

Government of Chhattisgarh

**Industrial Policy
(2009-2014)**

Commerce & Industries Department

Industrial Policy (2004-2009)

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1 Preface

- 1.1 Chhattisgarh, endowed with abundant natural resources viz. mineral deposits including precious metals and forests, is one of the States of India having immense potential of industrial development.
- 1.2 Chhattisgarh is amongst one of the richest state of India blessed with rich house of minerals such as Coal, lime stone, iron, diamonds, bauxite, granite, zinc etc.
- 1.3 44% of forest area of Chhattisgarh is store more than 88 species of rich, valuable, forest medicinal plants which is 12% of forest area of India as a whole.
- 1.4 State rivers namely Mahanadi, Hasdev, Kelo, Indrawati, Shivnath etc are capable of satisfying the needs for drinking water, agriculture as well as industrial units. The state has started development of series of dams to fulfill the future needs of water supply.
- 1.5 Chhattisgarh is one of the states of India where the best quality of electricity generation and distribution techniques are practiced. Serious planned efforts have been made towards declaring the state as “Power Hub”. Various contracts to generate more than 50000 megawatt of electricity have been executed at various levels by both government and private sector companies at different levels. Its has generated potentials for emergence of Down Stream industries such as Automobiles, capital goods, steel ,aluminum leading to vertical industrial growth of State.
- 1.6 The state has good geographical location in view of its connectivity to big cities and other states. Owing to the geographical advantage, this agriculturally developed State renowned as “Bowl of Rice” is becoming famous with great potentials to advance in industrial growth specifically steel, cement, power and aluminum industries.
- 1.7 During last 5 years, the development has been reported mainly in Core sectors. The State Government is aiming at development of backward area leading balanced development of state.
- 1.8 While preparing the draft for Industrial Policy discussions were held with the respective Industrial Association, major industrialist, and departmental officers. Educational seminars have been arranged for departmental officers to study the scenario outside the state to provide for the accelerated grow by the Industrial Policy 2009-14. Industrial Development, Employment generation for youth as well as economical and social prosperity is expected on execution of the policy.

2 Objectives

- 2.1 To encourage development of allied sectors parallel to core sector.
- 2.2 To generate self employment as well as additional employment opportunities in industries.
- 2.3 To promote private sector participation for the development of basic and industrial infrastructure.

- 2.4 To create an enabling environment and infrastructure for encouraging export from the state.
- 2.5 To create competitive platform amongst the states for domestic as well as foreign direct investment and attract NRI as well as 100% FDI investment so as to accelerate industrial investment.
- 2.6 To extend more economical aids in backward areas of the state for balanced industrial development
- 2.7 To make special efforts towards bringing the poor, backward class people such as SC/ST, females, handicaps, retired soldiers, naxalite affected families in the common stream line of economical and industrial development

3 Strategy

- 3.1 To procure land at the proper places in the state for new industrial areas and to arrange reserved land for industries. To establish specific industrial park for encouraging cluster based industrial development. Also to establish separate industrial areas for steel, cement and electricity projects.
- 3.2 To encourage development of basic infrastructure for rail, road and air transportation for industrial development
- 3.3 Maximum land utilization and development of quality infrastructure in the established Industrial areas. To promote Public-Private-Partnership in the infrastructure development of industrial areas.
- 3.4 To plan for rehabilitation of closed and sick industries.
- 3.5 To organize the Entrepreneurship and Skill development programmes for encouragement of Entrepreneurs.
- 3.6 District and state level industry department will be prepared to smoothen land acquisition process for establishment of new industrial areas in the state on large base.

4 Action Plan

4.1 Basic Infrastructure

- 4.1.1 Public Private Partnership model of Common Rail Corridor will be established to provide connectivity to state's proposed industrial projects from mineral areas
- 4.1.2 National highways, connecting sub highways, ring roads will be developed in the large industries project areas and for up gradation of existing roads initiative will be made for implementation of P.P.P. /B.O.T. model.
- 4.1.3 In industrial areas, for industrial projects, water supply arrangement initiatives will be made in PPP model. Water resources will be used very economically so as to avoid adverse effect on water level, drinking water and water supply for irrigation projects.

- 4.1.4 Industries will be encouraged for setting up captive power plant to fulfill their own power needs.
- 4.1.5 Efforts will be made towards PPP models in the areas of established and establishing mega industrial projects for establishing technical institutions, engineering colleges, polytechnic colleges, industrial training institutions.
- 4.1.6 Vocational trainings will be organized for skilled human resource development.
- 4.1.7 Research and development programs will be implemented in the technical institutions considering the industrial demand.
- 4.1.8 Industry related syllabus will be given preferences in the Engineering, polytechnic and industrial training institutions.

4.2 Industrial Infrastructure

- 4.2.1 For balanced industrial development, industrial areas will be developed for micro and small industries in different districts as per requirement. In large industrial area 20% reservation will be made for micro and small industries out of allocable land.
- 4.2.2 In order to develop the industrial infrastructure in state permission shall be granted for construction of Industrial Area of minimum 75 acres in private sector. For this concession and facilities shall be given. In these area there shall be binding for reservation of 20% minimum allocable land for micro & small industries.
- 4.2.3 In order to easier the process of land acquisition for industrial purpose and protect the interest of land owner's family Special facilities like stamp duty in purchase of agriculture land till the limit of compensation amount and allotment of land on priority basis in industrial areas for establishment of industry by them.
- 4.2.4 Priority shall be given to arrange proper compensation to the land owner's family affected by land acquisition. Provision shall be made so that land owner should get proper compensation in case of land acquisition/direct purchase for industrial purpose.
- 4.2.5 Infrastructure monitoring committee shall be formed at local level in all the industrial areas of States who shall ensure the priority of development, maintenance of industrial areas and quality of development activities.
- 4.2.6 It shall be ensured that small industrial areas are established for establishment of Micro, small, ancillary and service industry in the areas adjoining to the large industrial projects.
- 4.2.7 Special Industrial Area/Park shall be made for "Development of cluster based Industries". It includes Gems & Jewellery (SEZ), Food processing park, Herbal & Medicinal park, Metal park, Apparel park, Engineering park, Railway ancillary industry complex, Aluminum park, Plastic park, village industry park and Pharmaceutical park.

- 4.2.8 Initiatives shall be taken for higher heavy loading capacity RCC road, continuous power supply, water supply, tool room/testing lab, fire brigade, warehousing etc in new and existing industrial areas.
- 4.2.9 Special attention shall be paid on environment protection along with Industrial development. Effluent Treatment plant, hazardous waste management system, solid waste disposal, recycled water utilization and dense sapling shall be made mandatory for this purpose.

