ONE STOP SOLUTION FOR
ALL REQUIREMENTS UNDER GST

West Bengal Investment

Promotion Policy, 2026

[Summarised only for Ease of Reference]



With Best Compliments From :

ARS Management Consultancy Services Pvt. Ltd.

2/7, Sarat Bose Road, 'Vasundhara', 2nd Floor
Unit No. - 07, Kolkata - 700020
Contact No. : 98361 28000, +91 33 4001 6105
E-mail : info@arsconsultants.net
Website : www.arsconsultants.net

For Private Circulation Only

1. Executive Snapshot

The West Bengal Investment Promotion Policy, 2026 positions the State as an investment destination built on three commitments: **jobs first**, **more assistance where it is needed most**, and **timelines the Government is bound by**. Assistance is linked to eligible investment in plant and machinery, spread over up to ten years, and paid from a dedicated Assured Incentive Fund.

100% – 120% Ceiling on total assistance, as a share of Eligible FCI (Cl. 24)	**Up to 10 years** From start of production, or until the ceiling is reached, whichever is earlier	**100%** Employer EPF reimbursement for women and transgender employees in MSMEs, for 10 years (Cl. 32)
30 / 45 / 30 days Certificate of Intent, Certificate of Eligibility, and claim sanction (Cl. 72, 74, 75)	**₹20 – ₹25** Per sq ft per month lease rental assistance for service units (Cl. 42)	**March 2030** Cross-subsidy and additional surcharge waived on in-State green power (Cl. 53)

Bottom line (assessment)

The Policy's strongest feature is **certainty**: terms are locked on the date of the Certificate of Intent, claims have statutory-style deadlines, and payment comes from a ring-fenced fund. Its tilt towards Priority Areas, Thrust Sectors and women's employment is deliberate and substantial.

Its practical value will depend on the detailed Scheme, the Priority Area list (Annexure I), land availability and the Government's record of paying claims on time.

2. Policy at a Glance

2.1 Key features

Feature	Provision
Effective date	In force from 9 May 2026. Only investment made on or after this date is counted.

Feature	Provision
Who is covered	MSMEs; Large Units; Strategic and Mega Projects; Service Units; Expansion or Diversification Projects; Not-for-Profit Institutions; sick or closed units under revival.
Assistance ceiling	100% of Eligible FCI (regular unit); 110% (Thrust Sector unit or Priority Area unit); 120% (Thrust Sector unit in a Priority Area).
Duration	Up to 10 years from start of production, or until the ceiling is reached. Service units: 5 years.
Annual limit	15% of Eligible FCI; 20% for a unit in a Priority Area or Thrust Sector.
Eligible FCI	Spend on plant and machinery (including pollution control equipment) incurred on or after 9 May 2026 and certified by the unit's auditor.
Certainty	Terms fixed on the Certificate of Intent date; later amendments cannot reduce benefits. Shortfalls in investment or jobs lead to a proportionate reduction, not withdrawal.
Delivery	Single Window Portal (ipp.wb.gov.in); online and faceless wherever possible; payment from a dedicated Assured Incentive Fund.

2.2 Who can apply

Every investor falls into one category, and the category decides the benefits.

Category	Who qualifies	Principal benefits	Clause
MSME	Micro, small or medium enterprise with a valid Udyam registration	Fiscal benefits, interest subvention, technology upgradation, EPF reimbursement for 10 years	14, 23–35
Large Unit	Manufacturing or other non-service unit that is not an MSME	Fiscal benefits; EPF reimbursement at 200 jobs (Priority Area) or 400 jobs	15, 23–33
Strategic and Mega Project	Project that meets two of three tests: scale, strategic sector, jobs per acre	All standard benefits plus tailor-made benefits approved by the Empowered Committee	16
Service Unit	IT, healthcare, tourism, finance, engineering, professional services, education or skilling	Separate track: SGST, EPF, electricity duty, lease rental assistance	36–42

Category	Who qualifies	Principal benefits	Clause
Expansion / Diversification	Existing unit adding capacity or a new product or service	Benefits on the verified additional investment	21
Not-for-Profit Institution	Trust, society or not-for-profit company investing at least ₹100 crore and offering 25% of capacity free	Stamp duty, land-use and power benefits, outside all ceilings	57–61
Unit under revival	Sick or closed unit that can be revived	Power assistance, land ceiling relief, relief undertaking status, revival cell	55–56

