

अण्डमान तथा  
Andaman And



निकोबार राजपत्र  
Nicobar Gazette

असाधारण

EXTRAORDINARY

प्राधिकार से प्रकाशित

Published by Authority

सं. 87, पोर्ट ब्लेयर, गुरुवार, 18 जून, 2009

No. 87, Port Blair, Thursday, June 18, 2009

ANDAMAN AND NICOBAR ADMINISTRATION  
DIRECTORATE OF INDUSTRIES  
Port Blair

NOTIFICATION

Port Blair dated the 18<sup>th</sup> June, 2009

No. 81/2009/F. No. 2-93/PL/IND/2007-08. — The Andaman and Nicobar Administration has been pleased to announce a New Scheme / Programme, approved by the Ministry of Micro, Small & Medium Enterprises, Govt. of India, New Delhi, vide letter No. 17/(8)/2008-SSI(P-II) dated 13<sup>th</sup> February, 2009 for the Grant of Andaman & Nicobar Inter Island Transport Subsidy for Micro & Small Enterprises. Under the Scheme / Programme the freight charges incurred by any Micro & Small Enterprises shall be reimbursed as transport subsidy for transportation of raw material from any Inter Island Port/Jetty in the A & N Islands to the location of the unit in Andaman & Nicobar Islands and for transportation of finished goods from location of the unit to any Inter Island Port/Jetty in Andaman & Nicobar Islands .

1. **Name & Title of the Scheme :**

This programme may be called "Andaman and Nicobar Inter Island Transport Subsidy Programme for Micro & Small Enterprises ".

2. **Commencement & Duration :**

The Scheme / Programme will be implemented during Eleventh Five Year Plan period 2007-2012. The Scheme shall come in to effect from 1<sup>st</sup> April, 2007 and shall remain in operation upto 31<sup>st</sup> March, 2012.

3. **Definitions :**

i. "Andaman & Nicobar Inter Island Transport Subsidy" means the amount reimbursable against the freight charges incurred by any Micro & Small Enterprises for transportation of raw materials and finished goods by sea and road between the Inter Island Port to the location of the unit in Andaman & Nicobar Islands and vise-versa .

ii. "Freight Charges" means the expenditure incurred for transportation of raw materials/ finished goods by Ship and or any Transport vehicle plying on road and shall not include the wharfage charges, barge charges, handling charges and loading charges and or any other taxes & levies.

iii. "Enterprises " means an Industrial undertaking or business concerned or any other establishment by whatever name called engaged in manufacture or production of goods in any manner pertaining to industry specified in the first schedule to the Industries ( Department and Regulation ) Act 1951 ( 65 of 1951 ) or engaged in providing or rendering of any service or services.

iv. "Micro Enterprises " means an enterprise classified as such under sub clause (i) of clause of (a) or sub clause (i) of Clause (b) of subsection (i) of Section of MSMED Act 2006.

v. "Small Enterprises" means an enterprises classified as such under sub clause (ii) of clause (a) or sub clause (ii) of clause (b) of sub section (i) of section of MSMED Act 2006

vi. "Raw material" means raw materials actually required and used by an enterprise in accordance with approved manufacturing programme by the Govt. of India and/ or by the A & N Administration.

vii. "Finished goods" means the goods actually produced by an Enterprise in accordance with the manufacturing programme approved by Govt. of India and/ or A & N Administration. Bye-Products shall not be eligible for subsidy.

viii. "Pre-Registration" means the registration obtained by a Micro & Small Enterprise for availing subsidy under the programme.

ix. "Implementing Agency & Disbursing Agency" means General Manager, District Industries Center, Andaman & Nicobar Administration.

x. "Policy Formulating Agency" means Directorate of Industries.

4. **Applicability / Eligibility :**

All Micro & Small Enterprises both in public and private sector (barring plantation, refineries, and power generating units, wood based and sea shell based ) shall be eligible for subsidy under this Scheme / programme which fulfils any of the following criteria:-

- I. Should have filed a memorandum under the Micro, Small & Medium Enterprise Act 2006 with District Industries Centre , A & N Islands or
- II. Should have obtained Permanent Registration with either Directorate of Industries or District Industries Centre or
- III. Is holding license from Govt. of India, Ministry of Industry or
- IV. Is a holder of approved Industrial Entrepreneur memorandum issued by Govt. of India or
- V. Is a 100% Export Oriented Unit (EOU) approved by Govt. of India, Ministry of Industry.

