

West Bengal Incentive Scheme 2020 for Approved Industrial Park for MSMEs (Amended)

Objective

The objective of the Scheme is to encourage private sector to set up industrial parks at own land with quality infrastructure in order to catalyze and promote industrial growth, employment generation & technology up-gradation.

Tenure of the scheme

The scheme is applicable for 5 years from the date of notification i.e. 16.09.2020

Basic eligibility criteria

- i.** The Approved Industrial Park (AIP) shall be established by private sector at own land procured directly or taken on lease from state government, forming a Special Purpose Vehicle (SPV).
- ii.** The SPV shall be procured or shall be in legal possession of the land for the AIP.
- iii.** SPV shall be responsible for obtaining all necessary compliances/ approvals/ licenses before construction of the Park.
- iv.** The minimum land area required for development of an AIP in any district of West Bengal will be 5 acres
- v.** Each AIP shall reserve 60% of the allocable area for MSMEs in manufacturing and industrial activities including cold storage, poultry, fisheries, logistics and warehousing.
- vi.** The SPV shall construct/ install the mandatory Basic and Essential Common Infrastructural Facilities in the AIP according to the scheme.
- vii.** Minimum 60% of the total land in the AIP shall be allotted for industrial activities.
- viii.** The SPV shall manage and maintain the AIP for a minimum period of five years from the date of completion of construction/ installation of the Basic and Essential Common Infrastructure Facilities and or allotment of minimum 80% of the land for lease/sale to MSMEs have to be completed within 2 years from the date of approval of the AIP.
- ix.** The SPV shall have to start construction activities of the AIP within 3 months from the date of approval under the Scheme.
- x.** WBSIDC shall be the nodal organization authorized for operation of the Scheme.

Incentives for Approved Industrial Park

1. Incentive for Basic and Essential Common Infrastructure Facilities:

- i. Below 10 acre – Rs. 20 lakh per acre of a AIP
- ii. 10 acres to 50 acres - Rs. 2 crore plus Rs. 15 lakh per acre beyond 10 acre area
- iii. Beyond 50 acres - Rs. 8 crore plus Rs. 10 lakh per acre beyond 50 acre area

The above incentive will be disbursed in 3 instalments (20% + 30% + 50%)

1st Instalment – Disbursement of 20% of the incentive after completion of the following -

- Mutation, conversion and registration of land in SPV's name.
- Formation of SPV and obtaining final approval of the AIP
- Completion of construction of boundary wall, land filling and internal roads.

2nd Instalment - Disbursement of 30% of the incentive after completion of the following -

- Allotment of 80% of land among the MSMEs
- Completion of internal power infrastructure
- Completion of internal drainage system

3rd Instalment - Disbursement of balance 50% of the incentive once the park is fully operational and completion of all basic essential infrastructure.

2. Incentive for Common Effluent Treatment Plant (CETP):

Reimbursement for installation of CETP based on land area of AIP @ Rs. 5 lakh per acre, subject to a maximum of Rs. 5 crore.

3. Reimbursement of Stamp Duty:

Reimbursement of stamp duty paid by the SPV for the purpose of registration of land documents within the State.

Note - The fiscal and non-fiscal incentives and concessions shall be available to the SPV only and reimbursement shall be made only for the expenditure that has been incurred by it.

4. Setting up a Power Sub Station:

Only the power sub-station for the AIP will be provided by the State Government at free of cost for which the requirement is justified and approved. Suitable land for setting up the substation shall be provided by the SPV without cost and other costs as mentioned in the scheme for setting up of the sub-station will be borne by the developer of the park.

Summarized benefit for existing industrial parks under the amended scheme

Eligibility criteria:

- Park area has to be expanded up to minimum 5 acre in outlying districts and minimum 2 acre in Kolkata and Howrah.
- The individual units have complied with all the necessary clearances for land conversion, fire licence, got environmental clearances, building plan approvals etc.
- At least 60% of the area within the Park is utilised for industrial /manufacturing activities and units comprising warehousing /cold storage /fisheries & poultry.

Benefits:

- One time grant for the purpose of developing common infrastructure like STP, WTP, drainage, power supply augmentation is as given below -
 - i. Below 10 acres – Rs. 10 lakh per acre of a AIP
 - ii. 10 acres to 50 acres - Rs. 1 crore plus Rs. 7.5 lakh per acre beyond 10 acre area
 - iii. Beyond 50 acres - Rs. 4 crore plus Rs. 5 lakh per acre beyond 50 acre area
- Incentives for technology up-gradation and setting up of CETP will be Rs. 2 lakh per acre.

Note - The scheme shall also be extended to parks dedicated entirely/substantially for Logistics and Warehousing industry. However, such parks shall have to be set up outside the municipal limits and must be developed upon a minimum area of 10 acres. The fiscal incentives shall be at 75% of the slab benefits mentioned under “Incentive for Basic and Essential Common Infrastructure Facilities”