

KNOWLEDGE OUTLOOK

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BANGLASHREE SCHEME



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BANGLASHREE - LET INDUSTRIES MOVE NORTH.



The Government of West Bengal has notified an incentive scheme for setting up of industries in the state of West Bengal. The Scheme was expected since long and the wait is now worth as the incentives offered are lucrative and would indeed help the growth of industrialization in the state. The icing on the cake has been the amended definition of MSME in the MSMED Act, 2006 which was revised w.e.f 1.07.2020. Since the limit for investment in Plant & Machinery has been revised upward it is expected that most of the industries in the region would get a boost and benefit from the scheme. The best part of the scheme is that it covers units which have started production on or after 1st Day of April, 2019.

In this news letter of ours we have focused on **North Bengal** as a whole and have presented the scheme benefits in a tabular form for better understanding. The scheme is available for both new units and existing units which are undergoing expansion.

The Banglashree for MSMEs shall generally be applicable to all micro, small and medium enterprises in the manufacturing sector which have **started production on or after 1st day of April 2019**. A micro, small or medium enterprise shall commence its **commercial production from 01.04.2019 to 31.03.2025**. and shall submit its first incentive application to the General Manager, District Industries Centre/ Officer-In-Charge Sub-DIC, Siliguri within **12 (twelve) months from the date of commencement of commercial production or 12 months from the date of this notification, whichever is later.**

The primary condition to avail this scheme are as under :

- a) The enterprise shall file Udyog Aadhar Registration.
- b) The project will be covered by a detailed feasibility report / project prepared for the purpose and approved by the Financial Institution or the DIC.
- c) The enterprise should not have defaulted in payment of any government dues / dues of Financial Institutions.
- d) It must fit into the definition of Micro / Small / Medium Enterprises as per MSMED Act, 2006.
- e) Fixed Capital Investment means Investment in Plant & Machinery .



INCENTIVE SCHEMES FOR MICRO ENTERPRISES UNDER BANGLASHREE SCHEME
(WEST BENGAL)

MICRO ENTERPRISE : (Investment in Plant and Machinery or Equipment: Not more than Rs.1 crore and Annual Turnover ; not more than Rs. 5 crore)

ZONE	B	C	D	E
COVERAGE AREA	Siliguri Municipal Corporation,	Malda, Jalpaiguri, Murshidabad and Darjeeling (excluding Siliguri Municipal Corporation),Kalimpong, Alipurduar.	Uttar Dinajpur, Dakshin Dinajpur,	Cooch Behar District.
State Capital Investment Subsidy (Additional 20% for Women,SC/ST, Minority Ent.)	NIL 15% ONLY if Women, SC/ST/Minority)	25%	40%	60%
Interest Subsidy - Term Loan- 5 YR	55%	70%	70%	70%
Waiver of Electricity Duty- 5 YEARS Waiver.	50% [100% in case of women etc]	75% [100% in case of women etc]	75% [100% in case of women etc]	75% [100% in case of women etc]
Power Subsidy(MAX 10 LAC)	Re.1.00 / Kwh	Re.1.50 / Kwh	Re.1.50 / Kwh	Re.1.50 / Kwh
Energy Efficiency: a) Cost of Energy Audit b) Cost of Installation of Equipments for Energy Conservation.	50% 25% (.Max 2 lac)	50% 25% (.Max 2 lac)	50% 25% (.Max 2 lac)	50% 25% (.Max 2 lac)
Stamp Duty and Registration Fee :	50%	75%	100%	100%
Subsidy for State Goods and Services Tax (SGST) [Max 75% of Fixed Capital Investment]	Refund of 30% of Net SGST paid for eight years.	Refund of 30% of Net SGST paid for eight years.	Refund of 50% of Net SGST paid for eight years.	Refund of 50% of Net SGST paid for eight years.
Subsidy for Water conservation/Environment Compliance- expenditure towards cost of captive Effluent Water Treatment Plant	50% [. Max 2 lac]	50% [. Max 2 lac]	50% [. Max 2 lac]	50% [. Max 2 lac]
Subsidy for Standard Quality Compliance: for obtaining ISI / BIS /ISO certification	50% [Max.5 Lakh]	50% [Max.5 Lakh]	50% [Max.5 Lakh]	50% [Max.5 Lakh]
Work Force Welfare Assistance: At least 50% employees are from Govt Employees Bank (1 years- 100 % 4 Years-75 % Of Employer Contribution of EPF & ESI	1 years- 100 % 6 Years-75 %	1 year- 100 % 8 Years-75 %	1 year- 100 % 8 Years-75 %
Subsidy for Patent Registration Expenses Max 5 lakhs	50%	50%	50%	50%

INCENTIVE SCHEMES FOR SMALL ENTERPRISES UNDER BANGLASHREE SCHME
(WEST BENGAL)

SMALL ENTERPRISE :(Investment in Plant and Machinery or Equipment: Not more than Rs.10 crore and Annual Turnover ; not more than Rs. 50 crore)

