

Fiscal Incentives for Industrial Investment
(Subsidy, Exemption & Concessions)

1. Interest Subsidy:-

Interest subsidy for eligible industries established by entrepreneurs of general category on term loan will be as given below -

A- Micro & Small Industry

Area	General Industry	Priority Industry
In industrially developing areas (as per appendix-7)	40% of the total interest, paid up to 5 years, Maximum limit Rs. 10 Lakh per year.	50% of the total interest paid up to period of 6 years, Maximum limit Rs. 15 Lakh per year.
In industrially backward areas (as per appendix-8)	50% of the total interest paid up to period of 6 years - maximum limit Rs. 20 Lakh per year.	60% of the total interest paid up to period of 7 years Maximum limit Rs. 30 Lakh per year.

B- Medium and large industry

Area	General Industry	Priority Industry
In industrially developing areas (as per appendix-7)	25% of the total interest, paid up to 5 years, Maximum limit Rs. 10 Lakh per year.	50% of the total interest paid up to period of 5 years, Maximum limit Rs. 20 Lakh per year.
In industrially backward areas (as per appendix-8)	50% of the total interest paid up to period of 5 years, Maximum limit Rs. 25 Lakh per year.	60% of the total interest paid up to period of 7 years, Maximum limit Rs. 40 Lakh per year.

C- Mega projects and ultra-mega projects (only for White goods, Electronic and Electrical consumer product, Pharmaceutical, IT sector, Biotechnology, Textile, Plant machinery & equipment for the production of New and Renewable energy and Cycle manufacturing and product/equipment/spares used for manufacturing of Cycle)

Area	
In industrially developing areas (as per appendix-7)	50% of the total interest, paid up to 6 years, Maximum limit Rs. 60 Lakh per year.
In industrially backward areas (as per appendix-8)	70% of the total interest paid up to period of 8 years, Maximum limit Rs. 100 Lakh per year.

2- Fixed Capital Investment Subsidy:-

Fixed capital investment subsidy for eligible industries established by entrepreneurs of general category will be as details given below :-

A- Micro & Small Industry.

Area	General Industry	Priority Industry
In industrially developing areas (as per appendix-7)	30% of the fixed capital investment, Maximum limit Rs. 30 Lakh.	35% of the fixed capital investment, Maximum limit is Rs. 60 Lakh
In industrially backward areas (as per appendix-8)	30% of the fixed capital investment, Maximum Rs. 60 Lakh.	35% of the fixed capital investment, Maximum limit is Rs. 80 Lakh

B- Medium Industry

Area	General Industry	Priority Industry
In industrially developing areas (as per appendix-7)	30% of the fixed capital Investment, Maximum Rs. 60 Lakh.	35% of the fixed capital investment, Maximum limit is Rs. 70 Lakh
In industrially backward areas (as per appendix-8)	35% of the fixed capital investment, Maximum Rs. 70 Lakh.	45% of the fixed capital investment, Maximum limit is Rs. 100 Lakh

C. Large Industry

Area	General Industry	Priority Industry
In industrially developing areas (as per appendix-7)	30% of the fixed capital investment, Maximum Rs. 90 Lakh.	35% of the fixed capital investment, Maximum limit is Rs. 110 Lakh
In industrially backward areas (as per appendix-8)	35% of the fixed capital investment, Maximum Rs. 100 Lakh.	45% of the fixed capital investment, Maximum limit is Rs. 120 Lakh

D- Mega/Ultra-Mega projects (Excluding core sector and saturated category industries)

Area	Priority Industry
In industrially developing areas (as per appendix-7)	40% of the fixed capital investment , Maximum limit is Rs. 350 Lakh
In industrially backward areas (as per appendix-8)	50% of the fixed capital investment, Maximum limit is Rs. 500 Lakh

3. Electricity Duty Exemption –

Electricity duty exemption to eligible new industries established by the entrepreneurs of the general category shall be exempted as per the details given below :-

A- Micro, Small & Medium and Large Industry

Area	General Industry	Priority Industry
In industrially developing areas (as per appendix-7)	Full exemption up to 5 years from the date of commencement of commercial production	Full exemption up to 7 years from the date of commencement of commercial production
In industrially backward areas (as per appendix-8)	Full exemption up to 7 years from the date of commencement of commercial production	Full exemption up to 10 years from the date of commencement of commercial production

