

Incentives to the Industry

The State of West Bengal offers some of the best incentives to the industries for promotion of Industrial Investment in the State. The Incentives to the industry have been revised under the “**The West Bengal State Support for Industries Scheme, 2013**”, given herewith.

The West Bengal State Support for Industries Scheme, 2013

1. Short Title:

This Scheme may be called ‘The West Bengal State Support for Industries Scheme, 2013(hereinafter referred to as the WBSSIS-2013) for Industrial Projects of large scale units (hereinafter referred to as units) to be set up in the State.

2. Commencement and Duration:

Unless specifically mentioned against the respective items of incentives sanctioned under the WBSSIS-2013, it shall come into effect on and from the 1st day of September 2013 in the whole of West Bengal and shall remain valid for the period ending on the 31st August 2018.

However, for registration under this scheme, the last date for On-Line application through WBIDC website is 16.07.2018 and subsequent submission of documents to the Director of Industries (DI)for the preliminary Registration Certificate, RC in Part-I have to be completed by 31.07.2018.

3. Definitions and applicability of WBSSIS2013:

Unless it is repugnant to the context, in the WBSSIS-2013,

3.1. “**Approved Industrial Complex**” means any industrial complex set up in the public or private sector in the state approved by the State or the Central Government;

3.2. “**Approved Project**” means the industrial project of a unit for which final registration certificate certifying the first date of Commencement of Commercial Production has been issued under the WBSSIS- 2013.

3.3. “**Approved Location**” means the area where industrial project of a unit for which final registration certificate certifying the first date of Commencement of Commercial Production has been issued under the WBSSIS- 2013.

3.4. “**Anchor Unit**” means the first two manufacturing enterprises with minimum employment of 100 members and minimum investment of Rs. 50 Crore in each of the Sub-Divisions coming in Groups- B, C & D where no industrial enterprises with investment of Rs. 50 Crore and above exist at present.

3.5. “**Authorized Agent**” means the WBIDC, an agent specially authorized by the State Government, for operation of the WBSSIS-2013 in respect of large and medium scale industries;

3.6. **“Category of Industries”** means and includes the units with investment in ‘Plant & Machinery’ of different scales as noted hereunder, e.g.

Scale-1 : Investment in ‘Plant & Machinery’ of Rs.10Cr and up to Rs. 100 Cr.

Scale-2 :Investment in ‘Plant &Machinery ‘of above Rs. 100 Cr. and up to Rs. 500 Cr.

Scale-3 :Investment in ‘Plant & Machinery’ of above Rs. 500 Cr. and up to Rs. 1000 Cr.

Scale-4 : Investment in ‘Plant & Machinery’ of above Rs. 1000 Cr.

3.7. **“Director of Industries”** hereinafter referred to as DI, means the Director of Industries, West Bengal;

3.8. **“Eligible Unit”** means any industrial unit in large scale sectors engaged in manufacturing process for the purpose of manufacture of goods as defined under ‘manufacture’ in the NIC Classification 1987 as amended from time to time, as well as defined in Section2, Clause F of the Central Excise Act,1974 as also if registered as a dealer under section 24(1)(a)/24(1)(b) of the West Bengal Value Added Tax Act, 2003 but having approval in the form of letter of intent, industrial license or registration certificate, as the case may be, under the Industries Development and Regulation Act, 1951 (65 of 1951) or an IEM from Secretariat for Industrial approval, DIPP under Government of India excluding those mentioned in the negative list of industries at Annexure-I of WBSSIS-2013, in the private, co-operative & joint sectors as also companies/undertakings owned or managed by the State & the Central Governments, started investment in Plant and Machinery on and after 01/04/2013 having final registration certificate certifying the first date of Commencement of Commercial Production issued by the DI;

3.9. **“Financial Institution”** hereinafter referred to as FI shall mean the “State Financial Institutions” and include Commercial Banks, Nationalized Banks and Financial Institutions constituted under the Acts of Parliament;

