

Notification No: CI.137/2017/661 dtd 29th July, 2019



INDUSTRIAL AND INVESTMENT POLICY OF ASSAM, 2019

**GOVERNMENT OF ASSAM
DEPARTMENT OF INDUSTRIES AND COMMERCE**

GOVERNMENT OF ASSAM
INDUSTRIES AND COMMERCE DEPARTMENT
JANATA BHAWAN, BLOCK-C, 2ND FLOOR
DISPUR :: GUWAHATI-6

ORDERS BY THE GOVERNOR OF ASSAM
NOTIFICATION

Dated Dispur the 29th July, 2019

No.CI.137/2017/661:- The Governor of Assam is pleased to enunciate the **"Industrial and Investment Policy of Assam, 2019"**. The Policy will come into effect from 1st September, 2019 for a period of 5 (five) years.

Sd/-

(Ravi Capoor, IAS)

Additional Chief Secretary to the Govt. of Assam,
Industries & Commerce Department

Dated Dispur the 29th July, 2019

Memo No.CI.137/2017/661-A

Copy to:

- 1) All Addl. Chief Secretary/Principal Secretary/Commissioner & Secretary/Secretary to the Govt. of Assam for kind information.
- 2) The Principal Secretary to the Chief Minister, Assam, Dispur, Guwahati-6 for kind information.
- 3) The Principal Secretary to the Govt. of Assam, Finance Department, Dispur, Guwahati-6 for kind information.
- 4) The Resident Commissioner to the Govt. of Assam, Assam House, New Delhi for kind information.
- 5) The Agricultural Production Commissioner, Assam for kind information.
- 6) All Commissioner of Divisions, Assam for kind information.
- 7) The Commissioner of Taxes, Kar Bhawan, Dispur, Guwahati-6 for kind information.
- 8) The Under Secretary to the Govt. of India, Ministry of Commerce and Industries, Department of Industrial Policy & Promotion, Udyog Bhawan, New Delhi-110011, for kind information.
- 9) All Principal Secretaries of the Autonomous Councils, for kind information.
- 10) The Commissioner, Industries & Commerce, Assam, Bamunimaidam, Guwahati-21. He is requested to make wide circulation of this notification and to upload in the website.
- 11) All Deputy Commissioners, for kind information.
- 12) The Staff Officer to Chief Secretary to the Govt. of Assam, Dispur, Guwahati-6 for kind appraisal of Chief Secretary.
- 13) P.S. to Minister, Industries & Commerce Department for kind appraisal of the Hon'ble Minister.
- 14) The P.S. to Addl. Chief Secretary to the Govt. of Assam, Industries & Commerce Department, Dispur, for information.
- 15) All P.S. to Ministers/Ministers of State, Government of Assam, for kind information.
- 16) The Managing Director, AIIDC, Bamunimaidam, Guwahati-21. He is requested to upload the same in the website.
- 17) The Managing Director, AIDC Ltd., R.G. Baruah Road, Guwahati-24. He is requested to upload the same in the website.
- 18) The Managing Director, ASIDC Ltd., Bamunimaidam, Guwahati-21. He is requested to upload the same in the website.
- 19) The Director, Information and Public Relation, Assam, Dispur, Guwahati-6. He is requested to make wide publicity of the Notification.

- 20) The Deputy Director, Assam Govt. Press, Bamunimaidam, Guwahati-21 with a request to publish the Notification in the next issue of the Gazette and to submit 50 copies of the Gazette notification.
- 21) All General Manager, DI&CC, for kind information.
- 22) Investment Cell for uploading the same in the Departmental website.
- 23) Office Copy.

By order etc.,

Sd/-

Additional Secretary to the Govt. of Assam
Industries & Commerce Department.

Industrial and Investment Policy of Assam, 2019

1.0 Background

The Strategic location of Assam, in proximity to the growing ASEAN economies, provides easy access to a market of over 800 Million consumers. All the major cities of ASEAN are located geographically closer to Assam, when compared to other major cities of the country. Being the heart of North eastern states, Assam is contiguous to all the N.E states. Hence, the demand from neighboring states can easily be addressed from Assam.

Assam's GSDP at current prices during 2014-15 was approx. USD 28.28 billion (approx. USD 918.74 per capita) and grew at 13 per cent CAGR from 2004-05 to 2014-15. During the period 2004-05 to 2015-16, the state's tertiary sector grew at a CAGR of 15.07 per cent, driven by trade, hotels, real estate, finance, insurance, transport, communications and other services. The primary sector grew at a CAGR of 11.62 per cent, while the secondary sector grew at 10.31 per cent during the same period.