4.3 Administrative and Legal reforms

- 4.3.1 Continuous monitoring of action taken by various departments on common applications submitted in State Investment Promotion Board by Industries/investors shall be done at high level in order to immediate redressal of matter related to clearance of mega industrial projects
- 4.3.2 State Investment promotion board shall function as secretariat of Single window system. In order to make effective the working system of “District Investment Promotion Committees” formed at District level and “ State Investment Promotion Board: formed at State Level under “ Chhattisgarh Industrial Investment Promotion Rules-2004” made under Chhattisgarh Industrial Investment Promotion Act-2002, system of high level monitoring meeting shall be made in order to make available necessary clearance within stipulated time period by concerned departments on investment related proposals.
- 4.3.3 “Nodal Officers” shall be nominated for redressal of matters related to Land-acquisition/land –allotment. Water allotment and power supply of mega industrial project who shall work for immediate redressal of matters.
- 4.3.4 With the objective of immediate redressal of matters related to Industries, new District Trade and Industries Centre/sub-offices shall be opened in industrial areas/industrial potential areas.
- 4.3.5 Initiatives will be taken for simplification of labour laws

5 Liabilities of Industries

- 5.1 Subsidy/Exemptions/Concessions will be available only to those industries which employ minimum 90% unskilled labour, in case of availability of skilled labour minimum 50% unskilled labour and minimum one third local residents of the states at officers/administrative posts.
- 5.2 Campus placements by the mega industries will be organized in the technical and management institutions of the state to generate the employment opportunities for the residents of the state.

- 5.3 In relation to mega industrial projects, “Chief Minister Community Development Fund” will be made for communal development of effected Districts.
- 5.4 Industrial units have to conduct “Energy Audit”. and also they will be required to arrange for “Rain water Harvesting” facility.
- 5.5 Efforts will be made that the Mega industrial projects will procure the material needed for production from the micro and small industries of the state and help the State Government in developing the allied industries
- 5.6 Industrial units will be responsible for water recycling and water recharging.

6 Export Promotion And Foreign Capital Investment

- 6.1 An information centre will be established in Raipur where workshops, seminar, training programme will be arranged to educate the entrepreneurs on export promotion related activities.
- 6.2 Raipur Inland Container Depot will be made well facilitated so as to enable direct export from the state. Efforts will be made towards strengthening the “Foreign Commerce Department”
- 6.3 Additional Concessions/ facilities will be provided to 100% EOUs, FDIs, NRIs.
- 6.4 All possible efforts will be made to avail the full advantage of “Foreign Trade Policy 2009-14” released by Govt. of India to the state.

7 Simplification of Process and Development of Ancillaries

- 7.1 “Chhattishgarh Government Store Purchase Rule 2002” as amended 2004 will be restudied for the betterment of micro-small industries of the state. As far as possible, Government purchases will be made from these industries only.
- 7.2 Land acquisition process for inside and outside industrial areas, prevalent land allotment rules will be analyzed to make it logical.
- 7.3 E-tendering will be implemented for procurement by state government offices. Also, provisions will be made for training in respect of e-tendering procedures.
- 7.4 Encouragement will be given to development of ancillary industries to state government or central government owned Public Sector undertakings.

8 Rehabilitation of Sick and Closed Industrial Units

Rehabilitation scheme will be framed for economically almost closed/sick industrial units (other than BIFR related)

9 Entrepreneurship and human resource development

- 9.1 With the help and co-ordination with the financial institutions, Entrepreneur Development Cell will be established in State Investment Promotion Board, Raipur for maximum and optimum utilization of available human resources,

creating interest towards industries amongst the youngsters and training related to self employment plans.

9.2 Technical information relating to establishment of Industries and Government schemes will be made available to Entrepreneurs by effective medias. Model project profiles of probable industry will be made accessible to Entrepreneurs at District Trade and Industries centers.

9.3 Availability of administrative, technical, skilled worker and training facilities in the state will be examined .A special Cell will be established under purview of technical education department for co-ordination of demand and supply of the same. The cell will be responsible for starting new subjects and trade based on the prevalent demand in the engineering, polytechnic colleges and industrial training institutions.

10 Exemption/Concessions for Promotion of Industrial Investment

10.1 Industrial Investment Promotion Schemes in the State - Industries shall be granted Subsidy/Exemption/Concession in according to appendix-4 in following items as per their entitlement.-

Interest Subsidy, Fixed capital Investment Subsidy, Exemption from Electricity Duty, Exemption from Stamp Duty, Exemption/Concession in premium on allotment of land in industrial area, Project report subsidy, Exemption from land diversion fee, Quality certification subsidy, technical patent subsidy and Mandi Fee reimbursement subsidy.

Entrepreneur of Scheduled Caste/Scheduled tribes shall be provided maximum subsidy, rebate and concessions. Margin money subsidy rate is to be enhanced to 25% in order to bring them in main stream of Industrial Development. Apart from this “Scheduled Caste/Scheduled tribe's entrepreneurs promotion Scheme” shall be started.

Non resident of India/100% FDI investors shall be provided with 5% more subsidy as given to entrepreneurs of general category and more benefit by 5% in maximum limit and Women entrepreneurs, retired soldier from the service of state military and person/family effected from naxilism and handicapped shall be eligible for 10% more subsidy as provided to entrepreneurs of general category. Maximum limit of subsidy also be enhanced by 10%.In case of time period related cases, Exemption shall be one year more to that of the period given to the entrepreneurs of General category.

“**Chief Minister Self Employment Scheme**” shall be commenced to eradicate unemployment prevailing among youth of the State.

10.2 For promotion of Industrial Investment, entire state is classified into Economically Developing Area and Economically Backward Area. Development Block is the base instead of district for measurement of industrial development.

1. **Developing areas**-It contains those development blocks where industrial development has already been commenced. These are prescribed in the **Annexure 6**

2. **Backward areas-** In this category, entire development block of most backward schedule caste/tribe population dominated areas and industrially backward development blocks of other districts are included. These are prescribed in the **Annexure 7**

10.3 Industries are classified into following five categories depending on the class of investors:

1. Entrepreneurs of General Category.
2. Schedule Class/ Schedule Tribe Entrepreneurs
3. Non Resident Indians/ 100% FDI Investors
4. Women Entrepreneurs
5. Retired Soldiers/ Naxalite affected person/handicap

10.4 Based on size of investment, industries have been classified into following five categories:

1. Micro & Small Scale Industries
2. Medium Scale Industries
3. Large Industries
4. Mega Projects
5. Ultra Mega Projects.

10.5 For promotion of industrial investment, industries are classified into following four categories.

1. **Industries of Saturated Category-** No incentives are available to these industries shown in **Annexure-2**
2. **Priority Sector Industries-** Additional eligibility will be available to industries shown in **Annexure-3**
3. **Core Sector Industries-** Industries shown in **Annexure 5** will get exemption in relation to stamp duty pertaining to land acquisition for such industries.
4. **General Category Industries-** It contains all those eligible industrial units which are not covered under the above mentioned three categories and eligible for Industrial Investment Promotion Schemes.

10.6 “Economic Promotion for Industrial Investment” as provisioned in this policy shall be applicable in the following matters -

1. New Industrial Projects – Such new industry who commences commercial production between 1st November, 2009 and 31st October 2014.
2. Expansion projects of existing industrial units - An existing industrial unit in production since before 01st November 2009 and new industry having started after 01st November 2009 which additionally invests minimum 25% of eligible invested capital in the plant & machinery till date of commencement of commercial production and expands its production

(installed capacity or three years actual average production immediately prior to the date of implementation of expansion project, whichever is higher) by minimum 25% of its originally installed capacity. (Registered with industries department or three year's average production, whichever is higher) and commence production in the expansion project before 31st October 2014.

3. Projects related to Backward integration and Forward Integration and Diversification – Existing industrial units shall be eligible for Subsidy/Exemption/Concession on diversification of product and forward integration and backward integration provided they should increase investment in plant & machinery up to the date of commencement of commercial production by minimum 25%.

