

MAHARASHTRA

Scheme for BIOTECH:

The State Government have announced various fiscal and non-fiscal incentives to give an impetus to Bio-Technology (BT) in the State. In order to enable identification of BT units so that these incentives can be applied to them, BT units need to obtain a Letter of Intent (LOI) /Registration from the designated Registering Authorities listed at Para 5. The procedure for grant of LOI /Registration has been finalized in consultation with the Task Force constituted to formulate the Maharashtra Bio-Technology Policy 2001.

2. Definition of BT Unit.

2.1 'Bio-Technology (BT) Unit' means a unit engaged in Research and Development and/or manufacture of products which use or are derived by using (a) living systems, (b) enzymes, (c) Bio-catalysts derived there from, in any of the following fields:

1. Genetic Engineering/ Gene Engineering
2. Cell Engineering/ Cell Culture
3. Bio process engineering
4. Protein Engineering
5. Tissue Engineering
6. Microbiology
7. Bio-chemistry
8. Bio-Informatics - (Assembly of data from genomic analysis into accessible form)
9. Genomics - (The molecular characterization of all species)
10. Bio-Transformation - (The introduction of one or more genes conferring potentially useful traits into plants, livestock fish and tree species)
11. Molecular breeding- (The identification and evaluation of desirable traits in breeding programs by the use of marker assisted selection for plants, trees, animals and fish)

12. Bio-Diagnostics - (The use of molecular characterization to provide more accurate and rapid identification of pathogens and other organisms)
13. Bio-Immunology (Vaccine Technology) - (The use of modern immunology to develop recombinant DNA vaccines for improving control against lethal diseases)
14. Embryo Manipulations
15. Pharmacogenomics
16. Proteomics
17. Allo-transplantation
18. Xeno Transplantation
19. Bio Chips.
20. Gene Therapy

2.2 The term 'unit' refers to a legal / corporate entity (e.g. a Public or Pvt. Limited Company / Partnership or Proprietorship Firm / Registered Society or Trust/Cooperative Society), or a distinct locationally separate facility of such an entity.

3. Classification of Bio-Technology Units:

3.1 BT units are classified into four groups depending on their focus field, namely (a) Human and Animal Health Bio-Tech products and processes unit, (b) Agricultural Bio-Tech products and processes unit, (c) Industrial and other Bio-Tech products and processes unit, (d) Composite Bio-Tech unit undertaking Bio-Tech activities covered under two or more of the above categories. (In the case of Agricultural Bio-Tech units, some of the incentives under the Bio-Technology policy are distinct from those for other categories)

3.2 LOI / Registration as a BT unit under any of these categories requires that the unit's annual turnover of BT products (projected or proposed, depending on whether the unit is already established or not) should exceed 75% of its total annual turnover in value terms. The activities / products under each of the first three categories are listed at Annexe-I. This list is illustrative and not exhaustive.

4. Certification as Bio-Technology Unit :

BT products and processes are varied, and it is not possible to draw up a comprehensive list in view of the nature and continuing new developments in this sector. Therefore, BT units which are certified as such, keeping in view the illustrative lists, by the designated Certifying Agencies mentioned at Annexe-II, would be considered for LOI/Registration as Bio-Tech unit. The formats for Certification are at Annexe-VI & VIII

5. Registration Authorities:

5.1 The following agencies are designated as Registering Authorities for issue of Letter of Intent and Registration to different categories of BT units.

| Sr. No | Scale of BT Unit | Registering Authority |
|--------|---|---|
| 1. | Large Scale Units | Joint Director of Industries (MMR) for units in Mumbai Metropolitan Region (outside MIDC area) Joint Director of Industries, Nagpur/Aurangabad/Pune/ Nashik Region. Supdtg. Industries Officer Konkan/Amravati Region (In their respective jurisdictions) |
| 2. | Large and Small-Scale Units located in MIDC areas of Mumbai Metropolitan Region | Technical Advisor, MIDC |
| 3. | Small Scale Units in areas other than the above | Joint Director of Industries(MMR) And General Manager, DIC (In their respective jurisdictions) |
| 4 | Both large and Small BT units in SEZs | Development Commissioner, SEZ, |

5.2 Large and Small - Scale BT units will be distinguished on the basis of the level of investment in plant and machinery. Small - Scale units will be those with investment in

plant and machinery not exceeding Rs. 1 Crore, on the analogy of the ceiling laid down by Government of India for classification as Small - Scale Industry. (Any change in this ceiling in respect of SSI would apply automatically to BT units also). All other BT units (other than small scale BT units) would be considered to be Large -Scale units. The items to be included in the computation of investment in plant and machinery as per GoI guidelines for SSI are listed at Annexe-III

6. BT Letter of Intent (LOI):

6.1 Proposed units / existing units engaged in other (i.e. non-BT) activities, and now proposing to enter the BT field, will be granted Letter of Intent by the Registering Authority. The Letter of Intent will be valid for a period of three years in the first instance.

6.2 6.2 The proposed BT Units shall apply for Letter of Intent along with the following documents:

- (a) Application in the prescribed form (Annexe-IV)
- (b) Affidavit (Annexe-V)
- (c) Certificate from designated Certifying Agency (Annexe-VI)
- (d) Locational clearance from DI/JDI,MMR/MIDC/Local Authority, as the case may be;

6.3 The LOI will be valid for a period of three years from the date of issue. The unit may apply to the Registration Authority for revalidation of the LOI for a further period of three years indicating the effective steps taken for starting the activities, and why such activities could not be started so far. The application should be accompanied by a revalidated certificate from the designated Certifying Agency (Annexe-VI).

7. Registration:

7.1 As mentioned at para 6, a Letter of Intent will be granted to proposed BT units. After the BT Unit commences its activities, it would apply for Registration as BT Unit. BT Units which are already in operation, but do not hold LOI, can apply directly for Registration also.

7.2 Existing BT Units (those which have started their BT activities / production) should apply for BT Registration with the following documents.

- (a) Application for Registration in the prescribed form (Annexe-IV).
- (b) Affidavit (Annexe-V)
- (c) Locational clearance from Directorate of Industries / MIDC Local Authority as the case may be.
- (d) C.A's certificate regarding turnover of Bio-Tech products / activities exceeding 75 % of total turnover (Annexe-VII)
- (e) BT Letter of Intent (if obtained)
- (f) Certificate from designated Certifying Agency (Annex-VIII for existing BT unit)

8. CERTIFICATION BY DESIGNATED AGENCY:

8.1 Proposed and existing BT Units must obtain a certificate from the designated Certifying Agencies before applying for LOI / Registration. The Certifying Agency will issue a Certificate keeping in view the classification and illustrative lists mentioned at para 3, after examining the project report and taking into consideration the background, and qualifications, of the promoters. If required, the Agency may invite the Unit's representative / entrepreneur for discussion. Such certificate should be issued in the format at Annexe-VIII. Applications for such a certificate may be made on plain paper.

8.2 Certification Agencies are allowed to charge service fee of upto Rs.1000 per application

9. CHARTERED ACCOUNTANT'S CERTIFICATE:

A bio-tech unit may not be carrying out only bio-tech activities. But to get registered as a BT units, more than 75% of its annual turn over should be from BT activities. The C.A. should examine this and certify to this effect. The format of the C.A. certificate is at Annexe-VII.

10. REGISTERS AND LOI / REGISTRATION NUMBERS:

10.1 The Registering Authorities should maintain Registers for grant of LOI and Registration to Bio-Tech units of different categories in the formats at Annexe-XI.

10.2 The Registering Authorities should assign a unique chronological reference number to the LOI/Registration Certificate as follows:

'BT' /

followed by

'Health Bio-Tech' (for Human and Animal Health Bio-Tech Products and Processes units/ 'Agro Bio-Tech' (for Agriculture Bio-Tech products and processes units), 'Industrial and other Bio-Tech' (for Industrial and other Bio-Tech products and processes units) or 'Composite Bio-Tech' (for composite Bio-Tech units) as the case may be.

followed by

'LOI' or 'Registration', as the case may be

followed by

'No.11' / (the State Code for Maharashtra)

followed by

'District Code' (As per Annexe-X)

followed by

the name of the issuing authority 'D.C.(Industries)', 'MIDC', 'JDI'/SIO or 'DIC', as the case may be, with the name of the relevant Region / District in the case of the last two

followed by

the Serial No. in the relevant running Register.

11. SUBMISSION OF REPORTS:

Quarterly report of issue of LOI / Registration should be submitted by the registering authority to Joint Director of Industries (BT) in the prescribed format at Annexe-XI.

12. GOVT OF INDIA REQUIRMENT FOR REGISTRATION OF INDUSTRIAL UNITS –

12.1 For the proposes of guidance, it may be mentioned that industries are defined and governed inter alia, by Govt. of India stipulations under the Industries (Development & Regulation) Act, 1951.