ZONE	B	C	D	E
COVERAGE	Siliguri Municipal Corporation,	Malda, Jalpaiguri, Murshidabad and Darjeeling (excluding Siliguri Municipal Corporation),Kalimpong, Alipurduar.	Uttar Dinajpur, Dakshin Dinajpur,	Cooch Behar District.
State Capital Investment Subsidy Additional 20% for Women,SC/ST, Minority Ent.)	NIL 10% ONLY if Women , SC/ST/Minority)	15% (Max 50lakhs)	30% (Max 50lakhs)	40% (Max 75 lakhs)
Interest Subsidy Term Loan- 5 YR	55%	70%	70%	70%
Waiver of Electricity Duty	50% [100% in case of women etc]	75% [100% in case of women etc]	75% [100% in case of women etc]	75% [100% in case of women etc]
Power Subsidy(Max 20 lac p.a)	Re.1.00 / Kwh	Re.1.50 / Kwh	Re.1.50 / Kwh	Re.1.50 / Kwh
Energy Efficiency: a) Cost of Energy Audit b) Cost of Installation of Equipments for Energy Conservation.	50% 25% (.Max 2 lac)	50% 25% (.Max 2 lac)	50% 25% (.Max 2 lac)	50% 25% (.Max 2 lac)
Stamp Duty and Registration Fee	50%	75%	100%	100%
Subsidy for State Goods and Services Tax (SGST) [Max 75% of Fixed Capital Investment]- Period 8 YEARS	Refund of 30% of Net SGST	Refund of 30% of Net SGST	Refund of 50% of Net SGST	Refund of 50% of Net SGST
Subsidy for Water conservation/Environment Compliance- expenditure towards cost of captive Effluent Water Treatment Plant	50% [. Max 2 lac]	50% [. Max 2 lac]	50% [. Max 2 lac]	50% [. Max 2 lac]
Subsidy for Standard Quality Compliance: for obtaining ISI / BIS /ISO certification	50% [Max.5 Lakh]	50% [Max.5 Lakh]	50% [Max.5 Lakh]	50% [Max.5 Lakh]
Work Force Welfare Assistance: At least 50% employees are from Govt Employees Bank(exchanges)]	1 years- 100 % 4 Years-75 % Of Employer Contribution of EPF & ESI	1 years- 100 % 6 Years-75 % Of Employer Contribution of EPF & ESI	1 year- 100 % 8 Years-75 % Of Employer Contribution of EPF & ESI	1 year- 100 % 8 Years-75 % Of Employer Contribution of EPF & ESI
Subsidy for Patent Registration Expenses Max 5 lakhs	50%	50%	50%	50%

**INCENTIVE SCHEMES FOR MEDIUM ENTERPRISES UNDER BANGLASHREE SCHME
(WEST BENGAL)**

MEDIUM ENTERPRISE (Investment in Plant and Machinery or Equipment: Not more than Rs.50 crore and Annual Turnover ; not more than Rs. 250 crore)

<u>ZONE</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>
<u>COVERAGE</u>	Siliguri Municipal Corporation,	Malda, Jalpaiguri, Murshidabad and Darjeeling (excluding Siliguri Municipal Corporation),Kalimpong, Alipurduar.	Uttar Dinajpur, Dakshin Dinajpur,	Cooch Behar District.
State Capital Investment Subsidy (Percentage)	NIL	NIL	NIL	NIL
Interest Subsidy on Term Loan (Max-175 lac)	25% of interest liability for 5 years	25% of interest liability for 5 years	25% of interest liability for 5 years	25% of interest liability for 5 years
Waiver of Electricity Duty	100% waiver of electricity duty on the electricity consumption for 5 years[Max 25 Lac p.a]	100% waiver of electricity duty on the electricity consumption for 5 years[Max 25 Lac p.a]	100% waiver of electricity duty on the electricity consumption for 5 years and 75% waiver from the 6th year upto 10th[Max 50 Lac p.a]	100% waiver of electricity duty on the electricity consumption for 5 years and 75% waiver from the 6th year upto 10th[Max 50 Lac p.a]
Power Subsidy(Max 30 lakhs p.a)	Subsidy of Re.1.00 / Kwh	Subsidy of Re.1.50 / Kwh	Subsidy of Re.1.50 / Kwh	Subsidy of Re.1.50 / Kwh
Subsidy on Stamp Duty and Registration Fee :	75%	75%	75%	75%
Subsidy for State Goods and Services Tax (SGST) [Max 75% of Fixed Capital Investment]- Period 8 YEARS	Refund of 30% of Net SGST	Refund of 30% of Net SGST	Refund of 50% of Net SGST	Refund of 50% of Net SGST
Subsidy for Water conservation/Environment Compliance	NIL	NIL	NIL	NIL
<u>Work Force Welfare Assistance:</u> At least 50% employees are from Govt Employees Bank(exchanges)]	1 years- 100 % 4 Years-75 % Of Employer Contribution of EPF & ESI	1 years- 100 % 6 Years-75 % Of Employer Contribution of EPF & ESI	1 year- 100 % 8 Years-75 % Of Employer Contribution of EPF & ESI	1 year- 100 % 8 Years-75 % Of Employer Contribution of EPF & ESI
Subsidy for Patent Registration Expenses Max 5 lakhs	50%	50%	50%	50%