

GOVERNMENT OF MAHARASHTRA
INDUSTRIES, ENERGY AND LABOUR DEPARTMENT

Resolution No. IDL-1082/(4077)-IND-8

Mantralaya, Bombay-400 032, dated the 4th May 1983

Read:

- Government Resolution, Industries and Labour Department, No. IDL-7064/IND-I, dated the 25th September 1964.
 Government Resolution, Industries and Labour Department, No. IDL-7069-IND-I, dated the 2nd April 1969.
 Government Resolution, Industries and Labour Department, No. IDL-7069-IND-I, dated the 10th March 1970.
 Government Resolution, Industries and Labour Department, No. IDL-7073/34605-IND-I(B), dated the 23rd October 1973.
 Government Resolution, Industries, Energy and Labour Department, No. IDL-7076/46212(253)-IND-8, dated the 18th January 1977.
 Government Resolution, Industries, Energy and Labour Department, No. IDL-7076/48287/(295)-IND-8, dated the 17th September 1977.
 Government Resolution, Industries, Energy and Labour Department, No. IDL-7079/81133/(1925)-IND-8, dated the 18th October 1979.
 Government Resolution, Industries, Energy and Labour Department, No. IDL-7079/(2043)/IND-8, dated the 5th January 1980.
 Government Resolution, Industries, Energy and Labour Department, No. IDL-7079/95227/(2540)-IND-8, dated the 11th August 1980.
 Government Resolution, Industries, Energy and Labour Department, No. IDL-7082/(3559)-IND-8, dated the 5th July 1982.
 Government Resolution, Industries, Energy and Labour Department, No. IDL-1082/(4096)-IND-8, dated the 31st March 1983.

PREAMBLE

In order to achieve dispersal of industries outside the Bombay-Thane-Pune belt and to attract them to the under-developed and developing areas of the State, Government has been giving a Package of Incentives to New Units/Expansion set up in the developing region of the State since 1964 under a Scheme popularly known as the Package Scheme of Incentives. The 1964 Package Scheme of Incentives first introduced in 1964 was amended from time to time. The amended Schemes are commonly known as the 1969 Scheme (from 1st April 1969), the 1973 Scheme (from 1st August, 1973) the 1976 Scheme (from 1st August 1976), and the 1979 Scheme (from 1st August 1979). The 1979 Scheme remained in operation till March 31, 1983.

Government has under consideration the question of revising the 1979 Scheme to rationalise the scope of incentives, the various scales, and mode of release of incentives in the light of experience gained in implementation of the 1979 Scheme more particularly with a view to ensure that incentives are made available to units promptly.

RESOLUTION

1.1. Government is pleased to direct that the Package Scheme of Incentives as last modified and continued upto 31st March 1983 by Government Resolution, Industries, Energy and Labour Department, No. IDL-7079/(2043)-IND-8, dated the 5th January 1980, read with Government Resolution, No. IDL-7082/(3559)-IND-8, dated the 5th July 1982, should be extended further with effect from April 1, 1983, with the modifications as indicated below.

1.2. The modified Package Scheme of Incentives (hereinafter referred to as "the 1983 Scheme") shall remain in operation for the period of five years from April 1, 1983 to March 31, 1988. Consistent with the objectives of the Scheme, Government may at any time make any amendments to the Scheme.

1.3. *Classification of Areas.*—For the purpose of the 1983 Scheme, the area of the State of Maharashtra should be classified under the Groups as indicated below:—

Group 'A' comprising the developed areas of the State where no incentives are available.

Group 'B' comprising the areas where some development has already taken place.

Group 'C' comprising the areas which are less developed than those shown under Group 'B'.

Group 'D' comprising the least developed areas of the State not covered under Group 'A', Group 'B' or Group 'C'.

For the purposes of classification, Panchayat Samiti Area (PSA) in Vidarbha Region/Taluka in other Regions should be taken as a unit.

The detailed classification of the areas of the State made accordingly has been indicated in the Annexure to this Resolution.

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1.4. *Coverage under the Scheme.*—Save as provided under para. 8, the broad coverage under the 1983 Scheme shall be as follows:—

(a) Industries covered under the Government of India's Central Investment Subsidy Scheme outlined in the Manual issued by the Government of India, will be covered under the 1983 Scheme.

(b) Incentives under the 1983 Scheme will be available to eligible units in the Private Sector, State Public Sector/Joint Sector, and the Co-operative Sector.

(c) Eligible units under the State Public Sector/Joint Sector will be entitled to incentives only under Part-I of the Scheme and not Part-II.

(d) Central Public Sector Undertakings will not be considered eligible for incentives under the Scheme.

2. Definitions

2.1. *Date of effect of eligibility under Part-I.*—(i) The Eligibility Certificate under Part-I of the 1983 Scheme will be issued by the Implementing Agency after commencement of commercial production as may be determined by it, based on the totality of the documentary evidence led by the eligible unit in this behalf, as also such other information, details, etc. required/called for in connection therewith such as the date of power connection, electricity consumption bills over a period, first sale bill, excise licence, extract of Excise Register or of Production Register, etc.

(ii) If an eligible unit establishes that determination of the date of commercial production by the Implementing Agency as above is patently unfair to it, the Implementing Agency may redetermine the Date of Effect of Eligibility from the date as claimed by the unit or from the date on which the unit reaches a level of production capacity of 5 per cent of the installed capacity, whichever is earlier.

(iii) The decision of the Implementing Agency subject to such directions as Government may issue from time to time in this regard, will be final and binding on the eligible unit.

(iv) The Commissioner of Sales Tax will issue a Certificate of Entitlement on the basis of Eligibility Certificate issued by the Implementing Agency. Eligibility Certificate will be effective from the date specified in the Certificate of Entitlement.

2.2. *Earlier Schemes.*—Earlier Schemes would mean the following:—

(i) The 1964 Scheme outlined in Government Resolution, Industries and Labour Department, No. IDL-7064/IND-8, dated the 25th September, 1964.

(ii) The 1969 Scheme outlined in Government Resolution, Industries, and Labour Department, No. IDL-7069-IND-I, dated the 2nd April 1969.

(iii) The 1973 Scheme outlined in Government Resolution, Industries and Labour Department, No. IDL-7073/34605-IND-I(B), dated the 23rd October 1973.

(iv) The 1976 Scheme outlined in Government Resolution, Industries, Energy and Labour Department, No. IDL-7076/6212(5)-IND-8, dated the 18th January 1977.

(v) The Special Capital Incentive Scheme outlined in Government Resolution, Industries, Energy and Labour Department, No. IDL-7076/48287(295)-IND-8, dated the 17th September, 1977.

(vi) The 1979 Scheme outlined in the Government Resolution, Industries, Energy and Labour Department, No. IDL-7079/(2043)-IND-8, dated the 5th January 1980, read with Government Resolution, Industries, Energy and Labour Department, No. IDL-7082/(3559)-IND-8, dated 5th July 1982.

2.3. *Effective Steps.*—(I) For the purpose of the 1983 Scheme, Effective Steps will comprise Initial Effective Steps and Final Effective Steps.

The Initial Effective Steps shall be as follows:—

(i) The unit shall be in effective possession of land. If the land is outside the Maharashtra Industrial Development Corporation Area/Government Sponsored and/or financially assisted Co-operative Industrial Estate/Mini Industrial Estate, the permission to convert the same to non-agricultural use should have been obtained. The possession of land will be considered effective only from the date of such permission and not before.

(ii) In the case of a partnership firm or a company or a Co-operative Society or a Trust, the Registration of the Firm or Company or Society or Trust should have been obtained.

