

# Department of Commerce & Industries

## Industrial Policy 2014-19

### Index

S. No.	Description	Page No.
1	Preface	1 - 2
2	Objectives	2 - 3
3	Strategy	3 - 4
4	Action Plan - (1) Establishment of industrial areas and land banks	4 - 5
	Action Plan - (2) Industrial Land Management	5 - 6
5	Marketing assistance to Micro and Small Enterprises	6
6	Entrepreneurship Development	6 - 7
7	Export	7
8	Udyog Mitra	7 - 8
9	Single Window System ( <i>Mitan</i> )	8
10	Labour Reforms	8
11	Human Resource Development	8 - 9
12	Cluster Development	9
13	Brand – “Credible Chhattisgarh”	9
14	Obligations of Industries	9
15	Industrial Investment Promotion	9 - 13
16	Non-Fiscal Assistance to Industries	13
17	Implementation period and review	13

## Appendix

<b>S. No.</b>	<b>Description</b>	<b>Page No.</b>
1	Definitions	14 - 24
2	List of Saturated Category Industries (List of ineligible industries)	25
3	List of Priority Industries	26 – 27
4	List of Core Sector Industries	28
5	Financial Incentives for Industrial promotion (Grant, Exemption and Concession)	29 - 35
6	Special Financial Package for the Industries established by Scheduled Cast/ Tribe Category Entrepreneurs	36 - 39
7	List of developing areas in view of industrialization for Industrial Investment Promotion.	40
7	List of backward areas in view of industrialization for Industrial Investment Promotion.	41
8	Non Fiscal Facilities	42

## Industrial Policy 2014-19

### (1) Preface:-

1.1 The state of Chhattisgarh was created with immense possibilities of development. The State, because of its economic powers like immense mineral resources; 44 percent forest area, peaceful labour environment, availability of necessary infrastructure and good governance has successfully established itself as the preferred destination in the country for the investors. The State is well connected through road, rail and air links to all major metro cities of the country. State Capital "Naya Raipur" is being developed as the first "Smart City" in the country; here underground network of power supply and communication facilities is planned. The State is known as being self-sufficient in the field of power supply and the zero power cut state in the Country. The electricity rates, as compared to the other developed States, are lower in Chhattisgarh. Due to uninterrupted quality power supply and abundances of minerals, prices of cement, steel, aluminium are lower in the State than in other states.

'Ease of Doing Business' culture is being promoted in the State for transparent and public-oriented administration. Online procedure for issuing all types of sanctions, approvals etc. is being implemented. Time limit has been fixed for procedures and the provision of 'Deemed Approval' has also been made/is being made. Provision of self-certification for verification has also been made. The State has been able to attract investors due to the factors like appropriate geographical location, abundant natural resources, availability of land at ideal price, skilled labour, quality uninterrupted power supply, low cost, transparent administration etc. in.

1.2 The industrial policy has been implemented in the State on the basis of the Five Year Action-plan for planned industrial development. After the establishment of the state "Industrial Policy 2001-06", "Industrial Policy 2004-09" and "Industrial Policy 2009-14" has been implemented. The rate of industrial growth in the state has been 6.07 due to successful implementation of the third Industrial Policy 2009-14 of the State. In the year 2009-10 exports from the state had been Rs.1675 crores, which increased to Rs. 7701 crores in the year 2013-14. From various industrial units of the State revenue of Rs.4470 crore was received as Central Excise and Service Tax in the year 2009-10, while in the year 2012-13 a revenue of Rs.7889.76 crores was earned. In last 5 years approximately Rs. 252 crores were given as subsidy to the industrial units in the State as incentives for investment. Also stamp duty exemption of Rs 30.71 crores was given and electricity duty exemption certificate were issued to 159 industries. In the 12th Five Year Plan a target of 7.5 % annual growth has been set for the industrial sector.

1.3 For the exploitation of coal, iron ore, bauxite, dolomite, limestone and other mineral assets available in the State, the policy of development of core sector was adopted after the formation of the State. Under this policy out of 121 MOUs executed by the Industries Department, projects under 60 MOUs have started/expanded and projects under remaining 61 MOUs are in various stages of execution. More than Rs 44000 Crores have been invested in these projects. Against the 73 MOUs executed by the Energy Department for capacity of 60,000 MV power production establishments of power plants of capacity approximately 20,000 MV is in various

Stages of progress with envisaged capital investment of around Rs 1,20,000 Crores. The State has achieved significant achievements in the core sector. Now the state has adopted a policy of investment promotion in the non-core sector i.e. agriculture and food processing, automotive, new and renewable energy, IT Sector, pharmaceuticals, health care, tourism, skill development, forest produce etc. With this objective, in the year 2012, for the first time in the state Global Investor Meet 2012 was successfully organised in which 275 MOUs and 155 EOIs were executed for the non-core sectors industries. For promotion of the non-core sector industries, Agro and food processing industries policy 2012, Automotive Industries Policy 2012, IT and ITES Policy 2012-17 and Solar Policy 2012-17 has been implemented in the State. Value addition in the agriculture produce in the state is done through the establishment of more than 1500 rice mills, more than 200 dal (pulses) mills, more than 200 poha mills and more than 20 edible oil mills.

- 1.4 The establishment of proposed "Railway Corridor" project in the state is an ambitious project of the State and Central Government. Under this Project three railway corridor (East corridor, North corridor and East-west corridor) of total 300 Km length and DalliRajhara-Rowghat-Jagdarpur railway project of 285 Km length is to be constructed for which MoUs have been executed and revolutionary results will come with the construction of these lines in the state.
  - 1.5 The Govt. of India has plan of laying Gas Pipe Line from Surat (Gujarat) to Paradeep (Orissa) under which the main trunk pipe line of the Gas Pipe Line will pass through Rajnandgaon, Durg, Raipur and Mahasamund districts and it will have positive impact in the industrial development of these districts and adjoining districts.
  - 1.6 The industrial environment of the Country is changing at a large scale due to economic liberalization, privatization and globalization- Keeping in view of this change, discussion with the industrial associations of the state, leading industrialists, Department Officials, Heads of the Departments connected with industrial department have been done at the time of preparation of the framework of the Industrial Policy 2014-19. The Industrial Policy 2014-19 has been prepared by incorporating important ideas and suggestions, which will ensure a new direction of industrial development and in the coming decade, Chhattisgarh will be the leader amongst the states doing rapid development in the country.
- (2) Objectives:-
- 2.1 To promote on priority basis, the areas in relation to manufacture under MAKE IN INDIA for implementing the plan of MAKE IN CHHATTISGARH in line with the ambitious plan of MAKE IN INDIA of Government of India.
  - 2.2 To bring the State equivalent with the industrially developed States of the country by 2024 by taking the benefits of positive environment created for overall and rapid industrialization in the State.
  - 2.3 To encourage the domiciles of the state towards self-enterprise and to provide the domiciles more and more opportunities of service and employment in the industries.
  - 2.4 In addition to the industries being established, to establish such other industrial projects in the state which are not established till now.
  - 2.5 To create conducive environment for promotion of export and to attract foreign investments by encouraging the establishment of Special Economic Zones and development of suitable infrastructure.

- 2.6 To increase the per capita income and gross domestic product of the State by making capital investment in the state competitive and easy and by giving comparatively more financial incentives.
- 2.7 To ensure balanced industrial growth by providing comparatively more economic incentives for industrial development to the backward industrial blocks of the State.
- 2.8 To establish pollution free and skill based industries like IT, Bio-Technology, Agriculture and Food Processing, Minor Forest Produce, Herbal and Forest medicine processing, Automobile, Pharmaceutical, Electronic and Electrical Consumer Products, White goods, appliances for producing electricity from new and renewable sources, Textile and Core sector based down-stream industries and establishment of employment intensive small-scale industries, on priority basis.
- 2.9 To provide relatively more economic benefits to the weaker sections of society such as Schedule Cast/Schedule Tribes, Disabled, Retired Soldiers and Naxalism affected families and Women Entrepreneurs to bring them in the main stream of Industrial Development.
- 2.10 To provide participation to the private sector in the construction and maintenance of industrial infrastructure.
- 2.11 To enhance the quality of life of public through value additions in the available mineral and forest resources and by laying down of net of industries in the state.
- 2.12 To ensure the participation of industries in the skill development of the local people.
- 2.13 To increase the storage capacity for the agriculture produce/products in the state, especially in rural areas.

(3) Strategy:-

- 3.1 The following actions are being taken under Ease of Doing Business-
  - (i) Reducing the number of application forms and required documents as much as possible and their simplification.
  - (ii) Self-certification of documents / certificates as much as possible.
  - (iii) Simplification of the process of issuing permit, approval, acceptance, etc. and reducing their number.
  - (iv) Fixing time-limits for completion of procedures in a time-frame and setting the provision of 'Deemed Approval' on non-completion of procedures in the stipulated time-limits.
  - (v) Online execution of works.
  - (vi) Arrangement of self-certification in place of verification system through the process of inspection.
- 3.2 The State Investment Board has been established under the Chairmanship of Hon. Chief Minister under the Chhattisgarh Industrial Investment Promotion Act, 2002. Continuous monitoring of the cases of approval/ Sanction from the State and Centre Govt. of proposals of investment by the investor for setting up of projects in the State is being done and decision are taken. The decisions taken by the State Investment Promotion Board will be over riding on the existing Acts/Rules of the State. In the same way an Empowered Committee has also been constituted under the Chairmanship of Chief Secretary for solving the problems of the investors.

- 3.3 "State PMG" portal is being developed for resolving the problems/difficulties faced in establishment of industrial and infrastructure projects in the State.
  - 3.4 To resolve the cases related to the industries established in the State a separate portal will be developed, through which industries can get the latest position of their application.
  - 3.5 District-wise establishment of industrial areas in suitable and viable places for setting up micro, small and medium industries in the State and adoption of transparent system for purchase of land for this purpose.
  - 3.6 Establishment of Land Bank in a rational manner for establishment of large, mega and ultra-mega projects.
  - 3.7 Providing Special Package for Scheduled Castes and Scheduled Tribes category.
  - 3.8 Special incentive scheme for rehabilitation of sick and closed industries in the state will be formulated.
  - 3.9 Fiscal incentive for promotion of industrial investment and to strengthen Micro, Small and Medium and large Industries assistance in product quality, technological up-gradation of production systems, financing, simplification of investment and marketing facilities and decentralization of powers.
  - 3.10 To make aware the entrepreneurs and youth about the plans of the Government in an effective manner.
  - 3.11 To develop the Single Window System for time bound clearances.
  - 3.12 Effective arrangements at the state and district level for monitoring, evaluation and grievance redressal mechanisms.
- (4) Action-plan for Industrial Infrastructure
- (4.1) Establishment of industrial areas and Land Banks:--
    - 4.1.1 Establishment of fully equipped new industrial areas in view of industrial appropriate location in all the districts of the State. Chhattisgarh State Industrial Development Corporation will be the nodal agency for the establishment of industrial areas.
    - 4.1.2 Pollution-free industries will be set up at Naya Raipur.
    - 4.1.3 Expansion of established industrial areas of the State will be done to the possible extent.
    - 4.1.4 Establishment of industrial areas/industrial parks wherever necessary will be encouraged
    - 4.1.5 Land will be earmarked for the establishment of small industrial areas at appropriate places in the areas that comes under the purview of the proposed 'Rail Corridor Project' and DalliRajhara-Rowghat-Jagdarpur Railway Project of the State Government and Government of India.
    - 4.1.6 Chhattisgarh State Industrial Development Corporation will be empowered by giving the powers to purchase land for establishment of new industrial areas, approach roads for industrial areas, expansion of established industrial areas, establishment of land banks etc.

