

GUIDELINES FOR SANCTION OF INVESTMENT SUBSIDY TO EFFLUENT TREATMENT PLANTS

For Micro and Small Enterprises, which have taken Capital Investment Subsidy under the 2006-11 policy or any other Policy on fixed assets including ETP, the subsidy on ETP investment should be deducted from the Capital subsidy of 50% of the cost of ETP. However, this condition does not apply to industries in zone 3.

One time Capital Subsidy is available only to ETP and not for Sewage Treatment Plant (STP). For the purpose of calculation of investment on ETPs, ETP means both **air pollution control equipments and water pollution control equipments and its fixed assets.**

PROCEDURE FOR CLAIMING SUBSIDY FOR ETPs

Eligible Micro, small, medium enterprises and large and mega industries shall file an application in duplicate in the prescribed format along with the following enclosures to the Commissioner for Industrial Development and Director of Industries and Commerce. Documents to be furnished as below:

1. Application in the prescribed format
2. Detailed Project report and Plan of ETP approved by KSPCB.
3. Copy of the term loan sanctioned letter from financial institution
IEM / PMT / IL
4. Partnership Deed / Memorandum of Articles of Association.
5. Investment made on ETP certified by financial institution with all details for financial institution cases and C A. certificate for all self financed cases.
6. First Sale Invoice
7. CFE & CFO issued by KSPCB
8. Environment Clearance Certificate (ECC) issued by DFEE / MOEF, wherever applicable
10. Form of declaration regarding employment of local persons in prescribed format.
11. Environment Management Plan (EMP)
12. Invoices, bills, voucher and receipts of the ETP.
13. Compliance certificate to the consent condition from KSPCB and certification for investment on ETP.

COMMITTEE FOR SANCTION OF SUBSIDY FOR ETPs:

1	Commissioner for Industrial Development and Director of Industries and Commerce	Chairman
2	Member Secretary, KSPCB	Member
3	Director, Technical Cell, Department of Ecology and Environment Department.	Member
4	Director, Technical Cell, Commerce and Industries Department	Member
5	Joint Director (ID), Industries and Commerce Dept	Member Secretary

SCRUTINY OF ETP SUBSIDIES CLAIM:

The application for capital subsidy of ETP filed by the eligible industrial units in the Directorate of Industries and Commerce, the Committee comprising of representative from KSPCB, Joint Director, concerned DIC,'s and Joint Director (ID) shall take up physical verification of the company / ETP on receipt of application and shall arrange to place the case before the committee with detailed report for sanction of subsidy to ETPs. The sanction order regarding sanction of subsidy is to be issued to the unit within 30 days from the date of receipt of application, if the company files the application with all relevant documents.

APPLICATION FORM FOR SANCTION OF CAPITAL SUBSIDY TO ETPs

1	Name and address of the company	
2	Location of the Unit	
3	Contact person, Phone No. and Fax No.	
4	Zone as per 2006-11 Industrial Policy	
5	EM / IEM / IL Registration Number and date	
6	Products manufactured	
7	Constitution of industry.	
8	Date of commencement of production	
9	Project cost of the unit	
	Land	
	Building	
	Plant & Machinery	
	Others	
	Total	
10	Cost of the ETP	
	Cost of Water Pollution control equipments & its fixed assets	
	Cost of Air Pollution control equipments & its fixed assets	
	Total	
11	CFE and CFO Nos. & Dates, issued by KSPCB	
12	ECC No. & Date by DFEE / MOEF, wherever applicable	
13	Compliance Certificate and Investment Certificate of ETP issued by KSPCB	
14	The other documents as prescribed for capital investment subsidy shall also be furnished (In format I to VI)	

DECLARATION BY THE APPLICANT

I / We hereby certify that the particulars given above are true and correct to the best of my/our knowledge and belief.

Place :

Date :

Signature(s)
Name and Designation.

**APPLICATION FORM FOR SANCTION OF INVESTMENT
SUBSIDY FOR SETTING UP OF EFFLUENT TREATMENT PLANT
(ETPs).**

1	Name and address of the unit		
2	Zone-As per Indl Policy 2006-11		
3.	Location of the Unit		
4	Registration No. and date (as mentioned in EM/IEM/LOI)		
5	Products manufactured/processes.		
6	Constitution of the industry (Proprietary/Partnership/Pvt/Ltd/Com)		
7	Whether the unit belongs to Special Category entrepreneur. Please specify. (Women/SC/ST/PH/Minority/ Ex- Servicemen and others)		
8	Project cost details.	Main unit	ETP
	1.Land		
	2.Building		
	3.Plant and Machinery		
	4.Others		
	5.Working Capital		
	Total.		
9	Date of Commercial Production (first sale Invoice)		
10	CFE & CFO Issued by KSPCB		
11	Environment Clearance Certificate (ECC) issued by DFEE / MOEF (Wherever applicable)		
12	Environment Management Plan (EMP)		
13	Compliance Certificate to the consent condition from KSPCB and certification for investment on ETP.		