Now in the age of regional economic cooperation, Assam has a strategic locational advantage. The State is the gateway to the vibrant economies of the South East Asian countries. Assam's unique location in combination with its rich natural resources and skilled manpower provides a natural backdrop for promising business. In terms of connectivity, industrial infrastructure, and policy initiatives, today Assam has very promising and investors-friendly environment in the country. All the major cities of the country are well connected through East-West corridor, air and rail network. Assam has highest numbers of airport density within the country with international airport at Guwahati. Waterway no. 1 through the river Brahmaputra and Waterway No-16 through river Barak provides access to sea ports of Kolkata and Bangladesh. Proposed Trans Asian Railway and Trans Asian Highway will further improve the connectivity with most of the countries under BIMSTEC and ASEAN.

2.0 History of Industrialization

Industrialization in Assam started in the 19th century with set up of the tea estates, coal mining and oil wells. The oil refinery at Digboi was set up in 1901, which is still functional. Assam remained one of the largest revenue earning states with one of the highest per capita income in the country before independence. After the partition in 1947, the State became completely land locked and lost access to the sea ports. Its traditional trade through Bangladesh was also disrupted as a result the State faced tremendous economic challenges.

3.0 Key Resources

3.1 Tea

Assam is the single largest tea producing region globally and contributes over 50 per cent (6,52,950 MT in 2015-16) of India's total tea production (1.23 Million MT Jan in 2015-16). The state houses over 765 tea gardens across Tinsukia, Dibrugarh, Sivasagar, Jorhat, Golaghat, Nagaon and Sonitpur. The Guwahati Tea Auction Centre (GTAC) is among the largest CTC tea auction centres of the world. The government has secured a Geographical Indication (GI) for the tea produced in the state. As a result 'Assam Tea' is known as 'Assam Orthodox Tea'.

3.2 Oil and Natural Gas

The state is the third largest on-shore producer of Crude Oil and highest producer of natural gas in the country. Major state refineries are located at Digboi, Guwahati, Bongaigaon and Numaligarh, with a total refining capacity of 1,50,000 barrels per day. Ample availability of limestone has attracted several cement and chemical industries within the state. The Assam-Arakan Basin in Northeast India is an important oil-producing region and contains more than 15% of the country's reserves. Assam has over 1.3 billion tonnes of crude oil and 156 billion cubic metric tonnes of natural gas reserves.

3.3 Coal

Coal mined from Assam has high sulphur content and is mainly utilised by local railways, thermal power stations and steamers. Coal occurs mainly in the upper Assam districts of Tinsukia and Dibrugarh in the Makum and Dilli – Jeypore coalfields. Small coal deposits occur sporadically in the central Assam districts of Karbi Anglong and North Cachar Hills. The proven reserve of coal in this belt is about 340 million tonnes

3.4 Limestone

Good quality cement-grade limestone is found in central Assam districts of North Cachar Hills and Karbi-Anglong, where a total reserve of about 670 million tonnes is available. The China clay of Karbi-Anglong district is a vital input for the ceramic industries.

3.5 Silk

Assam enjoys global monopoly in terms of Muga or golden silk production. The state accounts for around 95% of global Muga production. Moreover, Assam is the country's major Eri silk producer (accounts for 65% of the country's Eri silk production). Raw silk production in the state during 2015-16 was recorded to be 3,325 MT whereas during 2016-17 (up to May 2016), raw silk production in the state stood at 1,137 MT. Seneh Jori, an Assam Silk Outreach Mission, aims to produce 1 million kg of Muga silk and 10 million kg of Eri Silk by 2025.

3.6 Jute

Assam is the 3rd largest jute producing state in the country. Jute production in Assam has grown at CAGR of 5% between period 2010-11 and 2015-16. The State produced 148.14 Million Ton of Jute in 2015-16. Major jute producing districts of the State include Darrang, Goalpara, Dhubri, Nagaon & Morigaon. Currently, there are 7 operational jute mills in the State of various capacities. These mills have a cumulative average requirement of 72 Metric Ton raw jute per day. Annual requirement is about 26280 Metric Ton. The availability of adequate raw material, local demand and the proximity of the State to the markets of North East and the ASEAN region, makes Assam a suitable location for setting up jute processing industries in the State.

3.7 Rubber

Assam is the second largest rubber producer next to Tripura in North East. Assam recorded rubber production of 16,418.43 tonne in 2015-16. The state comes under the non-traditional area for rubber cultivation. Major rubber producing districts of the state are Goalpara, Karbi-Anglong and Karimganj. The state accounts for around 40 percent of rubber planted area in the NE and area for rubber cultivation stood at 55,989.68 hectares in the 2015-16. The state being a gateway to the sister States provides strategic location advantage in terms of connectivity and proximity to the rubber producing districts within and neighbouring states.

