

Circular No.3

No. DI/PSI/Simplification/LSE/2014/C-699

Simplification of Procedure for  
issuance of Eligibility Certificate for  
Large Scale Enterprise (LSE) under  
PSI-2013

13 JAN 2014

Directorate of Industries  
New Administrative building, Mumbai 400 032

**Circular**

**Subject: Simplification of procedure for issuance of Eligibility Certificate  
for Large Scale Enterprises (LSEs) under PSI-2013**

The Package Scheme of Incentives 2013 provides for a number of incentives to MSMEs and LSEs. To further simplify the procedure for grant of incentives, a review of procedures and documentation required for issue of eligibility certificate was carried out. Accordingly, revised procedure for issuance of eligibility certificate for eligible units under Package Scheme of Incentives is detailed in this circular. This circular comes into force with immediate effect.

**A. Procedure :-**

Eligibility Certificate shall be issued on the basis of documents submitted by the unit and physical verification visits may not be necessary prior to issue of Eligibility certificate. The maximum time limit for issue of Eligibility Certificate shall be 30 days from submission of required documents.

The procedure for deciding the parameters viz. Date of production and the Eligible Investment during the Investment period for the (New / Expansion) units under the scheme, shall be considered as follows,

1. An eligibility certificates under PSI-2013 is issued by the implementing agency after ascertaining that the eligible unit has complied with the provision of the scheme & has commenced its commercial production. The EC is effective from the date of commencement of production by the eligible unit. The date of commencement of commercial production shall be determined as per para 7.2 of PSI 2013 Govt. Resolution by the unit, supported by the relevant extract of the excise register or in case of excise duty is not applicable, by the first sale bill issued by the unit in respect of production - OR - The date of production should be linked to the date of power connection and drawal by the unit. In case of expansion project, the date of production should be linked with the

date of release of additional power to the unit for expansion project, in case additional power is not required then in such case the effect of the date of production should be considered as per substantial rise in power consumption of the unit.

2. The eligibility investment in the fixed assets shall be considered as per para 2.10 , 2.11 (a), (b) & (c) and 2.12 of PSI 2013 Govt. Resolution. Eligible fixed investment in the fixed assets acquired at site and paid for within the investment period shall be limited to the item wise maximum limit as per the project appraisal by approved agency and the eligible investment shall be considered on the basis of CA certificates submitted by the unit.

**B. Documents required for issue of eligibility certificate will be as under :-**

Group	Documents required.
Effective Steps	<ol style="list-style-type: none"> <li>1. Industrial Entrepreneurs Memorandum Part-A alongwith copy of memorandum.</li> <li>2. Land Documents : MIDC land : Plot possession letter/transfer letter and registered agreement to lease/transfer of lease rights. Private Land : (a) Sale Deed, (b) latest 7/12 extract and (c ) NA permission for industrial use / copy of application filed under section 44A of Maharashtra Land Revenue Code in schedule 6A where Regional Development Plan or Draft Regional Development Plan does not exists, with the concerned Revenue authority/ Zone confirmation certificate from Competent Authority.</li> <li>3. Constitution documents (partnership firms: Deed of partnership with registration certificate or acknowledgment of having applied to the Registrar of Firms; Company : Memorandum and Article of Association and registration certificate issued by Registrar of Companies; Co-operative societies: Registration certificate and copy of bye-laws).</li> <li>4. Project Report</li> <li>5. Authorization for signing of application, execution of agreements etc.</li> </ol>

<b>Investment and Production.</b>	<ol style="list-style-type: none"> <li>1. Power sanction letter.</li> <li>2. Power bill copy (one month)</li> <li>3. Sale bill copy (one month)</li> <li>4. Purchase bill copy (one month)</li> <li>5. IEM Part B with copy of memorandum</li> <li>6. ELP I in the prescribed format</li> <li>7. CA certificate certifying investment in Fixed Assets (Annexure II to V)</li> <li>8. Chartered engineer's certificate for self fabricated machinery</li> <li>9. Architect's certificate for cost of construction (Annexure I)</li> <li>10. Loan sanction letter from Financial Institute</li> <li>11. Project appraisal report from Financial Institution/SICOM etc</li> <li>12. Self-certification in format on Stamp paper.(Annexure A)</li> </ol>
<b>Consents &amp; Permissions.</b>	<ol style="list-style-type: none"> <li>1. MVAT and CST registration.</li> <li>2. MPCB consent to establishment.</li> <li>3. MPCB consent to operate / acknowledgement of having filed application with MPCB together with proof of payment.</li> <li>4. Building plan approval from Competent Authority</li> </ol>
<b>Others.</b>	<ol style="list-style-type: none"> <li>1. Agreement on Stamp paper in the prescribed format.</li> </ol>