- 4.1.7 Multi story shed/ building will be constructed for establishment of micro and small industries in the industrial areas to be established and also multi story building/shed will be constructed in the vacant land of established industrial areas for its appropriate use.
- 4.1.8 For meeting the growing demand of the industrial land in the state keeping in view the long term plan, land bank of 10000 hectares land will be developed
- 4.1.9 In the acquisition of private land, transfer of Government land for land bank, minimum 20% of allocable land will be reserved for allotment to micro, small and medium industries, in which industrial areas will be established.
- 4.1.10 To reduce the cost of establishment of micro, small and medium industries, land will be reserved for establishment of power sub stations/ power transformers in the new industrial areas. Appropriate arrangements will be made for supply of industrial/drinking water in the industrial areas and land will also be reserved for communication facilities.
- 4.1.11 The Maintenance of the industrial areas is done by the State Government/CSIDC, but in these industrial areas, property tax and other local taxes are levied by local bodies, for rationalisation of this, necessary amendments in the acts will be made.
- 4.1.12 The State Government on its own/under PPP will establish special parks for development of cluster based industries like Gems and Jewellery (SEZs), Food Processing Parks, Engineering Parks, Railway Accessories Industry Complex, Aluminium Park, Pharmaceutical Park, IT Park, Core Sector based down-stream Industry Park, Solar and Solar-based product Park and Herbal Park.
- 4.1.13 Infrastructure Monitoring Committees formed for the maintenance of industrial areas will be made effective.
- 4.1.14 In the industrial areas, as per the requirements, arrangements for RCC roads having high load carrying capacity, continuous supply of high quality electricity, water supply, tool room/testing lab, fire brigade, warehousing, communication facility etc. will be made/initiated.
- 4.1.15 Private Sector will be encouraged for maintenance of established industrial areas.
- 4.1.16 Proper care will be taken for conservation of environment in the Industrial Areas. As per requirements, Effluent Treatment Plant, Hazardous Waste Management System, Solid Waste Disposal, use of recycled water and dense plantation and rain water harvesting will be encouraged.
- 4.1.17 Government Agencies like Chhattisgarh Housing Board, other government agencies and private sector will be encouraged for providing housing facilities to the labourers employed in the industrial areas/ near land banks.
- (4.2) Industrial Land Management:-
- 4.2.1 New land allotment rule will be made for allotment of land in industrial areas and outside the industrial areas (Land Bank) and powers for land allotment will be decentralized at the State and District level.
- 4.2.2 The rates for allotment of land in industrial areas for industrial and other purposes will be determined in a reasonable manner.
- 4.2.3 The rates of land-shed transfer will be revised in a reasonable manner.



- 4.2.4 For evacuation of industrial land, shed-building and for realisation of departmental dues, powers of Premises Eviction Act and Revenue Department will be delegated to the Officers of CSIDC/District Trade and Industries Centre.
- (5) Marketing assistance to micro and small enterprises:-
- 5.1 A Plant Level Committee will be constituted under the Chairmanship of Principal Secretary / Secretary, for protection of marketing interests of Micro, and Small Enterprises provided under the Micro, Small and Medium Enterprise Development Act, 2006 of the Micro, Small and Medium Industry Department of the Government of India for the marketing protection of the Micro, Small and Medium Industry in the country public procurement policy effective from 01.04.2012, in which the Managing Director of the concerned public enterprise and industrial association will also be members. Full attention will be given on the protection of interests of established ancillaries.
- 5.2 An effective system will be made for ultra-mega projects and mega projects established / being established in the state so that they can procure materials required for their projects from the micro, small and medium industries of the State on priority.
- 5.3 Necessary amendments will be made in prevailing Chhattisgarh Store Purchase Rules for protection of / making competitive the micro and small enterprises of State.
- 5.4 Effective provisions will be made for implementation of Chhattisgarh Store Purchase Rules by the corporations, board and other government institutions of the State.
- 5.5 Many such materials are required by state government departments, the production which has not been started in the state; starting of such industries in the State will be encouraged.
- (6) Entrepreneurship Development:-
- 6.1 Chhattisgarh Consultancy Organization (CGCON) will be formed in the State as joint venture with CSIDC an undertaking of the department, nationalized banks and other govt. departments for various activities related to entrepreneurship development in the state like the industrial potential survey, preparation of preliminary and detailed project reports, pre-investment studies, selection of potential new entrepreneurs and implementation of their projects, technical and managerial support; preparation of techno economic feasibility reports, to act as industrial managerial and financial consultants, providing engineering consultancy services, providing project supervision services and entrepreneurship awareness, entrepreneurship development, skill development program, faculty development program, trainer training program, management training, marketing support, workshops, buyer-seller meet etc.
- 6.2 For entrepreneurship development among the youth, entrepreneurship development programs will be organized in the entire state by preparing a yearly calendar coordinating the entrepreneurship programs organized by various departments and enterprises.
- 6.3 A new framework of the course of entrepreneurship development programs in which facility of practical training and industrial tours will be included.

- 6.4 Product based entrepreneurship development programs will be started.
  - 6.5 Entrepreneurs of the State will be sent for entrepreneurship related training to the prestigious "Entrepreneurship Development Institute, Ahmedabad" and other reputed institutions.
  - 6.6 Services of other technical and management institutes will also be taken for development of entrepreneurship and co-ordination will be made to get the entrepreneurship development program included in their curriculum.
  - 6.7 Project profiles of potential industries in the district prepared through Micro, Small and Medium Enterprise Institute and other approved agencies in the State will be provided to entrepreneurs free of cost.
- (7) Export:-
- Following schemes will be implemented for direct export from the State:-
- 7.1 Establishment of Export Facilitation cum Convention Centre in Naya Raipur.
  - 7.2 Establishment of air cargo along with Custom Clearance facility in Raipur.
  - 7.3 Preparation of action plan through survey of export potential products/materials, export infrastructure requirements in the State and effective use of export / import related website.
  - 7.4 Awareness programs will be organized for export promotion in the state through coordinated efforts of Export Promotion Council, the Director General of Foreign Trade and state government agencies to encourage the export from the State and to acquaint the entrepreneurs with the export process.
  - 7.5 Export Cell will be established in the Directorate of Industries to avail the benefits of export related schemes of the Government of India
  - 7.6 A reasonable system will be implemented for the tax exemption on the products exported from the State.
  - 7.7 Additional industrial investment incentives will be provided to exports related manufacturing industries.
  - 7.8 Necessary initiatives will be taken to fully equip and expand the Inland Container Depot.
  - 7.9 Proposal will be sent the Government of India for the up gradation of the Office of the Director General of Foreign Trade at Raipur so that all clearance can be obtained together.
- (8) UdyogMitra:-
- 8.1 For simplified procedure of Industrial Investment / Development in the State a departmental officers shall be nominated as "UdyogMitra" unit wise at District and State level for Industrial projects of more than Rs.10 crores, who will provide full support and guidance in securing the benefits of the schemes of industrial investment from the initial stage of setting up of the industry till actual establishment and thereafter.

- 8.2 An Industrial Promotion Assistance Committee headed by collector will be formed at the district level for resolving the problems of industries established / under establishment in state and a Coordination Committees will be formed under the chairmanship of Industry commissioner/ Director, at Directorate level for resolving the problems of industrial infrastructure and marketing, a coordination committee under the chairmanship of the Managing Director at CSIDC and an interdepartmental committee Under the chairmanship of the Additional Chief/Chief/Principal Secretary, Department of Commerce & Industries will be constitute for addressing the issues related to the governance and its meetings will be conducted after every three months.
- 8.3 The functioning of the State Investment Promotion Board, Directorate of Industries, CSIDC, will be modernized and computerized at the State level. At first EM-Part-I and EM-Part II will be made available online and after that action will be taken to make all the applications and their disposal available online.
- 8.4 By examining decentralization provisions for environmental clearance to micro and small enterprises the prevalent list will be expanded.
- 8.5 Decision for making any kind of change in the rates of land allotment, land transfer, water and electricity for industrial purpose will be taken after hearing the views of the industrial association.
- (9) Single Window System:-
- 9.1 Single Window System at District and State Level will be developed under the Chhattisgarh Industrial Investment Promotion Act, 2002, as a result of which all clearances related to industrial investment like certificate, NoC, consent, nomination, registration, permission, approval, license, allotment will be received within specified time-period.
- 9.2 This system will be called - Mitaan
- (10) Labour Reforms:-
- 10.1 Necessary initiatives will be taken for simplification of labour laws.
- 10.2 In accordance with the policies of the Government of India, labour laws will be exempted for the Special Economic Zones to be established in the State.
- 10.3 For effective implementation of the labour reforms, meetings of the "Task Force" formed at district level, in which representatives of Department of Industries, Labour Department and Industrial Associations are also included, will organized regularly.
- 10.4 As per requirements, Initiatives will be taken for increasing the number of labour courts in districts making rapid industrial development.
- 10.5 Online system will be adopted for renewal of the licences of labour laws. Till the arrangements for online renewal are made, the licences will be renewed up to a period of 5 years.
- (11) Human Resource Development:-
- "Right to Skill Development Act 2013" has been implemented for the youth of the State. Effective Initiative will be taken for connecting skills development with the

industrial development of the state and for securing job placement on priority basis for vocationally trained youth and apprenticeship and internship to ITI, diploma holders and graduate engineers in industrial projects in the state.

Efforts will be made to establish new ITI and polytechnic college, for introduction of new industry based graduate and post-graduate courses, degree/diploma and certificate courses for skill up gradation and to coordinate with the concerned departments regarding the skill development of the women.

(12) Cluster Development:--

Clusters have been identified for industries of rice, poha, pulses, wire drawing, re-rolling mills, stone cutting and polishing, Kosa silk, handicrafts, engineering products, small forest produce based industries etc. in the state. Chief Minister Micro and Medium Cluster Development Scheme will be introduced for promoting congregational development, under the cluster development schemes of the Govt. of India, in which 10 % subsidy will be given by the state govt. to the clusters sanctioned by the Government of India for their development, its maximum limit will be Rs.50 lakhs per cluster.

(13) Brand – “Credible Chhattisgarh”

13.1 Road Shows/Investment Meet will be organized to acquaint the country and abroad the economic powers of the State, and to attract domestic and foreign capital investment from the industrial houses in the country and outside the country in the fields of various sectors like Automobile, Agriculture and Food Processing, Information Technology, White Goods, Infrastructure Development, Tourism, New-Renewable Energy, Herbal, Small Forest Produce etc.

