

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

Building Entrepreneur Investment Machinery MSME Subsidy Details

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

Benefits For Micro and Small Enterprises, a 40% subsidy on the investments made on land, building, plant and machinery, subject to a maximum of à, '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 à, '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 à, '75,00,000/- .Number of InstallmentsIn single or multiple instalments, depending on the availability of funds.Mode of DisbursementThe 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.

EligibilityThe 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 CasesIf, 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 Offline

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

Documents Required

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).Engineerâ€™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.

Frequently Asked Questions

How much employment must be provided to residents of Puducherry for a unit to be eligible for incentives/subsidies/assistance?At least 60% of employment must be provided to the people of Puducherry out of the total employment strength of the industrial units. What is the composition of the State Level Committee responsible for evaluating subsidy applications?The State Level Committee consists of the Secretary to Government (Industries & Commerce), the Managing Director of PIPDIC, the Deputy Secretary/Under Secretary (Finance), and the Director of Industries and Commerce, all from Puducherry. Under what circumstances would the entire amount of subsidies and incentives availed need to be refunded, according to the content?If the unit undergoes any amendments in new partners or shareholders within five years from the date of availing the subsidy, the entire amount of subsidies and incentives availed must be refunded with a simple interest of 14% per annum. Which types of investments are ineligible for investment subsidy according to the provided conditions?Working capital, commissioning fees, goodwill fees, royalty, preliminary and pre-operative expenses, capitalized interest, transportation and erection charges, goods vehicles, office equipment, furniture, crates, pallets, and consumable stores, etc., are ineligible for investment subsidy. Through whom is the subsidy amount disbursed if the unit is financed by financial institutions/banks?The subsidy amount is disbursed through financial institutions/banks towards the adjustment against the loan availed by the entrepreneurs or for the creation of additional fixed assets or for working capital purposes. How is the subsidy disbursed for self-financed units?For self-financed units, the subsidy is disbursed directly to the entrepreneur/unit. What happens if an industrial unit has availed investment subsidy from the Central Government/State Government or any other agency?If an industrial unit has availed investment subsidy from any other agency, it is not eligible to apply for a subsidy for the same investment again under this Scheme. What is the condition for industrial units set up by the same person to be eligible for subsidy as separate entities?Industrial units set up by the same person as proprietor, common partners, or common Board of

Directors/shareholders are eligible for subsidy as separate entities provided the location of the units is different and licenses/clearances/registrations are obtained separately for the enterprises. How is the commencement date for regular commercial production determined?The commencement date is verified by Officials of the Industries Department based on the entrepreneur's admission. What is the employment requirement for qualifying for incentives/subsidies?To qualify for incentives/subsidies, the industrial unit must provide at least 60% of employment to residents of Puducherry out of the total employment strength. What is the role of the State Level Committee in the subsidy application process?The State Level Committee scrutinizes applications, determines eligibility, and recommends the quantum of incentive/subsidy admissible to the unit. Who sanctions the subsidies based on the Committee's recommendations?The Director of Industries and Commerce sanctions the subsidies based on the Committee's recommendations. Sources And ReferencesGuidelinesApplication Form & Documents RequiredGrievance RedressalHelplineOkWas this helpful?News and UpdatesNo new news and updates availableShareSomething went wrong. Please try again later.OkYou need to sign in before applying for schemesCancelSign InSomething went wrong. Please try again later.OkIt seems you have already initiated your application earlier.To know more please visit CancelApply NowCheck EligibilityPuducherry"Capital Investment Subsidy (for New and Existing Industries)" under "Motivation of Entrepreneurs to Start Industries and Fiscal Assistance to Capital Intensive Industries"BuildingEntrepreneurInvestmentMachineryMSMESubsidyDetailsBenefitsEligibilityApplication ProcessDocuments RequiredFrequently Asked Questions"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. The applications are accepted offline in the prescribed form available on the Official Website of the Department.OkWas this helpful?ShareNews and UpdatesNo new news and updates availableÂ©2024Powered byDigital India Corporation(DIC)Ministry of Electronics & IT (MeitY)Government of IndiaÂ®Quick LinksAbout UsContact UsScreen ReaderAccessibility StatementFrequently Asked QuestionsDisclaimerTerms & ConditionsUseful LinksGet in touch4th Floor, NeGD, Electronics Niketan, 6 CGO Complex, Lodhi Road, New Delhi - 110003, Indiasupport-myscheme[at]digitalindia[dot]gov[dot]in(011) 24303714Last Updated On : 28/03/2024 | v-2.1.1