

"Capital Investment Subsidy (for New and Existing Industries)" under "Motivation of Entrepreneurs to Start Industries and Fiscal Assistance to Capital Intensive Industries"

Details ("Capital Investment Subsidy (for New and Existing Industries)" under "Motivation of Entrepreneurs to Start Industries and Fiscal Assistance to Capital Intensive Industries")

"Capital Investment Subsidy (for New and Existing Industries)" under "Motivation of Entrepreneurs to Start Industries and Fiscal Assistance to Capital Intensive Industries" is a scheme by the Industries and Commerce Department, Union Territory of Puducherry. The scheme came into force with effect from 1st April 2017 and is in operation in the whole of the UT of Puducherry. Through this scheme, the enterprises and entrepreneurs are provided subsidy of upto 45% on the investments made on land, buildings, plant and machinery.

Objectives ("Capital Investment Subsidy (for New and Existing Industries)" under "Motivation of Entrepreneurs to Start Industries and Fiscal Assistance to Capital Intensive Industries")

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- The applications are accepted offline in the prescribed form available on the Official Website of the Department.

Important Features ("Capital Investment Subsidy (for New and Existing Industries)" under "Motivation of Entrepreneurs to Start Industries and Fiscal Assistance to Capital Intensive Industries")

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Benefits ("Capital Investment Subsidy (for New and Existing Industries)" under "Motivation of Entrepreneurs to Start Industries and Fiscal Assistance to Capital Intensive Industries")

- For Micro and Small Enterprises, a 40% subsidy on the investments made on land, building, plant and machinery, subject to a maximum of ■40,00,000/
- . For Medium and Large Enterprises, a 35% subsidy on the investments made on land, building, plant and machinery, subject to a maximum of ■35,00,000/

- . For Women/SC/ST Entrepreneurs, a 45% subsidy on the investments made on land, building, plant and machinery, subject to a maximum of ₹75,00,000/
- . Number of Installments In single or multiple instalments, depending on the availability of funds. Mode of Disbursement The subsidy amount shall be disbursed through the financial institutions/banks only, if the unit is financed by them, towards the adjustment against the loan availed by the entrepreneurs or for the creation of additional fixed assets or for working capital purposes. In the case of self
- financed units, the subsidy shall be disbursed directly to the entrepreneur/unit. *The financial institution shall mean and include PIPDIC or any other Government Corporation, Scheduled Banks including cooperative banks.

Eligibility ("Capital Investment Subsidy (for New and Existing Industries)" under "Motivation of Entrepreneurs to Start Industries and Fiscal Assistance to Capital Intensive Industries")

- The scheme applies to the Micro, Small, Medium and Large Enterprises, and to the Women/SC/ST Entrepreneurs. In the case of the SC/ST/Women category, the investments in respect of industrial units fully owned by the respective category and women entrepreneurs will alone be considered. In the case of partnership and private limited companies, all the partners, shareholders and Board of Directors shall belong to the respective category as the case may be. The Unit should have made the investment on or after 1st April 2017. The unit should provide at least 60% of employment to the people of the Union territory of Puducherry of the total employment strength of the industrial units. This 60% of the local employment will have to be maintained by the industrial unit during the period specified in the Affidavit. The industrial unit shall not transfer or dispose of the fixed asset including plant and machinery in any manner till the completion of 5 years from the date of submitting the application/disbursement of the subsidy whichever is later. The additional investments made by the new/existing industrial units after availing the first claim are also eligible for subsidy up to the ceiling limit. *The date of commencement, as admitted by the entrepreneurs, shall be reckoned after due verification by the officials of the Industries Department. *The units which have commenced commercial production on or after 1
- 4
- 2017 are considered new industries. *The units which have commenced production before 1
- 4
- 2017 are considered as existing units. Special Cases If, two or more industrial undertakings are set up by the same person as proprietor, common partners, common Board of Directors/shareholders, such units are eligible for subsidy as separate entity provided the location of the unit are different and licenses /clearances/ registrations are obtained separately for the enterprises.

Application Process ("Capital Investment Subsidy (for New and Existing Industries)" under "Motivation of Entrepreneurs to Start Industries and Fiscal Assistance to Capital Intensive Industries")

- Step 1: The industrial unit should register the claim for the grant of incentive/subsidy in the prescribed form available on the Official Website of the Directorate of Industries and Commerce, Puducherry.
- Step 2: In the application form, fill in all the mandatory fields, and attach copies of all the mandatory documents (self-attest, if required).
- Step 3: The unit should submit the duly filled and signed application form and the documents to the concerned authority.
- Step 4: Request a receipt or acknowledgement from the concerned authority to whom the application form has been submitted.
- Ensure that the receipt contains essential details such as the date and time of submission, and a unique identification number (if applicable).
- Post-Application Process Step 1: The applications shall be scrutinized by the Directorate of the Industries on a merit basis for the grant of incentives/subsidies/assistance to determine the quantum of amount admissible will be placed before the State Level Committee.
- Step 2: The State Level Committee will go into the merits of each case to decide whether the unit qualifies for the grant of incentive/subsidy and will recommend the quantum of incentive/subsidy admissible to the unit.

- Application Deadline Within one year from the date of commencement of regular commercial production.
- The delay can be condoned by the State Level Committee.

Documents Required ("Capital Investment Subsidy (for New and Existing Industries)" under "Motivation of Entrepreneurs to Start Industries and Fiscal Assistance to Capital Intensive Industries")

- Entrepreneurs Memorandum Part-2 (UAM/ PMT) Registration/ Commencement of Production Certificate. Caste certificate from the competent authority in the case of Scheduled Caste/Scheduled Tribe (SC/ST) Entrepreneurs. Loan Sanction Letter. Registered Land Document. Plan Approval from the Pollution Control Board (PPA). Engineer's Certificate for Building Valuation Assessed by Public Works Department (PWD)/Pondicherry Industrial Promotion Development and Investment Corporation (PIPDIC). Registered Lease Agreement for the Building Executed Between the Developer and the Unit. Purchase Invoices for Plant & Machinery/ Pollution Equipment/ Generator. Chartered Accountant Certificate for the Investment in Fixed Assets / Pollution Control Equipment / Generator. Certificate for the Installation of Pollution Control Equipment Obtained from the Directorate of Sustainable Technologies and Environmental (DSTE). Air/Water Consent Orders Obtained from DSTE. Notary Affidavit. *The industrial unit shall have to furnish the details of production
- employment and other information every year and from time to time as sought by the Industries and Commerce Department.

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