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GOVERNMENT OF ARUNACHAL PRADESH
DEPARTMENT OF INDUSTRIES
ITANAGAR

NOTIFICATION

The 11th February, 2020

No. SIND-220/2019-20.— In exercise of the powers conferred under Clause (3) of the Article 246, entry No. 24 in Seventh Schedule List - II, state List of the Constitution of India, the Governor of Arunachal Pradesh is pleased to notify the **“Arunachal Pradesh State Industrial and Investment Policy, 2020”** in the state as follows :

PRELIMINARY

1. This shall come into force from 1st April, 2020.
2. The Arunachal Pradesh State Industrial and Investment Policy, 2020 shall supersede all other Industrial Policy published by the State Government in the past.

ARUNACHAL PRADESH STATE INDUSTRIAL AND INVESTMENT POLICY, 2020

CHAPTER-1

INTRODUCTION

1 (1). NATIONAL CONTEXT :

Arunachal Pradesh, the largest Northeastern State of India, is endowed with plenty of natural resources, which need to be harnessed for the development of the State. At present, the industrial growth in the State is at a nascent stage despite enormous potential for industrial growth. Recently the Union Government has given decisive push to manufacturing through a series of policy initiatives such as **Make in India, Digital India, Stand-up India, Start-up India and Skill India**. The underlying thought of these initiatives is to simplify the business environment, thereby paving way for attracting greater private investment flows from both domestic and foreign investors to make India a leading manufacturing hub. In this context various State Governments have spelt out their respective industrial / manufacturing/ investment policies in recent times to give a boost to investment flow across their States. Accordingly, after due deliberations and taking into consideration all issues relating to investments, enterprise development and industrial growth in the State, the Arunachal Pradesh State Industrial and Investment Policy, 2020 has been formulated.

1 (2). OVERVIEW :

Arunachal Pradesh - the "Land of the dawn-lit mountains", has a population of 13.84 lakh as per 2011 Census spread over an area of 83,743 sq. km., with a very low population density of 17 per sq km, much lower than national average of 382 per sq km. Bordered by Bhutan to the West, Assam in the South, China to the North and North-East and Myanmar to the East, the State is one of the most splendid and variegated tribal areas of the country. The total length of international border is about 1628 km. It has inter-State borders with Nagaland in East and South-East and Assam in the South. Literacy rate in Arunachal Pradesh has seen an upward trend and is 65.38 percent as per 2011 population census. As vibrant is the land, so are the people living in it. Arunachal population speaks above 50 dialects in total owing to the cultural diversity, yet the official language is English. Hindi is a common binding force for the people of the state. The State capital is Itanagar. Numerous tribes reside in the State, each following their own cultures and traditions. Owing to difference in topographic and altitudinal aspect, the climatic conditions are different for different regions. Three major climatic zones is recognized on the basis of broad generalization, viz., the hot and humid sub-tropical area of foot-hills, the cooler and micro-thermal region of lesser Himalayas and the cold climate in the upper region of the State.

1(3). EXISTING INDUSTRIAL ESTATES/GROWTH CENTRES /AREAS :

The details of existing industrial infrastructure in the state are shown below:-

Sl. No.	Name of District /DIC	Name of Available Industrial Infrastructure	Total Area of Industrial Estate (in acre)	No. of sheds	No. of Vacant sheds available	Vacant open space
1	2	3	4	5	6	7
1.	Tawang	Tawang Industrial Estate	7.08	3	0	0
2.	West Kameng	(Tippi/ Bhalukpong) Industrial Estate	26.00	0	0	10
		Dirang Industrial Area	7	0	6.5	1
		Wanghoo Industrial Area	15	3	15	Nil
3.	East Siang	Pasighat Industrial Estate	19.78	0	6.55	7
		Industrial Growth Centre, Niglok Ngorlung	582	6	0	100
4.	Lower Subansiri	Monipoliyang Industrial East	3.00	3	2.82	2
5	Papum Pare	Chandranagar Industrial Estate	4.00	11	0	Nil
		Naharlagun Industrial Estate	8.00	21	0	Nil
6	Changlang	Changlang Industrial Estate	2.81	4	0	2.47
		(Khachang (Miao) Industria Estate	5.00	2	0	4.96
		Balinong Industrial Estate	79.5	0	0	79.50
7	Namsai	Namsai Industrial Estate	1.59	2	0	1.51
8	Lower Dibang Valley	Roing Industrial Estate	10.0	3	1	03
9	Lohit	Tezu Industrial Estate	3.5	0	0	1.29
10	Tirap	Deomali Industrial Estate	6.14	6	1	4.76
		Charju Industrial Estate	1.12	2	2	1.03
11	West Siang	IIDC, Bame, West Siang	50.00	4	4	20

1(4). INDUSTRIES AT A GLANCE :

Sl. No.	Type of Industries	Nos. (Registered)
1.	Large Scale industries	04
2.	Medium Scale Industries (Manufacturing Enterprise)	02
3.	Medium Scale Industries (Service Enterprise)	07
4.	Micro & Small Enterprise	367

1(5). INDUSTRIAL PROFILE (PRESENT) :

1.	Weaving, Knitting & Tailoring	14.	Coke manufacturing
2.	Handicraft items including Carpet making, Wood carving, Cane & Bamboo Furniture	15.	Motor garage
		16.	Tourism Industry
3.	Wooden furniture	17.	IT enables services
4.	Bakery items	18.	Cyber cafe
5.	Rice milling	19.	Saw mill/ Saw-cum Veneer Mills
6.	Wheat grinding	20.	Plywood
7.	Fruit processing	21.	Wineries
8.	Food processing/Pickle making etc	22.	Steel Rolling Mill
9.	Steel furniture	23.	Ferro Silicon
10.	Steel Fabrication	24.	Dehydration ginger/cardamom
11.	Mineral water	25.	Printing Press
12.	Brick kiln	26.	Textile Industries
13.	Citronella Oil Distillation	27.	Agro/Horti & allied Industries

1 (6). The status of online filling of **Udyog Aadhaar Memorandum (UAM)** in respect of Arunachal Pradesh as on 31st May 2019 is shown below.

Sl. No.	Udyog Aadhaar Regd.	Micro	Small	Medium
01	1074	615	431	28

CHAPTER-2

VISION, OBJECTIVE AND STRATEGY OF THE POLICY

2(1) Vision and Objective of the Policy :

The State Government of Arunachal Pradesh has accorded top priority to industrial growth as a means to mitigate poverty and unemployment. Arunachal Pradesh Industrial and Investment Policy aims to establish state-of-the-art infrastructure, promote manufacturing and service sector, enhance inclusivity, foster innovation and create employment opportunities across sectors. The state intends to be the most preferred destination for investors by providing favourable business climate, excellent infrastructure, good law and order and peaceful industrial relations. The new industrial and investment policy focuses on creating a conducive eco-system and paving way for sustainable industrial development.