3.8 Agro and Food processing industries

Assam has a huge untapped potential for agro and food processing industries. Total production of horticulture crops in 2015-16 stood at 77 lakh metric tonnes (MT). In 2015-16, total production of rice was recorded to be 5,123 thousand MT. Similarly, the production of pulses and oilseeds reached 195 thousand MT and 13 thousand MT during 2015-16, respectively. Pineapple, Banana, Cauliflower, Broccoli, Rose and Bougainvillea are among high yielding varieties of horticulture crops in Assam, besides traditional fruits like Carambola, Leteku, Paniyal Thekera, Au Tenga etc. The juicy Tezpur Litchi and Karbi-Anglong's ginger of Assam have received geographical indication (GI) tags, making these items an incontrovertible proof of their origins in the state.

3.9 Medicinal Herbs and Plants

Assam houses 300 types of medicinal herbs and plants, with the Brahmaputra valley alone having 150 varieties of herbs and plants of commercial value. An estimated 5-10% of the plants and herbs have been commercially exploited, offering vast potential for further investments. Assam is one of the largest producer of Citronella & Lemon grass oil and Agar oil.

3.10 Bamboo

Since the NER has the highest concentration of bamboo, which accounts for around 60.0% of the total bamboo of the country, Assam has ample scope for bamboo-based industries such as paper manufacturing. The objective of the Government of Assam is to promote bamboo as a substitute for wood and make it the timber of the 21st century. Assam has rich forests covering nearly a third of its land area. The forests in the state act as a reserve for commercially useful products such as timber, bamboo, stone, and cane.

3.11 Other Resources

Assam has suitable climatic condition for Jute, Sugarcane, Spices, Coconut etc and these accelerating industrialization within the state. Assam has highest concentration of bamboo in the country and promises big scope of bamboo wood and other industrial products.

Assam presents unparalleled attractions in wildlife, adventure and eco-tourism also. There are five national parks and fifteen wildlife sanctuaries in the state. The Kaziranga National Park is home to the largest number of one horned rhinos. The park also has the highest density of tigers in the world. The Manas National Park is a UNESCO Natural World Heritage site and it is known for its rare and endangered flora and fauna.

4.0 Vision & Objective of the Policy

Assam is a land of Potentiality, Possibility and Prosperity (3 Ps). Industrial development is a top priority and Government is committed sustainable eco-friendly investment through capital formation, inclusive industrial growth and creation of gainful employment. Through good governance and policy initiative, State Government is envisaging Assam as a preferred destination for investment.

5.0 Policy validity

The Assam Industrial and Investment Policy, 2019 shall come into force from the date of notification and will remain in force for a period of 5 years. The existing Industrial and Investment Policy of Assam, 2014 will cease to operate from the date of notification unless otherwise provided. Eligible units falling within the purview of the Industrial and Investment Policy Assam, 2014 shall continue to be governed by the Industrial and Investment Policy of Assam, 2014.

6.0 Thrust Areas

Government of Assam has identified certain activities as a thrust areas for both the Manufacturing and Services sector activities. These are as follows:

(i) Manufacturing sector

- 1 Food processing Industries, Cold Chain & Cold Storage.
- 2 Bamboo Industries
- 3 Sugar Industries
- 4 Jute Industries
- 5 Plastic Industries
- 6 Pharmaceuticals
- 7 IT- ITES including Hardware , Software development , BPO, Call centre, data processing , website designing , etc.
- 8 Textile
- 9 Engineering
- 10 Rubber
- 11 Automobile

(ii) Services sector

- (1) Hotels/Resorts (3 Star and above)
- (2) River cruise
- (3) Generation of power through Green Technology

7.0 Industrial Infrastructure and Land Bank

State Government has Land Bank for promotion of industries and continuous update shall be made by incorporating lands belongs to closed State PSUs, private lands at the Industrial Corridor, identified government lands, etc. Private developers shall be encouraged to develop industrial township, Industrial areas, etc.

8.0 Ease of Doing Business in Assam

The Assam Ease of Doing Business Act, 2016 was promulgated in June, 2016. A Single Window clearance system has already been setup. All proposals now be routed through Single Window portal for various clearances, approvals, etc under Ease of Doing Business.

9.0 Power

State Government will arrange power supply to all Industries, Industrial Parks, etc adequately as per their requirement and assured quality power to the industries. State Government is also encourage investment in generation of power in both conventional and non-conventional and proposed to provide all necessary assistance to the investors in power sector.

10.0 Brand Assam

To create Brand image of the state, it is proposed to participate extensively in large number of National and International fairs, conferences and exhibitions to show case the potentiality of the State. It is also proposed to arrange Road Shows within and outside the country on regular intervals.