(iii) The unit should have obtained provisional SSI Registration or Letter of Intent from the Government of India and/or permission from the State Government for setting up/shifting of the unit, if such permission is required to be obtained.

(iv) In the case of a medium/large scale unit not covered under the Licensing provisions of the Industries (Development and Regulation) Act, 1951, the unit should have applied for DGTD Registration/Registration from the concerned Technical Authorities in respect of the Industries covered by the Special Regulations.

The Final Effective Steps shall be as follows:—

(i) Industrial Licence/necessary FERA and MRTP clearance/or/DGTD Registration or Registration from the concerned Technical Authorities in respect of the Industries covered under the Special Regulations should have been obtained.

(ii) Capital goods clearance/Import Licence, wherever necessary, should have been obtained.

(iii) The means of finance for the project should have been completed to the satisfaction of the Implementing Agency concerned.

(iv) Other clearances, if any, from the Central/State Government and/or other Authorities concerned, for implementing the project, should have been obtained.

(v) The unit should have acquired at site Fixed Assets to the extent of at least 10 per cent of the total Fixed Assets as envisaged for the project.

(vi) The unit should have incurred expenditure on the project including advances paid and pre-operative expenses to the extent of at least 25 per cent of the capital cost envisaged for the project.

EXPLANATION

For the purposes of incentives under Part-I as well as Part-II to a Pioneer Unit, where the project is proposed to be implemented, in suitable phases and the first phase of the project itself involves Gross Fixed Capital Investment exceeding Rs. 5 crores, the Final Effective Steps will be deemed to have been completed if the Final Effective Steps for the first phase of the project are completed to the satisfaction of the Implementing Agency.

(II) Based on the documentary evidence led by the Eligible Unit in this regard, the Implementing Agency shall determine the date on which all the Effective Steps, both Initial and Final, are completed. The decision of the Implementing Agency, subject to such directions as Government may issue from time to time in this regard shall be final and binding.

2.4. Existing Unit.—An 'Existing Unit' means an industrial unit set up by any entity in the Private Sector, Co-operative Sector or State Public Sector/Joint Sector in any of the Panchayat Samiti Area in Vidarbha Region/Taluka in other Regions which satisfies any one of the following conditions, namely:—

(a) The unit is in production on or any time prior to March 31, 1983, for any period whatsoever;

(b) The unit is granted a Letter of Intent/Eligibility Certificate or the unit has availed of any incentives under any of the Earlier Schemes;

(c) The unit has filed an application for grant of Eligibility Certificate under the 1979 Scheme with any of the Implementing Agencies prior to March 31, 1983 and the same is governed by the provisions of the Government Resolution, Industries, Energy and Labour Department, No. IDL-1082/(4096)-IND-8, dated the 31st March 1983.

EXPLANATION

An entity in Private Sector, Co-operative Sector or State Public Sector/Joint Sector setting up an additional unit or undertaking expansion/diversification in the Panchayat Samiti Area in Vidarbha Region/Taluka in other regions where there is already an Existing Unit, such additional unit set up will also be considered an existing unit even though it is set up on or after 31st March 1983.

2.5. Expansion/Diversification.—An Existing Unit in any of the areas covered under Group 'B', Group 'C', or Group 'D' which creates additional production/manufacturing facilities for manufacture of the same product/products as of the Existing Unit (Expansion) or different products (Diversification) in the same Panchayat Samiti Area/Taluka where the Existing Unit is located will be considered eligible for incentives under the 1983 Scheme as an Expansion/Diversification only if it satisfies the following conditions, namely:—

(a) The additional Fixed Capital Investment made after April 1, 1983, exceeds Rs. 15 crores; and

(b) The said additional Fixed Capital Investment exceeds five times the Gross Fixed Capital Investment of the Existing Unit immediately prior to the setting up of the additional production facilities.

EXPLANATION

An Existing Unit in Zone I and/or Zone II of the Bombay Metropolitan Region shifted on or after April 1, 1983, to any of the areas covered under Group 'B', Group 'C' or Group 'D' will be considered eligible by way of Expansion/Diversification if all the other conditions referred to in Para. 2.5 above are satisfied.

2.6. Export Oriented Units.—Where the unit is set up for manufacture of goods, with an obligation to export not less than 50 per cent of the annual output, it will be considered as an Export Oriented Unit.

2.7. Fixed Assets.—The term 'Fixed Assets' covers all the assets of the unit as erected at site and includes—

(a) Land;

(b) Building—any built-up area used for the eligible unit including administrative building, residential quarters, industrial housing and all such facilities provided in the building as are required for the manufacturing processes;

(c) Plant and Machinery, tools and equipments including handling and haulage equipment or tools as are necessarily required and exclusively used for sustaining the working of the unit;

(d) The cost of development of the environment of the location of the unit, such as fencing, construction of roads, and other infrastructural facilities which the eligible unit has to incur under the project;

(e) Installation charges and pre-operative expenses capitalised;

(f) Technical know-how including the cost of drawings, know-how and the fees.

2.8. Gross fixed Capital Investment.—(I) Gross Fixed Capital Investment means—

(a) In the case of new Fixed Assets, the value of new Fixed Assets acquired at site and paid for.

(b) In the case of shifting of Fixed Assets from Zone I and/or Zone-II of the Bombay Metropolitan Region, the Gross Fixed Capital Investment will be computed at the depreciated value of Fixed Assets on the date of shifting, on the basis of the method of depreciation adopted by the unit during the immediate preceding three years or during such shorter period during which the unit has been in existence. The actual expenditure incurred on the dismantling, transport, insurance and re-erection which is allowed to be and is capitalised under the Indian Income-Tax Act will also be considered as part of the Gross Fixed Capital Investment.

(c) (i) In the case of acquisition of second-hand Fixed Assets, the value for which these are acquired or the value thereof as certified by the approved valuer, whichever is less. The approved valuer should also certify the life of the second-hand Fixed Assets. For the purpose of incentives, only such second-hand Fixed Assets which have a life of over 10 years as certified by the valuer will be considered.

(ii) In the case of SSI units, where the total value of second-hand Fixed Assets during the entire period of Eligibility does not exceed Rs. 25,000 either purchased in one lot or otherwise, the second-hand Fixed Assets need not be got valued by an approved valuer.

(iii) In the case of Medium or Large Scale Units, where the total value of second-hand Fixed Assets during the entire period of Eligibility does not exceed Rs. 1 lac either purchased in one lot or otherwise, the second-hand Fixed Assets need not be got valued.

(iv) Where the second-hand Fixed Assets are purchased in lots at different points of time during the period of Eligibility, such assets (excluding the assets upto the value of Rs. 25,000 or as the case may be Rs. 1 lac acquired earlier) as and when the total value of the second-hand Fixed Assets exceed the limit of Rs. 25,000 for SSI and Rs. 1 lac for Medium or Large Scale Industries, will have to be got valued.

(d) In the case of shifting of existing Fixed Assets from any place outside Maharashtra, subject to fulfilment of conditions detailed thereunder, the Gross Fixed Capital Investment will be computed at the depreciated value of Fixed Assets on the date of shifting on the basis of the method of depreciation adopted by the unit during the immediate preceding three years or during such shorter period during which the unit has been in existence. The actual expenditure incurred on dismantling, transport, insurance and re-erection which is allowed to be and is capitalised under the Indian Income-Tax Act will also be considered as part of Gross Fixed Capital Investment.

Conditions.—(i) The unit is eligible under Part-I and the Fixed Assets shifted from a part of the project for which eligibility is considered.