The objectives of the Arunachal Pradesh State Industrial and Investment Policy, 2019 are as:-

- (i) To work out new parameters especially for the development of MSME sector in the state based on available local resources for the benefit of local rural youth.
- (ii) To increase Gross State Domestic Product by way of facilitating growth of various economic activities including Manufacturing and Service sectors.
- (iii) To create income & employment especially in the rural areas.
- (iv) To encourage sustainable investment environment in the MSME sector in the State.
- (v) To establish Arunachal Pradesh as a competitive investment destination, leveraging the potential of the vast available area, picturesque & exotic locations and abundance of natural resources in the state.
- (vi) To increase the standard of living and prosperity among the people of Arunachal Pradesh by giving them the opportunity for skilled and unskilled employment and to give special thrust on economic activities based on local resources with an objective to create market for the local farmers.
- (vii) To provide quality infrastructure for environmentally friendly industries. Create an integrated eco system which nurtures skill development, entrepreneurship and private investment flows for job creation.
- (viii) To harness those sectors of economy where the state has a comparative advantage.
- (ix) To create institutional mechanisms which are conducive for 'Ease of Doing Business' to create business friendly environment.
- (x) To create employment opportunities for both skilled and unskilled workforce.
- (xi) To promote the spirit of innovation and incentivize entrepreneurship among youth by providing specific sector skills and needed capital.

2 (2) Strategy to achieve the vision and objective :

The State Government will follow the following roadmap in achieving the mission :-

- Create robust infrastructure- Upgrading the existing infrastructure, identifying infrastructural gaps and developing new infrastructure.
- Focus on key sectors: Identify the key sectors/thrust area where Arunachal Pradesh has relative strengths/advantages over others and build upon them.
- Ease of doing business: Bring reform measures and changes in laws/rules, single point clearance system for industries.
- Skilled manpower: Impart requisite skills to local youths and entrepreneurs and link them with the industrial units.
- Promote Micro, Small and Medium Enterprises.
- Marketing 'Brand Arunachal Pradesh' as a preferred investment destination.

2(3) Thrust Areas :

Arunachal Pradesh has natural advantage in some sectors like Tourism, Hydro Power, Agriculture-Horticulture Processing Sector, Textiles and Handicrafts, etc. It is true that the natural advantage being possessed by the State has not been fully exploited for employment generation and improving the living standard of the people. The following areas have been identified as key thrust areas which have huge potential for growth in the state:-

- Food processing and Agro based industries
- Bio-Technology sector
- Agriculture-Horticulture Processing Sector
- Industries based on non-timber forest produce e.g. bamboo, cane, medicinal plants / herbs, aromatic grass, tea, coffee, etc.
- Textiles (handlooms and power looms), Handicrafts and Sericulture.
- Tourism (tourism infrastructure including resorts, hotels, restaurants, etc.).
- Adventure tourism infrastructure.
- Forest based tourism ventures.
- Creative and Entertainment Industry.

(The thrust areas mentioned above will be reviewed periodically to include other sectors of industrial activities from time to time)

CHAPTER-3**DEVELOPING ENABLING INFRASTRUCTURE AND CREATING CONDUCIVE BUSINESS ENVIRONMENT**

Infrastructure facilities are absolutely essential for industrial development of the State. As a result of availability of quality infrastructure, industries get established with less capital investment and can function without impediments. These infrastructure facilities assist in growth of business and industry along with promoting fair competition. In addition to social development and generation of new employment opportunities, it helps in attracting investment. Development of Industrial infrastructure has been identified as one of the strategies to attract industries and investments in the State.

3(1). Enabling infrastructure: Upgrading the existing infrastructure, identifying infrastructural gaps and developing new infrastructure :

One of the most important factors for industrial growth is robust enabling infrastructure. Without robust infrastructure in the State, industries will find it difficult to operate. The focus of the Government will be to create enabling infrastructure so that investors find it suitable to invest in the state. The following are the key areas where the Government of Arunachal Pradesh will focus upon:-

3(1)(a) Land :

Availability of land is primary requisite for sustainable industrial development. Arunachal Pradesh has a vast area of 83,743 square kilometers which is highest in the North-East India. The following interventions are proposed (envisaged) in the policy:

- **Lease of Land:** Private Individuals/Joint Ventures/Companies (investors from outside the state) shall be allowed to enter into agreement with private owners/community owners for leasing of land for a period of 99 (ninety nine) years to be renewed in every 33 years for commercial purposes.
- **Ownership Rights :** The Land Settlement and Records Act, 2002 of Arunachal Pradesh will be followed to pave way for ownership rights to legal occupants of land.
- **Identification of Land Banks in foothills :** A Committee under each Deputy Commissioner of the district will be formed to:-
- Identify and acquire the vacant infrastructure (both of private individual or State Government) in the district which will be made available to all potential investors by leasing out for 99 years renewable every 33 years.
- Identification of suitable land in foothill areas (private individual/ government owned) having good road connectivity, water supply, electricity supply which will be acquired by the State Government as per rates notified by the Land Management Department of the State Government.
- Deputy Commissioners will be empowered to convert up to 5 hectares of land into industrial area in their respective districts.
- State Government will provide security to the industrial estates from its own cost.

3(1)(b). Creation/Establishment of Industrial Estates in foothill areas :

Industrial Estates provide integrated facilities to the industries viz. power, water, sewerage, security, etc. Suitable land for the establishment of Industrial Estates in foothill areas will be identified. Land will be acquired by the Deputy Commissioner either through Land Acquisition process as per Jhum Land Regulation 1947/ Land Acquisition and Rehabilitation and Resettlement Act, 2013. Due care will be taken to identify the patch of land which has approach road, proximity to water supply source and electricity for development.

3(1)(c). Connectivity :

To ensure access to markets and resources, there is a need of having good connectivity in the State. There is a need to prioritize on important zones which have the potential to become industrial estates. Priority will be accorded to the foothill districts of the state.

3(1)(d). Roadways :

Further with the development of road along Dibrugarh-Pasighat-Roing-Lohit-Namsai-Tezu under Trans -Arunachal Highway, the entire foothill area will serve as a major hub for promoting industrial activities. The entire stretch will be re-designated as Trans Arunachal Industrial Corridor and focus will be on development of Mega Industrial Zones alongside the corridor.

3(1)(e). Railways :

Indian Railways is planning to heavily invest in Arunachal Pradesh covering the hilly areas with the mainstream. Dedicated Industrial Corridor will be established alongside the Railway corridors for leveraging the potential of rail connectivity as well as to increase industrial activities.

3(1)(f). Inland Waterway :

Inland Water Authority of India is doing a survey to identify the suitable routes on Dibang river, Siang river and Subansiri river for starting Inland Waterways in the State. This will provide a cheap way of transportation of goods from the State to outside.

3(1)(g). Power :

One of the most important factor for growth of Industries is the availability of quality uninterrupted power supply. Separate feeders and lines will be provided to the Industrial Estates by the State Government. Priority will be given in installing feeders for Industrial Estates.

