

अण्डमान तथा
Andaman And



निकोबार राजपत्र
Nicobar Gazette

असाधारण

EXTRAORDINARY

प्राधिकार से प्रकाशित

Published by Authority

सं. 88, पोर्ट ब्लेयर, गुरुवार, 18 जून, 2009

No. 88, Port Blair, Thursday, June 18, 2009

ANDAMAN AND NICOBAR ADMINISTRATION
DIRECTORATE OF INDUSTRIES
Port Blair

NOTIFICATION

Port Blair, dated the 18th June, 2009

No. 82/2009/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 13th February, 2009 for the Grant of Andaman & Nicobar Island Capital Investment Subsidy for Micro & Small Enterprises. Under the programme Andaman & Nicobar Island Capital Investment Subsidy for Micro & Small Enterprises on the fixed capital investment shall be granted to Micro & Small Enterprises @ 25% subsidy on the fixed capital investment for the Micro & Small Enterprise set up in South Andaman, Middle & North Andaman District subject to maximum of Rs. 50.00 lakhs and @ 50% subsidy on the fixed capital investment to the Micro & Small Enterprises set up at Nicobar District subject to maximum of Rs. 50.00 lakhs.

1. Name & Title of the Scheme :

This programme may be called "Andaman & Nicobar Island Capital Investment Subsidy Scheme for Micro & Small Enterprises".

2. Commencement & Duration :

The Scheme / Programme will be implemented during Eleventh Five Year Plan period 2007-2012. The Scheme / Programme shall come in to effect from 1st April, 2007 and shall remain in operation up to 31st March, 2012. The Scheme / Programme shall be available to all such Micro & Small Enterprises which have commenced their commercial production on or after 1st April, 2007 and or undergone substantial expansion on or after 1st April, 2007.

3. Definitions :

- i. "Andaman & Nicobar Island Capital Investment Subsidy" means the amount reimbursable to the Micro & Small Enterprises on its fixed capital investment but excluding land & building.
- ii. "Fixed Capital Investment" means investment made in plant & machinery and other productive assets but excluding Land & Building.
- iii. "Substantial Expansion" means additional investment in plant & machinery that have direct linkage with the process of production and with an enhancement of production above 25% from the production before expansion.
- iv. "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.
- v. "Micro Enterprises" means an enterprise classified as such under sub clause (i) of clause of (a) or sub clause (i) of clause (b) of sub-section (i) of Section of MSMED Act, 2006

- vi. "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
- vii. "Pre-Registration" means the registration obtained by an Industrial unit/Enterprise for availing subsidy under the programme.
- viii. "Implementing Agency & Disbursing Agency" means District Industries Center, Andaman & Nicobar Administration.
- ix. "Policy Formulating Agency" means Directorate of Industries, Andaman & Nicobar Administration.

4. **Eligibility:**

All Micro & Small Enterprises shall be eligible for subsidy under this programme which fulfils any of the following criteria:-

- i. Is a holder of Memorandum-II under the Micro & Small Enterprises Development Act, 2006 issued by District Industries Centre, A & N Islands or
- ii. Should have Permanent Registration either with 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 or
- v. Is a 100% Export Oriented Unit (EOU) approved by Govt. of India, Ministry of Industry

Note:- Any Micro & Small Enterprises that availed assistance under this programme " Andaman & Nicobar Island Capital Investment Subsidy Scheme / programme for Micro & Small Enterprises" shall not be eligible to avail assistance under similar programmes of Andaman & Nicobar Administration or Govt. of India.

5. **Applicability:**

Unless otherwise specified, all Micro & Small Enterprises will be eligible for Island Capital Investment Subsidy Scheme. The Scheme will also be applicable to the following service sector / manufacturing enterprises :-

I. BIOTECHNOLOGY INDUSTRY:

Equipment, accessories, spares essential for carrying out biotechnical process(s) at laboratory, pilot or commercial scale and the civil infrastructure necessary to adequately have the same shall collectively be defined as " Plant & Machinery" (except the cost of land & building). It, however, does not include the solvents, chemicals, reagents and other consumables and disposables, required for biotechnology process(s).