  
 Joint Director of Industries  
 For Development Commissioner (Industries)

## ANNEXURE - 1

### ARCHITECT'S CERTIFICATE

Name and Address of Architect:

We hereby certify that site development and civil work for \_\_\_\_\_  
(Name of company) for \_\_\_\_\_ (Address of the company)  
at \_\_\_\_\_ (Location) have so far between completed from \_\_\_\_\_  
to \_\_\_\_\_ as detailed below:

I.	Structure* (With area in sq. ft.)	Value Originally Estimated	Value of completed work	Likely amount required for completion.
1	2	3	4	5
1.				
2.				
3.				
4.				
5.				
<b>TOTAL</b>				

II.	Value of materials at site	:	
III.	Total amount certified for payment for building contractor up till now. (Civil & Structural contractors)	:	
IV.	Retention amount	:	
V.	We further certify that works completed by M/s. _____ _____ is as per building plan approval by Nagar Parishad / Gram Panchayat / MIDC / CIDCO / competent authority for the purpose of Industrial Unit.		

Signature:

Place:

Date:

Name of Architect:

Registration No:

\* Details to be given separately for Main Plant Buildings, Administrative Buildings, Godown, Laboratory, Time Office, Watch & Ward, etc. Internal Roads, Fencing, Gate Levelling and period of civil construction be indicated, rate of construction, type of construction.

## ANNEXURE -II

### AUDITOR'S CERTIFICATE

I / We hereby certify that M/s. \_\_\_\_\_ have acquired the following assets at site and paid for it upto \_\_\_\_\_ at their factory location at \_\_\_\_\_ for the manufacture of \_\_\_\_\_ by the industrial unit.

Sr. No.	Item of Fixed Assets	Value (In Rs.)
1.	Land need for the Industrial Unit	:
2.	Development of land	:
3.	Building need for the Industrial unit under construction : a) Amount paid to the building contractor b) Amount paid for building materials c) Amount paid for wages and salaries etc. for building construction. d) Architect's fees. e) Registration fees.	:
4.	Electrical Installation a) Value paid for items at site b) Advance / deposit paid	:
5.	Plant & Machinery a) Value paid for items at site b) Advance payment to machinery suppliers. c) Loading, unloading, Transportation, Octroi Duties, erection expenses etc.	:
6.	Intangible Assets, such as: a) Technical know-how and Engineering Fees b) Pre-operative expenses capitalised as upto the date of production (with details list) c) Preliminary expenses to be capitalised (with details list)	:
7.	Miscellaneous fixed assets (with details list)	:
8.	Miscellaneous deposits & advances.	:
<b>TOTAL</b>		:

We further certify that above detailed expenditure is financed as under:

Place:

Date:

Signature of C.A.

Registration No.

I / We further certify that above detailed expenditure is financed as under:

<b>1. Share Capital</b>	
a. Promoters	:
b. Public	:
<b>2. Term Loans</b>	
a. SICOM Ltd.	:
b. MSFC	:
c. Bank	:
d. Others (give details)	:
<b>3. Central Government Subsidy/Special Capital Incentives.</b>	:
<b>4. Sales Tax Refund Loan</b>	:
<b>5. Unsecured Loans/deposits</b>	:
<b>6. Other Sources (give details)</b>	:
<b>7. Creditors for suppliers</b>	:

I / We have checked the books of accounts of the unit, the invoices, etc. and certify that the aforesaid information is verified and found to be true. We also certify that the aforesaid items have been fully paid for and no credit is raised there against in the books of the unit except as stated hereinabove.

Place:  
Date:

Signature  
Chartered Accountant  
Registration No.