3(1)(h). Water :

Water will be made available to the industrial areas on priority basis. Further, Industrial estates will be allowed to use ground water subject to the rules prescribed. Rainwater harvesting will be promoted by the State Government.

3(1)(i). Lease Rent & Leasing Period :

The following lease rentals shall henceforth be applicable for Industrial Sheds and open space within Industrial Estate/ IGC/IIDC:-

Sl. No.	Particulars	Rent
1.	Industrial shed	₹ 3.00/sq. feet per month. The maintenance of the shed will be borne by the entrepreneur himself at their own cost/esources.
2.	Industrial Plots (Open Space)	₹ 1.00/sq. meter per month.
3.	Leasing Period	Entrepreneurs/Investors shall be allowed esources. to hold the land on lease for a period of 50 years renewable every 10 years.
4.	Leasing from private landowners	Private Land owners, with valid owner-ship documents shall be free to enter into long term lease agreements duly registered with the Deputy Commissioner for industrial application. Such lease shall be in the name of a duly registered company and holding valid GST registration documents. The land owner in such cases can secure a Trade license on the basis of such a lease agreement, clearly stipulating the nature of industrial activity proposed.

3(2). Creating Conducive Business Environment :

Government of Arunachal Pradesh has accorded highest priority for improving business eco-system in the state, it is imperative to create an environment which is conducive for entrepreneurship development. Industry consultation, timely clearances, responsive administration and transparent government have been identified as the cornerstone for improving business environment and boosting investor's confidence. The following steps have been/shall be taken by the Government of Arunachal Pradesh.

3(2)(a) Ease of Doing Business (EoDB)- Single Window System :

The need to launch an industrial policy has been necessitated to overcome the hurdles being faced by the industries at present and to supplement and augment the existing growth pattern through sustainable policy measures.

In this backdrop, a single window system for clearances / approval / license / permission / industrial services will be set up in the Department of Industries. The following will be the features of Single Window Clearance Station / Cell:

- The investor shall be facilitated to file all applications related to project at one point.
- A Single Window Clearance Portal will be created which will act as an interface between industries and all the departments.
- Details of procedures and formats for various approvals will be placed on the portal for easy reference of investor. Single Desk Portal to help industries to obtain as many regulatory clearances required to set-up and operate business in the State.
- The cell will also become a repository of information regarding the State infrastructure, information about investment application processes and issues being raised across the industry.
- Additionally, this cell will also feed into a platform for information dissemination and will provide additional information related to orders, rules & regulations.
- Coordination with the relevant departments and required updates will be provided to the investors through this System.
- A District Level Committee will be constituted under the Chairmanship of Deputy Commissioner which will periodically review the status of pending applications with single window system with the concerned departments.

3(2)(b) Investment Advisory Council :

The Government of Arunachal Pradesh will constitute an Investment Advisory Council by engaging professionals from across the country to advise the Government in leveraging investment in the State. The Investment Advisory Council will serve as an Advisory Body of the Government of Arunachal Pradesh for identifying private investment in sectors of strategic growth and preparing a framework for consultation in relation to skill development, infrastructure development and entrepreneurship development in the State. It will advise the Government of Arunachal Pradesh on issues of the industrial development policy, regulatory issues and help to develop a strategy for attracting investment including national and international road shows. The Composition of the Investment Advisory Council will be as follows:-

Sl. No.	Particulars	Designation
1	Hon'ble Chief Minister of Arunachal Pradesh	Chairman
2	Hon'ble Minister of Industries	Vice-Chairman
3	Chief Secretary	Member
4	Commissioner/Secretary (Finance)	Member
5	Principle Secretary (Environment and Forests)	Member
6	Commissioner/Secretary (Power)	Member
7	Commissioner/Secretary (Textile and Handicraft)	Member
8	Commissioner/Secretary (Skill Development)	Member
9	Commissioner/Secretary (Tourism)	Member
10	Commissioner/Secretary (Agriculture & Horticulture)	Member
11	Commissioner/Secretary (Tax & Excise)	Member
12	Commissioner/Secretary (Labour and Employment)	Member
13	Commissioner/Secretary (Planning and Investment)	Member
14	Member Secretary (Pollution Control Board)	Member
15	Commissioner/Secretary (Industries)	Member Secretary
16	Director of Industries	Member
17	Expert / Eminent persons to be engaged by the Government of Arunachal Pradesh	Member

3(2)(c) Investment Facilitation Committee :

The State Government shall constitute an Investment Facilitation Committee under the Chairmanship of Chief Secretary for taking concrete measures for creating conducive environment for investment in the State which would help in enhancing **Ease of Doing Business (EoDB)**. The mandate and terms of reference of this Committee will be to act as a single window clearance mechanism for all regulatory approvals including labour, pollution, forest, power, land, etc. All investment proposals above ₹ 5 (five) Crore capital investment will be brought before this committee for clearance within 30 (thirty) days.

Sl. No.	Particulars	Designation
1	Chief Secretary	Chairman
2	Development Commissioner (FP&I)	Vice-Chairman
3	Principle Secretary (Forest and Environment)	Member
4	Commissioner/Secretary (Power)	Member
5	Commissioner/Secretary (Home)	Member
6	Commissioner/Secretary (Land Record & Management)	Member
7	Commissioner/Secretary (Health)	Member
8	Commissioner/Secretary (Tourism)	Member
9	Commissioner/Secretary (Geology and Mining)	Member
10	Commissioner/Secretary (Agriculture & Horticulture)	Member
11	Commissioner/Secretary (Tax & Excise)	Member
12	Member Secretary (Pollution Control Board)	Member
13	Commissioner/Secretary (Tax & Excise)	Member
14	Commissioner/Secretary (Industries)	Member-Secretary
15	Director of Industries	Member
16	Expert / Eminent persons to be engaged by the Government of Arunachal Pradesh	Member

3(3) Approval from Pollution Control Board :

The Annexure at II, III, IV and V provide the list of various industries categorized as White, Green, Orange and Red (Re-categorization of industries based on their pollution load by the GOI). The prospective investors in the category of White and Green category need not go through the process of obtaining NOC from the Pollution Control Board before the industry is set up however they shall notify of their activity to the Pollution Control Board before setting up the industry.

The Orange category of industries specified in Annexure-IV will be granted consent for a period of 10 (ten) years.

In case of industries covered by the Environment Impact Authority Notification dated 14th September 2006, the time limit and other conditions specified therein will be followed.

