescribed under copies to the Managing Director, APSFC, the Branch Manager of APSFC / Financial Institutions which have sanctioned term loans and working capital loans and the General Manager, DIC concerned. After receipt of assignment letter and advance stamped receipt, the Managing Director, APSFC / Branch Manager, APSFC, shall release the subsidy amount to the individual Enterprises through crossed / A/c. payee cheques in the name of the Financial Institution (in whose favour assignment letter was given by the beneficiary industrial enterprise) A/c. industrial enterprise and send the same to the respective Financial Institution direct under intimation to the beneficiary industrial enterprise and the General Managers, DIC concerned. If the APSFC happens to be the Financial Institution, which has sanctioned the term loan, the subsidy amount is released to the industrial enterprise after crediting the same to the A/c. of the industrial enterprise with APSFC. In case of industrial Enterprises which have availed any bridge loans against the anticipated subsidy, the subsidy amount shall be released first to the Financial Institution which has sanctioned and released bridge loan, to

discharge the liability in full against such sanction and balance amount, if any, would be released in the manner prescribed above.

24.9. In respect of DLC sanctions, the General Managers, DIC shall be forwarding the sanctions of DLCs to the Additional Director of Industries and Member-Secretary of SLC along with statement in the form prescribed, individual proceedings sanctioning after the issue of consolidated proceedings, individual proceedings are issued in favour of individual Enterprises in the form prescribed under copies to Managing Director, APSFC, Branch Manager, APSFC, Financial Institutions which have sanctioned term loans and working capital loans and General Manager, DIC concerned. After receipt of assignment letter and advance stamped receipt, the Managing Director, APSFC, Branch Manager, APSFC, shall release the subsidy amount to the individual Enterprises through crossed / A/c. payee cheques in the name of the Financial Institution (in whose favour assignment letter was given by the beneficiary industrial Enterprise) A/c. industrial enterprise and send the same to the respective Financial Institution direct under intimation to the beneficiary industrial enterprise and the General Managers, DIC concerned. If the APSFC happens to be the Financial Institution, which has sanctioned the term loan, the subsidy amount is released to the industrial enterprise after crediting the same to the A/c. of the industrial enterprise with APSFC. In case of industrial Enterprises which have availed any bridge loans against the anticipated subsidy, the subsidy amount shall be released first to the Financial Institution which has sanctioned and released bridge loan, to discharge the liability in full against such sanction and balance amount, if any, would be released in the manner prescribed above. The subsidy amount released under the scheme is treated as front end subsidy and Bank/Financial institution can only adjust the liability as on date i.e. overdue amount and release the balance amount as per the procedure in vogue and total subsidy released shall not be adjusted towards outstanding loan amount.

24.10. In respect of APSFC financed industrial Enterprises, subsidy amounts sanctioned and released shall not be credited to the A/c. of respective industrial Enterprises if they are sick, closed or changes of management taken place or sold away, change of financial institution etc.

Also wherever the General Manager, DICs finds an industrial enterprise sick, closed, change of management taken place, change of financial institution etc. or for any other reason not worthy of receiving subsidy till further examination, the Managing Director, APSFC / Branch Manager, APSFC shall not disburse the subsidy to such Enterprise/industry on written intimation given to them by the General Managers DICs, or by Commissioner of Industries. In case of above two situations, the subsidy shall be disbursed only after further clearance given by the Additional Director of Industries.

25.0. FUNCTIONS TO BE ATTENDED BY GENERAL MANAGER, DICs.:

25.1. Receiving and processing of claim applications and to ensure for placing the same before the DLCs within a month in respect of DLC cases and submission to the Commissioner of Industries within one month in respect of SLC cases, with all necessary documents along with inspection report.

25.2. To obtain stamped receipts and assignment letters in the appropriate forms besides inspecting the Enterprises/industries to ensure working of the Enterprise/industry with the assets intact, no change in the management, no change of financial institution etc., before disbursement of subsidies.

25.3. To initiate action to recover the incentives wherever warranted. In respect of Break-in-production of Enterprise and break in partnership of ownership of the unit, the General Manager, District Industries Centre concerned should monitor the progress of these Enterprises and submit report to the Commissioner of Industries on half-yearly basis.

25.4. The General Manger, District Industries Centre shall receive the incentive applications and issue acknowledgement to the Enterprise / Industries.

26.0 RECOVERIES OF SANCTIONED INCENTIVES UNDER THE SCHEME.

Incentives/concessions granted to an industrial enterprise shall be liable to be recovered in the following circumstances.

26.1. If the incentives/concessions are obtained by the industrial enterprise by misrepresentation of essential facts or by furnishing of false information or suppressions of facts or by submission of false/fake documents etc.,

26.2. If the industrial enterprise goes out of production within six (6) years from the date of commencement of commercial production, except in case where the Enterprise/Industry remains out of production for short period upto 12 months due to the reasons beyond its control such as shortage of raw-materials, power and change of management, bills receivables, recession in the market etc.

26.3. If the industrial enterprise fails to furnish the prescribed statements and/ or information when it is called upon to furnish.

26.4. If the industrial enterprise effects change of management without prior approval from the financing institution concerned and the State Level Committee.

26.5. If the industrial enterprise shifts a part or whole of the industrial Enterprise/Industry, or lease out the whole or part of premises or the plant and machinery after receiving a part or whole of the incentives without prior approval of the District Level Committee/State Level Committee.

26.6. If the whole or part of the industrial enterprise is sold without the prior approval of the State Level Committee.

26.7. If the industrial enterprise enters into a contract of any nature whatsoever by transferring the Management, without the prior approval of the State Level Committee.

26.8. If the industrial enterprise goes for additional power load/expansion or diversification of the Enterprise/Industry or change of line of activity already considered for sanction of incentives without prior approval of State Level Committee.

26.9. In the event of recoveries for reasons arising mentioned above, they shall be recovered treating them as arrears of Land Revenue under A.P. Revenue Recovery Act, 1864.

26.10. In this regard, the General Manager, District Industries Centre concerned should monitor the progress of the Enterprises and submit report to the Commissioner of Industries on half-yearly basis.

27.0 FURNISHING OF STATEMENT OF ACCOUNT/INFORMATION BY ELIGIBLE INDUSTRIAL ENTERPRISES:

Industrial Enterprises, which obtain incentives under the scheme, shall furnish certified copy of audited accounts including Balance Sheet before 30th June of the succeeding year to the disbursing agencies i.e. to the General Manager, District Industries Centre, of District concerned. Such statement should be furnished for a period of minimum six (6) years. Further, industrial Enterprises should also furnish details of production, sales, employment, etc., in the proforma prescribed to the General Manager, District Industries Centre concerned as an Annual Return before 30th June of the succeeding year and obtain acknowledgment thereof. However, Enterprises which are released capital subsidy not exceeding Rs.1,00,000/- may furnish only the Annual Performance Report in the proforma prescribed to the General Manager, DIC concerned as an Annual Return before 30th June of the succeeding year and obtain acknowledgment thereof for a period of six (6) years after going into commercial production.

28.0 INTERPRETATIONS:

When any matter arises for the purpose of interpretation on which State Level Committee (SLC) could not take a decision or in case where any suggestions are made outside the scope of SLC in regard to implementation of the scheme, such matters shall be referred to the Government in Industries & Commerce Department, Government of Andhra Pradesh and the decision of the Government shall be final.

B.SAM BOB,
PRINCIPAL SECRETARY TO GOVERNMENT &
COMMISSIONER FOR INDUSTRIAL PROMOTION

ANNEXURE: V

(G.O.MS.No.42, INDUSTRIES & COMMERCE (IP) DEPARTMENT, DATED 05.05.2011)

NORMS AS PER TECHNOLOGY MISSION ON COTTON FOR MODERN GINNING ENTERPRISES/INDUSTRIES

I. ELIGIBILITY CRITERIA:

- a) This subsidy scheme is available for setting up of new Ginning & Processing factories as well expansion of existing enterprises/industries.
- b) A Composite Enterprise/Industry intending establishes Enterprise/Industry with machinery and civil infrastructure:
- c) A ginning Enterprise/Industry desirous of installing a bale press to make it a composite Enterprise/Industry or a pressing Enterprise/Industry interested in setting up ginning facility;
- d) A factory interested in capacity expansion by addition of more ginning machines.
- e) As per TMC factory should possess all Essential Machines and Essential Infrastructure listed below and must satisfy all Essential Conditions. An Enterprise/Industry proposing modernisation or being set up with TMC assistance should be willing to maintain all records and furnish all returns to the authorities concerned. It is also necessary that the Enterprise/Industry does not avail of assistance under TUF scheme or any other subsidy scheme of the Government of India.

II. COMPONENTS OF A GINNING & PROCESSING ENTERPRISE/INDUSTRY:

1. Essential Machines:

- a) Saw gins or double roller gins with auto feeders (single roller gins not permitted)
- b) Precleaner
- c) Lint Cleaner
- d) Mechanical/Pneumatic Conveyor System for transfer of kapas from heaps to Precleaner(s) and from Precleaner(s) to individual gins. Central platform system not permitted unless it already exists.
- e) Mechanical / Pneumatic Conveyor System for carrying lint from Gin House to Lint Cleaner, from Lint Cleaner to Pala Halls and from Pala Halls to Press Hall. In case of a new Bale Press, direct feeding from Pala Halls to the Press box. In case a factory des not need Pala Halls, lint can be directly taken from Lint Cleaner to Bale Press.
- f) Bale Press with the following characteristics (in case of new installation)
 - (i) Single stage operation
 - (ii) Built-in Autotramper
 - (iii) Oil hydraulic system
 - (iv) Lint Slide and Pusher mechanism
 - (v) Press box dimensions meeting BIS requirements Existing presses without the first four features will, however, be permitted.
- g) Conveyor for carrying seed from Gins to seed platform outside
- h) Humidifiers/ Moisturizers to maintain standard moisture in kapas in the Gin Hall and in lint in the Pala Halls and Press Hall/ Lint Slide

- i) Fire fighting system comprising Overhead Tank/ Sump, Pump with stand-by Diesel pump and Hydrants with Hose pipe and Nozzles
- j) Underground wiring/cabbling both inside and outside buildings
- k) Weigh bridge (need not be installed if the facility is available nearby)

2. Essential Infrastructure:

- a) Storage space for kapas
- b) Storage space for lint (Pala House)
- c) Storage space for seeds
- d) Storage space for bales
- e) C.C. Road
- f) Boundary wall/fence
- g) Any other item/ items approved by TMC

3. Essential Conditions:

- a) Quality awareness boards to educate workers
- b) Headgear/ cap for workers
- c) Periodic training for gin operators/ technicians on maintenance and repair of machines
- d) Arrangements for regular disposal of rubbish as soon as it accumulates
- e) Gummed boards to stick human hair picked up from floor, cotton heaps etc.
- f) Variety-wise and grade-wise heaping and ginning of cotton
- g) Insistence on covering of cotton brought in carts, tractors and lorries
- h) Bale packaging as per BIS specification
- i) Gin/ Press fitters in each shift

