

**Package Scheme of
Incentives, 2019**
(As applicable to Large, Mega and Ultra
Mega Units)

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Package Scheme of Incentives, 2019 (1/38)

- Period of Operation
 - The scheme shall remain in operation for **five years** from 1st April, 2019 up to 31st March, 2024 or till the new Package Scheme of Incentives comes into force
- Objectives
 - To encourage the dispersal of industries to the lesser developed areas of the State
 - To ensure sustained industrial growth with emphasis on balanced regional development
 - To provide global competitive edge to the industries
 - To create additional employment opportunities to local persons

Package Scheme of Incentives, 2019 (2/38)

- Coverage

- Eligible Organizations

Industrial Units in the private sector, state public sector/Joint-sector and the co-operative sector satisfying the conditions of the scheme are eligible for incentives.

Package Scheme of Incentives, 2019 (3/38)

■ Eligible Industries

- All the Manufacturing Industries listed in the First Schedule of the Industries (Development and Regulation) Act, 1951
- Manufacturing Enterprises as defined in the MSMED Act, 2006
- IT / BT Manufacturing Units
- Mechanized Food / Agro Processing Industries in following sectors:
 - Dairy, Fruit and Vegetable Processing.
 - Grain Processing.
 - Fish/Meat/Poultry Processing.
 - Consumer foods including Packed foods.
 - Non alcoholic beverages from fruits and vegetables.

(Only secondary and tertiary agro and food processing units shall be eligible for incentives. This condition will not be applicable to processing/manufacturing units set up by Farmers Producers Companies and the units set up in Govt assisted food parks and carrying out primary processing activity)

Package Scheme of Incentives, 2019 (4/38)

- Notes:

1. The units manufacturing beer, liquor, cigarette, bidi or any other tobacco containing products, gutkha, paan masala and any other product(s) banned by Central/State Government shall not be eligible for incentives under the scheme.
2. Units manufacturing all types of textiles including cotton ginning and pressing, sizing, spinning, weaving, bleaching, dyeing, mercerizing, etc. covered under the Textile Policy, 2018-23 of State shall be eligible only for incentives other than those offered by the other state government agencies.

Package Scheme of Incentives, 2019 (5/38)

- Explanation

- A. Primary agro/food processing: Activity which converts agricultural produces, into something that can eventually be eaten. This category includes ingredients that are produced by processes such as drying, threshing, milling grains and shelling nuts, etc.
- B. Secondary agro/food processing: Secondary food processing is the everyday process of manufacturing food from ingredients that are ready to use. (Example – baking bread in a bakery). Secondary food processing involves mechanized processing of food/agro ingredient that has already undergone primary processing.
- C. Tertiary agro/food processing: Mechanized commercial production of what is commonly called processed foods. These are ready-to-eat or heat-and-serve foods such as re-heated airline meals.

Package Scheme of Incentives, 2019 (6/38)

- **Classification of Areas**
 - **A:** Denotes industrially developed areas
 - **B:** Comprising the areas where some development has taken place
 - **C:** Comprising the areas, which are less developed than those covered under Group B
 - **D:** Comprising the lesser-developed areas of the State not covered under Group A/ Group B/ Group C
 - **D+:** Comprising those least developed areas not covered under A, B, C or D. Entire Vidarbha except Nagpur city, Hingoli & Gadchiroli district is covered under this group.
 - **No Industry District :** Denotes district having no industries & not covered under A, B, C, D & D+. (Entire Gadchiroli & Hingoli District)
 - **Naxalism affected areas:** Includes areas affected by Naxalism
 - **Aspirational Districts:** Washim, Gadchiroli, Osmanabad and Nandurbar

Package Scheme of Incentives, 2019 (7/38)

■ Classification of Industries

Classification	Investment in Plant and Machinery
Micro	Up to Rs. 25 Lacs
Small	Between Rs.25 Lacs to 5 Crore
Medium	Between Rs.5 Crores to 10 Crores
Large Enterprises	Exceeding Rs.10 Crores
Special LSI	For MSME Unit, the ceiling of Gross FCI is Rs. 50 Crores. For units having eligible FCI more than Rs. 50 Crores and up to the minimum investment stipulated for qualifying as LSI unit.