14	Actual Investment details	Main unit	ETP
	1.Land		
	2.Building		
	3.Plant & Machinery		
	4.Other fixed assets (please specify)		
	Total.		
15	Name of the Term Loan lending Financial Institution/Bank.		
	1. Date of loan sanction		
	2. Amount of loan sanction		
	3. Amount of loan release.		
	4. Date of first loan release.		

Along with the above information, the following documents have to be enclosed:

- I. Investment certificate in the prescribed form issued by the financial institution/Bank (As per Annexure-3).
- II. Investment certificate in the prescribed format issued by the Chartered Accountant (As per Annexure-4).
- III. Statement of fixed assets in the prescribed format certified by the unit (As per Annexure-2 & 2A).
- IV. Engineers/Architects Certificate in the prescribed format regarding investment on building (As per Annexure-5).
- V. Employment details ((As per Annexure-6).

Declaration by the applicant:

I / We hereby certify that the particulars given above are to the best of my /our knowledge and belief and true are correct.

Place :

Date :

Signature(s)
Name & Designation.
(with seal of the company)

Annexure-2

Detailed Statement of Fixed Assets Created By the Unit excluding ETP:

Sl. No.	Particulars on the fixed assets	From whom purchased	Date of placement of order	Date of invoice /Bills	Amount of Bills/ Invoice	Date of payments	Mode of Payments	Vouchers/ Bills Receipts. No. Date	Remarks
1	Land & Land Developments	1) 2)							
2	Building	1) 2)							
3	P&M and other Productive assets	1) 2)							
4	Transportation & Transit Insurance								
5	Erection								
6	Electrification								
7	Other fixed assets								
TOTAL:									

(Note: Please submit separate statements for each item of assets)

Annexure-2A

Detailed Statement of Fixed Assets Created By the Unit for ETP:

Sl. No.	Particulars on the fixed assets	From whom purchased	Date of placement of order	Date of invoice /Bills	Amount of Bills/ Invoice	Date of payments	Mode of Payments	Vouchers/ Bills Receipts. No. Date	Remarks
1	Land & Land Developments	1) 2)							
2	Building	1) 2)							
3	Air pollution control equipments.	1) 2) 3)							
4.	Water pollution control equipments.	1) 2) 3)							
4	Transportation & Transit Insurance								
5	Erection								
6	Electrification								
7	Other fixed assets								
TOTAL:									

(Note: Please submit separate statements for each item of assets)

Signature of the Proprietor/Partner/Managing
Director of the Units.

PART-B

Certified that verification has been done by me in respect of Vouchers / Bills at Sl. No.....with reference to originals produced by the Units and found correct.

No items for which subsidy is in admissible is included in the statement.

Following items which are included in statements are disallowed as they are not eligible for subsidy for the reasons stated against each items.

1)

2)

3)

Joint Director (ID)

**FIXED INVESTMENT CERTIFICATE FROM THE
BANK/FINANCIAL INSTITUTIONS**

M/s. ----- of (location of the unit) -----
----- have been disbursed
as on this date amounts under the loan amounting to Rs.-----
sanctioned under letter No. -----Dated; ----- as
shown below:

a)	Term loan sanctioned	Date:	Amount in Rs.
b)	Loan amount disbursed on	Date	Amount (Rs)
	i)		
	ii)		
	iii)		
	Total amount disbursed up to date.		
c)	Value of investment in fixed assets.	As per project appraisal (Rs.)	Actual investment (mention period) (Rs.)
	A)Land (excluding lease hold) i)For entire unit excluding ETP ii)For ETP only		
	B) Building' (excluding residential, quarters, guest houses). i)For entire unit excluding ETP ii)For ETP only.		
	C)Plant and Machinery i)For entire unit excluding ETP ii)For ETP only		
iv.	Other Assets (please specify): i)For entire unit excluding ETP ii)For ETP only		

Certified that the sanction of financial assistance to M/s.-----
-----for the plant at ----- has
been considered on the basis of the company's assessed requirement of
factory buildings and the cost is estimated at Rs. -----as per the
project report.

We certify that this investment certificate is issued after verifying the bills and vouchers made available by the unit for purposes of release of term loan installments and based on the physical verification of the inspecting officers. Items for which subsidy is not admissible are not included in the investment certified above.

We further certify that the investment made after 01.04.2006 are only included.

We are in possession of relevant bill and vouchers on which this investment certificate is issued and we agree to make available the same as and when required for any verification purpose before the loan liability is discharged.

NOTE:

1. Please specify the period during which investment has been made on land, building and plant and machinery.
2. Please furnish the list of machineries with corresponding value.
3. The investment made on old machines/building should be excluded.
4. Investment made earlier to the date of eligibility for subsidy should not be Included.

Signature of the Branch
Manager/Manager/Agent

Place:

Date ;

//SEAL//

(Name of the Institution)

CHARTERED ACCOUNTANT CERTIFICATE

Name of the Chartered Accountant

We hereby certify that M/s.....

(name of the indl.unit) Have acquired the following fixed assets up to -----

----- for the unit at -----(address) for manufacture of -----

----- (name of products).

