

Circular No. 2/2013.

YB

No. DI/PSI/Simplification/2013/C-3586

Simplification of Procedure for  
issuance of Eligibility Certificate for  
MSMEs under PSI-2013

Directorate of Industries  
New Administrative building, Mumbai 400 032

127 NOV 2013

**Circular**

**Subject: Simplification of procedure for issuance of Eligibility Certificate  
for MSMEs under PSI-2013**

A review of procedures and documentation required for issue of eligibility certificate to MSME sector was carried out. Accordingly, revised procedure for issuance of eligibility certificate under Package Scheme of Incentives-2013 to eligible MSME units is detailed in this circular. This circular comes into force with immediate effect.

**A. Procedure :-**

- 1 It is difficult for micro units to get their Project appraised from Bank/Financial Institution where loan component is not involved in the funding of the project.. Hence in case of self-financed micro units, Project Appraisal may be done by the concerned General Manager, District Industries Centre. The appraisal will be carried out based on the project profile, EM I and II and other documents submitted by the unit for obtaining eligibility certificate under PSI 2013. Ordinarily, the project cost proposed and incurred by micro unit shall be accepted.
- 2 In case of micro units where land/premises is taken on lease/rent, Eligibility Certificate will be issued for grant of incentives for the period coinciding with lease/rent period. The period will be extended (limited to eligibility period as specified under para 4.1 of Package Scheme of Incentives 2013 GR) upon submission of renewed lease/rent agreement. However, the operative period will always be computed based on the Eligibility period as specified under para 4.1 of PSI 2013 GR.
- 3 For Micro units, Project Profile will be accepted in place of Detailed Project Report. Project profile to provide following minimum information viz. Promoters' information location of project, Products and raw materials with proposed capacities, Process in brief, Means of finance , in brief.

4. 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.

**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. Entrepreneurs Memorandum Part-I. (already available with the implementing agency)</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/Profile.</li> <li>5. Authorization for signing of application, execution of agreements etc.</li> </ol>
Investment and production.	<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. EM II and ELP</li> <li>6. CA certificate certifying investment in Fixed Assets</li> <li>7. Chartered engineer's certificate for self fabricated machinery (Other than micro units)</li> </ol>

	<ol style="list-style-type: none"> <li>8. Architect's certificate for cost of construction (revised format at Annexure I)</li> <li>9. Bank Loan sanction letter. Bank appraisal (to be issued by Financial Institution/bank on the request of implementing agency. DIC in case of self-financed micro units in case the unit so requests.)</li> </ol>
<b>Consents &amp; permissions.</b>	<ol style="list-style-type: none"> <li>1. MPCB consent to establishment.</li> <li>2. MPCB consent to operate/ acknowledgement of having filed application with MPCB together with proof of payment.</li> <li>3. Self-certification in format on Stamp paper.(Annexure ii)</li> <li>4. Building plan approval from Competent Authority</li> </ol>
<b>Others.</b>	<ol style="list-style-type: none"> <li>1. Agreement.</li> </ol>



Addl. Director of Industries

For Development Commissioner (Industries)

## Project Appraisal by GM DIC

(For Micro Self Financed Enterprises, not to exceed one page)

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	per	Appraised Cost
1	Land		
2	Building & Site Development		
3	Plant & Machinery		
4	Preliminary & Preoperative Exp		
5	Other Fixed Assets		
6	W/C Margin		
<b>Total Project Cost</b>			

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.

**Signature of GM**

## Annexure I

## Architect Certificate for Building/Premises Valuation

I hereby certify that the site development and civil work done for the construction work of factory building of M/s \_\_\_\_\_ located at \_\_\_\_\_ have been completed as below.

Sr No	Item (Area in Sq. Meters)	Estimated Value (Rs Lakhs)	Value of the completed work as on _____ (Rs Lakhs)	Likely amount required for completion (Rs Lakhs)
1	Land & site development			
2	Structure (Shed)			
Total				

I further certify that the civil work completed by M/s \_\_\_\_\_ located at \_\_\_\_\_ is as per the building plan approved by \_\_\_\_\_ (name of the competent local planning authority) vide letter no \_\_\_\_\_ dated \_\_\_\_\_.

Name and Signature of Architect

Member Regn. No :- \_\_\_\_\_

Place :- \_\_\_\_\_

Date :- \_\_\_\_\_

## Annexure II

**Self Certification by the applicant MSME Unit 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	EMI Acknowledgement	No _____ Date of Ack. _____ Issued by District Industries Center _____
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	Date of legal possession _____

<p>assignment (pl tick appropriate document)</p> <p>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)</p>	<p>Date _____</p>
--	-------------------

**B. For Expansion/Diversification :-**

Sr. no	Effective Step	Details										
1	EMII Acknowledgement	<p>No _____, Date of Ack. _____ Issued by District Industries Center _____</p> <p>Date of Inclusion of proposed Expansion (addition in FCI, Capacity &amp; Employment) in EMI :- _____</p>										
2	Constitution Prop. /Partnership/ Company/ Society	<p>Date of Registration :- _____ Registration No.:- _____, Registered Address :- _____</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 70%;">Name and address of Partners/Directors</th> <th style="width: 30%;">% Holding</th> </tr> </thead> <tbody> <tr> <td>Proprietor</td> <td></td> </tr> <tr> <td>_____</td> <td>_____</td> </tr> <tr> <td>_____</td> <td>_____</td> </tr> <tr> <td>_____</td> <td>_____</td> </tr> </tbody> </table> <p>Memorandum of Association/ Partnership Deed/Society/Trust By Laws of the Company/ Firm/Society/Trust permits to undertake the proposed activity.</p>	Name and address of Partners/Directors	% Holding	Proprietor		_____	_____	_____	_____	_____	_____
Name and address of Partners/Directors	% Holding											
Proprietor												
_____	_____											
_____	_____											
_____	_____											
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	Date of legal possession _____										

	assignment (pl tick 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. NOC from Local Authority :- Name of the authority \_\_\_\_\_, date of NOC \_\_\_\_\_
- b. Entrepreneurs Memorandum(EM) II :- No \_\_\_\_\_ Dated \_\_\_\_\_
- c. MPCB Consent to establish\_ date \_\_\_\_\_ and validity period \_\_\_\_\_
- d. TIN number \_\_\_\_\_ Date of registration under MVAT Act \_\_\_\_\_
- e. Building Plan Approval by local planning authority :- Name of the authority \_\_\_\_\_, date of approval \_\_\_\_\_, Build up area \_\_\_\_\_



f. Power Sanction :- Date \_\_\_\_\_, Load sanctioned \_\_\_\_\_ KW, Date of Connection \_\_\_\_\_  
Name of utility \_\_\_\_\_

g. Consent to operate from MPCB/filing of application with relevant fees date \_\_\_\_\_  
validity period \_\_\_\_\_.

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 instalment, 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)**