11.0 Investor's facilitation: Invest Assam

With the objectives of attracting investment in a more structured, focused and comprehensive manner, State Government has created a dedicated "Invest Assam Foundation" (IAF) in the line of "Invest India" of Government of India. This agency will act as a first reference point of any investor interested in Assam and will provide hand holding and facilitation to investors for setting-up their business. This agency will further act as an image building tool of the state within and outside the country, organising seminars / road shows and try to increase significant inflow of investment to the State.

12.0 Definitions:

- a. Manufacturing activity means "an activity which brings about a change in non-living physical object or article or thing (i) resulting in transformation of the object or article or thing into a new and distinct object or article or thing having a different name, character and use; or (ii) bringing into existence of a new and distinct object, article or thing with a different chemical composition or integral structure".
- b. New Industrial unit means a unit, which has commenced commercial production in the state of Assam during the validity period of Industrial & Investment Policy of Assam, 2019.
- c. Micro, Small and Medium enterprises mean enterprises as per investment criteria defined under the Micro, Small and Medium Enterprises Development Act, 2006 or as amended.
- d. Large unit means where the investment in plant and machinery is more than Rs.10 Cr. or as amended.
- e. Fixed Capital Investment means and includes investment in plant and machinery and land and building connected directly with manufacturing process and in case of hotels/resorts 3 Star and above category and river cruise, it shall mean and include investment in plant and machinery, land and building directly connected with hotel premises or investment made in river cruise of capital nature.

Explanation :1

The investment in land shall mean the cost of land (used only for factory building) derived from registration value of land or the actual cost of the land, whichever is lower. While

the proportionate stamp duty and registration fee shall for the part of the cost of the land, the cost of development of land shall not form the part of the cost of land.

Explanation:2

In case of hotels/resorts 3 Star and above category , the investment in land shall mean the cost of land (used for the hotel/resort building excluding vacant land) derived from the registration value of land or the actual cost the land, whichever is lower. While the proportionate stamp duty and registration fees shall form the part of the cost of land , the cost of development of land shall not form the part of the cost of land.

f. Investment in new and renewable source of energy :

If a unit makes an investment of not less than Rs.5 cr. for generation of power through green technology i.e. renewable sources of energy like solar plant which results in substantial reduction of use of fossil fuels and such renewable source of energy results in replacement of conventional source of energy by at least 40% of regular consumption, such unit may make an application to the Finance (Taxation) Department for consideration of the investment for tax reimbursement. The Finance (Taxation) Department, after such examination and enquiry as may be deemed necessary, if it is satisfied that such investment qualifies for tax incentives, it may, by an order, declare the unit eligible for tax reimbursement, subject to the condition that the quantum of monetary ceiling and time limit of tax reimbursement shall not exceed those available for a medium and large scale unit.

g. "Plant & Machinery" shall cover the cost of newly purchased Plant & Machinery as erected at site. Relocated/ Recycled/ Refurbished Plant & Machinery will not be eligible.

13.0 Fiscal Incentives:

Following Fiscal incentives will be available to eligible units under the Policy :

13.1 State Goods and Service Tax (SGST) reimbursement:

Reimbursement of 100% SGST paid through debit in electronic cash ledger account in the term of sub-section (1) of section 49 of Assam GST Act, 2017 as per the following scale:

Category	Limit of Tax Reimbursement	
	For units set up in areas other than special parks (specified in next column)	For units set up in Plastic Park, Bamboo Park, Food Park, Tea Park and other Parks developed by or in collaboration with State/ Central Government
Micro Enterprises	15 (Fifteen) years subject to maximum of 200% of Fixed Capital Investment.	15 (Fifteen) years subject to maximum of 250% of Fixed Capital Investment.
Small Enterprises	15 (Fifteen) years subject to maximum of 150% of Fixed Capital Investment.	15 (Fifteen) years subject to maximum of 180% of Fixed Capital Investment.
Medium & Large Enterprises	15 (Fifteen) years subject to maximum of 150% of Fixed Capital Investment.	15 (Fifteen) years subject to maximum of 150% of Fixed Capital Investment.

In case of a Mega unit to which customized/special incentives are given , the quantum of monetary ceiling that may be allowed shall not exceeds 200 % of fixed capital investment.

The benefit of tax reimbursement under the policy shall be subject to the condition that the unit after having availed of the benefit shall continue its production or operation at least for the next 5 (five) years not below 75% of the average production for the preceding 5 (five) years. In case

the unit violates this condition, it shall be liable to make, the full amount of tax availed of by it during the period of eligibility, as if no tax reimbursement was ever available to it:

Provided that the provision of this clause shall not come into play if the loss in production is explained to the satisfaction of the authority concerned as being due to the reasons beyond the control of the unit:

Provided further that a unit shall not be called upon to pay any sum under this clause without having been given reasonable opportunity of being heard."

