

**No. P-42018/1094/2021-SPECIAL PACKAGE (e.59106)**

Government of India  
Ministry of Commerce & Industry  
Department for Promotion of Industry & Internal Trade  
Special Scheme Section

Udyog Bhawan, New Delhi

Dated: 23<sup>rd</sup> February, 2024

**To**

1. Shri RD Nazeem (IAS).  
Principal Secretary (Industries)  
Near H.P. Secretariat Chhota Shimla,  
Himachal Pradesh
2. Shri Vinay Shankar Pandey (IAS)  
Secretary, Department of Industries  
Patel Nagar, Dehradun, Uttarakhand 248001

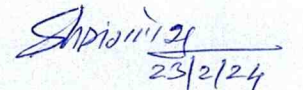
**Subject: General Operational guidelines for Claims and their processing of Units under Industrial Development Scheme (IDS) 2017 for Himachal Pradesh and Uttarakhand-reg.**

Sir,

In continuation to this Department's letter No. 2(3)/2019-SPS dated 08.02.2019 on the subject mentioned above, I am directed to forward herewith the revised General Operational guidelines for filing of claims and their processing under the IDS, 2017 for the Himachal Pradesh and Uttarakhand.

2. It is requested that the Guidelines may be uploaded on website of the State of Himachal Pradesh and Uttarakhand along with circulation in the public domain.
3. This is issued with the approval of the Competent Authority.

Yours faithfully

  
23/2/24

(Ganesh H. Nikhare)

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Copy to : NIC/DPIIT

**REVISED OPERATIONAL GUIDELINES UNDER INDUSTRIAL DEVELOPMENT  
SCHEME (IDS), 2017 for Himachal Pradesh and Uttarakhand**

These operational guidelines should be read with the IDS 2017 notification dated 23.04.2018, IDS 2017 General Operational Guidelines for Himachal Pradesh and Uttarakhand dated 08.02.2019. The following guidelines supersede the said operational guidelines.

**1. For claiming Central Capital Investment Incentive for Access to Credit**

**1.1. Inspection of the unit**

(i) The unit should file online intimation of its readiness to receive a field inspection team after it has commenced commercial production. DIC shall inspect all the Central Capital Investment Incentives for Access to Credit(CCIAC) Claims where the value of plant and machinery is up to Rs.5.00 crore. In contrast, for the value of plant and machinery in excess of Rs.5.00 crore, a field visit must be organized by State Govt. comprising one representative each from (i) State Govt. concerned, (ii) the financial Institution which has appraised the unit, (iii) HPSIDC/SIDCUL and (iv) in case investment in eligible plant and machinery is above Rs.20 crores, field visit team shall be nominated by DPIIT.

(ii) The functions of the Field Visit Team, as applicable, shall broadly be as follows:-

- To verify the physical availability of the Plant and Machinery regarding which the industrial unit has made a claim.
- To ascertain whether the components/items of these plants and machinery in respect of which subsidy claimed by the industrial unit is as per the scheme's provisions and subsequent clarifications issued from time to time.
- To invariably consider the Appraisal Report of the Financial Institution(s) of the Industrial Unit along with other relevant documents while assessing the quantum of the value of Plant and Machinery.
- To suitably explain the deviations (if any) in the value of Plant and Machinery considered eligible for a subsidy from the Appraisal Report. The deviation report shall be submitted as per the format given in Annexure-1.
- To submit the field visit report within seven working days from the completion date of the unit's field visit.

(iii) Inspection of the unit is mandatory before considering the claims under any incentive components under the scheme submitted by the unit. The field



visit report will be placed before the State Level Committee and appended to the meeting minutes.

(iv) It should be ensured that new units fulfill the conditions stipulated under para 4.5 of the notification dated 23.04.2018.

(v) DPIIT reserves the right to inspect any unit, irrespective of the financial limit as mentioned above

1.2 The claim application is to be submitted online, at the latest, within one year of the commencement of commercial production/date of registration whichever is later. In case of any delay condonement provided by SLC, a detailed justification shall be provided.

1.3 A unit at the time of submission of a claim is required to submit details regarding total investment made in the project, installed capacity and calculation of actual/projected Return on Investment (RoI) up to 5 years from the commencement of commercial production.

1.4 DIC should ensure that all claims are placed before the appropriate Committee within 90 (Ninety) days from receipt of the claims. An application will be deemed rejected if the applicant does not clarify the objection/ documents sought within 60 days of objecting/ clarification date.