5. **Terms & Conditions :**

- i. Freight charges for movement of finished goods/ raw materials by sea shall be determined on the basis of the "Freight rates" fixed by Indian Coastal Conference/ Directorate of Shipping Services from time to time or the actual freight paid, whichever is less. Similarly for movement of finished goods/ raw materials by road the rates fixed by a sub- committee consisting of Director of Transport, Executive Engineer (Work shop Division) APWD and Director of Industries from time to time or the actual cost paid, whichever is less shall be considered.
  - ii. The subsidy claim shall be restricted to the shortest route between any Inter Island Port and the location of the unit and vice- versa or the actual cost of transportation, which ever is less .
  - iii. Units employing their own mode of transport shall not be eligible for subsidy.
  - iv. If the raw material/ finished products are transported by road between the places connected by sea, for the purpose of transport subsidy, the freight charges shall be taken what the Enterprise would have incurred had it been transported the raw materials / finished products by sea on ICC tariff / freight rate fixed by DSS or the actual freight incurred, whichever is less.
  - v. Charges for movement of raw materials from the place of storage to the location of the unit and the charges for movement of finished products from the location of the unit to the places of storage with in the Island shall not be eligible.
  - vi. Transport Subsidy shall be considered either on weight or volume basis; whichever has been charged by the transporter.
  - vii. The transport subsidy claims may be preferred by a unit ordinarily once in a quarter. However, the scrutiny committee at its discretion may entertain more number of claims in a quarter from any unit, keeping in view the financial position of the unit.
  - viii. The unit shall inform regularly the movement of raw materials and finished goods to and from the unit and shall maintain necessary registers/ documents of production and utilization of raw material and keep them open for inspection by the General Manager, District Industries Centre, or any other Official authorized by them.
  - ix. No Claim, which is more than one year old from the date of incurring the transportation expenses, shall be eligible for reimbursement of transport subsidy and no claim for the period prior to commencement of programme shall be eligible.
  - x. The eligible units who have incurred expenditures on transportation of raw materials and finished goods on or after 1<sup>st</sup> April, 2007 shall submit the claims within 120 days from the date of this notification.
  - xi. The unit shall submit monthly /quarterly/ half yearly/ yearly progress report of production to the implementing agency on regular basis.
6. **i. The Inter Island Transport Subsidy will only be provided for the first five years from the date of commencement of commercial production**
- ii. The rate of subsidy shall be as under:-**

| SL. No. | YEAR   | PERCENTAGE OF SUBSIDY REIMBURSED |
|---------|--|----------------------------------|
| 1.      | 1 <sup>st</sup> Year from the date of commencement of production | 65% of freight charges eligible  |
| 2.      | 2 <sup>nd</sup> Year from the date of commencement of production | 50% of freight charges eligible  |
| 3.      | 3 <sup>rd</sup> Year from the date of commencement of production | 40% of freight charges eligible  |
| 4.      | 4 <sup>th</sup> Year from the date of commencement of production | 25% of freight charges eligible  |
| 5.      | 5 <sup>th</sup> Year from the date of commencement of production | 15% of freight charges eligible  |

7. Procedure for claiming Subsidy :

- i. Units intending to avail subsidy under this programme shall apply for pre-registration in prescribed form (*Annexure-I*).
- ii. After obtaining pre registration, the unit shall furnish its claim to the General Manager, District Industries Centre in the prescribed form (*Annexure-II & Annexure-III*) alongwith all supporting documents including:
  - ❖ Proof of raw material transported into and finished product transported out of the Island duly certified from a registered Chartered Accountant in (*Annexure-IV*) to the General Manager, District Industries Center.
  - ❖ In addition the General Manager, District Industries Center may call for any other documents for verification/ scrutiny to decide on the eligibility of the transport Subsidy claim.
  - ❖ In case of the Units with a Capital Investment of Rs.1.00 Lakh or less the requirement of production of the certificate from the Chartered Accountant is not necessary, provided such claims are properly verified and certified by the General Manager, District Industries Center before the subsidy is sanctioned/ disbursed by the A & N Administration.
  - ❖ Photocopies of the Bill of lading, bills, cash memos, money receipt, road transport bills, supporting money receipt, Port Management Board charges payment vouchers, sales bills, purchase bills etc.
- iii. No Claim, which is more than one year old from the date of incurring the transportation expenses and no claim for the period prior to commencement of programme shall be eligible for reimbursement of subsidy .
- iv. The eligible units who have incurred expenditure on transportation of raw materials and finished goods on or after 1<sup>st</sup> April, 2007 shall submit the claims within 120 days from the date of this notification.
- v. The transport Subsidy application so submitted shall be examined by District Industries Center, Andaman & Nicobar Administration and a duly authenticated verification report is to be prepared as per (*Annexure-V*).