14.0 Other Incentives

Following are the incentives put in as the other incentives category in the Policy, namely, Power subsidy , Generating set subsidy, Stamp duty reimbursement , Technology Transfer and quality certification, Interest subsidy on working capital loan, Financial Assistance in MSME listed in Stock Exchange, Assistance for Environmental Compliance, Incentive to private sector Infrastructure developers and the aggregate/overall incentives from all these component shall not exceeds 100 % of the fixed capital investment. The overall ceiling does not include subsidy accruing to the unit from the SGST reimbursement.

14.1 Power Subsidy:

(i) Manufacturing and Specified Services sector units will be eligible for reimbursement of power subsidy @ Rs. 2.00 per unit consumed for a period of 5(five) years from the date of commercial production subject to a maximum Rs. 50 (fifty) lakhs Per Annum and not exceeding 100% of total investment made in plant & machinery, whichever is less. This shall be available only to the units having electricity connection with APDCL only and shall not eligible any consumption from other sources like open access, captive generation , etc.

(ii) The concerned units will have to pay the bills raised by APDCL and submit their claims to Industries and Commerce Department periodically for necessary reimbursement.

(iii) Power subsidy shall be calculated on total unit consumed during the period at applicable rate per unit and will be exclusive of all other charges , viz. Load security , interest , taxes , etc.

(iv) Regular and timely payment to APDCL is a pre-requisite for availing the subsidy under this policy.

14.2 Subsidy on Generating set:

Subsidy on Generating set @ 50% of the cost subject to a limit of Rs. 20 lakhs on cost of generating set , taxes and transportation only. However , the capacity of the DG set should be equivalent to the power sanction to the unit by the competent authority.

14.3 Stamp Duty Reimbursement:

Stamp duty reimbursement shall be as follows:

(a) 100% Stamp duty shall be reimbursed, subject to a monetary ceiling of Rs.25 lakh (Twenty five lakh).

(b) Stamp duty reimbursement shall not be available to agricultural land and its shall not also be available for land used in manufacturing activities in urban areas.

(c) Stamp duty reimbursement shall be available only for such parcel of land which is exclusively use for setting up of the manufacturing facilities or Hotel as specified in the Assam Industries (Tax Reimbursement for Eligible unit) scheme 2017.

14.4 Technology Transfer and Quality Certification, ZED Certification :

The fee payable for obtaining BIS/ISO/FSSAI/AGMARK/HALLMARK/SILK MARK/ZED Certification etc. and fee payable for getting Technical knowhow/ Technology transfer from any recognized national /international research laboratories/ Technical Institutes/ University, Institutions like CFTRI, CIPET, etc. by eligible unit, will be provided subsidy up to the extent of 75%, subject to a ceiling of Rs.10.00 lakh per unit.

14.5 Interest Subsidy on Working Capital Loan:

2% on the outstanding working capital loan for five years subject to a ceiling of Rs. 50 lakh (Fifty lakh) and not exceeding 100% of investment in plant and machinery. Interest subsidy shall be available only on outstanding working capital loan availed from Bank/Financial Institution.

14.6 Financial assistance to MSMEs listed in Stock Exchange:

To encourage the MSMEs to be listed in BSE & NSE, Govt. will provide subsidy @ 30% of the cost of Public Issue expenses, subject to maximum of Rs. 5 lakh.

14.7 Assistance for Environmental Compliance:

Subsidy @ 50% on capital cost for setting up of effluent treatment plant subject to max of Rs. 25 lakh per unit. This shall be not available for Hotel Industries.

14.8 Incentives to Private Sector Infrastructure developer

It is proposed to provide 30% subsidy, excluding value of land, subject to a ceiling of Rs. 3 Cr to encourage the private investors in creation of industrial infrastructure where the land area is not below 30 acres. The amount shall be released to the developer only after completion of the project with 30% occupancy of the Industrial Park.

14.9 The State Government may provide special dispensation to the unit where the investment in fixed capital investment is above Rs.1000 Cr (One thousand crore) or generating a minimum of 2000 (two thousand) regular employment.

14.10 Incentives as per budget Speech of 2019-20

Over and above the GST incentive and other incentives given in the policy, the following incentives which were mentioned in the budget speech 2019-20 , shall be a part of this policy .

(a) Incentives for employment generation, entrepreneurship:

To encourage employment of local youth in the industries, state Government will provide incentive of Rs.10000 (ten thousand) to the employer against each local youth employed by the unit. This shall be an one time incentive to the industries.