The validity of the consent orders as long as there is no change in the process and addition/deletion of machinery will be as follows :-

- (a) White Category Industries : 15 years (Annexure-II)
- (b) Green Category of Industries : 15 years (Annexure-III)
- (c) Orange Category of Industries : 10 years (Annexure-IV)
- (d) Red Category of Industries : 5 years (Annexure-V)
- (e) Management of Hazardous waste : 5 years

CHAPTER-4

INCENTIVES

Under this policy the State Government of Arunachal Pradesh will provide following incentives/subsidies in addition to incentives provided by Government of India:

4(1) State Capital Investment Subsidy :

All eligible new industrial units in the manufacturing and service sector located anywhere in Arunachal Pradesh will be provided State Capital Investment Subsidy @ 30% on the cost of the investment in plant and machinery with an upper limit of ₹ 50 Lakhs. The incentive/subsidy shall be claimed within 5 years from the date of commercial production.

4 (1.a) Special Provision to Promote Women Entrepreneurship :

In order to encourage women entrepreneurs in the State, State Capital Investment Subsidy @ 50% on the cost of the investment in plant and machinery with an upper limit of ₹ 75 Lakhs will be provided. The incentive/subsidy shall be claimed within 5 (five) years from the date of commercial production/operation.

4(2) State Interest Subsidy :

All eligible new industrial units located anywhere in Arunachal Pradesh shall be given an interest subsidy on term loan taken from the bank for plants and machinery. The incentive/subsidy shall be given to an eligible enterprise for 5 (five) years from the date of commercial production, provided term loan is repaid as per terms and conditions of taking such financial assistance from the banks:

Unit	Interest subsidy
Micro Enterprises	reimbursement of interest of up to 80 % of annual interest on the loan taken, subject to a maximum ceiling of ₹ 5 lakhs per annum.
Small enterprises	reimbursement of interest of up to 50% of annual interest on the loan taken, subject to a maximum ceiling of ₹ 15 lakhs per annum.
Medium enterprises	reimbursement of interest of up to 50% of annual interest on the loan taken, subject to a maximum ceiling of ₹ 20 lakhs per annum.
Non MSME sector unit	reimbursement of interest of up to 50% of annual interest on the loan taken, subject to a maximum ceiling of ₹ 25 lakhs per annum.

4(2.a) Interest Subsidy on Working Capital Loan :

All eligible new industrial units located anywhere in Arunachal Pradesh shall be given an interest subsidy @ three percent (3%) on the outstanding working capital loan for five years subject to a ceiling of ₹1 Crore and not exceeding 100% of investment in plant and machinery. Interest subsidy shall be available only on outstanding working capital loan availed from Bank/Financial Institution.

4(3) Power subsidy :

State Government will arrange power supply to all Industries, Industrial Parks, etc adequately as per their requirement and assured quality power to the industries. State Government will also encourage investment in generation of power in both conventional and non-conventional and provide all necessary assistance to the investors in power sector.

- (i) Manufacturing Units (Small, Medium Enterprises) will be eligible for Power Subsidy @ ₹ 2.00 per unit consumed from the date of Commercial Production subject to a maximum of ₹ 75 lakhs Per Annum for a period of five years and not exceeding 100% of total investment made in Plant & Machinery, whichever is less. This shall be available only to the Units having electricity connections from 11 kV/ 33 kV transmission lines with the Department of Power, Government of Arunachal Pradesh only.
- (ii) Manufacturing Units/ Industries (Large Scale Factories/ Bulk Electricity Consumers) will be eligible for Power Subsidy @1.00 per unit consumed from the date of Commercial Production subject to a maximum of ₹ 2 Crore Per Annum for a period of five years and not exceeding 100% of total investment in Plant & Machinery, whichever is less. This shall be available only to the Units having electricity connections from 132 kV or above transmission lines with the Department of Power, Government of Arunachal Pradesh only.
- (iii) The Power subsidy will be in the form of remission/ front ended thereby meaning that the Power bills raised against the Unit/ Industry will be generated after deducting the Power Subsidy per unit. The record of annual subsidy given against each Unit/ Industry shall be kept by the Power Department and will be shared with the Department of Industries, Government of Arunachal Pradesh and reconcile quarterly.
- (iv) Power subsidy shall be calculated on total unit consumed during the period at applicable rate per unit and will be exclusive of all other charges, viz. Load security, interest, taxes, etc.
- (v) Regular and timely payment to Department of Power, Arunachal Pradesh is a pre-requisite for availing the subsidy under this policy.

4(4) Stamp duty and Registration fee :

All eligible new industrial units shall be reimbursed or exempted from payment of Stamp Duty up to 50% of the subject to a monetary ceiling of ₹ 25 lakh. The Stamp Duty reimbursement or exemption shall not be available for agricultural land. It shall be available only for such parcel of land which is exclusively used for setting up of manufacturing facilities. In case of units run by women entrepreneur, 100 % exemption for payment of stamp duty will be provided.

4(5) Quality Certification subsidy :

The fee payable for obtaining BIS/ISO/FSSAI/AGMARK/HALLMARK/SILK MARK/ZED Certification etc. by eligible unit, will be provided subsidy up to the extent of 100% subject to a ceiling of ₹ 20 lakhs per unit.

4(6) SGST exemption :

The eligible units will be exempted 100% SGST for a period of 15 (fifteen) years from the date of commencement of commercial production. Reimbursement of 100% SGST as per the following scale will be given:

Category	Limit of Tax Reimbursement
Micro Enterprises	15 (fifteen) years subject to maximum of 250% of Fixed Capital Investment.
Small Enterprises	15 (fifteen) years subject to maximum of 200% of Fixed Capital Investment.
Medium and Large Enterprises	15 (fifteen) years subject to maximum of 180% of Fixed Capital Investment.

The benefit of tax reimbursement under the policy shall be subject to the condition that the unit after having availed of the benefit shall continue its production or operation at least for the next five years not below 70% of the average production for the preceding five years. In case the unit violates this condition, it shall be liable to make, the full amount of tax availed of by it during the period of eligibility, as if no tax reimbursement was ever available to it:

Provided that the provision of this clause shall not come into play if the loss in production is explained to the satisfaction of the authority concerned as being due to the reasons beyond the control of the unit:

Provided, further that a unit shall not be called upon to pay any sum under this clause without having been given reasonable opportunity of being heard.

4(7) Public Procurement/Purchase Preferences :

In order to promote 'Make in Arunachal', the State Government and other State controlled Bodies and Organizations will give preference to the registered Units/ Enterprises of the State while purchasing the manufactured products.

4(8) Strengthening of District Industries Centres (DICs) :

The State Government will strengthen and modernize the DICs. The DIC will be armed with Udyog Sahayak Cell to guide the entrepreneurs and helping them in selection of product, preparation of project report and obtaining credit for the project. A data bank covering all aspects of information sought by investors will also be maintained in DICs.

CHAPTER-5

DEFINITIONS

5(1) Scheme title :

The scheme may be called "Arunachal Pradesh State Industrial and Investment Policy, 2020".

5(2) Coverage :

The scheme will cover State of Arunachal Pradesh.

5(3) Commencement and duration :

The policy/scheme will come into effect from the 01/04/2020 and shall remain in force up to 31/03/2025 or till such time as the Government may deem fit and proper. The State Government reserves the right to make any amendments to the Scheme. All eligible new units which commence commercial production within the period of validity will be eligible for the incentives from the date of commencement of commercial production for the period applicable for each incentive.