8. Sub- Committee and Scrutiny Committee :

- i. The claim will be placed before the Sub- Committee comprising of
  - ❖ General Manager, DIC - as Chairman,
  - ❖ Sr. Accounts Officer(Fin), Finance Department, A&N Admn.- as Member
  - ❖ Representative of Director of Shipping Services, A&N Admn. -as Member
  - ❖ The Dealing Functional Manager, DIC -as Member Secretary.
- ii. The committee shall do the preliminary scrutiny of the claim.
- iii. There will be Scrutiny Committee for scrutiny of claims under transport subsidy. The committee comprises of :
  - ❖ Commissioner-Cum Secretary (Ind)- Chairman
  - ❖ Commissioner-cum-Secretary (Fin)- as Member
  - ❖ Representative from Ministry of MSME - as Member
  - ❖ Managing Director, ANIIDCO-Member
  - ❖ Director of Shipping Services - as Member
  - ❖ Director of Industries - as Member
  - ❖ General Manager (DIC)- as Member Secretary
- iv. The recommendation of the scrutiny committee alongwith detailed claim of the unit in the performa *Annexure VI* shall be prepared by the District Industries Centre.
- v. The District Industries Center, Andaman & Nicobar Administration shall process for obtaining Administrative Approval and Expenditure Sanction of competent authority and on obtaining approval prepare bills to be sent to PAO for drawl of funds. On receipt of funds/cheque, the same shall be disbursed after completion of all required formalities and documentation.

9. **Sanctioning Authority :**  
Hon'ble Lt. Governor, A & N Islands shall be the sanctioning authority.
10. **Documentation :**  
On receipt of the sanction from the sanctioning authority the implementing agency (District Industries Center, Andaman & Nicobar Administration ) shall issue sanction letter to the unit in prescribed form stating the amount sanctioned and the unit shall be required to furnish the following documents in order to avail the sanctioned subsidy:
  - a) An undertaking (*Annexure-VII*) stating that any reimbursement made by the disbursing agency if found inadmissible wholly, or in part, in due course, the amount found so inadmissible would be refunded with least possible delay. The undertaking shall be made in Rs.10/- non-judicial stamp paper.
  - b) Proper money receipt for the sanctioned subsidy amount.
11. **Disbursement of Subsidy :**  
The General Manager, District Industries Center , Andaman & Nicobar Administration shall be disbursing agency for the subsidy and will be responsible for maintaining all records of such disbursement.
12. **Miscellaneous :**  
The General Manager, District Industries Centre shall submit the monthly progress report both physical & financial to the Policy Formulating Agency (Directorate of Industries, A&N Administration).
13. **Recall of Subsidy :**  
The Lt. Governor, A&N Islands may recall the subsidy disbursed under the programme in respect of a unit under any of the following circumstances:
  - a. In case there is a breach of any condition of programme/agreement by the unit.
  - b. In case the unit has obtained the Transport Subsidy by mis-representation of facts or by furnishing false information.
  - c. In case the unit fails to furnish any information/ report as and when sought.
  - d. In case the unit is found ineligible.
  - e. In case, if the beneficiary is found ineligible due to reasons, whatsoever, the Lt. Governor, Andaman & Nicobar Islands shall have the liberty to recall of the subsidy in full or part thereof.
14. **Power of Interpretation :**  
Power of Interpretation of any clause under the programme shall lie with the A & N Administration.
15. **Arbitration :**  
In the event of any dispute or difference arising out of the programme or any of the claims therein, the same shall be referred to a sole Arbitrator appointed by Hon'ble Lt. Governor and the provision of Arbitration and Conciliation Act 1996 shall be applicable. The decision of the Arbitrator shall be final and binding on both the parties and the proceeding of the Arbitrator shall be held at Port Blair.