Item of fixed assets.	Period during which investment is made(date of payment)		Value Rs.
1.Land i)For entire unit excluding ETP ii)For ETP only			
2. Factory building (please specify period.			
i)For entire unit excluding ETP			
a.Amount paid to the Building contractors	From	To	Rs.
b.Amount paid for building materials	From	To	Rs.
c.Amount paid for wages and Salaries etc, for the Building constructions.	From	To	Rs.
(excluding architect's fees and wages paid for supervision staff etc)			
ii)For ETP only:			
a.Amount paid to the Building contractors	From	To	Rs.
b.Amount paid for building materials	From	To	Rs.
c.Amount paid for wages and Salaries etc, for the Building constructions.	From	To	Rs.
(excluding architect's fees and wages paid for supervision staff etc)			

4. Electrical installations (excluding KEB deposits) i) For entire unit excluding ETP ii) For ETP only	Rs.
5. Plant and Machinery i) For entire unit excluding ETP ii) For ETP only	Rs.
6. Loading, unloading, transportation, erection expenses etc i) For entire unit excluding ETP ii) For ETP only	Rs.
7. Misc. fixed assets (Please specify items) i) For entire unit excluding ETP ii) For ETP only	Rs.

We have checked the books of account of the unit, bills, invoices and payment vouchers, etc, and certify that the aforesaid information is verified and certified to be true. We also certify that all the aforesaid items have been duly paid for and no credit is raised against them in the books of the unit.

Certified that the investments certified above do not include items for which subsidy is not allowed. Expenditure incurred on following items are not included.

A. LAND

- i) Value of the open land not utilized for construction, leaving the area proposed for immediate expansion.
- ii) Expenditure incurred for land scraping for beautification and expenditure on unsuccessful open wells/bore wells.

B. BUILDING

- i) Expenditure on unproductive construction like guest house, workers/staff quarters, canteens, cycle/scooter stands, garages, etc.
- ii) Expenditure incurred on beautification of buildings, arches, decorative lights including street lights, furniture and air conditioners, water coolers, refrigerators such of the gadgets not directly connected with production.
- iii) Expenditure incurred on the purchase of old buildings.

C. PLANT AND MACHINERY

- i) All consumable materials like tool bits, files, oils, etc.
- ii) Investments on tools jigs/fixtures, moulds etc, which are required repeatedly, should not be allowed for the second time and onwards. While considering the investments made on first purchases, only the required quantity of such items are to be allowed. Extra quantities taken as spares are not to be allowed.
- iii) Second hand machines purchased shall not be included.

Date :

Place :

// SEAL //

CHARTERED ACCOUNTANT.

ENGINEER'S / ARCHITECT'S CERTIFICATE

I, hereby certify that as against the estimated cost of Rs.....(Rupees).....of the building and civil works for M/s..... for their proposed projects, At Plot No.....the unit has so far completed the civil works as under.

01	Value of completed civil works as per the estimates i)For entire unit excluding ETP ii)For ETP only	Rs.
02	Amount certified for payment to the building contractors(Civil and structural) i)For entire unit excluding ETP ii)For ETP only	Rs.
03	Retention Money (from civil contractor) i)For entire unit excluding ETP ii)For ETP only	Rs.
04	Value of materials Utilized for the completed portion of the building i)For entire unit excluding ETP ii)For ETP only	Rs.

The value of completed building certified above does not involve the area Built for guest house, and residential building in the factory site.

It is further certified that built are of the building is absolutely essential for the manufacturing / processing activity of the industry. A detailed estimate sheet is appended to this certificate.

Place:
Date:

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Signature and
full address.

**FORM OF DECLARATION REGARDING EMPLOYMENT OF
'LOCAL PERSONS'**

(To be executed by the new industrial undertaking).

1	Name of the Industrial Unit.	M/s.			
2	Address: Village/town/taluk/ district.	OFFICE		FACTORY.	
4	Registered as	i) MSME		Registration No.& date	
		ii) Large		No.	
		iii) Mega		Date:	
5.	Employment details (excluding Casual workers and 'Badli' workers)				
	ITEM	Group C&D	Group B	Group A	Total
A.	Total no. employees.				
B.	No. of local persons therein				
C.	Percentage of local persons to total.				

6. I / We understand that the percentage of local people in Group C & D categories i.e., workers/non/managerial categories has to be 100% and the overall local employment in the unit not less than 80% (inclusive of all categories).
I / We hereby undertake to make up the deficiency before the disbursement of subsidy.
7. I / We further understand that eligibility of my/our industrial units/ under taking for incentives and concessions from the Government of Karnataka is contingent upon my fulfilling minimum local employment as per the Dr. Sarojini Mahishi Report to the satisfaction of the State Government.

Place:

Date:

Signature of authorized person.

"Verified by me"

JOINT DIRECTOR (ID)/DIC

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- LOCAL PERSON** is defined as one who has at least fifteen years domicile in the State of Karnataka.
 - This declaration should be signed by a person duly authorized to do so by the Industrial undertaking.