3.10. **“Fixed Capital investment”** hereinafter referred to as FCI, means investment made only on and after 01/04/2013 in the Plant and Machinery including equipment installed for pollution control measures. While making calculation of “Fixed Capital Investment”, investment made only on Plant & Machinery, as indicated below shall qualify:

3.10.1 Cost of Plant & Machinery/equipment including the cost of productive equipment required directly for the purpose of manufacture of goods and erected at the approved location;

3.10.2 Cost of equipment pertaining to pollution control measures;

3.10.3 Cost of second hand Plant & Machinery as certified by DGFT required directly for the purpose of manufacture as also cost of equipment pertaining to pollution control measures as above, when imported from outside India by the unit itself and not previously used in any State in India.

3.10.4 Advances paid to the suppliers of Plant & Machinery for the approved project of the eligible unit on and after 01/04/2013.

3.11. **“Incentive”** shall mean financial support to be given to the industrial units in the form of different types of subsidies as provided in the scheme which are to be decided solely by the C&I Department and cannot be considered as a matter of right.

3.12. **“New Unit”** means,

3.12.1. A unit in the large/medium scale sector for manufacturing goods in West Bengal which started investment in Plant and Machinery on and after 01/04/2013 and registered with the Director of Industries for the first time.

3.12.2. Expansion in a new location, of an existing unit already registered under a previous incentive scheme for the same or a different product which started investment in Plant and Machinery on and after 01/04/2013;

3.12.3. Expansion with the same or new product in the same location of an existing unit already registered under a previous scheme which started investment in Plant and Machinery on and after 01/04/2013.

In case of expansion by same product, the unit has to achieve production up to 70% of the installed capacity in the existing set up and Certificate from the Sales Tax Authority certifying the exact quantum of production during last three years are required for this purpose.

However, expansion in the same location shall not be entitled to the benefit under “Waiver of Electricity Duty”.

3.13. **“Negative list of industries”** means the list of industries shown at Annexure-I hereto as may be amended by the State Government from time to time;

3.14. **“Para “and “Sub-para”** mean paragraph and sub-paragraph of this scheme;

3.15. **“Registration Certificate”**, hereinafter referred to as RC means final Registration Certificate issued by the DI certifying the first date of Commencement of Commercial Production.

3.16. **“State Financial Institution”** mean and include the WBIDC, the WBFC and the West Bengal State Co-operative Bank;

3.17. **“WBFC”** means the West Bengal Financial Corporation;

3.18. **“WBIDC”** means the West Bengal Industrial Development Corporation Limited;

3.19. **“Year”** means, unless otherwise specifically stated and not repugnant to the context, the financial year commencing from the 1st April and ending on the 31st March following.

4. Non-applicability of WBSSIS- 2013:

The WBSSIS- 2013 shall not be applicable to:

4.1. Those units that have been registered for and have been sanctioned incentives under any previous scheme. These will continue to be governed by the provisions of the registration and sanctions already issued under the respective schemes.

4.2. A unit remaining closed for whatsoever reasons for a period covering more than continuous twelve months, provided the unit shall be entitled to the benefits of WBSSIS-2013 after it is reopened and on the merit of the case to be certified by the Public Enterprise & Industrial Reconstruction department of this Government and RC having been issued afresh; Moreover, the cases where IR department specifically recommends for release of incentives following BIFR guideline.

4.3. A unit in respect of the period covered under closure for whatsoever reasons for less than continuous twelvemonths, provided the terms and conditions of the order of the BIFR or the court, as the case may be, shall apply if the unit is re-opened on the basis of any order of the BIFR or any Court of Law;

4.4. Eligible units having obtained RC in Part-I shall have to complete investment in the unit for obtaining RC in Part-II as per time period, counted from, the date of issuing RC in Part-I, as specified below :-

<u>Scale of Investment</u>	<u>Time limit</u>
Scale- 1&2	3 years
Scale-3	4 years
Scale-4	5years

Else, this scheme will not be applicable to the unit, provided the unit shall have the option to register de novo under any successor scheme operative at that point of time;

4.5. Units which are availing benefit by way of incentives from any other department of the State/Central Government under any other scheme, will not be entitled to the benefits under this scheme or the benefits shall be adjusted while determining the entitlement of such units under WBSSIS-2013.

