



Mizoram

**Fiscal Incentives, Exemptions & Subsidies**

**State Capital Investment Subsidy:** An investment subsidy on the total investment made in plant and machinery shall be provided on a graded scale to the new industrial units. It will be available to both new units as well as to existing units carrying out expansion, diversification and modernization activities. The graded subsidy will be as under:

Types of Industry		Subsidy eligible in general	Subsidy eligible to unit set up in the thrust area
i)	Artisan and tiny scale units	15% of total capital investment in plant and machinery	20% of total investment in plant and machinery
ii)	Small scale capital units	10% of total capital investment in plant & machinery subject to a maximum of Rs. 5.00 lakhs	15% of total investment in plant & machinery subject to a maximum of Rs.7.00 lakhs
iii)	Medium	5% on total capital	10% of total

scale units	investment in plant	capital in plant
	& machinery subject	& Machinery
	to a maximum of	subject to a
	Rs.10.00 lakhs	maximum of
		Rs.15.00 lakhs.

**Concession on State and Central sales**

**tax :**

State Sales Taxes shall be exempted for a period of 7 year from the date of commencement of actual commercial production. However, for the units set up in the thrust area, the exemption period will be 10 years.

Exemption of Central Sales Taxes and Excise duties will be governed by various Notifications/Orders issued by Government of India in this regards.

**Price preference:**

Price preference well be given for the products of local units as per the provision of Mizoram Preferential Stores Purchase Rules 1994. Broadening and depending of the coverage of the Rules will be carried out.

**International Standard Organization/Bureau of Indian Standard certification:**

The State government shall encourage the **small** Industries to obtain Bureau of Indian Standard (BIS)/International Standard Organization(ISO) Certificate for their product to enable them to compete at the State and National levels.

For this purpose, the State Government shall reimburse 100% of the expenditure incurred on registration fee, testing fee etc., and purchase of testing equipment subject to actuals up to the maximum limit of Rs.50,000/-.

This limit shall be Rs.1, 00,000/- for units set up in the thrust areas.

**Subsidy on registration fee of promotion council, commodity board and chamber of commerce:**

The amount spent by an industrial unit in obtaining a registration with recognised promotion council, commodity board, chamber of commerce etc., shall be re-imburement to the unit subject to a limit of Rs.20,000/- or the actual registration fee which ever is less.

**Incentives for export oriented units: For 100% Export Oriented Units(EOU).**

An additional 5% capital investment subsidy for investment on plant and machinery subject to a maximum of Rs.5.00 lakhs will be made available to 100% EOUs.

**Other units with an export commitment of less than100% of the total turn over.**

An additional 2% of capital investment subsidy for investment of plant and machinery

subject to a maximum of Rs.2.00 lakhs will be make available to units of less than 100% export commitment.

**State-level Review Committee:**

This Policy statement shall be reviewed and recommendations made annually for adjustments and for providing additional policy support to the industry by a State-level Review Committee to be headed by Secretary, Industries Department, Government of Mizoram with Members drawn from various Departments involved in Industrial development of Mizoram. The State Pollution Control Board, Environment and Forest Department, Geology and Mining Wing of Industries Department and Mizoram Industries Association will also be represented in the Committee.

**A. Eligibility Condition**

- (i) An Industrial unit is eligible to claim subsidy only for the amount of cost of Project Report already paid to the concerned consultant *I* agency as approved *I* recognized by the Government of India *I* Director of industries.
- (ii) An Industrial unit is eligible to claim the subsidy only after taking effective steps.

**B. Limit of Subsidy**

Subsidy on cost of Project Report to an Industrial unit shall be:-

- (i) 90 per cent in case of tiny unit subject to a ceiling of Rs. 5,000/- per unit.
- (ii) 75 per cent in case of **small** scale and ancillary units and **small** scale service establishments subject to a ceiling of Rs. 25,000/- per unit.
- (iii) 50 per cent in case of **medium** and large scale units subject to a ceiling of Rs. 50,000/- per unit.

**C. Application for Claim**

Application for grant of subsidy on cost of Project Report shall be submitted in duplicate to the concerned District Office in the prescribed form under Appendix 'A'

**D. Selection Committee**

Composition of the State Level Committee shall be :-

- (1) Secretary, Industries Department *Chairman*
- (2) Secretary, Finance Department or his *Member*  
not below the rank of Deputy secretary

- |     |   |                                   |
|-----|---|-----------------------------------|
| (3) | Branch Manager, Industrial Development -<br>Bank of India, Mizoram Branch | <i>Member</i>                     |
| (4) | Representative from North Eastern<br>Industrial Consultants Ltd.          | <i>Member</i>                     |
| (5) | General Managers, District Industries<br>Centres                          | <i>Members</i>                    |
| (6) | Director of Industries  | <i>Member</i><br><i>Secretary</i> |

[Detailed procedure incorporated in the rules for the Grant of Incentives/Subsidies under the Industrial Policy of Mizoram te, 1989]

### **Factory Rent Subsidy**

#### **A. Eligibility Condition**

- i) The Subsidy can be claimed by new tiny and **small** scale unit occupying the built up factory sheds within the declared Industrial Estates /Industrial Growth Centre 1 Industrial Area on monthly rent basis.
- ii) The Subsidy can also be claimed by the existing tiny and **small** scale units on rents of built up factory sheds occupied for the expanded portion only.
- iii) The Subsidy can be claimed by the aforementioned units for a period of 5 years from the date of commercial production.