Govt. of India have notified three schedules under the Act:-

Schedule I - *Lists the industries reserved for public sector*

Schedule II- *Lists the industries which are subject to compulsory licensing, i.e. an Industrial license has to be obtain from Ministry of Industries & Commerce, GOI.*

Schedule III - *Lists the articles reserved for small-scale sector*

12.2 The list given in Schedule II follow the Indian Trade classification (Harmonious System). For any Bio-Tech Product / activity that may be covered under the list, the manufacturer will have to apply to GOI for an Industrial License, whether it is In the Small or Large Scale.

12.3 In respect of new Large scale projects for manufacture of products not covered by compulsory licensing (Schedule II) the only requirement is that the industrial undertaking shall file an Industrial Entrepreneur's Memorandum (IEM) in the prescribed form to the Secretariat for Industrial approvals (SIA) in the Ministry of Commerce & Industry. The acknowledgment of the Memorandum from SIA should be enclosed with the application for BT LOI / Registration, in case the product/activity is covered under the Act.

12.4 Small Scale Industrial units in sector which do not requires compulsory license are not required to file Memoranda with SIA. However, it is likely that many of BT products / activities may be registrable as SSI. Such units can consider getting themselves registered as SSI with Directorate of Industries or registering authority designated for the purpose, because such Registration is often useful for other purposes also. However, such SSI registration is not mandatory.

12.5 In case of doubt, the Registration Authorities for BT units are advised to guide the application for BT LOI / Registration suitably.

RURAL EMPLOYMENT GENERATION PROGRAMME (REGP) - (commonly known as Margin Money Scheme)

The Government of India has started the REGP through Khadi & Village Industries Commission w.e.f. 1/4/1995 to provide new dimension of the employment to the people in Rural areas of the country.

REGP is applicable for all viable Village Industries projects except those Village Industries given in the negative list of the Commission. Under this Programme/ Scheme, the beneficiary is eligible to establish the project upto Rs.25.00 lakhs and the eligible beneficiaries are 1) Individuals 2) Institutions 3) Co-operative Societies, trust and Self Help Groups.

The KIVC has made applicable the margin money scheme for the benefit of the rural entrepreneurs to whom the finance is made available by nationalized and recognised cooperative & commercial banks in the state.

KVIC is making available funds to the MSKVIB through budgetary provision for reimbursing the Margin Money component to the rural entrepreneurs through the concerned Financing Banks

The percentage of margin money, won contribution of the beneficiary and quantum of the loan under this programme/scheme are as under:-

| Sr.No. | Project Cost | Category of the beneficiary | Margin Money |
|--------|--------------------------------|---|--|
| 1 | Upto Rs.10 lakh | General | 25 per cent of the project cost |
| | | SC/ST/OBC/PHC/Women/Ex-servicemen/Minority/HBA/NE Region, A& N Island and Lakshadweep | 30 per cent of the project cost |
| 2 | Above Rs.10 lakh to Rs.25 lakh | General | Rs.2.5 lakhs + 10 percent of the remaining project cost subject to maximum of Rs.4.00 lakhs. |
| | | SC/ST/OBC/PHC/Women/Ex-servicemen/Minority/HBA/NE Region, A& N Island and lakshadweep | Rs.3 lakhs + 10 percent of the remaining project cost subject to maximum of Rs.4.50 lakhs |

CRITERIA OF THE REGP SCHEME ARE AS UNDER:-

| | | |
|----|--------------------------|--|
| 1 | Project Eligibility | New Units being established in Rural area under the Scheme are eligible. Existing units are not eligible. |
| 2 | Eligible Activities | REGP Scheme is applicable for all viable Village Industries Projects except Village Industries given in the negative list of KVIC, which produces any goods or renders any services with or without the use of power and in which the fixed Capital Investment per head of a full time artisan/worker does not exceed Rs.50,000/-. |
| 3 | Per Capita Investment | Should not exceed Rs.50,000/- per artisan or worker i.e. Capital Expenditure |
| 4 | Age limit | Any adult beneficiary above 18 years & below 45 years is eligible for financing under the REGP. In case of a traditional artisan the maximum age limit is 50 years |
| 5 | Eligible for loan | Individual Entrepreneurs, Institutions, Cooperative Societies, Trusts and Self Help. Groups(Partnership firms, Private Limited Companies, Joint Borrowers, Joint Ventures, Co-obligators, HUF do not come under the ambit of Gramodyog Rojagar Yojana) |
| 6 | Maximum project cost | Upto Rs.25.00 lakhs |
| 7 | Definition of Rural area | (i) Any area classified as Village as per the revenue records of the State/UT, irrespective of population. (ii) It also includes an area even if classified as town, provided its population does not exceed 20,000 as per the census of 1991. |
| 8 | Bank | 1. Public Sector Banks 2. All Regional Rural Banks 3. Co-operative Banks approved by the State/ UT/ KVI Board. 4. Private Sector Scheduled Commercial Banks approved by the State/UT/ KVI Boards. 5. Any Financial Institution of the State and Central Govt. approved by the KVIC. |
| 9 | Sponsorship | The District Village Industries Officers of the B identify the beneficiaries and recommend the finan proposals under the Margin Money Scheme to the Ba for its sanction. |
| 10 | Entrepreneur | Once the project is sanctioned and 1 st installment of the |

| | | |
|----|-------------------------------------|--|
| | Development Programme (EDP) | Bank finance is released to the beneficiary and before release of 2 nd installment. State/Divisional Offices of KVIC provides EDP Training free of cost. |
| 11 | Own contribution of the beneficiary | 10 percent of the project cost in respect of beneficiary of General Category, 5 percent of the project cost in respect of a beneficiary from weaker section beneficiaries / Institutions / i.e. SC / ST / OBC Women. PHC / Ex- Servicemen / Minority / HBT areas / N.E. Region, A & N Islands / Lakshadweep |
| 12 | Bank Finance | The Bank will sanction 90 per cent of the project cost in case of General category beneficiaries/institutions and 95 per cent of the project cost in case of weaker section beneficiaries/institutions. Cost of the land should not be included in the project cost. |
| 13 | Payment of the Margin Money | Once the Margin Money is released in favour of the loanee, it should be kept in Term Deposit Receipt of 2 years at financing branch in the name of the beneficiary from the date of first disbursement of loan amount and after 2 years, the same will be credited to beneficiaries loan account. No interest will be paid on the TDR and no interest will be charged on the corresponding margin money loan component of the TDR. |
| 14 | Negative list | A) Any industry/business connected with meat(slaughter) i.e, processing, canning and /or serving items made of it as food, production/manufacturing or sale of intoxicants items like bidi/ pan/ cigar/ cigarette etc., any hotel or dhaba or sales outlets serving liquor preparation/producing tobacco as raw materials, tapping of toddy for sale. B) Any industry/business connection with cultivation of crops/plantation like tea/coffee/rubber etc., sericulture (cocoon rearing), horticulture/ floriculture, animal husbandry like pisciculture, piggery, poultry etc. C) Khadi & polyvastra projects producing yarn and cloth under Khadi Certification Rules and any other project of spinning and weaving. |

| | | |
|--|--|--|
| | | <p>D) Manufacturing of polythene carry bags of less than 20 microns thickness and manufacture of carry bags or containers made of recycled plastic for storing, carrying, dispensing or packaging of food stuff and any other item which causes environmental problems.</p> <p>E) Industries such as processing of Pashmina Wool and such other products like hand spinning and hand weaving, taking advantage of khadi programme under the purview of Certification Rules and availing sales rebate.</p> <p>F) Rural transport (except auto rickshaw in Andaman & Nicobar Island, House Boat, Shikara & Tourist Boats in J&K and cycle rickshaw.)</p> <p>G) Sales outlets in urban areas.</p> |
|--|--|--|

2) ARTISANS EMPLOYMENT GUARANTEE SCHEME:

The Board has undertaken an ambitious programme to provide financial and other types of assistance to the rural artisans in the State by introducing an "ARTISANS EMPLOYMENT GUARANTEE SCHEME" from 1972-73.

The scheme is being implemented with the co-operation of Reserve Bank of India, Maharashtra State Co-operative Bank, Government of Maharashtra.

At present there are 305 Block Level Village Artisans Cooperative Societies of Traditional Artisans (Balutedars), which have registered membership of 4.49 lakhs artisans in the State. The District Central Co-operative Banks provide financial assistance in the form of Cash Credit/Composite Loan under NABARD refinance scheme. The maximum Loan limit per artisan is Rs.2 lakh.