Such subsidy/exemption/concession shall be available on diversified product and product/raw material – intermediate product/value added product in relation to backward integration and Forward Integration for which commercial production has to be commenced before 31st October 2014.

- 10.7 Economic promotion for industrial investment shall be available only to such industries which provide employment, in case of unskilled labour minimum 90%, in case of skilled labour minimum 50% in case of availability and minimum one third at the level of administrative/managerial position to the resident of state.
- 10.8 Micro, Small, Medium, Large industrial units and mega projects and ultra mega projects who has possessed E.M. part-1/IEM/Letter of Intent/Industrial License before the appointed date of 01.11.2009 or have entered MOU with State Govt. and validity thereof has not yet elapsed but not commenced commercial production till date 31st October 2009 expiry of industrial policy 2004-09, shall be eligible for opting to avail subsidy/exemption/concessions under industrial policy 2009-14 on commencement of commercial production till 31st October 2010.
- 10.9 Central Government or other state government owned public sector undertakings will not be eligible for subsidies/exemptions/concessions of Industrial Investment Promotion Scheme.
- 10.10 Fixed Investment exceeding 1000 crore in the industries other than those pertaining to core sector and saturated category will require approval from **Minister of Council (mantri parisad)** for economic promotion for industrial investment.
- 10.11 For farmers and residents affected by land acquisition for establishment of industrial projects rehabilitation policies will be framed and practiced. Also, stamp duty exemption will be available on purchase of agriculture land from sum received as compensatory remuneration.
- 10.12 Award scheme to state industries will be expanded.
- 10.13 Monetary subsidy/exemption/concessions given under the policy will be given to the beneficiary units only to encourage Industrial Investment under this policy vide issue of notifications and rules under the related acts.
- 10.14 Subsidy, Concessions, exemptions as stated in the Industrial Policy will also be available on investment in Logistic Hub, Warehousing and Cold storage.

11. **Monitoring of Implementation of Industrial Policy**

Industrial Policy 2009-14 will commence from the first day of November 2009 and will remain in force till October 2014. During the tenure of 5 year, the state government reserves its right to amend the policy so as to include, exclude the provisions on time to time reviewing and analysis of industrial development of the state.

Industrial Policy (2009-2014)

APPENDIX- 1

DEFINITIONS

1. **“Appointed Day”** means effective date of Industrial Policy 2009-14 or means first day of November 2009,
2. **“Economically developing Area”** means Area as included in Appendix -6.
3. **“Economically backward Area”** means Area included in “Appendix -7”.
4. **“Industrial Area”** means and includes an industrial area, industrial estate, semi-urban industrial estate / rural work-shed, industrial growth centre, industrial area established under joint sector, integrated infrastructure development centre, industrial park, Special Economic Zone, Industrial park established in private sector approved by the State Government, land bank in the possession of State Government / Chhattisgarh State Industrial Development Corporation and various industrial area, and partly industrial are (such industries who are establishing or have established industries by obtaining partial land in industrial areas and partial land purchased in area attached to industrial areas.
5. **“New Industrial Unit”** (Greenfield Industry) means an industrial unit which has proposed to commence commercial production on or after 01.11.2009 and is in possession of E.M. part-1/I.E.M Letter of Intent Industry License issued by competent authority for this purpose and possesses E.M. part-2 and commercial production certificate issued by competent authority on commencement of commercial production in Industry.

It is clarified that it is mandatory for new industrial unit that Land is owned by Industries, Shed-Building is constructed over land and Plant & Machineries are established.

NOTE - (1) Addition of “New Product” in Existing Unit shall not be considered as New Industrial unit.

(2) Commencement of Industries after appointed day in the premises of existing industries shall be considered as New Industrial Unit subject to fulfillment of following conditions –

- 2.1 Possession of E.M.Part-1, I.E.M., Letter of Intent Industrial License issued by competent authority in the name of New Industry.
 - 2.2 Possession of Land in the name of New Industrial Unit
 - 2.3 Separate Shed-Building is constructed on the land possessed by New Industrial unit
 - 2.4 Plant & Machineries are established in the name of new industry in separately constructed Shed-Building.
 - 2.5 Purchase-sale, productions registers are separately for New Industrial unit
 - 2.6 Possession of Commercial Production Certificate and E.M.part-2, along with the above, issued by competent authority after commencement of commercial production.
6. **“Existing Industrial Unit”** means an industrial unit which has commenced commercial production prior to the appointed day of Industrial Policy 2009 –14 and is in possession of E.M.part-2/Permanent Small Industry registration certificate/Commercial production certificate issued by component authority.
7. **“Expansion of the Existing Industrial Unit”** means
- 7.1 In the matter of Micro and small Industries, medium industries, large industries, mega project and ultra mega project An industrial unit started production after appointed day of industrial policy 2009-14 which additionally invests minimum 25% of eligible invested capital in the plant & machinery till date of commencement of commercial production and expands its production capacity by minimum 25% of its originally installed capacity registered with industries department or three year's average production, whichever is higher,
 - 7.2 Expansion of New Industrial Units, established by New Industrial Units having commenced commercial production after appointed date under Industrial policy 2009-14 and is in possession of Commercial production certificate issued by competent authority, shall also be eligible for Subsidy, Rebate and Concessions in respect to such expansion if conditions regarding Investment and production as stipulated under point no. 7.1 is fulfilled.
8. A. ‘Micro & Small industry’ means Industrial enterprises falling under definition of Micro & Small Enterprises issued on time to time basis by Govt. of

India under “Micro, Small and Medium Entrepreneur Development ACT 2006 of Govt. of India and is in possession of E.M. Part-1 issued by District Trade and Industries centre of concerned District and also is in possession of E.M. part-2 and Commercial Production Certificate issued by competent authority after commencement of commercial production.

B. “Micro & Small Service Entrepreneur” means enterprises covered under Service Category in “Micro, Small and Medium Entrepreneur Development ACT 2006 of Govt. of India and falls under definition of Micro & Small Service Enterprises issued on time to time by Govt. of India and is in possession of E.M. Part-1 issued by District Trade and Industries centre of concerned District and also is in possession of E.M. part-2 and Commercial Production Certificate issued by competent authority after commencement of commercial production.

9. “**Medium Industry**” means Industrial enterprises covered under “Micro, Small and Medium Entrepreneur Development ACT 2006 of Govt. of India and Whose capital investment should be exceeding the capital investment in Plant & Machineries as prescribed by Govt. of India under the definitions issued on time to time basis for Micro - Small Service Enterprises but must not exceed Rs. 10 Crore. and is in possession of E.M. part-I, IEM issued by competent authority and E.M. part-II or Commercial Production Certificate issued by competent authority after commencement of commercial production.
10. “**Large Industry**” means Industrial enterprises whose investment in plant & machineries must be exceeding 10 crore. but should not exceed Rs. 100 Crore. and is in possession of IEM/Letter of Intent/Industrial License issued by competent authority for this purpose and also in possession of Commercial Production Certificate issued by competent authority after commencement of commercial production.
11. “**Mega Project**” means an industrial enterprise who has proposed for fixed capital investment of Rs. more than 100 Crore. but not more than Rs. 1000 crore. while proposing for commencement of commercial production and is in possession of IEM/Industrial License/Letter of Intent issued by Commerce & Industry ministry of Govt. of India and have executed MOU with State Govt. for establishment of Industry and is in possession of Commercial Production Certificate issued by competent authority after commencement of commercial production.
12. “**Ultra Mega Project**” means an industrial enterprise who has proposed for fixed capital investment of Rs. more than 1000 Crore. while proposing for commencement of commercial production and is in possession of IEM/Industrial License/Letter of intent issued by Commerce & Industry, Ministry of Govt. of India and have executed MOU with State Govt. for establishment of Industry and is in possession of commercial production certificate issued by competent authority after commencement of commercial production.