13.2 For overall branding of the State necessary initiatives will be taken to appoint the “Brand Ambassador” of the State.

13.3 To make the public of the state aware of the overall development plans of the State Government, publicity will be done through advertisements in the electronic media.

13.4 "Industry Day" will be celebrated across the state, at district level, simultaneously, in which seminars, workshops, exhibitions, buyer-seller meet and presentations will be organized and entrepreneur awards will be given for industrial development.

(14) Obligations of industries:--

14.1 Compliance of the CSR policy enforced by the State Government will be mandatory for the industries as per rule.

14.2 Industries must give apprenticeship and internship to 10%, 20% and 25% of the total employment to Graduate Engineers, Diploma holders, ITI passed domicile youth of the state, respectively, for a period of 3 to 6 month in their industries.

(15) Industrial Investment Promotion:--

15.1 The Definitions regarding industrial investment promotion policies will be applicable as per “Appendix-1”.

- 15.2 In order to promote industrial investments, industries have been categorized into the following four categories –
- (1) Saturated Category Industries – “Appendix-2(a)” list of saturated industries for the entire state and “Appendix-2(b)” list of saturate industries in the industrially developing areas. The industries listed at Appendix 2(a) will not be eligible for industrial investment promotion but the industries listed at Appendix-2(b) will be eligible for industrial investment promotion if they establish in industrially backward areas.
  - (2) Priority industries – Under the concept of “Make in Chhattisgarh” priority industries being established in the State which are listed at Appendix-3, of the Industrial Policy, 2014-19.
  - (3) Core Sector Industries – Core sector means Integrated Steel Plant, Cement Plant, Thermal Power Plant and Aluminium Plant (As per Appendix-4).
  - (4) General Category Industries – All other industries, except the industries of saturated category, priority industries and core sector industries listed at Appendix-4.
- 15.3 By following the prescribed strategy for the objectives of the industrial policy in the state subsidy, exemptions and concessions will be given (according to Appendix-5) as follows-
- Entrepreneurs under the general category will get Interest subsidy, Fixed capital investment subsidy, electricity duty exemption, stamp duty exemption, exemption / concession in land premium on allotment of land in industrial areas, project report subsidy, land-diversion fee exemption, Reasonable service charges for land allocation, quality certification subsidy, technical patent subsidy, technology purchase subsidy, margin money subsidy, entry tax exemption, disabled employment subsidy.
- Capital investment made in plant and machinery for modernisation of rice mills established in the State will be eligible for Industrial Investment Incentives within the maximum limit.
- 15.4 NRIs, Foreign direct investors (FDI), exporting industries and investors starting projects with foreign technology will be extended 5 percent additional subsidy and the maximum limit of subsidy will be increased by 5 per cent and in cases relating to exemption, exemption shall be allowed for one more year, in addition to the subsidies imprinted in clause 15.1 above for the general category entrepreneurs.
- 15.5 Women Entrepreneurs, retired soldiers of the state from the Indian forces and person affected by naxalism / family and the persons with disabilities will be extended 10 percent additional subsidy and the maximum limit of subsidy will be increased by 10 per cent and in cases relating to exemption, exemption shall be allowed for one more year, in addition to the subsidies imprinted in clause 15.3 above for the general category entrepreneurs.
- 15.6 To bring the Schedule Caste /Schedule Tribes of the State in the main stream of industrial development special economic package as per Appendix 6 will be given.

- 15.7 The rehabilitation policy of the Government will be complied with for the affected farmers/displaced by land acquisition for the establishment of industrial projects/land bank/industrial areas/industrial and stamp duty exemption will be given for purchase of agricultural land from the compensation received.
- 15.8 In order to promote establishment of private industrial areas on establishment of industrial areas/industrial park in minimum 25 acres of land, subsidy of 30 % of the infrastructure cost (except land), maximum Rs. 5 crores and complete exemption from the stamp duty, complete exemption from registration fee of land and 100 % exemption in land diversion fee will be given and the industries being established in these industrial areas will also be given industrial investment promotion.
- In case the subsidy approved by the Govt. of India will be more than the subsidy given by the state government, industry will not be eligible for the subsidy but if the subsidy approved by the Govt. of India will be lesser than the subsidy given by the state government, then the difference will be paid as subsidy.
- 15.9 Industrial Award Scheme will be implemented on state and district level.
- 15.10 Subsidies, exemptions and concession provided in the industrial policy will be given on investment in establishment of new logistics hub, warehousing, cold storage in the State, expansion in already established logistics hub, warehousing, cold storage.
- 15.11 For the development of "film industry" in the state on establishment of film studios, editing studios and activities related to film processing will be eligible for subsidy, exemptions and concession given to small scale industries under the provisions of the industrial policy.
- 15.12 "Chief Minister Youth Self Employment Scheme" has already been launched to increase the opportunities of self-enterprises for the youth of the State. In this scheme under this policy, economic incentives for industrial investment will also be given to the manufacturing and services enterprises.
- 15.13 Production Technique of using liquid fuel/Gas/Petroleum from coal will be promoted on priority.
- 15.14 In this industrial policy based on the Industrial development, developmental blocks have been categorized as follows-
- 1 Developing Areas - Under this region those developmental blocks have been included in the State, where the industrial development has started and is progressing continuously, which is listed at Appendix -7.
  - 2 Backward Areas - In this category all developmental blocks of most backward tribal dominated districts and industrially backward developmental blocks of the general districts are kept, which is imprinted at Appendix-8.
- 15.15 In terms of category of investors, the industries have been categorized into the following five categories –
- 1 General category entrepreneur
  - 2 Scheduled Caste/ Scheduled Tribe category entrepreneurs
  - 3 NRIs, foreign direct investors, exporter investors, foreign tech industry

- 4 Women Entrepreneurs
  - 5 Retired soldiers of the state, person affected by naxalism and disabled persons.
- 15.16 In terms of kind of investment industries has been categorized into the following five categories-
- 1 Micro and small industries
  - 2 Medium industries
  - 3 Large industries
  - 4 Mega projects
  - 5 Ultra-mega projects
- 15.17 "Industrial Investment Incentives" will be given for establishing new industries, expansion of established units under production, modernisation of rice mills and diversification of existing industrial units under production.
- 15.18 Incentives for industrial investment will be given to those eligible industries, which provide, in the case of unskilled workers 90 percent, 50 percent in the case of skilled workers and on administrative / managerial positions at least 33 percent employment to the domiciles of the State.
- 15.19 The micro, small, medium and large industrial units, mega projects and ultra –mega projects which before the appointed date 01/11/2014 possesses legitimate E.M. Part 1 / IEM / letter of intent / industrial licenses for establishment of industry or have executed MoU with the state government and the MoU is alive but could not start its production before 31<sup>st</sup> October 2013 i.e. expiry of Industrial Policy 2009-14, will have the option of availing subsidy/exemptions/concessions provided in the industrial policy 2009-14 on commencing production up to 31 October 2015.
- 15.20 All industries which get fresh land allotment in industrial areas/parks to be established after the appointed day and in established industrial areas/industrial areas being established/ in industrial areas/parks, before the appointed day, will be eligible for 10 % additional subsidy and the maximum limit of subsidy will be increased by 10 per cent and in cases relating to exemption, the period of exemption will be for one year.
- 15.21 The proposal for providing additional incentives other than economic investment incentives declared in the industrial policy for mega and ultra-mega projects of non-core sector which are not yet established in the state decision will be taken by the Council of Ministers after thorough examination and on merits.
- 15.22 The state government has made policies for different sectors as follows-
- 1. Agro and Food Processing Industry Policy, 2012
  - 2. Automotive Industry Policy, 2012.
- The industries, which have executed MoUs under these policies /possess E.M. Part-1/IEM, to those, in the cases of Automotive industries in addition to the facilities given under the Automotive Industry Policy, 2012 and in the cases of agriculture and food processing, under the Agriculture and Food Processing Industry Policy, 2012, will also get the subsidy, exemptions and concessions declared in this industrial policy, which are not included in the above policies.

15.23 To extend the industrial investment incentives for industrial investment subsidy/ exemptions/ concession to eligible industries under the policy, within 3 months from the date of publication of the Industrial Policy in the Gazette notifications will be issued, rules will be made and administrative directions will also be issued under the relevant laws.

15.24 Such industries in the priority sector under this policy, the policies for which have been made by other departments, necessary provisions in the budget of the concerned department will be made for requisite amount of Industrial Investment Promotion.

(16) Non-fiscal facilities for the industries-

For rapid industrialization in the State, fulfilling the objective of the industrial policy and making the process of industrial investment facile and competitive as compared to other states non-fiscal facilities will also be provided according to the Appendix-9.

(17) Implementation Period and Review

The period of the Industrial Policy 2014-19 will be from the date 01 November 2014 to 31 October 2019. After establishment of the industry for eligibility for industrial investment promotion commercial production has to be started between 01 Nov. 2014 to 31 Oct. 2019 and the industrial investment incentive given before the establishment of the industry will be given from 01 Nov. 2014 up to 31 Oct. 2019 only. In this time-period of 5 years the State Government shall have the right to review from time to time the provisions of this industrial policy keeping in view the industrial development of the State and can add new provisions/ amend and delete the listed provisions.

## INDUSTRIAL POLICY 2014-19

### Definitions:-

1. **“Appointed Day”** means the date of Industrial Policy 2014-19, from which it is effective, i.e. First day of November, 2014.
2. **“Industrially developing Area”** means Area included in **“Appendix -7”**.
3. **“Industrially backward Area”** means Area included in **“Appendix -8”**.
4. **“Industrial Area”** means and includes - industrial corridor, industrial area, industrial estate, semi-urban industrial estate / rural workshop, industrial growth centre, industrial areas to be / established under joint ventures, integrated infrastructure development centre; industrial area, industrial park, special economic zone in the possession of and held by the State Government / Chhattisgarh State Industrial Development Corporation; industrial area, industrial park, special economic zone to be / established in the private sector approved / assisted by the State Government / Government of India; industrial area approved by New Raipur Development Authority and partly industrial area (such industries which are being established or have established, partially by receiving allotment of land in industrial areas and partially by purchasing land attached to industrial areas; established or proposed to be established in the State from or before the Appointed Day.
5. **“Industrial Unit”** means a unit which is established/proposed to be established as Production/Processing/Service Enterprise.
6. **“New Industry / New Industrial Unit”** (Greenfield Industry) means such industrial unit which proposes to commence commercial production on or after 01.11.2014 and is holding E.M. part-1/ I.E.M. / Letter of Intent / Industrial Licence issued by the competent authority for this purpose and is also holding E.M. part-2 and Commercial Production Certificate issued by the competent authority with Commencement of Commercial Production on or after 01st November, 2014 up to 31<sup>st</sup> October, 2019.