15.0 Eligibility Criteria and procedure for applying Eligibility Certificate :

a. Notwithstanding anything contained in this policy , units engaged in manufacture of items as mentioned in Annexure:1 shall not be eligible for any incentive under this policy.

b. Hotels/Resorts 3 Star and above category and river cruise, generation of power through green technology shall be eligible for incentives under the policy.

c. Units will have to employ minimum of 80% people of Assam in the Managerial Cadre and minimum 90% people of Assam in Non Managerial Cadre. The employment Certificate shall be obtain from the competent authority at the same time the unit should follow the existing Labour Laws as regards to the employment *and wages* in the unit.

d. Eligible units will have to apply online for issuance of Eligibility Certificate within 6 (six) months from the date of Commencement of Commercial Production for availing the incentives under the Policy. The relevant website for online submission for Eligibility Certificate and other incentives shall be notified by the Department.

e. All Incentives/ Subsidies/ Concessions/Financial support under this policy shall be applicable to units registered as company, corporation, Co-operatives, Partnership firm, Proprietorship firm, Trust, FPO/FPC as well as units set up by the State Government. Central Public Sector undertakings shall not be eligible for any incentives under the Policy.

f. Any payments made in cash for any transaction shall be treated as ineligible amount for investment.

g. Subsidy will be disbursed only to the units which are functional at the time of disbursement of the subsidy.

h. No right or claim for any incentives under the policy shall be deemed to have been conferred by the policy, merely by virtue of the fact that the unit has fulfilled on its part the conditions of the policy and the incentives/subsidies cannot be claimed as a matter of right.

i. The incentives under the Policy cannot be claimed unless the Eligibility Certificate has been issued under the policy by the implementing agency concerned and the unit has complied with the stipulation/conditions of Eligibility Certificate to the satisfaction of the competent authority.

16.0 Claim Procedure:

Procedure for claiming different subsidies under the Policy is as indicated below:

a. Submission of Investment intension:

Any person who undertakes setting up a new unit shall furnish such information to the jurisdictional General Manager, District Industries & Commerce Centre (DICC) within 30 days in a prescribed format from the date of receipt of Acknowledgement of Industrial Entrepreneurs Memorandum (IEM), Udyog Adhar, etc , as the case may be . Such person shall also submit a quarterly statement of investment expenditure incurred for quarters ending June, September, December and March of each financial year till commencement of commercial production in a prescribed format.

b.Claim procedure for State Goods and Service Tax (SGST) reimbursement:

The claim procedure for State Goods and Service Tax (SGST) reimbursement will be as per Finance (Taxation) Department Notification No. FTX.113/2017/72 dtd. 19.01.2018 or other notification to be issued by the Finance Department from time to time.

c. Claim Procedure for all Incentives other than SGST reimbursement :

- i) Eligible units shall apply online / offline , as applicable , for incentives other than SGST reimbursement , within 6 (six) months from the date of issue of Eligibility Certificate.
- ii) Unit shall applied in prescribed application form online/offline , as applicable , on quarterly basis to the concerned District Industries & Commerce Centre (DICC). The same shall be scrutinized and forwarded to the SLC with all relevant documents for approval. On approval of the proposal/s , same shall be forwarded to Government for sanction . The amount of subsidy shall be released through APDCL for necessary adjustment of bill/s of the unit/s.
- iii) The Subsidy on Generating set shall be given to the unit based on actual cost of Generating set. Copy of the Eligibility Certificate, copy of Tax Invoice for purchase of Generating Set, bank statement for payment and approval of Electrical Inspectorate for installation of Generating set are to be uploaded along with the claim.
- iv) The Stamp Duty Reimbursement, shall be based on the actual Stamp Duty paid for purchase of land and execution of lease deed agreement. Copy of the Eligibility Certificate, receipt of registration fee & copies of the deeds are to be uploaded along with the claim.
- v) The Technology Transfer and Quality Certification, ZED Certification subsidy shall be given based on the actual fee paid for Technology Transfer and Quality Certification. Copy of the Eligibility Certificate, Copy of MOU/agreement executed with the organization providing Technical Know-how/Quality Certification, Tax Invoice from the concerned agency along with bank statement for payment are to be uploaded along with the claim.
- vi) The Interest Subsidy on Working Capital Loan shall be given based on the Certificate from the Bank. Copy of the Eligibility Certificate & copy of Bank Certificate are to be uploaded along with the claim. The amount shall be released trough a designated bank.
- vii) The subsidy for listing in BSE &NSE shall be given based on the actual expenses incurred for Public Issue. As such, expenses certified by BSE/NSE are to be uploaded along with the claim.

viii) The Assistance for Environmental Compliance shall be given based on the actual expenses incurred for setting up of effluent treatment plant. As such, Copy of the Eligibility Certificate, Tax Invoice & Bank Statement of payment for the effluent treatment plant along with certificate from Pollution Control Board, Assam are to be uploaded along with the claim.

ix) After approval of the claim by the appropriate committee, the subsidy amount will be transferred through Direct Benefit Transfer (DBT) as per availability of fund.

