

Incentive Scheme for MSMEs in Powerloom Sector: Subsidy for State Goods and Services Tax (SGST)

Details (Incentive Scheme for MSMEs in Powerloom Sector: Subsidy for State Goods and Services Tax (SGST))

The scheme "Subsidy for State Goods and Services Tax (SGST)" is a sub scheme under the "Incentive Scheme for MSMEs in Powerloom Sector". It was launched on 1st January, 2022, by the Department of Micro, Small & Medium Enterprises and Textiles, Government of West Bengal, and shall remain valid upto 31st December, 2024. Objective of the "Incentive Scheme for MSMEs in Powerloom Sector": The objective of the Scheme is to extend fiscal incentives for installation of New age shuttleless Powerlooms by MSMEs in Textile sector with a view to boost production of the improved quality fabrics and to create a sustainable ecosystem for MSMEs in Textile sector which can maximize the utilization of resource, generate new employment and widen the area of operation to make the State emerge as the leader in Powerloom sector in country. Objective of the "Subsidy for State Goods and Services Tax (SGST)" Sub-scheme: Through this incentive, an eligible micro, small and medium enterprise in the Powerloom sector for its approved project will be entitled to refund of Net SGST paid to the Government of West Bengal for 8 years from the date of commencement of commercial production.

Objectives (Incentive Scheme for MSMEs in Powerloom Sector: Subsidy for State Goods and Services Tax (SGST))

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Important Features (Incentive Scheme for MSMEs in Powerloom Sector: Subsidy for State Goods and Services Tax (SGST))

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Benefits (Incentive Scheme for MSMEs in Powerloom Sector: Subsidy for State Goods and Services Tax (SGST))

- Zone B & C: 30% of Net SGST paid for 8 years from the date of commencement of commercial production.
- Zone D & E: 50% of Net SGST paid for 8 years from the date of commencement of commercial production.

- Note: Cumulative refund of SGST shall not exceed 75% of Fixed Capital Investment.

Eligibility (Incentive Scheme for MSMEs in Powerloom Sector: Subsidy for State Goods and Services Tax (SGST))

- The Scheme shall be generally applicable to all micro, small, and medium enterprises (MSMEs) in the powerloom sector. Enterprises must have started production from 01.01.2022 to 31.12.2024. Enterprises should have executed a Four
- party agreement with the Directorate of Textiles, Financial institution and Tantuja. The units should be a private sector, cooperative sector and joint sector undertaking as also companies/ undertakings owned and managed by the State Government and the Industrial SHGs. The project should be covered by a detailed feasibility report/project prepared for the purpose. The project should have been approved and sanctioned by a Central Financial Institution or Commercial Banks or State Financial Institutions.

Application Process (Incentive Scheme for MSMEs in Powerloom Sector: Subsidy for State Goods and Services Tax (SGST))

- An eligible enterprise shall apply in prescribed format in FORM-E to the Commissioner of Commercial Taxes, West Bengal at the close of each year requesting him to certify the total amount of SGST paid (excluding input credit) by it in respect of goods manufactured and sold during the year in respect of which the application has been made.
- Time frame for submission of first Application: Within 12 months from the date of commencement of commercial production (01.01.2022 to 31.12.2024).
- Address: THE COMMISSIONER, COMMERCIAL TAXES, DIRECTORATE OF COMMERCIAL TAXES 14, BELIAGHATA ROAD, KOLKATA-700015

Documents Required (Incentive Scheme for MSMEs in Powerloom Sector: Subsidy for State Goods and Services Tax (SGST))

- A copy of the Memorandum of Association and Articles of Association authenticated by the Registrar of Companies/ partnership deed (wherever applicable). A statement on the name and address of the Directors /Partners /Owners of the enterprise/ Members of Cooperative or Self Help Groups
- as applicable. Copy of approved project report. A copy of loan sanctions letter and disbursement letter issued by financial institutions/ banks. Copy of agreement. A copy of the audited balance sheet for the last 2 years wherever applicable. Existing manufacturing activities in West Bengal stating items
- annual approved capacity
- annual production during the last three years (in quantity and value in Rs. Lakh)
- if applicable. Copy of the land deed (wherever applicable) (In case of rented /leasehold land / buildings
- copy of rent agreement and receipt /lease agreement). Copy of mutation & conversion certificate of land/ building. Copy of valid consent to operate certificate from the WBPCB. Copies regarding SGST. Copy of trade licence. Copy of first electricity bill (wherever applicable). Copy of acknowledgement of Udyam Registration. Copy of SC / ST certificate wherever applicable. Copy of other statutory licenses/certificates
- if necessary. "Self declaration" as per para 7.1(vi) of the Official Scheme Guidelines . A receipt copy of the application submitted to the Commissioner
- Commercial Tax
- West Bengal on SGST.