**Assistance For Industries in Assam**

District Industries & Commerce Centre provides assistance under various schemes for promotion and growth of industries. The schemes are described hereunder in brief.

1. **Training Programme.**

   Training is imparted to unemployed youths with a view to motivate them to set up industries. Under this scheme, there are provisions for in-plant training and study tour.

2. **Loan to S.S.I Units.**

   Loan is provided to entrepreneurs for setting up new S.S.I. units or for expansion of the existing S.S.I units. For general entrepreneurs, maximum limit of loan is Rs. 5000/- and for technically qualified entrepreneurs, it is Rs.7,500/-

3. **Loan from Bank/Financial Institution**

   Necessary help is extended to entrepreneurs in availing loan from banks/financial institutions required for implementation of their projects.

4. **Seed money Loan.**

   Seed Money loan against finance from banks/financial institutions is provided to S.S.I units @ 50% of the margin fixed by the bank/financial institution subject to maximum limit of Rs. 40,000/- in case of general category and Rs.60,000/- in case of scheduled category.

5. **Procurement of Machinery through Hire-Purchase Scheme.**

   Necessary help is extended to entrepreneurs in procuring machinery through Hire-Purchase scheme of National Small Industries Corporation Ltd.

6. **Incentives under Industrial Policy of Assam 2003**

   Various incentives are provided to industrial units as per the Industrial Policy of Assam, 2003. The incentives are 1) State Capital Investment Subsidy, 2) Interest Subsidy on Working Capital Loan, 3) Power Subsidy, 4) Subsidy on Captive Power Generation, 5) Subsidy on Feasibility Study Cost, 6) Subsidy on Quality Certification/Technical know-how, 7) Subsidy on Marketing Assistances, 8) Subsidy on Drawal of Power Line, 9) Special Incentives for Food Processing/Electronic/Agro-Based/Biotech industries, 10) Special Incentives to Women/Physically Handicapped Entrepreneurs, 11) Special Incentives to sick
PSUs & (12) Special Incentives for Major/Heavy Industries and Industries set up through Foreign Direct Investment.

7. Central Capital Investment Subsidy

Subsidy @ 15% on the cost of Plant & Machinery subject to a ceiling of Rs. 30 Lakhs is provided to eligible industrial units located in growth Centres, IIDCs, Industrial Estates/Parks/Export Promotion Zones and some specified industrial units located outside these places in the North Eastern Region.

8. Central Interest Subsidy.

Subsidy @ 3% on the working capital advance by banks/financial institutions is provided for a maximum period of 10 years to eligible industrial units located in Growth Centres, IIDCs, Industrial Estates/Parks/Export Promotion Zones and some specified industrial units located outside these places in the North Eastern Region.

9. Transport Subsidy

Subsidy is provided to industrial units on transportation cost of raw materials brought from outside the State/North Eastern Region as well as on transportation cost of finished products of units sent outside the State/North Eastern Region.

10. Price Preference Scheme

Industries registered under Assam Preferential store Purchase Act. 1989 are eligible to get the price preference on the purchases made by the various Government Departments, Corporations and various Autonomous Bodies. Registration of the units under this Act is done by the District Industries & Commerce Centre.

11. S.S.I Exhibition.

Small Scale Industrial Exhibitions are organised to generate public awareness about the products of the local S.S.I units and to promote entrepreneurship.

12. Loan to Handicraft Artisans

Loan is provided to handicraft artisans for setting up new handicraft units or expansion of the existing handicraft units. Maximum limit of loan is Rs. 5000/-. 

13. Supply of improved Tools(Grants-in-Aid)

For development of handicrafts, Grants-in-Aid is provided for purchase of tools etc to handicraft artisans who do not have any support to go for loan to Bank/Financial Institution. Maximum limit of Grants-in-Aid is Rs. 1500/-.
14. Promotional Scheme.

Handicraft exhibitions are organised to generate public awareness about the products of the local handicraft units. Prizes are given to the artisans for their best products with a view to encourage them to improved quality of their products.

Assam Industrial Infrastructure Development corporation

Assam Industrial Infrastructure Development Corporation is established for the purpose of securing and assisting in the rapid and orderly establishment and organization of industries in industrial areas, industrial estates, growth centres, IIDC centres and in establishment of commercial estate for growth of industries in the state of Assam.