5. Procedure for obtaining “Registration Certificate” (RC) and cancellation thereof:

5.1. A unit in the large and medium scale sector to which this scheme applies, shall be eligible for securing a RC:

Provided that

5.1.1. The project is covered by a detailed feasibility report/project report prepared for the purpose;

5.1.2. The Project has been approved and sanctioned by any FI;

5.2. A unit shall be required to submit application in Form No-I to the DI for registration of the unit for being qualified for the incentives under the WBSSIS-2013. The Form No. I shall be submitted On-Line through WBIDC website and the requisite fees to be deposited On line to the Bank Account of WBIDC through RTGS/NEFT. Upon successful submission of the application On Line, the hard copy of the same Form with acknowledgement no. generated by the system shall be submitted within 15 days to the DI along with the relevant documents as detailed in the Form No. I and duly filled in Check List as annexed to the Form No. I.

Upon receipt of such application, upon being satisfied with the information furnished by the unit, the DI shall issue the preliminary Registration Certificate, RC in Part-I. Part-I of the RC shall contain, inter alia, information as to the estimated amount of FCI, approved capacity of production of individual item of finished goods, expected date of commencement of commercial production as would be indicated by the unit in line with other provisions of the WBSSIS-2013, types of statutory clearance obtained by the unit, and the period of validity of the certificate.

While in the case of projects with an arrangement of finance from own resources, a unit has to submit either the Project appraisal report of any Financial Institution or WBIDC shall appraise the project thru its Appraisal & Credit Division against a processing fee of 1% of the project cost which has to be deposited On line to the Bank Account of WBIDC through RTGS/NEFT.

In such cases, issue of RC, Part-I shall be considered only if the WBIDC is satisfied with the arrangement and recommends for issue of RC in Part-I.

5.3. The unit shall be required to submit application in Form No. 1A to the DI for RC, Part-II within one week of commencement of commercial production. The Form No. IA shall be submitted On-Line through WBIDC website and upon successful submission of the application On Line, the hard copy of the same Form with acknowledgement no. generated by the system shall be submitted to DI along with authentic documents/certificates on actual investment in fixed capital on the date of application, estimated quantum of production of each individual item of finished goods and balance sheet of the unit for the FY 2013-2014 onwards duly certified by any Chartered Accountant Firm, and such other documents as detailed in the Form No. I-A.

Upon receipt of such application, the DI shall conduct a joint inspection of the factory with WBIDC and obtain the views of the WBIDC after such enquiry and upon being satisfied with the information furnished by the unit, the DI shall issue final registration certificate, RC in part-II, certifying the first date of Commencement of Commercial Production stating therein the approved capacity of production of each item of finished goods, actual FCI made by the unit, scale and eligibility period for each item of incentives, period of validity of the certificate and other terms and conditions as would be considered appropriate. Final registration certificate, RC in part- II, certifying the first date of Commencement of Commercial Production shall be uploaded to WBIDC website.

5.4. Request for change in location / product /capacity by the Units may be done before issue of RC in part- II, certifying the first date of Commencement of Commercial Production or duration of the scheme whichever is earlier. Application for request for such modification may be done On-Line through WBIDC website on or before 16/07/2018.