Package Scheme of Incentives, 2019 (8/38)

■ Eligibility Criteria for LSI

Taluka/Area Classification	Minimum Qualifying FCI (Rs. In Crores)	Minimum Direct Employment (in Nos)
A & B	750	1000
C	500	750
D	250	500
D+	150	400
Vidarbha, Marathwada, Ratnagiri, Sindhudurg & Dhule	100	300
No Industry Districts, Naxalism affected areas & Aspirational Districts	100	250

Package Scheme of Incentives, 2019 (9/38)

■ Eligibility Criteria for Mega Projects

Taluka/Area Classification	Minimum Qualifying FCI (Rs. In Crores)	Minimum Direct Employment (in Nos)
A & B	1500	2000
C	1000	1500
D	750	1000
D+	500	750
Vidarbha, Marathwada, Ratnagiri, Sindhudurg & Dhule	350	500
No Industry Districts, Naxalism affected areas & Aspirational Districts	200	350

■ Eligibility Criteria for Ultra Mega Projects

Taluka/Area Classification	Minimum Qualifying FCI (Rs. In Crores)	Minimum Direct Employment (in Nos)
Entire State	4000	4000

Package Scheme of Incentives, 2019 (10/38)

- **Direct Employment (Employee based Large/Mega/Ultra Mega Projects)**
 - Employees on the payroll of the unit for which EPF contribution is paid by the unit and covered under Maharashtra Profession Tax Act and shall not include employees on the payroll of contractors.
 - The eligible unit shall maintain the data of the employees on its roll with Aadhaar Card/Election Voting Card.
 - It is required to maintain qualifying employment throughout the year & 80% of such employees should be local persons (domiciled in Maharashtra).
 - Minimum employment to be created within two years from the date of commercial production.
- Investment in Captive Power Plant - will be considered for determining the qualifying criteria for eligibility as Large/Mega/ Ultra Mega Project (up to 20% of total project cost). However, such investment will not be incentivized. A Captive Power Plant is one wherein at least 80% of power generated annually is utilized by the eligible unit and such plant shall be located in the premises of the eligible unit.

Package Scheme of Incentives, 2019 (11/38)

- Existing Unit
 - A Unit which has been set up and is in production at any time prior to the 1st April, 2019, or
 - A Unit which has been granted an Eligibility Certificate (EC) or has availed any incentives (excluding Stamp Duty) under any of the Earlier Schemes, or
 - A Unit which has filed a valid application for grant of an EC under the PSI-2013 with any of the Implementing Agencies on or before the 31st March 2019.

Package Scheme of Incentives, 2019 (12/38)

■ New Unit

- Unit which is set up for the first time by an entity in that taluka where there is no Existing Unit set up by the said entity, provided that such Unit satisfies the following conditions:
 - It is not an Existing Unit.
 - At least one of the Effective Steps is completed on or after the 1st April, 2019 for setting of the Unit.
 - It is not formed as a result of re-establishment, mere change of ownership, change in the constitution, reconstruction or revival of an Existing Unit.

Package Scheme of Incentives, 2019 (13/38)

■ EXPANSION / DIVERSIFICATION

- The investment shall be regarded as Expansion or Diversification project if it satisfies the following conditions:
 - Additional Investment - The minimum additional fixed capital investment made on or after 1st April, 2019 should be Rs.25 Lacs in case of MSMEs, Rs. 5 Crores in case of non-MSMEs up to Special LSIs and Rs. 10 Crores in case of LSI and Special LSIs.
 - The said additional fixed capital investment should exceed 25% of the existing gross fixed capital investment as on the last day of previous Financial Year.
 - The additional fixed capital investment should result in increase of existing installed capacity by at least 25% (in case of Expansion)
 - There should be increase in the employment in non supervisory category at least to the extent of 10% of existing level and 80% of such additional employees should be local persons. (domiciled in Maharashtra)
- Note: The above criteria should be fulfilled for single location of the unit which is undergoing expansion/diversification. Sum total of investment made in units of the same entity at various locations shall not be considered for qualifying criteria for expansion/diversification.

