



**AATMANIRBHAR GUJARAT
SCHEME 2022
FOR LARGE INDUSTRIES AND
THRUST SECTOR**

Laddha Advisors Pvt. Ltd.

❑ Interest subsidy at **7%** Based on Category of Taluka and Sector as per below table. **(Benefit is linked to category of Taluka and Industry Sector).**

Taluka Category	General Sectors	Thrust Sectors
Category 1	Interest subsidy @ 7% on Term Loan for 10 years up to 1% of EFCI* p.a.	Interest subsidy @ 7% on Term Loan for 10 years up to 1.2% of EFCI* p.a.
Category 2	Interest subsidy @ 7% on Term Loan for 8 years up to 1% of EFCI* p.a.	Interest subsidy @ 7% on Term Loan for 10 years up to 1% of EFCI* p.a.
Category 3	Interest subsidy @ 7% on Term Loan for 6 years up to 1% of EFCI* p.a.	Interest subsidy @ 7% on Term Loan for 8 years up to 1% of EFCI* p.a.

***Eligible Fixed Capital Investment**

□ **Conditions for interest subsidy:-**

- Minimum 2% Interest to be bared by the Industrial Undertaking.
- New large industrial undertaking and expansion/diversification will be eligible.
- Interest Subsidy will be eligible on the amount of loan actually disbursed.
- The industrial undertaking may apply for claim of interest subsidy after obtaining the PEC or FEC, as the case may be.
- Interest subsidy will be eligible either from the date of first disbursement or from the date of commercial production. However, Interest subsidy will be disbursed only after the date of commencement of commercial production.
- Penal Interest or other charges will not be considered as interest.
- If the undertaking becomes defaulter in payment of installments and interest then it will not be eligible for interest subsidy for the default period.

❑ Scheme for Net SGST Reimbursement:-

Category of Taluka	General Sector	Thrust Sector
Category 1	100% of net SGST for 10 years Up to 7.5% of EFCI* p.a.	100% of net SGST for 10 years up to 8% of EFCI* p.a.
Category 2	90% of net SGST for 10 years Up to 6.5% of EFCI* p.a.	90% of net SGST for 10 years Up to 7% of EFCI* p.a.
Category 3	80% of net SGST for 10 years Up to 5% of EFCI* p.a.	80% of net SGST for 10 years Up to 5.5% of EFCI* p.a.

The period of 10 years shall be from the date of commencement of commercial production.

***Eligible Fixed Capital Investment.**

❑ Scheme for EPF Reimbursement:-

- @12% of Salary* (Basic + Dearness Allowance + Retaining allowance) with maximum **Rs. 1800 per month** for a period of **10 years** for appointment of new employees working in Gujarat who are not registered under PF before appointment.

❑ Electricity Duty Exemption:-

- Any **Manufacturing Unit** Can Apply.
- Benefit will be **exemption from payment** of Electricity Duty for a period of **5 years** from the date of production. (**Duty Levied by DGVCL is @15% of Billed amount in case of HT Connection and 10% in case of LT Connection**)
- To be eligible unit must make investment in **New P & M** and **New Building**. In Case of Investment in Used Assets, then it will be allowed only up to **10% of Cost of Plant and Machineries**.
- In case of expansion, the unit has to **increase** its investment by **50% of existing investment** in Plant and Machineries and has to install separate sub-meter at the location.
- The Application has to be made **within 90 days** of commencement of production. In case of delay in filing application, the benefit will be reduced for the delayed period.

❑ **Thrust Sector:** Following manufacturing sectors have been identified as Thrust Sectors:

Sector	Sub-sectors
Green Energy Ecosystem	<ul style="list-style-type: none"> • Green Hydrogen/Green Ammonia • Electrolyser • Renewable energy equipment • Battery Storage • Fuel Cells
Mobility	<ul style="list-style-type: none"> • Aviation related manufacturing • Electric Vehicles • Auto or Auto components. • Space related manufacturing
Capital Equipments	<ul style="list-style-type: none"> • Electrical machinery and/or equipment • Industrial machinery and/or equipment • Telecom related machinery and/or equipment
Metals & Minerals	<ul style="list-style-type: none"> • Metals • Mineral Processing • Ceramics

