



Jharkhand

Fiscal Incentives, Exemptions & Subsidies

For the purpose of determination of types and quantum of incentives available under this policy, different areas of the State are being classified into the following three categories:

Category A (Least Backward):

All such blocks in Ranchi, East Singhbhum, Dhanbad, Seraikela and Bokaro districts, which are industrially developed as notified by the State Government.

Category B (Backward):

Rest of the blocks listed in the above mentioned districts, All blocks in Hazaribagh, Giridih, Koderma districts.

Category C (Most Backward):

All blocks in Dumka, Godda, Sahebganj, Pakur, Lohardaga, Chatra, Palamu, Gumla, Deoghar, Garhwa, Latehar, Jamtara, Simdega, West Singhbhum districts.

The types of incentives which are being offered are given below. Such incentives shall be admissible only once to a unit, which comes into commercial production during the period this policy remains effective:

1. Capital Investment Incentive
2. Captive Power Generating Subsidy
3. Interest Subsidy
4. Stamp Duty and Registration
5. Employment Generation Based Incentives
6. Special Incentives for Thrust Areas/ EOU and SC/ ST/ Women/ Ex-Servicemen and Handicapped Persons.

7. Feasibility Study-Project Report Cost Reimbursement Subsidy
8. Pollution Control Equipment Subsidy
9. Incentive for Quality Certification

CAPITAL INVESTMENT INCENTIVE

Sl. No.	Incentive	Category	Maximum Incentive (%)	Financial Limit (Lakhs)	Special Benefits
1	Capital Investment Incentive (For Small & Medium Scale Industries)	A B C	15 20 25	15 20 25	Additional 5% incentive over and above with a cap of Rs. 5 lakhs in thrust areas, 100% Export Oriented Units, SC/ST Entrepreneurs, Women Entrepreneurs, Handicapped persons and Ex-servicemen shall be admissible.

CAPTIVE POWER GENERATING SUBSIDY

Sl. No.	Incentive	Category	Maximum Incentive (%)	Financial Limit (Lakhs)	Special Benefits
1	Captive Power Generating Subsidy	A B C	15 20 25	2.25 3.00 3.75	Additional 5% incentive over and above with a cap of Rs. 0.75 lakhs in thrust areas, 100% Export Oriented Units, SC/ST Entrepreneurs, Women Entrepreneurs, Handicapped persons and Ex-servicemen shall be admissible.

INTEREST SUBSIDY

The objecting of providing this subsidy is to bring down interest cost of industry for the period an industry is most hard pressed. This subsidy is aimed to encourage industry to continuous growth rather than stagnate and contribute its share of prosperity to the state.

The interest subsidy admissible to new industries shall be admissible in the following manner on the interest actually paid to be financial institution/ banks on loans taken by such new industry:

Sl. No.	Incentive	Category	Maximum Incentive (%)	Financial Limit (Lakhs)
1	Interest subsidy	A B C	25 50 60	The subsidy shall be limited to a sum of Rs. 100 lakhs per annum provided the total interest subsidy shall not exceed 2% of the total sales amount made in the State of Jharkhand and/ or in course of interstate sales as supported by the certificate/ document issued by the competent commercial tax authority. This subsidy shall be admissible for a period of 5 Years of all categories of industries from the date of commercial production.

STAMP DUTY AND REGISTRATION

An eligible industrial unit irrespective of its location will be entitled to exemption from payment of 50% of Stamp Duty and registration fee paid for registration of documents within the State relating to purchase/ acquisition of land and buildings for setting up of a new unit.

EMPLOYMENT GENERATION BASED INCENTIVES

This incentive would be admissible to following industries:

- All Khadi and Village industries

- All farm based industries such as horticulture, floriculture, sericulture, medicinal & aromatic plants based industries etc.
- Forest based industries such as Shellac, Bamboo etc.

All workers/ labourers employed in such industries would be covered under Contributory Group Insurance Scheme (CGIS), in which the State would pay 50% of the premium paid by the employer against each such worker/ labourer. This incentive shall be admissible to only such industries employing a minimum of fifty workers/ labourers.

FEASIBILITY STUDY-PROJECT REPORT COST REIMBURSEMENT SUBSIDY

The Industrial Units will be provided feasibility study-project report cost reimbursement subsidy @50% of the cost incurred in preparation of such report subject to a ceiling of Rs. 50,000/-. Such feasibility study- project report shall have to be prepared by a recognized consultant drawn from duly approved panel by the Industries Department. This subsidy shall be admissible after the commencement of commercial production.

POLLUTION CONTROL EQUIPMENT SUBSIDY

Capital investment subsidy for installation of Pollution Control and monitoring equipment shall be allowed on the certificate of the State Pollution Control Board about the necessity for such installation. This incentive shall be admissible to new and existing industrial units. This subsidy will be 20% of the cost of the pollution control and monitoring equipment subject to ceiling of Rs. 20 lakhs, in addition to the capital investment subsidy admissible to such industrial unit. This would be in addition to any other incentive available from any other source. This subsidy will be paid only after such unit produces supporting documents for the expenses incurred along with the certificate of a Chartered accountant.

INCENTIVE FOR QUALITY CERTIFICATION

Small Scale/ Ancillary Industries would be encouraged to seek ISI/ ISO certification. The State Government shall facilitate for reimbursement of charges for acquiring ISO-9000 (or its equivalent) certification to the extent of 75% of the cost subject to a maximum of Rs. 75,000/- in each case from the Central Government.