Such industries will also be considered in the category of **New Industry / New Industrial Unit** which is holding E.M. part-1/ I.E.M. / Letter of Intent / Industrial Licence issued by the competent authority for this purpose and on commencement of commercial production in the industry; is also holding E.M. part-2 and Commercial Production Certificate issued by the competent authority with Commencement of Commercial Production on or after 01st November, 2014 up to 31<sup>st</sup> October, 2019.

- 6.1 For eligibility of New Industry the following conditions must be fulfilled:-
  - (1) Land - In case of Sole proprietorship, land must be in the name of the Owner of the Industry / Industrial Unit. In cases other than Sole proprietorship, land to be in the name of Industrial Unit / Company's name, is compulsory.

- (2) Shed-Building - New Shed / Building should be constructed on the Land as mentioned above.
  - (3) Plant and Machinery - New Plant and Machinery should be installed in the Land and Shed / Building as mentioned above.
- 6.2 The industry commenced by the existing industrial unit in the premises of existing industry will be considered in the category of New Industry / New Industrial unit, if the following conditions are fulfilled:-
- (1) E.M.Part-1, I. E.M., Letter of Intent, Industrial Licence is held by the unit in the name of New industry / New Industrial Unit, issued by the competent authority after the Appointed Day or E.M.Part-1, I. E.M., Letter of Intent, Industrial Licence issued in the name of New industry / New Industrial Unit, should be valid on the Appointed Day.
  - (2) Land - In case of Sole proprietorship, land must be in the name of the Owner of the Industry / Industrial Unit. In cases other than Sole proprietorship, land to be in the name of Industrial Unit / Company's name, is compulsory.
  - (3) Shed-Building - New Shed / Building should be constructed on the Land as mentioned above.
  - (4) Plant and Machinery - New Plant and Machinery should be installed in the Land and Shed / Building as mentioned above.
  - (5) Production, Purchases and Sales registers are maintained separately for the New Industry.
  - (6) Any agreement / notification, related to the industrial investment incentive obtained by the existing industry established previously in the present premises, are not violated.
  - (7) In addition to the above, on commencement of commercial production, unit is also holding E.M. part-2 and Commercial Production Certificate issued by the competent authority.

Note: Inclusion of new product in existing industries/ existing industrial units will not be considered in the category of new industry.

7. **“Existing Industry/ Existing Industrial Unit”** means such industry (enterprise) which has commenced commercial production during the period from the effective date 01<sup>st</sup> November, 2001 of Industrial Policy 2001-06 till the closing day 31<sup>st</sup> October, 2014 of Industrial Policy 2009 –14 and which is holding E.M. part-2 / I.E.M./ Letter of Intent / Industrial Licence and is also holding Small Scale Industry Registration Certificate / Commercial Production Certificate issued by the competent authority for this purpose.
8. **“Expansion of the Existing Industry”** means - in cases of micro and small Industries, medium industries, large industries, mega projects, very large industries / ultra-mega projects; existing industry in production on or after the appointed day of Industrial Policy 2014-19, invests minimum 25% in addition to the approved capital Investment in the plant and machinery items, till date of commencement of commercial production and production capacity is increased minimum by 25% of its originally installed capacity registered with

the Department of Commerce & Industries or average production (whichever is more) and total employment is also increased by 10 percent and commencement of commercial production under expansion, is from 01<sup>st</sup> November, 2014 till 31<sup>st</sup> October, 2019.

9. **A. “Micro & Small industry”** means such industry(enterprise) which comes under the definition of Micro & Small Enterprise issued by Government of India from time to time under “Micro, Small and Medium Enterprise Development Act, 2006 of Government of India and is holding E.M. Part-1 issued by District Trade and Industry Centre of the concerned district and is also holding E.M. part-2 and Commercial Production Certificate issued by competent authority, on commencement of commercial production.  
**B. “Micro & Small Service Enterprise”** means such enterprise which is in Service Category under “Micro, Small and Medium Enterprise Development Act, 2006 of Government of India and comes under the definition of Micro & Small Service Enterprise issued from time to time and is holding E.M. Part-1 issued by District Trade and Industry Centre of the concerned district and is also holding E.M. part-2 and Commercial Production Certificate issued by competent authority, on commencement of commercial production.
10. **A. “Medium Industry”** means such Industry (Enterprise) which comes under “Micro, Small and Medium Enterprise Development Act 2006 of Government of India and whose capital investment exceeds the maximum capital investment in Plant & Machinery items prescribed by Government of India as per definitions issued from time to time for Small Enterprises but is up to maximum Rs. 10 Crores and the industrial unit has obtained E.M. part-1 / Industrial Licence / Letter of Intent, as applicable and on commencement of commercial production in the industry, is also holding E.M.part-2 and Commercial Production Certificate issued by the competent authority.  
**B. “Medium Service Enterprise”** means such enterprise which is in Service Category under “Micro, Small and Medium Enterprise Development Act, 2006 of Government of India and comes under the definition of Medium Service Enterprise and is holding E.M. Part-1 issued by District Trade and Industry Centre of the concerned district and on commencement of commercial production, is also holding E.M. part-2 and Commercial Production Certificate issued by competent authority.
11. **“Large Industry”** means such industry whose capital investment in Plant and Machinery exceeds Rs.10 Crores and Fixed Capital Investment is up to Rs.100 Crores ( except under the definition of Mega Project- white goods, electronic and electrical consumer products, pharmaceutical, IT sector, biotechnology, textile; plant, machinery and accessories used for generation of new and renewable energy; cycle manufacturing and products / accessories / spares used for manufacturing of cycle ), and is holding I.E.M./ Letter of Intent / Industrial Licence as applicable and on commencement of commercial production in the industry, is also holding Commercial Production Certificate issued by the competent authority.
12. **“Mega Project”** means such industry which by projecting Fixed Capital Investment of more than Rs.100 Crores up to Rs.1000 Crores has proposed commencement of commercial production and for this purpose holds I.E.M. /

Industrial Licence / Letter of Intent, as applicable, issued by the Ministry of Commerce & Industries, Government of India or / and has executed MOU with the State Government for establishing Industry and on commencement of commercial production in the industry, is also holding Commercial Production Certificate issued by the Directorate of the State Government; but under the following sector only those projects will be considered as Mega Projects whose Fixed Capital Investment is as under :-

<b>S.</b>	<b>Category</b>	<b>Fixed Capital Investment</b>
<b>1</b>	<b>2</b>	<b>3</b>
1	White Goods, Electronic & Electrical Consumer Products	Rs.50 Crores to 100 Crores
2	Pharmaceutical Industry	Rs.15 Crores to 20 Crores
3	IT Sector, Bio Technology	Rs. 15 Crores to 20 Crores
4	Textile	Rs.50 crores to 100 crores
5	Plant, Machinery and Accessories used for generation of New and Renewable energy	Rs.30 crores to 60 crores
6	Cycle manufacturing and Products / Accessories / Spares used for manufacturing of Cycle	Rs.25 crores to 100 crores

13. **“Ultra-Mega Project”** means such industry which by projecting Fixed Capital Investment of more than Rs.1000 Crores has proposed commencement of commercial production and for this purpose holds I.E.M. / Industrial Licence / Letter of Intent, as applicable, issued by the Ministry of Commerce & Industries, Government of India or / and has executed MOU with the State Government for establishing Industry and on commencement of commercial production in the industry, is also holding Commercial Production Certificate issued by the State Government Directorate; but only those will be considered in the category of Ultra Mega Project whose Fixed Capital Investment amount is more than the maximum limit amount prescribed in the above table of “Mega Project”.
14. **“Industries under Saturated category”** means Industries included in Appendix-2 (a) and Appendix-2(b) of Industrial Policy 2014-19 of the State Government.
15. **“Priority Industry”** means industries of Priority category to be established in the State under the scheme of “Make in Chhattisgarh” and are included in Appendix-3 of Industrial Policy 2014-19.
16. **“Core Sector Industries”** means Steel Plant, Cement Plant, Thermal Power Plant and Aluminium Plant falling under mega and ultra-mega project (As per Appendix-4).
17. **“General Industry”** means Industries other than industries included in Appendix-2, Appendix-3 and Appendix-4.

18. **“Fixed Capital Investment”** means investments in Land / Land-Development, Shed-Building, Plant & Machinery, Electrical supply and Water supply and on Boundary-wall; necessary in the industry premises for establishment of New Industry / Expansion of existing industry / Diversification in existing Industry / Modernization of Rice Mills, as applicable.

**Fixed capital investment shall be calculated as under –**

- A. Capital investment in industry premises in Micro and Small industries / Micro and Small Service Enterprises, made from the date of issuance of valid E.M. part-1 / Letter of intent / Industrial Licence by commencing project work at the site, till the date of commencement of commercial production and the fixed capital investment made in the plan items up to six months period after commencement of the commercial production.
- B. Capital investment in industry premises in Medium industries / Medium Service Enterprises made from the date of issuance of valid E.M. part-1 / Letter of intent / Industrial Licence by commencing project work at the site, till the date of commencement of commercial production and the fixed capital investment made in the plan items up to twelve months period after commencement of the commercial production
- C. Capital investment in industry premises in large industries made from the date of issuance of valid E.M. part-1 / Letter of intent / Industrial Licence by commencing project work at the site, till the date of commencement of commercial production and the fixed capital investment made in the plan items up to eighteen months period after commencement of the commercial production.
- D. Capital investment in industry premises in Mega Projects made from the date of issuance of valid E.M. part-1 / Letter of intent / Industrial Licence by commencing project work at the site, till the date of commencement of commercial production and the fixed capital investment made in the plan items up to twenty four months period after commencement of the commercial production
- E. Capital investment in industry premises in Ultra-Mega Projects made from the date of issuance of valid E.M. part-1 / Letter of intent / Industrial Licence by commencing project work at the site, till the date of commencement of commercial production and the fixed capital investment made in the plan items up to thirty months period after commencement of the commercial production

Note: The investment generated by amalgamation and merger of the companies will not be considered as fixed capital investment.

19. **"Land Value"** means value paid for land purchased or taken on lease for establishment of new industry / Expansion of Existing industry / Diversification in existing Industry / Modernization of Rice Mills and it includes – Actual purchase value of Land / Land premium and amount of Stamp duty & Registration fees paid. Land Premium means the amount paid for allotment of land by Land Allotment Officer (except Lease Rent, Maintenance Charges, Street light charges and other taxes / cess).

Note: - In case private land is taken on lease, the period of lease is compulsory to be of minimum 10 years.

20. **“Shed–Building”** means and includes factory building, shed, laboratory building, research building, administrative building, canteen, labour rest room, vehicle stand, security post and warehouse constructed in the industry premises of the industrial unit.
21. **“Power Supply Investment”** means for establishment of new industry / Expansion of Existing industry / Diversification in Existing Industry / Modernization of Rice Mills, the amount paid for power connection for arrangement of power supply to Chhattisgarh State Electricity Distribution Company Ltd. / Chhattisgarh State Electricity Transmission Company Licenced by Chhattisgarh State Power Regulatory Commission for distribution of power.

