

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:3413
ANSWERED ON:01.08.2014
. CAPITAL INVESTMENT SUBSIDY UNDER NEIIPP
Chaudhury Shri Jitendra

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) the total number of capital investment subsidy cases cleared by the Government under North East Industrial Investment Promotion Policy (NEIIPP), 2007 till 31 March, 2014 with value less than 1 crore per unit, between 1 to 10 crores, 10 to 50 crores and more than 50 crores separately;
- (b) whether the procedure for clearing incentive proposals for all such units in terms of submitting of documents is same for all types of units as mentioned above and if so, the details thereof;
- (c) whether treating small as well as large units with same level of scrutiny is affecting industrialisation in the smaller States negatively; and
- (d) if so, the reaction of the Government thereto?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN)

(a): The total number of capital investment subsidy cases cleared and disbursed by the Government till 31.03.2014 value-wise is as under:-

Type of capital investment subsidy cases with value	Numbers
less than 1 crore per unit	261
between 1 to 10 crores	33
between 10 to 50 crores	08
more than 50 crores	01

(b): The procedure for clearing incentives proposals for smaller units is simpler as compared to bigger units. Central Capital Investment Subsidy claims upto Rs. 5 lacs are approved by the District Level Committee (DLC), whereas claims above Rs. 5 lacs but upto Rs. 1.50 crores are approved by the State Level Committee (SLC). Claims in excess of Rs. 1.50 crores and upto Rs. 30 crores are appraised by the Directorate but approved by the Empowered Committee (EC) constituted for the purpose. Claims in excess of Rs. 30 crores are approved by the Union Cabinet after being appraised by the SLC / EC.

In addition to the above, the procedure for claiming subsidy has further been streamlined and the different approving authorities are required to invariably take into consideration the value of plant and machinery as assessed by a financial institution. However self-financed micro-units have been exempted from investment appraisals for availing capital investment subsidy.

(c): The data in (a) above does not suggest that level of scrutiny is adversely affecting industrialization in NE States.

(d): Does not arise.