5(4) Definitions :

- (i) **New unit/New Industrial Unit** means any industrial undertaking or eligible service sector unit, other than that run departmentally by Government, which is a registered business enterprise under Goods & Services Tax, which has commenced commercial production/operation in the State of Arunachal Pradesh during the validity period of Arunachal Pradesh Industrial & Investment Policy, 2020.
- (ii) **Micro, Small and Medium units** mean investment in Plant and Machinery upto ₹ 25 lakhs, above ₹ 25 lakhs below ₹ 5 crores & above ₹ 5 crores and below ₹10 crores respectively.
- (iii) **Large unit** means investment in plant and machinery above ₹ 10 crores.
- (iv) **Local tribal** means local populace recognized by the Government of Arunachal Pradesh.
- (v) **Women Entrepreneur / Women run enterprises** means units where major shareholder is a woman (more than 50% of the share of the company/firm/LLP).
- (vi) **Manufacturing Activity** means "an activity which brings about a change in non-living physical object or article or thing (i) resulting in transformation of the object or article or thing into a new and distinct object or article or thing having a different name, character and use; or (ii) bringing into existence of a new and distinct object, article or thing with a different chemical composition or integral structure".
- (vii) **Eligible Service Sector Unit** is an enterprise in the services sector that requires significant capital expenditure and has significant employment generation potential.
- (viii) **Physical Working Capital** is defined to include all physical inventories owned, held or controlled by the factory as on the closing day of the accounting year such as the materials, fuels & lubricants, stores etc., that enter into products manufactured by the factory itself or supplied by the factory to other for processing. Physical working capital also includes the stock of materials, fuels & stores etc., purchased expressly for re-sale, semi-finished goods and work in progress on account of others and goods made by the factory which are ready for sale at the end of the accounting year. However, it does not include the stock of the materials, fuels, stores etc. supplied by others to the factory for processing. Finished goods processed by others from raw materials supplied by the factory and held by them are included and finished goods processed by the factory from raw materials supplied by others are excluded.

- (ix) **Raw Material** means any raw material actually required and used by an industrial unit in manufacturing of the finished goods for which it is requested.
- (x) **Working Capital** is the sum total of the physical working capital and the cash deposits in hand and at bank and the net balance of amounts receivable over amounts payable at the end of the accounting year. Working capital, however, excludes unused overdraft facility, fixed deposits irrespective of duration, advances for acquisition of fixed assets, loans and advances by proprietors and partners irrespective of their purpose and duration, long term loans including interest thereon and investments.
- (xi) **Fixed Capital Investment** means an investment made in building, plant and machinery as well as productive assets of permanent nature such as tools, jigs, fixtures, dyes, crane, electrification, etc.
- (xii) **'Plant and Machinery'** shall cover the cost of newly purchased industrial plant and machinery as erected at site. Relocated / Recycled / Refurbished plant and machinery is not eligible for assistance under the Scheme. Components to be included / excluded for the purpose of scheme and for a manufacturing unit are at **Annexure II**. The purchase of machinery should be from open market at normal market price.
- (xii)(a) **'Plant and Machinery' in respect of Tourism Sectors (Hotels/SPA unit/Tourism Project/ Amusement Park) and Entertainment Sector (Film Studio/Film City/Acoustic Auditorium):** The cost of construction of building (excluding land) and all the items/components/equipments except consumables and disposables which are basic to the running of the tourism projects will be taken in to account for computing the value of Plant & Machinery. Hired/rented Building will not be taken into account.
- (xii)(b) **Definition of 'Plant and Machinery' in respect of Health sectors (Nursing Home and Super-speciality Health Care) :** The cost of construction of building (excluding land) and all the items/components/equipments relating to emergency services, general surgery, maternity facilities, pathology, radiology, E.C.G., except consumables, disposables and ambulances which are basic to the running of the Health unit will be taken in to account for computing the value of Plant & Machinery. Hired/rented Building will not be taken into account.
- (xii)(c). **'Plant and Machinery' in respect of Educational sectors (Vocational Training Centre/ Schools/Colleges) and IT & IT related service industries (Call centre) :** The cost of construction of building (excluding land) only necessary for running of the unit will be taken in to account for computing the value of Plant & Machinery. Hired/rented Building will not be taken into account.
- (xii)(d). **'Plant and Machinery' in respect of Power Generating Plant :**
- In calculating the value of Generating Plant and Machinery of a Power Station, the cost of Plant and Machinery as erected at site and required for plan operation will be taken in to account which will include the cost of main plant, any building associated systems, auxiliary equipment and tools but excluding the cost of land. The amount invested in dam & reservoir regulating system (hoists and gates etc.) head and tail water conductor system or EOT crane or other appurtenant equipment if any, will be taken into account where electricity is generated by using water power in a power generating unit. Working capital including cost of raw material/fuel and other consumables will be excluded for computing the value of Plant & Machinery.
- (xiii) **Eligibility Criteria :**
- (a) All New Units/New Industrial units except those in **Annexure-1** shall be eligible under the Arunachal Pradesh State Industrial & Investment Policy, 2020.
- (b) A unit shall have employment of minimum of 20% people of Arunachal Pradesh in the Managerial cadre and minimum of 30 % people of Arunachal Pradesh in the Non-Managerial cadre. Employment certificate shall be obtained from the competent authority at the same time the unit should follow the existing Labour Laws as regards to the employment and wages in the unit.
- (c) Incentives/ Subsidies/ Concessions/ Financial support under this policy shall be applicable to units in the Private Sector, Joint Sector, Co-operatives, Partnership firm, Proprietorship Self-help Group (SHG), Trust and Non-Government Organization (NGO). The unit set up by State Government and Central Public Sector undertakings shall not be eligible for any incentives under the Policy.
- (d) The units which are functional at the time of disbursement of subsidy will be eligible for subsidy/incentive.
- (e) No right or claim for any incentive under the policy shall be deemed to have been conferred by the policy merely by virtue of the fact that the unit has fulfilled on its part the conditions of the policy and the incentives/subsidies cannot be claimed as a matter of right.
- (f) Any payments made in cash for any transaction shall be treated as ineligible amount for investment.

- (g) Hotels / Resorts 3 star and above category and river cruise, generation of power through green technology shall be eligible for incentives under the policy.

(xiv) Interpretation :

The decision of the Industries Department, Government of Arunachal Pradesh with regards to Interpretation of any clause of the policy shall be final and binding.