2.3 Basic conditions and exclusions

Basic conditions (Cl. 4, 18, 19)	Not covered (Cl. 22, 36(2), Annexure IV)
• Be registered and hold every approval the activity needs. • Register each unit under its own GSTIN. • Make new investment, paid through banks and shown in the books. • Count only investment made on or after 9 May 2026. • Stay in operation and keep assets and jobs for the period the Scheme sets. • Have no default on statutory dues.	• Sponge iron, coal and coke processing, charcoal, stone crushing. • Traditional brick kilns, sawmills, fire crackers. • Asbestos, single-use plastics, tobacco. • Thermal power, other than eligible captive and waste-to-energy units. • Trading is not a service under the Policy.

3. Areas of Prime Importance

3.1 Priority Areas

Priority Areas are sub-divisions that score below the State median on an Industrial Development Index measuring industrialisation and infrastructure. The list is in Annexure I and is reviewed every three years. A unit keeps the status it had on the date of its Certificate of Intent.

Benefits in a Priority Area:

- A higher ceiling: 110%, or 120% in a Thrust Sector.
- Lower EPF threshold for Large Units: 200 employees instead of 400.
- For service units: 5 years of electricity duty assistance and ₹25 per sq ft per month in lease rental assistance.

3.2 Thrust Sectors

Units in the fifteen Thrust Sectors (Annexure III) receive a higher ceiling of 110% (120% in a Priority Area). A service unit in a Thrust Sector receives 110% of its Eligible Capital Investment.

Semiconductors and electronics	**Green hydrogen and waste-to-energy**	**Emerging digital technologies**
Electric vehicles and batteries	Defence	Food and marine processing (incl. animal and fish feed)
Textiles	Biotech, pharma and medical devices	Critical minerals processing
Automobile manufacturing	Research and development	Specialty steel
Petrochemicals	Aviation	Shipbuilding and maritime training

3.3 Strategic and Mega Projects

A project qualifies by meeting **any two of three tests**. It receives all standard benefits and may apply for tailor-made benefits, including higher overall and annual ceilings. The Empowered Committee records measurable obligations, and the Competent Authority makes the final decision (Cl. 16, 24(3), 24(5), Annexure III Part B).

Test	Threshold
1. Scale	Eligible FCI above ₹500 crore if the investor sources the land, or above ₹1,000 crore if the State allots any land.
2. Strategic sector	Semiconductors, EVs, advanced batteries, green hydrogen, specialty steel, defence, gems and jewellery, data centres, petrochemicals, textile parks or multi-modal logistics parks.
3. Jobs per acre	At least 50 direct jobs for every acre of project land.

Projects above ₹1,000 crore of Eligible FCI may also receive State funding of up to 10% of Eligible FCI for internal infrastructure (drainage, water, effluent treatment, testing labs) and up to 10% for approach roads and power, water and drainage links to the project boundary (Cl. 45).

3.4 Employment-led growth

EPF reimbursement is the Policy's main employment lever, with the highest rates reserved for women.

Unit type	Reimbursement of employer's EPF	Period	Annual cap
MSMEs	100% for women and transgender employees; 50% for men	10 years	₹5 crore
Service units (more than 200 eligible employees)	75% for women; 50% for men	5 years	₹10 crore
Large Units and Strategic and Mega Projects	Up to 50% (at least 200 jobs in a Priority Area, or 400 elsewhere)	5 years	₹10 crore

Covers employees on the payroll who are covered by EPF and earn less than ₹1 lakh a month. Expanding units must add new jobs, and the State may give grants for working women's hostels in clusters or parks employing more than 100 women (Cl. 34).

3.5 The State's investment proposition

- **Gateway:** access to eastern and north-eastern India, neighbouring countries and Bay of Bengal shipping routes.
- **Industrial depth:** engineering, metals, chemicals, jute, textiles, leather, tea and logistics.
- **Talent:** IIT Kharagpur, IIM Calcutta, ISI Kolkata, IIEST Shibpur, University of Calcutta, Jadavpur University and a large, stable workforce.
- **Connectivity:** ports, airports, inland waterways, dense road and rail networks, and logistics hubs.