'C' class municipal areas in the State are included in the jurisdiction of the Scheme. The traditional industries of the rural areas, such as Pottery, Carpentry-blacksmithy, Leather, Fibre, Cane & Bamboo, Processing of Cereals & Pulses, Wool, Village Oil etc. are included in this Scheme.

3) SPECIAL COMPONENT PLAN

This Scheme is run under Section 11(a) of 20 point programme of the State Government for the benefit of the members of Schedule Castes and Neo Buddhists. The Board works as an

implementing agency to this scheme. Under this scheme, eligible applicant claims financial assistance from nationalised and cooperative banks. After getting loan, the eligible beneficiary is sanctioned a subsidy by the Board to the extent of 50% of the loan or Rs.10,000/- whichever is less.

The eligibility criteria for applying to the scheme are as under:

- (a) The applicant must be from scheduled caste or neo-buddhists community
- (b) The applicant must be below poverty line. The definition of the income for below poverty line is as follows:

For urban areas, the annual income should be below Rs. 21,206/- and for rural areas, the annual income should be below Rs.15,976/-.

SCHEMES FOR AGRO INDUSTRY:

SCHEME FOR HUMAN RESOURCE DEVELOPMENT

The scheme will cover the following components:

COMPONENT – 1: SETTING UP OF FOOD PROCESSING & TRAINING CENTRE (FPTC)

Objective

Development of rural entrepreneurship & transfer of technology for processing of food products by utilizing locally grown raw material and providing "Hands-on" experience at such production cum training centres, while according priority to SC/ST/OBC and women.

Recurring Expenditure

Recurring expenditure needed for the revolving seed capital on raw materials and consumables (preservatives/additives/packaging, etc.) is expected to be recouped from sale proceeds of products processed at the centre and the processing fees paid by the growers of the raw materials.

Eligibility & Pattern of Assistance

Central or state Govt. organisations, Educational & Training Institutions, NGOs, Co-operatives provided the implementing agency is willing to make available the qualified trainer, accommodation, and other infrastructural facilities.

Grant in aid would be available to the FPTCs to the following extent:

| | |
|--|---|
| Single Product Line Centre (for any group of processing activities) | Rs 2.00 lakhs for Fixed capital costs and Rs 1.00 lakh as revolving seed capital |
| Multi Product Line Centre (for more than one group of processing activities) | Rs 7.50 lakhs for fixed capital costs and Rs 2.00 lakhs as revolving seed capital |
| For training the trainers at recognized institute such as CFTRI, Mysore | Upto Rs 0.50 lakh one time assistance subject to actual on TA/DA etc. |

COMPONENT – 2: CEATION OF INFRASTRUCTURE FACILITIES FOR RUNNING DEGREE/DIPLOMA COURSES & TRAINING PROGRAMMES FOR FOOD PROCESSING

Objective

Creation of infrastructural facilities like library, laboratory, pilot plants, etc., for running degree/diploma courses and training programmes including extension services for food processing.

Eligibility & Pattern of Assistance

Grant upto Rs 50 lakhs would be provided to HRD Institutions such as colleges, universities, technical institutions, etc.

COMPONENT – 3: TRAINING PROGRAMMES SPONSORED BY MINISTRY OF FOOD PROCESSING INDUSTRIES

Objective

Conducting training programmes sponsored by MFPI in various areas of food processing.

Eligibility & Pattern of Assistance

Grant will be provided to institutions organizing such training. Quantum of assistance will be subjvt to number of trainees & duration of training, etc.

COMPONENT – 4: ENTREPRENEURSHIP DEVELOPMENT PROGRAMME

Objective

Enabling the potential entrepreneurs in taking up food processing projects.

Eligibility & Pattern of Assistance

Maximum assistance of Rs 1 lakh per EDP, which should be atleast for a period of 4 weeks with a follow-up phase of 12 months and the number of trainees should not be less than 20. The objectives, course content, selection criteria/procedure, expenditure break-up, follow-up and monitoring mechanism should conform to EDP guidelines.

THE SCHEME FOR SCHEME FOR QUALITY ASSURANCE, CODEX STANDARDS & RESEARCH & DEVELOPMENT

The scheme will have the following components:

- Total Quality Management (TQM)
- Promotion of Quality Assurance & Safety Concept.
- Bar Coding
- Strengthening of Codex Cell
- Setting up of Quality Control Laboratory.
- R&D in Processed Food Sector

COMPONENT – 1: TOTAL QUALITY MANAGEMENT

Objectives

To motivate the food processing industries for adoption of food safety & quality assurance mechanisms such as Total Quality Management (TQM) including ISO-9000, ISO14000, Hazard Analysis & Critical Control Points (HACCP), Good Manufacturing Practices (GMP), Good Hygienic Practices (GHP).

- To prepare them to face the global competition in International trade in post WTO.
- To enable adherence to astringent quality in hygiene norms.
- To enhance product acceptance by overseas buyers.
- To keep Indian industry technologically abreast of international best practices.

Eligibility & Pattern of Assistance

Central/State Government Organizations, IITs & Universities 50% of the total cost of the project towards implementation of Total Quality Management including ISO 9000, ISO 14000, HACCP, GMP & GHP in general areas and 75% in difficult areas. The absolute ceiling will remain Rs 10.00 lakhs and Rs 15.00 lakhs respectively Grant in aid. All other Implementing Agencies 33% subject to a maximum of Rs 10.00 lakhs for General Areas and 50% to a maximum of Rs 15.00 lakhs for Difficult Areas. Grant in aid

COMPONENT – 2: PROMOTION OF QUALITY ASSURANCE/SAFETY CONCEPT

Objectives

To promote the concept of quality assurance and their adoption.

To create awareness among the food processing industries as well as consumers about the advantage of Safe & Quality foods through Generic advertisement, Workshop/Seminars, etc. To train various stake holders engaged in food business and preparation of quality assurance training modules/guides/manuals, development of sector specific Codes of Practices such as GMP, GHP, GAP, etc. from farm to fork and their implementation.

Eligibility & Pattern of Assistance

Central/State Government Organisations, IITs & Universities 50% of the total cost of the project subject to maximum Rs 3.00 lakhs Grant in aid

All other Implementing Agencies 33% subject to a maximum of Rs 3 lakhs for General Areas and 50% subject to a maximum of Rs 3 lakhs for Difficult Areas. Grant in aid

When the Ministry sponsors such activities as mentioned in this component, there would be no ceiling to financial assistance and the amount to be decided on case to case basis with the approval of Competent Financial Authority

COMPONENT – 3: BAR CODING

Objectives

To popularise the concept of bar coding system following National/International Standards and to encourage food processors to affix bar codes on their processed food packages in order to keep with the developments in the international markets.

To avoid any non- tariff barriers in future, as bar coding has become an important requirement in the context of the stringent food safety standards.

Eligibility & Pattern of Assistance

Central/State Government Organisations, IITs & Universities 50% of the Registration fees to be paid to EAN - India and 50% of cost of the capital equipment subject to maximum Rs 3.00 lakhs. The organisations intending to avail the financial assistance for bar coding, have to get registered with EAN - India before applying to Ministry Grant in aid

All other Implementing Agencies 50% of the Registration fees to be paid to EAN - India and 33% subject to a maximum of Rs 3 lakhs for General Areas and 50% subject to a maximum of Rs 3 lakhs for Difficult Areas. The organisations intending to avail the financial assistance for bar coding, have to get registered with EAN - India before applying to Ministry. Grant in aid

COMPONENT – 4: STRENGTHENING OF THE CODEX CELL

Objective

To strength/setting up of Codex cell in the Ministry as well as at the point of various stakeholders such as State level Nodal Agencies for food processing industries, designated by the State Government, Industry Associations, National Research Institutions for enabling pro-active participation in Codex deliberations and adequate projection of Indian view point in Codex system. This includes computerization, compilation and maintenance of Codex documents, study survey for scientific data generation, engagement of consultants for preparing Discussion/Position papers, code of practices etc. especially for Codex purposes only.

Eligibility & Pattern of Assistance

Central/State Government Organisations, National Research Insitutions & leading Agricultural Universities, IITs & Universities who can serve as centres of excellence around problem areas of Codex Standards are eligible for financial assistance 100% grant in aid upto Rs 10.00 lakhs in general areas & Rs 15.0 lakhs in difficult areas. Grant in aid. All other Implementing Agencies 33% subject to a maximum of Rs 10 lakhs for General Areas & 50% subject to a maximum of Rs 15 lakhs for Difficult Areas.. Grant in aid. When the Ministry establish/commissions/sponsor such Codex cell and activities thereof, there would be no ceiling to financial assistance and the amount to be aproved will be decided on case to case basis with the approval of Competent Financial Authority

COMPONENT – 5: SETTING UP OF QUALITY CONTROL LABORATORY

Objective

- To ensure compliance with National food standards
- To assist industries in the food sector to develop and implement quality management systems such as ISO9000, HACCP, etc.
- To analyse the samples received from food processing industries, and other stakeholders.
- To impart training in the areas relating to quality improvement through own expertise.
- To provide on information on quality standards and requirements of various markets on quality of products.,
- To reduce the time of analysis of samples by reducing transportation time of samples.
- To generate scientific data on levels of contaminants, pesticide residue, etc.

