

## Fiscal Incentives

### **Fiscal Incentives to new Industrial Units and to existing units on their substantial expansion:**

- I. New industrial units and existing industrial units on their units on their substantial expansion as defined, set up in Growth Centre, Industrial Infrastructure Development centre (IIDCs), Industrial Estates, Export Processing Zones, Theme Parks (Food Processing Parks, Software Technology Parks, etc.)
  - a. 100% outright excise duty exemption for a period of 10 years from the date of commencement of commercial production.
  - b. 100% income tax exemption for initial period of five years and thereafter 30% for companies and 25% for other than companies for a further period of five years for the entire states of Uttarakhand and Himachal Pradesh from the date of commencement of commercial production.
- II. All New industries in the notified location would be eligible for capital investment subsidy @ 15% of their investment in plant & machinery, subject to a ceiling of Rs.30 Lakhs. The existing units will also be entitled to this subsidy on their substantial expansion, as defined.
- III. Thrust Sector Industries as mentioned in Annexure-II are entitled to similar concessions as mentioned in Para 3(I) & (II) above in the entire state of Uttarakhand and Himachal Pradesh without any area restrictions.

### **Development of Industrial Infrastructure:**

- i. The funding pattern under the Growth Centre Scheme currently envisaging a Central assistance of Rs. 10 crores per centre is raised to Rs. 15 crore per centre
- ii. The financing pattern of Integrated Infrastructure Development Centre(IIDC) between Government of India and SIDBI will change from 2:3 to 4:1, and the GOI funds would be in the nature of a grant, so as to provide the required infrastructural support.

### **Other Incentives:**

- i. **Deen dayal Hathkargha Protsahan Yojana and other incentives of Ministry of Textiles:** The funding pattern between Government of India and both the States would be changed from 50:50 to 90:10 under this Scheme. Ministry of Textiles would extend its package of incentives, as notified for North-Eastern States, to the states of Uttarakhand and Himachal Pradesh also.
- ii. **Ministry of Food Processing Industries** would include Uttarakhand in difficult areas category. The state of Himachal Pradesh is already included in the difficult areas category.
- iii. **Pradhan Mantri Rozgar Yojana (PMRY) :** Ministry of Agro & Rural Industries would provide for states of Himachal Pradesh and Uttarakhand relaxation under PMRY with respect to Age (i.e. 18-40 years from 18-35 years) and Subsidy ( @ 15% of the project cost subject to a ceiling of Rs.15,000/- per entrepreneur).