4. Summary of Major Incentives

4.1 Ceiling and duration

Unit type	Overall ceiling (% of Eligible FCI)	Annual limit (% of Eligible FCI)	Duration
Regular unit	100%	15%	Up to 10 years
Thrust Sector unit	110%	20%	Up to 10 years
Unit in a Priority Area	110%	20%	Up to 10 years

Unit type	Overall ceiling (% of Eligible FCI)	Annual limit (% of Eligible FCI)	Duration
Thrust Sector unit in a Priority Area	120%	20%	Up to 10 years

One ceiling covers all manufacturing benefits, which are counted against it in the order shown in section 4.2. Assistance ends when the ceiling is reached or 10 years after production starts, whichever is earlier.

4.2 Manufacturing and other non-service units

Benefit	What the unit receives	Who	Cl.
SGST-linked assistance	100% of Net SGST, for up to 10 years	All eligible units	26
Electricity duty	Duty paid, reimbursed in full for up to 5 years	All eligible units	27
Interest subvention	Up to 50% of interest on term loans for 5 years; capped at ₹4 crore or 5% of the loan, whichever is lower	MSMEs	28
EPF reimbursement	50% for men, 100% for women and transgender employees; 10 years; up to ₹5 crore a year	MSMEs	32
EPF reimbursement	Up to 50% for 5 years; at least 200 employees in a Priority Area or 400 elsewhere; up to ₹10 crore a year	Large Units; Strategic and Mega Projects	33
Stamp duty and registration fee	100% reimbursed on the first purchase or lease of project land	All eligible units	29
R&D assistance	50% of R&D facility set-up cost (75% for 100% export-oriented units), up to ₹5 crore, in 10 instalments against milestones	All eligible units	30
Technology upgradation	Up to 50% of the cost of robotics, IoT, AI-based quality control and similar technology, up to ₹50 lakh	MSMEs	31

An enterprise that outgrows MSME status keeps its MSME benefits for three years (Cl. 14(3), 25(2), 35).

4.3 Service units

Service units follow their own five-year track and must choose either this track or the manufacturing track, not both. The ceiling is **100% of Eligible Capital Investment (110% in a Thrust Sector)**, covering buildings, fit-outs, IT hardware, equipment and utilities, but not land, working capital or pre-operative costs (Cl. 4, 38).

Benefit	What the unit receives	Cl.
SGST-linked assistance	100% of Net SGST paid in cash, for 5 years, up to ₹10 crore a year	39
EPF reimbursement	50% of employer's EPF (75% for women), for 5 years, if more than 200 eligible employees are retained; up to ₹10 crore a year	40
Electricity duty	Reimbursed for 3 years, or 5 years in a Priority Area	41
Lease rental subsidy	Lower of ₹20 per sq ft per month (₹25 in a Priority Area) and 50% of the rent paid, for 5 years	42

Central and State schemes for the services sector remain available on top, so long as no cost is paid for twice (Cl. 37, 38(3)).

4.4 Benefits beyond financial assistance

Green power through open access (Cl. 50–53, Annexure IX)

Consumers with contract demand of 100 kW or more can buy green power through open access; those with captive green power can do so at any size. For applications received up to 31 March 2030, the charges payable are the following percentages of the charge that would otherwise apply:

Source	Route	Transmission	Wheeling	Cross-subsidy surcharge	Additional surcharge
Captive	Within West Bengal	25%	25%	Nil	Nil
Captive	From outside the State	25%	25%	Nil	50%
Non-captive	Within West Bengal	25%	25%	Nil	Nil
Non-captive	From outside the State	25%	25%	50%	50%

Area	Provision
Land and clusters (Cl. 47–49)	GIS-mapped inventory of industrial land; online allotment on published criteria with time-stamped scrutiny; priority for brownfield sites and parks in notified industrial corridors; assistance for common facilities in recognised clusters.
Not-for-profit institutions (Cl. 57–61)	Hospitals, medical colleges, universities and similar institutions investing at least ₹100 crore and keeping 25% of capacity free for disadvantaged groups for 10 years: stamp duty exemption of twice the share offered free (50% at 25%, 100% at 50% or more), land-use conversion fee waiver and net metering, over and above all ceilings.
Sick and closed units (Cl. 55–56)	Units revived under an NCLT-approved plan, public sector undertakings and units the State already assists: net metering, special power subsidy approved by the Empowered Committee, case-by-case land ceiling exemption, relief undertaking status and a dedicated revival cell.
MSME dues (Cl. 44)	State departments, PSUs and autonomous bodies must clear undisputed dues of micro and small enterprises within 45 days, or any shorter period under law. Delay attracts interest under the MSMED Act, 2006.
Expansion and diversification (Cl. 4, 21)	Must add at least 25% to FCI, create new productive space and add at least 20 direct jobs per acre (5 in capital-intensive sectors such as petrochemicals, green hydrogen, data centres and specialty steel). Benefits apply only to verified additional investment.