Integrated Infrastructure Development Centre, Banderdewa, Dist- Lakhimpur

Aims & objects - Following are the aims & objects of the IIDC scheme.

i) to develop infrastructural facilities in the rural areas to ensure industrialization. Particular emphasis has been given for development of agro industries sector to lift the economic condition of farmers.

To promote linkages between agricultural trades & industries.

To ensure cluster growth of rural economic activities supported by well conceived infrastructural facilities in the IIDC

In the back ground of the above stated policy Govt. of India has accorded sanction the IIDC project at Banderdewa under the Dist. Lakhimpur (Assam)

Infrastructural facilities : Infrastructural facilities like Land development, Road communication, Electric Power, Water Supply, Post office, Bank, Telecommunication will be provided at IIDC. Banderdewa. Presently Land development work is in progress. Works relating to other components will be started soon after ongoing monsoon season. Several nos of applications demanding land for allotment have been received.

Integrated Infrastructural Development Centre. Rangia:

Infrastructural development work of IID Centre Rangia is in progress and expected to be completed by 31/12/07 in all respect. It is located on an ideal location by the side of N.H-31, which is being developed as 4-lane under East-West corridor Scheme of G.O.I.
Road distance is 46 km from Guwahati and 6.0 km from Rangia town (Sub-Div. Head Quarter). The EPIP (Export Promotional Industrial Park) located around 25K.M from the UDC Rangia project site.

Investors from outside the state as well as from inside the state shown keen interest to set up their units at UDC, Rangia. As good as 23 numbers of proposals for allotment of land have been cleared and their products vary from plastics to steel, chemicals, Agricultural implements to electrical etc.

Some of the prominent Industries and their proposed products are-
1. N.E. Cables : Electrical cable manufacturing
2. Eldorado Holdings Pvt Ltd : Menthol Crystals
3. Cone Craft Papers (P) Ltd. : Writing & printing kraft paper
4. Nano Steel (P) Ltd. : Ingot & construction steel Rebars
5. U.D Foam Product : PU Foam
6. Ferro Builders : Fabrication unit
7. Elegant Polymers : Disposable plastic glasses
8. Amrit Feeds Ltd. : Animal feed

**Industrial Growth Centre Chaygaun-Patgaon:**

The Third Growth Centre Project is being set up at the outskirt of the Guwahati City. This Growth Centre Project is being set up at excellent split location at Chaygaon-Patgaon-HMT premises (split location growth centre). This growth centre will have excellent approach road, internal roads, dedicated power line, adequate water supply, communication facilities and central affluent treatment plants. Besides the centre would be having facilities such as bank, post office, fire station etc.

**Assam to set up infrastructure development centres for SSI units**

THE Assam Government has taken up two schemes for setting up Integrated Infrastructure Development Centres (IIDC) for SSI units at Dalgaon in Darrang district and Bhomoraguri in Nagaon district. The Centre has cleared the project proposals and sanctioned Rs 4.18 crore for the Dalgaon centre and Rs 5.10 crore for the Bhomoraguri centre.

The Government reviewed the progress of the implementation of the two projects and instructed the officials concerned to start work immediately and also to prepare similar project reports for the other districts of the State so that such proposals could be sent to the Union Government on a priority basis. The Centre will provide 80 per cent of the total project cost and the rest will be provided the State Government.

At the same time, in the sphere of medium industries, developments have taken place in respect of the Export Promotion Industrial Park (EPIP) at Amingaon and the two
Growth Centres at Balipara in Sonitpur district and at Matia in Goalpara district. The Union Ministry of Industry and Commerce accorded administrative approval for an amount of Rs 25.43 crore for the Balipara Centre and Rs 22 crore for the Matia Centre. The Union Government will be providing Rs 15 crore for each of the Centres.

The Central Institute of Plastic Engineering & Technology (CIPET), Guwahati Centre has already been operating since last year. Mr Hazarika said land had been acquired, designs approved and construction works of the permanent building at Changaari would start within this year. A Tool Room is in the process of being set up at Amigaon by the Union Government. The total project cost is estimated at Rs 14 crore. The Tool Room will impart training in CNC and CMC manufacturing technique for dies and tools for both engineering and plastic industries.