6. **Terms & Condition:**

- i. Unproductive assets, which do not have direct linkage with the process of production such as furniture, office equipment, vehicles, typewriter, jeeps, cars etc. shall not qualify for subsidy however in case hotels, the cost of furniture shall be eligible.
- ii. Units/ enterprises claiming subsidy under this programme must satisfy any one of the following conditions:
 - ❖ The unit shall be set up on its own land.
 - ❖ The unit shall be set up on the land leased to it for a minimum period of five years from the date of application for subsidy.
 - ❖ The unit shall be set up in a rented building, which is leased to it for a minimum period of five years from the date of application for subsidy.
- iii. The land in which the enterprise is set up shall be converted for commercial use and the unit should obtain No- Objection Certificate from the Municipality/ Gram Panchayat/ District Administration as the case may be, for site development. The construction work shall be carried out as per LR & LR, Panchayat Regulations / Municipal Regulation and CRZ norms etc.
- iv. No Claim of subsidy more than one year old from the date of commencement of commercial production shall be entertained and no claim of substantial expansion carried out prior to the date 1st April, 2007 shall be entertained.
- v. The units come into production on or after 01/04/2007 up to the date of notification shall submit the claim within 120 days from the date of this notification.
- vi. The electrical installations claimed under the programme shall be energy efficient.

- vii. The unit should employ 50% of its Managerial and supervisory staff from the Islanders.
 - viii. The unit should employ 50% of its skilled workers from the Islanders.
 - ix. The unit should employ 100% of its unskilled workers from the Islanders.
 - x. Any unit availing assistance under this programme should be operational for minimum 05 years from the date of disbursement of subsidy, except on account of any natural calamity or other unforeseen circumstances.
7. **Procedure for Claiming Subsidy:**
- i. Units intending to avail subsidy under this programme shall apply for pre-registration, the unit shall furnish its claim to the General Manager, District Industries Center, Andaman & Nicobar Administration in the prescribed form (Annexure-I).
 - ii. After obtaining pre-registration, the unit shall furnish its claim to the General Manager, District Industries Center, Andaman & Nicobar Administration in the prescribed form (Annexure-II) alongwith all supporting documents bills/ vouchers alongwith supporting money receipt and
 - ❖ Certificate from registered Chartered Accountant regarding capital expenditure incurred on the project (Annexure-III).
 - ❖ A certificate in prescribed proforma (Annexure-IV) from the financial institution certifying the amount of loan sanctioned and disbursed, if any.
 - ❖ Land conversion certificate.
 - ❖ Approval of building plan by concerned authority.
 - ❖ No Objection certificate from Pollution Control Board, A&N Islands.
 - ❖ CRZ clearance certificate.
 - ❖ In case of the Enterprises 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 General Manager, District Industries Centre before the subsidy is sanctioned/ disbursed by the A & N Administration.
 - iii. The Capital Investment Subsidy application so submitted shall be examined by General Manager, 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, District Industries Center- as Chairman
 - ❖ Executive Engineer, PBNB, APWD - as Member
 - ❖ Executive Engineer (HQ), Electricity Department - as Member
 - ❖ Deputy Director (Tourism), Deptt. of Tourism, A&N Admn. - as Member
 - ❖ Sr. Accounts Officer (Fin.), A&N Admn. -as Member
 - ❖ Assistant Director (Fisheries), Deptt. of Fisheries, A&N Admn. - as Member
 - ❖ The Dealing Functional Manager, DIC -as Member Secretary
- The committee shall do the preliminary scrutiny before placing the claim to the "Scrutiny Committee", if necessary conduct physical verification.
- ii. The recommendation of the sub-committee alongwith detailed claim of the Enterprises will be submitted to the Scrutiny Committee comprising of:-
 - ❖ Commissioner-cum-Secretary (Ind)- Chairman
 - ❖ Representative from Ministry of MSME -as Member
 - ❖ Commissioner-cum-Secretary (Fin.)-as Member
 - ❖ Commissioner-cum-Secretary (Tourism)- as Member
 - ❖ Director of Industries- as Member
 - ❖ General Manager, DIC -Member Secretary.
 - iii. After recommendation of the Scrutiny Committee, the District Industries Center shall process for obtaining Administrative approval, expenditure sanction, prepare bills to be sent to PAO for drawal of funds for disbursement 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 General Manager, District Industries Center, Andaman & Nicobar Administration shall issue sanction letter to the unit in prescribed form (Annexure -VI) stating the amount sanctioned and the unit shall be required to furnish the following documents in order to avail the sanctioned subsidy:

- a) An agreement executed with the Govt. in the prescribed form (Annexure- VII) appended to this programme.
 - b) Proper money receipt for the sanctioned subsidy amount.
 - c) A certified copy of the Board's resolution accepting the Capital Investment Subsidy in case the unit is set up by a Co-operative Society or a limited company.
 - d) An undertaking from the unit to the effect that the subsidy shall be adjusted towards the loan account in case the unit has availed financial assistance from the Govt./ Financial Institutions/Bank/Corporation for creating fixed assets in (Annexure- VIII).
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 may recall the subsidy disbursed under the programme in respect of a enterprises under any of the following circumstances:
- i. In case there is a breach of any condition of programme/agreement by the enterprises.
 - ii. In case the enterprises has obtained the Island Capital Investment Subsidy by misrepresentation of facts or by furnishing false information.
 - iii. In case the enterprises goes out of production within five years from the date of commencement of production, except in cases where the unit remains out of production for a short period extending not more than six months, due to reasons beyond its control.
 - iv. In case the enterprises fails to furnish any information/ report as and when sought.
 - v. In case the enterprises, without taking prior approval of General Manager, District Industries Center, Andaman & Nicobar Administration shifts the location of the unit or a part of it or disposes a substantial part or whole part of its fixed capital investment within a period of five years after the receipt of Subsidy.
 - vi. In case the enterprises is found ineligible for any reason.
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

3. Employment Generated :

- a) Managerial :
- b) Supervisory :
- c) Skilled Workers:
- d) Unskilled Workers:

4. Date of commencement of commercial production/ commercial activity.

5. The following certificates have been appended:

- a) Certificate from Chartered Accountant certifying the extent of share capital subscribed and paid value of fixed assets, if any acquired and paid for as stated above.
- b) Details of the Plant & Machinery as per project report acquired duly certified by the management in the programme.

6. I/We hereby agree that I/We shall forthwith repay the amount disbursed to me/us under this programme, if the amount of Rs. (Rupees.....) towards% investment subsidy is found to have been disbursed in excess of the amount actually admissible for what so ever the reason. Further we shall also be liable to pay interest at such rate as prescribed by the Government from time to time on such amount as such other charges/ expenses which may be payable by us.

7. It is hereby further certified that I have neither to apply nor have received any amount by way of% grant of subsidy in respect of this unit from Government/ Financial Institution.

8. A copy of latest audited accounts of the unit is also enclosed herewith.

Yours faithfully

Signature of the Applicant

Name of the Authorized Signatory
For & behalf of

Source of Finance

Sl. No.	Name of the Enterprise	The Bank/Financial Institution from where the loan has been taken	Total Loan availed		Own contribution	Other Miscellaneous	Total(15+16+17+18)	Total Loan actually utilized for the purpose of activity
			Term Loan	Working capital				
1	2	16	17(a)	17(b)	18	19	20	21

EMPLOYMENT GENERATION

Sl. No.	Name of the Enterprise	Employment Generation				
		Skilled	Unskilled	Supervisory	Watch & Ward	Local Non local
1	2	22(a)	22(b)	22(c)	22(d)	22(e) 22(f)

13. DETAILS OF THE CLAIM

S.No	Name of the Enterprise	Particulars of Machinery	Date of Purchase	From Whom Purchases	Details of Supporting Document		Money Receipt		Amount Claimed	Amount Disallowed	Amount Eligible
					Bill No.	Date	No.	Date			
1	2	23	24	25	26 (a)	26 (b)	26 (a)	26 (b)	27	28	29

EMPLOYMENT GENERATION

Sl. No.	Name of the Enterprise	Subsidy entitled 25% or 50% of Col. 29 (Rs.)	Date of committee meeting
1	2	30	31

RECEIPT

Received with thanks from General Manager, District Industries Centre , Andaman
and Nicobar Administration a sum of Rs.....
(Rupees.....only) by Cheque
No.....dated..... on account of Andaman & Nicobar Island
Capital Investment Subsidy Programme as per the terms and conditions laid down in the
agreement executed by us.