Eligibility & Pattern of Assistance

Central/State Government Organisations, IITs and Universities Assistance will be limited to the entire cost of capital equipment required for setting up of such laboratories. The facilities thus created will be common and may be availed of by other food processing units in and around the area. Grant in aid. All other Implementing Agencies 33% of the cost of capital equipment required for setting up of such laboratories for General Areas and 50 % for Difficult Areas. Grant in aid

COMPONENT – 6: RESEARCH & DEVELOPMENT IN PROCESSED FOOD SECTOR

Objective

- Update processing, packing and storage technologies for all major processed food products so that they meet International Standards.
- Standardization of various factors such as bacteriological standards, preservation standards, additives, pesticide residue, etc. of meat and meat products, development of value added products of commercial importance.
- Development of processing technology for the production of intermediate and finished food product/production including design and building of prototype equipment/pilot plants.
- Fortification of cereals/cereal products for enhancing the nutritional level of our population, especially women and children.
- Traditional Foods of various regions of the country.
- Development of new cost effective technologies for preservation and packaging for food products based on traditional foods, common food grains, dairy products, etc. for both domestic and export purposes. Development of design of equipment for manufacture of such products, development of new inexpensive packaging techniques and equipments, analysis of existing packaging methods, materials processes, quality control norms studies about improvement in the currently used systems, studies about newer packaging possibilities.
- Ministry may engage reputed research institutions/universities for directed research on development of low cost indigenous technology for preservation/processing, which will result in value addition to various foods.

Eligibility & Pattern of Assistance

Central/State Government Organisations, IITs and Universities 100% of the capital cost Grant in aid All other Implementing Agencies 33% of the capital cost for General Areas and 50% of the capital cost for Difficult Areas. Grant in aid. The broad objectives for setting up of the Corporation were :

- To manufacture and distribute Agricultural Farm Machinery.

- To manufacture and distribute other Agricultural inputs such as Fertilizers, Pesticides etc.
- To manufacture and distribute products pertaining to Dairy, Poultry and allied trade.
- To develop Agro based industries for carrying out processing of agricultural products and to assist such industries.
- To render assistance to the individuals who are in the field of agricultural and allied industries in modernizing their farms and industries

A Movement of Soil to Soul The Maharashtra Agro Industries Development Corporation Ltd (MAIDC)

E-mail Snail Mail All Employees By Designation By Work Place Physical Turnover Financial Turnover Board of Directors Chairman's Views Managing Director's Views Head Office Regional Office Our Mission Board of Directors Organisation Chart (Upto MGR level) Employee Details Right to Information Act - India Maharashtra Right to Information Rules - 2005 (PDF) Information/Asst. Information Officers Information Under Sec 4(b) of Right to Information Act - India Factories & Regional Offices situated in the state

Flower Auction Food Park MFPI Schemes Govt. of Maharashtra Schemes Squashes Jams Ketchups/Sauces Juices Pulp/Puree Slices Sweet Corn Introduction Products Marketing Introduction About Us Setup Products Krushivator Tractor S. T. I. P. P. Implements P. T. I. Introduction Products Research & Development Future Plans Introduction Products Marketing Procurement Introduction Products Marketing Procurement .

SCHEME FOR INFRASTRUCTURE DEVELOPMENT

COMPONENT – 1: FOOD PARK

Objective

Infrastructure and common facilities for use by small and medium enterprises which enhance valued addition. Common processing, packaging, marketing intelligence platform facilitated by large industry and utilised by small and medium industry and farmers. Quality assurance through input of quality control and food analysis laboratory.

Eligibility & Pattern of Assistance

All implementing Agencies

25% of the project cost in general Areas and 33.3% in Difficult Areas subject to a maximum of Rs 4 crores for provision of common facilities like cold storage, food testing and analysis laboratory, effluent treatment plant, common processing facilities, power, water supply, etc. Grant in aid

COMPONENT – 2: PACKAGING CENTRE

Objective

Cost of packaging material and packaging technology is the largest component of the cost of packaged food. Lack of access to superior packaging technology, which enhances shelf life, protects food, is internationally acceptable and has no deleterious effect on environment and health has been an inhibiting factor in the growth of food processing industry. The objectives of this scheme are:

To promote new technologies of packaging which may help in enhancement of shelf life of food products. The high cost of packaging equipments discourages processing. This scheme is expected to help bridge the gap between requirement of packaging equipments and its easy accessibility. To highlight the importance of packaging as an area of investment in the food park as well as outside.

Eligibility & Pattern of Assistance

All implementing Agencies 25% of the total cost of plant and machinery and technical civil work in General Areas and 33.3% in Difficult Areas subject to maximum of Rs 2 crores for establishing packaging centre independently and in food parks if the packaging centre is not already a part of the common facilities. Grant in aid

COMPONENT – 3: MODERNISED ABBATTOIRS

Objective

- Scientific and hygienic slaughter.
- Stunning causing least pain to the cattle.
- By-product utilization.

Eligibility & Pattern of Assistance

Local Bodies 25% of the cost of plant and machinery and technical civil works in General Areas and 33.3% in Difficult Areas subject to a maximum of Rs 4 crores for modernizing the existing abattoirs. Grant in aid

COMPONENT – 4: INTEGRATED COLD CHAIN FACILITIES

Objective

The rate of growth in production of perishable produce is roughly twice as much as general agriculture. Accordingly, to keep pace with the need for storage of perishable produce so that there is no wastage and at the same time raw material supply to food processing industries is not adversely hit in the off-season, enhanced cold storage capacity is essential with a view to-

- Improve viability of existing cold storages.
- Enhance total cold store capacity, both stationary and mobile.

Eligibility & Pattern of Assistance

Local Bodies 25% of the cost of plant and machinery and technical civil works in General Areas and 33.3% in Difficult Areas with a common ceiling of Rs 75 lakhs Grant in aid

COMPONENT –5: VALUE ADDED CENTRE

Objective

These centres will make value addition leading to enhanced shelf life and higher total realization. Integrate the value chain ensuring value addition at each level of handling. Result in information flow and documentation about varieties/grades, volume traded, method of packaging, etc.

Facilitate traceability.

Eligibility & Pattern of Assistance

All implementing agencies 25% of the cost of plant and machinery and technical civil works for setting up such centre subject to a ceiling of Rs 50 lakhs in general areas and 33.33% subject to a maximum of Rs 75 lakhs in difficult areas. Grant in aid .

COMPONENT –6: IRRADIATION FACILITIES

Objective

- Enhancing their shelf by irradiation of such products for which this method of preservation is approved under the relevant legislation.
- Prevent infestation (as in spices of flour)/sprouting/change in chemical composition (as in potato) both for domestic market as well as for export.

- The technology to be guaranteed and its application to be specifically monitored by the Deptt. of atomic Energy so as to ensure complete safety in the manner of irradiation and the final product.

Eligibility & Pattern of Assistance

All implementing agencies 25% of the cost of plant and machinery and technical civil works for setting up irradiation facilities in general areas and 33.3% in Difficult Areas subject to a maximum of Rs 5 crores Grant in aid. The broad objectives for setting up of the Corporation were :

- To manufacture and distribute Agricultural Farm Machinery.
- To manufacture and distribute other Agricultural inputs such as Fertilizers, Pesticides etc.
- To manufacture and distribute products pertaining to Dairy, Poultry and allied trade.
- To develop Agro based industries for carrying out processing of agricultural products and to assist such industries.
- To render assistance to the individuals who are in the field of agricultural and allied industries in modernizing their farms and industries

A Movement of Soil to Soul of the Maharashtra Agro Industries Development Corporation Ltd (MAIDC).

COLD STORAGE SUBSIDY SCHEME BY THE MAHARASHTRA STATE AGRICULTURAL MARKETING BOARD, PUNE

Maharashtra State is the major producer of the fruit and vegetables in the country. With the effective implementation the EGS scheme the cultivated land under horticulture crops in the State increased by almost 500 %. The present level of production of horticultural produce in the State is expected to go up by 100 % within a very short period of next 2-3 years. It is estimated that as much as 30 - 35 % of fruit and vegetable production is lost on account of lack of adequate post harvest infrastructure. Agricultural produce of the farmers do not get remunerative prices due to lack of grading , proper packaging and in turn there is huge post harvest losses. In future establishment of Cold Chain in the State has a prime importance for fetching good prices for agril. produce in the International markets.