B- Mega Projects/Ultra-Mega projects (Excluding core sector and saturated category industries sector)

Area	Description
In industrially developing areas (as per appendix-7)	Full exemption up to 8 years from the date of commencement of commercial production
In industrially backward areas (as per appendix-8)	Full exemption up to 10 years from the date of commencement of commercial production

Note: Industries having Captive power generation plants will get electricity duty exemption only on captive consumption of power

4- Stamp Duty Exemption–

In view of classification of investors, all categories of entrepreneurs who have established eligible Micro, Small, Medium, Large industries and all Mega project and

Ultra-Mega project (including the industries of the Core sector, according to the Appendix-4) will get complete exemption from stamp duty in the following cases-

- 4.1 (a) On Deeds executed for purchase/lease of land, shed and buildings and on deeds of transfer of land lease (excluding land for mining lease)
(b) Up to 3 years on the execution of deeds related with loan & advances from the date of sanction of loan by bank/financial institutions.
- 4.2 On purchase of agriculture land within 2 years of receipt of land acquisition compensation amount up to the extent of amount received as compensation by the affected land owners for the land acquired for industrial areas/ industrial purpose/ plots reserved for industrial purpose/ industrial areas (excluding land for mining lease).
- 4.3 On purchase/lease of land for Industrial areas/ Industrial park to be established in private sector sanctioned/approved by the Govt. of India/State Government and on industrial units established in those areas/parks.
- 4.4 On purchase/ lease of land by the Chhattisgarh State Industrial Development Corporation limited for industrial area/industrial plot/industrial purposes, land bank and for creation of infrastructure.
- 4.5 On purchase/sale deeds of purchase of closed/sick industrial unit.
- 4.6 On purchase/ lease of land for establishing film studio, editing studio.
- 4.7 On purchase/ lease of land for establishing logistic hub, warehousing, cold-storage and grain silo.

5- Exemption/concession in land premium on allotment of land in industrial areas/industrial parks:-

Eligible industries to be established by the entrepreneurs of general category, shall be given exemption on land premium on the allotment of land in industrial areas of Department of Commerce & Industries/CSIDC, as per the details given below –

(A) Micro, Small & Medium Industry

Area	General Industry	Priority Industry
In industrially developing areas (as per appendix-7)	Nil	50% exemption in land premium
In industrially backward areas (as per appendix-8)	50% exemption in land premium	60% exemption in land premium

(B) Large Industry and Mega projects/Ultra-Mega projects category (Excluding core sector and saturated category of industry)

Area	Description
In industrially developing areas (as per appendix-7)	20% exemption in land premium
In industrially backward areas (as per appendix-8)	25% exemption in land premium

6- Project Report Subsidy –

Eligible new Micro, Small and Medium category industries established by the

entrepreneurs of general category shall be given :-

Area	Description
In industrially developing areas (as per appendix-7)	1 % of the fixed capital investment, maximum Rs. 1 Lakh
In industrially backward areas (as per appendix-8)	1 % of the fixed capital investment, maximum Rs. 2 Lakh

7- Diversion in Land use –

In view of classification of investors, all categories of entrepreneurs who have established eligible new micro and small industries will get 100% exemption from the land diversion fee (on having industrial purpose) up to a maximum limit of 5 acres land.

8. Service Charges for allotment of land outside industrial area (Land Bank) :-

(1) In the case of acquisition of private land and transfer of government land for the industrial purpose (Land Bank) the service charges to be received by the Department of Commerce & Industries/Chhattisgarh State Industrial Development Corporation for allotment of acquired private land/ government land are as given below -

- A. – 5% amount of the land acquisition value payable to the District Administration for acquisition of private land.
- B. – 10% amount on the amount equal to the price of land acquisition for allotment of private/government land.

Note: It is clarified that in the private/government allotment cases made outside the industrial areas, the 10% land allotment service charge payable to the Department of Commerce & Industries/CSIDC shall be added in the land value. The 5% land acquisition fee payable to the District Administration shall not be included in the calculation of land premium.

9- Quality Certification subsidy –

The new and existing Micro, Small and Medium category industries established by the entrepreneurs of general category in the State shall be reimbursed 50% of the amount spent, maximum Rs. 1.00 Lakh for obtaining ISO– 9000, ISO -14000, ISO -18000, ISO -22000 category, BIS certification, Bureau of Energy Efficiency (BEE) certification, LEBP certification in the field of new and renewable energy, AGMARK, Euro Standard or other equal national/international certification will be reimbursed for getting each certification.