5.5. Notwithstanding anything contained in the scheme, the DI shall have the authority to revoke the RC,

5.5.1 If at any stage it is found on enquiry that the particulars furnished by the unit are incorrect or false; and the unit concerned shall remain liable to refund the incentives enjoyed earlier and will be disqualified for enjoying further benefits of this scheme upon revocation of RC;

5.5.2 If a unit remains closed for whatsoever reasons for a period covering more than continuous twelve months:

6. Classification of areas:

6.1. For the purpose of determination of types and quantum of incentive available under this Scheme for the approved projects, according to their location, the districts/areas in the state shall be classified in the following groups or Zones:-

Group A- Kolkata Municipal Corporation, North 24 Parganas (Bidhannagar Municipality and Nabadiganta Industrial Township), South 24 Parganas (Alipur Subdivision) .

Group B - Howrah, North 24 Parganas (Barrackpore and BarasatSadar Subdivisions), South 24 Parganas (excluding the area under the jurisdiction of the Kolkata Municipal Corporation and Sundarban Development Board), Durgapur and Asansol Subdivisions of Burdwan District and Haldia Subdivision of PurbaMedinipur Districts.

Group C- Murshidabad, Birbhum, Nadia, Hooghly Districts, Burdwan (excluding Asansol and Durgapur Subdivisions), PurbaMedinipur District (except Haldia Subdivision), North 24 Parganas (Bongaon and Basirhat Subdivisions), South 24 Parganas (Baruipur, Canning, Diamond Harbour, Kakdwip Subdivision).

Group- D : Malda, Coochbehar, Uttar Dinajpur, DakshinDinajpur, Jalpaiguri, Darjeeling, Purulia, Bankura and PaschimMidnapur Districts and area under Sundarban Development Board.

6.2. No incentive will be granted to any unit set up in the area under Group A except to the extent provided in this Scheme.

7. Fiscal incentives and Concessions for Investment under Scale-1 (Rs 10-100 Crore FCI):

The total incentives under all heads shall not be more than 100% of FCI.

7.1. Industrial Promotion Assistance (IPA)

Industrial units under Group B, C & D and falling in the scale 1 will be granted Industrial Promotion Assistance (IPA). The total IPA for which an industrial unit would be eligible shall be equivalent to certain percentage of the tax paid by the unit in the previous year. Value Added Tax (VAT) shall be considered for the entire eligible period. However, Central Sales Tax (CST) shall be considered for the first three years from the **Commencement of Commercial Production** as certified by DI. IPA would be admissible for a number of years as given below and upto 75% of the Fixed Capital Investment by the industry, whichever is reached earlier.

Areas	IPA for number of years	Year from the Commencement of Commercial Production							
		Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8
B & C	8	80%	80%	80%	80%	80%	80%	80%	80%
D	8	90%	90%	90%	90%	90%	90%	90%	90%

7.2. Waiver of Electricity Duty:

An eligible unit with investment under scale-1, provided the unit has obtained all kinds of statutory clearance will be entitled to receive following subsidy on Electricity Duty –

Group/ Zones	No. of Years	% of Waiver	Ceiling of Waiver of Electricity Duty
'B' & 'C'	1 to 5 years	100% of Electricity Duty subject to the maximum ceiling	Maximum of Rs 25 lakhs per year / Rs 1.25 crores in 5 years
'D'	1 to 10 years	Group 'D'- 100% waiver from Year-1 to Year-5 and thereafter, 75% waiver from Year-6 to Year-10	Rs 25 lakh per year / Rs 2.5 crores in 10 years

7.3. Additional Incentive on Generation of Employment

(A) The units will be entitled to reimbursement of the undernoted expenditure incurred by it if at least 50% of the employees in the unit are recruited from amongst the persons registered with the Employment Bank of the State at the time of claiming this incentive. 'Employee' will have the same meaning as defined under the Employees 'Provident fund and Miscellaneous Provisions Act, 1952 and the Employees' State Insurance Act, 1948.

(B) Subject to condition as at (A) above, an eligible unit in the medium and large sector will be entitled to reimbursement to the extent of a certain % of the expenditure incurred by it for paying its contribution towards Employees State Insurance (ESI) and employees provident Fund (EPF) depending on the location of the unit as follows :

	Reimbursement % of contribution towards ESI & EPF
Group 'B' area : 5 years	80%
Group 'C' area : 7 years	80%
Group 'D' area : 10 years	100%

(C) The reimbursement of the expenditure prescribed above will be payable every 6month based on minimum statutory limit and subject to the condition that the unit has paid its contribution towards ESI & EPF on due dates.

