
— State Incentive

Agriculture & Forestry in Tripura

One Time Incentives

1. Land Cost Rebate

- Actual price or premium paid for the land, freehold or leasehold, as determined by the authorized agent and the actual expenditure incurred for construction of the office building, factory sheds, boundary walls as necessary for the enterprise are taken into account for determination of “Fixed Capital Investment” under Tripura Industrial Investment Promotion Incentives Scheme, 2017.
- 40% of the “Fixed Capital Investment” is given as capital investment subsidy under the State incentive scheme.

2. Fixed Capital Rebate

- All eligible enterprises will be entitled to State Capital Investment Subsidy @40% on Fixed Capital Investment on land, building and plant and machinery, subject to a ceiling of Rs.70 Lakhs per enterprise.
- State Capital Investment Subsidy will be provided to Tea Processing Units set up under the Cooperative approach by small tea growers @50% of fixed capital investment, subject to an upper ceiling of Rs.100 Lakhs.
- Sole proprietorship units belonging to ST, SC and Women will be eligible for an additional subsidy at the rate of 2.5% on fixed capital investment, subject to an aggregate ceiling of Rs.70 Lakhs or Rs.100 Lakhs, as the case may be, per enterprise.

3. Reimbursement of Standard Certification Fees/ Charges

- All eligible enterprises will be allowed one-time full reimbursement of fees/ charges/ other expenses on account of obtaining a standard certification in certain specific areas from National and International Bodies.
- The areas are: 1) ISO-9000 Quality Management system 2) ISO-14000 Environmental Management

system 3) ISO-18000 Occupational Health and Safety Standards 4) BIS certification 5) Green Energy Certificate 6) Bureau of Energy Efficiency Certificate 7) FSSAI License 8) AGMARK 9) Organic Products (related to Tea and Horticultural items/ products) 10) Forest Stewardship Council (FSC).

4. Special Incentives to Industrial Enterprises continue to operate for 5 years

Capital Investment Subsidy: Additional Capital Investment Subsidy shall be provided to the industrial enterprises which continue to operate for 5 years from the date of commencement of commercial production and have gone in for substantial expansion after 5 years of their continuous operation shall be considered for subsidy on additional fixed capital investment at the applicable rates of 40%, subject to an upper ceiling of Rs. 30 Lakhs. This is further subject to increase in the value of fixed capital investment of an industrial enterprise by not less than 25% for the purpose of expansion of capacity/ modernization/ diversification.

Recurring Incentives

1. SGST Reimbursement

- All eligible enterprises will be entitled to an Industrial Promotion Subsidy equal to the net amount of the Central Sales Tax (CST), any other commodity tax and Goods and Services Tax actually paid by them to the State Government on sale of finished goods, subject to an overall ceiling of Rs.100 Lakhs per annum per enterprise.
- The aggregating limit of entitlement of an enterprise for 5 years shall not be exceeding to 100% value of investment made in plant and machinery.

2. Interest Cost Subvention

- All eligible enterprises will be entitled to a reimbursement of interest paid to banks/financial institutions, @5% on the Term Loan availed by the enterprises, subject to a ceiling of Rs.10 Lakhs per year per enterprise.

3. Electricity Duty Rebate

- All eligible enterprises will be allowed Partial Reimbursement of industrial power charges paid to Tripura State Electricity Corporation Ltd. or an approved agency. The Reimbursement of power charges shall be @25% of the power charges actually paid by the enterprise, subject to a maximum amount of Rs.20 Lakhs per annum per enterprise.

4. Subsidy on fees paid for Credit Guarantee Trust Fund for Micro and Small Enterprise (CGTMSE)

- 100% reimbursement for one time guarantee fee paid and the service fees paid every year by Micro and Small enterprises for CGTMSE coverage taken on loan granted by Banks/ NBFCs shall be provided for 5 years.

5. Export Promotion Subsidy

- Industrial enterprises which export their manufactured goods to Bangladesh through the Land Customs Stations in the State shall be provided reimbursement @ 10% of the value of goods exported subject to a ceiling of Rs. 20 lakhs per enterprise per annum.
- Reimbursement of payment shall be made on the basis of records available with Central Customs authority.