Package Scheme of Incentives, 2019 (14/38)

- Notes :
 - The unit claiming benefits under Expansion / Diversification shall be required to maintain separate record of production for such expansion. In case, however, maintaining the separate record is not possible, the benefits under the scheme shall be available in the ratio of additional fixed capital investment to total gross fixed capital investment.
 - After reaching the ceiling of maximum approved FCI or investment period whichever is earlier the investment ratio will continue to remain same for IPS claims calculation till the end of EC period.
 - There will be a limit of two number of expansions / diversifications in the scheme period.

Package Scheme of Incentives, 2019 (15/38)

■ Implementing Agencies

- For Micro & Small Manufacturing Enterprises – Concerned District Industries Centre (DIC)
- For Medium Manufacturing enterprises and units with eligible project FCI up to Rs. 50 Crores – Regional Joint Director of respective regions.
- For Special LSI/ LSI /Mega /Ultra Mega Projects – Directorate of Industries, Mumbai.
- Mega / Ultra Mega Projects are required to submit their proposals to the Principal Secretary (Industries) for getting approval from High Power Committee and the application for incentives is required to be filed along with such approval letter from High Power Committee.

Package Scheme of Incentives, 2019 (16/38)

■ **Date of Effect of Eligibility**

- Eligibility certificate under the scheme shall be effective from the date of commencement of production & shall be issued only after commencement of production.
- Necessary to obtain separate registration under State GST Act

■ **Eligibility Period**

- It is the period mentioned in E.C. depending on the nature & location of eligible unit for availment of various incentives under the scheme.
- In respect of Mega/Ultra Mega projects, the eligibility period shall be as approved by the Cabinet Sub-committee or the High Power Committee

Package Scheme of Incentives, 2019 (17/38)

- Operative Period (applicable for all Schemes)

It is minimum period of operation of unit which has availed incentives under any scheme which is as under:

- Micro & Small Manufacturing Enterprises - Eligibility period as per EC + 5 years
- Medium / Large Scale Manufacturing Enterprises - Eligibility period as per EC + 7 Years
- Mega/Ultra Mega Projects - Eligibility period as per EC + 10 Years

Package Scheme of Incentives, 2019 (18/38)

- **Effective steps shall mean and include –**
 - Physical possession of land / shed / gala with registered deed having permission for industrial use
 - Registration in respect of firm /LLP/ company / trust / society
 - Letter of intent for IT / BT units / letter of intent from Gov. of India and/or permission from the State Government for setting up/ shifting of unit (if required)
 - MPCB Consent to Establish in case of MSME units.
 - Copy of IEM along with its Acknowledgement in the case LSI / Mega / Ultra Mega units not covered under the compulsory licensing provisions. Letter of Intent if the unit is covered under the licensing provisions of the IDR Act.
 - For expansion/diversification projects in case of Large/Mega/Ultra Mega units, IEM Part A/LOI as applicable.

