

The West Bengal Incentive Scheme (WBIS), 2021 for Tourism Units

✎ This scheme is applicable to all eligible tourism units/ projects including expansion projects of existing units set up on or after 22nd February, 2021 in West Bengal and shall remain **valid up-to 31st December, 2025** and also those eligible Hotel units who started their commercial operation on or after 7th January 2015 to 31st December 2020 but could not apply under previous scheme 2015 due to absence of Bar in the Hotel.

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 and the work of Expansion unit should commence after 18 months from the date of Commercial operation of the original project.

✎ **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/Amenities 16. 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 (KMC), Bidhannagar Municipality (BM) and New Town Kolkata Development Authority
Group B	North 24 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, Paschim Bardhaman
Group C	Purba Bardhaman, Nadia, Purba Medinipur, Murshidabad, Birbhum, Malda Districts
Group D	Darjeeling, Kalimpong, Jalpaiguri, Coochbehar, Alipuduar Uttar Dinajpur, Dakshin Dinajpur districts
Special Area	Jungle Mahal (Districts of Purulia, Bankura Paschim Mednipur, Jhargram) & 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.

2. 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 per year for 5 years
Group C & D	60 % of the annual interest subject to a limit of Rs. 25 lakhs per year for 7 years
Special Area	75 % of the annual interest subject to a limit of Rs. 30 lakhs per year for 7 years

Observations:-

- The Subsidy shall, however, not be paid in respect of term loans availed for second-hand plant and machinery or hire-purchase equipment.

3. Waiver of Electricity Duty

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

4. Re-imbursement of Stamp Duty and Registration Fee

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

5. Incentive on Generation of Employment

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 for 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 SGST (% of re-imbursement given below) for purchase of tents/dingy/adventure & sport equipments / related accessories. An eligible unit, 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 SGST.

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

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'

Type of Subsidy	Quantum of Subsidy	
State Capital Investment Subsidy	Group A	7.5 % of the FCI subject to a limit of Rs 150 lakhs
	Group B	10 % of the FCI subject to a limit of Rs 150 lakhs
	Group C	15 % of the FCI subject to a limit of Rs 175 lakhs
	Group D	20 % of the FCI subject to a limit of Rs 175 lakhs
	Special Area	25 % of the FCI subject to a limit of Rs 200 lakhs
Re-imbursement of Stamp Duty and Registration Fee	As mentioned in point no. 4	
Additional Incentive on Generation of Employment	As mentioned in point no. 5	
Waiver of Electricity Duty	For Group A, B, C, D- 100 % waiver for 5 years & 7 years for Special areas from the date of commercial operation.	
Capacity Utilisation	Benefit of additional Floor Area Ratio (FAR) over and above the maximum permissible FAR fixed by the competent authority. For Group A and B - additional FAR of 0.25, C and D - additional FAR of 1, Special Area - additional FAR of 2	
Tourism Promotion Assistance in lieu of Interest Subsidy	An eligible Tourism unit will be entitled to a Tourism Promotion Assistance at the rate of 75% of SGST for 5 years irrespective of the location of the project, which will be in lieu of interest subsidy.	