The entitlement of the unit shall be assessed on the basis of employment created by the unit after having verified the statement of monthly contribution towards EPF for the employees in Form No. 12 under the provisions of Paragraph 38 (2) of the Employees' Provident Funds Scheme, 1952. Monthly average of the number of employees as reported in Form-12 for the successive 6 months will be taken twice during the year as the parameter for employment creation, **to the extent the employment for the persons belonging to the State of West Bengal are created**, for incentive disbursement.

In order to ascertain the residential status of the employee, the unit shall be required to submit photocopies of Electoral Photo Identity Card (EPIC), issued by the **appropriate registering authorities within the State of West Bengal and a list showing residential address of all the employees**. Copies of Form no. 3A as submitted to EPFO with Employee details has also to be submitted by the Unit. Such documents shall be required to be furnished every time it submits claim in regard to Employment Generation subsidy.

7.4. Stamp Duty

The new Industries under Scale 1 will be eligible for 75 % Stamp Duty refund for all the areas. The stamp duty paid by the unit has to be certified by the concerned Registering Authority.

8. Fiscal Incentives for Investment under Scale – 2, 3 & 4:

The total incentives under all heads shall not be more than 100% of FCI.

8.1. Industrial Promotion Assistance [IPA]:

Industrial units under Group B, Group C and Group D falling in the scales of 2, 3 & 4 will be granted Industrial Promotion Assistance (IPA). The IPA for which an industrial unit would be eligible shall be equivalent to certain percentage of the tax paid by the unit in the previous year. Value Added Tax (VAT) shall be considered for the entire eligible period. However, Central Sales Tax (CST) shall be considered for the first three years from the **Commencement of Commercial Production** as certified by DI. IPA would be admissible for a number of years as given below and up to 75% of the Fixed Capital Investment by the industry, whichever is reached earlier.

The percentages for units with different scales of investment are:

IPA for Scale 2 (Fixed Capital Investment above Rs 100 crores and up to 500 crores)

Areas	Year from the Commencement of Commercial Production								
	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9
B & C	80%	80%	80%	80%	80%	80%	80%	80%	80%
D	90%	90%	90%	90%	90%	90%	90%	90%	90%

IPA for Scale 3 (Fixed Capital Investment above Rs 500 crores and up to 1000 crores)

Areas	Year from the Commencement of Commercial Production											
	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Y11	Y12
B & C	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%
D	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%

IPA for Scale 4 (Fixed Capital Investment above Rs 1000 crores)

Areas	Year from the Commencement of Commercial Production														
	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Y11	Y12	Y13	Y14	Y15
B & C	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%
D	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%

- No benefit of IPA will be granted to any unit set up in the area under Group A except to the extent provided in this Scheme.

8.2. Exemption from Stamp Duty:

Stamp Duty to be paid in respect of (i) loan agreements, credit deeds, mortgage and hypothecation deeds executed for availing term loans from State Govt. and/or State Financial Corporation, Industrial Investment Development Corporation, National Level Financial Institutions, commercial Banks, RRBs, Co-operative Banks, West Bengal State SC/ST Development Corporation, West Bengal State Minority Development Corporation and other institutions which may be notified by the Government from time to time for the initial period of five years only and (ii) for lease deeds, lease-cum-sale and absolute sale deeds executed by industrial enterprises in respect of industrial plots, sheds, industrial tenements, by WBIIDC, WBIDC, WBSIDC, Industrial Co-operatives and approved private industrial estates shall be exempted as below :

Groups/ Zones	% of Stamp Duty Waiver
B	50%
C	75%
D	90%

9. Fiscal Incentives common for Investment under Scale – 1, 2, 3 & 4:

9.1. Anchor Unit Subsidy:

Anchor unit subsidy of Rs. 100 lakh shall be offered for the first two manufacturing enterprises with minimum employment of 100 members and minimum investment of Rs. 50 Crore in each of the Sub-Divisions coming in Groups- B, C & D will be offered. This subsidy will be applicable only in areas where no industrial enterprises with investment of Rs. 50 Crore and above exist at present.