1.5 All claims about Central Capital Investment Incentive for Access to Credit (CCIIAC), irrespective of the investment in eligible Plant & Machinery, will be approved by State Level Committee (SLC). State Level Committee (SLC) shall be set up by the concerned State Government consisting of (i) Senior most Secretary from Industries, Commerce & Public Enterprise Department, (ii) the Commissioner/Director of the Commissionerate/Directorate as a representative from the State Industries Department, (iii) Any other suitable Officer of State Directorate of Industries, (iv) State Finance Department, (v) HPSIDC/SIIDCUL and (vi) the financial institution concerned (if a financial institution assisting the industrial unit).

1.6 SLC shall detail each case to decide whether the unit qualifies for a grant of incentive and the quantum of incentive. The SLC must exercise due diligence to establish the commencement date of commercial operation (through UDYAM/ IEM-B/ Intimation to Concerned Department) of the industrial unit.

1.7 SLC to ensure that the claim under the scheme should not be recommended if the claim under the scheme is sub-judice.

1.8 All transactions regarding the cost of plant and machinery/ project, as the case may be, must be through Bank/ Financial Institution. A Bank statement indicating payment made towards the purchase of Plant & machinery etc. has to be uploaded to the portal. No payment in cash would be considered eligible for computation of subsidy.

1.9 All expenses must be certified by the registered Chartered Accountant (as per proforma).

1.10 The land cost shall not be considered to determine the scheme's eligibility and quantum of subsidy.

1.11 While recommending/approving a claim under the scheme, the SLC shall consider the following:-

- Date of commencement of commercial operation
- Assessment Report of Field Visit Team
- The documents pertaining to the proof of the existence of the industrial unit
- Production figures of the unit.
- Whether payment for procuring/acquiring these plants & Machinery has been made through Bank/ Financial Institution (A/c Payee Cheque/Drafts/NEFT/RTGS).
- Appraisal Report of the Financial Institution(s) which had assisted the project of the Industrial unit.
- In addition to the above, SLC can stipulate the requirement of any other documents/reports that, in its opinion, are essential for ascertaining the genuineness of the claims made by the industrial units.

1.12 All the cases of subsidy claims approved/recommended by the SLC shall be subjected to pre-scrutiny. State Government to conduct SLC at least once in 3 months and provide minutes to DPIIT within 15 days of SLC. DPIIT is to appoint an independent audit agency within 21 days of receipt of a State Government request. For the processing of claims, a checklist was issued to IPAI vide this Department's mail dated 26.11.2020 (F.No. 1(4)/2018-SSS may be referred.

1.13 At least 10% of the claims shall be subject to post-audit by HPSIDC/SIDCUL

## **2 For claiming Central Comprehensive Insurance Incentive**



- 2.1 Each claim is to be submitted for a complete financial year. The first claim / last claim of the unit may be the preferred part of the financial year, depending on the date of commencement of commercial production.
- 2.2 Claim application is to be submitted within 6 (*six*) months from the end of the concerned financial year for which the claim is made.
- 2.3 A claimant unit will be required to furnish the insured details of the building, plant, and machinery.
- 2.4 Those registered units which were eligible to claim benefits under the CCII component of IDS, 2017 and could not apply due to the non-availability of a claim form (before 21.06.2019) or the provisions of submission of claims for subsequent periods on the IDS portal may file their claims pertaining to that period within 03 months w.e.f. the date of issue of these revised guidelines.
- 2.5 SLC will approve all the claims as per the flowchart in Annexure-A. The concerned District Industries Centers (DICs) and State Governments to ensure the eligibility of the claims as per the documents uploaded by the unit on the IDS portal.
- 2.6 The minutes of the SLC meetings are to be forwarded to the Department for Promotion of Industry & Internal Trade (DPIIT), M/o Commerce & Industry, Government of India, for disbursal of funds to HPSIDC/SIDCUL. State Government to conduct SLC at least once in 3 months and provide minutes to DPIIT within 15 days of SLC.

### **3. Other Provisions**

- 3.1 From now onwards, the principle to consider cases in SLC should be First-in-First-out (FIFO) basis the date of submission of claims on the portal at the DIC level.
- 3.3 Central Capital Investment Incentive for Access to Credit (CCIIAC) should mandatorily be approved by the appropriate authority (as per the limits mentioned above) before getting benefits under the rest of the six components of the scheme.
- 3.4 The unit can claim no interest due to delay in any incentive payment. The beneficiary unit has to furnish an undertaking to abide by this term.
- 3.5 A claimant unit will be required to furnish proof of payment made through Electronic mode/cheque / DD regarding their preferred claim. No claims involving cash payment will be entertained.

3.6 An applicant unit must meet objection/ query raised by GM, DI&CC within 60 days of raising the objection/ query. Failing to which application will be deemed rejected.

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