



INDUSTRIAL & BUSINESS DEVELOPMENT POLICY 2017 (Key Highlights)





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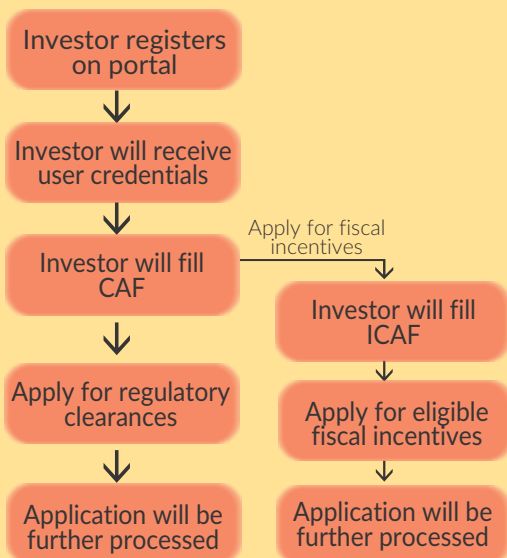
Business First Portal Key Services

- Facilitate **NEW** and **EXISTING** Investors
- Provides **REGULATORY Clearances** & **FISCAL Incentives**
- Investor Tracker**

Salient Features

- Common Application Form (CAF)
- Online Payment Gateway
- Online Backend Processing
- QR Code based verified Approvals
- Time Bound Digital Approvals
- Smart Dashboards
- Real time status / alerts through SMS & Email
- Grievance Redressal Mechanism
- Feedback Entry & Publishing Mechanism
- Pendency Intimation to officers till case processed

Process flow



Categorization of Units

- Startup, Micro, Small and Medium Enterprises & Large Units** as defined by Government of India from time to time

- Anchor Units**

Sectors	Minimum FCI (Rs in Crore)	Or Minimum Direct Employment Generation
Apparel & Made ups Electronics, Food Processing Footwear & Accessories and IT & ITES	50	500
Any other Manufacturing Sector or Service Sector (as defined for large Industries)	200	1000

- Early Bird Units**

First five new MSME units and first five new large units which will come into production in the new Industrial Parks approved by the State

- Thrust Sector Units.**



Manufacturing

- E-vehicle, NRSE Equipment, Energy Storage Devices, Medical Equipment, Industry 4.0 based manufacturing enterprises
- Textiles including Apparel and Made-ups, Technical Textiles
- Footwear and Accessories
- Electronics
- Aerospace and Defence
- Agri & Food Processing Industries
- Biotechnology, Pharmaceutical
- Processing of Agro waste (Biomass) into Energy, Bio-Energy, manure or any other usable Form
- Bicycle and Bicycle components/parts
- Alloy Steel



Services

- IT and ITES
- Life Sciences
- Skill Development Centres, Incubation Centres, Accelerators
- Healthcare
- Tourism & Hospitality
- Media and Entertainment
- Logistics
- Maintenance, Repair and overhaul (MRO) for Aviation & Defence Sector

Policy with Landmark Incentives

- **Power @ Rs 5 per unit** to all manufacturing units & to IT/ITES units in approved Industrial Parks.
- **Incentives at par with new units** for existing manufacturing units undertaking expansion, diversification or modernisation and new units in case of service industry

FISCAL INCENTIVES

Anchor Units

- 100% reimbursement of Net GST* Incentive for 15 years up to 200% of FCI
- 100% exemption from CLU /EDC charges
- Employment Generation subsidy @ Rs 36,000 /employee/ year and Rs. 48,000/employee/year for women and SC/BC/OBC upto 5 years.
- 100% exemption from Electricity Duty for 15 Years
- Exemption from payment of extra 2% over MSP to food processing units for setting up private marketing yards

Startups

- All incentives, which are available for MSME units
- Interest subsidy @ 8% per annum for 5 years up to Rs 5 lakh per annum
- Reimbursement of 25% of lease rental subsidy upto Rs 3 lacs for 1 year.
- Seed Grant up to Rs 3 lakh per start-up .
- Creation of a corpus fund of Rs 100 Cr

Incubator

- Capital Subsidy up to 1Cr
- Recurring Expenses reimbursement up to 3 lac / year for 5 years
- Mentoring Assistance up to Rs 3 lac / year for 5 years.
- Assistance for startup competition annually upto Rs 5 Lac per event