(ii) The Fixed Assets shifted have a life of over 10 years from the date of shifting.

For avoidance of doubt, it is hereby clarified that the provisions contained in the clause (d) above will not be applicable to the unit claiming eligibility under Part-II of the Scheme. Secondly, Fixed Assets shifted from any place within Maharashtra other than the areas covered under the Zone-I or Zone-II of the Bombay Metropolitan Region will not be covered under the Scheme for the purpose of computation of Gross Fixed Capital Investment.

(II) Fixed Assets acquired by an eligible unit and forming part of the Gross Fixed Capital Investment cannot be disposed of or sold or written off except with the prior written permission of the Implementing Agency. Such permission should be obtained by the eligible unit at least one month prior to the contemplated disposal/sale/writing off of the Fixed Assets. The Implementing Agency may ordinarily grant such permission if it is satisfied that the overall production capacity of the eligible unit will not thereby suffer and that the eligible unit has definite plans/proposals for replacement of the Fixed Assets being disposed off/sold/written off either by similar Fixed Assets or by Fixed Assets with better out-put/higher production capacity.

(III) Subject to the provisions of para (I) and (II) above, the Gross Fixed Capital Investment at the end of each year will be computed as follows:—

Gross Fixed Capital Investment at the beginning of the year, *plus* additions, if any, made to the Gross Fixed Capital Investment during the year, less the original value to the unit of any Fixed Assets disposed of/sold/written off during the year.

2.9. **Local Sales Tax Law.**—Local Sales Tax Law means the Bombay Sales Tax Act, 1959, as modified from time to time and the Rules made thereunder as modified from time to time.

2.10. **New Unit.**—New Unit means an industrial unit which is set up for the first time by an entity in the Private Sector, Co-operative Sector, or State Public Sector/Joint Sector in any Panchayat Samiti Area in Vidarbha Region/Taluka in other Regions where there is no Existing Unit set up by the said entity provided that the unit satisfies the following further conditions:—

- At least one of the Final Effective Steps is completed on or after April 1, 1983, for setting up the Unit;
- It is not an Existing Unit;
- It is not formed as a result of re-establishment, mere change of ownership, change in the constitution, reconstruction or revival of an Existing Unit.

EXPLANATION

An Existing unit in Zone I and/or Zone II of the Bombay Metropolitan Region shifted on or after April 1, 1983, to any of the areas under Group 'B', Group 'C' or Group 'D', will be considered as a New Unit if all the other conditions referred to above are satisfied.

2.11. *Notional Sales Tax Liability.*—Notional Sales Tax Liability means—

(a) Sales Tax/General Sales Tax/Purchase Tax that would have been payable on the purchases of Raw Materials and Sales Tax/General Sales Tax payable on the sales of finished products of the eligible unit under the Local Sales Tax Law but for an exemption, computed at the maximum rates specified under the Local Sales Tax Law as applicable from time to time.

For the purposes of the above clause, sales made on consignment basis within the State of Maharashtra or branch transfers within the State of Maharashtra shall also be deemed to be 'Sales made within the State exigible to Tax'.

AND

(b) Tax payable under the Central Sales Tax Act, 1956, on the sales of finished products of the eligible unit made in the course of inter-State trade or commerce computed at the rate of tax applicable to such sales as if these were made against certificates in Form 'C' on the basis that the sales are exigible to tax under the said Act.

For the purposes of the above clause, branch transfers/transfers on consignment basis outside the State of Maharashtra shall be deemed to be 'sale in the course of inter-State trade or commerce'.

2.12. *Period of Eligibility (under Part-I).*—The period of Eligibility in regard to an eligible unit under Part-I will be a period of 3 years, 5 years, 7 years, 9 years or 13 years, as the case may be depending on the nature and location of the eligible unit, during which the Sales Tax Incentive would be available to the unit subject to fulfilment of the conditions of the Scheme. In respect of Resource Based Industry, however, this period will be 3 years, irrespective of the location being in Group 'B', Group 'C', or Group 'D' areas. This period will be computed from the Date of Effect of the Eligibility.

2.13. *Period of Monitoring and Review under the Scheme.*—There shall be undertaken every year a review of all the eligible units covered under the Scheme and the same shall ordinarily be undertaken within a period of six months from the close of the year.

In respect of the eligible units under Part-I of the Scheme the review will be undertaken in order to ensure that the benefits availed of/drawn by the units are within the respective ceilings specified in para. 5.2 so as to decide continuance or discontinuance of sales tax incentive either in the form of sales tax exemption or sales tax deferral or interest free sales tax loan.

The review shall also be undertaken in respect of all eligible units both under Part-I and under Part-II in order to ensure that the units for which incentives have been availed of remain in normal production during the operative period of the Agreements entered into by the units prior to availing of the incentives as per the procedure laid down in this behalf.

2.14. *Raw materials.*—Raw Materials will include components/intermediate goods/substances/consumables/stores/packing materials/which are utilised by the eligible unit in the process of manufacture and packing of finished products.

2.15. *Resource based Industry.*—(i) Where the locational decision in respect of an industry being set up by a unit is normally dependent on the location of the source of the principal raw materials, the unit will be deemed to be setting up a Resource Based Industry. Resource Based Industries will include—

- (a) Cement,
- (b) Sugar,
- (c) Alcohol,
- (d) Mining,
- (e) Mineral-based industries such as Ferro Manganese and Pig Iron based on iron ore etc.,
- (f) Paper, based primarily on bamboo or wood.

(ii) If the Implementing Agency has any doubt whether any industry other than those specified above may be regarded as Resource-based industry the matter shall be referred to Government whose decision in that regard shall be final.

(iii) Resource based units will not qualify for Pioneer Status.

2.16. *Sales Tax Liability.*—The term 'Sales Tax Liability' for any period means the following:—

(i) Sales Tax/General Sales Tax/Purchase Tax as the case may be, payable and paid or deferred under the Local Sales Tax Law during that period on purchases of Raw Materials reduced by the set off at appropriate rates, if any, admissible thereunder and also on sales of finished products of the eligible unit;

(ii) Central Sales Tax payable and paid or deferred under the Central Sales Tax Act, 1956 during that period on the sales of finished products of the eligible unit made in the course of inter-State trade or commerce.

2.17. *Year.*—Year means the accounting year followed by the eligible unit according to which it is assessed under the Local Sales Tax Law.

3. Pioneer Unit

3.1. A large scale New unit set up/large scale Fixed Capital Investment made by an Existing Unit after April 1, 1983, in Group 'C', or Group 'D' areas for which at least one Final Effective Step is taken after April 1, 1983, will be considered eligible for Pioneer Status if it satisfies any one of the following conditions, namely:—

(i) It is a New Unit with Fixed Capital Investment exceeding Rs. 5 crores in Group 'C' area, or Rs. 2 crores in Group 'D' area being set up as the first unit in point of time in a Panchayat Samiti Area in Vidarbha Region/

Taluka in other Regions where there is, as on April 1, 1983, no Existing Unit with net Fixed Capital Investment of the said order namely, Rs. 5 crores in Group 'C' area or Rs. 2 crores in Group 'D' area.

Under this category only one unit in a Panchayat Samiti Area in Vidarbha/Taluka in other Regions will be considered eligible for Pioneer Status:

(ii) It is a New Unit with Fixed Capital Investment exceeding Rs. 25 crores being set up in Group 'C' or Group 'D' areas.