(xv) Rights of the State Government :

- (a) Department of Industries, Government of Arunachal Pradesh reserves the right to amend any provision(s) including amendment or withdraw any of the incentive/subsidy as and when necessary for development of industries and in the interest of the people of the State from time to time.
- (b) Department of Industries, Government of Arunachal Pradesh reserves the right to review the matter regarding sanction/ disbursement of subsidies/ incentives to the eligible industrial unit(s) and the decision of the State Government shall be final and binding.
- (c) Department of Industries, Government of Arunachal Pradesh reserves the right to modify the eligible/ non-eligible list of the industries, include or delete activities under thrust sectors and when required in the interest of the State and preservation of environment and ecology.
- (d) Department of Industries, Government of Arunachal Pradesh reserves the right to make/ amend the necessary rules for implementation of this policy as and when required.

CHAPTER-6

PROCEDURE FOR CLAIMING OF SUBSIDY/INCENTIVES UNDER THE SCHEME

- (i) Units intending to avail the benefits under the Scheme shall apply in Form-1 marked as Annexure-VII to the concerned District Industries Centre (DIC) after commencement of commercial production/ operation.
- (ii) Application submitted by the unit shall be scrutinized by the DIC concerned and their official(s) shall also carry out physical verification of the industrial unit to ensure its physical existence as well as fulfillment of eligibility criteria before forwarding its recommendation to the Directorate of Industries for further consideration.
- (iii) No right or claim for any incentives under the policy shall be deemed to have been conferred by the policy merely by virtue of the fact that the unit has fulfilled on its part the conditions of the policy and the incentives/subsidies cannot be claimed as a matter of right.
- (iv) The incentives under the Policy cannot be claimed unless the unit has complied with the stipulation/ conditions to the satisfaction of the competent authority. The decision of the implementing agency, subject to such direction as Government may issue from time to time in this regard shall be final and binding.
- (v) Submission of claims for subsidies/benefits under the Scheme by eligible units shall be in the prescribed Application Form as per the Annexure- VII.
- (vi) Application for benefits under the Scheme along with requisite documents shall be submitted within one year from the date of commencement of commercial production/operation for claim under this Scheme. Claims submitted after the above timeline will be time-barred and such claims will not be entertained.
- (vii) The DIC must ensure the claim application for scheme is complete in all respects and accompanied by all requisite documents.
- (viii) Incomplete application or application without the required documents shall not be considered under any circumstances.
- (ix) The claim documents submitted by eligible unit shall be scrutinized by District Level Committee (DLC) and the District Industries Centre concerned and their official(s) shall also carry out physical verification of the applicant unit to ensure its physical existence, genuineness of the claim and fulfillment of eligibility criteria before placing its recommendation to Directorate of Industries for consideration of State Level Committee (SLC).
- (x) DIC shall coordinate meetings of DLC, prepare agenda notes and minutes of such meetings.
- (xi) Directorate of Industries shall verify the claim documents and the recommendations of the DLC prior to placing the same before SLC. They will coordinate the meetings of the SLC, prepare agenda notes and minutes of such meetings.
- (xii) The subsidy/benefits under the scheme should not be disbursed if the claim is subjudice.
- (xiii) The quantum of subsidy payable to the unit should be worked out/calculated on the eligible components as laid down in the Scheme. In case of any doubt in this regard, the matter may be referred to Department of Industries for clarification. The decision of Department of Industries will be final in this regard.

- (xiv) All expenses must be certified by Chartered Accountant having valid membership except for units falling under the Micro Category.
- (xv) All mandatory "no objection certificates"/clearances etc. must be obtained by the unit from the concerned Department/Authority before consideration of claims.
- (xvi) The subsidy claim will be considered by DLC/SLC only after the unit has started commercial production or has become operational/ functional.
- (xvii) Sanction of Incentives/subsidies : Sanction of eligible subsidy claims shall be approved by the State Level Committee (SLC) for Micro/Small/Medium/Large/Mega Large/Ultra Large units (for both manufacturing & service/other sectors).

(xvii) State Level Committee (SLC) :

The State Level Committee (SLC) will be constituted with the following members:-

- (i) Chief Secretary - Chairman
- (ii) Commissioner/Secretary Industries Department - Member
- (iii) Commissioner/Secretary of Finance Department - Member
- (iv) Commissioner/Secretary of Planning Department - Member
- (v) Director of Industries - Member Secretary
- (vi) Other member nominated by the State Government from financial institutions.

The functions of the State Level committee shall be to:-

- (a) Scrutinize claim applications and approve cases for sanctions as may be found eligible for Micro/Small/Medium/Large/Mega Large/Ultra Large units (manufacturing & service/other sectors).
- (b) Monitor and review the progress of implementation of the Scheme from time to time.
- (c) Issue instructions, if necessary, for proper implementation of the scheme.
- (d) Quorum required is 1/3 of the members.
- (e) Member Secretary may co-opt any official/persons for attending any meeting when occasion arise.

(xviii) District Level Committee (DLC) :

Each district of the state, will have a District Level Committee (DLC) with the following members :

- (i) Deputy Commissioner - Chairman
- (ii) District Planning Officer - Member
- (iii) Finance and Account Officer of DC's office - Member
- (iv) Deputy/Asstt. Director (Textiles and Handicraft) - Member
- (v) Manager, SBI/any other Bank operating in the District - Member
- (vi) Joint/Deputy/Assistant Director of DIC - Member Secretary

The functions of the District Level Committee shall be to :

- (a) Scrutinize claim applications and recommend cases for sanctions as may be found eligible for Micro/Small/Medium/Large/Mega Large/Ultra Large units (manufacturing & service/other sectors) to SLC (State Level Committee).
- (b) Monitor and review the progress of implementation of the Scheme, as and when necessary.
- (c) Examine problems that may arise for implementation of the scheme and suggest suitable remedial measures as may deem fit.
- (d) Quorum required is 1/3 of the members.
- (e) Chairman may co-opt any official/persons for attending any meeting when occasion arise.

ANNEXURE-I

Negative List :

The following industries will not be eligible for benefits under Arunachal Pradesh Industrial and Investment Policy, 2020

1. All goods falling under Chapter 24 of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) which pertains to tobacco and manufactured tobacco substitutes.
2. Pan Masala as covered under Chapter 21 of the First Schedule to the Central Excise Tariff Act, 1985(5 of 1986).
3. Plastic carry bags of less than 20 micron as specified by Ministry of Environment and Forests Notification No. S.O. 705 (E) dated 02.09.1999 and S.O. 698 (E) dated 17.6.2003.
4. Goods falling under Chapter 27 of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) produced by Petroleum or Gas refineries.
5. Plantation, Refineries and Power generating Units above 10 MW.

6. Coke (including Calcined Petroleum Coke), Fly Ash, Cement, Steel Rolling Mills.
7. Units not complying with environment standards or not having applicable Environmental Clearance from M/o Environment & Forests and Climate Change or State Environmental Impact Assessments Authority (SEIAA) or not having requisite consent to establish and operate from the concerned Central Pollution Control Board/State Pollution Control Board will not be eligible for incentive under the scheme.
8. Low value addition activities like preservation during storage, cleaning, operations, packing, repacking or re-labeling, sorting, alteration of retail sale price etc. take place excluding high value packaging and processing.
9. Any other industry/activity placed in negative list through a separate notification as and when considered necessary by the Government. It will be effective from the date of such notification.
10. Gold and gold ore.