Place:

Dated:

PROPRIETOR

7. After considering the above application and the further representation made by the 'Second Party' from time to time the total fixed capital investment to be made for the purpose of the said expended portion of the unit/new unit at is estimated to the tune of Rs.....(Rupees..... only). Accordingly the maximum amount 25%/ 50 % admissible comes to Rs.....(Rupees..... only)
8. Relying on the said application and subsequent representation made by the 'Second Party', the 'First Party', has sanctioned the Capital Subsidy of Rs. (Rupees only) and the General Manager, District Industries Center , Andaman & Nicobar Administration has agreed to pay the same on behalf of the 'First Party' to the Second Party' on his/her/their executing the necessary documents, as hereinafter appearing and creating the fixed assets to the tune of Rs..... (Rupees only).

NOW THIS INDENTURE WITNESSE AND it is hereby agreed by and between the parties here to as under:

In consideration of the 'First Party' agreeing to give the 'Second Party' under the said programme, in such installments as the Administration in its sole discretion think fit, an aggregate amount of Rs.....(Rupees.....only) as and by way of the subsidy on the 'Second Party' creating the fixed assets of Rs.....(Rupees.....only) for the purpose of the said unit as the 'Second Party' (s) do and each both hereby cotenants with the Govt. as under:-

9. The General Manager, District Industries Center , Andaman & Nicobar Administration will be entitled in his sole discretion make disbursement of the subsidy of any part thereof either in one or more installments to the 'Second Party' on its complying with the terms and conditions of the subsidy and of this Agreement.
10. In the event of the General Manager, District Industries Center , Andaman & Nicobar Administration, ultimately deciding for any reason whatsoever, that, the 'Second Party' is/are entitled to a lesser amount, the excess amount of the Island Capital Investment Subsidy shall be repaid by the 'Second Party' to the 'First Party' or to the General Manager as the authorized Agent of the 'First Party' or to the Director of Industries as the authorized Agent of the 'First Party' together with interest accrued thereon at the rate of 12½%(Twelve and a half percent) per annum or such other higher rate as the 'First Party' or the General Manager may decide from time to time from the date of payment of the said sum of Rs.....(Rupees.....only) or any part thereof paid under this Agreement till the repayment.
11. The 'Second Party' shall not without taking prior approval of the General Manager, District Industries Center, Andaman & Nicobar Administration, change the location of the whole or any part of Industrial Unit or effect any substantial change in the said project.
12. The 'Second Party' shall promptly furnish to the General Manager, District Industries Center , Andaman & Nicobar Administration /'First Party', certified copies of its Audited Balance Sheet and profit & loss account within a period of six months from and by such dates as may be prescribed by the Administration from time to time.
13. The said sum of Rs..... (Rupees.....only) or such part thereof as may have been till then paid by the 'First Party' to the 'Second Party' shall become forthwith repayable by the 'Second Party' to the 'First Party' in each and every of the following events, namely:
 - a. If the 'Second Party' fail to go into production within a reasonable time, or;
 - b. If the 'Second Party' go out of production within five years from the date of commencement of production, or;