13. **“Saturated category”** means Industry included in appendix-2 of Industrial Policy 2009-14 issued by State Govt.
14. **“Priority Industry”** means industry falling under priority list of state govt. as included in appendix-3.
15. **‘Core Sector’** means industrial projects of all categories as included in appendix-5
16. **“General Industry”** means Industry other than industries included in appendix-2, appendix-3 and appendix-5
17. **“Fixed Capital Investment”** means investment made in Land, Factory, Shed-Building, Plant & Machinery, Water Supply and Electricity supply necessary in industry premises for Establishment of New Industry/Expansion/Diversification of existing Industry and Forward integration and backward integration, as applicable.

NOTE: - Fixed capital investment shall be calculated as under -

- 17.1 Fixed capital investment made from the date of issuance of E.M. part-1/I.E.M./Letter of intent/Industrial License till date of commencement of commercial production shall only be considered in the matter of Micro and small industry, medium industry, large industry, mega project and ultra mega project.
- 17.2 Calculation of fixed capital investment for Expansion, diversification of existing industry and forward integration & backward integration shall be done of investment made from the date of acknowledgement of receipt of pre-intimation to competent authority for Expansion, diversification of existing industry and forward integration & backward integration after commencement of commercial production of existing industry till date of commencement of commercial production of said activities as mentioned in commercial production certificate.
18. 1. Land cost means cost of land purchased or taken on lease for establishment of new industry//Expansion/Diversification of existing Industry and Forward integration and backward integration and land cost includes – Actual purchase cost/Land premium and amount of stamp duty & registration fee.

Note: - It is mandatory that the period of land taken on lease will be minimum 30 years.

2. Land-Premium – Land premium determined for land allotted by Land Allotment officer.
19. **“Shed–Building”** means and includes factory building, shed, laboratory building, research building, administrative building, canteen, labour rest room, cycle /

scooter stand, security post, godown constructed at the premises of industrial establishment.

20. **“Power Supply Investment”** means the amount paid to the Chhattisgarh State Electricity Distribution Company and/or private companies, having permitted by Chhattisgarh State Power Regulatory Commission for distribution of power, for power connection for arrangement of power supply for Establishment of New Industry/Expansion/Diversification of existing Industry and Forward integration and backward integration

Note: (1) Security deposit and the amount paid towards old bills of the Industrial Unit will not be included in the eligible amount.

(2) Captive power plant shall also be eligible for **Power Supply Investment**.

21. **“Water Supply Investment”** means the investment made for water supply within industry premises of industrial enterprises for Establishment of New Industry/Expansion/Diversification of existing Industry and Forward integration and backward integration provided that the water supply arrangements have been made after obtaining permission(s) from the concerned administrative department(s) of the government. Security deposit and the amount paid towards old bills of the Industrial Unit will not be included in the eligible amount

22. **“Plant & Machinery”** means and includes plant & machinery, pollution control laboratory, plant and equipment for research etc. installed at the premises of factory establishment,

Note: Investment on such leasehold plant, machinery and equipment, obtained for a minimum period of 10 years, which is directly connected with the production of registered product, will also be considered towards investment in the plant & machinery and its valuation will be done according to the “Accounting Standard (A.S.) 19, Lease Procedure and Measurement” published by the Institute of Chartered Accountants of India;

23. **“Date of Commencement of Commercial Production”** means-

- (a) in the case of a micro & small industry, the date following the 60 days period from the date of commencement of trial production by the industrial unit, or the date certified to be the date of commercial production by the competent authority, whichever is earlier,
- (b) in the case of an “Medium Industry” the date following the 120 days period from the date of commencement of trial production by the industrial unit, or the date certified to be the date of commercial production by the District Trade and Industry Centre, whichever is earlier,
- (c) in the case of an “large Industry” the date following the 150 days period from the date of commencement of trial production by the industrial unit, or the date certified to be the date of commercial production by the competent authority, whichever is earlier,

- (d) in the case of an “mega project” in the matter of fixed capital investment more than Rs. 100 crore. but not more than Rs. 500 crore. the date following the 180 days period from the date of commencement of trial production by the industrial unit, or the date certified to be the date of commercial production by the Directorate of Industries, whichever is earlier,
- (e) in the matter of fixed capital investment more than Rs. 500 crore. the date following the 270 days period from the date of commencement of trial production by the industrial unit, or the date certified to be the date of commercial production by the Directorate of Industries, whichever is earlier,
- (f) in the matter of fixed capital investment more than Rs. 1000 Crore., other than industries of core sector and saturated sector, the date following the 350 days period from the date of commencement of trial production by the industrial unit, or the date certified to be the date of commercial production by the Directorate of Industries, whichever is earlier

Note: Aforesaid provisions shall not be applicable for matter related to commencement of production by power plants. In relation to commencement of production by power plants the certificate issued by competent authority of Energy Department shall be considered.

24. **“Commercial Production Certificate” -**

- 1. “Commercial production certificate” shall be issued by the competent authority on commencement of commercial production in industry by enterprise as per plan of Industrial Enterprise.
- 2. Only one commercial production certificate shall be issued in favour of Industrial enterprise as per plan of industrial enterprise. In case of phase wise production entries relation to capital investment, production and production capacity date of commencement of commercial production and employment shall be made accordingly.
- 3. In the matter of micro, small and medium industries, Commercial production certificate shall be issued along with issuance of E.M. part-2.
- 4. In the matter of large, mega project and ultra mega project commercial production certificate shall be issued.
- 5. In case of Production of different product other than plan of industrial enterprise, the same shall be included in commercial production certificate but any subsidy, rebate and concessions shall not be available on such different product.

25. **“Scheduled Caste / Scheduled Tribe”** means a such person who is of scheduled caste / scheduled tribe caste as per the definition of scheduled caste / scheduled

tribe notified for Chhattisgarh State by the Government of India from time to time, should be resident of Chhattisgarh and is in possession of permanent certificate issued by the competent authority evidencing the falling under the category of scheduled case/scheduled tribe.