4. Desirable Machines:

- a) HVI for cotton testing
- b) Generator(s)
- c) Laboratory model gin
- d) Ginning Percentage Balance
- e) Moisture Meter
- f) Workshop machines and tools
- g) Roller grooving machine
- h) Pod opener / Kala machine
- i) Any other machine subject to TMC approval

5. Desirable Conditions:

- a) Bales to be covered with cotton cloth
- b) Press house to be close to gin house
- c) G&P Enterprises/industries to be in co-operative sector

III. FACILITIES EXPECTED TO BE ALREADY AVAILABLE:

- a) Adequate land
- b) Adequate supply of electricity
- c) Telephone facility

IV. MINIMUM STANDARDS TO BE MAINTAINED IN RESPECT OF MACHINERY AND CIVIL STRUCTURES IN G & P PROJECTS

SNo	Item	Minimum Requirements	
		Large Industry	Small Industry
1	Ginning Machines	24 DRs of normal size / 22 extra-long DRs/ 18 Jumbo DRs with Auto feeder/ 3 saw gins (90 saws) or equivalent, with a processing capacity of 6-8 bales per hour.	12 DRs of normal size / 11 extra-long DRs/ 9 Jumbo DRs with Auto feeder/ 1 or 2 saw gins with equivalent processing capacity of 3-4 bales per hour.
2	Precleaner	Cleaner with 4 or more beater cylinders / rolls with capacity to suit the processing speed of the ginning machines.	Cleaner with 4 or more beater cylinders / rolls with capacity to suit the processing speed of the ginning machines.
3	Lint Cleaner	Cleaner with 3 or more beater cylinders / rolls with capacity to suit the processing speed of ginning machines.	Cleaner with 3 or more beater cylinders / rolls with capacity to suit the processing speed of ginning machines.
4	Kapas Conveyor System	(i) Pneumatic conveyor with Stone Catcher for the first stage from heaps to Precleaner; (ii) Mechanical/Pneumatic conveyor from Precleaner to individual gins. Central Platform system not permitted unless it exists already.	(i) Pneumatic conveyor with Stone Catcher for the first stage from heaps to Precleaner; (ii) Mechanical/Pneumatic conveyor from Precleaner to individual gins. Central Platform system not permitted unless it exists already.
5	Lint Conveyor System	Mechanical/ Pneumatic Conveyor (i) from Gins to Lint Cleaner; (ii) from Lint Cleaner to each Pala Hall and (iii) from each Pala Hall to a. Bale Press Hall in case of existing Conventional Bale Press b. Bale Press box through Lint slide & Pusher Mechanisms in case of modern Bale Press (direct feeding of cotton from Lint Cleaner to Press box permitted)	Mechanical / Pneumatic Conveyor (i) from Gins to Lint Cleaner; (ii) from Lint Cleaner to each Pala Hall and (iii)from each Pala Hall to a. Bale Press Hall in case of existing Conventional Bale Press b. Bale Press box through Lint slide & Pusher Mechanisms in case of modern Bale Press (direct feeding of cotton from Lint Cleaner to Press box permitted)
6	Bale Press	Single stage oil hydraulic, auto tramping Bale Press with Lint Slide and Pusher mechanism for direct feeding of lint into the press box. Conventional water hydraulic, two-stage presses without auto tramping facility will, however, are permitted if they already exist.	Single stage oil hydraulic, auto tramping Bale Press with Lint Slide and Pusher mechanism for direct feeding of lint into the press box. Conventional water hydraulic, two-stage presses without auto tramping facility will, however, are permitted if they already exist.

7	Conveyor for Seed	Automatic Conveyor from gins to Seed Platform	Automatic Conveyor from gins to Seed Platform
8	Humidifier/ Moisturizer	In Gin Hall In case of Central Platform, 2 Benson fans or adequate number of nozzles. In Pala Halls 2 Benson fans in each Hall or adequate number of nozzles.	In Gin Hall In case of Central Platform, 2 Benson fans or adequate number of nozzles. In Pala Halls 2 Benson fans in each Hall or adequate number of nozzles.
9	Fire Fighting System	Overhead tank/ sump (capacity 1.25 lakh litres) with a minimum of 10 hydrants strategically located, hose pipes with nozzles and a stand-by diesel pump besides an electric pump.	Overhead tank/ sump (capacity 65,000 litres), with a minimum of 6 hydrants strategically located, hose pipes with nozzles and a stand-by diesel pump besides an electric pump.
10	Underground Wiring	All high tension and low tension wires/cables to be under-ground	All high tension and low tension wires/cables to be under-ground
11	Weigh Bridge	Capacity: 20 tons/ 5 tons depending on local need (Not required if the facility is available nearby)	Capacity: 20 tons/ 5 tons depending on local needs (Not required if the facility is available nearby)
12	Pucca Platform for Kapas	Raised platform (3" CC cover) with a minimum of 10,000 sq. ft. area preferably with 10 ft. wide cemented pavement all around/1 ft. wall around.	Raised platform (3" CC cover) with a minimum of 5,000 sq. ft. area preferably with 10 ft. wide cemented pavement around/1 ft. wall around.
13	Covered Storage Space for Lint (Pala Halls)	Hall(s) with a minimum area of 4000 sq. ft., pucca floor and preferably plastered walls.	Hall(s) with a minimum area of 2000 sq. ft., pucca floor and preferably plastered walls.
14	Seed Platform	Raised, cemented (3" CC cover) platform of minimum 2000 sq. ft. area, with 2 ft. high outer wall	Raised, cemented (3" CC cover) platform of minimum 1000 sq. ft. area, with 2 ft. high outer wall
15	Bale Storage Space	Platform with cemented floor adjoining Press Hall and admeasuring a minimum area of 600 sq. ft., preferably with roof	Platform with cemented floor adjoining Press Hall and admeasuring a minimum area of 600 sq. ft., preferably with roof
16	Road	CC Road (4.5" CC cover) with at least 10 ft. width preferably elevated	CC Road (4.5" CC cover) with at least 10 ft. width preferably elevated
17	Boundary Wall/ Fence	Wire mesh fence or barbed wire fence with less than 1 ft. gap between wires, or masonry wall, all of a minimum height of 6 ft.	Wire mesh fence or barbed wire fence with less than 1 ft. gap between wires, or masonry wall, all of a minimum height of 6 ft.

11.0 Stamp Duty/Transfer duty / Mortgage and Hypothecations Duty / Land Conversion Charges & Land cost in IE/IDA/IP's Paid:

11.1 In case of Stamp Duty/Transfer Duty paid: Rs.

11.2 In case of Mortgage and Hypothecations Duty: Rs.

11.3 In case of Land Conversion Charges: Rs.

11.4 In case of lands purchased in IE/IDA/IP's cost of land: Rs.

Total Rs.

12.0 Amount Claimed for Stamp Duty/Transfer Duty / Mortgage Duty / Land Conversion Charges/ Land Cost purchased in IE/IDA/IP's :

12.1 Stamp Duty/Transfer Duty: Rs.

12.2 Mortgage and Hypothecations Duty: Rs.

12.3 25% Land Conversion Charges: Rs.

12.4 25% Land Cost purchased in IE/IDA/IP's: Rs.

Total: Rs.

DECLARATION

I am authorized to file this application and I will take full responsibility of the information mentioned. I / We hereby confirm that to the best of our knowledge and belief, information given herein before and other papers enclosed are true and correct in all respects. We further undertake to substantiate the particulars about promoter(s) and other details with documentary evidence as and when called for. I/We hereby agree that I/We shall forthwith repay the amount to me/us under scheme, if the amount of Stamp Duty/Transfer Duty / Mortgage Duty / Land Conversion Charges/ Land Cost are found to be disbursed in excess of the amount actually admissible whatsoever the reason.

Authorisation by the other Partners/Board of Directors Resolution wherein the Name, Designation and signature are attested.

Place :
Date :

Signature of Authorised Person
with Name, Designation & Firm /Office Seal.

- The following documents are to be furnished:
 - i. Registered Land Sale Deed/Lease Deed/Transfer Deed/Land conversion documents.
 - ii. Payment proof.
 - iii. All the required documents as per Check-Slip at PART – C, for the first time of the claim.

13.0 **RECOMMENDATION OF THE INSPECTING OFFICER:**

(not to be filled by the Enterprise/Industry, to be filled by inspecting Officer)

- 13.1 Whether the Enterprise has already availed any exemption on purchase of land, if so amount in Rs.
- 13.2 Stamp Duty/Transfer Duty: Rs.
- 13.3 Mortgage and Hypothecations Duty: Rs.
- 13.4 25% Land Conversion Charges: Rs.
- 13.5 25% Land Cost purchase in IE/IDA/IP's: Rs.

The claim application of the captioned Enterprise/Industry is verified as per the operational guidelines. The Enterprise/Industry is eligible for availing incentives under IIPP 2010-15. The Enterprise/Industry did not add or removed any Plant & Machinery and there is no change of line of activity and capacity. Further, the Enterprise/Industry is in continuous operation, there is no break-in-production (if not the details of the break-in-production) and I recommend the above incentives to the captioned Enterprise/Industry.

Signature of Inspecting Officer with Name & Designation.

Remarks of the General Manager:

The applicant Enterprise/Industry is eligible for above incentives and the claim is in order. The computation of capital cost has been done as per the provisions under the scheme. I recommend for sanction of above incentives.

Signature of General Manager with Office Seal.

Note: This application form, if photo copied must be exactly as per original & it must be both sides of the page.

(Date of Commencement of Production is the date of First Sale Bill/Invoice)

3.5 EM Part - II/IEM/IL No:

Date:

3.6 Employment in Nos.

a) Management & Staff

b) Supervisory

c) Workers

4. Fixed Capital Investment(in Rs.)

Nature of Assets	New /Existing Enterprise	Expansion/ Diversification Project	% of increase under Expansion/ Diversification Project
(1)	(2)	(3)	(4)
Land			
Building			
Plant & Machinery			
Total			

(If it is a new enterprise/industry, then column (3) and (4) need not be filled and it may be strike off)

5. Line of Activity.

	Line of activity	Units i.e. Nos. / Tons/ Ltrs.	Capacity	Values in Rs.
New /Existing Enterprise				
Expansion/ Diversification Project				
% of increase under Expansion/ Diversification Project				

Note: In respect of Expansion/Diversification projects, Enterprises involving at least 25% enhancement on fixed capital investment as well as Capacity are eligible for claiming incentives:

6. Employment:

a) Management & Staff

b) Supervisory

c) Workers

Male
(Nos.)

Female
(Nos.)