9.2. Patent Registration:

Industrial units will be encouraged for filing their successfully generated, registered and accepted patents based on their original work/research. The State Government will provide financial assistance of 50% of the expenditure incurred, up to a maximum of Rs. 2 lakh, per patent. The expenditure incurred will include the amount spent on filing of patent, attorney fees, patent tracking etc.

9.3. Waiver and Land conversion Fee:

The payment of conversion fee for converting the land from agriculture use to industrial use including for development of industrial areas by private investors will be waived as detailed below:

Group/Zones	% of Conversion Fee Waiver
B	50%
C	75%
D	100%

**The waiver of conversion fee will be on reimbursement basis after implementation of projects.

9.4. Waiver of Electricity Duty for EoUs ,VAT/CST exempted Units and Power Intensive Units:

100% Export- oriented units (EoU), units exempted from paying VAT/CST and Power Intensive Units as defined in WBIPS2005 will be entitled to receive Waiver of Electricity Duty without ceiling for no. of years and percentage of waiver in line with clause no. 7.2 above. However, in such case benefit of IPA will not be applicable to the Power Intensive Units.

10. Additional Incentive for select industries:

The following industries will get Additional Incentive as mentioned below, for a certain duration, besides the normal incentive admissible in the respective Area (A/B/C/D) and Scales (1/2/3/4).

- Garments manufacturing & Hosiery (stitching and sewing with no dyeing and affluent generating component)
- Gems and Jewellery
- Handicrafts
- Agro & Food Processing
- Jute & Textiles
- Leather (In the Calcutta Leather Complex)
- HPL Downstream Projects

Tax Holiday on VAT returns

To incentivize the spatial distribution of industries to all the districts of the state and especially in North Bengal and Jangal Mahal districts, a **TAX HOLIDAY ON VAT RETURNS** is been proposed for new industries in Group 'D' areas for a period of 5 years.

A similar Tax Holiday is been proposed in the Group 'C' areas for a period of 3 years for the above mentioned industries and a Tax Holiday of 2 year will be available to the above industries in Group 'B' areas.

The Tax Holiday will be admissible from the date of actual start of production by the industry.

Stamp Duty Exemption

To promote industries in the areas under Group 'C' & 'D', the Stamp Duty on the Registration of Property by the Industry has been exempted.

Reduction in the Stamp Duty will also be available to select Industries, as mentioned above, set up under Group 'A'- 25% and 'B'-75%

Any benefit by way of incentives enjoyed by the unit from any other department of the State/Central Government shall, however be adjusted while determining the entitlement of such units under the WBSSIS-2013.

In case of any doubt as to their entitlement, clarifications from the respective department(s) of this Government shall be final.

Explanation I: Agro and Food Processing Industries will include the manufacturing activities in the large and medium scale sectors as detailed in Annexure-II. In case of any doubt or clarification about any item or manufacturer the matter should be referred to the Director of Food Processing Industries & Horticulture, Government of West Bengal, whose decision shall be final.

Explanation II: Agro and Food Processing Industry should be de-coded by the Director of Industries on examination of raw materials input of the proposed activities. It can be defined on examination of the activities together with scrutiny where IEM Acknowledgement of the Article bears NIC code no. relating to agro and food products.

Explanation III: Haldia Petrochemicals Ltd. (HPL) Downstream Projects: A project will be specified as HPL Downstream only on the basis of a certificate issued to this effect by HPL, based on long-term supply contract or MOU.