Package Scheme of Incentives, 2019 (19/38)

- **Application for eligibility**
 - To be submitted after the unit has taken all the effective steps on or before 31/03/2024 but before commencement of production. In case of delay, the period & entitlement will be curtailed proportionately.
 - If a Unit has completed all Effective steps but not started the production before the 1st April, 2019 and has not filed an application with the Implementing Agency under PSI 2013, such unit can submit the application under PSI - 2019. However, the incentives applicable to such Eligible Unit shall be as per PSI-2013 or PSI - 2019, whichever is lower. For such unit, the investment made within the investment period from the date of application only will be considered for Incentives.
 - In respect of Mega Projects wherein a customized package has been approved under PSI-2013, but the unit has completed/not completed the effective steps within the period of PSI-2013 and has not applied to the DI for eligibility, such Mega Project will be eligible for approved customized package. However, the unit should complete the effective steps and file an application under PSI – 2019 with the Implementing Agency within the approved investment period.

Package Scheme of Incentives, 2019 (20/38)

- **Eligible Fixed Capital Investment**
- Land in effective possession with permission for Industrial NA use, Site Development, Building, P & M, Preoperative Expenses capitalized, Technical know-how fees, Amount paid to MSEDCL & MIDC for development of Infrastructure (excluding deposits paid).
- R&D units of eligible industrial units (eligible for fiscal incentives) up to 25% of FCI (max Rs. 100 Crores)
- Royalty, technology transfer and technological know-how fees (up to maximum of 10% of capital cost)
- Cost of used imported machinery for value thereof or value as certified by an approved valuer (whichever is less) having residual performing life of a minimum 10 years as certified by an approved valuer.
- Cold storages which are a part of integrated manufacturing process.
- Only new fixed assets based on project appraisal acquired within relevant period are eligible.
- Project appraisal done by the lender who has given term loan for the project or by a Scheduled Commercial Bank/SICOM in case of projects financed by NBFC/Credit Society/Self financed projects/partly financed projects.

Package Scheme of Incentives, 2019 (21/38)

- Re-appraisal/restructuring of the project cost by respective term lending institution/SICOM within the project cost already appraised and accepted by the implementing agency, prior to the cut-off date for making admissible investment , if duly justified, can be accepted by the implementing agency.
- In case of Mega/Ultra Mega Projects, the prior approval of Department of Industries shall be needed for re-appraisal.
- The investment in intangible assets including pre-operative expenses, interest capitalized, technical know-how fees is considered only to the extent of 10% of the total project cost.
- The amount shown under the head contingency against each item shall not be allowed in excess of 10% of the cost shown therein and shall be considered only if the same has been provided in the project appraisal with appropriate reasons.
- Any increase in the Gross FCI as a result of replacement of any of the fixed asset earlier considered under the EC shall not have any additional incentives.

Package Scheme of Incentives, 2019 (22/38)

- For Mega/Ultra Mega Projects:
 - a. Tooling acquired by the Mega/Ultra Mega Project may be located at the premises of various ancillary units of the Mega/Ultra Mega Project within the state, limited to maximum 40% of the total Plant and Machinery of such Mega/Ultra Mega Project.
 - b. If Mega/Ultra Mega Project wants to support certain Captive Process Vendors who may put up investment purely and entirely for the purpose of carrying certain processes in the overall manufacturing process of the eligible Mega/Ultra Mega Project but the said investment will not qualify for the benchmark for investment criteria to fulfill Mega/Ultra Mega Project status. However, the same shall be counted for eligible FCI.
 - c. Such Captive Process Vendors should be engaged in a part of the manufacturing process (and not for manufacturing components or independent products) of only one Mega/Ultra Mega Project.
 - d. Such Captive Process Vendors are located in the same industrial area or higher classified taluka where the Mega/Ultra Mega Project is situated.

Package Scheme of Incentives, 2019 (23/38)

■ Investment Period

The assets should be acquired at site & paid for (after 01/04/2019).

- MSMEs – 3 Years from the date of application or the date suggested by the unit
- LSI and Special LSI – 4 Years from the date of application or the date suggested by the unit
- Mega/Ultra Mega Projects – 5 Years from the date of application or the date suggested by the unit or such greater/modified period as may be approved by High Power Committee or the cabinet sub-committee on case to case basis.

Assets acquired prior to and beyond the investment period will not be considered eligible for incentives.