It was decided to implement introduction of IT in the 126 schools of Assam. The project would be implemented by the Industries and Commerce Department with financial assistance from the MLA’s Local Area Development Fund.

More than 50 per cent of the MLAs confirmed their participation in the project till now. 26 units got registration under the Software Technology Park of India (STPI) and 5 units have been able to establish their contacts abroad. Other units are under various stages of implementation. A team of State Government officials along with the STPI units visited Bangalore and Hyderabad recently to discuss with experienced players in various aspects of IT-related areas.

Morigaon District (Assam)

The Small Scale Industries has a vast potentiality for self Employment and economic development in our State. It has acquired pre-eminent position in the economic structure of the country. The contribution of the sector both towards the economic advancement/development and removal of economic disparities among cross section of the society has been tremendous.

The Govt. has introduced somany schemes related with SSI and implemented throughout the State through the 23 Nos. of District Industries & Commerce Centres in every district. These 23 Nos. of District Industries & Commerce centre (DI & CC) in the State have strength and with adequate and basic facilities and are recognised by the Govt. as nodal agencies for development of SSI and tiny sector Industries.

CC has been functioning w.e.f. Feb. 1996 but it is yet to be upgraded us full fledged DI & C. This DI & CC has a Udyog Sahayak cell to guide the entrepreneurs in the matter of setting up of industries including preparation of project reports and arrangement of finance for the project through the financial institutions.

There is also a Women's Cell to give special attention to the women entrepreneurs.
The following schemes have been functioning in DI & CC Morigaon since inception:

1. (a) Provisional Registration as SSI:

   A Proposed Industrial unit generally may register in this department provisionally as SSI in order to avail financial assistance from any financial Institution, to avail power connection from ASEB and any other required licence from the concerned department time to time. Such kind of Provisionally registered SSI units in this DI & CC are 480 Nos. till date.

(b) Permanent Registration as SSI:

   After an Industrial unit has gone into commercial production it should obtain PMT Registration as SSI to get the various benefits from the Govt. As far as the DI & CC, Morigaon altogether 347 of such units have been permanently registered till date.

   1. Loan to Small Scale Industries and Handicraft units:

      This type of Loans are given to poor artisans and skilled persons to develop their skills and to earn for their family so that they can be uplifted above poverty time. All together 30 Nos. of beneficiaries have been given amounting Rs.1,26,000/-under this schemes till date.

3. Incentives under new Industrial Policy/97:

   The State Government presented the new Industrial policy to the people of Assam as well as all investors of the country and abroad where Govt. has attempted to cover new areas like facilitation of women entrepreneurs, emphasis no food processing industry, encouraging export promotion, simplification of procedures and the delivery system etc. in this policy.

   The State Govt. has formulated a package of incentives for promotion and setting up Industrial units and revitalization of sick Industrial units in the State through this policy with effective date 1.4.97 since then we have offered various benefits under these incentives like 30% state capital investment subsidy (SCIS), power subsidy, subsidy on working capital, on generating set, miscellaneous subsidy etc. to 28 Nos. beneficiaries amounting Rs.12,55,00/- under DI & CC, Morigaon.

4. Prime Ministere Rozgar Yojana (PMRY):

   This scheme has been unced on 2nd October 1993 to provide employment to the educated un-employed youths. The scheme facilitates self employment through setting up of Industry Service & Business ventures.

   Till date 1009 Nos. of Educated Un-employed youths have been benefited through bank loan and subsidy amounting Rs.5,00,00,000/ under this DI & CC, Morigaon has been disbursed.
5. Margin money scheme for Rehabilitation of Misguided youth:

The Govt. has introduced this scheme in 1994 for rehabilitation of misguided youth providing bank loan and margin money from Govt. Under this scheme total 13 Nos. of misguided youths have been benefited providing them Bank loan Rs.1.5 lakhs to each and margin money amounting Rs6,50,000/- as a whole.