- c. If the 'Second Party' change the location of the whole or any part of the industrial unit or effect any substantial part of the total fixed capital investment within a period of five years going into production, or;
 - d. If any information furnished by the 'Second Party' in his/her/their application for the subsidy or otherwise howsoever particularly regarding the location, capital investment and production capacity of the said unit prior to sanctioning of the said sum of Rs.....(Rupees.....only) as the subsidy is found to be incorrect or false, or;
 - e. If a distress or execution shall be levied upon any property of the 'Second Party' or any part of the said factory or Receiver thereof be appointed, or;
 - f. If the 'Second Party' commits breach of anyone of the covenants or provisions, or terms and conditions herein contained and on his/her/their part to be observed and performed, or;
 - g. If the 'Second Party' close the said factory for a period exceeding six months at a time for reasons, other than the labour trouble, want of electric power or raw materials, shall cause to discontinue the business for any reason whatsoever, or;
 - h. If the 'Second Party' or any of his/her/their partner file a petition for being adjudicated insolvent or are adjudicated insolvent, or;
 - i. If any petition for winding up the 'Second Party's company is presented to any court or the company of the 'Second Party' passes any resolution for being wound up, or;
 - j. If the 'Second Party' fail or neglect to forthwith execute such further documents as may be required by the 'First Party' or to duly comply with any directions given to it by the 'First Party' or the General Manager. In each one of the aforesaid contingencies the 'Second Party' agree to repay the whole amount mentioned above with interest there on at the rate of 12½ % (Twelve and a half percent) per annum or such other higher rates as the 'First Party' or the General Manager may decide from time to time from the date of disbursement for the subsidy till the repayment.
14. The 'Second Party' shall permit any person or persons authorized by the 'First Party' in that behalf at any time and from time to time during the usual time of the business to inspect and examine any part of the said enterprises and shall render to him/them such assistance as may be required for the purpose aforesaid. The 'Second Party' shall furnish to the 'First Party' or to such person or persons as aforesaid. The 'Second Party' shall furnish to the 'First Party' or to such person or persons as aforesaid all such information relating to the said factory as may be required by such person or persons.
15. The 'Second Party' shall observe and perform, all instructions and directions that may be issued from time to time by the 'First Party' or the Director of Industries in relation to utilization of the said sum of Rs..... (Rupees only) and shall for five years hereinafter submit to the 'First Party' yearly/ periodical progress report to the General Manager on the working of the said unit at the time in the form prescribed by 'First Party' or the General Manager.
16. The 'Second Party' shall:
- a. Furnish information asked for by the Government of India or by the 'First Party', or by the Member Secretary, Scrutiny Committee from time to time, and;
 - b. Furnish to the General Manager, District Industries Center, Andaman & Nicobar Administration, Port Blair certified copies of the Statement of Accounts including the Balance Sheet as also periodical statements in such form and by such dates as may be prescribed by the 'First Party' or the General Manager from time to time, and;
 - c. Furnish true copies of the documents as may be required by the 'First Party' or the General Manager time to time.

17. In the event of any dispute or differences arising between the 'First Party' & 'Second Party' hereto in respect of or in relation to this Agreement or any provision herein contained either during the subsistence of this Agreement, the same shall be referred to the Sole Arbitrator appointed by the Lt. Governor of Andaman & Nicobar Administration. The provisions of Arbitration & Conciliation Act, 1996 shall be applicable in this regard. The decision of the Sole Arbitrator shall be final and binding on the parties. The proceeding of Arbitration shall be held at Port Blair.
18. In the event of any action arising under any of the clauses herein above, the 'Second Party', the Legal charges and such other costs as the General Manager may be required to incur in connection with the action contained above of the 'Second Party'.
19. The 'Second Party' hereby agreeing to bear and pay all the costs/charges and the expensed incidental to the preparation and the execution of this Agreement.
20. The 'Second Party' hereby agrees to authorize the General Manager, District Industries Center, Andaman & Nicobar Administration to pay directly to the Financial Institution/Bank out of subsidy amount sanctioned by the 'First Party', for such amount.

Due to be paid to the Financial Institution /Bank, towards loan alongwith interest, granted by the Financial Institution/ Bank for creation of fixed assets, for which the said subsidy is sanctioned.

IN WITNESS WHEREOF the 'First Party' and the 'Second Party' have affixed their common seal to this writing the day and year first herein above written.

THE COMMON SEAL OF

Is here up to affixed pursuant to the resolution of the Board of Directors of the Company passed on the day in the presence of who has/have put his/her/their signature IN TOKEN OF HIS PRESENCE in the presence of

Or

IN THE WITNESS WHEREOF the 'First Party' and the 'Second Party' have put their (respective) hands hereto the day and year herein above written.

SIGNED AND DELIVERED

With name

In the presence of

1.

2.