By order and in the Name of the Lieutenant Governor

Sd/-  
(M.N. Murali)  
Joint Secretary & Director of Industries

**Check List to be accompanied with the application form for claiming Andaman & Nicobar Inter Island Transport Subsidy programme for Micro & Small Enterprises.**

|    | REF. No.   | DATE       |
|----|--|------------|
| 1  | Name of the Enterprise   | :          |
| 2  | Address of the Enterprise  | :          |
| 3  | Address for correspondence   | :          |
| 4  | Constitution of the Enterprise   | :          |
| 5  | Name of the Proprietor/ Partner/ Director  | :          |
| 6  | Registration No. and date  | :          |
| 7  | Whether claim made for the first time  | : Yes / No |
| 8  | Pre- registration no. & date   | :          |
| 9  | Date of commencement of production   |            |
| 10 | Whether completed 5 years of commercial production   | : Yes / No |
| 11 | Name of finished product   |            |
| 12 | Name of raw material   |            |
| 13 | Period of subsidy last availed   |            |
| 14 | Period of subsidy claim now preferred  |            |
| 15 | Date of incurring expenditure on freight   |            |
| 16 | Whether submitted within one year from the date of incurring expenditure on freight                                      | Yes/No     |
| 17 | Enclosures :   |            |
|    | (i) Application for pre-registration (if claim made for the first time)  | Yes/No     |
|    | ii) Application in prescribed annexure I, II, III, IV  | Yes/No     |
|    | iii) Chartered Accountant Certificate in duplicate (in case investment within Rs. 1 Lakh, CA certification not required) | Yes/No     |
|    | iv) Port Management Board certificate  | Yes/No     |
|    | v) Statement of stock, receipts, production & consumption of raw material/ dispatched of finish goods                    | Yes/No     |
|    | vi) Copies of bill of lading/ bills/ money receipts  | Yes/No     |

Signature :

Name :

Designation :

Seal :

**FOR OFFICE USE ONLY**

Date & Time fixed for verification of documents : ON ..... AT .....  
Officer Designate (IFC)

**CUSTOMER COPY**

SIR / MADAM

The above referred claim is found to be complete/ incomplete in the following respect:-

- 1.
- 2.
- 3.

Yours claim is therefore accepted/ rejected

You are requested to attend to the above deficiency and resubmit the claim by <date>

You are requested to attend the office on <date> at <time>, alongwith the following original document for verification:-

1. Original Bill of lading and corresponding money receipt.
2. Original bills and vouchers in proof of procurement of raw materials.
3. Original Bills,/invoices in support of finished goods sold/ dispatched to mainland.
4. RT- 12 Statement, if available.
5. Stock registers of raw materials/ finished goods.

In case you do not appear with the above documents and no communication is received by the scheduled date, your claim will not be processed and returned to you in original.

No further communication will be made in this regard.

**Signature Officer Designate**

**Certificate of Declaration**

1. Certified that all particulars filled in are in accordance with the Transport Subsidy Programme for Micro & Small Enterprises.
2. Certified that, the claim made above does not contain any amount for internal movement and cost of loading/ unloading and handling as per the Transport Subsidy Programme for Micro & Small Enterprises.
3. Certified that subsidy claimed now, relates to period in respect of which subsidy has not been claimed and or reimbursed by A & N Administration/ Government of India in any manner.
4. Certified that, the subsidy claimed now is in no way related to any claim made to Government of India/ A & N Administration in any manner.
5. I/we further certify that, the quarterly returns in respect of consumption of raw materials and production of semi finished product have been submitted to the disbursing agency up to the date, if claim. We further undertake that similar quarterly statement for the coming 5 years will be submitted by us for records of the disbursing agency.
6. I/ we further certify that, the expenditure on which the subsidy claim has been made by me/ us under the above mentioned claim have actually been duly paid by me and no credit raised thereof against in my/our books.
7. I/we further certify that, the abovementioned claim cover only the freight of the industrial raw materials imported in to which are absolutely necessary for the production and the finished products exported out of the Enterprise for its marketing which do not include any normal import or export of the Enterprise.
8. I/we undertake to submit the disbursing agency the annual audited statement of accounts and balance sheet of my/our unit within 9 months from the close of the year for a period of 5 years from the year of disbursement is received by me/ us.
9. I/ we ..... undertake that if any reimbursement is made by the Government of India/ A & N Administration found to the inadmissible would be refunded with least possible delay.

