

# MSME POLICY 2015

## Categorization of industries for the purpose of quantifying incentives

CATEGORY	INCLUDED REGION
Category A	Whole Districts of Pithoragrah, Uttarkashi, Chamoli, Champawat, Rudraprayag and Bageshwar
Category B	Whole District of Almora  All hilly development blocks of District Pauri Garhwal, Tehri Garhwal (Excluding regions under category B+)  All hilly development blocks of District Nainital and Dehradun (Excluding regions under category B+)
Category B+	Kotdwar, Sigaddi and adjoining plain regions of Dugadda development block of district Pauri Garhwal  Dhalwala, Muni Ki Reti, Tapovan and adjoining plain regions of Fakot development block of District Tehri Garhwal  Kotabagh development block of District Nainital  Plain regions of Kalsi development block of District Dehradun
Category C	Regions located above 650 mtrs from sea level in Raipur, Sahaspur, Vikasnagar and Doiwala development blocks of District Dehradun  Ramnagar and Haldwani development blocks of District Nainital
Category D	Whole Districts of Haridwar and Udham Singh Nagar  Remaining area of District Dehradun and Nainital (which are not included in category 'B', 'B+' and 'C')

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## Interest Subsidy

**Category A:**  
10% (Max INR 8 lakhs)  
**Category B, B+:**  
8% (Max INR 6 lakhs)  
**Category C:**  
6% (Max INR 4 lakhs)  
**Category D:**  
5% (Max INR 3 lakhs)

\*Per year/unit  
(on term loan only)

## Capital Subsidy

**Category A:**  
40% (Max INR 40 lakhs)  
**Category B, B+:**  
35% (Max INR 35 lakhs)  
**Category C:**  
30% (Max INR 30 lakhs)  
**Category D:**  
15% (Max INR 15 lakhs)

## Transport Subsidy

% of Annual Turnover (Per year/ unit) or Inbound/ Outbound Logistics Cost whichever is less  
**Category A:** 7%  
**Category B:** 5%  
**Category B+:** 5% (Max INR 5 lakhs)

or actual transportation cost, whichever less\*

\*Capital Subsidy will be applicable on the fixed investment in factory building, plant & machinery

\*Only manufacturing units are eligible to avail Transport Subsidy

\*Tourism project/units located in municipal areas of category C & D will not be eligible for Interest & Capital subsidies

## Stamp Duty

**Category A, B, B+, C:** 100%  
**Category D:** 50%

## SGST Concession\*

**Category A:**  
100% for the first 5 yrs  
**Category B, B+:**  
100% for the first 5 yrs

## Power Bill Rebate\*

**Category A:**  
Sanctioned Load upto 100 KVA:  
100% for 5 yrs If Load>100 KVA:  
60%  
**Category B, B+:** Sanctioned Load upto 100 KVA: 100% for 5 yrs  
If Load>100 KVA: 50%

\*The SGST after adjustment of ITC on sale of finished product (B2C) will be reimbursed from the date of commencement of production of the unit for 5 years

\*Only manufacturing units are eligible to avail SGST & Power Bill Reimbursement

\*Power bill reimbursement is not applicable to activities in the negative list

\*Tourism project/units located in municipal areas of category C & D will not be eligible for incentive

## Internet Charges

50% Reimbursement on internet usage charges for all categories

\*Applicable for IT & ITeS projects/ units only

## Mandi Charges

**Category A, B:**  
100% exemption on Mandi charges

## Excise Duty

**Category A, B:**  
Upto 75% reimbursement on State Excise Duty, Additional Excise Duty, Bottling fees and other charges as under State Excise Policy

\*only for Manufacturing Units

Reimbursement of cost incurred for carrying out standardization and quality certification of products by accredited institutions at national and international level by means of ISO, ISI marking, registration of copyright, trade marking etc. - 75% (maximum Rs. 1lac)

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## Highlights

**Policy Validity Period** is effective from 31<sup>st</sup> January 2015 and will remain in-force up to 31<sup>st</sup> March 2023

**Tourism Sector** has been accorded Industry Status

**SGST** after adjustment of ITC on sale of finished product (B2C) will be reimbursed

Under IT & ITeS sector, **Software Development** units are also covered

Under Energy sector, units involved in **Energy Production using Non Traditional ways** are also covered

**Service & Manufacturing Sector** industries in **Category C & D** districts are also eligible for incentives

*Commencement of commercial production before 31<sup>st</sup> March 2023 – incentive eligibility up to 31<sup>st</sup> March 2025\**

*Commencement of production after 31<sup>st</sup> March 2020 – incentive eligibility will be for 5 years only\**

## Special Incentive Scheme for Women Entrepreneurs



### Capital Subsidy

Capital investment subsidy of 25% up to a maximum of INR 25 lakhs

### Interest Subsidy

Interest subsidy of 6% on bank term loan taken by the entrepreneurs up to a maximum of INR 5 lakhs per year per unit

*Applicable across the state for both Manufacturing and Services sector*