10- Technical Patent Subsidy –

New and existing Micro, Small and Medium category industries established by the entrepreneurs of general category in the State shall be reimbursed 50% of the amount spent, maximum Rs. 5.00 Lakh on the basis of successful registered and sanctioned patent for original work/research.

11- Technology Purchase Subsidy-

New and existing Micro, Small, Medium, Large industries and Mega projects and Ultra-Mega projects excluding core sector and saturated category industries established by the entrepreneurs of general category in the State shall be reimbursed 50% of the amount spent, maximum Rs. 5.00 Lakh on purchase of

technology from the NRDC or other Govt. Research Centres.

12- Margin Money Subsidy- Women Entrepreneurs, Retired Soldiers and Naxal affected person and entrepreneurs of Disabled category of the state will get 25 % Margin Money Subsidy on capital investment of Rs.5 crores for establishment of new industry, maximum limit will be Rs.35 Lakh.

13- Industrial Award Scheme –

13.1 At state level-

In the following categories first, second and third prizes will be of Rs.1,00,000/-, 51,000/- and 31,000/- respectively and also Citation will be given.

1. For complete evaluation of Micro & Small industries
2. Micro & Small industry established by the SC/ST category
3. Exporting Micro & Small scale industry
4. Industry established by woman entrepreneur

13.2 At district level

Best Entrepreneur Award for Micro & Small industries and its Prize Money will be Rs.25,000/- and a citation will be given.

The prizes given at the state and district level will not be for those industries which are Ineligible/Saturated category industries under any industrial policy of the State Govt.

14 Exemption from Entry Tax-

Entry Tax exemption shall be given to eligible Micro, Small, Medium, Large industry and all Mega and Ultra-Mega projects (including core sector described in Appendix-4, Steel plant, Cement plants, Thermal power plants and Aluminium plants)

Area	General Industry	Priority Industry
In industrially developing areas (as per appendix-7)	For goods specified in Schedule Two and Three of the Entry Tax Act (excluding Captive quarry/ goods acquired by mining lease located in the State, diesel and petrol) on entering into the local area for consumption or for use in manufacturing, exemption up to 5 years	For goods specified in Schedule Two and Three of the Entry Tax Act (excluding Captive quarry/ goods acquired by mining lease located in the State, diesel and petrol) on entering into the local area for consumption or for use in manufacturing, exemption up to 6 years
In industrially backward areas (as per appendix-8)	For goods specified in Schedule Two and Three of the Entry Tax Act (excluding Captive quarry/ goods acquired by mining lease located in the State, diesel and petrol located in the State) on entering into the local area for consumption or for use in manufacturing, exemption up to 6 years	For goods specified in Schedule Two and Three of the Entry Tax Act (excluding Captive quarry/ goods acquired by mining lease located in the State, diesel and petrol located in the State) on entering into the local area for consumption or for use in manufacturing, exemption up to 7 years

Note-

1. Industries in core sector will get exemption on entry tax as applicable to general category industries.
2. During the period of the Industrial Policy 2014-19 on implementation of Goods and Services Tax (GST), by Government of India, the exemption from Entry Tax will be from November 1, 2014 till the date of applicability of GST.

15 Disabled Person Employment Subsidy-

In view of classification of investors, all categories of entrepreneurs who have established eligible new and existing Micro and Small, Medium industry, Large and all Mega and Ultra-Mega project (including the industries of the Core sector, according to the Appendix-4, Steel plant, Cement plants, Thermal power plants and Aluminium plants) on providing permanent employment to disabled persons under The Persons with Disabilities (Right to equal opportunities, Protection and Full Participation) Act, 1995 of the Government of India, shall be given reimbursement of 25% of their net salary/remuneration as subsidy amount until they are kept in permanent employment.

16 Environment Management Project Subsidy -

- 16.1 In view of environmental management if any technology is adopted by which Carbon Credits is received and if Carbon Footprint gets lowered, subsidy will be given for each such technology, 25 percent of cost of machinery, subject to maximum of Rs. 10 Lakh. This subsidy will be given to all Micro, Small and Medium category industries.
- 16.2 Consultants will be enlisted for getting the subsidy in respect of Carbon Credit given by the World Level Institutions.