11. Incentives to service related activities in Food Processing sector and development of post-harvest infrastructure:

The units in the medium and large scale sectors shall be entitled to all the admissible benefits under WBSSIS-2013 as per scales of investment, with service related activities as explained below:

11.1. Units set up with the following mechanized facilities jointly or severally,

11.1.1. Grading, sorting, washing and pre-cooling;

11.1.2. Controlled/modified atmosphere, packaging system;

11.1.3. Cold storage (with investment more than Rs. 10 Cr); and

11.1.4. Refrigerated vehicle;

11.2. Multi-purpose cold storage units suitable for storing fruits, vegetables, flowers, fish, meat, milk and milk products;

11.3. Benefits by way of incentives enjoyed by the unit from any other department of the State/Central Government shall, however be adjusted from the eligible IPA amount, if any.

12. Mode of Payment and Operational Procedures:

No claim shall be entitled if it is found that the concerned unit defaulted in the matter of payment of VAT dues under the West Bengal Value Added Tax Act, 2003 and the Central Sales Tax Act, 1956. Payment of such incentives shall be governed by the procedure laid down below.

12.1. All the entitlements under different heads of admissible incentive (except WED) due for the respective year, will be credited to the account of the eligible unit towards advance payment of VAT/CST for the next year.

12.2. An eligible unit, however, will not be entitled to any of the aforesaid benefits in respect of goods sold by it which was not manufactured in the said unit.

12.3. Such payments would be continued for the period outlined in this scheme or till the financial cap is reached, whichever ends earlier; and the period shall not be extended further even if any balance entitlement remains at the credit of the unit at the time of expiry of the period as above.

12.4. Upon receipt of final registration certificate, RC in part- II, certifying the first date of Commencement of Commercial Production, the unit will have to submit application to the Managing Director, WBIDC, praying for release of incentives (except waiver of Electricity Duty) in the prescribed forms. The Forms shall be submitted On-Line first through WBIDC website and the hard copy of the same Forms with acknowledgement no. generated by the system shall be submitted to the MD, WBIDC along with the relevant documents as detailed in the Forms. If WBIDC on scrutiny of the documents is satisfied, will work out the admissibility of the subsidy and inform the applicant the quantum of admissibility of such subsidy and the mode of disbursement thereof.

The unit eligible to enjoy benefit under reimbursement on account of waiver of Electricity duty shall be required to submit the prescribed form to the Director of Electricity Duty. The Director of Electricity Duty shall send the following details to the Managing Director, WBIDC:

Period covered under reimbursement	Amount reimbursed	Date of reimbursement

The Managing Director, WBIDC shall take note of it and ensure that the benefit under this head is duly accounted for while releasing total incentives under all heads which shall not be more than 100% of FCI.

12.5 The unit will also have to apply to the Commissioner, Commercial Taxes, West Bengal in the form shown at Annexure -V requesting him to certify the total amount of VAT / CST paid during the year in respect of which the application has been made. Such application should be filed at the close of each year.

12.6. Upon receipt of the application, the Commissioner, Commercial Taxes, West Bengal would verify the payments and other particulars as contained in the application and issue a certificate to the Managing Director, WBIDC, certifying the VAT/CST paid during the year under consideration by the unit along with production details.

12.7 The Managing Director, WBIDC, on receipt of the certificate from the Commissioner of Commercial Taxes will ascertain the entitlement of the unit after adjusting the other benefits enjoyed by the unit against the same investment, if any and will issue cheque subject to availability of State Fund in respect of the said unit, in favour of the Commissioner, Commercial Taxes, West Bengal to be deposited by him into the Reserve Bank of India, Kolkata or Government Treasury through appropriate VAT/CST challan as advance payment of VAT/CST for the year following that for which the certificate has been issued by the Commissioner of Commercial Taxes, West Bengal.

