

Government of India
Ministry of Electronics and Information Technology (MeitY)
IPHW Division

Public Notice

Ref.No: 27(51)/2016-IPHW


Date: 6th September 2018

Subject: Closing procedure for applications with insufficient information /documents under Modified Special Incentive Package Scheme (M-SIPS)

This is with regard to the applications seeking incentives under Modified Special Incentive Package Scheme (M-SIPS).

2. It has been observed that most of the applications are being received with insufficient information/documents. This has resulted in piling of long pending applications in the Ministry. Following procedure has been decided for closing of such applications:

- i. The applicant must submit all the required documents with 60 days from the date of issue of acknowledgement, failing which, the Appraisal Agency will inform to MeitY.
 - ii. The Ministry will issue a notice to the applicant to submit documents or indicate reasons for non-submission within 15 days.
 - iii. On receipt of reply from applicant, the competent authority may extend time for submission of documents, not exceeding 30 days.
 - iv. If the applicant fails to submit documents within the extended time, the application will be closed.
3. The sample template of information/documents required for appraisal under M-SIPS is annexed.
4. The above procedure will be applicable on all applications.
5. This issues with the approval of Secretary, MeitY.


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To: All Industry Associations/MeitY website/E-portal (SIPS)

Copy to: Secretary, MeitY
AS(PK) . MeitY
AS&FA, MeitY
JS(Electronics) . MeitY

Sample template of information/ documents required for M-SIPS appraisals

S. No.	Particulars	Reference
1	Financial Closure	
1.1	True certified copy of the resolution, highlighting year-wise/phase wise proposed products and investment schedule from different sources (term loan, unsecured loan and equity etc.). The resolution should mention the project location and the intent to invest under M-SIPS	Clause 2.7 of Guidelines
1.2	CA Certified Copies of Annual Reports for the past three years. MS Excel required	Clause 2.3 (c) of annexure 1 of Guidelines
1.3	Financial Closure Term Loan - Sanction Letter - Loan Agreement - Appraisal Note - Loan account statement (if disbursed) Internal Accruals - Documents supporting fund availability Equity - Documents supporting fund availability - Equity subscription agreement - Commitment letters from equity providers Unsecured Loan - Documents supporting fund availability - Unsecured Loan agreements - Commitment letters from equity providers	Clause 6 of annexure 1 of Guidelines
2	Capex Details	
2.1	Proposed capex: Complete list of capital goods proposed to be purchased along with their quotations	Clause 4.4 (b) of annexure 1 of Guidelines
2.2	Details of refurbished plant and machinery (if applicable)	
2.3	Building Plan and layout	Clause 4.3(b) of annexure 1 of Guidelines
3	Financial Details	
3.1	Projected financial statements (P&L, balance sheet and cash flows) till 10 years of the project. This should include detailed income and expense break-up. The income should include product / segment wise sales and assumed selling price.(including details of maintenance capex and both fixed and variable operating expenses expected to be incurred up to 10 years of the project under all major heads under Cost of Goods (COGS) and Selling, R&D, General and Administrative Overheads)-with and without subsidy. MS Excel required	Clause 4.4(c) of annexure 1 of Guidelines
3.2	Detailed Financial Projections for the Company as a whole including their present and future lines of business with and without subsidy. MS Excel required	
3.3	Key assumptions for projection of: a) Unit Sales Price b) No. of Units sold c) Method of Depreciation d) Market Size e) Percentage Market Share & basis	

#	Particulars	Reference
	f) Technology growth assumptions g) Business environment assumptions h) Sales growth i) weighted average cost of capital j) project execution assumptions related to timelines	
3.4	Key financial indicators (IRR, ROI, ROCE and NPV with and without Government support, break even period, with and without Government support) for the investment. MS Excel is required	Clause 4.4 (f) of annexure 1 of Guidelines
3.5	External credit ratings (ICRA, CIBIL, CRISIL, FITCH, EXPERIAN or equivalent)	Clause 2.3 (d) of Guidelines
4	Land Details	
4.1	Documentation showing ownership of land (leased/owned) for the project	Clause 4.3 (a) of annexure 1 of Guidelines
4.2	Documentation showing possession of land (leased/owned) for the project	Guidelines
4.3	Documents showing the location is in an industrial area	
5	Other Details	
5.1	CA certificate (with membership No.) showing shareholding pattern (indicating number of shares and investment)	Clause 2.3 (e) of Guidelines
5.2	Self-certificate that the applicant is not blacklisted by any Government department	Clause 2.6 (a) of Guidelines
5.3	Undertaking stating the details of assistance sought/ received from Govt. of India apart from M-SIPS	Clause 6.7 of Guidelines
5.4	Certificate from Company Secretary/Board of Directors on pending legal cases and impact on the project thereof (with a brief one line description of each case and the amount – by and against the applicant) and contingent liabilities.	Clause 2.6 of Guidelines
5.5	Details of the procurement process for machinery and raw materials	
5.6	Undertaking on number of proposed manufacturing set ups	
5.7	Write-up on contribution of project in import substitution	
5.8	Self-Certified Copies of bio of key management personnel including: - Educational qualification - Past work experiences: designation and job role - Current work job role - Awards and accolades - Membership of any Industry Body Etc.	Clause 2.3 (b) of annexure 1 of Guidelines
5.9	Employment generation in the following categories: - Managerial - Supervisory - Skilled - Unskilled	Para 3.2 (i) of annexure 1 of Guidelines
5.10	Year/Phase wise production capacity till the project completion	Clause 4.3 (e) of annexure 1 of Guidelines
5.11	Implementation Schedule with timelines for the following activities: - Construction of Building - Ordering of Machines - Receipt and Installation of Machines - Pilot Production - Commercial Production	Para 4.3(d) of annexure 1 of Guidelines
5.12	Details of availability of raw materials (imported or indigenous)	Para 4.3(f) of annexure 1 of Guidelines
5.13	Current status	Adhere to the attached

#	Particulars	Reference template:
		 Current Status Template
5.14	Statutory Auditor Certified Gross Block as on date of application	
5.15	Detailed Project Risk and Mitigation plan including: <ul style="list-style-type: none"> - Business Risk - Industry Risk - Environment Risk - Technology Risk - Financial Risk - Legal and Regulatory Risk - Operational Risk 	Para 4.5 of annexure 1 of Guidelines
5.16	List of major customers	
5.17	Company information, history and key milestones	
5.18	CS Certified Documents of Registration (MoA/AoA or equivalent)	Clause 2.2(a) of annexure 1 of Guidelines
6	Technology	
6.1	Technology Details (as per annexure 1, prescribed by Technology experts of MeitY)	Clause 4.2 (c) of Guidelines
6.2	Copy of technology agreements with technology provider (if applicable)	Clause 4.7 (a) of Guidelines

Annexure 1

1. Name of the technology being used for manufacturing the proposed product(s)
2. Intellectual property status for the technologies being proposed.
3. Competitive differentiation or advantage with similar or competing technologies highlighting why the said technology (ies) has been proposed and a roadmap.
4. Potential scope and plans for technology (ies) upgrade including back-up R&D.
5. In the process flow diagram, at each stages, indicate the associated capital equipment, with through-put & cost on one side and input raw materials/components with quantity on the other side.
6. Current players in India/ abroad who have adopted similar technology
7. Details on the number of manufacturing set ups being proposed
8. Technology relevant for next 10 years in the local and global context
9. Relevance of the current levels of automation with local scenario/ conditions
10. Future Roadmap for R&D
11. Justification for technology being "State-of-the-art"