Note :-( 1) Security deposit and the amount paid for old bills of the Industrial Unit will not be included in the amount of payment made.

(2) Captive power plant shall also be considered in the Power Supply Investment item.

22. **“Water Supply Investment”** means for establishment of New Industry / Expansion of Existing industry / Diversification in Existing Industry / Modernization of Rice Mills, the investment made in industry premises for water supply necessary for industrial product, provided the water supply arrangements have been made after obtaining permission from the concerned administrative departments of the Government. Security deposit and the amount paid for old bills of the Industrial Unit will not be considered in the amount of payment made under this head.
23. **“Plant & Machinery”** means and includes plant & machinery, pollution control laboratory and equipments of pollution control, plants and equipments for research, testing equipments installed at the industry premises of the Industrial Unit and the capital investment / expenditure made on their installation and transport.

Note: Investment on such lease-hold plant, machinery and equipments 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, Procedure and Measurement of Leases” issued by the Institute of Chartered Accountants of India, but such lease value shall not be considered more than the value of that Plant / Machinery in any case.

24. **“Date of Commencement of Commercial Production”** means-
- (a) **Micro & small industry-** Date up to 30 days period from the date of trial production communicated by the industrial unit, or the date of commencement of commercial production certified by the competent authority, whichever is earlier.
- (b) **Medium Industry-** Date up to 60 days period from the date of trial production communicated by the industrial unit, or the date of commencement of commercial production certified by the competent authority, whichever is earlier.

- (c) **Large Industry-** Date up to 90 days period from the date of trial production communicated by the industrial unit, or the date of commencement of commercial production certified by the competent authority, whichever is earlier.
- (d) **Mega project-** Mega projects of white goods, electronic, electrical consumer products, pharmaceutical, IT sector, biotechnology, textile; plant, machinery and accessories used for generation of new and renewable energy; cycle manufacturing and products / accessories / spares used for manufacturing of cycle; and projects of more than Rs.100 Crores up to Rs.500 Crores. Date up to 120 days period from the date of trial production communicated by the industrial unit, or the date of commencement of commercial production certified by the competent authority, whichever is earlier.
- (e) In the projects of fixed capital investment of more than Rs. 500 crores up to Rs. 1000 Crores, Date up to 180 days period from the date of trial production communicated by the industrial unit, or the date of commencement of commercial production certified by the Directorate of Industries, whichever is earlier.
- (f) In cases of **Ultra-Mega projects** of fixed capital investment more than Rs.1000 Crores and in cases of white goods, electronic, electrical consumer products, pharmaceutical, IT sector, biotechnology, textile; plant, machinery and accessories used for generation of new and renewable energy; cycle manufacturing and products / accessories / spares used for manufacturing of cycle; covered in the category of Ultra Mega projects. Date up to 210 days period from the date of trial production communicated by the industrial unit, or the date of commencement of commercial production certified by the Directorate of Industries, whichever is earlier.

25. **Commercial Production Certificate -**

- (1) "Commercial Production Certificate" will be issued by the competent authority on commencement of commercial production in industry, as per plan of Industrial unit.
- (2) Only one Commercial Production Certificate shall be issued in favour of Industrial unit as per plan of industrial unit. In case of phase-wise production entries relating to capital investment, products and annual production capacity, date of commencement of commercial production and employment shall be made accordingly.
- (3) In Micro, Small and Medium industries, Commercial Production Certificate shall also be issued along with issuance of E.M. part-2.
- (4) In cases of Large, Mega and Ultra Mega Projects Commercial Production Certificate will be issued.
- (5) On production of product different from its plans, it will be included in the Commercial Production Certificate, but there will not be any type of eligibility of any subsidy, exemption and concessions on the different product.

**Note: It is explained that –**

- 1. Under this policy if any entrepreneur does not come under the definition of "Existing Industry / Industrial unit" but does expansion in the industry,

whether comes in the purview of expansion of existing industry or not, its entries will be made in the Commercial Production Certificate and certification of such intention will also be done in the Commercial Production Certificate.

2. Entries and certification related to Modernization will also be done in the Commercial Production Certificate.
26. **“Scheduled Caste / Scheduled Tribe”** means such person who is of scheduled caste / scheduled tribe of the State of Chhattisgarh as per the definition of scheduled caste / scheduled tribe given by the Government of India from time to time; be resident of the State of Chhattisgarh and is holding permanent certificate issued by the competent authority for this purpose for the class of scheduled caste/scheduled tribe.
27. **“Industry proposed / established by Scheduled Caste / Scheduled Tribe”** means such industry which is proposed to be established or established by the entrepreneur belonging to the scheduled caste/scheduled tribes notified for the State of Chhattisgarh and resident of the State of Chhattisgarh, all partners in case of partnership firm, all shareholders in case of company incorporated under Indian Companies Act, all members in case of co-operative society and all members in case of organization formed under Societies Act, belong to the scheduled caste/scheduled tribes notified for the State of Chhattisgarh and resident of the State of Chhattisgarh, holding valid E.M.part-1 / I.E.M / Letter of intent / Industrial Licence and on commencement of commercial production is holder of E.M. part-2 and Commercial Production Certificate issued by competent authority.
28. **“Manufacturing Industry”** means and includes industries in the category of manufacturing industry as defined under Micro, Small and Medium Enterprise Development Act, 2006.
29. **“Job Work”** means such activity which is notified by the Department of Commerce and Industries of the State Government, from time to time.
30. **“Plan”** means –
  - (a) In micro, small, medium and large industries, project cost (Excluding working capital) of industry as shown in the application / in the project report enclosed with the application of the Industrial Unit for E.M. part- 1/I.E.M./ Letter of intent/Industrial Licence.
  - (b) In mega projects and ultra-mega projects, project cost (excluding working capital) of the industry shown in MOU executed with State Government or in the application for issuing I.E.M./Industrial Licence/Letter of intent submitted in the Ministry of Commerce & Industries, Government of India/ Project cost of the industry in the Acknowledgement issued, whichever is less.
- Note:** - In case of expansion of existing industry/diversification in existing industry/modernization of Rice mills, to submit separate plan before competent authority and get acknowledgement thereof, will be compulsory.
31. **“Women Entrepreneur”** means such domicile women of the State who has proposed to establish / has established industry, in case of partnership firm, minimum 51% partners; in case of company incorporated under Indian Companies Act, minimum 51% shareholders; in case of co-operative society

minimum 51% membership and in case of society formed under Society Act, minimum 51% members should be women from the State of Chhattisgarh and minimum 25% of total employment in industry should be women in managerial, skilled and unskilled categories.

32. **“Disabled/Handicapped”** means such domicile of the State who comes under the purview of the Persons with Disabilities (Right of equal opportunity, Protection and Full Participation) Act, 1995 of the Government of India and holds certificate for such purpose, issued by competent authority.
33. **“Retired Soldier”** means such person who has retired from the Armed forces/Para Military forces of Government of India and holds certificate for such purpose, issued by concerned Administrative Department / Office and is domicile of the State.
34. **“Person affected by naxalism”** means such person who himself or / and his / her family member has been killed / has become handicapped in Naxalite activities in the State and is domicile of the State and includes husband - wife, son - daughter and mother-father, holding certificate for this purpose issued by concerned District Collector or by the officer nominated by that Collector.
35. **“Export Oriented Industry”** means such industry in whose favour L.O.P (Letter of Permission) has been issued by the competent authority of Government of India.
36. **“100% Export Oriented Industry”** means such export industry which comes under the definition issued by the Government of India from time to time.
37. **“Diversification”** means such existing industry in production which comes in the category of Existing Industry and holds E.M. Part-2 and Commercial Production Certificate by the competent authority, if it includes production of some new product in the existing industry after the appointed day of Industrial Policy 2014-19, then the new product will come under diversification category, provided the Industrial unit has invested in the existing industry, minimum 25% of the agreed investment in plant & machinery, from 01st November 2014 up to the date of commencement of commercial production and the total employment have been increased by 10 %. For this purpose commercial production should be commenced up to 31<sup>st</sup> October, 2019.
38. **“Term Loan”** means term loan sanctioned and disbursed by Bank/Financial Corporation/Scheduled Tribes Finance and Development Corporation/Scheduled caste Finance and Development Corporation/Other corporations/All India Financial Institutions/District Central Co-operative Bank/Nagrik Co-operative Bank as notified/registered/Licensed by the Reserve Bank of India for financing. (It includes purchase value 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 for establishing a new industry prepared by project consultant approved by any Department/Board of the State Government, Udyamita Vikas Kendra, Chhattisgarh Industrial and Technical Consultancy Centre, Micro, Small, Medium enterprise organization, Bureau of Public Enterprises and Business consultant approved by financial

institutions of national level, or any consultant/chartered accountant/chartered engineer from the private sector, in which in addition to the financial format of the project; availability of raw material, market potential, competition, technical study, Profit-Loss, policies of the Government should also be mentioned.

40. **Skilled labour, Unskilled labour and Administrative/ Managerial position-** Definition thereof shall be considered as issued by the State Government from time to time.
41. **Non Resident Indian** – Definition thereof shall be considered as issued by the Government of India from time to time.
42. **FDI investor-** Definition thereof shall be considered as issued by the Government of India from time to time.
43. **Industry related to Foreign Technology-** means such industry to which the Government of India has given clearance for establishment of Industrial Project in the State of Chhattisgarh.
44. **Domicile of the State** means those who have been defined by the State Government from time to time, as original domicile of the State and who holds the certificate issued for this purpose by the competent authority.
45. **“Closed Industrial Unit” –**
  1. In cases of subsidy, exemptions and concessions given by the Department of Commerce & Industries, the closed industrial unit means such unit which is established and holds Commercial Production Certificate issued by the competent authority of the Department of Commerce & Industries and after the establishment of the industry, is closed for more than 6 months, without communicating any appropriate and acceptable reason to the Chief General Manager/General Manager, District Trade & Industries Centre.
  2. In cases other than the above-1, closed/sick industrial unit means- such closed/sick industrial units, which has been referred to Board of Industrial Finance and Reconstruction (BIFR) or any Liquidator or has been acquired by the Financial Institutions or Banks or which comes under the definition of sick industry given by the Reserve Bank of India or has been declared Closed/Sick by the State Level Committee.
46. **Industry Premises-** Industry premises means the land allotted by the State Government / any agency of the Department of Commerce & Industries for establishment of Industrial Project/Industrial purpose or boundaries of the legally purchased land.

Note: - In these boundaries, land for commercial or residential use will not be included.
47. **“Village Industry”** - means any industry of village industry which is situated in the rural area and produces any good or provides any service with or without using electricity and which provides employment to one artisan or labour by investment of fixed capital amount of Rs. 50,000/-.
48. **“Rural Area”** - means such area which as per Revenue records, in addition to the population, is under the definition of villages, or any urban area,

population thereof is not more than 20.000 as per Census of 2011 or data prepared by the Central Government from time to time.

