

BENEFITS/ INCENTIVES UNDER VARIOUS POLICIES/ SCHEMES OF INDUSTRIES & COMMERCE DEPARTMENT, GOVT. OF ASSAM

A. Industrial & Investment Policy of Assam, 2019 :

Fiscal incentives to the eligible Industrial units available under the policy are indicated below:

- a) **State Goods and Service Tax (SGST) reimbursement** : Reimbursement @ 100% SGST paid through debit in electronic cash ledger account in the term of sub-section (1) of section 49 of Assam GST Act, 2017 as per the following scale

Category	Limit of Tax Reimbursement	
	For units set up in areas other than special parks (specified in next column)	For units set up in Plastic Park, Bamboo Park, Food Park, Tea Park and other Parks developed by or in collaboration with State/ Central Government
Micro Enterprises	15 (Fifteen) years subject to maximum of 200% of Fixed Capital Investment.	15 (Fifteen) years subject to maximum of 250% of Fixed Capital Investment.
Small Enterprises	15 (Fifteen) years subject to maximum of 150% of Fixed Capital Investment.	15 (Fifteen) years subject to maximum of 180% of Fixed Capital Investment
Medium & Large Enterprises	15 (Fifteen) years subject to maximum of 150% of Fixed Capital Investment.	15 (Fifteen) years subject to maximum of 150% of Fixed Capital Investment.

In case of a Mega unit to which customized/ special incentives are given, the quantum of monetary ceiling that may be allowed shall not exceed 200 % of fixed capital investment.

The benefit of tax reimbursement under the policy is subject to the condition that the unit after having availed the benefit shall continue its production or operation at least for the next 5 (five) years and utilise 75% of the production capacity for the preceding 5 (five) years.

In case the unit violates the condition laid down above, it shall be liable to make, the full amount of tax availed of by it during the period of eligibility, as if no tax reimbursement was ever available to it:

Provided that the provision of this clause shall not come into play if the loss in production is explained to the satisfaction of the authority concerned as being due to the reasons beyond the control of the unit: Provided further that a unit shall not be called upon to pay any sum under this clause without having been given reasonable opportunity of being heard.

Incentives other than the Fiscal Incentives indicated above available under IIP, 19 are-

- a. **Power subsidy** : Subsidy @ Rs. 2.00 per unit power consumed for a period of 5 (five) years from the date of Commencement of Commercial Production subject to a maximum Rs. 50 (fifty) lakhs Per Annum not exceeding 100% of total investment made in plant & machinery, whichever is lower.
- b. **Subsidy on Generating set** : Subsidy @ 50% subject to a limit of Rs. 20 lakhs on the cost of generating set, taxes and transportation only.
- c. **Stamp duty reimbursement** : Reimbursement @ 100% Stamp duty subject to a monetary ceiling of Rs.25 lakh only for such parcel of land which is exclusively used for setting up of the manufacturing facilities or Hotel as specified in the Assam Industries (Tax Reimbursement for Eligible unit) scheme 2017 & not to the Agricultural land and land in urban areas used for manufacturing activities.
- d. **Technology Transfer and quality certification** : Subsidy upto the extent of 75% of fee payable for obtaining BIS/ ISO/ FSSAI/ AGMARK/ HALLMARK/ SILK MARK/ ZED Certification etc. from any recognized national/ international research laboratories/ Technical Institutes/ University, Institutions like CFTRI, CIPET, etc. subject to a ceiling of Rs.10.00 Lakh per unit.
- e. **Interest subsidy on working capital loan** : Subsidy @ 2% on the outstanding working capital loan for a period of five years from the date of Commencement of Commercial production/ service rendered subject to a ceiling of Rs. 50 lakh (Rupees Fifty lakh) and not exceeding 100% of investment in plant and machinery.
- f. **Financial Assistance in MSME listed in Stock Exchange** : subsidy @ 30% of the cost of Public Issue expenses, subject to maximum of Rs. 5 lakh.
- g. **Assistance for Environmental Compliance** : Subsidy @ 50% on capital cost for setting up of effluent treatment plant subject to max ceiling of Rs. 25 lakh per unit and not available for Hotel Industries
- h. **Incentive to Private Sector Infrastructure Developers** : Subsidy @ 30% excluding value of land, subject to a ceiling of Rs. 3 Cr.

B. EXPORT AND LOGISTIC POLICY OF ASSAM, 2019 :

Following incentives are available under the policy:

- a. **Capital Investment Subsidy :** Subsidy in the form of reimbursement @ 30% of the eligible investment for creation of export Infrastructure like Multi Model Logistic Park (MMLP), Logistic Park, Inland Container Depot (ICD), Container Freight Station (CFS), Air Cargo Facilities , Common Facility Centre , Pack house , Cold Storage , integrated Cold Chain facility , Irradiation facility , Individual Quick Freezing (IQF) facilities , Vapour Heat Treatment facilities , State of Art Quality Control Laboratory with NABL accreditation to support Export subject to a ceiling of Rs.10 (ten) Crore.
- b. **Capital Investment Subsidy for reefer vehicle, etc. :** Subsidy in the form of reimbursement @ 30% for purchase of insulated, reefer transport/ mobile pre cooling units subject to a ceiling of Rs.1 (One) Crore.
- c. **Capital Subsidy for setting up of Primary Production Centres :** Subsidy in the form of reimbursement @ 30% on capital investment for the setting up of Primary Processing Centre (PPC) for Agri-Horticulture produces subject to a ceiling of Rs.1 (One) Crore.
- d. **Subsidy for obtaining Quality Certification :** Subsidy in the form of reimbursement @ 50% for obtaining Organic certification, Quality certification, ISO, ZED, etc. subject to a ceiling of Rs.50.00 (Fifty) Lakh.
- e. **Freight Subsidy :** Subsidy in the form of reimbursement @ 20% on Air freight from the Airport of Assam to Foreign destination for the Agro-Horticulture Products, Food Processing, Ornamental fishes, Floriculture products, Handicraft & Handloom products, Tea, Jute, Bamboo & other products based on locally available raw materials of the State subject to a ceiling of Rs.50 Lakh only per annum for a period of five years per unit. Industries engaged in products based on raw materials from outside the State shall not be eligible for Freight Subsidy
- f. Awareness Generation

C. The Assam Bamboo & Cane Policy, 2019 :

An eligible industrial unit is eligible for the fiscal incentives indicated below-

- a. Industrial & Investment Policy of Assam,2019;
- b. North East Industrial Development Scheme (NEIDS),2017;
- c. National Bamboo Mission;
- d. Incentives under the Assam Bamboo & Cane Policy,2019;
- e. Other categories of incentives as may emerge and stand applicable

Incentives indicated below are available to the eligible units in addition to the benefits indicated above:

- a. Subsidy @ 50% Capital Investment Subsidy on eligible Plant & Machinery and Internal Electrical Installations subject to a maximum ceiling of Rs.5.00 Crore
- b. For Startups in Bamboo & Cane sector, a grant of upto Rs 5 lakh to the innovative ideas.
- c. Under the scheme; Distribution of Tools and Machineries for the artisans in Bamboo & Cane sector by SBDA indicated below-
 - i. Tools for Bamboo & Cane Furniture making (Manual& Power)
 - ii. Tools for Incense stick making (Manual and Power)
 - iii. Tools for Bamboo Mat and other items making in Handicraft sector (Manual and Power).
 - iv. For the above three items, 100% grant will be provided by the state.
- d. 100% sponsorship in case of training in ITI & Skill Development Centres
- e. 50% Subsidy on Fixed Capital Investment including Civil Works for establishment of “Souvenir shops” for bamboo and Cane products in the places of tourist attraction with a maximum ceiling of Rs 5.0 Lakh whichever is lower.
- f. 50% Subsidy on the cost of development of Online portal for marketing of bamboo and Cane products with a maximum ceiling of Rs 5.0 Lakh whichever is lower

D. Assam Startup Policy, 2017 :

Following fiscal incentives are available :

- a. **GST Reimbursement** : Startups with MASI shall be eligible for annual reimbursement of SGST paid in sales of goods for a period of 3 years upto a maximum of INR 5 Lakh per startup.
- b. **Stamp Duty Reimbursement** : Startups with MASI shall be eligible for 100% reimbursement of Stamp Duty/ Registration Fee/ Conversion Fee Paid on Sale/ Lease deeds for first transaction.
- c. **Digital Upgradation Subsidy** : Startups with MASI shall be eligible for upgradation subsidy @ 50% of capital expenditure for purchase of Computers, related hardware, relevant software subject to a ceiling of INR 1 Lakh per startup.
- d. **Lease Rental Reimbursement** : Startups with MASI shall be eligible for 50% lease rental reimbursement for a maximum period of 3 years subject to a ceiling of INR 5 Lakh. It may include any rent being paid to an incubator/ co-working.
- e. **Power Subsidy** : Subsidy @ 50% Subject to a ceiling of INR 10 Lakh per annum for a period of 5 years.
- f. **100% Reimbursement on Patent Filing Cost** : Startups with MASI shall be eligible for INR 1 Lakh for filing of Domestic Patent and INR 5 Lakh for international patent filing.
- g. **Incentives for Hiring Women, Transgenders and Differently Abled**
- h. **Marketing and Promotion Assistance**
& non fiscal incentives
- i. **Preferential Market Access & Self – Certification & Compliance** :
Startups with MASI shall be given Preferential Market Access for products procured by all Govt. Departments of Assam

E. The Sugar Policy of Assam, 2017 :

Proposed incentives for sugar mills are indicated below :

- a. Reimbursement of interest on term loan obtained from the Nationalized Banks/Financial Institutions under Government/Sugar Development Fund, as the case may be, for a period of 5 years subject to the following:
 - i. upto 100 Crores @2% subject to a maximum of 1.5 Crore per annum
 - ii. above 100 to 300 Crore @2% subject to a maximum of 5 Crore per annum
- b. Reimbursement of 100% SGST, subject to a ceiling of 100 % of Fixed Capital Investment (from date of commencement of production) for a period of 15 years as per policy. Finance Department shall issue separate notification for this purpose.
- c. 100 % Exemption on Stamp Duty on purchase of land and execution of lease agreement, as applicable
- d. Reimbursement of @2% of contribution made towards Employee Provident Fund scheme for a period of 10 years from the date of commencement of production
- e. One-time incentive of 50 lacs for setting up a Tissue Culture laboratory

The incentives indicated above are subject to the condition as laid down in the policy