Date :

Place:

**Signature of Applicant  
Name and Seal of the Enterprise**

Statement of documentary evidences in support of the subsidy claim made for the period. ....

| Sl. No. | Bill of lading No. and date | Money receipt No. and date | Freight paid as per B/L | Bill and money receipt for road freight | Road freight paid |
|---------|-----------------------------|----------------------------|-------------------------|---|-------------------|
| 1       | 2                           | 3                          | 4                       | 5                                       | 6                 |
| 1.      |                             |                            |                         |   |                   |

Summary :

Shipping freight : Rs. ....

Road Freight : Rs. ....

Total freight incurred : Rs. ....

Subsidy @ .....% : Rs. ....

Place :

Date:

Signature of Enterprise with Seal :



- j) The Enterprise holders have submitted the claims within a period of one year of incurring of the expenditure.
- k) No subsidy beyond the period of five years is being claimed by the Enterprise (s).
- l) I/we undertake that if any reimbursement made by the Government of India is inadmissible wholly or in part the amount found in admissible would be refunded back with least possible delay.

General Manger  
District Industries Center  
Member Secretary  
Sub-Committee

**\* Note- The format of claim of reimbursement of Andaman & Nicobar Inter Islands Transport Subsidy to Micro & Small Enterprise to be enclosed with Annexure is printed on next page.**

## Statement of Claim for Reimbursement of Andaman &amp; Nicobar Inter Island Transport Subsidy Programme for MSE

| Sl. No. | Name of the Enterprise & Capital Investment of the Enterprise | Complete address of the Enterprise |                 | Status of the Enterprise | Name of the proprietor/ partner/ Managing Director | No. & Memorandum issued under MSMED ACT, 2006 | Pre-registration No. date ( for the purpose of availing subsidy ) | Date of commencement of Production | Road transport Rate fixed by state Government |
|---------|---|------------------------------------|-----------------|--------------------------|--|---|---|------------------------------------|---|
|         |   | Office                             | Manufac- turing |                          |  |   |   |                                    |   |
| 1       | 2   | 3(a)                               | 3(b)            | 4                        | 5  | 6   | 7   | 8                                  | 9   |

## RAW MATERIALS

| Sl No. | Name of the Enterprise | Name of the Raw Materials | Unit of Qty. | Quantity | Period     |             | Distance from inter Island Port to nearest Port of the enterprise in the Island | Road movement if any from the nearest Port of the Enterprise (in KM) |
|--------|------------------------|---------------------------|--------------|----------|------------|-------------|---|--|
|        |                        |                           |              |          | From       | To          |   |  |
| 1      | 2                      | 10(A)                     | 10(B)        | 10©      | (10(D) (I) | 10 (D) (II) | 10 (E)  | 10(F)  |

## Finished Products

| Sl. No. | Name of the Enterprise | Name of the Finished Goods | Unit of Qty. | Quantity | Period     |             | Distance from Inter Island Port to nearest port in this Island | Road movement, if any, from the nearest Port to the Unit (in KM) or from the nearest port in the Island to the nearest Port in the island where the finished product is being supplied |
|---------|------------------------|----------------------------|--------------|----------|------------|-------------|--|--|
|         |                        |                            |              |          | From       | To          |  |  |
| 1       | 2                      | 11(A)                      | 11 (B)       | 11 (C)   | 11 (D) (i) | 11 (D) (ii) | 11 (E)   | 11 (F)   |

## 12. FREIGHT FOR RAW MATERIAL &amp; FINISHED GOODS

| Sl. No. | Name of Enterprise | Freight for raw material |                   |            | Freight for finished goods |                   |            | Total Freight Column 12© + 13 (c) | Amount of subsidy earlier paid to the Enterprise |
|---------|--------------------|--------------------------|-------------------|------------|----------------------------|-------------------|------------|-----------------------------------|--|
|         |                    | Ship freight (Rs)        | Road freight (Rs) | Total (Rs) | Ship freight               | Road freight (Rs) | Total (Rs) |                                   |  |
| 1       | 2                  | 12(a)                    | 12(b)             | 12©        | 13(a)                      | 13(b)             | 13©        | 14                                | 15   |

| Sl. No. | Name of Unit | Subsidy entitled .....% of Col...14 (Rs) | Whether the enterprise is a new enterprise or an existing unit under para 69 vii) & vii) of the Transport subsidy Scheme | Date of sub committee meeting |
|---------|--------------|--|--|-------------------------------|
| 1       | 2            | 16                                       | 17   | 18                            |