GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE

RAJYA SABHA

UNSTARRED QUESTION NO. 2926
TO BE ANSWERED ON FRIDAY, THE 20TH DECEMBER, 2024

UTTAR POORVA TRANSFORMATIVE INDUSTRIALIZATION SCHEME (UNNATI)

2926. Dr. Kalpana Saini:
Smt. Maya Naroliya:

Will the Minister of **Commerce and Industry** be pleased to state:

(a) the objectives and features of the Uttar Poorva Transformative Industrialization Scheme (UNNATI);

(b) the efforts being made under UNNATI scheme to attract investors; and

(c) whether the objective of the UNNATI scheme is to meet the needs of industrially backward districts?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY
(SHRI JITIN PRASADA)

(a): The objective of UNNATI Scheme is "to strengthen the Industrial Eco-System and to attract new Investment for Employment Generation in North East Region". The salient features of the UNNATI Scheme are as listed below:

i. The Scheme is effective from the date of notification, i.e. 09.03.2024 for a period of 10 years plus 8 more years for meeting the committed liabilities.

ii. Total Budget Outlay of the Scheme is Rs. 10,037 crores. The Total Budget Outlay is divided into two parts- Part A and part B. Part A of the Scheme, with an outlay of Rs. 9737 Cr, is for providing incentives to eligible new industrial units and those undergoing substantial expansion. Part B of the Scheme, with an outlay of Rs. 300 Cr., is for implementation & institutional arrangements for the Scheme. 60 % of the outlay of Part A is earmarked to all states of North East Region, while the rest will be provided on the FIFO principle.

iii. Industrial units will be allowed to apply for registration under the Scheme till 31.03.2026.

iv. Districts are categorized in two zones: Zone A (industrially advanced districts) and Zone B (industrially backwards districts) based on NER district SDG index (2021-22).

v. The following incentives are being provided under UNNATI Scheme:

   i. Capital Investment Incentive: - This incentive is for new & existing units with substantial expansion. Industrial units in which GST is applicable and located in Zone A districts may avail Capital incentive of 30% of eligible investment with upper limit of Rs. 5 Cr. The industrial units in which GST is applicable and located in Zone B districts may avail Capital incentive of 50% of eligible

Investment with upper limit of Rs. 7.5 Cr. On the other hand, industrial units in which GST is not applicable and located in Zone A districts may avail Capital incentive of 30% of eligible investment with upper limit of Rs. 10 Cr. Similarly, industrial units in which GST is not applicable and located in Zone B districts may avail Capital incentive of 50% of eligible investment with upper limit of Rs. 10 Cr.

ii. Central Capital Interest Subvention Incentive: - This incentive is also for new unit & existing units with substantial expansion. Interest Subvention of 3% on Term loan up to principal amount of Rs 250 Cr. may be availed by industrial units located in Zone A districts for 7 years. While, Interest Subvention of 5% on Term loan up to principal amount of Rs 250 Cr. may be availed by industrial units located in Zone B districts for 7 years.

iii. Manufacturing & Services linked incentive (MSLI) - This incentive is for new units only and is equal to the net payment of GST. It may be availed for a maximum period of 10 years. The upper limit of this incentive is 75% of eligible value of investment for industrial units located in Zone A and 100% of eligible value of investment for industrial units located in Zone B.

(b): The various incentives provided in the scheme as mentioned in reply to (a) above are aimed at attracting investors. To promote the UNNATI 2024 Scheme, the Department of Promotion of Industries and Industrial Trade (DPIIT) conducts capacity-building programs and awareness workshops at various events. Two workshops were held in Delhi to help familiarize NER States with the scheme's processes. In addition, a North East stakeholder event SAMVAD was organized in Arunachal Pradesh on July 8, 2024. DPIIT has also participated in events such as World Food India 2024 and Food World 2024 to further promote UNNATI.

(c): Yes. Districts of North Eastern Region are divided into Zone A and Zone B, with Zone B having industrially backward Districts. Industrial Units located in Zone B are offered incentives such as Capital Investment Incentive (CII), Central Capital Interest Subvention Incentive (CCISI) and Manufacturing & Services linked incentive (MSLI) that are higher than Zone A districts.

****