However, cost of vacant land acquired prior to policy period, investment period or submission of valid application shall be considered as part of eligible FCI, provided no incentives were availed earlier under any scheme on the said land

The Eligible units are also required to commence the production within the above stipulated period. Delay in commencement of production will entail proportionate curtailment of incentives.

Package Scheme of Incentives, 2019 (24/38)

- Financial Incentives
 - New LSI Units and Special LSI Units will be eligible for a basket of incentives as under:

Taluka/Area Classification	Maximum Ceiling of basket as % of FCI	Incentive period in years
A & B (Only LSI)	25%	7
C	40%	7
D	60%	7
D+	70%	7
Vidarbha, Marathwada, Ratnagiri, Sindhudurg & Dhule	80%	9
No Industry Districts, Naxalism affected areas & Aspirational Districts	100%	9

Package Scheme of Incentives, 2019 (25/38)

- Units qualifying as expansion/diversification will also be eligible to get incentives equivalent to 80% of the incentives admissible for new units. The eligibility period for availing of the incentives will however be reduced by one year than that admissible to a new unit.
- However, aggregate fiscal incentives provided by various departments or agencies of the State Government shall not exceed the basket of incentives (as % of FCI)
- The units applying for incentives and going into commercial production in the first year of policy period will be given full basket of eligible incentives. If the unit applies or goes into commercial production in subsequent years of the policy period, the ceiling of basket of incentives will be reduced by 5% for each year of delay.
- The total quantum of incentives for the food/agro processing units (secondary and tertiary processing units only and in case of Farmer Producer Companies and the units set up in Govt. assisted food parks for manufacturing/processing and carrying out primary processing activity also) will be eligible for 20% over and above the limits and additional 2 more years of eligibility to avail the incentives. However, in any case, total incentives admissible to the eligible unit will not exceed 100% of FCI as per respective taluka category.

Package Scheme of Incentives, 2019 (26/38)

- Industrial Promotion Subsidy for LSIs and Special LSIs:
 - LSI Units – IPS on 50% of Gross SGST
 - Special LSI Units – IPS on 40% of Net SGST. (Units falling under this category located in A and B zones will not be eligible for incentives)
- All eligible new units in Group C, D, D+ areas, no industrial districts, aspirational districts and naxalism affected areas will be exempted from payment of Electricity Duty during eligibility period. In Group A and B areas, only eligible 100% EOU, IT/BT units for a period of 7 years are eligible.
- All new as well as expansion/diversification units are eligible for waiver of Stamp Duty during the investment period in Group C, D, D+ talukas, no industrial districts, aspirational districts and naxalism affected areas for acquiring land and for term loan purposes. However, in Group A and B areas, stamp duty exemption would be available as given below:
 - IT/BT manufacturing units in public IT/BT Parks: 100%
 - IT/BT manufacturing units in private IT/BT Parks: 75%
 - LSI, Mega and Ultra Mega Projects: 50% for first lease/conveyance deed

Package Scheme of Incentives, 2019 (27/38)

- **Financial Incentives For Mega / Ultra Mega Projects**
 - The quantum of incentives & eligibility period for Mega Projects and Ultra Mega Projects shall be decided by the High Power Committee under the chairmanship of the Chief Secretary, Government of Maharashtra on a case to case basis. However, the Cabinet Sub Committee for Mega Projects, under the chairmanship of the Chief Minister of Maharashtra will have the powers to sanction customized package of incentives and even offer special / extra incentives for prestigious Mega Projects / Ultra Mega Projects, on a case to case basis with recommendation of High Power Committee.
 - Investment by Captive Process Vendor can be considered as part of admissible FCI. However, CPV investment will not be counted for determining qualifying criteria for Mega/Ultra Mega Projects.
 - Mega/Ultra Mega Projects availing incentives under the scheme will have to provide employment to local persons as stipulated by State Government. Failing to do so may result into reduction of offered incentives.