4.5 Illustration

> **Thrust Sector unit in a Priority Area**
>
> Eligible plant and machinery investment: **₹200 crore**. Ceiling at 120%: **₹240 crore** in total, to be received within 10 years of starting production, and **no more than ₹40 crore in any one year** (20% annual limit).

4.6 Points to note before claiming (Cl. 26–29, 83)

- **Net SGST** is SGST paid in cash after input tax credit. Tax paid using IGST credit, tax under dispute and tax later refunded do not count.
- **Electricity duty** is reimbursed only on duty actually paid. A unit sharing a connection with another unit needs a separate sub-meter.
- **Interest subvention** excludes penal, overdue and working capital interest, and loan fees.

- **Stamp duty** is reimbursed only on the first qualifying purchase or lease.
- **Assistance under other schemes** for the same cost is taken into account. No cost is paid for twice.

5. Application Process and Governance

5.1 Five-step process

Step	What happens	Timeline	Cl.
1. Apply	Apply online on the Single Window Portal and pay the fee through GRIPS. Any deficiency is raised once.	Deficiency within 7 days	71
2. Certificate of Intent	Records the baseline and locks in Policy terms. Valid for 3 years.	Issued within 30 days	72
3. Build	Report progress on the Portal every quarter until production starts.	Quarterly	73
4. Certificate of Eligibility	Apply within 6 months of starting production. Fixes the benefits and ceiling.	Issued within 45 days	74
5. Claim and get paid	Claim every quarter. Tax and payroll data is drawn from government systems. Paid to the unit's bank account.	Sanction within 30 days	75

5.2 Dedicated facilitation for large projects (Cl. 64, 68, 69)

Project investment	Designated facilitator
₹100 crore and above	Dedicated Business Manager
Above ₹500 crore	Senior officer
Above ₹1,000 crore	Special Secretary-level officer
Above ₹2,500 crore	Secretary-level officer

The State Nodal Agency reviews every project every 15 days and the Chief Secretary reviews it every month. The State will help secure approvals needed from the Central Government, and facilitation extends to public-private partnership projects.

5.3 Mutual commitments

What the State commits to (Cl. 3, 76, 82, 86, 87, 89)	What the State asks of investors (Cl. 84, 85)
• Terms fixed on the Certificate of Intent date; later amendments will not reduce benefits. • Sanctioned assistance paid from a dedicated Fund. • A shortfall in investment or jobs reduces assistance in proportion; it is not withdrawn outright. • A hearing before any adverse action, and a right to appeal any decision.	• Keep assets, location, activity and jobs through the benefit and lock-in periods. • Keep separate records and allow inspection and audit. • Seek approval at least 60 days before a transfer, closure or relocation. • Comply with the law and promptly report any change affecting eligibility.

6. Likely Impact on Investment in the State

6.1 Positive drivers

- **Credibility of delivery.** Locked terms, fixed timelines, an assured fund and a right of appeal address the most common concern with State incentives: delayed or uncertain payment.
- **Wider geographic spread.** Higher ceilings and lower EPF thresholds in Priority Areas should draw projects beyond the Kolkata–Howrah belt.
- **Proportionate, not punitive, enforcement.** Shortfalls reduce assistance in proportion, which lowers the downside risk for investors.
- **Alignment with national priorities.** Thrust Sectors track national manufacturing themes: semiconductors, EVs and batteries, green hydrogen, defence and critical minerals.

6.2 Sectors and segments likely to gain

Segment	Why it may benefit
Electronics and semiconductors; EVs and batteries	Thrust status, strategic-sector status for Mega Projects, and eligibility for tailor-made packages.
Pharma, biotech and medical devices	Thrust status, existing talent base, R&D assistance of up to ₹5 crore.
Textiles, leather and food and marine processing	Existing industrial base, labour intensity (EPF benefits), and textile parks as a strategic sector.