17.0 Implementation and Monitoring:

17.1 All incentives under this policy shall be claim only after obtaining Eligibility Certificate from the prescribe committees given below ;

(i) District Level Committee (DLC) to consider grant of Eligibility Certificate as well as approval of subsidy to Micro Units (where the investment in plant and machinery is Rs.25 lakh or below):

1. Deputy Commissioner/ District Development Commissioner of the district	:	Chairman
2. Additional Director of Industries & Commerce (Zonal)	:	Vice Chairman
3. Deputy Commissioner of Taxes (in charge of the district)	:	Member
4. District Employment Officer	:	Member
5. District Agriculture Officer	:	Member
6. Lead District Manager	:	Member
7. Representatives of lending banks	:	Member
8. General Manager, District Industries & Commerce Centre	:	Member
		Secretary

(ii) State Level Committee (SLC) to consider grant of Eligibility Certificate as well as approval of subsidy to all Units other than Micro Units (Where the investment in plant and machinery is above Rs.25 lakh):

1. Sr. most Secretary to the Govt. of Assam, Industries & Commerce Department.	:	Chairman
2. Secretary to the Govt. of Assam, Finance Department	:	Member
3. Secretary to the Govt. of Assam, Revenue & DM Department	:	Member
4. Secretary to the Govt. of Assam, Agriculture Department.	:	Member
5. Commissioner of Industries & Commerce , Assam	:	Member
6. Commissioner of Taxes, Assam	:	Member
7. Managing Director, APDCL	:	Member
8. Director of Employment & Craftsmen Training, Assam	:	Member
9. Member Secretary, Pollution Control Board	:	Member
10. Managing Director, AIDC Ltd.	:	Member
11. Managing Director, ASIDC Ltd.	:	Member
12. Managing Director, AIIDC	:	Member
13. Representatives of lending banks	:	Member
14. Concerned Additional Director of Industries & Commerce	:	Member
		Secretary

17.2 Terms of reference of the Committee/s :

(1) The Committee shall scrutinize the application/s and to approve the deserving proposals to issuance of Eligibility Certificate for all the fiscal and tax incentives under

the policy. The Committee also scrutinizes and approved the proposals for fiscal incentives.

(2) The Committee shall meet as and when necessary an atleast once in a quarter.

(3) The Chairman of the Committee may co-opt any expert/s, Officer for specific proposals.

(4) At least five members including Chairman, Member Secretary and Commissioner Taxes shall be necessary for any sitting of the committee.

(5) The Member Secretary shall submit a report to the Government about the holding of meeting/s.

(6) The Committee may also review the implementation of various incentives in the State and may suggest remedial measures to the higher authority as and when felt necessary.

18.0 Interpretation:

The decision of the Industries & Commerce Department, Government of Assam in regards to interpretation of any clause of the policy shall be final and binding.

19.0 Rights of the State Government:

a. Industries & Commerce Department, Government of Assam reserves the right to amend any provision(s) including amendment or withdraw any of the incentives/ subsidies as and when necessary for development of industries and in the interest of the general people of the State from time to time under the provision of the Policy.

b. Industries & Commerce Department, Government of Assam reserves the right to review the matter regarding sanction/ disbursement of subsidies/ incentives to the eligible industrial unit(s) and in this connection, the State Government's decision shall be final and binding.

c. Industries & Commerce Department, Government of Assam reserves the right to modify the non-eligible list of the industries, include or delete activities under thrust sector, as and when required in the interest of overall economic growth of the State and preservation of environment and ecology. In case of modification of the same Industry and Commerce Department will consult Finance Department and move accordingly.

d. Industries & Commerce Department, Government of Assam reserves the right to make/ amend the necessary rules for implementation of this policy as and when required.

20.0 Guidelines for Implementation:

A set of guidelines including application forms and procedures for getting various incentives will be issued separately.