7	Existing power connection in HP				
8	New power connection in HP				
9	Date of new power connection released.				
10	Power utilized during previous three financial years before this expansion/ diversification project	Sl. No.	Financial Year	Total units consumed	Total amount paid by the in Rs.
		1			
		2			
		3			

11	Details of Energy consumed from the date of commencement of production and amount claimed for the Half year **			
Financial year	1 st half year 1 st April to 30 th September		2 nd half year 1 st October to 31 st March	
	No. of units consumed	Amount paid in Rs.	No. of units consumed	Amount paid in Rs.
1.				
2.				
3.				
4.				
5.				

** Half year means every six months from the financial year beginning from 1st April to 31st March.

12. Claim applied for (Amount in Rs.)

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DECLARATION

I / We hereby confirm that to the best of our knowledge and belief, information given herein and other papers enclosed are true and correct in all respects. We further undertake to substantiate the particulars about promoter(s) and other details with documentary evidence as and when called for.

I/We hereby agree that I/We shall forthwith repay the amount to me/us under scheme, if the amount of Reimbursement of power tariff is found to be disbursed in excess of the amount actually admissible whatsoever the reason.

Certified that this amount has not been claimed earlier. In case of a wrong claim I shall repay the entire amount of concession(s) availed under IIPP2010-2015 scheme in Lump sum with prevailing interest.

Station :

Signature of Authorised Person

Date :

with Firm /Office Seal.

• The following documents are to be furnished:

- a) Power release certificate issued by DISCOM concerned for the first time of the claim.
- b) Power Bill and payment proof/receipts from DISCOM concerned.
- c) Self Certification prescribed at Form – B.
- d) Power utilization Particulars for the last –3- years and Column No. 4 & 5 of the application duly certified by Chartered Accountant for the first time of the claim if it is Expansion/Diversification Project.
- e) Valid Consent for Operation (CFO) from APPCB/Acknowledgement from General Manager, District Industries Centre concerned on pollution angle.
- f) All the required documents as per Check-Slip at PART – C, for the first time of the claim.

13. RECOMMENDATION OF THE INSPECTING OFFICER:

(not to be filled by the Enterprise/Industry, to be filled by inspecting Officer)

a. Amount claimed in Rs. :

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b. Amount recommended in Rs. :

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The claim application of the captioned Enterprise/Industry is verified as per the operational guidelines. The Enterprise/Industry is eligible for availing incentives under IIPP 2010-15. The Enterprise/Industry did not add or removed any Plant & Machinery and there is no change of line of activity and capacity. Further, the Enterprise/Industry is in continuous operation, there is no break-in-production (if so the details of the break-in-production) and I recommend the above incentives to the captioned Enterprise/Industry.

Signature of Inspecting Officer with Name & Designation.

Remarks of the General Manager:

The applicant Enterprise/Industry is eligible for above incentives and the claim is in order. The computation of capital cost has been done as per the provisions under the scheme. I recommend for sanction of above incentives.

Signature of General Manager with Office Seal.

Note: This application form, if photo copied must be exactly as per original & it must be both sides of the page.

ANNEXURE: VIII

(G.O.MS.No.42 INDUSTRIES & COMMERCE (IP) DEPARTMENT, DATED 05.05.2011)

**APPLICATION CUM VERIFICATION FOR CLAIMING INVESTMENT SUBSIDY
UNDER INDUSTRIAL INVESTMENT PROMOTION POLICY**

(IIPP) - 2010-2015 OF ANDHRA PRADESH

(G.O.Ms.No.61 Industries and Commerce (IP) Department., dated.29/06/2010)

PART - A
CLAIM

To be filled by DIC/ Commissionerate of Industries.												
Date of receipt in DIC:												
DIC File No.:												
Date of receipt in Commissionerate:												
Commissionerate File No.:												

To be filled by Applicant

1.0. Details of Industry:

1.1. Name of the Enterprise:

1.2 Name of the Proprietor/Managing Partner / Managing Director:

1.3 TIN No. of the Enterprise/Industry/ Proprietor / Managing Partner / Managing Director:

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1.4 PAN No. of the Proprietor / Managing Partner / Managing Director:

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2.0. Address of the Enterprise:

2.1 Office:

2.2 Factory location:

3.0.Status:

3.1 Category : (Pl. mark)

Micro Enterprises Small Enterprises Medium Enterprises Large Industry

6.4 Employment:

- a) Management & Staff
- b) Supervisory
- c) Workers

Male (Nos.)	

Female (Nos.)	

7.0. Implementation Steps taken:

7.1. Project Finance:

7.2. Date of Application for term loan

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7.3. Name of the Instn. (with lead Institution in the event of joint or consortium financing)

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7.4. Term loan sanctioned reference No. :

7.5. Date:

8.0. Approved / Estimated Project cost, Term loan sanctioned and released, assets acquired etc.

	Name of Asset	Approved Project Cost	Loan Sanctioned	Equity from the promoters	Loan Amount Released	Value of assets (as certified by financial institution).	Value of assets certified by Chartered Accountant
	1	2	3	4	5	6	7
8.1.	Land						
8.2.	Buildings						
8.3.	Plant & Machinery						
8.4	Machinery contingencies						
8.5.	Erection						
8.6.	Technical know-how, feasibility study						
8.7.	Working capital						
	Total						

Note : The data on the above should be prior to date of filing of claim or within 6 months of Commencement of production, whichever is earlier in case of aided Enterprise/Industry. If it is self financed Enterprise/Industry, the data on the above should be prior to date of commencement of Commercial Production.

9.0 Total amount of subsidy already availed:

9.1. Scheme :

9.2. Amount :

10.0	Second Hand Machinery value in Rs	New Machinery value in Rs.	Total Value in Rs. (1+2)	% of Second Hand Machinery value in the Total Machinery value.	Value of the Machinery purchased from APIDC/ APSFC/ Bank in Rs.	Total value in Rs. (2+5)
	1	2	3	4	5	6

11.0. Registration with Commercial taxes Department Registration,

VAT No. : Date

CST No. : Date

Concerned Authority : ACTO/C.T.O./D.C.T.O./Dy Commissioner
Address :

12.0. **Incentives applied for (in Rs.) on fixed capital investment:**

12.1. Investment Subsidy : Rs.

12.2. An additional investment subsidy for Women entrepreneurs. : Rs.

12.3. An additional investment subsidy for SC/ST entrepreneurs : Rs.

12.4. An additional investment subsidy for Women entrepreneurs set up in Scheduled areas : Rs.

Total : Rs.

DECLARATION

- 13.1. I / We hereby confirm that the contents of the claim application are true to the best of my /our knowledge.
- 13.2. I / We abide by the provision under Industrial Investment Promotion Policy Scheme 2010-2015. State Incentives and further abide by the changes / modifications made by the State Government under G.O.Ms.No.61 Industries and Commerce (IP) Department., dated.29/06/2010. I / We also abide by the decisions of Industries & Commerce Department.
- 13.3. I / We shall not change the location of the whole or part of the industrial Enterprise or effect any substantial contraction or disposal of substantial part of its total capital investment within a period of six (6) years from the date of commencement of commercial production.
- 13.4. I / We assure that the State incentives (Capital subsidy) applied for will be used solely for the development of the Enterprise and shall produce utilisation certificate to the District Industries Centre (DIC) within one year and furnish annual progress report and certified copy of audited accounts to the DIC for a period of six (6) years.
- 13.5. I / We confirm that subsidy was already availed under the Government schemes mentioned at para No.9.0.
- 13.6. If the amount of Investment Subsidy are found to be disbursed in excess of the amount actually admissible whatsoever the reason, I/We hereby agree that I/We shall forthwith repay the amount released to me/us under the scheme.
- 13.7. I / We shall agree that apart from other consequences, I / We will forego the eligibility for the continuance of incentives and other financial concessions for further years if these incentives / financial concessions were obtained by misrepresentation of facts or in case of misutilisation. I / We not only agree to pay back these incentives / financial concessions but also authorise State Government to call back the same through summary proceedings under the provisions of R.R.Act 1864.

Station :
Date :

Signature of Authorised Person
with Firm /Office Seal.

CHARTERED ACCOUNTANT CERTIFICATE

I/We hereby confirm that I/We have examined the prescribed registers, books of account and the bank statement in respect of the above Enterprise and Certified to be true the expenditure under Col(7) of Sl.No. 8.0.

I/We fully understand that any submission made in this certificate if proved incorrect or false, will render me/us liable to face any penal action or other consequences as may be prescribed in the law or otherwise warranted.

Signature & Stamp/seal of the Signatory _____
Name _____
Membership No. _____
Full address _____

Name and address of the Institution where registered.

Date:

Place:

Note: This application form, if photo copied must be exactly as per original & it must be both sides of the page.

FOR OFFICIAL USE IN DIC OFFICE

PART - B
VERIFICATION -CUM- RECOMMENDATION OF G.M, DIC

- 1.1. Name and Address of the Industry :
- 1.2. Name of the Inspecting Officer :
- 1.3. Designation :
- 1.4. Date(s) of Inspection :
- 1.5. Constitution : Proprietary/Partnership/Pvt. Ltd./Limited/Coop.
- 1.6. Person (from Industry) present at the time of Inspection. :
- 1.7. Status of the Industry/Enterprises : New / Expansion / Diversification
- 2.0. Verification certificate

Certified that contents of the claim under Part-A and the document indicated in Part-C of this claim application were verified and found correct. The plant and machinery and equipment was physically verified as per the statement of machinery and found them duly installed and put on work . Further certified that the fixed assets claimed for incentives are essentially required for carrying the production in which the industry is engaged in.

3.0. Project Details:3.1. New Enterprise.

Line of activity	Unit	Installed capacity	Value

3.2. Expansion / Diversification Project

	Line of activity	Installed Capacity (in units)	% of increase under Expansion/ Diversification Project
Existing Enterprise			
Expansion/ Diversification Project			

3.3. Fixed Capital Investment of the Expansion / Diversification Project (in Rs.)

Nature of Assets	Existing Enterprise	Expansion/ Diversification Project	% of increase under Expansion/ Diversification Project
Land			
Building			
Plant & Machinery			
Total			
3.4	Date of commencement of production		

3.5	Date of receipt of claim application	
3.6	Date of issue of Regd. Notice calling shortfall documents/information	
3.7	Date of claim taken to call book due to non Receipt of shortfalls documents	
3.8	Date of receipt of shortfall documents/information.	

4.0.0 Capital cost computed & recommended in Rs.

4.1.0 Land:

4.1.1.	<u>Extent in Sq.Mtrs</u>	<u>Built up area in Sq.Mtrs</u>	<u>5 times built up area in Sq.Mtrs</u>	<u>Extent eligible in Sq.Mtrs</u>

4.1.2 Claim application submitted by the Enterprise for reimbursement of Stamp Duty: Yes / No.

4.1.3 Claim application submitted by the Enterprise for reimbursement of Stamp Duty: Yes / No.
(if, the Enterprise submitted the claim applications for sanction of Stamp Duty or Land cost the GM, DIC concerned should deduct the value of the same from the computation of the land cost)

(in Rupees)

4.1.4.	Land cost	Stamp duty	Regn. Fees	Total	Approved Project cost	Proportionate eligible value
4.1.5	Computed cost			Rs.		