(iii) It is an Expansion/Diversification undertaken by the Existing Unit in either Group 'C' or Group 'D' area as an adjunct to the Existing Unit or otherwise in the same Panchayat Samiti Area in Vidarbha area/Taluka in other Regions involving additional Fixed Capital Investment made thereunder after April 1, 1983, in excess of Rs. 25 crores.

Under the Categories (ii) and/or (iii) above any number of units in a Panchayat Samiti Area in Vidarbha area/Taluka in other Regions will be considered eligible for Pioneer Status.

4. General Provisions

4.1. *Agencies for Implementing the Scheme.*—The State Industrial and Investment Corporation of Maharashtra Limited (SICOM) shall implement the Scheme in respect of Medium and Large Scale Industries.

4.2. The Regional Development Corporations shall implement the Scheme in respect of Small Scale Units coming within their respective jurisdiction, as indicated below :—

Name of the Corporation	Jurisdiction (District)
(1) Development Corporation of Konkan Limited	Ratnagiri, Sindhudurg, Raigad and Thane.
(2) Marathwada Development Corporation Limited	Beed, Parbhani, Usmanabad, Latur, Nanded, Jalna and Aurangabad.
(3) Development Corporation of Vidarbha Limited	Buldhana, Bhandara, Chandrapur, Gadchiroli, Yavatmal, Amravati, Wardha, Akola and Nagpur.
(4) Western Maharashtra Development Corporation Limited.	Jalgaon, Dhule, Nashik, Satara, Ahmednagar, Solapur, Sangli, Kolhapur and Pune.

EXPLANATION

Where an Eligibility Certificate is issued in favour of the SSI Unit by the Regional Development Corporation concerned, the unit will continue to remain, for the purposes of incentives and other connected matters, with that Regional Development Corporation even though after the grant of Eligibility Certificate the unit ceases to be an SSI unit.

4.3. *Sales Tax Incentive Part-I and II—Mutually Exclusive.*—The Sales Tax Incentive under Part-I and Part-II of the 1983 Scheme are mutually exclusive. Where a New Unit is eligible for sales tax incentives under Part-I as well as under Part-II, it will be entitled to eligibility under Part-I only if it has not opted for eligibility under Part-II and vice versa. Thus, a unit although eligible under Part-I as well as under Part-II will be entitled to eligibility only under Part-I or Part-II and not both.

4.4. *Application for Eligibility.*—The application for eligibility under the 1983 Scheme shall be filed by the eligible unit only after it has taken all the Initial Effective Steps. Any application filed prior to the completion of the Initial Effective Steps will not be entertained by the Implementing Agency concerned. The application for eligibility should be supported by documentary evidence in regard to the completion of Effective Steps.

4.5. For claiming eligibility under the 1983 Scheme the eligible unit should not only file the application for eligibility but should also complete all the Effective Steps (i.e. both Initial and Final) on or before 31st March, 1989.

4.6. *Claim for Incentive.*—No right or claim for any incentives under this Scheme shall be deemed to have been conferred by the Scheme merely, by virtue of the fact that the unit has fulfilled on its part the conditions of the Scheme. The incentives under the Scheme cannot be claimed unless a Letter of Intent/Eligibility Certificate has been issued under the Scheme by the Implementing Agency concerned and the unit has complied with the stipulations/conditions of the Letter of Intent/Eligibility Certificate.

4.7. *Derecognition of Pioneer Status in Certain Cases.*—(i) In the case of competing claim/claims for the Pioneer Status where more than one eligible units—more or less simultaneously satisfy the conditions for Pioneer Status under paragraphs 3.1(i), Government as well as SICOM having regard to the facts of each case/benefits accruing to the developing area, employment potential, etc. will be entitled to determine on whom the Pioneer Status be conferred, or to withdraw Pioneer Status already conferred if the unit does not show progress in the matter of implementation of the project.

(ii) The Eligible Pioneer Unit shall ensure that the Fixed Capital Investment made within a period of three years from the date of completion of all the Effective Steps, both, Initial and Final, or within a period of three years from the date of commencement of commercial production, whichever is later, exceeds the following limits—

(a) Rs. 5 crores/Rs. 2 crores in respect of the unit covered under Para 3.1(i) depending on the location of the unit in Group 'C' or Group 'D' area as the case may be.

OR

(b) Rs. 25 crores in respect of the unit covered under Para 3.1(ii) and/or (iii).

Failure to comply with the above conditions shall automatically result in derecognition of the Pioneer Status conferred earlier and, as a consequence, the quantum of incentives admissible to such unit shall be reduced to the level of that available to an eligible unit not being a Pioneer Unit in Group 'C'/Group 'D' area, as the case may be. The excess amount, if any, drawn or availed of, shall be recoverable forthwith.

5. Sales Tax Incentive Under Part-I

5.1. *Eligibility under the 1983 scheme.*—The sales tax incentive under Part-I of the 1983 Scheme will be admissible to a New Unit/Pioneer Unit/Expansion/Diversification set up in Group 'B', Group 'C' or Group 'D' area.

Subject to the provisions of paras 5.3, 5.4, 5.5 and 5.6 the sales tax incentive under part-I will be admissible to a New Unit/ Pioneer Unit covered under Para 3.1 (i) and (ii) either by way of Exemption or by way of Deferral but not both.

The Sales Tax Incentive only by way of Deferral as provided for under para 5.3, 5.4, and 5.5 will be admissible to Expansion/Diversification covered under Para 2.5 or a Pioneer Unit covered by Para 3.1 (iii).

(A) EXEMPTION

By way of sales tax incentive as an Exemption, the eligible unit will be entitled to exemption from payment of—

- (i) Purchase Tax/Sales Tax payable under the Bombay Sales Tax Act, 1959, on the purchases of Raw Materials;
- (ii) Sales Tax payable under the Bombay Sales Tax Act, 1959, on the sales of finished products of the eligible unit; and
- (iii) Central Sales Tax payable under the Central Sales Tax Act, 1956, on the sales of finished products of the eligible unit effected in the course of inter-State trade or commerce.

(B) DEFERRAL

An eligible unit not covered under the provisions of Para 5.3 will be entitled to sales tax incentive by way of Deferral as follows :—

Subject to the provisions of the Bombay Sales Tax Act, 1959/Bombay Sales Tax Rules, 1959/Central Sales Tax Act, 1956/Central Sales Tax (Registration and Turnover) Rules, 1957/The Central Sales Tax (Bombay) Rules, 1957/ and the conditions/stipulations in the Certificate of Entitlement issued by the Commissioner of Sales Tax, the payment of the sales tax liability as per returns to be furnished for any period covered by the Eligibility Certificate or as finally assessed thereunder will be deferred. The sales tax liability as per the returns so deferred shall be paid by the unit after twelve years/in one lumpsum or in instalments, subject to such conditions as may be prescribed pursuant to the provisions of the Bombay Sales Tax Act, 1959, the Bombay Sales Tax Rules, 1959, The Central Sales Tax Act, 1956, the Central Sales Tax (Bombay) Rules, 1957, and Central Sales Tax (Registration and Turnover) Rules, 1957, as amended ded from time to time.

5.2. The quantum of sales tax incentive admissible under the Scheme either as an Exemption or as Deferral under Para 5.1 or as an interest free loan as provided under Para 5.6 will be as per the scales and subject to ceilings as given under the following table :—

CEILINGS

	For MSI/LSI	For SSI	No. of years
Group 'B' and Resource based units.	75 per cent of the Fixed Capital Investment.	100 per cent of the Fixed Capital Investment.	3 years or earlier if the ceilings are reached.
Group 'C'	80 per cent of the Fixed Capital Investment.	100 per cent of the Fixed Capital Investment.	5 years or earlier if the ceilings are reached.
Group 'D'	85 per cent of the Fixed Capital Investment.	100 per cent of the Fixed Capital Investment.	7 years or earlier if the ceilings are reached.
Pioneer Unit .. .	90 per cent of the Fixed Capital Investment.		9 years or earlier if the ceilings are reached.