26. **“Industry proposed/established by Scheduled Caste / Scheduled Tribe”** means such industrial enterprise which is proposed to be established or established by the entrepreneur belonging to the scheduled case/scheduled tribes notified for Chhattisgarh State and domicile of Chhattisgarh state, all partners in case of partnership firm, all shareholder in case of company incorporated under Indian Companies Act, All members in case of co-operative society and all members in case of organization incorporated under Society Act belong to SC/ST category as notified for the Chhattisgarh State,, should be domicile of Chhattisgarh and is in possession of E.M.part-1/I.E.M/Letter of intent/Industrial License and on commencement of commercial production should possess commercial production certificate and E.M. part-2 issued by competent authority.
27. “Manufacturing Industry” means and includes industries falling under the category of manufacturing industry as defined under Micro, Small and Medium Enterprise Development Act 2006.
28. “Job Work” means which is declared by state Govt., Commerce and Industries department on time to time.
29. “Plan” means – In the matter of micro, small and medium enterprise project cost (Except working capital) of industry as shown by enterprise in E.M. part-1/I.E.M.
- In the matter of mega projects and ultra mega projects, total cost (except working capital) of project shown in MOU executed with State Govt.
- Note:** - In the matter of expansion/diversification of existing industry and Forward integration and backward integration it is mandatory to file separate plan before competent authority and get acknowledgement thereof.
30. “Women Enterprise” means such domicile women of state who has established/proposed to establish industry, 51% partners in the case of partnership firm, 51% shareholders in case of company incorporated under Indian Companies Act, minimum 51% members in case of co-operative society and minimum 51% members in case of organization incorporated under Society Act, should be women of Chhattisgarh and 25% women of total employment in industry should work in managerial, skilled and unskilled categories.
31. “Handicapped” means such resident of state who is falling under the definition of handicapped as issued by Govt. of India and should be resident of state and is in possession of certificate issued by competent authority.

32. “Retired Soldier” means a person who has been retired from Armed forces/Para Military forces of Government of India and possess certificate issued by concerned Administrative Department/Office for the same and domicile of Chhattisgarh.
33. “Person effected from Naxalism” means, such person who himself, or/and, his/her family member, has been killed/handicapped in Naxalist eradication movement and should be domiciled of state and his/her, husband /wife, son /daughter and mother-father, possess certificate in this context issued by concerned District Collector or by the officer nominated by that Collector.
34. “Export Industry” means such industry who is in possession of L.O.P (letter of permission) issued by Development Commissioner, Govt. of India.
35. “100% export oriented industry” means such export industry who falls under the definition issued by development commissioner, govt. of India on time to time and covered under definition of export industry.
36. “Diversification” means such existing industrial unit/industry who has established industry by commencing commercial production prior to appointed day under Industrial Policy 2009-14 and is in possession of E.M.part-2 and commercial production certificate issued by competent authority, in case of inclusion of new product in industry after the appointed day of industrial policy 2009-14 such new product shall fall under diversified category provided industrial unit/industry has invested minimum 25% capital investment of eligible investment in the existing plant & machinery after 01st November 2009. For this purpose commercial production should be commenced before 31st October 2014.
37. “Backward integration and Forward Integration” Backward integration means if existing industrial unit commences production of raw material, intermediate products used for manufacturing of finished product and forward integration means existing industrial unit commences production of other Value added products in addition to product manufactured by them provided they enhance minimum 25% capital investment of eligible investment in the plant & machinery till commencement of commercial production. Such concession shall be granted only on products related to Backward integration and Forward Integration. For this purpose commercial production has to be commenced before 31st October 2014.
38. “Term Loan” means term loan sanctioned and disbursed by Bank/finance corporation/scheduled tribes finance and development corporation/scheduled caste finance and development corporation/other corporation/All India financial institution/district central co-operative bank/Nagrik sahakari bank as notified by Reserve bank of India for financing. (It includes hire charges and establishment expenses incurred on procurement of machinery under hire purchase scheme from National Small Industries Corporation)

39. "Project Report" Project report means project report prepared by project consultant approved by Commerce & Industry Department of State Govt. or Directorate of Industries, Any department/Board of State Govt. Entrepreneur Development Centre, Chhatisgarh Industrial and technical consultancy centre, Micro small medium entrepreneur organization, Beuro of Public Enterprises and financial institutions of national level.
40. Definition of skilled labour, unskilled labour and persons working at administrative/managerial position shall be considered as issued by State Govt. on time to time basis.
41. Definition of Non Resident of India shall be considered as issued by Govt. of India on time to time.
42. Definition of 100% FDI investor shall be considered as issued by Govt. of India on time to time.
43. Definition of domicile of State means definition issued by State Govt. on time to time and is in possession of certificate issued by competent authority.

Note: - In case of any difference in opinion in respect to said definitions, decision of State Govt., Commerce and Industries Department shall be final and binding.

Appendix-2

List of Industries of Saturated category for Subsidy/Exemption/Concession and Award under Economic Promotion for Industrial Investment

1. Stone crusher, manufacturing of ballast (gitti)
2. Coal and Coal briquette, coal screening (except coal washery)
3. Lime powder, lime chips, dolomite powder and all type of mineral powder
4. Crushing, grinding and pulverizing of all type of minerals
5. Manufacturing of Lime
6. Industry based on the pan masala, supari and other tobacco
7. Polythene bags (excluding H.D.P.E.)
8. Alcohol, distillery and Beverage based on Alcohol
9. Sponge Iron
10. Rice Mill
11. Mini Cement plant/clinker
12. Industries based on crackers, Matches Aatishbaji
13. Ara Mill (Saw Mill)
14. Leather tannery
15. Job Work (Except job work done by Micro industries)

16. Industry established by Public undertakings of Government of India, State Government or any State Government (excluding joint undertakings with private companies)

17. Such other industries as notified by the State Government.

NOTE: - In case of establishment of Industry of Saturated category along with the Industry of any other category, the eligibility of subsidy and concession shall be determined by considering the entire project as that of Saturated category.

Appendix – 3

List of priority Industries

On the basis of Classification:-

1. Processing of Herbal and medicinal plant
2. Automobile, auto components
3. Cycle and product/accessories/spares used for manufacturing of cycle
4. Plant/machineries/engineering and its spares
5. Downstream product based on non-ferrous (Including Aluminum) metal
6. Industries based on agriculture and food processing defined by Govt. of India (Except rice mill)
7. Branded dairy product (Including milk chilling)
8. Pharmaceutical industry
9. White goods, electronic and electrical consumer goods
10. Industries falling under Information technology and IT enabled Services, Bio-Technology and industries falling under Nano Technology
11. Industries relating to Seri culture, horti culture, flouri culture, bio fertilizer, pici culture
12. Textile Industry (Spinning, weaving, power loom and Fabrics & other process)
13. Processing industry based on forest products
14. Products/equipments/spares used by Indian railway, telecommunication, defence, aviation companies and space department
15. Power generation from non conventional sources
16. Defence, Medical and Laboratory equipments
17. Village Industries (approved by Rural industries department)
18. Such other industries as notified by the State Government

NOTE:- It is mandatory that to invest up to the minimum limit in plant & machinery head in the concerned industry as prescribed by State Government for the eligibility of Priority sector.

Product Based

1. HDPE bags and Pipes
2. Molded furniture, containers and P.V.C. Pipes & fittings
3. Transmission line tower/mobile tower and their spare parts/equipments
4. Automatic agricultural equipment and tractor based agricultural equipments
5. Metal powder

6. Industries based on bamboo (In which bamboo is used as major raw material and minimum capital investment in plant & machinery should be more than Rs. 25 lacs)
7. Industries based on Shellac (In which shellac is used as major raw material and minimum capital investment in plant & machinery should be more than Rs. 25 lacs)
8. Fly ash product (except cement)
9. Readymade garment (only for industries established in apparel park)
10. Single super phosphate and other fertilizers
11. 100% export oriented Industry
12. Bio-diesel Product
13. Colled rolled strips profiles and fittings
14. Wagon coach spare and fittings
15. Cutting tools dyes and fixture
16. Cutting and polishing of Furshy stone
17. Such other industries as notified by the State Government

NOTE: - It is mandatory that to invest up to the minimum limit in plant & machinery head in the concerned industry as prescribed by State Government for the eligibility of Priority sector.