Issuance of sanction letter does not tantamount to immediate disbursement. The eligible subsidies will be disbursed by The Managing Director, WBIDC, as per the standard procedure followed by the Corporation, as and when the funds are made available from the State Government out of the budgetary allocation and as per Government Order authorizing release of funds. The incentive scheme does not communicate any commitment on part of State Government / WBIDC in release of incentives in a time bound manner and immediate disbursement should not be construed as a matter of right to the recipients of State incentive.

However, interest @8% on the admitted IPA amount shall be paid in case disbursement cannot be made within three financial years succeeding the financial year in which Tax paid Certificate is issued in favour of an unit to WBIDC by Commissioner of Commercial Taxes(CCT). For example, if CCT issues the Tax paid Certificate for a particular unit in July 2015, interest will be applicable in case disbursement is not made within 31.03.2019.

12.8. In terms of the provisions of WBSSIS-2013, the value of total incentives as applicable to the eligible Unit towards IPA, Interest subsidy, Stamp Duty refund, EGS, Waiver of Electricity Duty, Anchor unit subsidy, Patent Registration, waiver of land conversion fee taken together shall not exceed 100% of FCI.

12.9. 100% Export -oriented units (to be certified by the Competent Authority) and the units exempted from paying VAT/CST (to be certified by the Sales Tax Authority) will be entitled to waiver of Electricity Duty only for five years with no Ceiling.

12.10. The accounts shall have to be maintained by the unit in such a manner that it can show clearly the amount of VAT/CST paid in respect of sales made by the unit to which it is entitled to enjoy refund under the WBSSIS-2013.

12.11. **Verification by WBIDC:** Before disbursement of incentives, WBIDC will make necessary verification to ensure that the nature of activities of the unit continues to be the same and the units are in operation. In case of HPL Downstream projects, it will have to be ensured that the unit continues to procure its raw materials from HPL. Annual Certificate from HPL will be necessary. HPL will specify the annual amount of raw material to be procured by a downstream unit, based on the assessment of the nature of the project. Lifting of the raw materials against MoU of long term supply contract will be periodically reviewed.

The eligible industrial units shall furnish quarterly status report in the enclosed format to WBIDC with a copy to DI till final disbursement is made.

If an Industrial unit closes down their operation during the period of availing the benefits under this scheme, the disbursement to such unit shall be withheld till such time it resumes its commercial production.

Request for disbursement may be made to WBIDC with following documents/ certificates, on successful running of the Plant for an uninterrupted period of six months after the Unit is reopened:

1. Energy consumption for last six months from Directorate of electricity Duty;
2. For Excisable items, copy of return submitted to Excise Authority for last two quarters.
3. Otherwise, copy of return submitted to Commercial Taxes Department, Govt. of West Bengal for last two quarters.

If an Industrial unit permanently closes down its operation then undisbursed benefits will be lapsed.

13. **Permission from the State Government:**

Prior written permission has to be taken by the Industry from the State Government or its authorized agent at least sixty days prior to the events as listed below during the period of their availing the benefits under this scheme:

- a) Any change in the ownership of the fixed assets;
- b) Unit is closed or shifted to a new location outside West Bengal;

14. Power to amend and/or relax/repeal:

Notwithstanding anything contained in any of the provisions of the WBSSIS-2013, the State Government may at any time,

14.1. make any amendment to this Scheme or repeal it;

14.2. make any relaxation in applying the provisions of this Scheme but such relaxation shall be made on the merits of the approved project in each case, as the State Government may consider necessary and appropriate;

14.3. may issue instructions and guidelines to facilitate implementation, to remove anomalies and to clarify the interpretations of the provisions of this Scheme.

15. Repeal and Saving:

15.1. The West Bengal Incentive Scheme 2008(as amended upto31.12.2010) shall be repealed and stand substituted by The West Bengal State Support for Industries Scheme, 2013 from the date of commencement of this Scheme.

15.2. In the event of West Bengal Value Added Tax Act, 2003 / CST Act being replaced by any other Act, the provision of the Scheme will apply mutatis mutandis even after the new Act comes into force.

Supporting Forms to avail incentive under WBSSIS2013 attached herewith.