6. Subsidy for participation in fares and exhibition

- Reimbursement of a part of the travelling expenses and the transportation cost incurred to carry goods to participate in State and National levels trade/ industry fares and exhibitions held outside the State shall be provided to enterprises falling under thrust sector.
- For participation of fares and exhibitions in Bangladesh, the benefit of reimbursement shall be provided as well. Reimbursement of expenditures on travelling charges paid for one person of the participating industrial enterprise and the transportation cost (to-and-fro) of goods for display or sale @ 50% of the actual expenditures incurred and subject to an upper ceiling of Rs. 50000/- per enterprise for each participation.
- Reimbursement of expenses shall be further subject to maximum participation in 2 fares and exhibitions in a year by an industrial enterprise.

7. Employment Cost Subsidy

- Employment cost subsidy shall be provided to the enterprises in the form of reimbursement of the contribution made towards Employees' Provident Fund (EPF) and Employees' State Insurance (ESI) Schemes for a period of 5 years.
- 100% reimbursement of expenditure to micro, small and medium enterprise shall be provided on account of contribution paid towards EPF and ESI Schemes subject to the employment of 20 or more people skilled and semi-skilled workers who are domiciled of the State.

8. State Transport Subsidy

- State Transport Subsidy shall be provided @10% of Transportation cost incurred for movement of finished goods by Rail from the Railway Station nearest to the location of Industrial-unit to the Railway Station nearest to the location of the buyer.
- The State Transport Subsidy shall be available for a period of 5 (Five) years from the date of Commercial Production. Enterprises which are eligible for Transport Subsidy under NEIDS, 2017 of DPIIT, Government of India would also be eligible for state Transport Subsidy.

9. Procurement Preference

- Subject to their meeting the quality, delivery and other specifications of the Purchasing State Government Agencies, 20% Procurement Preference subject to 20% value addition will be given on all purchases by State Government Agencies – including Departments/Corporations/ Public Sector Enterprises/ Autonomous Bodies/ Aided Institutions of the State Government – on procurement of goods and services in Tripura by eligible enterprises.

10. Exemption from Earnest Money and Security Deposits

All eligible enterprises shall be given 100% exemption from the payment of earnest money and security deposits for items indicated in their Eligibility Certificate issued under this Scheme, on tenders floated by the State Government Departments/ Agencies (including Corporations/ Undertakings/ autonomous bodies of the State Government). However, such exemption shall be confined only to the tenders for procurement of goods. Procurement of Services, Works Contract, etc. are excluded from

the scope of this exemption. The incentive under this clause shall be available to all the enterprises irrespective of the time/ year of their setting up, subject to fulfillment of other eligibility condition.

11. Special Incentives to Industrial Enterprises continue to operate for 5 years

Additional subsidies/ incentives shall be provided to the industrial enterprises which continue to operate for 5 years from the date of commencement of commercial production. The provisions for providing additional subsidy to industrial enterprises after 5 years shall be operate as follows:

- **Industrial Promotion Subsidy:** Industrial promotion subsidy (Reimbursement of “Goods and Services Tax”) shall be allowed @25% of “Goods and Services Tax” (net of input tax) actually paid by the industrial enterprises after 5 years of their operation. The subsidy shall be provided for a further period of 5 years subject to the condition that the aggregate payment of subsidy to any industrial enterprise from the date of its commencement of commercial production shall not exceed 100% of the investment in plant and machinery.
- **Partial Reimbursement of Power Charges:** Power subsidy shall be provided @ 15% of actual power charges paid by industrial enterprises after 5 years of operation. The incentive shall be for a further period of 5 years and subject to an annual upper ceiling of subsidy of Rs. 6 Lakhs for enterprises with employment in the range of 20 to 50 persons, Rs. 9.00 Lakhs with employment in the range of 51 to 100 persons and Rs. 12 Lakhs with employment of more than 100 persons.
- **Employment Cost Subsidy:** Employment cost subsidy in the form of reimbursement of employer contribution towards payment of EPF and ESI to Regional Provident Fund Commissioner shall be provided @ 50 % of the payment made by MSME units with employment of 20 or more persons for a further period of 5 years. Employment cost subsidy shall be available to all MSME units after 5 years of operation irrespective of the category of industries (thrust or non-thrust sector).
- **Wages Subsidy:** Wages subsidy shall be provided to industrial enterprises @ 20% of the actual wages paid on employment of 20 or more persons by them after 5 years of operation. The subsidy shall be for the next 5 years period. The payment of wages subsidy is subject to an upper ceiling of Rs. 2.50 Lakhs per enterprise per annum.