Appendix-4

Subsidy, Exemption & concessions to encourage industrial investment.

1. Interest Subsidy:

Eligible micro, small and medium scale industries will be given subsidy on term loan as per the details given below:-

A. Micro & Small Scale Industry

Area	General Industry	Priority Industry
In economically Developing areas (as per appendix-6)	40% of the total interest, paid up to 5 years, to the industries established by the entrepreneurs of general category maximum limit is Rs. 10 lacs p.a.	50% of the total interest, paid upto 6 years to the industries established by the entrepreneurs of general category maximum limit is Rs. 15 lacs p.a.
	75% of the total interest paid up to periodof 6 years to the industries established by the entrepreneurs of scheduled caste/scheduled tribe category, maximum limit is Rs. 20 lacs p.a.	75% of the total interest paid up to of 7 years to the industries established by the entrepreneurs of scheduled caste/scheduled tribe category, maximum limit is Rs. 25 lacs p.a.

In economically backward areas (as per appendix-7)	50% of the total interest, paid in 6 years, to the industries established by the entrepreneurs of general category maximum limit is Rs. 20 lacs p.a.	60% of the total interest, paid in 7 years to the industries established by the entrepreneurs of general category maximum limit is Rs. 30 lacs p.a.
	75% of the total interest paid up to period of 6 years to the industries established by the entrepreneurs of scheduled caste/scheduled tribe category, maximum limit is Rs. 40 lacs p.a.	75% of the total interest paid-up to period of 7 years to the industries established by the entrepreneurs of scheduled caste/scheduled tribe category, maximum limit is Rs. 50 lacs p.a.

B. Medium Scale Industry

Area	General Industry	Priority Industry
In economically Developing areas (as per appendix-6)	25% of the total interest, paid up to 5 years, to the industries established by the entrepreneurs of general category maximum limit is Rs. 10 lacs p.a.	50% of the total interest, paid up to 5 years to the industries established by the entrepreneurs of general category maximum limit is Rs. 20 lacs p.a.
	75% of the total interest paid up to period of 6 years to the industries established by the entrepreneurs of scheduled caste/scheduled tribe category, maximum limit is Rs. 25 lacs p.a.	75% of the total interest paid up to period of 7 years to the industries established by the entrepreneurs of scheduled caste/scheduled tribe category, maximum limit is Rs. 40 lacs p.a.
In economically backward areas (as per appendix-7)	50% of the total interest paid up to 5 years, to the industries established by the entrepreneurs of general category maximum limit is Rs. 25 lacs p.a.	60% of the total interest, paid up to 7 years to the industries established by the entrepreneurs of general category maximum limit is Rs. 40 lacs p.a.
	75% of the total interest paid up to period of 6 years to the industries established by the entrepreneurs of scheduled caste/scheduled tribe category, maximum	75% of the total interest paid up to period of 7 years to the industries established by the entrepreneurs of scheduled caste/scheduled tribe category, maximum

	limit is Rs. 40 lacs p.a.	limit is Rs. 60 lacs p.a.
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2. Fixed capital investment Subsidy –

Eligible micro, small, medium, large industries & mega projects & ultra mega projects shall be given subsidy for fixed capital investment as per details given below:-

A. Micro & Small Scale Industry.

Area	General Industry	Priority Industry
In economically Developing areas (as per appendix-6)	30% of the fixed capital investment to the industries established by the entrepreneurs of general category maximum limit is Rs. 30 lacs. 40% of the fixed capital investment to the industries established by the entrepreneurs of scheduled caste/scheduled tribe category, maximum limit is Rs. 40 lacs.	30% of the fixed capital investment to the industries established by the entrepreneurs of general category maximum limit is Rs. 60 lacs. 40% of the fixed capital investment to the industries established by the entrepreneurs of scheduled caste/scheduled tribe category, maximum limit is Rs. 80 lacs.
In economically backward areas (as per appendix-7)	30% of the fixed capital investment to the industries established by the entrepreneurs of general category maximum limit is Rs. 60 lacs. 40% of the fixed capital investment to the industries established by the entrepreneurs of scheduled caste/scheduled tribe category, maximum limit is Rs. 80 lacs.	30% of the fixed capital investment to the industries established by the entrepreneurs of general category maximum limit is Rs. 80 lacs. 40% of the fixed capital investment to the industries established by the entrepreneurs of scheduled caste/scheduled tribe category, maximum limit is Rs. 120 lacs.

B. Medium Scale Industry –

Area	General Industry	Priority Industry
In economically Developing areas (as per appendix-6)	30% of the fixed capital investment to the industries established by the entrepreneurs of general category maximum limit is Rs. 60 lacs.	35% of the fixed capital investment to the industries established by the entrepreneurs of general category maximum limit is Rs. 70 lacs.
	35% of the fixed capital investment to the industries established by the entrepreneurs of scheduled caste/scheduled tribe category, maximum limit is Rs. 80 lacs.	35% of the fixed capital investment to the industries established by the entrepreneurs of scheduled caste/scheduled tribe category, maximum limit is Rs. 100 lacs.
In economically backward areas (as per appendix-7)	35% of the fixed capital investment to the industries established by the entrepreneurs of general category maximum limit is Rs.70 lacs.	45% of the fixed capital investment to the industries established by the entrepreneurs of general category maximum limit is Rs.100 lacs.
	35% of the fixed capital investment to the industries established by the entrepreneurs of scheduled caste/scheduled tribe category, maximum limit is Rs. 90 lacs.	45% of the fixed capital investment to the industries established by the entrepreneurs of scheduled caste/scheduled tribe category, maximum limit is Rs. 125 lacs.

C. Large Industry –

Area	General Industry	Priority Industry
In economically Developing areas (as per appendix-6)	30% of the fixed capital investment to the industries established by the entrepreneurs of general category maximum limit is	35% of the fixed capital investment to the industries established by the entrepreneurs of general category maximum limit is

	Rs.90 lacs. 35% of the fixed capital investment to the industries established by the entrepreneurs of scheduled caste/scheduled tribe category, maximum limit is Rs. 100 lacs.	Rs.110 lacs. 35% of the fixed capital investment to the industries established by the entrepreneurs of scheduled caste/scheduled tribe category, maximum limit is Rs.120 lacs.
In economically backward areas (as per appendix-7)	35% of the fixed capital investment to the industries established by the entrepreneurs of general category maximum limit is Rs.100 lacs. 35% of the fixed capital investment to the industries established by the entrepreneurs of scheduled caste/scheduled tribe category, maximum limit is Rs.120 lacs.	45% of the fixed capital investment to the industries established by the entrepreneurs of general category maximum limit is Rs.120 lacs. 45% of the fixed capital investment to the industries established by the entrepreneurs of scheduled caste/scheduled tribe category, maximum limit is Rs.140 lacs.

D. Mega Project/Ultra Mega Project –

Area	General Industry	Priority Industry
In economically Developing areas (as per appendix-6)	30% of the fixed capital investment, maximum limit is Rs.300 lacs.	35% of the fixed capital investment, maximum limit is Rs.350 lacs.
In economically backward areas (as per appendix-7)	35% of the fixed capital investment, maximum limit is Rs.350 lacs.	35% of the fixed capital investment, maximum limit is Rs.500 lacs.