**Annexure – III**

Name and Address of the unit :  
Details of Fixed Capital Investment should be given in the following proforma:

**Position as on \_\_\_\_\_**

<b>A]</b>	<b>Land needed for the industrial unit</b>	:	
1.	Date of purchase	:	
2.	Value of purchase	:	
<b>B]</b>	<b>Building needed for industrial unit</b>	:	
1.	Date of completion of building / part thereof	:	
2.	Value as per Engineers/Architect Certificate	:	
3.	Amount spent on the building	:	

**LIST OF PLANT & MACHINERY**

Sr. No.	Bill/ invoice no. & date of purchase	Item purchased	From whom purchased	Purchase value	Amount actually paid	Whether New or Second hand	Whether indigenous or imported

Place:  
Date:

Signature of C.A.  
Registration No.

**Note:** List of Plant & Machinery is to be given strictly as per chronological dates of purchase.

## ANNEXURE – IV

(To be given on the letterhead of the bank/financial institution)

Certificate from the concerned bank or the Financial Institution in the following form duly signed by a responsible officer.

Certified that M/s. \_\_\_\_\_ located at \_\_\_\_\_ have been sanctioned term loan amounting to Rs. \_\_\_\_\_ vide letter no. \_\_\_\_\_ dated \_\_\_\_\_. The said unit has been disbursed term loan of Rs. \_\_\_\_\_ upto \_\_\_\_\_ (specify date).

### **Value of fixed capital investment consider for disbursement of loan:**

i.	Land (excluding leasehold)	:	
ii.	Building (excluding residential quarter)	:	
iii.	Plant & Machinery (excluding)	:	
a.	Expenses regarding technical know-how	:	
b.	Engineering fees	:	
c.	Cost of feasibility study	:	
d.	Promotion and pre-operative expenses (capitalised upto date of production)	:	
iv.	Other assets : Tools, Jigs & Moulds and goods carries electrical installation	:	
<b>TOTAL</b>			

Signature

Agent or Manager

(Name of the Institution)

Date:



## Annexure V

### Project Appraisal by Financial Institute/SICOM

1. **Introduction** :- Name of the unit, Constitution, Name and background of promoter, Factory location, Products to be manufactured with annual capacity with reference to EM.
2. **Project in Brief**: - Manufacturing process, comments , permissions & consents required and obtained.

3. **Project Cost:-**

(Rs Lakhs)

Sr No		As per Application	Appraised Cost
1	Land		
2	Building & Site Development		
3	Plant & Machinery		
4	Preliminary & Preoperative Exp		
5	Other Fixed Assets		
6	W/C Margin		
Total Project Cost			

4. **Means of finance :**

Own  
Term Loan  
Others to specify

5. **Project Viability** (in Brief):- Comments with regard to suitability of activity at given place, market/ scope for the product and promoter's capability, BEP etc

**Note :** The appraised cost of project shall be in consonance of the feasible means of finance & essential fixed assets required for carrying out the activity.

**Annexure VI**

**Self Certification by the applicant Large Scale Enterprise (LSE) for obtaining Eligibility Certificate under Package Scheme of Incentives- 2013.**

**(On Stamp Paper of Rs 100/-, in duplicate)**

I, (Name of Person signing this Self Certification), Managing Director/Director (in case of Company/Society), Partner (in case of Partnership Firm), Proprietor duly /legally authorized on behalf of (Name of the Unit), having existing/new location (Factory Address) \_\_\_\_\_, for signing this application and self certification for obtaining Eligibility Certificate and availing incentives under Package Scheme of Incentive 2013, hereby affirm that,

1. I/We have completed Effective Steps under Package Scheme of Incentives- 2013, for establishing New unit/expansion of the existing unit (hereinafter called the Unit), relevant details of which are as under :-

**A. For New unit**

Sr. no	Effective Step	Details
1	IEM Part A Acknowledgement	No _____, Date of Ack. _____,
2	Constitution Prop. /Partnership/ Company/ Society	Date of Registration :- _____, Registration No.:- _____, Registered Address :-  Name and address of Partners/Directors % Holding Proprietor  _____  _____  _____  Memorandum of Association/ Partnership Deed/Society/Trust By Laws of the Company/ Firm/Society/Trust permits to undertake the proposed activity.
3	Location of the unit (please provide detailed address)	
4	Date of legal possession of land Land/Premises through sale deed/lease deed/ rent agreement/sale certificate/ deed of assignment (pl tick	Date of legal possession _____

	appropriate document)  If outside MIDC area : Date of obtaining NA permission for industrial use /sanad / filing of application under section 44A of MLRC in form 6A (pl tick appropriate document	Date -----
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**B. For Expansion/Diversification :-**