Note.—The term 'Fixed Capital Investment' appearing in the above Table will mean the Fixed Capital Investment of the New Eligible Unit, Pioneer Unit under Para 3.1(i) and (ii) or the Additional Fixed Capital Investment of the Expansion/Diversification as may be eligible under Para 2.5 or of Pioneer Unit under Para 3.1 (iii).

SPECIAL PROVISIONS FOR BENEFITS OF THE DEFERRAL TO ELIGIBLE UNITS UNDER PART-I OF THE EARLIER SCHEMES AND TO EXPANSION/DIVERSIFICATION AND PIONEER UNITS COVERED BY PARAS. 2.5 AND 3.1 (iii) OF THE 1983 SCHEME:

5.3. The Sales Tax Incentive under Part-I only by way of deferral and not by way of interest free loan or Exemption will be admissible to eligible units under the following categories :—

(i) An Eligible Unit under Part-I of any of the Earlier Schemes which is entitled to sales tax incentive under Part-I as an interest free unsecured loan will be permitted to avail of the sales tax incentive by way of deferral of sales tax/purchase tax for future period/periods. The Eligible Unit may opt for being covered under deferral in respect of—

- (a) the unexpired period of Eligibility Certificate for which no sanctions are accorded; and
- (b) in respect of the sales tax loan already sanctioned but not disbursed.

The option once exercised shall be final and binding on the Eligible unit and it will not be allowed to change over to the earlier position.

(/i) An Eligible Unit under the 1979 Scheme which is entitled to the sales tax incentive by way of an exemption under an Eligibility Certificate granted prior to the coming into effect of the Deferral Scheme outlined in the Government Resolution, No. IDL-7082/(3559)-IND 8, dated 5th July, 1982, as a result of which it has not exercised any option thereunder may, at its option, be permitted to draw the sales tax incentive by way of deferral. Where an Eligible Unit proves to the satisfaction of the Implementing Agency that it has not availed of the benefit of Exemption under the Eligibility Certificate, if any earlier granted, the benefit of Sales Tax Deferral shall be granted for the full Period of Eligibility and, in other cases the same will be restricted to the unexpired portion of the period of Eligibility. The ceilings provided under the 1979 Scheme as per the Government Resolution, No. IDL-7082/(3559)-IND-8, dated 5th July, 1982, shall apply to such cases.

The option once exercised shall be final and binding on the unit and it will not be allowed to change over to the earlier position.

(iii) An Eligible Pioneer Unit covered under para 3.1 (iii) involving Fixed Capital Investment exceeding Rs. 25 crores which is set up as an adjunct to the Existing Unit or as an Expansion/Diversification of the Existing Unit.

(iv) An Eligible Expansion/Diversification covered under para 2.5.

5.4. The incentive by way of deferral under Para 5.3 above will be admissible to the eligible units under the relevant Earlier Schemes only to the extent of the quantum of sales tax incentive by way of interest free loan normally admissible thereunder. The period for which the tax liability will be deferred will be—12 years and payable thereafter in six equal annual instalments in respect of the units eligible under the 1976 Scheme/the 1979 Scheme/the 1983 Scheme as the case may be; 18 years payable in three equal annual instalments in respect of the units eligible under the 1969 Scheme/1973 Scheme.

The incentive by way of deferral in these cases will be allowed only in the manner indicated in para 5.5. The total quantum of incentive admissible in all such cases will, however, be so administered that the same shall not at any point of time exceed the respective ceilings prescribed under the relevant Earlier Schemes or the 1983 Scheme under which the Eligibility Certificate is/was granted.

5.5. The benefit of Deferral to Eligible Unit under Part-I covered by para 5.3 will be admissible in the manner indicated below :—

(a) The Eligible Unit covered under Para 5.3 shall every year, file an application for grant of sales tax incentive by way of deferral with the respective Implementing Agency within six months from the date prescribed for filing of the return for the last quarter/month of the accounting year followed by the unit. The Implementing Agency after examining the application will determine the quantum of sales tax incentive admissible as per the relevant Earlier Scheme/the 1983 Scheme.

(b) The Implementing Agency will issue a VOUCHER certifying the sales tax incentive admissible covering the actual amount of sales tax incentive that will be admissible for deferral. The VOUCHER certifying the sales tax incentive admissible, issued by the Implementing Agency will form the basis for the Commissioner of Sales Tax or the Officer to whom necessary powers have been delegated under the Sales Tax Law to permit the Eligible Unit to defer the sales tax/purchase tax payable by the Eligible Unit as per the returns to be furnished under the Sales Tax Law for any period after the date of the said VOUCHER.

(c) The Implementing Agency shall furnish to the Commissioner of Sales Tax every month a Statement of VOUCHERS issued covering the full details such as the voucher number, date, amount, name of the Eligible Unit in whose favour issued, Registration Certificate Number, Eligibility Certificate Number etc.

(d) The eligible unit shall, within one month from the date of filing of the return, furnish to the Implementing Agency full details duly certified by the Chartered Accountants indicating the quantum of sales tax/purchase tax payable as per the returns deferred from time to time till the total amount as per the VOUCHER certifying the sales tax incentive admissible stands deferred.

(e) The Commissioner of Sales Tax or the officer to whom the necessary powers have been delegated shall also furnish to the concerned Implementing Agency details covering full particulars of the taxes deferred to the extent of the amount covered by the VOUCHER for the purpose of reconciliation.

(f) For the purpose of the computation of sales tax incentive under Part-I of any of the Earlier Schemes or the 1983 Scheme for any period covered by the Eligibility Certificate, the amount of sales tax/purchase tax payable but deferred by virtue of the sales tax entitlement as per the VOUCHER utilised in the manner indicated above shall be deemed to be sales tax/purchase tax actually paid by the Eligible Unit for the said period although in fact the tax liability is deferred so as to entitle the Eligible Unit in the normal course to draw the sales tax incentive in respect of the said period.

(g) Where the Eligible Unit under any of the Earlier Schemes has opted for deferral under para 5.3(i) or (ii), the application for grant of Sales Tax Incentive for all the previous years shall be filed within six months from the date on which the option exercised by the unit is accepted by the Implementing Agency. The provisions of the 1970/1979 Procedure will apply *mutatis mutandis* to the sanction of Incentives by way of Deferral under this Para.

5.6. Sales Tax Incentive as an Interest free Unsecured loan in Certain Specified Circumstances.—In respect of New Eligible Unit under para 2.10, Pioneer Unit under para 3.1(i), (ii) and (iii), Expansion/Diversification covered under Para 2.5, undertaking manufacturing activities which are legally not considered 'manufacturing activities' under the Sales Tax Law, as for instance, dyeing/texturising/processing of yarn/basic products of iron and steel in different forms, etc., the sales tax incentive will be allowed as an interest free unsecured loan rating above equity repayable

after 12 years in six equal annual instalments in lieu of exemption/deferment. The quantum admissible in such cases will be subject to the ceilings specified in para 5.2. The incentive will be worked out on the basis of the amount of sales tax payable and paid on the purchases of raw materials and on sales of finished products of the unit. The eligible unit will prefer the claim with the respective Implementing Agency every year within six months from the date prescribed for filing of the returns for the last quarter/month of the accounting year followed by the unit.

