



### Fiscal Incentives, Exemptions & Subsidies

Fiscal Incentives to new Industrial Units and substantial expansion of existing units:

- i) New industrial units and existing industrial units on their substantial expansion as defined, set up in Growth Center, Industrial Infrastructure Development Centers (IIDCs) and other locations like Industrial Estates, Export Processing Zones, Food Parks, IT Parks, etc., as notified by the Central Government are entitled to 100% (hundred percent) income tax and excise duty exemption for a period of 10 years from the date of commencement of commercial production. Thrust Sector Industries as mentioned in are entitled to similar concessions in the entire State of Sikkim without area restrictions.
- ii) All New industries in the notified location would be eligible for capital investment subsidy @ 15% of their investment in plant & machinery, subject to a ceiling of Rs.30 lakh. The existing units will be entitled to this subsidy on substantial expansion, as defined.
- iii) An interest subsidy of 3% on the working capital loan would be provided to all new industrial units in notified locations for a period of 10 years after the commencement of commercial production. This benefit would also be extended to existing units in notified locations on expansion, as defined, as well as to Thrust Industries
- iv) The insurance premium to the extent of hundred percent on capital investment for a period of 10 years would be extended by the Central Government to all new units and to existing units on their substantial expansion, as defined.