

APPENDIX - I & II

A P P E N D I X - ICentral Investment Subsidy :

The Central Investment Subsidy was announced by the Government of India in August, 1971. According to the Scheme, 10% of the fixed capital investment was available to the projects set up in backward areas. With effect from 1st March 1973 the Central Investment Subsidy was increased to 15% of the total fixed Capital investment in new or expanded units subject to a maximum of Rs. 15.00 lakhs, provided, the total investment does not exceed Rs. 1.00 crore. In Maharashtra, Central Investment Subsidy is available in the district of Ratnagiri, Sindhudurg, Aurangabad, Jalna, Chandrapur and Gadchiroli (in the case of Jalna and Sindhudurg, only those areas which were earlier in the Aurangabad and Ratnagiri districts respectively are eligible for Central Investment Subsidy). During the year, Government of India extended the Central Investment Subsidy to all the districts eligible for concessional finance but modified the rate of subsidy. For this purpose, the districts were classified into three categories. The categorization of the backward areas and rate of subsidy available with effect from 1-4-1983 is as given on the next page..

<u>Category</u>	<u>Area</u>	<u>Rate of Subsidy</u>
'A'	Comprising of no Industry district plus special regions.	25% of the capital investment upto maximum Rs. 25.00 lakhs.
'B'	Comprising of districts currently eligible for Central Investment Subsidy minus districts included in Category A.	15% of the capital investment upto maximum of Rs. 15.00 lakhs
'C'	Comprising of existing concessional finance districts minus those included in category A & B.	10% of the capital investment upto the maximum of Rs. 10.00 lakhs.

The Government of India further decided that in view of the heavy investment already taken place in some limited areas, subsidy shall not be available in talukas/urban agglomerations extension of townships in Categories 'B' and 'C' districts where investments have exceeded Rs. 30.00 crores. Hence, these talukas will not be eligible for 15% subsidy from 1.4.1983.

With the extension of the Central Investment Subsidy to the remaining backward districts, there will be spurt in industrial development in these areas in the years to come.

In the past, the Government of Maharashtra has constituted a State Level Committee for consideration of Central Investment Subsidy to be paid to the industrial units. The Government of Maharashtra has also constituted District Level Committees in all the 17 districts where Central Investment Subsidy is now available, for implementing the Central Investment Subsidy Scheme. These committees will consider Central Investment Subsidy of Rs. 2.25 lakhs for small scale industrial units with the fixed capital investment not exceeding Rs. 15.00 lakhs. This decision of the Government would facilitate quicker and smoother availability of the Central Investment Subsidy to the large number of industrial units.

During the year, Central Investment Subsidy of Rs.2.03 crores was sanctioned to 273 units. The Corporation disbursed Central Investment Subsidy of Rs.1.44 crores in the year. The details regarding sanctions and disbursements of Central Investment Subsidy are given in the Table No. Appendix - 0.1