49. **“Village Industry Unit”**- means any village industry unit established which is classified as such by Khadi and Village Industries Commission (except restricted/negative industry).
50. **“Modernization of Rice mills”** means improvement in quality of the product or production capacity is increased or cost of production is reduced or need of the labour is reduced; by addition of some new machines / equipments in established machinery or establishment of same machinery with new technology in place of existing machinery relating to manufacturing / production of rice.

**Note:** Rice Mills should be registered with the Department of Commerce & Industries / Food department for Custom milling and as per the definition of Modernization, by investing minimum Rs.100 Lakhs in Plant and Machinery, have completed modernization.

51. **“Permanent Employment”** means direct salary/wages given by industrial unit to officers / employees / labours in category of management/ skilled labour/ unskilled labour in the registered established industries it means that the employment provided through contractors is not included.
52. **“Land Bank”** means private and government land acquired outside industrial areas for the purpose of projects related to manufacturing.
53. **“White goods”** means and includes- air conditioner, refrigerator, washing machine, television set etc.

**Note:-**In case of any dispute in respect to above definitions, decision of the State Government, Department of Commerce and Industries, shall be final and binding.

**List of Saturated Category industries (List of ineligible Industries)**

**(a) List of saturated industries for the entire state -**

- (1) Pan Masala, Gutkha, Supari and tobacco based industries.
- (2) Alcohol, Distillery and alcohol based beverages.
- (3) Crackers, Matchbox and industries related to Fireworks.
- (4) Saw mill
- (5) Leather tannery
- (6) Slaughter house
- (7) Re-packing of any product
- (8) Mineral water
- (9) Polythene Bag (excluding HDPE bags)
- (10) Coal and Coke briquette, coal screening (excluding coal washery)
- (11) Manufacturing of Lime, Lime powder, Lime chips, Dolomite powder and all types of mineral powder
- (12) Crushing, grinding and pulverizing of all type of mineral materials
- (13) Stone crusher / manufacturing of Ballast (gitti)
- (14) Sponge Iron
- (15) Clinker
- (16) Such other industries which may be notified by the State Government

**(b) List of saturated industries for industrially developing areas-**

- (1) Rice Mill, Paddy parboiling and mechanised cleaning
- (2) Huller mill
- (3) Murmura Mill
- (4) Solvent Extraction Plant based on Rice bran
- (5) Refining of edible oil (independent unit)/refinery
- (6) Mini Cement Plant
- (7) Such other industries which may be notified by the State Government.

Note- In case of establishment of industry of saturated category along with industry of any other category, the eligibility under industrial investment promotion shall be decided by way of deducting the investment made on saturated category product from the investment of entire project.

### List of Priority Industries

#### **(a) On the basis of Classification:-**

1. Industries based on Herbal, Forest medicine and Minor Forest produce
2. Automobile, Auto components
3. Cycle and product/accessories/spares used for manufacturing of cycle
4. Plant/machineries/engineering products and its spares
5. Downstream product based on non-ferrous metal
6. Downstream product based on Aluminium
7. Industries based on food processing and Agriculture as defined by Govt. of India (Except Rice mill, Paddy parboiling and cleaning, Huller mill, Murmura Mill and Rice Bran Solvent Extraction Plant and Refining of edible oil (Independent unit)/refinery )
8. Branded dairy product (Including milk chilling)
9. Pharmaceutical industry
10. Production of Anti-snake venom, Anti-rabies medicine
11. White goods, electronic and electrical consumer goods
12. Information Technology and Information Technology supported service industry
13. Product covered under Bio-Technology and Nano-Technology.
14. Textile Industry (Spinning, Weaving, Power loom, Fabrics & other process)
15. Product/equipment/spares for the supply to Railway, Space, Defence institutions/Departments, Telecom and, Aviation companies.
16. Plant, Machinery & equipment required for the generation of power from new and renewable sources.
17. Machinery and equipment required for generation, transmission and distribution of power.
18. Gems and jewellery
19. Medical and Laboratory equipment
20. Sports goods
21. Industries established in the private sector by foreign technology as joint ventures of Foreign Company and Indian Company.
22. Production of liquid fuel/gas/petroleum product from coal
23. Such other category Industries which may be notified by the State Government from time to time.

**NOTE:** - For eligibility in priority sector it is mandatory to invest on account of Plant & Machinery up to minimum limit fixed or more, by the State Government, Department of Commerce & Industries.

**(b)Product based**

1. HDPE Bags & Pipes
2. Moulded furniture, containers and PVC pipes and fitting, household plastic item.
3. Transmission line tower/mobile tower and their spare parts/equipment
4. Automatic agriculture machine, tractor based agriculture implements/ agriculture implements
5. Bamboo based industry (Wherein Bamboo has to be used as the main raw material and investment on account of plant & machinery, more than Rs. 25 Lakh)
6. Shellac based industry (Wherein Shellac has to be used as the main raw material and investment more than Rs. 25 Lakh on account of plant & machinery.)
7. Fly Ash product (except cement)
8. Readymade garments (Established only in Apparel Park)
9. Single Super Phosphate & all types of fertilizers
10. Export industry and 100 % export industry
11. Wagon coach spares and fitting.
12. Cutting tools, dies and fixtures
13. Cutting and polishing of Flooring Stone, cutting and polishing of Granite Stone, cutting and polishing of Marble Stone and cutting and polishing of other Mineral Rocks and production of Tiles
14. Polyester staple fibre
15. Village industry (Gramodyog) units like - Pen manufacturing, Jhalar manufacturing, Incense stick, Dona leaf plate manufacturing, Animal feed, Soap and Washing powder, Phenyl, School bag, CFL Bulb, Steel window/door/ rolling shutters and other Industries with a minimum investment of Rs. 10 Lakh on account of plant and machinery.
16. Production of cosmetics items (with a minimum investment of Rs. 10 Lakh on account of plant and machinery)
17. Wooden Seasoning and Chemical Treatment Plant (with a minimum investment of Rs. 25 Lakh in plant and machinery).
18. Hand pump
19. Submersible pump
20. Electric motor
21. Grain silo
22. Prefabricated building material
23. Paint/Distemper
24. Poha
25. Non plastic bags
26. Such other products which may be notified by the state government from time to time.

Note: -For eligibility in priority sector it is mandatory to make investment on account of Plant & Machinery up to minimum limit fixed or more, by the State Government, Department of Commerce & Industries.

**Industries of Core Sector**

Following mega/ultra-mega projects shall come under core sector category:

1. Steel Plant
2. Cement Plant
3. Thermal Power Plant
4. Aluminium Plant

Note: Core sector industries are eligible for exemptions on stamp duty, exemptions on entry tax, and handicapped (disabled) person employment subsidy. They are not eligible for any other industrial investment promotion mentioned in this Industrial Policy.

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**Fiscal Incentives for Industrial Investment**  
**(Subsidy, Exemption & Concessions)**

**1. Interest Subsidy:-**

Interest subsidy for eligible industries established by entrepreneurs of general category on term loan will be as given below -

**A- Micro & Small Industry**

Area	General Industry	Priority Industry
<b>In industrially developing areas (as per appendix-7)</b>	40% of the total interest, paid up to 5 years, Maximum limit Rs. 10 Lakh per year.	50% of the total interests paid up to period of 6 years, Maximum limit Rs. 15 Lakh per year.
<b>In industrially backward areas (as per appendix-8)</b>	50% of the total interest paid up to period of 6 years - maximum limit Rs. 20 Lakh per year.	60% of the total interest paid up to period of 7 years Maximum limit Rs. 30 Lakh per year.

**B- Medium and large industry**

Area	General Industry	Priority Industry
<b>In industrially developing areas (as per appendix-7)</b>	25% of the total interest, paid up to 5 years, Maximum limit Rs. 10 Lakh per year.	50% of the total interests paid up to period of 5 years, Maximum limit Rs. 20 Lakh per year.
<b>In industrially backward areas (as per appendix-8)</b>	50% of the total interest paid up to period of 5 years, Maximum limit Rs. 25 Lakh per year.	60% of the total interest paid up to period of 7 years, Maximum limit Rs. 40 Lakh per year.

**C- Mega projects and ultra-mega projects (only for White goods, Electronic and Electrical consumer product, Pharmaceutical, IT sector, Biotechnology, Textile, Plant machinery & equipment for the production of New and Renewable energy and Cycle manufacturing and product/equipment/spares used for manufacturing of Cycle)**

Area	
<b>In industrially developing areas (as per appendix-7)</b>	50% of the total interest, paid up to 6 years, Maximum limit Rs. 60 Lakh per year.
<b>In industrially backward areas (as per appendix-8)</b>	70% of the total interest paid up to period of 8 years, Maximum limit Rs. 100 Lakh per year.

## 2- Fixed Capital Investment Subsidy:-

Fixed capital investment subsidy for eligible industries established by entrepreneurs of general category will be as details given below:-

### A- Micro & Small Industry.

Area	General Industry	Priority Industry
In industrially developing areas (as per appendix-7)	30% of the fixed capital investment, Maximum limit Rs. 30 Lakh.	35% of the fixed capital investment, Maximum limit is Rs. 60 Lakh
In industrially backward areas (as per appendix-8)	30% of the fixed capital investment, Maximum Rs. 60 Lakh.	35% of the fixed capital investment, Maximum limit is Rs. 80 Lakh

### B- Medium Industry

Area	General Industry	Priority Industry
In industrially developing areas (as per appendix-7)	30% of the fixed capital Investment, Maximum Rs. 60 Lakh.	35% of the fixed capital investment, Maximum limit is Rs. 70 Lakh
In industrially backward areas (as per appendix-8)	35% of the fixed capital investment, Maximum Rs. 70 Lakh.	45% of the fixed capital investment, Maximum limit is Rs. 100 Lakh

### C. Large Industry

Area	General Industry	Priority Industry
In industrially developing areas (as per appendix-7)	30% of the fixed capital investment, Maximum Rs. 90 Lakh.	35% of the fixed capital investment, Maximum limit is Rs. 110 Lakh

<b>In industrially backward areas (as per appendix-8)</b>	35% of the fixed capital investment, Maximum Rs. 100 Lakh.	45% of the fixed capital investment, Maximum limit is Rs. 120 Lakh
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**D- Mega/Ultra-Mega projects (Excluding core sector and saturated category industries)**

<b>Area</b>	<b>Priority Industry</b>
<b>In industrially developing areas (as per appendix-7)</b>	40% of the fixed capital investment , Maximum limit is Rs. 350 Lakh
<b>In industrially backward areas (as per appendix-8)</b>	50% of the fixed capital investment, Maximum limit is Rs. 500 Lakh

**3. Electricity Duty Exemption –**

Electricity duty exemption to eligible new industries established by the entrepreneurs of the general category shall be exempted as per the details given below:-

**A- Micro, Small & Medium and Large Industry**

<b>Area</b>	<b>General Industry</b>	<b>Priority Industry</b>
<b>In industrially developing areas (as per appendix-7)</b>	Full exemption up to 5 years from the date of commencement of commercial production	Full exemption up to 7 years from the date of commencement of commercial production
<b>In industrially backward areas (as per appendix-8)</b>	Full exemption up to 7 years from the date of commencement of commercial production	Full exemption up to 10 years from the date of commencement of commercial production