Annexure :I
List of Non-Eligible activities:

Following are the activities not eligible to get incentives under the Policy:

- (i) All goods falling under Chapter 24 of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) which pertains to tobacco and manufactured tobacco substitutes
- (ii) Pan Masala as covered under Chapter 21 of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986)
- (iii) Plastic carry bags of less than 20 microns as specified by ministry of Environment and Forests Notification No. S.O. 705 (E) dated 02.09.1999 and S.O. 698(E) dated 17.6.2003
- (iv) Goods falling under Chapter 27 of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) produced by petroleum or gas refineries
- (v) In order to ensure genuine industrial activities, benefits under this policy will not be admissible to goods in respect of which only peripheral activities like preservation during storage, cleaning operation, packing, re-packing, labeling or re-labeling, sorting, alternation of retails sale price etc. takes place.
- (vi) Coke
- (vii) Saw Mill
- (viii) Tea
- (ix) Galvanisation, Corrugation of sheet or both.
- (x) Marble and decorative stone cutting from slabs/sheets and polishing unit.
- (xi) Paper cutting from roll paper
- (xii) Coal to wash coal, sized coal
- (xiii) Conversion of plain rod to tor rod
- (xiv) Refining and/or packaging of any type of edible oil. However, a unit which undertakes manufacturing of edible oil instead of mere refining and packaging, shall continue to get the incentive.
- (xv) Refining of engine oil
- (xvi) Purification and/or packaging of drinking water
- (xvii) Production of cooked food, sweet meat and namkins, if the investment in plant and machinery in a unit is less than rupees One crore
- (xviii) Conversion of coal to coke and Coke (including Calcined Petroleum Coke).

Annexure - II

A. Components to be included for computing the value of Plant and Machinery:

(a) Manufacturing sector:

- i. Cost of Industrial Plant & Machinery including taxes and duties
- ii. Cost of productive equipment's such as tools, jigs, dyes and moulds including taxes and duties
- iii. Freight charges paid for bringing Plant & Machinery and equipment from suppliers premises to the location of the unit
- iv. Transit insurance premium paid
- v. Erection and installation charges to be restricted to the cost indicated in the Appraisal Note of the Financial Institution which provided loan to the unit.
- vi. Laboratory testing equipments to be restricted to the cost indicated in the Appraisal Note of the Financial Institution which provided loan to the unit.
- vii. Mining equipments to be restricted to the cost indicated in the Appraisal Note of the Financial Institution which provided loan to the unit.

(b) Service Sector (*hotels/ resorts above 3 star category*) :

- i. Air conditioning plant and air-conditioning unit
- ii. Hot Water plant
- iii. Water treatment plant
- iv. Generator set
- v. Lift/Elevator/Escalator
- vi. Laundry Equipment (other than household type)
- vii. Dish washing plant
- viii. Glass washing plant
- ix. Kitchen equipments excluding crockery, cutlery and utensils
- x. Exhaust system
- xi. Water purification plant
- xii. Sewage treatment plant
- xiii. Firefighting equipment
- xiv. Electric pump & motors
- xv. EPABX system
- xvi. Housekeeping equipment
- xvii. Insect and Pest Killing equipment/machine
- xviii. Health club/Beauty parlor / Barber shop equipment
- xix. Explosive Detection Machine
- xx. Security Alarm System
- xxi. CCTV/Cable TV system with accessories
- xxii. Plant and equipment for Water Sewage and Garbage Management
- xxiii. Any other plant & machinery that is critical and directly connected to hotel industry.

B. Components which will not be considered for computing the value of Plant & Machinery in the manufacturing sector:

- i. Loading and unloading charges
- ii. Miscellaneous fixed assets such as DG Sets, handling equipments, electrical components other than Electrical components necessary for plant operation on the plant side from where meter is installed up to the point where finished goods is to be produced/dispatched (i.e. H.T. motors, L.T. motors, Switch boards, Panels, Capacitors, Relay, Circuit Breakers, Panel Boards, Switchgears).

- iii. Commissioning cost
- iv. Captive Power Plants
- v. Storage equipments
- vi. Weigh bridge,
- vii. Second hand/used machinery/equipment

C. Components to be included for computing the value of Factory shed/Institutional Building :

- i. Factory shed/institutional building (in case of Service Sector) { eligible investment to be restricted to prevalent APWD (B) Schedule of rates}.
- ii. Raw material & Finished products godown attached to main factory shed//institutional building { eligible investment to be restricted to prevalent APWD (B) Schedule of rates}.
- iii. Essential civil construction works like machine/equipment foundation { eligible investment to be restricted to prevalent APWD (B) Schedule of rates}.

D. Components not to be included for computing the value of Factory shed/Institutional Building :

- i. Boundary wall & gate
- ii. Approach road/internal road
- iii. Land development
- iv. Office building/Space utilized for office
- v. Raw material/finished product godown situated at a different location other than Factory shed/Institutional Building
- vi. Any residential building/rest house/guest house
- vii. Canteen
- viii. Labour rest room and quarters for workers
- ix. Security/guard room or enclosure
- x. Construction of weigh bridge
- xi. Consultancy fee, taxes etc.
- xii. Second hand/used Factory shed/Institutional Building (with or without renovation).

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