Package Scheme of Incentives, 2019 (28/38)

- Only on receipt of Letter of Offer from High Power Committee / Cabinet Sub Committee, the Mega / Ultra Mega Project shall file its application under the scheme with the implementing agency.
- Mega/Ultra Mega Projects have an option to choose the start of incentive availment period after commencement of production but same shall not be beyond three years from the date of production.
- Availment of IPS every year for Mega/Ultra Mega Project are as under:
 - For units located in Vidarbha, Marathwada, Ratnagiri, Sindhudurg, Nandurbar, Dhule: 100% Gross SGST basis
 - For other locations: 50% Gross SGST basis

Package Scheme of Incentives, 2019 (29/38)

- **Yearly Cap On Incentives**
- The amount of incentives to be disbursed every year will be limited to the total quantum of incentives divided by the number of years as per the applicable Eligibility period with the provision of carrying forward the differential between the actual sanctioned amount for a given year and the yearly disbursement limit.
- High Power Committee has the power to amend the yearly cap of incentives in case of Mega/Ultra Mega Projects.

Package Scheme of Incentives, 2019 (30/38)

■ **Finished Products**

- It shall mean and include the item(s) of manufacture by the eligible unit as considered under the project scheme approved by the concerned term lending agency and/or by the implementing agency, together with by-product/scrap which may get generated as incidental to and during the main production activity.
- Explanation: The units will be allowed inclusion of items freely in the similar line of products during the eligibility period provided they fulfill the laws related to the production of those items. However, the incentives for included items will be available prospectively and addition to the FCI made for purpose of additional items shall not be entitled for additional incentives.

Package Scheme of Incentives, 2019 (31/38)

■ **Monitoring & Review**

- In order to monitor & review production activities and fixed capital investment of the eligible unit, it is obligatory on the part of eligible unit to furnish following documents within 9 months from the close of every year during the operative period to the implementing agency :
 - Annual Production Return / Yearly follow up statement towards operation of the unit & incentives availed.
 - Audited annual statement of accounts.
 - Copies of GST returns filed.

Failure on the part of unit to submit above documents can result in cancellation of EC & premature recovery of incentives already availed.

Package Scheme of Incentives, 2019 (32/38)

■ Procedure for Claiming Incentives

- The eligible units should file its annual claim in prescribed proforma for IPS within 11 months from the end of relevant financial year. First such claim can be filed within 11 months from the end of the financial year in which EC has been issued or its effective eligibility was established, whichever is later.
- Documents to be submitted with annual IPS claim:
 - Monthly/quarterly GST returns and tax paid challans
 - GST Audit Report in Form GSTR-9C
 - Audited financial statements
 - Annual Follow-up Report
 - Board Resolution empowering signatory for signing application
 - Acknowledged copy of ELP-1 (Employment to Local Persons submitted with concerned DIC)
 - Affidavit for employment in prescribed format (Employment based project)
 - PF payment challans (Employment based project)

Package Scheme of Incentives, 2019 (33/38)

- Based on above documents, the Implementing Agency shall sanction 90% of IPS in case of Mega/Ultra Mega Projects and 85% of IPS in case of other units.
- Claim for remaining 10% / 15% of IPS shall be sanctioned by the Implementing Agency after completion of assessment and receipt of Form-A from GST authority.
- Any delay in filing of valid IPS claim within the prescribed time shall attract penalty by way of 10% deduction in quantum of admissible IPS and for delay exceeding 6 months, claim shall be automatically treated as lapsed.
- The last claim of 10% / 15% shall be sanctioned by Implementing Agency only after completion of Operative Period.