#### **B. Limit of Subsidy**

Subsidy on factory Rent to an Industrial unit shall be 50 per cent of the duly assessed rent of factory Shed subject to a ceiling of Rs. 30,000/- per unit per year.

#### **C. Application for Claim**

Application for grant of Subsidy on Factory Rent shall be submitted in duplicate to the concerned District Office in the prescribed form under Appendix "C"

#### **D. Selection Committee**

Composition of the State level Committee shall be “

- |     |  |                 |
|-----|--|-----------------|
| (1) | Secretary, Industries Department   | <i>Chairman</i> |
| (2) | Secretary, Finance department or his<br>Nominee not below the rank of Deputy | <i>Member</i>   |

- |     |   |                  |
|-----|---|------------------|
|     | Secretary                                     |                  |
| (3) | General Managers, District Industries Centres | <i>Members</i>   |
|     |   | <i>Member</i>    |
| (4) | Director of Industries                        | <i>Secretary</i> |

[Detailed procedure incorporated in the rules for the Grant of Incentives/Subsidies under the Industrial Policy of Mizoram State, 1989]

### **Man Power Development Subsidy**

#### **A. Eligibility Condition**

- i) New and existing Industrial units which have already gone into production which send their workers to Institutions or registered / licensed Industrial units outside Mizoram duly approved by the Director of Industries for training for upgradation of their skill are eligible to claim the subsidy.
- ii) An Industrial unit is eligible to claim subsidy on expenditure for managerial and technical training of its workers.
- iii) An Industrial unit to claim the subsidy should give an undertaking that the trained workers will continue to be employed by it after training atleast for a period of 3 years.
- iv) An industrial unit to claim the subsidy should take prior approval of the Director of industries before sending of its workers for training.

#### **B. Limit of Subsidy**

Subsidy shall be limited to 50 per cent of the actual expenditure for training subject to a ceiling of Rs. 3000/- per trainee and Rs.25, 000/- per unit per year.

#### **C. Application for Claim**

Application for grant of Subsidy on Manpower development shall be submitted in duplicate to the concerned District Office in the prescribed form under Appendix 'D'

#### **D. Selection Committee**

Composition of the State level Committee shall be"

- |     |  |                 |
|-----|--|-----------------|
| (1) | Secretary, Industries Department   | <i>Chairman</i> |
| (2) | Secretary, Finance department or his.-<br>Nominee not below the rank of Deputy | <i>Member</i>   |

- |     |   |                  |
|-----|---|------------------|
|     | Secretary                                     |                  |
| (3) | General Managers. District Industries Centres | <i>Members</i>   |
|     |   | <i>Member</i>    |
| (4) | Director of Industries                        | <i>Secretary</i> |

[Detailed procedure incorporated in the rules for the Grant of Incentives /Subsidies under the Industrial Policy of Mizoram State, 1989]

### **Interest Subsidy**

#### **A. Eligibility Condition**

- i) An Industrial unit is eligible to claim subsidy only on the amount of interest on term loan and working capital loan already paid to the concerned Banks/ Financial Institutions/ Agencies.
- ii) An Industrial unit is eligible to claim subsidy only for the amount of interest where the repayment is made in time. No subsidy can be claimed for overdue repayment.
- iii) An Industrial unit is eligible to claim subsidy on interest on term loan and working capital loan for 5 years from the date of commissioning of the unit.

#### **B. Limit of Subsidy**

- i) The interest on loan paid by an industrial unit in excess of 8 Y2 per cent shall be subsidized up to a maximum of 4 per cent.
- ii) Subsidy shall be limited to a claim on a total amount not exceeding Rs. 3, 60,000/- paid by an industrial unit towards interest on term loan in a full year. However, for working capital loan, the total amount paid towards interest on which subsidy can be claimed shall be limited to Rs. 1, 20,000/- in a full year.

#### **C. Application for Claim**

Application for grant of interest subsidy shall be submitted in duplicate to the concerned district Office in the prescribed form under Appendix 'E'

#### **D. Selection Committee**

Composition of the State level Committee shall be "

- |     |  |                 |
|-----|--|-----------------|
| (1) | Secretary, Industries Department   | <i>Chairman</i> |
| (2) | Secretary, Finance department or his<br>Nominee not below the rank of Deputy | <i>Member</i>   |

- Secretary
- (3) Managing Director, Zoram Industrial Development Corporation *Member*
- (4) Branch Manager, State Bank of India Aizawl Main Branch *Member*
- (5) General Managers, District Industries Centres *Members*
- (6) Director of Industries *Member*  
*Secretary*

[Detailed procedure incorporated in the rules for the Grant of Incentives /Subsidies under the Industrial Policy of Mizoram State, 1989]