4.2.0 Building and other civil works:

4.2.1 Approved Project cost :

4.2.2	Value of the items 8.2.2 to 8.2.10 of guideline	Plinth area	Rate as per the APSFC norms	Value
	Total value of 100 % Items			Rs.
4.2.3	Value of the items 8.2.11 to 8.2.17 and similar items of guidelines not to exceed 10% of the total value of the civil works.			
4.2.4	Total Value 10% Items			Rs.
4.2.5	Grand Total Value 100% + 10% Items			Rs.
4.2.6	Computed cost :			Rs.

4.3.0 Plant and Machinery and Equipment (PM&E) :

4.3.1.	As per approved project cost	As per list of Plant & Machinery	Tech.Know how and study and turnkey charges not to exceed 10% of PM & E	2 nd hand machinery Value	% of 2 nd hand Machinery	Total
4.3.2	Computed Cost:		Rs.			

4.4.0. Total Cost computed:

(In Rupees)

4.4.1	Land (4.1.5)	
	Buildings (4.2.6)	
	Plant & Machinery (4.3.2)	
	Total	

5.0 Recommended for sanction of investment subsidy mentioned below:

Investment Subsidy

5.1.	Investment Subsidy	: Rs.	<input type="text"/>
5.2.	An additional investment subsidy for Women entrepreneurs.	: Rs.	<input type="text"/>
5.3.	An additional investment subsidy for SC/ST entrepreneurs	: Rs.	<input type="text"/>
5.4.	An additional investment subsidy for Women entrepreneurs set up in Scheduled areas	: Rs.	<input type="text"/>
	Total	: Rs.	<input type="text"/>

Signature of inspecting Officer with Designation.

Remarks of the General Manager :

The industrial entrepreneur acquired open land and established the industry/enterprise, hence previously not availed any incentives by the any industry/enterprise on this land. The industrial entrepreneur acquired the land and building on leased basis, previously not availed any incentives by the any industry/enterprise in this location. If, any Enterprise/Industry availed incentives under any scheme in the same location, may be sent details thereof.

The applicant Enterprise is eligible for said incentives and the claim is in order. The computation of capital cost has been done as per the provisions under the scheme only. I recommend for sanction of incentives.

Signature of General Manager with Office Seal.

TO BE FILED BY APPLICANT

PART - C

CHECK – SLIP

- 1.0. Document Enclosed
- 1.1. Certificate from the financing institution concerned showing term loan released and the value of assets acquired as on prior to filing of claim/within 6 months from the date of commencement of commercial production whichever is earlier together with other details and machinery statement as a statement of account in the form prescribed with attested copies of bills in case of institutionally financed Enterprises/industries.
- OR
- List of Plant & Machinery & Equipment purchased and installed in the prescribed form with attested copies of bills and payment proof in respect of self financed Enterprises/industries.
- 1.2. Caste Certificates issued by M.R.Os concerned in case of SC/ST Entrepreneur Yes/No/N.A
- 1.3. Certificate from the Chartered Accountant and % of holding of equity in the company by each partner/director. Yes/No/N.A
- 1.4. Regd. Partnership Deed/Articles of Association and Memorandum of Association in case of Pvt. Ltd and Limited companies along with incorporation certificate/ Bye-laws in case of Indl. Cooperative along with Registration Certificate. Yes/No/N.A
- 2.0. Documents in original to be produced to the inspecting officer of DIC for verification (tick appropriate)
- 2.1. Approval of Director of Factories Yes/No/N.A
- 2.2. Boilers Certificate Yes/No/N.A
- 2.3. Approval of Director of Town & Country Planning / UDA Yes/No/N.A
- 2.4. Regular building plans approval of Municipality or Gram Panchayat. Yes/No/N.A
- 2.5. Consent for Operation from APPCB/Acknowledgement from the General Manager, DIC concerned Yes/No/N.A
- 2.6. Power release Certificate from APTRANSCO/DISCOM Yes/No/N.A
- 2.7. Environmental clearance Yes/No/N.A
- 2.8. Other statutory approvals (specify) Yes/No/N.A
- 2.9. EM Part – I full set/IEM/IL Yes/No/N.A
- 2.10. EM Part – II full set/IEM/IL Yes/No/N.A
- 2.11. Project Report Yes/No/N.A
- 2.12. Term loan sanction letters Yes/No/N.A
- 2.13. Board Resolution authorizing to sign and file claim etc., in case of Pvt./Ltd., Companies, Cooperatives and similar authorization in respect of partnership firms. Yes/No/N.A
- 2.14. Registered land Sale deed/Premises Lease deed Yes/No/N.A

2.15	C.A. and C.E. Certificate regarding 2 nd hand plant & machinery	Yes/No/N.A
2.16.	C.E. Certificate for Self fabricated machinery	Yes/No/N.A
2.17.	BIS Certificate	Yes/No/N.A
2.18.	Drug License	Yes/No/N.A
2.19.	Explosive License	Yes/No/N.A
2.20.	VAT/CST/SGST Certificate	Yes/No/N.A
2.21.	Form – A	Yes/No/N.A
2.22.	Form – B	Yes/No/N.A

N.A: = Not Applicable

Signature of Authorised Person with firm / Office Seal

REMARKS OF THE INSPECTING OFFICER

Verified all the above documents submitted by the Entrepreneur and found correct.

Signature of Inspecting Officer with Designation/ General Manager.

ANNEXURE: IX

(G.O.MS.No.42 INDUSTRIES & COMMERCE (IP) DEPARTMENT, DATED 05.05.2011)
**APPLICATION -CUM -VERIFICATION FORM FOR REIMBURSEMENT OF
INTEREST SUBSIDY UNDER 'PAVALA VADDI SCHEME' UNDER INDUSTRIAL
INVESTMENT PROMOTION POLICY (IIPP) – 2010-2015 OF ANDHRA PRADESH**
(G.O.Ms.No.61 Industries and Commerce (IP) Department., dated.29/06/2010)

1.0 Details of Enterprise:

1.1. Name of the Enterprise:

1.2 Name of the Proprietor/Managing Partner / Managing Director:

1.3 TIN No. of the Enterprise/Industry/ Proprietor / Managing Partner / Managing Director:

--

1.4 PAN No. of the Proprietor / Managing Partner / Managing Director:

--

1.5. Constitution of the Entrepreneur. (Pl. ✓ mark)

Proprietary Partnership Pvt. Ltd. Limited Coop.

2.0. Social Status (Pl. ✓ mark)

2.1 SC ST Women Others

2.2. Details of the Director(s) / Partner(s):

	Name	Social status SC/ST	Shares value in Rs.	%	M/F
i)					
ii)					
iii)					
iv)					
v)					

2.3 If SC, ST & Women please indicate % Share in the equity :

3.0. Address of the Enterprise:

3.1	Factory location:	

I/We hereby agree that I/We shall forthwith repay the amount to me/us under scheme, if the amount of Interest Subsidy are found to be disbursed in excess of the amount actually admissible whatsoever the reason.

Station :
Date :

Signature of Authorised Person
with Firm /Office Seal.

CHARTERED ACCOUNTANT CERTIFICATE

I/We hereby confirm that I/We have examined the prescribed registers, books of account and the bank statement in respect of M/s(enterprise).

I/ We hereby certify that the above figures furnished by the Enterprise holder are verified with the records of the Enterprise /Enterprise as per the provisions stipulated in G.O.Ms.No.61 Industries and Commerce (IP) Department., dated.29/06/2010.

I/We fully understand that any submission made in this certificate if proved incorrect or false, will render me/us liable to face any penal action or other consequences as may be prescribed in the law or otherwise warranted.

Signature & Stamp/seal of the Signatory _____

Name _____

Membership No. _____

Full address _____

Name and address of the Institution where registered.

Date:

Place:

- The following documents are to be furnished:
 - a) Term loan Sanction letter
 - b) Certificate from financial institutions in prescribed form.
 - g) Valid Consent for Operation (CFO) from APPCB/Acknowledgement from General Manager, District Industries Centre concerned on pollution angle.
 - d) All the required document as per Check-Slip at PART – C, for the first time of the claim.

9. RECOMMENDATION OF THE INSPECTING OFFICER:

(not to be filled by the Enterprise/Industry, to be filled by inspecting Officer)

a. Amount claimed in Rs. :

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b. Amount recommended in Rs.:

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The claim application of the captioned Enterprise/Industry is verified as per the operational guidelines. The Enterprise/Industry is eligible for availing incentives under IIPP 2010-15. The Enterprise/Industry did not add or removed any Plant & Machinery and there is no change of line of activity and capacity. Further, the Enterprise/Industry is in continuous operation, there is no break-in-production (if so the details of the break-in-production) and I recommend the above incentives to the captioned Enterprise/Industry.

Signature of Inspecting Officer with Name & Designation.

Remarks of the General Manager:

The applicant Enterprise/Industry is eligible for above incentives and the claim is in order. The computation of capital cost has been done as per the provisions under the scheme. I recommend for sanction of above incentives.

Signature of General Manager with Office Seal.

Note: This application form, if photo copied must be exactly as per original & it must be both sides of the page.

3.2 Date of Commencement of Production:

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 (Date of Commencement of Production is the date of First Sale Bill/Invoice)

3.3 EM Part - II/IEM/IL No:

--	--	--	--	--	--	--	--	--	--

 Date:

--	--	--	--	--	--	--	--	--	--

3.4. Line of Activity.

Line of activity	Installed Capacity

4.0.Status:

4.1. Social Status (Pl. ✓ mark)

SC ST Women

If SC, ST & Women please indicate % Share in the equity.

4.2 Details of the Director(s) / Partner(s):

	Name	Comm	Share	%
i)				
ii)				
iii)				
iv)				

5.0. Power

5.1. Power Supply Date

--	--	--	--	--	--	--	--	--	--

5.2. Enterprise Contacted load

--	--	--	--	--	--	--	--	--	--

5.3. Connected load

--	--	--	--	--	--	--	--	--	--

6.0. Approved / Estimated Project cost, Term loan sanctioned and released, assets acquired etc.

	Name of Asset	Approved Project Cost	Loan Sanctioned	Equity from promoters	Loan Amount Released	Value of assets acquired (as certified by financial institution.	Value of assets certified by Chartered Accountant
	1	2	3	4	5	6	7
6.1.	Land						
6.2.	Building						
6.3.	Plant & Machinery & Equipment						
6.4	Preliminary & Pre operative expenses						

6.5.	Tech. know how / feasibility study / Turnkey charges.						
6.6.	Working Capital						
6.7.	Others.						
	Total						

7. Registration with Commercial taxes Department Registration,

VAT No. : Date
CST No. : Date
Concerned Authority : ACTO/C.T.O./D.C.T.O./Dy Commissioner
Address :

DECLARATION

I / We hereby confirm that to the best of our knowledge and belief, information given herein before and other papers enclosed are true and correct in all respects. We further undertake to substantiate the particulars about promoter(s) and other details with documentary evidence as and when called for.