The provisions of the 1979 Procedure will apply '*mutatis mutandis*' for grant of the above Incentive.

5.7. Sales Tax Incentive for the Extended period.—The Pioneer Unit eligible for sales tax incentive under Part-I of the Scheme with Gross Fixed Capital Investment exceeding Rs. 25 crores will be entitled to the sales tax incentive for an extended period of 13 years including the period of 9 years normally admissible to a Pioneer Unit, subject to fulfilment of the conditions mentioned below :—

(i) The Pioneer Unit should purchase its requirements of raw materials from the unit in areas covered under Group 'B', Group 'C' or Group 'D' to the extent of at least 25 per cent by value of its total requirements.

(ii) Out of the minimum purchases of 25 per cent referred to under sub-clause (i) above, at least one-third by value or 50 per cent of the total purchases by value from SSI Units in the country, whichever is less, shall be made from new small scale ancillaries to be established in areas covered under Group 'B', Group 'C' or Group 'D' with the active support of the Pioneer Unit.

5.8. The Pioneer Unit should fulfil the conditions relating to purchase referred to above at least to the extent of two-third thereof taking the arithmetic mean during the 9th year from the date of effect of Eligibility failing which the period of incentive will not be extended beyond the 9th year. The continuance of incentives from the 10th year and onwards will be based on the fulfilment of the conditions referred to under Para 5.7 atleast to the extent of two-third thereof during the immediate previous year so that the Pioneer Unit will be entitled to the extension each year from the 10th year and onwards only if the conditions are fulfilled during the immediate preceding year and not otherwise.

EXPLANATION

Government can, however, vary the conditions mentioned in Para 5.7 sub-clause(i) and (ii) prior to the grant of Final Eligibility Certificate to the Pioneer Unit.

5.9. Quantum of Sales Tax Incentive under the extended period.—The quantum of sales tax incentive admissible to the Pioneer Unit during the extended period will be determined in such a manner that at no point of time the amount of cumulative sales tax incentive worked out from the date of effect of eligibility exceeds 90 per cent of the cumulative Gross Fixed Capital Investment of the Pioneer Unit.

5.10. Provisions for Monitoring and Review of the fixed Capital Investment and Production activities of the Eligible Unit.—With a view to monitoring the production activities of and the establishment of Fixed Assets by the Eligible Unit in relation to the incentive available under the Scheme and ensuring that the two match one another during the period of eligibility, and also thereafter during the operative period of the Agreement entered into by the unit, the following procedure is laid down :—

(a) The Eligible Unit shall within one month from the date prescribed under the Sales Tax Law for filing the returns submit to the Implementing Agency certified true copies of returns (monthly/quarterly, as the case may be) submitted to the Sales Tax Department from time to time;

(b) The Eligible Unit shall also submit along with the above returns, a report on the working of the unit covering information/details regarding the production/sales, the additions for Fixed Capital Investment/disposal, if any, of Fixed Assets, changes in the constitution of the unit duly authenticated and signed by a responsible person on behalf of the unit.

(c) The Eligible Unit shall also submit to the Implementing Agency within a period of nine months from the close of every year, a certified copy of the Annual Statement of Accounts and Balance-sheet for the said year.

(d) The Implementing Agency shall be entitled to call for any information/details for shorter period or otherwise even prior to the close of the year and examine the position from time to time in order to ensure that the sales tax incentive drawn/availed of is well within the ceilings specified in Para 5.2 or as the case may be the ceilings provided for under the relevant Earlier Schemes.

The above provisions for Monitoring and Review will be applicable to—

(i) All Eligible Units under any of the Earlier Schemes now being covered under Para 5.3 for grant of sales tax incentive by way of deferral,

(ii) All Eligible Units under the 1983 Scheme.

(e) Failure on the part of the Eligible Unit to submit any of the above information/documents by the time indicated will tantamount to breach of the provisions of the Scheme entailing suitable action as provided under the Procedure including the action to cancel the Eligibility Certificate/Premature recall of incentives drawn/immediate repayment of the deferred tax.

(f) The provisions for Review/Monitoring shall be so administered by the Implementing Agencies that on the basis of the information/details furnished by the Eligible Unit from time to time and also such other information which may have come into their possession the Implementing Agencies shall ensure that as far as possible, the Eligible Unit on the one hand and the Sales Tax Department on the other are kept on proper and timely notice

regarding the continuance of the Eligibility Certificate during the tenure from point to point, broadly keeping in view the ceilings prescribed under the Para 5.2 in regard to the quantum of the Sales Tax Incentive admissible as also the 1970/1979 Procedure as may be applicable to the unit.

(g) The Implementing Agencies shall take prompt action to cancel the Eligibility Certificate on the Eligible Unit reaching the ceiling prescribed under Para 5.2 in the matter of drawal of the Sales Tax Incentive prior to the period of Eligibility or contravening any of the conditions thereunder.

The provisions of Monitoring and Review will also apply *mutatis mutandis* to all Eligible Units covered under Para 6 of the 1983 Scheme, including those under the relevant Earlier Schemes opting for deferral under Para 6.4(b) and (c).

6. Sales Tax Incentive under Part-II

6.1. *Eligibility.*—(A) An Existing Unit satisfying the conditions laid down under Para 6.1(B) setting up after April 1st 1983 a New Unit covered under Para 2.10/Pioneer Unit covered under Para 3.1(i), (ii) or (iii) or undertaking Expansion/Diversification covered under Para 2.5 in any of the areas in Group 'B', Group 'C' or Group 'D' may, in lieu of sales tax incentive under Part-I, opt for sales tax incentive under Part-II.

(B) The Existing Unit for claiming eligibility under Part-II should satisfy the following conditions :—

The Existing Unit has, for the three years immediately prior to the year in which the application for Eligibility Certificate is filed, paid in respect of the products in Maharashtra sales tax in excess of Rs. 15 lacs (if the existing unit is located in Group 'A' area) or Rs. 5 lacs (if the existing unit is located in Group 'B', Group 'C' or Group 'D' Areas).

The option to avail of the Incentive under Part-II in lieu of Part-I shall be exercised at the time of filing of application for Eligibility Certificate. The option once exercised, shall be final and binding on the unit and it shall not be allowed to switch over to Part-I for whatsoever reason.

6.2. The quantum of sales tax incentive admissible as is under :—

Area	Quantum	Ceilings Rs. in lacs
Group 'B'	25 per cent of Fixed Capital Investment of the Unit or 3 years' sales tax liability of the Existing Unit, whichever is less.	50
Group 'C'	30 per cent of Fixed Capital Investment of the Unit or 4 years' sales tax liability of the Existing Unit, whichever is less.	75
Group 'D'..	35 per cent of Fixed Capital Investment of the Unit or 5 years' sales tax liability of the Existing Unit, whichever is less.	100
Pioneer Unit	40 per cent of Fixed Capital Investment of the Unit or 6 years' sales tax liability of the Existing Unit, whichever is less.	150

Resource Based and Export Oriented Unit as per Group 'B' Area.

Note.—The term 'Fixed Capital Investment of the unit' appearing in the above Table will mean the Fixed Capital Investment of the New Unit/Pioneer Unit under Para 3.1(i) and (ii), Additional Fixed Capital Investment of the Expansion/Diversification as may be eligible under Para 2.5 or of Pioneer Unit under Para 3.1 (iii).