Industrial Policy of Assam

Definitions and eligibility criteria

The Government of Assam has formulated a package of incentives for promotion and setting up industrial units, revitalization of sick industrial units and to promote investment in the State. The details of the package of incentives are given in Chapter - 3. Definitions and eligibility criteria are given below:

PERIOD OF VALIDITY

The new package of incentives hereinafter referred to as 2003 Incentive Scheme shall become effective from 1.10.2003 and remain in operation for a period of 5 years or till such time, as the Government may consider fit and proper. The Government also reserves the right to make any amendment to the scheme depending on the exigencies

DEFINITIONS

ELIGIBLE UNIT means only New Units set up on or after 01.10.2003 and units undergoing expansion/ diversification at the same place in the State of Assam on or after 1.10.2003 shall be eligible for incentives under 2003 Industrial Policy incentives provided that: A unit shall have employment of 80% people of Assam in the managerial cadre and 90% people of Assam in the non-managerial cadre and that over a period of 5 years from the commencement of commercial production such unit would take all effective steps to ensure 100% employment of people of Assam in non-managerial cadre and at least 90% in managerial post. They would further give an undertaking that if these conditions are violated the State Government subsidies / incentives so availed by them would be fully refunded.

EXISTING UNIT means an industrial unit, which is or was in commercial production in the State of Assam at any time prior to 1.10.2003.

NEW UNIT means an industrial unit, which has commenced commercial production in the State of Assam on or after 1.10.2003.
EXPANSION of an industrial unit means additional fixed capital investment exceeding at least 25% of the capital investment of the existing unit or a new unit. For the purpose of calculation, gross value of all the capital investment made on land, building and plant and machinery of the existing / new unit will be taken into consideration. Expansion shall also imply an increase of at least 25% in the existing installed capacity as well as increase of additional employment of at least by 10%. Prior to going for expansion, the unit should be operating at least at a minimum of 80% capacity during the three previous years and prior intimation to the concerned implementing agency for 2003 policy.

DIVERSIFICATION means separately identifiable investment made by an existing industrial unit or a new unit in the fixed capital assets to set up a project for manufacturing of new product(s) provided that the additional investment in the fixed assets is not less than 25% of the gross fixed capital and increase of additional employment is at least by 10%.

MODERNISATION means separately identifiable investment made by an industrial unit involving new / improved technology having definite advantages in reduction of cost of production provided the additional investment in fixed assets is not less than 25% of the gross fixed capital.

The incentives available to the unit undergoing expansion / diversification / modernization shall be for the additional investment made and / or the increase in production over the average of three previous years prior to the year when the unit goes for expansion / diversification as applicable. The year for this purpose shall mean a financial year.

ANCILLARY INDUSTRY means an industrial unit which is engaged or is proposed to be engaged in the manufacture or production of parts, components, sub-assemblies, tooling or intermediates or rendering of services, undertaking supplies or renders or proposes to supply or renders not less than 50% of its production or services as the case may be, to one or more other industrial undertaking and whose investment in fixed assets in plant and machinery whether held on ownership terms or on lease or on hire purchase, does not exceed the limit as prescribed by the Government of India.

EXPORT ORIENTED UNIT means an industrial unit which exports or undertakes to export at least 25% of its entire production of goods in a financial year.

SMALL SCALE INDUSTRY means an industrial unit having investment in plant & machinery up to a limit of Rs. 1 Crore or as prescribed or modified by the Government of India time to time.

LARGE / MEDIUM SCALE INDUSTRY means an industrial unit having investment as per scale as prescribed by the Government of India from time to time.

MAJOR AND HEAVY INDUSTRY means an industrial unit having investment more than Rs. 100 crore with a minimum employment of four hundred (400) employees.
INVESTMENT IN PLANT & MACHINERY: Computation of investment in plant and machinery will be as per laid down norms of the office of the Development Commissioner (Small Scale Industries), Government of India.

FINISHED PRODUCT means and includes the item manufactured by the eligible unit as considered under the project / scheme approved by the concerned term lending agency and / or by the implementing agency, together with by by-product / scrap, which may get generated as incidental to and during the main production activity.

RAW MATERIALS mean and include all industrial companies, Intermediates goods, substances, consumable stores including furnace oil and light diesel oil used for captive generating sets required in the process of manufacturer and packing materials utilized for packing of finished products by an eligible unit.

WHITE GOODS mean items like Refrigerators and other freezing Equipments, Dish washing machines, household washing machines of programmable type, microwave oven, Air Conditioners.

ENTERTAINMENT ELECTRONICS mean items like Compact Disc Players, Tape records, Tow-in-one, Transistor Radios, Electronic musical equipments like Keyboards and Audio-Video recording and synthesizing equipments.