3. Electricity Duty Exemption –

Only eligible new industries shall be exempted as per the details given below from the payment of electricity charges –

A. Micro, Small & Medium Scale Industry

Area	General Industry	Priority Industry
In economically Developing areas (as per appendix-6)	Exemption up to 5 years from the date of commencement of commercial production to the industries established by the entrepreneurs of general category.	Exemption up to 7 years from the date of commencement of commercial production to the industries established by the entrepreneurs of general category.
	Exemption up to 10 years from the date of commencement of commercial production to the industries established by the entrepreneurs of scheduled caste/scheduled tribe category.	Exemption up to 10 years from the date of commencement of commercial production to the industries established by the entrepreneurs of scheduled caste/scheduled tribe category.
In economically backward areas (as per appendix-7)	Exemption up to 7 years from the date of commencement of commercial production to the industries established by the entrepreneurs of general category.	Exemption up to 10 years from the date of commencement of commercial production to the industries established by the entrepreneurs of general category.
	Exemption up to 10 years from the date of commencement of commercial production to the industries established by the entrepreneurs of scheduled caste/scheduled tribe category.	Exemption up to 12 years from the date of commencement of commercial production to the industries established by the entrepreneurs of scheduled caste/scheduled tribe category.

B. Large/Mega Project/Ultra Mega Project –

Area	General Industry	Priority Industry
In economically Developing areas (as per appendix-6)	Exemption up to 3 years from the date of commencement of commercial production.	Exemption up to 5 years from the date of commencement of commercial production.
In economically backward areas (as per appendix-7)	Exemption up to 5 years from the date of commencement of commercial production.	Exemption up to 7 years from the date of commencement of commercial production.

4. Exemption from Stamp Duty –

The complete exemption from stamp duty shall be given in the following cases –

- 1) Micro and small, medium, large and mega project and ultra mega project shall be eligible.
 - 1.1 On the deeds executed for purchase/lease of land, shade and buildings
 - 1.2 Up to 3 years on the execution of deeds related with loan & advances from the date of sanction of loan by bank/financial institutions.
- 2) On purchase of agriculture land within 2 years of receipt of land acquisition compensation amount up to the extent of amount received as compensation by the affected land owners for the land acquired for industrial purpose/ plots reserved for industrial purpose/ industrial areas.
- 3) Industrial areas/ park established in private sector sanctioned/approved by the State Government.
- 4) On the land purchased by the Chhattisgarh State Industrial Development Corporation limited for industrial area/industrial plot/industrial purposes.

Note – It is clarified that the exemption of stamp duty cannot be received on the mining lease taken on purchase/lease by the industrial units.

5. Exemption/concession in land premium on land allotment in industrial areas:

The eligible industries shall be given exemption in land premium on land allotment in industrial areas of Industry Department/CSIDC, as per details given below –

A. Micro, Small & Medium Scale Industry

Area	General Industry	Priority Industry
In economically Developing areas (as per appendix-6)	Nil 100% Exemption on land premium and rate of lease rent shall be Re.1 per acre annually for the industries	50% Exemption in land premium on industries established by the entrepreneurs of general category. 100% Exemption on land premium and rate of lease rent shall be Re.1 per acre annually for the industries

	established by the entrepreneurs of scheduled caste/scheduled tribe category.	established by the entrepreneurs of scheduled caste/scheduled tribe category.
In economically backward areas (as per appendix-7)	50% Exemption in land premium on industries established by the entrepreneurs of general category. 100% Exemption on land premium and rate of lease rent shall be Re.1 per acre annually for the industries established by the entrepreneurs of scheduled caste/scheduled tribe category.	50% Exemption in land premium on industries established by the entrepreneurs of general category. 100% Exemption on land premium and rate of lease rent shall be Re.1 per acre annually for the industries established by the entrepreneurs of scheduled caste/scheduled tribe category.

B. Large/Mega Project/Ultra Mega Project –

Area	General Industry	Priority Industry
In economically Developing areas (as per appendix-6)	10% Exemption in land premium on industries established by the entrepreneurs of general category. 100% Exemption on land premium and rate of lease rent shall be Re.1 per acre annually for the industries established by the entrepreneurs of scheduled caste/scheduled tribe category.	10% Exemption in land premium on industries established by the entrepreneurs of general category. 100% Exemption on land premium and rate of lease rent shall be Re.1 per acre annually for the industries established by the entrepreneurs of scheduled caste/scheduled tribe category.
In economically backward areas (as per appendix-7)	10% Exemption in land premium on industries established by the entrepreneurs of general category. 100% Exemption on land premium and rate of lease rent shall be Re.1 per acre	10% Exemption in land premium on industries established by the entrepreneurs of general category. 100% Exemption on land premium and rate of lease rent shall be Re.1 per acre

	annually for the industries established by the entrepreneurs of scheduled caste/scheduled tribe category.	annually for the industries established by the entrepreneurs of scheduled caste/scheduled tribe category.
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Note – (1) In case of large/mega projects, the core sector and saturated category industries shall not get exemption in land premium.

(2) The entrepreneurs of scheduled caste/scheduled tribe shall be given 100% exemption in land premium and the rate of lease rent for them shall be Re.1 per acre annually for establishment of industrial, commercial & service industries in the industrial areas of Industry Department & Chhattisgarh State Industrial Development Corporation Limited.

(3) The entrepreneurs of scheduled caste/scheduled tribe could get facility of free of cost plot allotment in industrial areas (industry, commerce & service areas), for this purpose, after the fixed date of industrial policy 2009-14, in all the industrial areas maintained by State Government/Chhattisgarh State Industrial Development Corporation Limited, up to 25% plots in economically developing areas and up to 50% plots in economically backward areas, shall be kept reserved for these categories.

The period of reservation shall be up to two years from the fixed date or from the date of establishment of industrial area, whichever falls later. Thereafter, reservation shall be ended and allotment shall be made as per rules.

(4) The budget shall be obtained under the scheduled tribe sub scheme & scheduled caste sub scheme of the government and small shades shall be made for scheduled caste/scheduled tribe which shall be provided to them free of cost.

(5) The quantum of plot/land for entrepreneurs of scheduled caste/tribe category shall be determined as per the eligibility under Chhattisgarh Industry Land Shade Rules.

6. **Project Report Subsidy** –

Only eligible new micro & small & medium industries shall be given subsidy after establishment of industry for reimbursement of expenses made on project report as per details given below –

A. Micro, Small & Medium Industry –

Area	General & Priority Industry
In economically Developing areas (as per appendix-6)	1% of fixed capital investment to the industries established by the entrepreneurs of general category, maximum limit Rs.1 lac.

	1% of fixed capital investment to the industries established by the entrepreneurs of scheduled caste/scheduled tribe category, maximum limit Rs.2 lacs
In economically backward areas (as per appendix-7)	1% of fixed capital investment to the industries established by the entrepreneurs of general category, maximum limit Rs.3 lacs. 1% of fixed capital investment to the industries established by the entrepreneurs of scheduled caste/scheduled tribe category, maximum limit Rs.4 lacs

7. Diversion in Land use –

Only eligible new micro and small industries (general & priority industry) shall be given full exemption in land diversion fee from the fee for change in land use up to a maximum limit of 5 acres land.