ANNEXURE-II

List of White category of Industries

Sl. No.	Industry Sector
1.	Air coolers /conditioners
2.	Bicycles, baby carriages
3.	Bailing of waste papers
4.	Bio fertilizer /bio-pesticides
5.	Biscuits trays
6.	Blending / packing of tea
7.	Block making of printing
8.	Chalk making
9.	Compressed oxygen gas
10.	Cotton and woolen hosiers
11.	Diesel pump repairing
12.	Electric lamp (bulb) and CFL
13.	Electrical and electronic item
14.	Engineering and fabrication units
15.	Flavoured betel nuts
16.	Fly ash bricks/ block
17.	Fountain pen
18.	Glass ampules
19.	Glass putty and sealant
20.	Ground nut decorticating
21.	Handloom/ carpet weaving
22.	Leather cutting and stitching
23.	Coir items from coconut husks
24.	Metal caps containers etc
25.	Shoe brush and wire brush
26.	Medical oxygen
27.	Organic and inorganic nutrients
28.	Organic manure
29.	Packing of powdered milk
30.	Paper pins and u clips
31.	Repairing of electric motors /generators
32.	Rope (plastic and cotton)
33.	Scientific and mathematical instrument
34.	Solar module non-conventional energy apparatus
35.	Solar power generation through solar photovoltaic cell, wind power and mini hydel power (less than 25 MW)
36.	Surgical and medical products assembling

ANNEXURE-III

List of Green category of Industries

Sl. No.	Industry Sector	Sl. No.	Industry Sector
1.	Aluminium utensils	34.	Power looms (without dye and bleaching)
2.	Ayurvedic medicines	35.	Puffed rice (muri) (gas or electrical heating)
3.	Small Bakery/confectionery	36.	Ready mix cement concrete
4.	PP film	37.	Reprocessing of waste cotton
5.	Biomass briquettes	38.	Rice mill (Rice hullers only)
6.	Melamine resins	39.	Rolling mill (gas fired) and cold rolling mill
7.	Brass and bell metal utensils	40.	Rubber goods (gas operated baby boiler)
8.	Candy	41.	Saw mills
9.	Cardboard / corrugated box	42.	Soap manufacturing
10.	Carpentry & wooden furniture	43.	Spice Blending
11.	Cement products	44.	Spice grinding
12.	Ceramic colour by mixing	45.	Steel furniture
13.	Chilling plant and ice making	46.	Grains processing
14.	Coke briquetting	47.	Tyres /tube retreating
15.	Small Cotton spinning and weaving	48.	Chilling /ice plant
16.	Dal Mills	49.	CO2 recovery
17.	Decoration of ceramic cups	50.	Distilled water
18.	Digital printing on PVC clothes	51.	Small Hotels
19.	Handling, storage of food grains	52.	Optical lenses
20.	Flour mills	53.	Mineralized water
21.	Electrical Glass , ceramic, earthen potteries	54.	Tamarind powder
22.	Glue from starch	55.	Marble stone
23.	Gold and silver smithy	56.	Emery powder
24.	Non-polluting Heat treatment	57.	Flyash export
25.	Insulation /coated papers	58.	Mineral stack yard
26.	Leather foot wear /products	59.	Oil and gas transportation pipeline
27.	Blending of Lubricating oil, greases	60.	Seasoning of wood
28.	Pasted veneers	61.	Synthetic detergent
29.	Oil mill Ghani	62.	Tea processing
30.	Packing materials	63.	Pulverization of bamboo
31.	Phenyl/toilet cleaner		
32.	Polythene and plastic products		
33.	Poultry, Hatchery and Piggery		

ANNEXURE-IV

List of Orange Category of Industries

Sl. No.	Industry Sector	Sl. No.	Industry Sector
1.	Almirah, Grill Manufacturing	7.	Cashew nut processing
2.	Aluminium & copper extraction from scrap	8.	Ceramics and Refractories
3.	Automobile servicing, repairing	9.	Chanachur and laddoo using husk fired oven
4.	Ayurvedic and homeopathic medicine	10.	Coal washeries
5.	Brickfields	11.	Coated electrode
6.	Building and construction >20,000 sq. m	12.	Coffee seed processing

Sl. No.	Industry Sector	Sl. No.	Industry Sector
13.	Compact disc computer floppy	48.	Manufacturing of mosquito repellent coil
14.	Copper waste recyclers	49.	Manufacturing of Starch/Sago
15.	Dairy and dairy products (small scale)	50.	Mechanized laundry using oil fired boiler
16.	DG set (>1MVA but < 5MVA)	51.	Medium scale Hotels
17.	Dismantling of rolling stocks	52.	Modular wooden furniture
18.	Dry cell battery	53.	New highway construction project
19.	Dry coal / mineral processing	54.	Non-alcoholic beverages(soft drink)
20.	Fermentation (Extra Neutral Alcohol)	55.	Paint blending and mixing (Ball mill)
21.	Ferrous and Non- ferrous metal extraction	56.	Paints and varnishes (mixing and blending)
22.	Fertilizer (granulation / formulation / blending	57.	Parboiled Rice Mills
23.	Fish feed, poultry feed and cattle feed	58.	Pharmaceutical formulation
24.	Fish processing and packing	59.	Ply-board manufacturing
25.	Flakes from rejected PET bottle	60.	Potable alcohol (IMFL) by blending
26.	Foam manufacturing	61.	Printing ink manufacturing
27.	Food and food processing	62.	Printing or etching of glass sheet
28.	Forging of ferrous and non- ferrous	63.	Printing press
29.	Formulation/pelletization of camphor tablets etc.	64.	Producer gas plant
30.	Glass ceramics, earthen potteries and tile	65.	Recyclers - used oils
31.	Gravure printing, digital printing on flex, v	66.	Recyclers - waste oils
32.	Heat treatment using oil fired furnace	67.	Recycling - Paint and ink Sludge
33.	Hot mix plants	68.	Reprocessing of waste plastic /PVC
34.	Ice cream	69.	Rolling mill (oil or coal fired)
35.	Industry or processes involving foundry operations	70.	Silica gel
36.	Iodized salt from crude/ raw salt	71.	Silk /saree screen printing
37.	Jute processing without dyeing	72.	Spray painting
38.	large Bakery and confectionery	73.	Steel and steel products with furnaces
39.	Transformer repairing/manufacturing	74.	Stone crushers
40.	Tyres and tubes vulcanization/ hot retread	75.	Surgical and medical products (latex)
41.	Vegetable oil manufacturing	76.	Synthetic detergents and soaps
42.	Wire drawing and wire netting	77.	Synthetic resins
43.	Large Cotton spinning and weaving	78.	Synthetic rubber excluding molding
44.	Lime manufacturing (using lime kiln)	79.	Teflon based products
45.	Liquid floor cleaner, black phenyl	80.	Thermocol manufacturing (with boiler)
46.	Manufacturing of glass	81.	Thermometer
47.	Manufacturing of mirror from sheet glass	82.	Tobacco products including cigarettes
		83.	Tooth powder, toothpaste, talcum powder