The perishable agril produce will get storage facility if cold storages are established by Agricultural Produce Market Committees (APMCs) and Co-operative societies functioning in the various regions of the State. This will not only reduce glut in the market and avoid price fluctuation but it also increase the shelf life and quality of agril produce. Thus in turn the producer would get remunerative prices for their produce. Keeping this view in mind the MSAMB has launched "Cold Storage subsidy scheme" from 1st of August 2004 in the State.

The scheme details as follows.

A. PATTERN OF ASSISTANCE -

- Subsidy @ 25 % of the total project cost with maximum limit of Rs 2.5 lakhs per project.
- - The beneficiary will be eligible for getting subsidy from other financial institutions /agencies.
- - The beneficiary can get subsidy for more than one cold storage.

B. FEATURES OF THE SCHEME -

- Subsidy is available for capacity up to 100 MT cold storage.
- The per MT cost of the project is considered @ Rs 10000/- per MT.
- The per MT subsidy rate is considered @ Rs 2500 /- per MT.
- In-principle approval from MSAMB for the project is necessary.
- The Detail Project Report (DPR) of the cold storage must be of the MSAMB
- - The plan and estimates of the project should be according to the norms finalized by the MSAMB

C. IMPLEMENTATION -

- 1st August 2004 onwards

D. ELIGIBLE ORGANIZATIONS - The eligible promoters under the scheme shall include Agriculture Produce Market Committees, Co-operative Societies engaged in Processing/Marketing of Fruits vegetables flowers, Co-operative sugar factories, Agril. Producers Co-operative societies.

(Scheme is applicable for Promoters from the Maharashtra State)

Mahabank GOLD CARD SCHEME FOR EXPORTERS

Objective of the Scheme: To provide better terms of credit including rates of interest to all eligible exporters, including those under small and medium sector, compared to those extended to other exporters by the Bank.

Eligibility: All exporters, including those under small and medium sectors, would be covered under the scheme provided:

1. Their accounts are classified as "STANDARD" continuously for 3 immediately preceding years.

2. Their names do not figure in RBIs defaulter list / caution list and they have not been blacklisted by ECGC.
3. There are no overdue in pre-shipment export credit.
4. They have not run up losses continuously for 3 immediately preceding years.
5. They do not have overdue export bills in excess of 10% of the current year's turnover.

Benefits to Exporters :

1. Limits will be sanctioned in-principle for 3 years, with a provision for renewal, subject to satisfactory compliance with the terms and conditions of sanction stipulated by the Bank.
2. A standby limit to the extent of 20% of the assessed limit will be made available to the Gold Card holders for meeting urgent credit needs for executing sudden orders.
3. Requests for Packing Credit in Foreign Currency (PCFC) from Gold Card holders will be given priority.
4. PCFC will be extended at a rate not exceeding LIBOR + 75 basis points.
5. Rate of interest will be 0.25% lower than the rate applicable for normal exporters. (The extant interest rate of the Bank for pre-shipment credit up to 180 days and post-shipment credit up to 90 days is 8 %. Gold Card holders shall be charged an interest rate of 7.75 % for these credit facilities for a like tenor.)
6. Rate of interest applicable for up to 90 days on post-shipment export credit, (in the extant case 8 %, 7.75 % for Gold Card holders), will be extended for a maximum period of 365 days.
7. In case of unanticipated export orders, norms for inventory will be relaxed taking into account the size and nature of export order.
8. Service charges stipulated for Gold Card holders will be 25% lower than the charges recovered from other exporters.

Tenure :

The Gold Card will be issued for a period of 3 years and will be automatically renewed for a further period of 3 years provided no adverse features, irregularities are noticed in the account.

In case of any misuse of the card or observance of any violation of terms and conditions, the Bank shall have the right to recall the Card any time.

Time frame for disposal of applications received under the scheme :

- Sanction of fresh / enhanced credit limit: 25 Days
- Renewal of existing credit limits 15 Days
- Sanction of ad-hoc credit facilities 7 Days

Package Scheme of Incentives

The Package Scheme of Incentives as last modified was continued upto the 31st March, 2007 by Government Resolution, Industries, Energy and Labour Department No. IDL-1006/(CR-83)/IND-8, dated 3rd May, 2006. Now, the Government is pleased to direct that the Package Scheme of Incentives 2007 will be brought into effect from the 1st April 2007 to 31st March, 2011, with the following provisions:

1. SCOPE:

1.1 Coverage under the 2007 Scheme: The following categories of Eligible Industrial Units in the Private Sector, State Public Sector/ Joint Sector and the Co-operative Sector but not in the Central Public Sector will be considered for incentives under the 2007 Scheme

- Industries listed in the First Schedule of the Industries (Development and Regulation) Act, 1951, as amended from time to time
- Manufacturing Enterprises as defined in the MSMED Act, 2006.
- Information Technology (IT) units registered with Directorate of Industries or MIDC or Development Commissioner (SEEPZ) or STPI in the State,
- Poultry
- Cold Storages and Agro Industries,
- Biotechnology (BT) units as specified by Government from time to time, which are outside the purview of any registering authority mentioned above.

Explanation: In the case of poultry, only capital expenditure on land, building and equipment will be considered eligible for incentives.

1.2 Period of Operation: The 2007 Scheme, as may be amended by the Government from time to time, shall remain in operation from the 1st April, 2007 to 31st March, 2011.

1.3 Classification of Areas: For the purpose of the 2007 Scheme, the classification of the areas of the State shall be as indicated below.

- i) Group A: comprising the developed areas, viz. Mumbai Metropolitan Region (MMR) and Pune Metropolitan Region (PMR).
- ii) Group B: comprising the areas where some development has taken place.
- iii) Group C: comprising the areas, which are less developed than those covered under Group B.
- iv) Group D: comprising the lesser-developed areas of the State not covered under Group A/ Group B/ Group C.

- v) Group D+: comprising those least developed areas not covered under Group A/Group B/Group C/Group D
- vi) No Industry District : Not covered under Group A / B/ C/ D & D+

The detailed taluka wise classification of the areas of the State made accordingly has been indicated in Annexure I to this Resolution.

2. Implementing Agencies

The Implementing Agencies for the purpose of the 2007 Scheme shall be as follows:

2.1 The Joint Director of Industries (Mumbai Metropolitan Region) [JDI (MMR)] in respect of Mumbai and Mumbai Suburban Districts and concerned District Industries Centre (DICs) for the Micro & Small Manufacturing Enterprises as specified in the MSMED Act, 2006 and activities as specified under the provision of Para 1.1 (iii to vi) wherein investment in equipments at par with Micro & Small Manufacturing Enterprises.

Explanation: (a) The eligible unit will continue to remain with the JDI (MMR) or DIC which had issued an Eligibility Certificate (EC) in favour of the Eligible Unit, for the purposes of incentives and other connected matters, even if the Eligible Unit ceases to be a Micro & Small Manufacturing Enterprises or exceeds the investment ceiling prescribed for Micro & Small Manufacturing Enterprises. In other words, even when an Eligible Micro & Small Manufacturing Enterprises graduates to Medium manufacturing enterprises/Large Scale Sector, the Eligible Unit shall continue to remain with the JDI (MMR) / DIC, which issued the EC in favour of the Unit.(b) Where an Eligible Unit has been issued an EC under any of the Schemes prior to the 1993 Scheme by a Regional Development Corporation (RDC), it will be covered for benefits under the 2007 Scheme according to its status as Micro & Small Manufacturing Enterprises or Large Scale Industry (LSI) consequential to new/expansion/diversification project. It shall accordingly file its application with the concerned Implementing Agency.

2.2 The Regional Joint Directors of respective regions and the Sub-Regional Officer i.e. Superintending Industries Officer, Nanded Sub-Region for Medium Manufacturing Enterprises as defined in the MSMED Act, 2006 and activities as per the provision 1.1 (iii to vi) wherein investment in equipment at par with the Medium Manufacturing Enterprises as defined in MSMED Act, 2006.

2.3 Directorate of Industries for Medium Enterprises other than as specified in MSMED Act, 2006 / Large Scale Industries / Mega Projects and the activities as per the provisions 1.1 (iii to vi) wherein the investment in equipment is more than the medium manufacturing enterprises as specified in MSMED Act, 2006.

3. DEFINITIONS:

3.1 Date of Effect of Eligibility: An Eligibility Certificate under the 2007 Scheme will be issued by the Implementing Agency after ascertaining that the eligible unit has complied

with the provisions of the Scheme and has commenced its commercial production. The EC will be issued with effect from the date of commencement of commercial production by the Eligible Unit. The date of commencement of commercial production will be determined by the Unit supported by the relevant extract of the excise register or, in case excise is not applicable by the first sale bill is issued by the unit in respect of such production or as may be permitted by Government of Maharashtra in respect of Mega Project proposals. For the purpose of the EC, the date of commencement of commercial production will be deemed to be the first day of the month following the month in which such production has commenced. The Implementing Agency will send a copy of the EC to the agency supplying power and to the concerned Inspector.