**B- Mega Projects/Ultra-Mega projects (Excluding core sector and saturated category industries sector)**

<b>Area</b>	<b>Description</b>
<b>In industrially developing areas (as per appendix-7)</b>	Full exemption up to 8 years from the date of commencement of commercial production
<b>In industrially backward areas (as per appendix-8)</b>	Full exemption up to 10 years from the date of commencement of commercial production

Note: Industries having Captive power generation plants will get electricity duty exemption only on captive consumption of power

#### 4- Stamp Duty Exemption–

In view of classification of investors, all categories of entrepreneurs who have established eligible Micro, Small, Medium, Large industries and all Mega project and Ultra-Mega project (including the industries of the Core sector, according to the Appendix-4) will get complete exemption from stamp duty in the following cases-

- 4.1 (a) On Deeds executed for purchase/lease of land, shed and buildings and on deeds of transfer of land lease (excluding land for mining lease)  
(b) Up to 3 years on the execution of deeds related with loan & advances from the date of sanction of loan by bank/financial institutions.
- 4.2 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 areas/ industrial purpose/ plots reserved for industrial purpose/ industrial areas (excluding land for mining lease).
- 4.3 On purchase/lease of land for Industrial areas/ Industrial park to be established in private sector sanctioned/approved by the Govt. of India/State Government and on industrial units established in those areas/parks.
- 4.4 On purchase/ lease of land by the Chhattisgarh State Industrial Development Corporation limited for industrial area/industrial plot/industrial purposes, land bank and for creation of infrastructure.
- 4.5 On purchase/sale deeds of purchase of closed/sick industrial unit.
- 4.6 On purchase/ lease of land for establishing film studio, editing studio.
- 4.7 On purchase/ lease of land for establishing logistic hub, warehousing, cold-storage and grain silo.

#### 5- Exemption/concession in land premium on allotment of land in industrial areas/industrial parks:-

Eligible industries to be established by the entrepreneurs of general category, shall be given exemption on land premium on the allotment of land in industrial areas of Department of Commerce & Industries/CSIDC, as per the details given below –

##### (A) Micro, Small & Medium Industry

Area	General Industry	Priority Industry
In industrially developing areas (as per appendix-7)	Nil	50% exemption in land premium
In industrially backward areas (as per appendix-8)	50% exemption in land premium	60% exemption in land premium

##### (B) Large Industry and Mega projects/ Ultra-Mega projects category (Excluding core sector and saturated category of industry)

Area	Description
In industrially developing areas (as per appendix-7)	20% exemption in land premium
In industrially backward areas (as per appendix-8)	25% exemption in land premium

## 6- Project Report Subsidy –

Eligible new Micro, Small and Medium category industries established by the entrepreneurs of general category shall be given:-

Area	Description
In industrially developing areas (as per appendix-7)	1 % of the fixed capital investment, maximum Rs. 1 Lakh
In industrially backward areas (as per appendix-8)	1 % of the fixed capital investment, maximum Rs. 2 Lakh

## 7- Diversion in Land use –

In view of classification of investors, all categories of entrepreneurs who have established eligible new micro and small industries will get 100% exemption from the land diversion fee (on having industrial purpose) up to a maximum limit of 5 acres land.

## 8. Service Charges for allotment of land outside industrial area (Land Bank):-

(1) In the case of acquisition of private land and transfer of government land for the industrial purpose (Land Bank) the service charges to be received by the Department of Commerce & Industries/Chhattisgarh State Industrial Development Corporation for allotment of acquired private land/ government land are as given below -

- A. – 5% amount of the land acquisition value payable to the District Administration for acquisition of private land.
- B. – 10% amount on the amount equal to the price of land acquisition for allotment of private/government land.

**Note:** It is clarified that in the private/government allotment cases made outside the industrial areas, the 10% land allotment service charge payable to the Department of Commerce & Industries/CSIDC shall be added in the land value. 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 new and existing Micro, Small and Medium category industries established by the entrepreneurs of general category in the State shall be reimbursed 50% of the amount spent, maximum Rs. 1.00 Lakh for obtaining ISO– 9000, ISO -14000, ISO -18000, ISO -22000 category, BIS certification, Bureau of Energy Efficiency (BEE) certification, LEBP certification in the field of new and renewable energy, AGMARK, Euro Standard or other equal national/international certification will be reimbursed for getting each certification.

## 10- Technical Patent Subsidy –

New and existing Micro, Small and Medium category industries established by the entrepreneurs of general category in the State shall be reimbursed 50% of the amount spent, maximum Rs. 5.00 Lakh on the basis of successful registered and sanctioned patent for original work/research.

## 11- Technology Purchase Subsidy-

New and existing Micro, Small, Medium, Large industries and Mega projects

and Ultra-Mega projects excluding core sector and saturated category industries established by the entrepreneurs of general category in the State shall be reimbursed 50% of the amount spent, maximum Rs. 5.00 Lakh on purchase of technology from the NRDC or other Govt. Research Centres.

**12- Margin Money Subsidy-** Women Entrepreneurs, Retired Soldiers and Nasal affected person and entrepreneurs of Disabled category of the state will get 25 % Margin Money Subsidy on capital investment of Rs.5 crores for establishment of new industry, maximum limit will be Rs.35 Lakh.

**13- Industrial Award Scheme –**

13.1 At state level-

In the following categories first, second and third prizes will be of Rs.1,00,000/-, 51,000/- and 31,000/- respectively and also citation will be given.

1. For complete evaluation of Micro & Small industries
2. Micro & Small industry established by the SC/ST category
3. Exporting Micro & Small scale industry
4. Industry established by woman entrepreneur

13.2 At district level

Best Entrepreneur Award for Micro & Small industries and its Prize Money will be Rs.25,000/- and a citation will be given.

The prizes given at the state and district level will not be for those industries which are Ineligible/Saturated category industries under any industrial policy of the State Govt.

**14 Exemption from Entry Tax-**

Entry Tax exemption shall be given to eligible Micro, Small, Medium, Large industry and all Mega and Ultra-Mega projects (including core sector described in Appendix-4, Steel plant, Cement plants, Thermal power plants and Aluminium plants)

Area	General Industry	Priority Industry
<b>In industrially developing areas (as per appendix-7)</b>	For goods specified in Schedule Two and Three of the Entry Tax Act (excluding Captive quarry/ goods acquired by mining lease located in the State, diesel and petrol) on entering into the local area for consumption or for use in manufacturing, exemption up to 5 years	For goods specified in Schedule Two and Three of the Entry Tax Act (excluding Captive quarry/ goods acquired by mining lease located in the State, diesel and petrol) on entering into the local area for consumption or for use in manufacturing, exemption up to 6 years
<b>In industrially backward areas (as per appendix-8)</b>	For goods specified in Schedule Two and Three of the Entry Tax Act (excluding Captive quarry/ goods acquired by mining lease located in the State, diesel and petrol located	For goods specified in Schedule Two and Three of the Entry Tax Act (excluding Captive quarry/ goods acquired by mining lease located in the State, diesel and petrol located in the State) on entering into the

	in the State) on entering into the local area for consumption or for use in manufacturing, exemption up to 6 years	local area for consumption or for use in manufacturing, exemption up to 7 years
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Note-

1. Industries in core sector will get exemption on entry tax as applicable to general category industries.
2. During the period of the Industrial Policy 2014-19 on implementation of Goods and Services Tax (GST), by Government of India, the exemption from Entry Tax will be from November 1, 2014 till the date of applicability of GST.

#### **15 Disabled Person Employment Subsidy-**

In view of classification of investors, all categories of entrepreneurs who have established eligible new and existing Micro and Small, Medium industry, Large and all Mega and Ultra-Mega project (**including** the industries of the Core sector, according to the Appendix-4, Steel plant, Cement plants, Thermal power plants and Aluminium plants) on providing permanent employment to disabled persons under **The Persons with Disabilities (Right to equal opportunities, Protection and Full Participation) Act, 1995 of the Government of India**, shall be given reimbursement of 25% of their net salary/remuneration as subsidy amount until they are kept in permanent employment.

#### **16 Environment Management Project Subsidy -**

- 16.1 In view of environmental management if any technology is adopted by which Carbon Credits is received and if Carbon Footprint gets lowered, subsidy will be given for each such technology, 25 percent of cost of machinery, subject to maximum of Rs. 10 Lakh. This subsidy will be given to all Micro, Small and Medium category industries.
- 16.2 Consultants will be enlisted for getting the subsidy in respect of Carbon Credit given by the World Level Institutions.

**Special economic package to the industries established by  
entrepreneurs of Scheduled Cast / Tribe category.**

Under the special economic package subsidy, exemptions and concessions and land allotment etc. facilities will be provided as follow:-.

**1- Interest Subsidy:-**

Interest subsidy on term loan taken will be given to eligible industries as per the following details :-

**A- Micro and Small Industry-**In industrially developing areas general industries will be given 75% of the total interest, paid up to 6 years, maximum limit Rs. 20 Lakh per year and to the industries of priority sector 75% of the total interest, paid up to 7 years, maximum limit Rs. 25 Lakh per year.

In industrially backward areas general industries will be given 75% of the total interest, paid up to 6 years, maximum limit Rs. 40 Lakh per year and to the industries of priority sector 75% of the total interest, paid up to 7 years, maximum limit Rs. 50 Lakh per year.

**B- Medium and Large Industry-** In industrially developing areas general category industries will be given 75% of the total interest, paid up to 6 years- maximum limit Rs. 25 Lakh per year and to the industries of priority sector 75% of the total interest, paid up to 7 years, maximum limit Rs. 40 Lakh per year.

In industrially backward areas general industries will be given 75% of the total interest, paid up to 6 years, maximum limit Rs. 40 Lakh per year and to the industries of priority sector 75% of the total interest, paid up to 7 years, maximum limit Rs. 60 Lakh per year.

**C- Mega project and Ultra-Mega projects (Only to White goods, Electronic and Electrical consumer product, Pharmaceutical, IT sector, Biotechnology, Textile, Plant, Machinery and equipment for production of New and Renewable energy, Cycle and product/equipment/spares used for manufacturing of cycle)**

Area	Description
<b>In industrially developing areas (as per appendix-7)</b>	75% of the total interest, paid up to 6 years, Maximum limit Rs. 70 Lakh per year.
<b>In industrially backward areas (as per appendix-8)</b>	75% of the total interest paid up to period of 8 years, Maximum limit Rs. 120 Lakh per year.

**2- Fixed Capital Investment Subsidy:-**

**A- Micro & Small Industry-** In industrially developing areas to General Industries 40% of the fixed capital Investment, - Maximum limit Rs. 40 Lakh and to Priority Industries 40% of the fixed capital Investment, - Maximum Rs. 80 Lakh.