ANNEXURE-V

List of Red Category of Industries

Sl. No.	Industry Sector	Sl. No.	Industry Sector
1.	Isolated storage of hazardous chemicals	7.	Lead acid battery
2.	Automobile Manufacturing (integrated)	8.	Phosphate rock processing
3.	Hazardous waste recycling (Spent cleared metal catalyst)	9.	Power generation plant
4.	Lubricating oils and grease mfg.	10.	Hazardous Waste Recyclers (Spent catalyst)
5.	DG Set (> 5 MVA)	11.	Chlorinated hydrocarbons
6.	Carbon black & allied	12.	Sugar

Sl. No.	Industry Sector	Sl. No.	Industry Sector
13.	Fibre glass production	38.	Photographic film /chemicals
14.	Fire crackers	39.	Yarn / Textile processing
15.	E-Waste Recyclers	40.	Chlor Alkali
16.	Milk and dairy products	41.	Ship Breaking
17.	Phosphorous	42.	Oil and gas extraction
18.	Pulp & Paper	43.	Metal surface treatment
19.	Coke making	44.	Tanneries
20.	Explosives / detonators	45.	Ports /harbor/jetties
21.	Paints varnishes, pigments	46.	Synthetic fibres
22.	Organic Chemicals	47.	Thermal Power Plants
23.	Airports and Commercial Air Strips	48.	Slaughter house
24.	Asbestos	49.	Aluminium Smelter
25.	Basic chemicals	50.	Copper Smelter
26.	Cement	51.	Fertilizer (basic)
27.	Chlorates, per-chlorates & peroxides	52.	Integrated Iron & Steel
28.	Chlorine, fluorine, bromine, iodine	53.	Pulp & Paper (bleaching)
29.	Dyes and Dye- Intermediates	54.	Zinc Smelter
30.	Health-care Establishment	55.	Oil Refinery
31.	Hotels (Big)	56.	Petrochemicals
32.	Lead acid battery -recyclers	57.	Pharmaceuticals
33.	Waste electrical and electronic recyclers	58.	Pulp & Paper (Large-Agro + wood),
34.	Glue and gelatin	59.	Distillery
35.	Mining and ore beneficiation	60.	Railway locomotive work shop/ service centers
36.	Nuclear power plant		
37.	Pesticides		

ANNEXURE-VI

A. Components to be included for computing the value of Plant and Machinery in the manufacturing sector :

- (i) Cost of Industrial Plant & Machinery including taxes and duties i.e. cost of mother production equipment used for carrying out manufacturing activities.
- (ii) Cost of Productive equipment-+bjm/ such as tools, jigs, dyes and moulds, insurance premium etc. including taxes and duties.
- (iii) Electrical components necessary for plant operation on the plant side from where meter is installed up to the point where finished goods is to be produced/ dispatched (i.e. H.T. Motors, L.T. Motors, Switch Boards, Panels, Capacitors, Relay, Circuit Breakers, Panel Boards, Switchgears).
- (iv) Freight charges paid for bringing Plant & Machinery and equipment from the supplier's premises to the location of the unit.
- (v) Transit Insurance premium paid.
- (vi) The amount invested in goods carriers to the extent they are actually utilized for transport of raw materials and marketing of the finished products.

B. Components which will not be considered for computing the value of Plant & Machinery in the manufacturing sector :

- (i) Loading and unloading charges.
- (ii) Sheds/ buildings for Plant & Machinery.
- (iii) Miscellaneous fixed assets such as DG sets, Excavation/ Mining equipment, handling equipment, electrical components other than those mentioned at A (iii) above.
- (iv) Working Capital including raw material and other consumable stores.
- (v) Commissioning cost.
- (vi) Captive Power Plants.
- (vii) Storage equipment.
- (viii) Weigh bridge, Laboratory testing equipment.

C. Admissibility of erection and installation charges in the manufacturing sector :

Erection and installation charges will be payable on actual basis and will be restricted to the cost indicated in the Appraisal Note of the Financial Institutions which provided loan to the industrial unit.

ANNEXURE-VII**FORM-1**

**APPLICATION FORM FOR CLAIMING OF
INCENTIVES UNDER THE ARUNACHAL PRADESH
INDUSTRIAL AND INVESTMENT POLICY, 2020.**

SI. No.	PARTICULARS	
1.	Name of the unit :	
2.	Factory/unit address : Area/Locality Village/Town/City Post office District PIN Code Email ID Land line/Mobile No.	
3	Office address : Area/Locality Village/Town/City C&RD Block Post office District Email ID Land line/Mobile No. PIN Code	
4	Registered office's address : Area/Locality Village/Town/City C&RD Block Post office District Email ID Land line/Mobile No. PIN Code	
5	Category of Enterprise : (Micro/Small/ Medium/Large)	
6	Whether the unit falls under : manufacturing/service/other sectors	
7	Constitution of the unit : (a) (Proprietorial/ Partnership/ Private Limited/ Limited Company/Cooperative society/LLP)	
	(b) Name(s), address(es), Aadhar No., PAN/TAN No. of the proprietor/Partners/ Directors/Secretary and President of the Cooperative Society	

Sl. No.	PARTICULARS	
8	Date of commencement of commercial production/operation	
9	Fixed Capital Investment	
10	Source of finance	
11	Details of Term/Working Loan (if any)	
12	Power : (i) Sanctioned load (ii) Connected Load (iii) Capacity of captive power plant (if any)	
13	Details of land and building : Land (a) Own land (i) Land area, Revenue village, Dag No.& patta No. (ii) Date of purchase (iii) Date of registration (b) Land allotted by Government/ Govt. Agency : (i) Date of allotment/ agreement (ii) Date of taking over possession (c) Lease holds land : (i) Date of lease of land (ii) Period of lease Building (a) Own building/rented building (b) In case of own building, built up area	
14.	Employment generation: (a) Managerial (b) Supervisory (c) Skilled (d) Semi-skilled (e) Unskilled (f) Others	

SI. No.	PARTICULARS				
15.	Items of production, raw material & installed capacity				
	(a) Raw material	SI. No.	Raw material	Qty	Source
	(b) Items of production & installed capacity	SI. No.	Item	installed Capacity	Actual production

I/We declare and affirm that the particular/statement furnished above, are true to my/our knowledge and belief and if any statement made herewith in connection with these claims is detected as false or misrepresent, the amount of incentives granted by the Government will be refunded by me/us to the State Government.

Place :

Date :

Signature of authorized person of applicant unit
(Full name & Designation)

N.T. Glow, IRS
Secretary,
Industries,
Government of Arunachal Pradesh,
Itanagar.