3.2 Micro & Small Manufacturing Enterprises, Medium manufacturing Enterprises / LSI & Mega Projects:

(i) Micro, Small and Medium Manufacturing Enterprises as defined in the MSMED Act, 2006.

(ii) LSI Units / Enterprises having the investment more than medium manufacturing enterprises under MSMED Act, 2006.

(iii) Mega Projects: Industrial Projects with investment more than Rs.500 Crores or generating employment for more than 1000 persons in A & B area or investment more than 250 Crores or generating employment for more than 500 person in rest of Maharashtra.

However, Industrial Projects with investment of more than Rs. 100 Crores or generating employment for more than 250 persons coming up in low human development district as mentioned in Annexure II will qualify as Mega Project. Note: The Mega projects claiming the benefits based on employment criteria will have to employ the qualifying number of employees throughout the year and 75% of such employees should be local persons.

3.3 Earlier Scheme

'Earlier Scheme' shall mean and include:

i) The 1964 Scheme outlined in the Government Resolution, Industries and Labour Department, No. IDL-7064/IND-I, dated the 25th September, 1964.

ii) The 1969 Scheme outlined in the Government Resolution, Industries and Labour Department No. IDL-7069/IND-I, dated the 2nd April, 1969.

iii) The 1973 Scheme outlined in the Government Resolution, Industries and Labour Department, No. IDL-7073/34605/IND-I (B) dated the 23rd October, 1973.

iv) The 1976 Scheme outlined in the Government Resolution, Industries, Energy and Labour Department, No. IDL-7076/6212/(5)/IND-8, dated the 18th January, 1977.

v) The Special Capital Incentive Scheme outlined in the Government Resolution, Industries, Energy and Labour Department, No. IDL-7076/48287/(295)/IND-8, dated the 17th September, 1977.

vi) The 1979 Scheme outlined in the Government Resolution, Industries, Energy and Labour Department, No. IDL-7079/(2043)/IND-8, dated the 5th January,

1980 read with the Government Resolution, Industries, Energy and Labour Department, No. IDL-7082/(3559)/IND-8 dated the 5th July, 1982.

vii) The 1983 Scheme outlined in the Government Resolution, Industries, Energy and Labour Department, No. IDL-1082/(4077)/IND-8, dated the 4th May, 1983 read with the Government Resolution, Industries, Energy and Labour Department, No. IDL-1088/(6612)/IND-8 dated the 25th March, 1988 and the Government Resolution, Industries, Energy and Labour Department, No. IDL- 1087/(6245)/IND-8 dated the 25th July, 1988.

viii) The 1988 Scheme outlined in the Government Resolution, Industries, Energy and Labour Department, No. IDL-1088/(6603)/IND-8, dated the 30th September, 1988 read with the Government Resolution, Industries, Energy and Labour Department, No. IDC-2188/(11324)/IND-14 dated the 8th November, 1988, the Government Resolution, Industries, Energy and Labour Department, No. IDL-1088/(7018)/IND-8 dated the 31st January, 1989 and the Government Resolution, Industries, Energy and Labour Department, No. IDL-1088/(7056)/IND-8 dated the 22nd February, 1989,

x) The 1993 Scheme outlined in Government Resolution, Industries, Energy and Labour Department, No. IDL-1093/(8889)/IND-8, dated the 7th May, 1993 as amended from time to time, and

x) The 2001 Scheme outlined in Government Resolution, Industries, Energy and Labour Department No. IDL-1021/(CR-73)/IND-8, dated 31st March, 2001 as amended from time to time.

3.4 Effective Steps:

1. Effective Steps shall mean and include:

(i) Effective possession of land / shed / gala by an Eligible Unit. If the rental / leased period is less than operative period then there should be a provision of automatic extension of the agreement for further period which should be equivalent to operative period of the eligible unit. Explanation : Effective possession of land means physical possession with registered deed with clear title documents & / or registered lease deed in case of rental / lease of land / premises.

(ii) Registration in respect of Firm / Company / Trust / Society / Co-operative Society. However, in respect of Partnership Firm only evidence of execution of a Partnership Deed and filing of a requisite application with payment of necessary registration fees with the Registrar of Firms will be necessary.

(iii) Enterprises Memorandum / Letter of Intent / Registration for IT units from Directorate of Industries or MIDC / Letter of Intent from the Government of India and / or permission from the State Government for setting up / shifting of the Unit, if such permission is required to be obtained.

(iv) A copy of the Industrial Entrepreneur's Memorandum (IEM) along with a copy of its acknowledgement in the case of a LSI Unit not covered under the licensing provisions of the Industries (Development & Regulation) Act, 1951 or letter of intent, which is covered under license provision of IDR Act.

Explanation-

Based on the documentary evidence produced by the Eligible Unit, the Implementing Agency shall determine the date on which the Effective Steps are completed, subject to such directions as the Government may issue from time to time.

3.5 Existing Unit- An Existing Unit shall mean and include:

- (i) A Unit which has been set up and is in production on or any time prior to the date of issue of the G.R. whatsoever, or
- (ii) A Unit which has been granted an EC or availed of any incentives under any of the Earlier Schemes, or
- (iii) A Unit which has filed a valid application for grant of an EC under the 2001 Scheme with any of the Implementing Agencies on or before 31st March 2007.

3.6 Expansion / Diversification - An Existing / New Unit in any of the areas covered under Group "B", Group "C", Group "D", Group D+, or No Industry District which creates on or after the date of issue of this G.R., an additional fixed capital investment for additional production / manufacturing facilities for manufacture of the same product / products as of the existing /new unit for Expansion or different products, diversification only if it satisfies the following conditions, namely :-

(a) Such Expansion /Diversification should provide for additional Fixed Capital Investment by non-micro and small manufacturing enterprises exceeding Rs.5 crores or by micro and Small manufacturing enterprises exceeding Rs.100 lacs by way of additions to the production / manufacturing facilities;

(b) The said additional Fixed Capital Investment should exceed 25 per cent of the Gross Fixed Capital Investment of the Existing / New Unit immediately prior to setting up of the additional production facilities; investment as on the last of previous financial year for expansion / diversification of the existing unit.

(c) In the case of Expansion or Expansion-cum-Diversification but not mere Diversification "per se"; the said additional Fixed Capital Investment should result in increase of existing installed capacity by at least 25 per cent; and

(d) Such Expansion / Diversification should increase the employment in the non-supervisory category at least to the extent of 10 per cent of the pre-expansion/ diversification level of such employment and 80 percent of such additional employment should be out of local population.

Note: The eligible unit claiming benefits under Expansion / Diversification shall be required to maintain separate record of production for such expansion. In case, however, maintaining the separate record is not possible, the benefits for such eligible units shall be available in the ratio of additional fixed capital investment to the total gross fixed capital investment.

3.7 Finished Product- Finished product shall mean and include the item/s of manufacture 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-product /scrap which may get generated as incidental to and during the main production activity.

Explanation: The units will be allowed inclusion of related items (i.e. same line of finished product mix/same finished product range/category) freely during the eligibility period. However the incentives for included products will be available prospectively.

3.8 Fixed Assets- The term Fixed Assets shall mean and include:

i) Land / area in effective possession for a minimum further period equivalent to operative period prescribed under the scheme and as required for the project.

ii) Building, i.e. any built-up area used for the Eligible Unit including administrative building, residential quarters, industrial housing and accommodation for all such facilities as are required for the manufacturing processes.

iii) Plant and Machinery, i.e. Tools and equipment including handling and haulage equipment or tools as are necessarily required and exclusively used for sustaining the working of the Eligible Unit.

iv) The cost of development of the location of the Eligible Unit, such as fencing, construction of roads and other infrastructure facilities which the Eligible Unit has to incur under the project.

v) Installation charges and pre-operative expenses capitalized.

vi) Technical know-how including cost of drawings and know-how fees.

vii) The amount paid to the Electricity Distribution Company for supply of power to the Eligible Unit, or to the Maharashtra Industrial Development Corporation (MIDC) for development of infrastructure for the Eligible Unit, or to any other Government agency for similar purpose.

viii) For Mega Project -

a) The Tooling acquired by the Mega Project may be located at the premises of various ancillary units of the Mega Project within the State limited to maximum 40% of the total plant and machinery of the Mega Project.

b) If Mega Project want to support certain captive process vendors who may put up investment purely and entirely for the purpose of carrying out certain processes in the overall manufacturing process of the Mega Project, the investment made by such captive process vendors would also qualify for being counted towards the fixed capital investment of the Mega Project subject to the following conditions–

b.1 Such Mega Project shall furnish a list of such captive process vendors which it want to support.

b.2 Such captive process vendors in the same industrial area or higher classified Taluka where the Mega Project unit is situated (e.g. if the mega project is located in B area, then the captive process vendors should be from the same classified area or from C, D, D+ area or No Industry Districts)

b.3 Such captive process vendors should be engaged in a part of the manufacturing process (and not components or independent products) of only one Mega Project unit

b.4 Such captive process vendors shall not be entitled to any benefits under Package Scheme of Incentive though it is putting up investment in its own name in a backward area.