In industrially backward areas to General Industries 40% of the fixed capital Investment, Maximum limit Rs. 80 Lakh and to Priority Sector Industries 40% of the fixed capital Investment - Maximum Rs. 120 Lakh.

**B- Medium Industry-** In industrially developing areas to General category Industries 35% of the fixed capital Investment, Maximum limit Rs. 80 Lakh and to Priority Sector Industries 35% of the fixed capital Investment, - Maximum Rs. 100 Lakh.

In industrially backward areas to General Industries 35% of the fixed capital investment, - Maximum limit Rs. 90 Lakh and to Priority Industries 45% of the fixed capital Investment - Maximum Rs. 125 Lakh.

**C- Large Industry-** In industrially developing areas to General Category Industries 35% of the fixed capital Investment - maximum limit Rs. 100 Lakh and to Priority Sector Industries 35% of the fixed capital Investment - maximum Rs. 120 Lakh.

In industrially backward areas to General Category Industries 35% of the fixed capital investment - maximum limit Rs. 120 Lakh and to Priority Sector Industries 45% of the fixed capital investment - maximum Rs. 140 Lakh.

**D- Mega/Ultra-Mega projects (Excluding core sector and saturated category sector)**

Area	Priority Sector Industry
<b>In industrially developing areas (as per appendix-7)</b>	40% of the fixed capital investment - Maximum limit is Rs. 350 Lakh
<b>In industrially backward areas (as per appendix-8)</b>	50% of the fixed capital investment - Maximum limit is Rs. 500 Lakh

**3- Project Report Subsidy –**

New Micro, Small and Medium category industries after the establishment of the industry reimbursement of expenses made on project report will be given subsidy – for the industries established In industrially developing areas 1 % of the fixed capital investment, maximum Rs. 1.5 Lakh and for the industries established in view of industrially backward areas in the state 1 % of the fixed capital investment, maximum Rs. 2.5 Lakh.

**4- Electricity Duty Exemption (Only for new Industries)**

**In industrially developing areas** only eligible new Micro, Small, Medium and Large category industries established in general industries and priority industries will be given full exemption up to 10 years from the date of commencement of commercial production.

**In industrially backward areas** only eligible new Micro, Small, Medium and Large category industries established in general industries will be given full exemption up to 10 years from the date of commencement of commercial production and to the industries of priority category full exemption will be given up to 12 years from the date of commencement of commercial production.

**Mega projects/Ultra-Mega projects (Excluding core sector and saturated category industry)**

<b>Area</b>	<b>Description</b>
<b>In industrially developing areas (as per appendix-7)</b>	Full exemption up to 10 years from the date of commencement of commercial production
<b>In industrially backward areas (as per appendix-8)</b>	Full exemption up to 12 years from the date of commencement of commercial production

Note: - Industries having Captive power generation plants will get electricity duty exemption only on captive consumption of power.

**5- Exemption/concession in Land Premium on land allotment in industrial areas (For Micro, Small, Medium, Large, Mega and Ultra Mega Industries):-**

- (1) In the industrial areas of the Department of Commerce & Industries/Chhattisgarh State Industrial Development Corporation Ltd., 100 % exemption of land premium shall be given on land allotment for establishing Industries and service enterprises. Rate of lease rent will be Rs.1 per acre per year. Maintenance charges, street light charges, water charges and other taxes and cess will be payable at the prescribed rate.
- (2) In view of providing the facility of free of cost allotment of land (in industry and services enterprise) in the State Government/Chhattisgarh State Industrial Development Corporation Ltd., earlier policy will remain unchanged. In industrially developing areas 25 percent and in industrially backward areas 50 percent of the land-blocks maintained in all industrial areas will be reserved. The period of reservation will be from the effective date or the date of establishment of the industrial area, whichever is later, up to two years, will be as per earlier policy and shall remain unchanged.
- (3) Small sheds will be made for SC/ST category under the Scheduled Tribe Sub-plan and Scheduled Cast Sub-plan.
- (4) The volume of the plot/land for the entrepreneurs of SC/ST category will be determined according to the eligibility under the Chhattisgarh Industry Land-Shed Rules.
- (5) A special cell will be established in the District Trade and Industry Centre.
- (6) Mega/Ultra-Mega projects of Core Sector shown in the Appendix-4 and Industries of Saturated category will not get any concession in Land Premium and Lease Rent.

**6- Quality Certification subsidy –**

The new and existing Micro, Small and Medium category industries in the State shall be reimbursed 60% of the amount spent, maximum Rs. 1.25 Lakh for obtaining ISO 9000, ISO 14000, ISO 18000, ISO 22000 category, BIS certification, Bureau of Energy Efficiency (BEE) certification LEBP certification in the field of new and renewable energy, AGMARK, Euro Standard or other equal national/international certification.

**7- Technical Patent Subsidy –**

New and existing Micro, Small, and Medium industries established in the

State shall be reimbursed 60% of the amount spent in obtaining patent up to a maximum limit of Rs.6 Lakh as encouragement on the basis of Original work/ Research on successfully Registration & Sanctioned patent.

**8- Technology Purchase Subsidy-**

The eligible new and existing Micro, Small, Medium industry, Large industry and Mega and Ultra-Mega projects category excluding core sector and saturated category industries established in the State shall be reimbursed 60% of the amount spent on purchase of technology from the NRDC or other Govt. research centre, up to a maximum limit of Rs.6 Lakh.

**9- Margin Money Subsidy-**

To the industries of up to the capital cost of Rs.5 crores, 25 % of the Project Cost will be given as Margin Money Subsidy from the Tribal Sub-Plan / ST Special share scheme of the state govt., the maximum limit of the subsidy will be Rs.40 Lakh.

**10- Industrial Award Scheme –**

Every year first, second and third prize will be given at state level, in which amount of Rs.1 Lakh, 0.51 Lakh, and 0.31 Lakh will be awarded as first, second and third prize respectively and also Citation will be given.

**11- Other Economic Incentives -**

In addition to the above special economic incentives of industrial investment, in terms of category Investors like the industries established by the entrepreneurs of the General category, will also get the following economic incentives of industrial investment:-

11.1 Exemption from Stamp Duty

11.2 Exemption from payment of Entry Tax

11.3 Disabled Employment Subsidy

11.4 Environment Management Project Subsidy (Only for Micro, Small and Medium industries)

Note: All the industrial areas/ parks established after the appointed date and industries which have been allotted land in industrial areas/ parks that are either established or under establishment, will be given 10% more benefit in subsidy cases and maximum limit will also be increased by 10% and tenure exemption will increase by 1 year in exemption cases.

**List of Industrially Developing Areas for Promotion of Industrial Investment**

<b>S.No.</b>	<b>Name of District</b>	<b>Name of Development Block</b>
1	Raipur	Dharsiwa, Tilda, Abhanpur
2	Balodabazar-Bhatapara	Balodabazar, Bhatapara, Simga
3	Bilaspur	Belha, Kota, Takhatpur
4	Durg	Dhamdha, Patan, Durg
5	Rajnandgaon	Rajnandgaon
6	Mahasamund,	Mahasamund
7	Dhamtari	Dhamtari
8	Janjgir-Champa	Akaltara, Champa (Bamhanideeh), Janjgir (Navagarh), Sakti and Baloda
9	Raigarh,	Raigarh, Pusour, Gharghoda, Tamnaar, Kharsiya
10	Korba	Korba, Katghora

**List of Industrially Backward Areas for Promotion of Industrial Investment**

<b>S.No.</b>	<b>Name of District</b>	<b>Name of Development Block</b>
1	Raipur	Aarang
2	Balodabazar-Bhatapara	Kasdol, Bilaigarh, Palari
3	Bilaspur	Gaurela, Pendra, Marwahi and Masturi
4	Mungeli	Mungeli, Pathariya, Lormi
5	Balod	Balod, Daundi, Dondi-Lohara, Gunderdehi & Gurur
6	Bemetara	Bemetra, Saja, Navagarh & Berala
7	Rajnandgaon	Ambagarh-Chowki, Maanpur, Mohla, Chhuriya, Chhuikhadan, Dongargarh, Dongargaon & Khairagarh
8	Mahasamund	Basana, Pithora, Bagbahara & Saraipali
9	Dhamtari-	Nagari, Magarlod & Kurud
10	Janjgir-Champa	Malkharoda, Jaijaipur, Dabhara & Pamgarh
11	Raigarh	Dharamjaigarh, Baramkela, Sarangarh & Lailunga
12	Korba	Kartala, Podi-Uproda & Pali
13	Gariyaband	Gariyaband, Mainpur, Chhura, Devbhog, Fingeshwar
14	Kabirdham-	Kawardha, Pandariya, Lohara & Bodala
15	North Bastar (Kanker), South Bastar (Dantewada), Sukma, Kondagaon, Narayanpur, Bijapur, Bastar, Jashpur, Balrampur, Surajpur, Sarguja & Koriya.	All Development Blocks

**Non Fiscal Facilities**

1. For Land diversion, full authority for land diversion at the District level will be given to the concerned District Collector and re-fixation of the land revenue after diversion will also be done by the Collector within a time limit of 30 days. For this purpose necessary amendments in the land revenue code will be done.
2. Necessary amendments in the concerned Act will be made for No Objection Certificates required for industrial projects/ establishment of industries, local bodies (Nagar Palika/ Nagar Parishad/ Nagar Nigam/ Nagar Panchayat/ Gram Panchayat). Process simplification/ acceptance of Deemed No Objection Certificate/ no requirement of NOC for establishment of industries from two kilo meter away of rural areas.
3. To make easy and up-to-date concerned clearance process for establishment of industrial projects/ industries, following amendments will be made:-
  - 3.1 Renewal period of consent to operate the industries issued by Chhattisgarh Environment Conservation Board will be increased to 5 years for red category of industries, 10 years for orange category of industries and 15 years for green category of industries.
  - 3.2 Single certificate will be issued by clubbing all consents In place of various operational consents for different activities in single premises. And in future the operational consent will be single.
  - 3.3. Renewal of electrical licence will be done for 5 years.
  - 3.4 Period for storage licence under Chhattisgarh Mineral (Mining, transportation and storage) Rules will be increased up to 10 years.
  - 3.5 Inspection for renewal of certificate under Indian Boiler Act, will be done by third party i.e. trained Engineers and for this purpose necessary notification will be issued.
  - 3.6 Stamp duty exemption for registration in case of change of constitution of any industrial unit (single proprietary, partnership, private limited) to limited liability partnership (LLP) will be examined.
- 4 Necessary amendments will be made after examination for exemption from "Agriculture Land Ceiling Act" for the agricultural land to be purchased for establishment of Industrial Project/ Industries.
- 5 After thorough examination, necessary amendments will be made/ Notification will be issued to keep all the industrial areas/parks out of the purview of Local Bodies to avoid double taxation by Local Bodies in all the industrial areas approved by Government of India/ State Government.
- 6 The prevailing rate for transfer of land in industrial areas and out of industrial areas allotted through Industries Department/ any of its agencies will be decreased.