Textile & Apparel	<ul style="list-style-type: none">• Textile• Technical Textile• Apparel & Garments
Sustainability	<ul style="list-style-type: none">• Municipal solid/liquid waste recycling equipment manufacturing
Agro processing	<ul style="list-style-type: none">• Agro and food processing
Gems & Jewellery	<ul style="list-style-type: none">• Gems & Jewellery including Lab grown diamonds.
Healthcare	<ul style="list-style-type: none">• Pharmaceuticals and/or APIs (must have a captive effluent treatment plant or must have access to a CETP)• Medical devices

- **Expansion:** Expansion means where an existing industrial unit increases its investment in **gross fixed capital by at least 50%** of its existing project in the same premises, of which at least **60% of investment is made in plant and machinery**, and also increases its installed capacity by at least 50% of existing products for which expansion is carried out. Such expansion will be eligible only if the existing industrial unit has reached the utilisation of existing installed capacity at least to the extent of 75% in any one of the preceding three financial years.

- **Diversification:** Diversification means where an existing industrial unit **diversifies** its production line with an increased investment in gross fixed capital by **at least 50% of its existing project**, at the same premise, of which at least **60% of investment is made in plant and machinery**.

❑ **Gross Fixed Capital Investment (GFCI):**

- It means the investment made in land, building, plant and machinery, utilities, tools and equipment, and other assets required to manufacture the end product.
- Assets acquired and paid during permissible period of execution/completion of the project under this scheme shall be considered for determining the gross fixed capital investment.

❑ **Eligible Fixed Capital Investment:**

- Eligible Fixed Capital Investment means investment made **on or after 05.10.2022** and upto the date of completion of the investment period.

❑ **Plant and Machinery:**

- Plant and Machinery means new plant and machinery, imported second hand plant and machinery having usable life for at least further **10 years**.

❑ Investment period for consideration of eligible Fixed Capital Investment:

Gross capital Investment upto 1000 cr.	18 months from DCOP
Gross capital Investment above 1000 cr.	24 months from DCOP

The large industrial undertaking must have commenced commercial production during the operative period of the scheme. The consideration of investment period for EFCI will be, for the assets acquired and paid for from date of issue of GR and during the extended time period from the date of commencement of commercial production.

DOCP means Date of Commercial Production

❑ Application for Registration:

- An industrial undertaking eligible for incentive under this GR shall apply for registration, **within a period of one year** from the date of First disbursement of term loan or 1 year from the date of commercial production or 1 year from the date of issue of this GR, whichever is later to the Industries Commissioner in the prescribed format along with the required documents.
- Industrial Entrepreneur Memorandum.
- Land Documents with valid NA permission for industrial use & registered purchase/lease/rent deed. If the property is in GIDC estate, a copy of possession letter should be attached.

- GPCB (Consent to establish)
- Detailed project report
- Term loan sanction letter from financial institution
- **(After scrutiny and process, registration certificate will be issued.)**

❑ Application for Provisional/Final Eligibility Certificate:

- After commencement of commercial production, the Industrial Undertaking, having registration, shall submit an application for **provisional eligibility certificate within one year**, from the date of commercial production or within 1 year from the date of issue of this GR whichever is later.
- If project gets completed **within eligible investment period**, Industrial Undertaking may either apply for **provisional eligibility certificate** or **directly apply for final eligibility certificate within time limit as specified in above point** .

- If Project Is **Not Completed** Within **Eligible Investment Period**, Industrial Undertaking Will Have To Submit Application For Final Eligibility Certificate **Within One Year From The Last Date Of Investment Period.**
- The industrial undertaking submitting application for PEC or FEC after the time limit prescribed, shall be subject to deduction of delayed period beyond the eligible period.
- On receipt of application for PEC and scrutiny procedure, the PEC certificate will be issued based on **CE and CA Certificate.**
- On receipt of application for FEC, an **asset verification term** will verify the investment details. The final entitlement of assistance will be calculated based on asset verification report and FEC Certificate will be issued there after.



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