Sr. no	Effective Step	Details
1	IEM Part B	No _____, Date of Ack. _____, Date of inclusion of proposed expansion (addition in FCI, Capacity & Employment)
2	Constitution Prop. /Partnership/ Company/ Society	Date of Registration :- _____ Registration No.:- _____, Registered Address :- _____ <hr/> Name and address of Partners/Directors      % Holding Proprietor <hr/> <hr/> <hr/> Memorandum of Association/ Partnership Deed/Society/Trust By Laws of the Company/ Firm/Society/Trust permits to undertake the proposed activity.
3	Location of the unit (please provide detailed address)	
4	Date of legal possession of land Land/Premises through sale deed/lease deed/ rent agreement/ sale certificate/deed of assignment (pl tick	Date of legal possession _____

	appropriate document) If outside MIDC area : Date of obtaining NA permission for industrial use /sanad / filing of application under section 44A of MLRC in form 6A (pl tick appropriate document)	Date -----
4	Production Capacity	Existing Products _____ Existing Annual Capacity _____ Added Products _____ Addition in Annual Capacity _____ % addition to existing capacity :- _____%
5	Fixed Investment Capital	Cutoff Year _____ Gross FCI at the end of Cutoff Year Rs _____ Lakhs, Additional FCI under Expansion Rs _____ Lakhs, period of Expansion _____ years. % addition to existing FCI :- _____%
6	Employment	Employment on units' roll at the end of cutoff year:- _____ number of persons. Additional proposed employment generation under expansion :- _____ no of persons % additional proposed employment :- _____%

2. I/We certify that We have obtained following permissions and registrations for that are valid, as detailed below,

a. Date of acquisition of assets (New/Expansion) : From ----- To -----

b. MVAT No. ----- dated-----

c. CST No. ----- dated -----

d. Date of First Purchase Bill No. ----- dated -----

e. Date of First Sale Bill No. ----- dated-----

f. NOC from Local Authority :- Name of the authority \_\_\_\_\_, date of NOC  
\_\_\_\_\_

- g. MPCB Consent to establish\_ date \_\_\_\_\_ and validity period \_\_\_\_\_
- h. TIN number \_\_\_\_\_ Date of registration under MVAT Act \_\_\_\_\_
- i. Building Plan Approval by local planning authority :- Name of the authority \_\_\_\_\_, date of approval \_\_\_\_\_, Build up area \_\_\_\_\_
- j. Power Sanction :- Date \_\_\_\_\_, Load sanctioned \_\_\_\_\_ KW, Date of Connection \_\_\_\_\_  
Name of utility \_\_\_\_\_
- k. Consent to operate from MPCB/filing of application with relevant fees date \_\_\_\_\_  
validity period \_\_\_\_\_.
- l. Date of Commercial Production (New/Expansion ) :- -----

We also certify that we have obtained all other required statutory permissions, licenses, registration and consents under relevant applicable laws and Acts as are applicable for setting up and operating the Unit.

3. I/We have ensured and verified that the land/premises on which the Unit is located, falls under Industrial Zone as per Regional Development Plan/ Draft Regional Development plan/ Local Development Plan/ Non agriculture use for Industries, is approved by the competent authority.
4. I/We have verified that no Regional Development Plan/ Draft Regional Development plan exists, therefore, we have filed application under section 44A of MLRC in form 6A for industrial use of agriculture land, with competent Revenue authority on (date\_)\_\_\_\_. We have verified that the land can be legally put to industrial use. If in future, at any point in time and for whatsoever reasons, it is found that the land/premises is not permissible for industrial use, I/We undertake to refund in one single installment, all the incentives availed under Package Scheme of Incentives 2013 (PSI 2013) together with whatever penalty and interest as may be specified under PSI 2013).
5. I/We certify that date of commencement of commercial production of the Unit is \_\_\_\_\_.
6. I/We certify that the employment generated in my/our unit is as under,

	Supervisory Category	Skilled & Unskilled	Total
Local employee (State domicile)			
Others			
Total			
% of Local Employment			

7. I/We declare that the information given at Sr. No 1 to 6 above and in the accompanied application is correct and verified by me as so, and if found otherwise, or if I/we contravenes any conditions under Package Scheme of Incentives- 2013, I/We know that all the incentives availed under the scheme are recoverable from me/us in one single installment along with interest as applicable.