Explanation – The above definition of fixed assets at Sr.No.(viii) will also apply to the Mega Projects who have applied under PSI 2001.

3.9 Gross Fixed Capital Investment- (I) Gross Fixed Capital Investment shall mean and include, in the case of:

i. New Fixed Assets- The value of new Fixed Assets acquired at site and duly paid for.

Explanation-

(a) Only new Fixed Assets as per the project scheme accepted by the Implementing Agency based on the project appraisal done by the lender who has given term loan for the project or by the Scheduled Commercial Bank / SICOM in case of a self-financed project, which are acquired by an Eligible Unit / Enterprises within the relevant period shall be considered.

(b) Acquisition of imported second hand fixed assets - The value for which these are acquired or the value thereof as certified by an approved valuer, whichever is less, subject to the condition that the assets shall have residual performing life of a minimum 10 years as certified by an approved valuer.

(c) The investment in intangible assets including pre- operative expenses, interest capitalized, technical know-how deposits paid for utility services etc. will be considered only to the extent of 10% of the total project cost for the purpose of incentives.

(II) Fixed Assets acquired by an Eligible Unit and forming part of the Gross Fixed Capital Investment cannot be disposed of / sold / shifted / written off except with the prior written permission of the Implementing Agency. The Implementing Agency may ordinarily grant such permission if it is satisfied that the overall production capacity and existing employment strength of the Eligible Unit will not thereby suffer and that the Eligible Unit has definite plans/proposals for replacement of the Fixed Assets being disposed of / sold / written off either by similar Fixed Assets or by Fixed Assets with better output / higher production capacity with or without change in the finished product/s. However, shifting of assets will be permitted only if the contemplated shifting is to a place in an equivalent or lesser-developed area of the State (e.g. from 'C' to 'C' or 'D' area, but not from 'C' to 'B' area as per the area classification at Annexure -I)

(III) Subject to the provisions of paras (I) and (II) above, the Gross Fixed Capital Investment at the end of each year will be computed as Gross Fixed Capital Investment at the beginning of the year, plus additions as per the approved project scheme made, if any, to the Gross Fixed Capital Investment during the year, less the original value of any Fixed Assets of the Eligible Unit shifted disposed of / sold / written off, if any, during the year.

(IV) If the admissible Gross Fixed Capital Investment as endorsed in the EC is reduced as a result of any shift / disposal / sale / write off / replacement of the Fixed Assets, the ceiling as endorsed in the EC shall be reduced proportionately and if the incentives availed by the Eligible Unit exceed the ceiling revised as a result of shifting / disposal / sale / write off / replacement, the benefits availed in excess of such revised ceiling shall stand recoverable/refundable forthwith with interest at the rate of 15% from the date of such excess availment till the date of actual payment.

(V) Any increase in the Gross Fixed Capital Investment as a result of replacement of any of the Fixed Assets earlier considered under the EC shall not have any additional incentives.

3.10 New Unit-

A New Unit shall mean an Unit which is set up for the first time by an entity in the Private Sector / Co-operative Sector / State Public Sector / Joint Sector in any Taluka where there is no Existing Unit set up by the said entity provided that the Unit satisfies the following conditions:

- a. It is not an Existing Unit.
- b. At least one of the Effective Steps is completed on or after date of this G.R. for setting up the Unit.
- c. It is not formed as a result of re-establishment, mere change of ownership, change in the constitution, reconstruction or revival of an Existing Unit.

Explanation- The incentives available to a New Unit under the 2007 Scheme shall, however, be available to units which get established as result of purchase of assets of Existing / Defunct / Closed / Sick Units subject to and to the extent mentioned in Annexure III to this Resolution.

3.11 Period of Eligibility- The period of eligibility applicable to an Eligible Unit will be as per paras 5.1, 5.2, 5.3, 5.5, 5.6 and 5.9 and shall be computed from the date of commercial production as contained in the EC and depending on the nature and location of the Eligible Unit, during which the incentives will be available to the Eligible Unit subject to fulfillment of the conditions of the 2007 Scheme except in respect of "Mega Project" where eligible period will be as, has been approved by "High Power Committee" or "Infrastructure Sub Committee" Example: For example, an Eligible New Micro & Small Manufacturing Enterprises located in D area has obtained EC and its date of commencement of commercial production is XXXX. The Eligible unit will be entitled to Industrial Promotion Subsidy at the rate of (a maximum of) 40% of its eligible investment for (over a period of) 8 years (of the) EC period. The unit will also be entitled to octroi refund in the form of grant restricted to 100% of the admissible fixed assets for a period of 9 years and exemption from payment of electricity duty for a period of 15 years. In addition, if the unit is Textile unit in Micro & Small Manufacturing Enterprises it will be entitled to interest subsidy for a period of 5 years subject to a ceiling of Rs. 20 lakhs.

3.12 Procedural Rules- 'Procedural Rules' shall mean and include the rules as laid down under Government Resolution, Industries, Energy and Labour Department, No.IDL-

7079/95227/(2540)/IND-8, dated the 11th August, 1980 as amended from time to time. In case of any conflict, the provisions of this Govt. resolution shall prevail.

3.13. Sick Unit- A 'Sick Unit' shall mean and include an Micro & Small Manufacturing Enterprises so considered and certified by the Directorate of Industries, or Medium Manufacturing Enterprises / LSI Unit so considered by the Board for Industrial and Financial Reconstruction (BIFR) and Co-operative unit's / Enterprises as certified by Commissioner of Co-operation, State of Maharashtra.

3.14 Year- 'Year' shall mean the financial year, i.e. 1st April to 31st March.

4. GENERAL PROVISIONS:

4.1 Application for Eligibility- (1) An application for eligibility under the 2007 Scheme shall be filed to the implementing agency by an Eligible Unit only after it has taken all the Effective Steps but not later than the 31st March, 2011. It shall be supported by documentary evidence in regard to completion of the Effective Steps.

(2) For claiming eligibility under the 2007 Scheme, new Eligible Unit shall commence the commercial production and also acquire the fixed assets at site and paid for it within three years if it is for Micro & Small Manufacturing Enterprises, within four years if it is Medium Manufacturing Enterprises / LSI units / Enterprises and five years if it is Mega Project except in respect of those "Mega Projects" where extra period has been approved by "High Power Committee" or "Infrastructure Sub Committee" from the date of submission of application as determined by the implementing agency and as mentioned in Para-4.1.(1). The assets acquired beyond the stipulated period will not be considered eligible for incentives and delay in commencement of production will entail proportionate curtailment of incentives.

(3) If an Eligible Unit has filed an application with the Implementing Agency on or before the date of this G.R. after completion of the Initial Effective Steps for incentives under 2001 scheme, but where the applicant fails to complete all the Final Effective Steps latest by 31st March 2008 shall be automatically considered under PSI-2007. However, the incentives applicable to such an eligible unit shall be at the scale under the 2001 Scheme or 2007 Scheme, whichever, is lower except in respect of those "Mega Project" where customized package has been approved by "High Power Committee" or "Infrastructure Sub Committee"

(4) An application for eligibility shall be submitted to the Implementing on or before the date of commencement of commercial production. If there is any delay, the period and entitlement will be curtailed proportionately.

4.2 Time limit for commencement of production in respect of Valid application under earlier schemes: The units which have filed valid applications under PSI 1988, PSI-1993 and PSI-2001 scheme, such units should start commercial production on or before 30th September, 2007, on or before 31st March, 2008 and on or before 31st March, 2009 respectively. The unit

failing to start production within the stipulated time will be disqualified and will not be entitled to the Incentives under any of the incentive schemes.

4.3 Claim for Incentive- No right or claim for any incentives under the 2007 Scheme shall be deemed to have been conferred by the 2007 Scheme merely because the applicant Unit has fulfilled the conditions of the 2007 Scheme. The incentives under the 2007 Scheme cannot be claimed unless an EC has been issued under the 2007 Scheme by the Implementing agency and the Eligible Unit has complied with the stipulations/conditions of the EC. The Implementing Agency shall issue EC to the Eligible Unit within two months of the unit complying with the stipulations of the 2007 Scheme.