I/We hereby agree that I/We shall forthwith repay the amount to me/us under scheme, if the amount of seed capital assistance are found to be disbursed in excess of the amount actually admissible whatsoever the reason.

Station : Signature of Authorised Person
Date : with Firm /Office Seal.

CHARTERED ACCOUNTANT CERTIFICATE

I/We hereby confirm that I/We have examined the prescribed registers, books of account and the bank statement in respect of the above Enterprise.

I/We fully understand that any submission made in this certificate if proved incorrect or false, will render me/us liable to face any penal action or other consequences as may be prescribed in the law or otherwise warranted.

Signature & Stamp/seal of the Signatory_____

Name_____

Membership No._____

Full address_____

Name and address of the Institution where registered.

Date:

Place:

- The following documents are to be furnished:
 - a) Sanction letter of term loan and seed capital loan from Financial Institution.
 - b) Memorandum of Articles/Registered Partnership Deed
 - c) EM Part – I / Part – II full set.

8. RECOMMENDATION OF THE INSPECTING OFFICER:

(not to be filled by the Enterprise/Industry, to be filled by inspecting Officer)

a. Amount claimed in Rs. :

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b. Amount recommended in Rs. :

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The claim application of the captioned Enterprise/Industry is verified as per the operational guidelines. The Enterprise/Industry is eligible for availing incentives under IIPP 2010-15. The Enterprise/Industry did not add or removed any Plant & Machinery and there is no change of line of activity and capacity. Further, the Enterprise/Industry is in continuous operation, there is no break-in-production (if so the details of the break-in-production) and I recommend the above incentives to the captioned Enterprise/Industry.

Signature of Inspecting Officer with Name & Designation.

Remarks of the General Manager:

The applicant Enterprise/Industry is eligible for above incentives and the claim is in order. The computation of capital cost has been done as per the provisions under the scheme. I recommend for sanction of above incentives.

Signature of General Manager with Office Seal.

Note: This application form, if photo copied must be exactly as per original & it must be both sides of the page.

3.4 Date of Commencement of Production:

--	--	--	--	--	--	--	--	--	--

 (Date of Commencement of Production is the date of First Sale Bill/Invoice)

3.5 EM Part - II/IEM/IL No:

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 Date:

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4. Employment:		Male (Nos.)	Female (Nos.)				
	a) Management & Staff	<table border="1" style="display: inline-table;"><tr><td> </td><td> </td></tr></table>			<table border="1" style="display: inline-table;"><tr><td> </td><td> </td></tr></table>		
b) Supervisory	<table border="1" style="display: inline-table;"><tr><td> </td><td> </td></tr></table>			<table border="1" style="display: inline-table;"><tr><td> </td><td> </td></tr></table>			
c) Workers	<table border="1" style="display: inline-table;"><tr><td> </td><td> </td></tr></table>			<table border="1" style="display: inline-table;"><tr><td> </td><td> </td></tr></table>			

5. Fixed Capital Investment(in Rs.)

Nature of Assets	New /Existing Enterprise	Expansion/ Diversification Project	% of increase under Expansion/ Diversification Project
(1)	(2)	(3)	(4)
Land			
Building			
Plant & Machinery			
Total			

(If it is a new enterprise/industry, then column (3) and (4) need not be filled and it may be strike off)

6. Line of Activity.

	Line of activity	Units i.e. Nos. / Tons/ Ltrs.	Capacity	Values in Rs.
New /Existing Enterprise				
Expansion/ Diversification Project				
% of increase under Expansion/ Diversification Project				

Note: In respect of Expansion/Diversification projects, Enterprises involving at least 25% enhancement on fixed capital investment and Capacity are eligible for claiming incentives

7	Sales Tax Regn. No & Date APGST CST			
8	Installed capacity of the existing Enterprise as certified by the financial institution/ chartered accountant			
9	Production details preceding three years before expansion/ diversification project as certified by the financial institution/ chartered	Year	Enterprises	Total production
		1		
		2		

	accountant	3		
10	Sales Tax reimbursement already availed by Enterprise from the Date of Commencement of Production.	1 st year (201 – 20)		Rs.
		2 nd year (201 – 20)		Rs.
		3 rd year (201 – 20)		Rs.
		4 th year (201 – 20)		Rs.
		Total		Rs.
11	Claim application submitted by the Enterprise/Industry for the Year:			
12	Tax paid by the Enterprise during the year as certified by Commercial Tax Department			Rs.
13	25% Reimbursement amount claimed by the Enterprise			Rs.

DECLARATION

I / We hereby confirm that to the best of our knowledge and belief, information given herein before and other papers enclosed are true and correct in all respects. We further undertake to substantiate the particulars about promoter(s) and other details with documentary evidence as and when called for.

I/We hereby agree that I/We shall forthwith repay the amount to me/us under scheme, if the amount of Reimbursement of tax are found to be disbursed in excess of the amount actually admissible whatsoever the reason.

Station :

Signature of Authorised Person

Date :

with Firm /Office Seal.

• The following documents are to be furnished:

- a) Certificate from concerned CTO as prescribed at Form – A.
- b) Production Particulars for the last –3- years and Column No. 5 & 6 of the application duly certified by Chartered Accountant for the first time of the claim, if it is Expansion/Diversification Project.
- c) Valid Consent for Operation (CFO) from APPCB/Acknowledgement from General Manager, District Industries Centre concerned on pollution angle.
- d) All the required document as per Check-Slip at PART – C, for the first time of the claim.

14. RECOMMENDATION OF THE INSPECTING OFFICER:

(not to be filled by the Enterprise/Industry, to be filled by inspecting Officer)

a. Amount claimed in Rs. :

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b. Amount recommended in Rs. :

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The claim application of the captioned Enterprise/Industry is verified as per the operational guidelines. The Enterprise/Industry is eligible for availing incentives under IIPP 2010-15. The Enterprise/Industry did not add or removed any Plant & Machinery and there is no change of line of activity and capacity. Further, the Enterprise/Industry is in continuous operation, there is no break-in-production (if so the

details of the break-in-production) and I recommend the above incentives to the captioned Enterprise/Industry.

Signature of Inspecting Officer with Name & Designation.

Remarks of the General Manager:

The applicant Enterprise/Industry is eligible for above incentives and the claim is in order. The computation of capital cost has been done as per the provisions under the scheme. I recommend for sanction of above incentives.

Signature of General Manager with Office Seal.

Note: This application form, if photo copied must be exactly as per original & it must be both sides of the page.

ANNEXURE: XII

(G.O.MS.No.42 INDUSTRIES & COMMERCE (IP) DEPARTMENT, DATED 05.05.2011)
APPLICATION CUM VERIFICATION FOR REIMBURSEMENT OF CERTIFICATION CHARGES FOR ACQUIRING QUALITY CERTIFICATION COST UNDER INDUSTRIAL INVESTMENT PROMOTION POLICY (IIPP) – 2010-2015 OF ANDHRA PRADESH
(G.O.Ms.No.61 Industries and Commerce (IP) Department., dated.29/06/2010)

1. (a) Name and Address of the Enterprise :
(Office & Factory Location(s))
- (b) Telephone No. Factory & Office :
- (c) E-mail & Fax No :
- 2 EM Part – II/IEM/IL/EOU No :
Date :
(Enclose an attested copy)
3. Item(s) of manufacture/processing as indicated in the EM Part – II/IEM/IL/EOU registration
4. Proof of functional status of the Enterprise as on the date of submission of Application.
(A certificate (in original) from State DI/GM,DIC Confirming functional status of the Enterprise at the time of acquiring ISO-9000/ISO 14001/HACCP – certificate)
5. Details of ISO 9000/ISO 14001/HACCP Certificate
Name and address of certification agency :
The Certificate must have address of the site/location certified: Scope of certification, Certificate No, date of issue & period of validity (or date of expiry) Name & Logo & Number of the Accreditation Body/Board.
(Enclose an attested copy of the Certificate)
6. Details of expenditure incurred in acquiring ISO-9001/ISO-14001/HACCP Certificate (excluding Hotel & Travel expenses & Surveillance charges) Furnish a CA certificate of expenditure (in original) giving the details along with bills and vouchers and proof of payment.
7. Details of reimbursement/grant/subsidy already received, if any, from Centre Govt. (including DC(SSSI) /State Govt./ Financial Institution etc. For acquiring ISO-9001/ISO-14001/HACCP Certificate (furnish, an Undertaking/declaration (in original) from the Managing Director/ Director Proprietor/Partner of the Enterprise duly sworn before a Notary.

DECLARATION

(full name).....S/o Managing Director/ Director Proprietor / Partner / Proprietor is (complete address) hereby declare that the particulars given in the application are correct. In case any of the statement/information furnished in the application / documents later found to be wrong or incorrect or misleading, I do hereby bind myself and my Enterprise to pay to the Government on demand the full amount received as reimbursement in respect of above mentioned activity, within seven days of the demand being made to me in writing.

I/We hereby agree that I/We shall forthwith repay the amount to me/us under scheme, if the amount of Quality certification charges are found to be disbursed in excess of the amount actually admissible whatsoever the reason.

Station :
Date :

Signature of Authorised Person
with Firm /Office Seal.

CHARTERED ACCOUNTANT CERTIFICATE

I/We hereby confirm that I/We have examined the prescribed registers, books of account and the bank statement in respect of the above Enterprise.

I/We fully understand that any submission made in this certificate if proved incorrect or false, will render me/us liable to face any penal action or other consequences as may be prescribed in the law or otherwise warranted.

Signature & Stamp/seal of the Signatory _____

Name _____

Membership No. _____

Full address _____

Name and address of the Institution where registered.

Date:

Place:

Note :The copy of EM Part – II/IEM/IL/EOU Certificate, ISO -Certification must be attested by General Manager, District Industries Centre concerned.

8. RECOMMENDATION OF THE INSPECTING OFFICER:

(not to be filled by the Enterprise/Industry, to be filled by inspecting Officer)

a. Amount claimed in Rs. :

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b. Amount recommended in Rs. :

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The claim application of the captioned Enterprise/Industry is verified as per the operational guidelines. The Enterprise/Industry is eligible for availing incentives under IIPP 2010-15. The Enterprise/Industry did not add or removed any Plant & Machinery and there is no change of line of activity and capacity. Further, the Enterprise/Industry is in continuous operation, there is no break-in-production (if so the details of the break-in-production) and I recommend the above incentives to the captioned Enterprise/Industry.

Signature of Inspecting Officer with Name & Designation.

Remarks of the General Manager:

The applicant Enterprise/Industry is eligible for above incentives and the claim is in order. The computation of capital cost has been done as per the provisions under the scheme. I recommend for sanction of above incentives.