FIXED CAPITAL means and include coast of Land, Building including Factory shed, Godown, Laboratory, Plant and Machinery, Installation charges and Pre-operative expenses capitalised, Electrical and such other equipment which are directly related to production activities.

GOVERNMENT: Government, if not specifically mentioned, shall mean Government of Assam.

STATE: State means the State of Assam.

NON-ELIGIBLE UNIT: Non-eligible unit means all industries, which are to declared as Non-eligible under this policy.

HANDICRAFT INDUSTRIES: Handicraft industries as defined by the Development Commissioner (Handicraft) and Khadi & Village Industries Commission.

TINY UNIT means an industrial unit having investment as per scale as prescribed by the Government of India from time to time.

PHYSICALLY HANDICAPPED PERSON: Physically Handicapped Person means blind, deaf & dumb and orthopedically handicapped with fifty percent mobility.
RELIEF UNDERTAKING means an industrial unit declared as a relief undertaking by the Government of Assam under the Assam Industrial Relief Undertaking (Special Provision) Act 1984 or any other Scheme/Act of the Government.

COMMITTEE means district level/state level/ AIDC level/ Single Window Clearance committee constitute by the policy.

ELIGIBILITY CRITERIA

(a) New Units commencing commercial production on or after 1st October 2003 or units undergoing expansion / modification / diversification at the same place in the State of Assam on or after 1st October 2003 shall be eligible for the fiscal incentive (only against the additional investment made for expansion / modification /diversification part, as the case may be under this Policy.

b) The unit having IEM /PMT Registration.

c) The unit shall have employment of 90% people of Assam in, non-managerial Cadres and in managerial cadre 80% which will subsequently be enhanced to 100% and 90% respectively within a period of 5 years.

d) Incentives under this policy shall be available to eligible units in Privates Sector, Assisted Sector, Joint Sector, State Public Sector and the Cooperative Sector.

e) A unit availing grants / incentives from a department / an agency under the State / Central Government / Foreign Agencies shall not be eligible for similar type of incentives under this policy.

f) Relief undertaking shall be eligible for the incentives under this Policy for a maximum period of 3 (three) years. If any unit has already available benefit of incentives for certain period under any previous Industrial Policy of the State Government as a Relief Undertaking, the total period of 3 years for such unit shall stand reduced by the period for which benefit as relief undertaking has already been availed under previous policies.

ELIGIBILITY CERTIFICATE

1) Eligibility Certificate to the eligible units shall be issued by:

   i) The General Manager of the District Industries & Commerce Center on approval of the District Level Committee where investment in plant & machinery is up to Rs 10 Lakhs.

   ii) The Director of Industries & Commerce on approval of the State Level Committee to Industries where investment in plant & machinery is above Rs. 10 Lakhs and up to Rs. 100 Lakhs.

   iii) The managing Director AIDC on approval of AIDC Committee for medium and large-scale industries, having investment in plant and machinery above Rs. 100 Lakhs.

2) The incentives under the Policy cannot be claimed unless the Eligibility Certificate has been issued under the Policy by the concerned authority.
IMPLEMENTING AGENCY

The implementing agency for 2003 Industrial Policy Incentives in respect of SSI Sector will be the Director of Industries & Commerce, District Industries & Commerce Center and for Large / Medium / Heavy and FID Sector, it will be AIDC Ltd.

DISBURSEMENT OF INCENTIVES

i) The eligible unit will be entitled to get the disbursement of incentives only after issuance of sanctioning letter by the appropriate authorities, not merely after approval of SLC or DLC.

ii) Disbursement of incentive will be dependent on sanction to be issued by the appropriate authority and availability of necessary budget & fund made available to the department for that purpose.

INTERPRETATION

The decision of Industries & Commerce Department, Government of Assam, as Regards interpretations in these Policy resolutions / incentives shall be final.

RIGHT OF THE STATE GOVERNMENT

i) The State Government reserve the right to amend any provision (s) including amendment of the incentives / subsidies as and when necessary for development of industries and in the general public interest of the State from time to time under of the Policy.

ii) The State Government reserves the right to review the matter regarding sanction / disbursement of subsidies / incentives to the eligible industrial unit (s) and in this connection the State Government’s decision shall be final.

iii) The State Government resaves the right to modify the non-eligible list of the industries as and when required in the interest of general industrial growth of the State.