

SCHEME-4

West Bengal Incentive Scheme 2015 for Tourism Units (For Micro, Small, Medium & Large Enterprises)

This scheme is applicable to all tourism units/ projects including expansion projects of existing units, set up on or after 7th January 2015 in West Bengal and shall remain valid up-to 31st December, 2020. Set-up means construction of project or commercial operation of unit started on or after effective date of scheme. The units may be in the private sector, co-operative Sector, Joint sector as also companies /undertakings owned or managed by the State Government. This scheme is applicable for MSMEs and as well as project comes under Large Scale.

Expansion of Existing Unit means expansion of the capacity of an existing unit which involves increase in FCI by 50% or more or Rs 30 Lakhs whichever is higher.

Eligible tourism projects covered under this scheme are as under:-

1. Hotels 2. Motels 3. Heritage Hotel 4. Yatriniwas 5. Yatrika 6. Tourist Resorts 7. Camps and Facilities Encouraging Adventure Tourism 8. Aerial Ropeway 9. Railway Travel Projects on the pattern of 'Palace on Wheels' 10. Amusement Park 11. Art & Crafts Village 12. Tea Tourism 13. Tourist Boats/Launches/Cruise Boats/House Boats 14. Convention Centre 15. Wayside Facilities 16. Home Stay 17. Any other project that may be approved by the Government.

A Hotel, Heritage Hotel, Yatriniwas, Yatrika, Tourist Resorts with at least 10 or more lettable rooms is eligible for this Incentive Scheme.

Classification of areas- For the determination of type and the quantum of incentives available under the scheme, the state of West Bengal has been classified into the following zones/groups:

Group	Area
Group A	Kolkata Municipal Corporation , Bidhannagar Municipality and New Town Kolkata Development Authority
Group B	North 24 th Parganas (excluding Kolkata Municipal Corporation , Bidhannagar Municipality, New Town Kolkata Development Authority and Blocks under Sunderbans areas), South 24 Parganas (excluding Kolkata Municipal Corporation and Blocks under Sunderbans areas), Howrah, Hooghly, Durgapur & Asansol Municipality Corporation.

Group C	Bardhaman (excluding Durgapur & Asansol Municipal Corporation areas), Nadia, Purba Medinipur, Murshidabad, Birbhum, Malda Districts.
Group D	Darjeeling, Jalpaiguri, Coochbehar, Uttar Dinajpur, Dakshin Dinajpur districts.
Special Area	Jungle Mahal (Districts of Purulia, Bankura Paschim Mednipur) & Blocks under Sunderbans area in both North 24 Parganas & South 24 Parganas Districts.

Different types of subsidy available under the Scheme are as under:-

1. State Capital Investment Subsidy:

Zone	Percentage / Max Limit
Group A	7.5 % of the FCI subject to a limit of Rs 100 lakhs
Group B	10 % of the FCI subject to a limit of Rs 100 lakhs
Group C	15 % of the FCI subject to a limit of Rs 120 lakhs
Group D	20 % of the FCI subject to a limit of Rs 150 lakhs
Special Area	25 % of the FCI subject to a limit of Rs 175 lakhs

Observations

- The Subsidy in respect of building components will not exceed 50% of the total State Capital Investment Subsidy.
- Fixed Capital Investment (FCI) means the investment made in Building, Plant & Machinery, and Equipments installed for pollution control measures in the tourism unit.

1. Interest Subsidy on Term Loan

Zone	Percentage / Max Limit
Group A & B	50 % of the annual interest subject to a limit of Rs 25 lakhs PY for 5 years
Group C & D	60 % of the annual interest subject to a limit of Rs 25 lakhs PY for 7 years
Special Area	75 % of the annual interest subject to a limit of Rs 30 lakhs PY for 7 years

2. Waiver of Electricity Duty:

100 % waiver for 5 years from the date of commercial operation on reimbursement basis.

3. Re-imburement of Stamp Duty and Registration Fee:

Zone	Percentage
Group A & B	50 %
Group C & D	60%
Special Area	70%

4. Work Force Welfare Assistance:

Zone	Percentage
Group A,B C & D	Reimbursement of 60% of expenditure incurred towards Employees State Insurance (ESI) & Employee Provident Fund (EPF) for a period of 5 years
Special Area	Reimbursement of 60% of expenditure incurred towards Employees State Insurance (ESI) & Employee Provident Fund (EPF) for a period of 10 years

6. **Quality Improvement:** Reimbursement of 50% of the fixed capital investment expenditure incurred for quality improvement, Modernization and installation of pollution control device and obtaining ISI/BIS/ISO Certification subject to a maximum of Rs 7.50 lakhs.

7. **Additional Incentives for Adventure Tour Operators:**

An eligible unit is entitled for additional incentive by way of re-imbursement of VAT paid (%of re-imbursement given below) for purchase of tents/dingy/adventure & sport equipments / related accessories, which has been qualified for bringing in more than 50 International Tourists or 100 Domestic Inbound Tourists in a financial year supported by payment of Service Tax.

Zone	Percentage
Group A	50 % in VAT
Group B	60 % in VAT
Group C	80 % in VAT
Group D	90 % in VAT
Special Area	100 % in VAT

1. **Mega Projects:** Mega unit means an eligible unit of special characteristics set up with a fixed capital investment exceeding Rs. 100 Crores in areas under Group -A and B, exceeding 50 crores in areas under Group -C & D and Rs. 25 crores or above in 'Special Area'

Beside some additional benefits, an eligible tourism unit comes under Mega project will be entitled to a Tourism Promotion Assistance (TPA) at the rate of 75% of VAT for 5 years irrespective of the location of the project, which will be in lieu of Interest Subsidy