Signature of General Manager with Office Seal.

Note: This application form, if photo copied must be exactly as per original & it must be both sides of the page.

New Industry Expansion Diversification

5. Fixed Capital Investment(in Rs.)

Nature of Assets	New /Existing Enterprise	Expansion/ Diversification Project	% of increase under Expansion/ Diversification Project
(1)	(2)	(3)	(4)
Land			
Building			
Plant & Machinery			
Total			

(If it is a new enterprise/industry, then column (3) and (4) need not be filled and it may be strike off)

6. Line of Activity.

	Line of activity	Units i.e. Nos. / Tons/ Ltrs.	Capacity	Values in Rs.
New /Existing Enterprise				
Expansion/ Diversification Project				
% of increase under Expansion/ Diversification Project				

7 Details of Equipment Purchased for Cleaner production measures:									
Sl. No	Name of the equipment	Name & address of the supplier	Bill No. & Date	Cost of the Equipment in Rs.	APGST / CST in Rs.	Excise Duty in Rs.	Freight Charge s in Rs.	Other Charge s in Rs.	Total in Rs.
1	2	3	4	5	6	7	8	9	10
1									
2									
3									
4									

8 Amount of subsidy claimed in
Rs.(25% limited to Rs. 5.00 Lakhs)

Rs.

DECLARATION

I / We hereby confirm that to the best of our knowledge and belief, information given herein before and other papers enclosed are true and correct in all respects. We further undertake to substantiate the particulars about promoter(s) and other details with documentary evidence as and when called for. I/We hereby agree that I/We shall forthwith repay the amount to me/us under scheme, if the amount of Reimbursement are found to be disbursed in excess of the amount actually admissible whatsoever the reason.

Station :

Date :

Signature of Authorised Person
with Firm /Office Seal.**CHARTERED ACCOUNTANT CERTIFICATE**

I/We hereby confirm that I/We have examined the prescribed registers, books of account and the bank statement in respect of the above Enterprise.

I/We fully understand that any submission made in this certificate if proved incorrect or false, will render me/us liable to face any penal action or other consequences as may be prescribed in the law or otherwise warranted.

Signature & Stamp/seal of the Signatory_____

Name_____

Membership No._____

Full address_____

Name and address of the Institution where registered.

Date:

Place:

- The following documents are to be furnished:
 - a) Original purchase Bills and payment proof duly certified by the Financial Institution in case of Bank Finance or C. A. in case of Self Finance.
 - b) Valid Consent for Operation (CFO) from APPCB/Acknowledgement from General Manager, District Industries Centre concerned on pollution angle.
 - c) All the required document as per Check-Slip at PART – C, for the first time of the claim.

9. RECOMMENDATION OF THE INSPECTING OFFICER:

(not to be filled by the Enterprise/Industry, to be filled by inspecting Officer)

a. Amount claimed in Rs. :

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b. Amount recommended in Rs. :

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The claim application of the captioned Enterprise/Industry is verified as per the operational guidelines. The Enterprise/Industry is eligible for availing incentives under IIPP 2010-15. The Enterprise/Industry did not add or removed any Plant & Machinery and there is no change of line of activity and capacity. Further, the Enterprise/Industry is in continuous operation, there is no break-in-production (if not the details of the break-in-production) and I recommend the above incentives to the captioned Enterprise/Industry.

Signature of Inspecting Officer with Name & Designation.

Remarks of the General Manager:

The applicant Enterprise/Industry is eligible for above incentives and the claim is in order. The computation of capital cost has been done as per the provisions under the scheme. I recommend for sanction of above incentives.

Signature of General Manager with Office Seal.

Note: This application form, if photo copied must be exactly as per original & it must be both sides of the page.

New Industry Expansion Diversification

5. Fixed Capital Investment(in Rs.)

Nature of Assets	New /Existing Enterprise	Expansion/ Diversification Project	% of increase under Expansion/ Diversification Project
(1)	(2)	(3)	(4)
Land			
Building			
Plant & Machinery			
Total			

(If it is a new enterprise/industry, then column (3) and (4) need not be filled and it may be strike off)

6. Line of Activity.

	Line of activity	Units i.e. Nos. / Tons/ Ltrs.	Capacity	Values in Rs.
New /Existing Enterprise				
Expansion/ Diversification Project				
% of increase under Expansion/ Diversification Project				

7. The industry/Enterprise are availed the training infrastructure of any Government agency like DRDA etc. ? Yes / No.

8. Name of the skill development Programme:

9. Name of the institute given the training:

10. No. of skilled employment trained by the industry

11. Expenditure incurred for training Programme

12. Amount Claimed in Rs.

DECLARATION

I / We hereby confirm that to the best of our knowledge and belief, information given herein before and other papers enclosed are true and correct in all respects. We further undertake to substantiate the particulars about promoter(s) and other details with documentary evidence as and when called for.

I/We hereby agree that I/We shall forthwith repay the amount to me/us under scheme, if it is found to be disbursed in excess actually admissible whatsoever the reason.

Station :

Signature of Authorised Person

Date :

with Firm /Office Seal.

CHARTERED ACCOUNTANT CERTIFICATE

I/We hereby confirm that I/We have examined the prescribed registers, books of account and the bank statement in respect of the above Enterprise.

I/We fully understand that any submission made in this certificate if proved incorrect or false, will render me/us liable to face any penal action or other consequences as may be prescribed in the law or otherwise warranted.

Signature & Stamp/seal of the Signatory_____

Name_____

Membership No._____

Full address_____

Name and address of the Institution where registered.

Date:

Place:

5. The following documents are to be furnished:

- a) Copy of patent registration certificate and payment receipts.
- b) EM Part - II/IEM/IL full set.
- c) Form – C.
- d) All the required document as per Check-Slip at PART – C, for the first time of the claim.

13. RECOMMENDATION OF THE INSPECTING OFFICER:

(not to be filled by the Enterprise/Industry, to be filled by inspecting Officer)

a. Amount claimed in Rs. :

--	--	--	--	--	--	--	--	--	--

b. Amount recommended in Rs. :

--	--	--	--	--	--	--	--	--	--

The claim application of the captioned Enterprise/Industry is verified as per the operational guidelines. The Enterprise/Industry is eligible for availing incentives under IIPP 2010-15. The Enterprise/Industry did not add or removed any Plant & Machinery and there is no change of line of activity and capacity. Further, the Enterprise/Industry is in continuous operation, there is no break-in-production (if not the details of the break-in-production) and I recommend the above incentives to the captioned Enterprise/Industry.

Signature of Inspecting Officer with Name & Designation.

Remarks of the General Manager:

The applicant Enterprise/Industry is eligible for above incentives and the claim is in order. The computation of capital cost has been done as per the provisions under the scheme. I recommend for sanction of above incentives.

Signature of General Manager with Office Seal.

Note: This application form, if photo copied must be exactly as per original & it must be both sides of the page.

3.4	Whether it is located in Industrial Area declared by the Government.	Yes / No.
3.5	Justification for the location of Enterprise/Industry, if it is located outside the Industrial Area declared by the Government.	
3.6	Date of Commencement of Production/Expected date of Commencement of Production :	
3.7	EM Part – I/EM Part II /IEM/IL No: Date:	

4. Fixed Capital Investment(in Rs.)

Nature of Assets	New /Existing Enterprise	Expansion/ Diversification Project	% of increase under Expansion/ Diversification Project
(1)	(2)	(3)	(4)
Land			
Building			
Plant & Machinery			
Total			

(If it is a new enterprise/industry, then column (3) and (4) need not be filled and it may be strike off)

5. Line of Activity.

	Line of activity	Units i.e. Nos. / Tons/ Ltrs.	Capacity	Values in Rs.
New /Existing Enterprise				
Expansion/ Diversification Project				
% of increase under Expansion/ Diversification Project				

6. Expected Employment generation:

- a) Management & Staff
- b) Supervisory
- c) Workers

Male (Nos.)	Female (Nos.)

7	Source of Finance	
8	Description of the infrastructure facilities required and its objective	
9	How the proposed infrastructure is critical to the Industrial Enterprise.	
10	Estimates of Infrastructure facilities and name of the Chartered Engineer/Agency who prepared the Estimates	
11	Duration of the Project	
12	Copy of the Project & its approval report	
13	Measures proposed to maintain the infrastructure created and its	

	maintenance cost per annum.	
--	-----------------------------	--

SIGNATURE OF THE APPLICANT
COMPANY/ENTERPRISE

Note: This application form, if photo copied must be exactly as per original & it must be both sides of the page.

3.2 New Industry [] .

3.4 Expected date of commencement of production :

3.5 EM Part-I No & Date:
(Copy to be enclosed)

3.6 PAN Card No :-

- i) Proprietor /Managing Partner/Managing Director :-
ii) Company :-

3.7 I.T Returns (Enclose 3 years returns):- YES/NO

4.0 **Proposed Project details**

4.1 New Enterprise/Industry

Line of activity	Units	Installed capacity	Value

4.2 Proposed fixed capital investment (in Rs.)

Nature of Assets	Rs.
Land	
Building	
Plant & Machinery	
Erection Expenses	
Total	

5.0 **Social Status** (Pl. ✓ mark)

SC [] ST [] WOMEN [] Caste certificate
To be enclosed

If SC, ST & Women please indicate % share in the equity:

5.1 Details of the Director (s) /Partner(s) (Deed to be enclosed)

	Name												Community	Share %	
i)															
ii)															
iii)															
iv)															

6.0 **POWER**

6.1 Date of Application with APTRANSCO (copy of certificate to be Enclosed)

6.2 Contracted load (KW /HP)

7.0 **Implementation steps taken:**

- 7.1 Project Finance:
- 7.2 Date of application for term loan:
- 7.3 Name of the Instn. (with Lead institution in the event of joint or consortium financing)
- 7.4 Term Loan sanctioned reference No & Date
(copy to be enclosed)

8.0 Approved /Estimated Project cost, Term Loan, sanctioned and released, assets acquired etc.

	Name of asset	Approved Project cost	Loan Sanctioned	Equity From the promoters	Loan Amount released
	1	2	3	4	5
8.1	Land				
8.2	Building				
8.3	Plant & Machinery & Equipment				
8.4	Preliminary & Pre operative expenses				
8.5	Tech.know how /feasibility study /Turnkey charges				
8.6	Working capital				
8.7	Others				
	Total				

9.0 Means of Finance

9.1 Total Equity from Promoters /Share holders /Partners to be brought in :Rs.

9.2 Own Capital:- Rs.
(Proof to be submitted)

9.3 Borrowed from out side:- Rs.
(Proof to be submitted)

10.00 **Term loan release statement** :- YES/NO
(To be enclosed)

11.00 **Registration with commercial taxes department:**
(copy to be enclosed)

VAT NO.
CST NO

DATE
DATE

Concerned authority : ACTO/CTO/DCTO/DY. COMMISSIONER
Address:

12.0 subsidy applied :-

12.1 1st installment of Subsidy prior to DCP
@ 35% of the eligible Investment Subsidy :

Total Rs.