6.3. For the purpose of incentives the Existing Unit may choose any block of 3/4/5 or 6 consecutive years, as the case may be, from the years 1976-77 to 1986-87. The block so chosen shall not, however, include any year for which the Existing Unit has availed of sales tax incentive under Part-II of any of the Earlier Schemes. The sales tax liability shall not include the sales tax liability of any unit set up by the Existing Unit which has already availed of incentives under any of the Earlier Schemes.

6.4. The sales tax incentive under Part-II by way of deferral will be admissible to Eligible Units under the following categories :—

(a) Existing Unit which opts for sales tax incentive under Part-II of the 1983 Scheme;

(b) Eligible Existing Unit which has filed an application for grant of Eligibility Certificate under Part-II of the 1979 Scheme before March 31, 1983 and the same is pending with the Implementing Agency being governed by the provisions of the Government Resolution No. IDL-1082/(4096)-IND-8, dated the 31st March, 1983;

(c) Eligible Unit to whom an Eligibility Certificate—Provisional or Final—under Part-II of any of the Earlier Schemes is granted and the unit opts for deferral. In respect of the Eligible Unit covered under this clause, balance amount of sales tax loan covered under the said Eligibility Certificate after excluding the amount already availed of only will be covered for the purpose of deferral.

6.5. The Eligible Unit after the grant of Eligibility Certificate will be entitled to draw the benefit of deferral of sales tax liability either of the Existing Unit or the New Unit/Pioneer Unit/Eligible Expansion/Diversification as the case may be, set up by the Existing Unit after the same goes into production.

6.6. The benefit of deferral under Part-II will be admissible in the manner indicated below :—

(a) The quantum of sales tax incentive admissible under Part-II under any of the Earlier Schemes or under the 1983 Scheme will be determined by the Implementing Agency. In respect of the eligible Unit under any of the Earlier Schemes now opting for deferral, only the quantum actually admissible as worked out after taking into account the amount of Incentives already drawn will be considered for deferral.

(b) The Implementing Agency shall issue a VOUCHER certifying the actual amount of sales tax incentive admissible for deferral. The VOUCHER Certifying the sales tax incentive admissible issued by the Implementing Agency will form the basis for the Commissioner of Sales Tax or an Officer to whom necessary powers have been delegated under the Sales Tax Law, to permit the eligible unit to defer the sales tax/purchase tax payable as per the entitlements covered by the said voucher.

(c) The Implementing Agency shall furnish to the Commissioner of Sales Tax every month a statement of VOUCHERS issued covering the full details such as the voucher number, date, amount, name of the Eligible Unit in whose favour issued, Registration Certificate number, Eligibility Certificate number, etc.

(d) The Eligible Unit shall within one month from the date of filing of the return furnish to the Implementing Agency full details duly certified by Chartered Accountants indicating the quantum of sales tax/purchase tax as per the returns deferred from time to time till the total amount as per the VOUCHER certifying the sales tax incentive admissible stands deferred.

(e) The Commissioner of Sales Tax or the Officer to whom the necessary powers have been delegated shall also furnish to the concerned Implementing Agency the details covering the full particulars of the taxes deferred to the extent of the amount shown in the VOUCHER for the purpose of reconciliation.

FIXED CAPITAL INVESTMENT ON WHICH THE SALES TAX INCENTIVE UNDER PART-II AND SPECIAL CAPITAL INCENTIVE IS ADMISSIBLE

6.7. For the purpose of computation of sales tax incentive under Part-II as well as Special Capital Incentive, the Gross Fixed Capital Investment made within a period of three years from the date of completion of all the Effective Steps for setting up a Pioneer Unit will be considered admissible. In the case of a non Pioneer Unit, the Gross Fixed Capital Investment made within a period of two years from the date of completion of all the Effective Steps for setting up a New Unit or Expansion/Diversification (as may be eligible under the Scheme) will be considered admissible.

SPECIAL CAPITAL INCENTIVE

7.1. A New Unit set up after April 1, 1983, covered under Para 2.10 and Pioneer unit covered by Para 3.1 (i) and (ii) and which is eligible under Part-I as per Para 5 will be entitled to Special Capital Incentive at the rates indicated in the table given below :—

Eligible unit in Area	Quantum	Ceilings Rs. in lacs
<i>(For Medium and Large Scale Units)</i>		
Group 'B' and Resource Based Units ..	15 per cent of the Fixed Capital Investment ..	15.00
Group 'C' and 'D' ..	20 per cent of the Fixed Capital Investment ..	20.00
Pioneer Unit (Not being Resource based) ..	25 per cent of the Fixed Capital Investment ..	25.00
<i>(For SSI Units)</i>		
Group 'B' and Resource Based Units ..	20 per cent of the Fixed Capital Investment ..	7.50
Group 'C' and 'D' ..	25 per cent of the Fixed Capital Investment ..	7.50

Special Capital Incentive will not be admissible to :

(a) Pioneer Unit covered by Para 3.1 (iii)/Expansion and Diversification even though opting for Sales Tax Incentive under Part-I.

(b) Eligible Units opting for Sales Tax Incentive under Part-II.

7.2. The Special Capital Incentive will also be admissible to eligible units set up in the industrially backward districts in Maharashtra where the Central Subsidy Scheme is applicable. The quantum of Special Capital Incentive admissible in such cases will, however, be reduced by the amount of Central Subsidy that would be admissible for such units.

7.3. The Special Capital Incentive will be admissible as a grant. The eligible unit will be entitled to draw the incentive after completion of all the Effective Steps—both Initial and Final, and the same will be computed on the basis of Fixed Capital Investment actually made by the Eligible Unit.

8. Edible oil Industry not Eligible under the 1983 Scheme:

Following Industrial Units shall not be considered eligible for any incentives under the 1983 Scheme :—

- Delinting/decortication/processing of groundnuts/other oilseeds;
- Crushing of oilseeds and manufacture of edible oil;

(c) Refining of edible oil ;

(d) Hydrogenation of edible oil.

Should there be any doubt as to whether or not any particular oil industry claiming Eligibility as a non-Edible Oil Industry, the matter be referred to the Government for instructions.

9. Octroi Incentive :

9.1. Only New Unit/Pioneer Unit covered under Para 3.1(i) and (ii) eligible under Part-I or Part-II will be entitled to refund of octroi duty payable and paid to the local authority on import of all the items required by the unit. The same will be admissible in the form of a grant.

9.2. The incentive will be available for the period as indicated below :—

Area	For New Units eligible under Part-I	For New Units eligible under Part-II
Group 'B' and Resource Based units	3 years	During implementation of the project till commencement of commercial production.
Group 'C'	5 years	During implementation of the project till commencement of commercial production.
Group 'D'	7 years	During implementation of the project till commencement of commercial production.
Pioneer Units	9 years	During implementation of the project till commencement of commercial production.

Note.—The incentive will be admissible only after the Eligible Unit goes into commercial production.

9.3. No ceilings are prescribed for this incentive.

10. Other Incentives :

10.1. *Contribution towards the cost of Feasibility study.*—The Implementing Agency may give 75 per cent contribution towards the cost of preparation of a feasibility study either undertaken by the said Implementing Agency or done through an agency approved by it. If the project is implemented, the contribution shall be treated as an unsecured loan for a period of five years from the date of disbursement. The loan shall bear interest at such rate as may be prescribed by the Implementing Agency. If the project is not implemented within the prescribed time, the feasibility study shall become the Implementing Agency's property.