8. Charges for allotment of land outside industrial area –

(1) On the acquisition of private land for industrial purpose and in the cases related with transfer of government land the services charges taken by the Industry Department/Chhattisgarh State Industrial Development Corporation for allotment of government land/acquisition of private land for industries outside the industrial area, shall be made applicable from the fixed date 1st November, 2009 as mentioned below –

- A. – 5% amount of the land acquisition price payable to the District Administration for acquisition of private land.
- B. – 20% amount on the amount equal to the price of land acquisition on allotment of government/private land by the Industry Department/C.S.I.D.C. to the industries outside the industrial areas.

Note: It is clarified that in the private/government allotment cases made outside the industrial areas, the 20% land allotment service charge payable to the Industry Department/C.S.I.D.C. shall be added in the land price. The 5% land acquisition fee payable to the District Administration shall not be included in the calculation of land premium.

9. Quality Certification subsidy –

The eligible micro, small & medium industries (general & priority industry) established in the state shall be reimbursed 50% of the amount spent in obtaining ISO

– 9000, ISO -14000 or other similar national/international certificate up to a maximum limit of Rs.1 lakh. The amount for industries established by the scheduled caste/tribe category will be 60% of the amount spent up to a maximum limit of Rs.1.25 lakhs.

10. **Technical Patent Subsidy** –

The eligible micro, small & medium industries (general & priority industry) newly established in the state shall be reimbursed 50% of the amount spent in obtaining patent up to a maximum limit of Rs.5 lakhs. The amount for Industries established by the scheduled caste/tribe category will be 60% of the amount spent up to a maximum limit of Rs. 6 lakhs.

11. **Mandi Fee Reimbursement Subsidy** –

In the state, the market fee shall be reimbursed by 50% up to a maximum limit of Rs. 5 Lakhs per annum on purchase of required raw material from krishi upaj mandi samiti for industry by the micro, small & medium industries related with food processing (only poha mill, oil mill and oil extraction plant). This exemption shall be for a period of 5 years from the date of commencement of commercial production.

12. **Margin Money Subsidy for Scheduled Caste/Scheduled Tribe** –

A separate scheme for finance assistance to the industries established up to capital cost of Rs.5 crore by the entrepreneurs of scheduled caste/tribe category will also be prepared in which 25% margin money grant shall be given from the adivasi Upyojna (Anusuchit Janjati Visheshansh Yojna of the State Government).

13. **Industrial Award Scheme** –

1. At present to encourage the micro & small industries established in the state for better work in competitive market, the “Chhattisgarh State Small Scale Industry Award Scheme” is implemented under which the amount of first, second and third prize for micro & small scale industry shall be enhanced to Rs.1,00,000, 51,000 & 31,000 respectively.
2. To give importance to the considerable work done in export and environment conservation by micro & small industries “Small Scale Industry Export Award” and ‘Small Scale Industry Environment Conservation Award” shall be also given whose amount shall be Rs.1,00,000, 51,000, 31,000 respectively. Excellence certificate will be also given with award amount.
3. The “Chhattisgarh Scheduled Caste/Tribe Award Scheme” will be started to bring the entrepreneurs of scheduled caste/tribe in the state in main stream of industrial development, in which under first, second & third prize cost of Rs.1,00,000, 51,000 & 31,000 and Excellence certificate shall be given.

4. Such industries where more than 500 laborers are working and boiler/large machinery is established in the industry and where industrial safety procedure is ascertained as per the criteria determined by Industrial Health & Safety Department & other departments will be given “ Industrial Safety Award Rs.1,00,000 cash & Excellence Certificate from the State Government.
5. In the state, “Women Entrepreneurs Award Scheme” will be started to encourage woman entrepreneurs in which under first, second & third cash prize of Rs.1,00,000, 51,000 & 31,000 and Excellence certificate shall be given.

All the aforesaid prizes will be given in a dignified programme.

- Note –
1. It is made clear that the financial assistance for aforementioned industrial investment will not be given to the industries of saturated category.
 2. The core sector industries on purchase/lease of land (except mining lease) for project will get exemption only on stamp duty.

Appendix- 5

Core Sector Industries –

1 – Following mega projects will come in the category of core sector:-

- A. Cement/Clinker Plant
- B. Integrated Steel Plant
- C. Alumina/Aluminium Plant
- D. Thermal Electricity Plant

2. The core sector industries will be established on the plots reserved for industries/large industrial areas and special efforts will be made for development of infrastructure in these areas.
3. The core sector industries will be given exemption only on stamp duty on purchase/lease of land (except mining lease). Besides this, they won't be entitled for any other exemption/subsidy/concession provided in this industrial policy.

Appendix – 6

List of economically developing areas for industrial investment encouragement

1- District – Raipur

Blocks – Dharsiva, Tilda, Abhanpur, Balaudabazar, Simga, Aarang, Bhatapara, Palari.

2- District – Bilaspur

Blocks – Bilha, kota, Takhatpur, Mungeli, Pathariya, Lormi.

3- District – Durg

Blocks – Bemetara, saja, Dhamdha, Paatan, Gunderdehi, Gurur, Balaud, Berla, Durg.

4- District – Rajnandgaon

Blocks – Rajnandgaon.

5- District – Mahasamund

Blocks – Mahasamund, Baagbehra, Saraipaali.

6- District – Dhamtari

Blocks – Dhamtari, Kurud.

7- District – Kabir Dhaam

Blocks – Kawardha.

8- District – Janjgir-Champa

Blocks – Dabhra, Akaltara, Shakti, Champa (Bamhanidih), Jangir (Navagarh), Paamgarh, Balauda.

9- District – Raigarh

Blocks – Raigarh, Pusour, Gharghoda, Tamnaar, Kharsiya.

10- District – Korba

Blocks – Korba, Katghora.

Appendix -7

List of economically backward areas for industrial investment encouragement

- 1- Dakshin Bastar Dantewara, Narayanpur, Bajipur, Jashpur, Sarguja, Korla, Uttar Bastar Kanker and all blocks of Bastar.
- 2- Durg District – Dondi, Navagarh and Dondi-Lohara block.
- 3- Rajnandgaon District – Ambagarh-Chowki,, Maanpur, Mohla, Churiya, Chuikhadan, Dongargarh, Dongargaon and Kheragarh block.
- 4- Raipur District – Gariyaband, Menpur, Chura, Devbhog, Kasdol, Fingeshwar and Bilaigarh, block..
- 5- Dhamtari District – Nagari and Magarload block..
- 6- Raigarh District – Dharamjaygada, Baramkela, Sarangarh and Lailunga block.
- 7- Bilaspur District – Gorela, Penderoad, Marwahi and Masturi block.
- 8- Mahasumund District – Basna and Pithoura block..
- 9- Kabirdham District – Pandriya, Lohara and Bodla block.
- 10- Janjgir Champa District – Maalkharauda and jaijpur block.
- 11- Korba District – Kartala, Podi-Uproda and Paali block.

Establishment of Private Industrial Areas/Parks:-

Following subsidy/exemption will be given for establishment of private industrial areas/parks (on minimum area being 75 acres), sanctioned by the state government : -

1. 25% on infrastructure cost (except land) maximum limit Rs.300 lakhs .
2. Full exemption on diversion fee.
3. Full exemption on stamp duty.