Package Scheme of Incentives, 2019 (34/38)

■ Comparison between PSI-2013 and PSI-2019

Particulars	PSI – 2013	PSI – 2019
1. Industrial units in Central Public Sector for Mega/Ultra Mega Projects	Eligible for incentives	Not eligible
2. Local employment criteria for employee-based projects	75% local employment	80% local employment
3. Investment in Captive Power Plant	Not considered for determining qualifying criteria but eligible for incentives.	Considered (up to 20% of project cost) for determining qualifying criteria but not eligible for incentives.
4. Employment-based Large/Mega / Ultra Mega Project	Coverage under Maharashtra Profession Tax Act was not required.	Coverage under Maharashtra Profession Tax Act is required.
5. Expansion/diversification projects	Any number of expansion/diversification was permitted	Maximum two numbers of expansion/ diversification is permitted.

Package Scheme of Incentives, 2019 (35/38)

■ Comparison between PSI-2013 and PSI-2019

Particulars	PSI – 2013	PSI – 2019
6. Separate registration under Maharashtra GST Act, 2017	Not required	Required
7. Primary Food/Agro Processing Units	Eligible for incentives	Not eligible for incentives (except Farmers Producers Company and units set up in Govt. assisted food parks)
8. Investment by Captive Process Vendors	Considered for determining qualifying criteria and incentives.	Not considered for determining qualifying criteria but considered for incentives.
9. Aggregate incentives (including incentives given by other State Govt. agencies)	May exceed 100% of basket of incentives (i.e. as percentage of FCI).	Shall not exceed the basket of incentives (i.e. as percentage of FCI).
10. Category of Special LSI	No such category	Newly introduced category

Package Scheme of Incentives, 2019 (36/38)

■ Comparison between PSI-2013 and PSI-2019

Particulars	PSI – 2013	PSI – 2019
11. Implementing Agency	Regional Joint Director for MSI Units	Regional Joint Director for MSI Units and units with eligible project FCI up to Rs. 50 Crores.
12. Minimum investment criteria for expansion/diversification		
a. For MSME	Rs. 25 Lakhs	Rs. 25 Lakhs
b. For LSI	Rs. 5 Crores	Rs. 10 Crores (incl Special LSI)
c. For non-MSME to Special LSI	N.A.	Rs. 5 Crores
13. Cold Storages	Eligible for incentives	Cold storages which are a part of integrated manufacturing process are eligible for incentives.
14. For investment-based Mega/ Ultra Mega Projects	Condition to provide employment to local persons is not mandatory	Mandatory (Failing to do so may result in to reduction of offered incentives)

Package Scheme of Incentives, 2019 (37/38)

■ Comparison between PSI-2013 and PSI-2019

Particulars	PSI – 2013	PSI – 2019
15. Backward Integration by Mega/ Ultra Mega Projects	Eligible for incentives under expansion category even though there is no increase in capacity	Not eligible
16. Re-appraisal of project in case of Mega/ Ultra Mega Projects	Prior approval from Department of Industries was not required.	Prior approval from Department of Industries is required.
17. Ceiling of incentives for LSI units	30% to 80% of FCI (according to Area classification) for 7 years	25% to 100% of FCI (according to Area classification) for 7 to 9 years (Also applicable for Special LSIs)
18. Yearly incentives for LSI	60% to 100% of Net SGST (according to Area classification)	50% Gross SGST for LSI & 40% Net SGST for Special LSI

Package Scheme of Incentives, 2019 (38/38)

■ Comparison between PSI-2013 and PSI-2019

Particulars	PSI – 2013	PSI – 2019
19. Incentives for Expansion/ Diversification	75% of incentives admissible for new units	80% of incentives admissible for new units
20. Additional incentives for food/ agro industries	10% additional incentives with 1 additional year for availment (for all food/ agro processing units)	20% additional incentives with 2 additional years for availment (only for secondary/tertiary food/ agro processing units)
21. Basket of Incentives	Stamp Duty and Electricity Duty exemption were excluded from basket of incentives for LSI units	Stamp Duty and Electricity Duty exemption are included in basket of incentives for LSI & Special LSI units

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