10.2. *Preferential treatment in Government/Government Undertaking/Statutory Bodies Purchase Programme.*—In order to give preferential treatment to the Eligible Units under the 1983 Scheme to whom necessary Eligibility Certificates have been issued by the Implementing Agencies, the State Government and the State Government Undertakings and Statutory Bodies as listed in Annexure-I of the Government Resolution, No. SPO-1077/130959/IND-6, dated the 9th August, 1977, shall purchase from such Eligible and quoting Units thirty three per cent of the indented quantity at the lowest acceptable price in the open competitive tenders.

The period for which this incentive will be available shall be as follows :—

Group 'B' Area and Resource Based	Group 'C' Area	Group 'D' Area	Pioneer Unit
3 Years	5 Years	7 Years	9 Years

from the date of commencement of commercial production.

11. Finance Department shall issue necessary consequential amendments to the Bombay Sales Tax Rules, 1959 and to the Central Sales Tax (Bombay) Rules, 1957 to implement the Scheme.

12. This Resolution issues with the concurrence of the Finance Department vide that Department Un-official reference No. CR-722/Exp-16, dated the 30th April 1983.

By order and in the name of the Governor of Maharashtra,

M. R. NATARAJAN,
Secretary to Government.

To

The Director General of Information and Public Relations, Bombay (with 5 copies) and with a request to issue a suitable press note and arrange for giving a wide publicity to the contents of this Resolution in all leading Newspapers including local and mofussil papers in Maharashtra.

Copy to :

The Industries Commissioner, Bombay (with 25 copies).
The Managing Director, State Industrial and Investment Corporation of Maharashtra Ltd., Bombay (with 50 copies).

The Managing Director, Western Maharashtra Development Corporation Limited, Pune (with 25 copies),
The Managing Director, Development Corporation of Konkan Ltd., Bombay (25 copies),
The Managing Director, Marathwada Development Corporation Ltd., Aurangabad (with 25 copies),
The Managing Director, Development Corporation of Vidarbha Ltd., Nagpur (with 25 copies),
The Managing Director, Maharashtra Small Scale Industrial Development Corporation, Bombay (10 copies),
The Managing Director, Maharashtra State Financial Corporation, Bombay (10 copies),
The Chief Executive Officer, Maharashtra Industrial Development Corporation, Bombay (10 copies),
All Divisional Commissioners,
All Collectors and Deputy Industries Commissioners,
All Managers, District Industries Centres,
All Joint Directors of Industries,
The Commissioner of Sales Tax, Bombay (with 25 copies),
All Chambers of Commerce/Trade/Industries,
The Finance Department (EXP-16)/Deputy Secretary (Shri Allaskar), Deputy Secretary (Shri Kumawat),
All other Departments of Mantralaya,
All Desk Officers in Industries, Energy and Labour Department,
The Industries, Energy and Labour Department (IND-8, Select file),
The Accountant General, Maharashtra-I, Bombay,
The Accountant General, Maharashtra-II, Nagpur
The Pay and Accounts Officer, Bombay
The Resident Audit Officer, Bombay
The Director General of Information and Public Relation, Bombay.

Copy for information to :—

Secretary to Chief Minister, Mantralaya, Bombay,
Secretary to Deputy Chief Minister, Mantralaya, Bombay,
Private Secretary to Minister of State for Industries, Bombay,
Personal Assistant to Chief Secretary,
Personal Assistant to Additional Chief Secretary,
Personal Assistant to Special Secretary, Finance Department,
Personal Assistant to Secretary, Planning Department.

ANNEXURE

Annexure to Government Resolution, Industries, Energy and Labour Department No. IDL 1082/(4077)/IND-8, dated 4th May 1983
Showing Classification of Talukas/Panchayat Samiti Areas.

District	Group 'A'	Group 'B'	Group 'C'	Group 'D'
1	2	3	4	5
I. BOMBAY DIVISION				
(1) Greater Bombay	.. Greater Bombay			
II. KONKAN DIVISION				
(2) Thane	.. Thane Bhiwandi Kalyan Ulhasnagar Vasai (Falling within B.M.R.)		Palghar Dahanu Wada Shahapur Murbad Vasai (Falling outside B.M.R.)	Talasari Jawahar Mokhada
(3) Raigad	.. Uran Panvel (Falling within B.M.R.) Alibag Do. Karjat Do. Khalapur Do. Pen Do.		Sudhagad Roha Alibag (Outside B.M.R.) Karjat Do. Khalapur Do. Pen Do. Panvel Do.	Mangaon Mahad Poladpur Mhasala Shrivardhan Murud
(4) Ratnagiri	Entire District
(5) Sindhudurg	Entire District
III. PUNE DIVISION				
(6) Pune	.. Pune City Haveli (Falling within P.M.R.) Khed Do. Mulshi Do. Mawal Do.		Haveli (Outside P.M.R.) Khed Do. Mulshi Do. Mawal Do. Dhond Baramatti Bhor	Ambegaon, Junnar Sirur Indapur, Purandar Velhe.
(7) Solapur	..		Solapur (North) Barshi Malshiras	Akkalkot Solapur (South) Mohol Mangalwedhe Pandharpur Sangola Karmala Madha
(8) Satara	..		Karad Phaltan	Entire District excluding Karad and Phaltan talukas.
(9) Sangli	..		Sangli Miraj	Entire District excluding Sangli and Miraj talukas.
(10) Kolhapur	..	Karveer	Shirol Hatkanangale	Entire District excluding Karveer, Shirol and Hatkanangale, Talukas.
IV. NASHIK DIVISION				
(11) Nashik	..	Nashik	Malegaon Niphad	Entire District excluding Nashik, Malegaon and Niphad Talukas.
(12) Ahmadnagar	..		Ahmadnagar Rahuri Newase Shevgaon Sangamner Shrirampur Kopergaon.	Pathardi Jamkhed Karjat Shrigonde Parner Akola
(13) Dhule	Entire District.
(14) Jalgaon	..		Jalgaon Bhusaval Chopda Bhadgaon Erandol	Yawal Raver Edlabad Jamner Pachora Chalisgaon Amalner Parola

1 2 3 4 5

V. AMRAVATI DIVISION

(15) Amravati ..	Amravati ..	Entire District excluding Amravati Panchayat Samiti Area.
(16) Akola ..	Akola ..	Entire District excluding Akola P.S.A.
(17) Buldhana ..		Entire District.
(18) Yavatmal ..		Entire District.

VI. NAGPUR DIVISION

(19) Nagpur ..	Nagpur (including MIDC Area Nagpur).	Kamptee. Hingana (outside MIDC Area, Nagpur). Katol. Narkhed. Saoner. Kalmeshwar. Mouda. Bhiwapur. Umter. Kuhi. Parsolvi. Ramtek.
(20) Bhandara ..		Entire District.
(21) Wardha ..		Entire District.
(22) Chandrapur ..	Chandrapur ..	Entire District excluding Chandrapur P.S.A.
(23) Gadchiroli ..		Entire District.

VII. AURANGABAD DIVISION

(24) Aurangabad ..	Aurangabad ..	Entire District excluding Aurangabad taluka.
(25) Jalna ..	Jalna ..	Entire District excluding Jalna taluka.
(26) Parbhani ..	Parbhani Basmatnagar Pathari	Jintur. Higoli. Kalamnuri. Gangakhed.
(27) Nanded ..	Nanded ..	Entire District excluding Nanded taluka.
(28) Usmanabad ..		Entire District.
(29) Latur ..		Entire District.
(30) Beed ..		Entire District.

N.B.—In the Amravati and Nagpur Divisions the places mentioned in columns 2, 3, 4 and 5 refer to Panchayat Samiti Areas. In the remaining Divisions, the places refer to talukas.