Border Zone Industry

- Exemption from CLU
- 100% exemption from EDC charges
- 75% exemptions of all the State duties, taxes and fees to the first unit
- First unit will also be entitled to 40% additional FCI in the maximum limit prescribed for reimbursement of Net GST* Incentive

MSME

- Reimbursement of 100% of Net GST* Incentive for 7 years upto 100% of FCI.
- 5% pa Interest subsidy in Border Districts and Kandi Area and SC/ Women Entrepreneurs upto 10 lakh/year for 3 years
- 100% exemption from Electricity Duty for 7 years
- 100% exemption/reimbursement from stamp duty
- Reimbursement of 50% of expenses upto Rs. 5 lakh under ZED scheme of GOI
- Assistance for Finance ,Technology, Infrastructure, Marketing & Exports

Large Units

- 75% of Net GST* Incentive for 7 years upto 100% of FCI
- 100% exemption from Electricity Duty for 10 years
- 100% exemption/ reimbursement from Stamp Duty
- 50% exemption from Property Tax for 10 years

Thrust Sector

- 100% of Net GST* Incentive for 10 years upto 125% of FCI.
- 100% exemption from Electricity Duty for 10 years
- 100% exemption/ reimbursement from Stamp Duty
- 100% exemption from CLU/EDC
- 100% exemption from Property Tax for 10 years
- Other incentives provided to MSME units

Early Bird

- 100% reimbursement of Net GST* Incentive for a period of 12 years subject to 125% of FCI for 5 Early Bird MSME units and 5 large units, which come into production

Sector Specific Special Incentives for Units in Thrust Sectors

Food Processing Industries	ESDM	IT /ITeS	Tourism & Hospitality	Apparel and made-ups, Technical textiles
100% exemption from all taxes and fees paid for purchase of raw material for food processing units up to 10 years	50% top up of Capex support provided by MEITY, GOI, to first 10 Anchor units upto INR 10 Cr. per unit	50% of Fixed Capital Investment subject to ceiling of INR 2.5 Cr per unit	100% exemption from entertainment tax	5% interest subsidy for MSMEs for 3 years upto Rs 10 lakh per year

Support for Infrastructure Related Schemes

- State share upto 20% for Cluster Development Program (MSE-CDP)
- 90% support upto Rs 2 crore for setting up Common Facility Centre (CFC) under mini cluster Development
- Land for CETPs on lease and exemption from Electricity Duty
- Grant upto Rs. 5 Cr per Cluster Specific Skill Centres

Fiscal Incentives to Industrial Parks

New Industrial Parks with minimum area of 25 Acres will be allowed to develop 50% area as residential and commercial and no CLU and / or EDC will be levied on any component of the Industrial Park

Non Fiscal Incentives

IT/ITES/Knowledge Industry Units -

- Permissible FAR 1:3
- Exemption from PAPRA and Grant of CLU for Anchor Projects
- Exemption from Consent Management for Green Category Units

Apparel and Made-ups Sector -

- Liberalized Zoning & Higher FAR

Retail Enterprises

- 24x7 operations for all genders
- Retail to stay open 365 days a year



Revival of Sick units

Sick MSME Units

- Deferment of recovery of various arrears for a period of 5 years
- Exemption from minimum charges for electric connection
- Exemption from electricity duty for 2 years

Sick Large Units

- Reimbursement upto 75% of Net GST* Incentive for a period of 5 years
- Deferment of recovery of various arrears for a period of 5 years
- Exemption from minimum charges for electric connection
- Exemption from electricity duty for 3 years

Acquisition of Sick Units and revival thereof

- Exemption from ED and reimbursement of incentive amount of Net GST* Incentive for 7years

*The word Net SGST as mentioned in Industrial & Business Development Policy 2017 & its detailed Operational Guidelines shall be adopted as per notification no PIU/IDBP-2017/ Amendments/ 2018 /4888 dated 17-10-2018



Invest Punjab - Business First Portal

- All Incentives shall be provided online through Business First Portal at www.investpunjab.gov.in or www.pbindustries.gov.in
- Investor can register at above said portal and shall be provided hand holding till commissioning through dedicated Relationship Managers.
- Dedicated help desk +91 172 2715320 | info@investpunjab.gov.in