DECLARATION

- 13.1 I /We hereby confirm that the contents of the claim application are true to the best of my /our knowledge.
- 13.2 I /We abide by the provision under Industrial Investment Promotion Policy scheme 2010-2015 of State Incentives and further abide by the changes /modifications made by the State Government under G.O.Ms.No. 61, Industries & Commerce (IP) Department dt. 29-07-2010. I /We also abide by the decisions of Industries & Commerce Department.
- 13.3 I /We shall not change the location of the whole or part of the industrial Enterprise or effect any substantial contraction over disposal of substantial part of its total capital investment within a period of six (6) years after the Enterprise/Industry commences production.
- 13.4 I /We assure that the State Incentives (subsidy) applied for will be used solely for the development of the Enterprise/Industry and shall product utilization certificate to the District Industries Centre (DIC), within one year ; and furnish annual progress report and certified copy of audited accounts to the DIC for a period of seven (7) years.
- 13.5 If the amount of Subsidy are found to be disbursed in excess of the amount actually admissible whatsoever the reason, I / We hereby agree that I /We shall forthwith repay the amount released to me /us under the scheme.
- 13.6 I /We shall agree that apart from other consequences. I /We will forego the eligibility for the continuance of incentives and other financial concessions for further years if these incentives /financial concessions were obtained by misrepresentation of facts or in case of misutilisation. I /We not only agree to pay back these incentives /financial concessions but also authorize State Government to call back the same through summary proceedings under the provisions of R.R.Act, 1864.

Station
Date

Signature of Authorised person
With firm /office seal.

Signature of financial institution
With Office Seal.

Note: This application form, if photo copied must be exactly as per original & it must be both sides of the page.

CERTIFICATE

We confirm that M/s _____ has been sanctioned an amount of Rs. _____ (Rupees _____ only) vide sanction Letter No. _____ Dated _____ Located at _____ for the line of activity _____ towards term loan and released an amount of Rs. _____ (Rupees _____ only) on Dated.----- for setting up the Enterprise/Industry. We agree to release the balance term loan along with subsidy to be released by the Commissioner of Industries, Hyderabad.

Date:

**Signature of financial institution
Authority /Manager
With Office Seal.**

**Name:
Designation:**

FOR OFFICIAL USE IN DIC OFFICE

PART – B1

**VARIFICATION-CUM-RECOMMENDATION OF GM, DIC
FOR SUBSIDY**

**(The Enterprise/Industry should be inspected by the
General Manager along with concerned Officer only)**

- 1.1 Name and address of the Industry:
1.2 Name and Designation of the Inspecting Officers :
i)
ii)
1.3 Date (s) of Inspection :
1.4 Person (from Industry) present
at the time of inspection :

2.0 Project Details

3.1 New Enterprise/Industry

Line of activity	Units	Installed capacity	Value

3.2 Proposed fixed capital investment (in Rs.)

Nature of Assets	Rs.
Land	
Building	
Plant & Machinery	
Total	

- 3.3 Expected date of commencement of production
4.0 Proposed Project cost as per financial institution
sanction letter. :Rs.
5.0 Total Equity from Promoters /Share holders /Partners to be
brought in :Rs.
5.1 Own Capital:- Rs.
5.2 Borrowed from out side:- Rs.
6.0 As on the date of inspection,
the following effective steps
have been taken up by the entrepreneur:
a)
b)
c)
d)
e)

7.0 Recommended for sanction of Subsidy mentioned below, subject to produce the following approvals:

- a)
- b)

7.0 **Subsidy:**

7.1 1st Installment of Subsidy prior to DCP ..
35% of the eligible investment Subsidy ..

Total :: **Rs.** -----

8.0 **Verification Certificate:**

Certified that the contents of the claim under Part-A and the document indicated in Part-C of this claim application are verified and found correct. Further certified that the fixed assets claimed for incentives are essentially required for carrying and the production in which the industry is engaged in.

The Enterprise/Industry has been inspected and work is in progress and recommending here with for the sanction of subsidy.

Signature of the Officer,
District Industries Centre

Signature of General Manager,
District Industries Centre

PART-C1

Documents to be enclosed by the applicant for sanction of eligible subsidy:

1	Claim application form	Y/N
2	Caste Certificate issued by the concerned Mandal Revenue Officer	Y/N
3	Registered partnership Deed / Articles Association / Memorandum of Association in case of Pvt Ltd or Companies	Y/N
4	Detailed project Report issued by the Financial Institution / List of Plant and Machinery and equipment to be purchased with copies of quotations	Y/N
5	Advance Stamped Receipts paid to the suppliers, if any.	Y/N
6	Copy of approval of Factories Department	Y/N /N.A
7	Copy of approval of Town & Country Planning	Y/N /N.A
8	Copy of approval of Municipality /Gram Panchayat for establishment	Y/N
9	Consent for establishment from AP Pollution Control Board / General Manager, District Industries Centre Pollution Acknowledgement	Y/N
10	Consent for power from APTRANSCO	Y/N
11	EM Part – I	Y/N
12	Term Loan sanction letter issued by the Financial Institution.	Y/N
13	Regd.Land Sale Deed /Premises Lease Deed /Allotment letter from APIIC/Own land	Y/N
14	TIN No.	Y/N

TO BE FILLED ALONG WITH CLAIM FOR AIDED ENTERPRISES

STATEMENT OF ACCOUNTS IN RESPECT OF AIDED ENTERPRISES:

Date:

1.	Name & Address of the Enterprise :			
2.	Name & Address of the Financial Institution :			
3.	Term loan sanction :	Date of filling of application	Date of Sanction	Amount Sanctioned (in Rs.)
	1st Loan			
	2nd Loan			
	3rd Loan etc.			

4. Project cost, loan sanctions and release, assets acquired (in Rs.)

Nature of Asset	Approved Project Cost (Original)	Quantum of Loan Sanctioned	Institution Margin	Loan Received	Assets Acquired to the extent of Loan Released	Assets which form Part of approved Project Cost but loan was not drawn	Total acquired.
1	2	3	4	5	6	7	8
Land							
Buildings							
Plant & Machinery							
Machinery contingencies							
Erection							
Technical know-how, feasibility study							
Working capital							
Total							

5. If the Project cost is revised, the details. (in Rs.)

Nature of Asset	Revised Approved Project Cost	Addl. Part of Approved Project Cost	Quantum of Addl. Loan Sanctioned	Quantum of Addl. Loan Received	Proportionate Asset Acquired to the Addl. Loan Released	Assets which form Part of approved Project Cost but loan was not drawn	Total Assets acquired
1	2	3	4	5	6	7	8
Land							
Buildings							
Plant & Machinery							
Machinery contingencies							
Erection							
Technical know-how, feasibility study,							
Working capital							
Total							

a) Name of the Certifying Officer :.....

b) Designation :.....

**Signature of the Certifying Officer
Stamp with Designation**

Bank Seal

TO BE FILLED ALONG WITH CLAIM FOR AIDED ENTERPRISES

LIST OF PLANT & MACHINERY

Statements on machinery including erection, freight transportation on which term loan was released and not utilised but they form part of approved project cost of M/s.
.....

Sl. No.	Name of the machine with Specifications	Date of Placement of Order	Name of the Supplier	Bill No. & Date	Amount of the bill including freight, insurance, taxes, etc. (in Rs.)

For self fabricated Machinery, certificate be affixed on the minimum life and cost reasonableness of each item with specification of such machinery.

This is to certify that from the above list of plant & machinery Sl. No. ____ to ____ are new and Sl.No. ____ to ____ are second hand machinery

a) Name of the Certifying Officer :.....

b) Designation :.....

Signature of the Certifying Officer
Stamp with Designation

Bank / APSFC Seal

Certification

- b) Verified Plant & Machinery, found to tally with the list, duly erected and put to use and is required for manufacturing the approved lines of activities.
- c) There are no second hand machinery items in the list.

Signature of Inspecting officers with designation and seal

TO BE FILLED WITH CLAIM APPLICATION BY ALL ENTERPRISES.

(CIVIL ENGINEER'S CERTIFICATE)

I hereby certify that M/s.....
(Name of the industrial Enterprise with complete address)

as against the estimated cost of Rs. (Rupees.....
..... only) has completed the civil work

(address) as on
Under:-

1. Value of completed Civil works as per the estimate
(Item wise details) of the building and civil work
completed (With plinth area must be shown)
Rs.
 - a)
 - b)
 - c)
 - d)
2. Expenditure incurred on other items excluding the
item shown in (1) above pertaining to a factory
construction. Details of each item to be shown.
 - a)
 - b)
 - c)
 - d)

Total Rs.

Place :

Date :

Civil Engineer of the Financing Institution /
Chartered Engineer.

Note: In respect of Expansion / Diversification, the value of Civil works should be on the additional constructions taken up for the purpose of Expansion / Diversification only.

FORM – A

**APPLICATION-CUM CERTIFICATION OF SALES TAX DEPARTMENT SHOWING THE
TAX PAID BY THE ENTERPRISE FOR AVAILING REIBURSEMENT UNDER INDUSTRIAL
INVESTMENT PROMOTION POLICY (IIPP) – 2010-2015 OF ANDHRA PRADESH**

(G.O.Ms.No.61 Industries and Commerce (IP) Department., dated.29/06/2010)

YEAR – 201 – 201

To : The Commercial Tax Officer,

_____ (Address)

Sir,

I am to request you to Certify for reimbursement of 25% tax under the Industrial Investment Promotion Policy 2010-2015.

1. Name of the Enterprise/industry and Address :
2. Name of the goods manufactured :
- in Andhra Pradesh in his own Enterprise/industry.

3.

Item wise production details during the Year:	Units	Qty.
a)		
b)		
c)		
Total		

4. Sales Tax paid by the Enterprise/industry under the Andhra Pradesh Sales Tax Act, for the year. : 201 -201
- (a) Tax paid on sales by it in respect of goods manufactured by the Enterprise/industry in Andhra Pradesh during the year : Rs.
(in figure)
(Rupees.....)
(in words)
- (b) Central Sales Tax paid by it on Sales in the course of inter State trade or commerce made from within Andhra Pradesh during the year. : Rs.
(in figure)
(Rupees)
(in words)
5. Name of the Bank with its branch :
Name and bank account No. through
Which the payment was made.
6. Registration Certificate No. of the Dealer under the Andhra Pradesh Sales Tax Act. / the Central Sales Tax Act. :

I duly verify that all the facts and figures furnished above are correct.

Station :

Signature of Authorised Person

Date :

with Firm /Office Seal.

(Proprietor/ Partner/Managing Director/ Director)

(Strike out whichever is not applicable)

CERTIFICATE

It is certified that all the facts and figures furnished by the Enterprise is verified with the records and found correct. The above Enterprise/industry has paid the Sales Tax amount of Rs. _____ and also there is no due for the year – 201 – 201 .

