

SIPCOT

Structured Package of Assistance (SPA)

Procedures to avail Structured Package of Assistance

- The companies to whom GOs are issued, after commencement of commercial production during the obligation period / after completion of the obligation period shall submit application for Structured Package of Assistance for the investment made through on line.
- The applicant company along with the Processing fee of Rs.50,000/- with applicable GST, upload copies of GO and MoU., Statutory Auditor's Certificate (SA) for the investment made during the obligation period Chartered Engineer's (CE) Certificate for the buildings constructed during the obligation period (in the prescribed formats- in original) and other document as per the check list attached in the Application viz. Memorandum and Articles of Assn., Registered documents for land, TNPCB approval (Consent for operation / Consent renewal), Audited Annual Reports for last 3 years etc.
- The SA certificate should be in the prescribed format and it should contain investment made during the obligation period by mentioning starting date of investment and ending date of investment as prescribed in the GO incase if the company applies for incentive on completion of investment period.
The SA has to certify the starting date of investment and the investment starting date should be as per GO.
- The SA has to certify the date of commence of commercial production and first sale invoice (New unit as well as expansion scheme).

- The SA certificate should contain the pre-op. expenditure capitalised / to be capitalised. If it is capitalised, whether it has been apportioned among the building and P&M. Amount payable to creditors at the end of investment period, if any., investment made on the brand new machineries, investment made on second hand machinery, if any, as prescribed in the application.
- The machinery list should contain name of the machinery, supplier of the machinery, quantity, invoice no. and date and value of the machinery. The total value of machinery should be the amount as certified by SA.
- Chartered Engineer's (CE) Certificate should contain the name of the building, type of building, area constructed and value of building, retention money etc.
- In case of expansion scheme, the company has to furnish the SA certificate on the production achieved / sales made during the last three years prior to commencement of commercial production, installed capacity etc. for fixing the base volumes.
- In case if the applicant company submits insufficient details, they will be addressed to submit additional details.
- On receipt of full details, inspection of the beneficiary unit, to assess the implementation of project, commencement of commercial production and also test check the high value machineries will be carried out.
- During the inspection, if any, details required will be called for.

Procedures followed:

- On submission of full details, an appraisal note to arrive the investment made in Eligible Fixed Assets (EFA) is prepared by SIPCOT based on the SA/CE certificates, inspection report and GO and Eligibility Certificate (EC) (indicating ceiling amount, availment period etc.) is issued to the beneficiary unit with a copy to MoU Cell of CT Dept. and Legal Dept. of SIPCOT.
- If the company do not fulfill the obligations, a report will be sent to Govt. for its orders and on receipt of orders, the same will be communicated to the company / issues EC based on Govt. orders.
- Based on the EC, the beneficiary units shall execute the legal documents with SIPCOT and also request the MoU Cell of CT Dept. to issue the tax paid certificate.
- The Legal Dept. forwards the draft legal documents to Incentive Dept. and Incentive Dept. verifies the facts and figures in the draft legal documents and forward the same to Legal Dept. for further course of action / executing the legal documents. The Joint Commissioner of Commercial Taxes, Special Cell for MoU Companies (MoU Cell) issues Tax Paid Certificate and the eligible amount for refund based on the GO and EC issued by SIPCOT.
- On confirmation from the Legal Dept. of SIPCOT in respect of execution of legal documents and based on the MoU Cell certificate, subject to availability of fund, reimbursement is made by drawing a cheque from PD account in favour of the beneficiary unit after getting approval / countersignature from the Finance Dept. of Govt.