Self certification signed on \_\_ day of \_\_ (month) \_\_ (Year) at \_\_\_\_\_ (Name of Place).

**Signature and Seal**

**(To be signed by Proprietor / Partner(with power attorney / Director (supported with resolution of the board)**

**(Complete Name, designation & Full address for correspondence of the person signing the undertaking along with telephone & cell No & e-mail address)**

No.DI/PSI/Simplification/2013/ C- 1205

Date : 23 JAN 2014

**Simplification of Procedure for issuance of Eligibility Certificate for Large Scale Enterprise (LSE) under PSI-2013**

Directorate of Industries  
New Administrative building, Mumbai 400 032

**Sub : Simplification of procedure for issuance of Eligibility Certificate for Large Scale Enterprise (LSE) under PSI-2013.**

**Ref : Head office circular vide No. DI/PSI/Simplification/LSE/2014/C-699, dtd. 13/01/2014**

The circular is issued vide No. DI/PSI/Simplification/LSE/2014/C-699, dtd. 13/01/2014 for simplification of procedure for issuance of EC to Large Scale Enterprise (LSE) under PSI-2013.

The point No. A-1 in the said circular dtd. 13/01/2014 is amended as follows & the other content remains the same.

<b>Instead of this</b>	<b>Read as</b>
1. An eligibility certificates under PSI-2013 is issued by the implementing agency after ascertaining that the eligible unit has complied with the provision of the scheme & has commenced its commercial production. The EC is effective from the date of commencement of production by the eligible unit. The date of commencement of commercial production shall be determined as per para 7.2 of PSI 2013 Govt. Resolution by the unit, supported by the relevant extract of the excise register or in case of excise duty is not applicable, by the first sale bill issued by the unit in respect of production - OR - The date of production should be linked to the date of power connection and drawal by the unit. In case of expansion	1. An eligibility certificates under PSI-2013 is issued by the implementing agency after ascertaining that the eligible unit has complied with the provision of the scheme & has commenced its commercial production. The EC is effective from the date of commencement of production by the eligible unit. The date of commencement of commercial production shall be determined as per para 7.2 of PSI 2013 Govt. Resolution by the unit, supported by the relevant extract of the excise register or in case of excise duty is not applicable, by the first sale bill issued by the unit in respect of production - OR - The date of production should be linked to the date of power connection and drawal by the unit. In case of expansion project, the date of production should be linked with the date of release of

project, the date of production should be linked with the date of release of additional power to the unit for expansion project, in case additional power is not required then in such case the effect of the date of production should be considered as per substantial rise in power consumption of the unit.

additional power to the unit for expansion project, in case additional power is not required then in such case the effect of the date of production should be considered as per substantial rise in power consumption of the unit. - OR - In case unit has commenced production by using DG Sets, the effect of the date of production shall be considered based on the permission for charging the DG Sets by the competent authority.

Joint Director of Industries (PSI)  
for Development Commissioner (Inds)



**Simplification of Procedure for issuance  
of Eligibility Certificate and Stamp Duty  
Exemption for MSMEs & LSE under PSI**

No. DI/PSI/Simplification/2013/ C - 2243

Date : 15 FEB. 2014.

Directorate of Industries  
New Administrative building, Mumbai 400 032

**Sub : Simplification of procedure for issuance of Eligibility Certificate  
and Stamp Duty Exemption for MSMEs & LSE under PSI.**

- Ref : 1) Head office circular vide No. DI / PSI / Simplification / SD /  
2013 / C-3585, dtd. 27/11/2013.
- 2) Head office circular vide No. DI / PSI / Simplification / 2013 /  
C-3586, dtd. 27/11/2013.
- 3) Head office circular vide No. DI / PSI / Simplification / 2013 /  
C-1206, dtd. 23/01/2014.
- 4) Head office circular vide No. DI / PSI / Simplification / 2013 /  
C-1205, dtd. 23/01/2014.

The circulars, vide referred above 1 to 4 are issued for simplification of procedure for Stamp Duty Exemption & Eligibility Certificates under Package Scheme of Incentive.

The circulars issued are applicable to all the applications received under Package Scheme of Incentives 2007 & 2013.

All the ROs & GMs shall process the applications under Package Scheme of Incentives as per the circulars issued as referred at 1 to 4 above.

I/c. Additional Director of Industries  
for Development Commissioner (Inds)