Place:

Date:

COMMERCIAL TAX OFFICER
(concerned)
Office Seal.

Note: This application form, if photo copied must be exactly as per original & it must be both sides of the page.

FORM – B

FORMAT FOR SELF CERTIFICATION UNDER THE PROVISIONS OF
(G.O.Ms.No.61 Industries and Commerce (IP) Department., dated.29/06/2010)

1	Name of the Industrial Enterprise			
2	Location			
3	Part – II / IEM Acknowledgment/IL No. & Date			
4	Details of Power:			
	Existing Power connection in HP	New / additional power connection in HP	Date of new/addl. power connection released.	Name of the power supplying company.
5	Date of commencement of regular production			
6	Line of Activity			

CERTIFICATE

- i. Certified that we have complied / are complying with all the provisions of G.O.Ms.No.61 Industries and Commerce (IP) Department., dated.29/06/2010 made there under, in addition to those specifically mentioned above.
- ii. I/We hereby confirm that the contents mentioned above are true to the best of my / our knowledge.
- iii. I/We abide by the provisions under the Industrial Investment Promotion Policy of Govt. of Andhra Pradesh and further abide by the change/modifications made by the State Government under G.O.Ms.No.61 Industries and Commerce (IP) Department., dated.29/06/2010 and also abide by the decisions of Industries & Commerce Department.
- iv. I/We am/are authorized person(s) to issue the above Certificate and the above Certificate is issued with full knowledge of the Statue. I/We am/are jointly and severally responsible for any information found incorrect subsequently and liable for prosecution under the provisions Acts/Code and Rules.
- v. I/We undertake to Refund the concessions claimed if found were obtained by misrepresentation of facts or in case of misuse.

AUTHORISED SIGNATIORY:

Name:.....

Designation:.....

Date:.....

Seal:.....

ADVANCED STAMPED RECEIPT
(Paras 21.3, 21.4 & 21.5 of Guidelines)

Received Rs. _____ (Rupees _____ only) towards
_____ Sanctioned to M/s. _____ vide
Proceedings No. _____ Date _____ of Additional Director of Industries
/ General Manager, DIC, _____ under the New Scheme of Industrial Investment
Promotion Policy, vide G.O.Ms.No.61 Industries and Commerce (IP) Department., dated.29/06/2010
cheque No. _____ date. _____ from the M.D., APSFC with thanks.

Date :

Authorised Signatory.

Place:

(on Re. 1/- Revenue Stamp)

// Attested //

GENERAL MANAGER. DIC.

TO BE FILLED ON RECEIPT OF SANCTION PROCEEDINGS.
ASSIGNMENT LETTER.
(Paras 21.3, 21.4 & 21.5 of Guidelines)

We wish to state that we have obtained bridge loan from _____
_____ (Name of the Financial Institution / Bank) / Not obtained Bridge
loan from any bank or financing Institution against the State Investment Subsidy sanctioned under
G.O.Ms.No.61 Industries and Commerce (IP) Department., dated.29/06/2010. We have availed the term
loan from _____ (Name of the Financial Institution / Bank). Kindly send the
cheque towards payment of sanctioned _____, to us
through _____ (Bank / Branch Name) for being credited to our account.

Date:

Authorised Signatory

Place:

(on Re.1/- Revenue Stamp)

// Attested //

GENERAL MANAGER. DIC.

UTILISATION CERTIFICATE

1. Name of the Enterprise/Industry with address :

2. EM Part – II / IEM/IL (Registration No. and Date) :

3. Type of sanctioned incentives/concessions :

4. Proceedings No. :

Date :

Amount in Rs. :

5. _____ sanctioned received Cheque No. :

Date :

Amount Rs. :

Certified that the said _____ incentives/concessions received by us has been fully utilised for the purpose for which it was sanctioned towards the development of the enterprise/industry as detailed below.

	Purpose	Amount utilised
1.		
2.		
3.		

Signature of the Authorised Person with the
Firm/Office Seal.

ACKNOWLEDGMENT:

Received Incentives claim Application from

M/s.....

.....

.....

.....Dated on.....

Receiver's Signature with Date stamp of
DIC.

CERTIFICATE FOR TERM LOAN

(Para 5.11.0 of Guidelines Certificate Term Loan)

It is certify that ----- the Micro/Small Enterprise (industrial Enterprise) is engaged in the manufacture of "-----"
 have been sanctioned Rs.----- Vide Sanction letter no. ----- and ----- as Term Loan with Loan
 Account No.----- The Enterprise has repaid principal amount together with Interest as detailed below.

Details of disbursements against the sanctioned loan.

Sl.No.	Date of Disbursements	Amount Disbursed
1		
2		
3		
4		
Total Amount Disbursed Rs.		

Payment of Interest

Term Loan	Total Amount disbursed in Rs.	Rate of Interest	No. of Installments fixed for Repayment	Due date of installment of principal amount.	Amount of the installment of principal amount become due in Rs.	Interest chargeable on the due date of the installment of principal amount (interest against each installment of be shown separately)	Sl.No. of installment	Date of payment of Principal Amount	Principal Amount paid in Rs.	Date of payment of Interest Amount	Interest Amount paid in Rs.	Eligible interest subsidy amount for reimbursement under Pavala Vaddi Scheme
1	2	3	4	5	6	7	8	9	10	11	12	
1							1					
2							2					
3							3					
4							4					

1. This is a new Enterprise with the EM No. _____, Date _____ an date of Commencement of Commercial production -----
2. Certified that more than 75% of the plant and machinery is new and not second hand.
3. Penal interest is excluded and the Enterprise is paying regularly the interest as well as principal amount
4. Reimbursement of interest will be eligible from the date of commencement of commercial production.

5. Certified that the interest shown under the demand column is calculated on the principal amount due only but not on loan amount outstanding which includes interest not paid on due dates and added to the loan account i.e., compound in affect was not resulted in due to non payment of interest/principal on due date(s) while calculating the interest.

6. The following condition has been taken into consideration while arriving the interest period paid :

" The loan accounts that are classified as overdue in the books of the bank at time of half yearly closing and that which are classified as non performing assets at year end closing are ineligible. However, if they on-time repayments and regularize the arrears they are eligible for the incentives in the next half yearly period."

a) Name of the Certifying Officer :.....

b) Designation :.....

**Signature of the Certifying Officer
Stamp with Designation**

Bank/APSFC Seal

Note: This application form, if photo copied must be exactly as per original & it must be both sides of the page.

To be filed along with claim application by the self financed

Enterprises/industries

Statement of new Plant, Machinery & Equipment (P.M.E) Purchased and installed by M/s.....

In the enterprise/industry located at

NEW PLANT, MACHINERY & EQUIPMENT

Sl.No.	Name & Specification of Machinery Equipment	Date of Placement of Order	Name and Address of Supplier	Bill No. & Date	Basic Cost (Rs.)	Taxes Duties (Rs.)	Insurance (Rs.)
1	2	3	4	5	6	7	8
1							
2							
3							
4							
5							
6							

Freight (Rs.)	Others (Rs.)	Total (Rs.)	Whether Cash / Credit Purchase	Payments made against Credit Purchase, Cheque/DD/ No. & Dt.	Receipt No. & Date in token of receipt of amount by Supplier	In respect of other than the machines the purpose for which used	Remarks
9	10	11	12	13	14	15	16

Station :

Date :

Certification

- Verified Plant & Machinery, found to tally with the list, duly erected and put to use and is required for manufacturing the approved lines of activities.
- There are no second hand machinery items in the list.

Signature of Authorised Person
with Firm /Office Seal.

Signature of Inspecting officers with designation and seal

To be filed along with claim application by the all industrial Enterprises/Industries

Statement of Second hand Plant, Machinery & Equipment (P.M.E) Purchased and installed by M/s.....

In the enterprise/industry located at

SECOND HAND PLANT, MACHINERY & EQUIPMENT

Sl.No.	Name & Specification of Machinery Equipment	Date of Placement of Order	Name and Address of Supplier	Bill No. & Date	Basic Cost (Rs.)	Taxes Duties (Rs.)	Insurance (Rs.)	Others
1	2	3	4	5	6	7	8	9
1								
2								
3								

Total (Rs.)	Whether Cash / Credit Purchase	Payments made against Credit Purchase, Cheque/DD/ No. & Dt.	Receipt No. & Date in token of receipt of amount by Supplier	In respect of other than the machines the purpose for which used	Depreciated Value	Minimum Life	Remarks
10	11	12	13	14	15	16	17

Station :
Date :

Signature of Authorised Person
with Firm /Office Seal.

CERTIFICATES:

i) Verified and certified that the depreciated value of each purchase reflected at column "15" of the above statement are correct

ii) Verified and certified that the minimum life of each purchase of second hand machinery reflected at column "16" of the above statement are correct

Signature of Chartered Accountant with Seal affixed

Signature of Chartered Engineer with seal affixed

To be filed along with claim application by the all industrial

Enterprises/Industries

Statement of Self Fabricated Machinery installed by M/s.....

In the enterprise/industry located at

SELF FABRICATED MACHINERY (STATEMENT OF MATERIALS PURCHASED & WAGES PAID BE APPENDED)

Sl.No.	Name & Specifications of the Item Fabricated	Cost. (in Rs.)	Minimum Life	Remarks
1	2	3	4	5
2				
3				
4				

Station :

Date :

Signature of Authorised Person
with Firm /Office Seal.

CERTIFICATE:

Verified and certified that the minimum life and cost reasonableness of self fabricated machinery reflected column 3 & 4 are of the above statement are correct.

Signature of Chartered Engineer with seal affixed

ANNUAL PERFORMANCE REPORT

(Industrial Investment Promotion Policy – 2010-2015)

(G.O.Ms.No.61 Industries & Commerce (IP) Department, Dated:29/06/2010)

1. LSI / MSI / EM Part – II (Registration No. & Date.)
2. Report for the Year Date of receipt.
3. Incentives received
 - a) Capital Subsidy : Rs.
 - b) Sales Tax Reimbursement : Rs.
 - c) Power Consumption Reimbursement : Rs.
 - d) Stamp Duty Reimbursement : Rs.
 - e) Land cost Reimbursement in IE/IDA/IPs : Rs.

Name of the industry with full postal address	Change in location of Enterprise or change in management if any	If there is break in production period from _____ to _____ and reasons	Production Quantity / Enterprise	Value (Rs.)	Employment		Sales Quantity / Enterprise	Value (Rs.)	Percentage Capacity Utilisation	Quantum utilised	Remarks
					Permanent	Temporary					
1	2	3	4	5	6	7	8	9	10	11	12

Station :
Date :

Signature of Authorised Person
with Firm /Office Seal.

CERTIFICATE:

Verified with records and found the above information is correct.

Signature of the General Manager, District Industries Centre.