5. Promotional and Financial Incentives: 5.1 Industrial Promotion Subsidy: (IPS) A) New Micro & Small Manufacturing Enterprises, Medium Enterprises / LSI (including IT/ BT units) : New projects, which are set up in these categories in different parts of the State, will be eligible for Industrial Promotion Subsidy (IPS). The quantum of subsidy will be linked to the Fixed Capital Investment. Payment of IPS every year will be equal to 25% of any Relevant Taxes paid by the eligible unit to the State or to any of its departments or agencies.

B) Expansion units: Existing Micro & Small Manufacturing Enterprises, Medium Enterprises / LSI units making additional investment to the extent of 25% or more over the Gross Fixed Capital investment, as on the last date of the previous financial year, for expansion, diversification will also be eligible to get the Industrial Promotion Subsidy equivalent to 75% of the incentives admissible for new units. The admissible period for availing the subsidy will be reduced by one year in the respective category and area.

Explanation: The Zero VAT Units will be eligible for getting employment based incentive as proposed for low HDI districts in the form of 75% reimbursement of expenditure on account of contribution towards Employees State Insurance (ESI) and Employees Provident Fund (EPF) Scheme for a period of 5 years However the quantum of incentives for these units will be limited to 20%, 30%, 40%, 50%, 60% of FCI in "B", "C", "D", "D+", No Industry District respectively.

5.2 Interest subsidy: All new eligible Micro & Small Manufacturing Enterprises in textile, hosiery, knitwear and readymade garment sector will be eligible for interest subsidy in addition to Industrial Promotion Subsidy. The Interest Subsidy will be payable only on the interest actually paid to the Banks and Public Financial Institutions on the term loan for acquisition of fixed capital assets. The amount of interest subsidy will be effective rate of interest (after deducting interest subsidy receivable any institution / under any Govt. of India scheme or 5 % p.a. whichever is less).

5.3 Exemption from Electricity Duty: Eligible new units in C, D, and D+ areas and No-Industry District(s) will be exempted from payment of Electricity Duty for a period of 15 years. In other parts of the State, 100% Export Oriented Units (EOUs), Information Technology (IT) and Bio-Technology (BT) units will also be exempted from payment of

Electricity Duty for a period of 10 years. Necessary Notification under the provision of the Electricity Duty Act 1958 will be issued separately by Energy Department.

5.4 Waiver of Stamp Duty: New as well as units undertaking Expansion/ Diversification will be exempted from payment of Stamp duty up to 31st March 2011 in "C, D, D+ Talukas and No Industry Districts. However, in A and B areas, stamp duty exemption would be available as given below:

- _ BT and IT units in public Parks : 100%
- _ BT and IT units in private Parks : 75%
- _ Mega Projects : 50%

Necessary Notification under the provision of the Bombay Stamp Act 1958 will be issued separately by Revenue & Forest Department.

5.5 Royalty Refund: All eligible units, new as well as units undertaking expansion in Vidarbha region will be eligible for refund of royalty paid on purchase of minerals from mine owners within the State of Maharashtra for a period of five years from the date of commencement of commercial production.

5.6 Refund of Octroi / Entry Tax in lieu of Octroi:

5.6.1 An eligible unit, after it goes into commercial production, will be entitled to refund of Octroi duty / Entry Tax (in lieu of Octroi), account based cess or other levy charged instead of or in lieu of Octroi payable and paid to the local authority on import of all items required by the eligible unit. This incentive will be admissible in the form of a grant restricted to 100% of the admissible fixed capital investment of the eligible unit for a period 5 / 7 / 9/ 12 years respectively in the B / C / D / D+ areas. In respect of No Industry District areas, however, the period will be 15 years.

5.6.2 The period of eligibility for refund of the Octroi / Entry Tax in lieu of Octroi, account based cess or other levy charged instead of or in lieu of Octroi shall be from the date of commencement of commercial production.

5.7 Strengthening the Micro, Small and Medium Manufacturing Enterprises : The followings are the incentives to promote quality competitiveness, research and development and technology up gradation:

- 5% subsidy on capital equipment for technology up gradation subject to maximum of Rs.25 lacs
- 50% subsidy on the expenses incurred for quality certification limited to Rs. 1 Lakh
- 25% subsidy on cleaner production measures limited to Rs.5 Lakhs
- 50% subsidy on the expenses incurred for patent registration limited to Rs. 5 Lakh

Explanation: A Committee under the Chairmanship of Secretary (Industries) will decide the eligibility and sanction the above incentives.

5.8 Additional Incentives: The eligible Micro & Small Manufacturing Enterprises coming up in Industrial Clusters / Parks to be notified by the State Government and in identified thrust areas i.e Agro based Industries, Textile, Auto & Auto Components, Electronics Products, Pharmaceuticals, Gems & Jewellery, Information Technology, I.T. enable Services and Bio-technology will be eligible for the IPS applicable to the one step higher incentive category under clause 5.1

Explanation: A Committee under the Chairmanship of Secretary (Industries) will finalize / decide the clusters / parks in above categories.

5.9 Special Incentives for Units coming up in the low Human Development Index Districts: New units setting up facilities in notified districts (Annexure-II) and employing at least 75% local persons as defined in the Employment of Local Persons Policy will be offered 75% reimbursement of expenditure on account of contribution towards Employees State Insurance (ESI) and Employees Provident Fund (EPF) Scheme for a period of 5 years. However these benefits will be limited to 25% of FCI. The amount of reimbursement will be paid annually based on minimum statutory limit subject to the condition that the unit has paid its contribution towards ESI & EPF on the due dates.

5.10 Mega Projects: The quantum of incentives within the approved limit will be decided by the High Power Committee under the chairmanship of Chief Secretary, Government of Maharashtra. The Infrastructure Committee under the chairmanship of the Chief Minister of Maharashtra will have the power to customize and offer special / extra incentives for the prestigious Mega Projects on a case to case basis.

6. MONITORING AND REVIEW:

6.1 Monitoring and Review of the Fixed Capital Investment and Production activities of the Eligible Unit- With a view to monitoring the production activities of and the establishment of Fixed Assets by the Eligible Unit in relation to the incentives available under the 2007 Scheme, and ensuring that the two match during the period of eligibility and also thereafter during the operative period of the agreement entered into by the Eligible Unit, the following procedure is laid down.

(i) The Eligible Unit shall submit a report duly signed by its authorized representative covering information and details regarding production and sales, indicating the period of stoppage of production and/or closure of the Unit, if any, with reasons therefor, addition to the Fixed Capital Investment, disposal of Fixed Assets, and changes in the constitution of the Eligible Unit.

(ii) The Eligible Unit shall also submit to the Implementing Agency, within a period of 9 months from the close of every year, a certified true copy of the audited annual statement of accounts and Balance Sheet for the said year.

(iii) The Implementing Agency shall be entitled to call for any information and details for a shorter period even prior to the close of the year. The implementing Agency shall independently examine the position from time to time in order to ensure that the incentives

drawn/availed of are within the ceilings specified under the 2007 Scheme or under the relevant earlier Scheme, as the case may be.

6.2. Failure on the part of an Eligible Unit to submit any of the above information / documents within the specified time shall tantamount to breach of the provisions of the 2007 Scheme entailing suitable action as provided under the Procedural Rules, including action to cancel the EC, or premature recall of and immediate recovery of the incentives drawn / availed.

6.3 The Implementing Agencies shall, as far as possible, ensure that the Eligible Unit and relevant agency for supply of power, and the Electrical Inspector are kept informed of the continuance or discontinuance of the EC during the tenure in accordance with the Procedural Rules.

6.4 If and when the Eligible Unit reaches the relevant ceilings prescribed in the EC in the matter of drawls of the refund of octroi prior to expiry of the EC period, or contravenes any of the conditions there under, the Implementing Agencies shall take prompt action to cancel the EC.

7. Committee:

A Committee as constituted comprising of the following members shall be authorized to interpret and decide all the issues involving the PSI 2007 and earlier Scheme.

1. Secretary, Industries Department Chairman
2. Secretary (Finance) Member
3. Commissioner of Sales Tax Member
4. Development Commissioner (Industries) Member
5. Joint Director of Industries (PSI) Member Secretary

The committee may if it so desires seek the advice of expert from relevant field before taking decision on the subject matter.

The decisions taken by the committee will be implemented only after the approval of the Government at appropriate level. This Government Resolution issues with the concurrence of Finance Department vide its U.O.R. No.11/2007/Taxation-1, Dated the 30th March, 2007.

This Government Resolution is available on the web site of Government of Maharashtra with computer code No.20070402154517001. By order and in the name of the Governor of Maharashtra (D.A.Kulkarni) Under Secretary to Government