Segment	Why it may benefit
Specialty steel, petrochemicals, critical minerals	Thrust and strategic-sector status; relaxed jobs-per-acre norms for capital-intensive expansions.
Shipbuilding, aviation and maritime training	Thrust status, ports and inland waterways, and a pipeline of skilling demand.
Green power-intensive industry	Surcharge waivers on in-State green power until March 2030 reduce energy cost.

6.3 Points to watch

- **Back-ended cash flow.** SGST-linked assistance is paid only after the unit is making taxable sales and paying SGST in cash, so benefits arrive after the investment is made.
- **Fund adequacy.** The size and replenishment of the Assured Incentive Fund will decide how far the commitments are trusted in practice.
- **Detail still to come.** Procedures, forms and several definitions sit in the Scheme; the Priority Area list is in Annexure I. Where the booklet differs from the Policy or Scheme, the Policy and Scheme prevail.
- **Only new investment counts,** and only if made on or after 9 May 2026 through banks and recorded in the books. Projects already in progress should check their start dates.
- **Net SGST rules are strict.** Input tax credit, IGST-paid tax, disputed tax and later refunds are all excluded.
- **Central approvals.** The State offers facilitation but cannot guarantee Central clearances.

7. Opportunities for Small and Medium Enterprises

MSMEs get the most layered package in the Policy. The following are the areas the firm sees as most valuable.

Opportunity	How it works	Suited to
Women-centred hiring	100% EPF reimbursement for women and transgender employees for 10 years, versus 50% for men.	Garments, food processing, leather, electronics assembly, packaging
Cheaper capital	Interest subvention of up to 50% on term loan interest for 5 years (cap ₹4 crore or 5% of the loan).	Capital-intensive MSMEs planning new plant
Modernisation	Up to 50% of the cost of robotics, IoT and AI-based quality control, up to ₹50 lakh.	Established units upgrading processes

Opportunity	How it works	Suited to
Room to grow	MSME benefits continue for 3 years after the enterprise outgrows MSME status.	Fast-growing units near the investment limits
Prompt payment	Undisputed dues from State departments, PSUs and autonomous bodies to be cleared within 45 days.	Vendors and suppliers to the public sector
Supplier ecosystems	Mega Projects and Thrust Sector anchors create demand for components, packaging, logistics and services; cluster common-facility assistance is available.	Ancillary units and cluster members
Cheaper land and premises	100% stamp duty reimbursement on first land purchase or lease; GIS-mapped land inventory with online allotment.	New units seeking sites in industrial parks
Green power access	Open access for captive green power at any size; surcharge waivers for in-State sources.	Energy-intensive MSMEs

Practical tip: keep a valid Udyam registration, register each unit under its own GSTIN, and route all new investment through bank accounts and the books from day one, since these are conditions for every benefit.

8. Ideas and Opportunities for the Services Sector

The Policy offers services a separate five-year track with SGST-linked assistance, EPF support, electricity duty reimbursement and lease rental assistance. A unit must choose between this track and the manufacturing track. The following ideas are the firm's assessment of where the track fits best.

Segment	Opportunity	Policy hook
IT, IT-enabled services and GCCs	Back offices, global capability centres and delivery hubs in Kolkata and Priority Area towns, using leased space and a large women workforce.	Lease rental ₹20–25 per sq ft; EPF at 75% for women above 200 employees; SGST-linked assistance
Healthcare	Multi-specialty hospitals, diagnostics and day-care centres in district towns; medical colleges and teaching hospitals via the not-for-profit route.	Healthcare listed as a service; ₹100 crore, 25% free-capacity route for not-for-profits

Segment	Opportunity	Policy hook
Tourism and hospitality	Heritage, tea, Sundarbans, Himalayan and riverine circuits; eco-resorts and experiential stays.	Tourism and hospitality listed as a service; higher support in Priority Areas
Professional services	Shared-service and compliance outsourcing hubs; legal, accounting, audit, tax and management consulting practices serving new investors.	Professional services expressly covered; trading excluded
Engineering, design and technical services	Product design, testing and certification labs, and engineering services for EV, electronics and shipbuilding supply chains.	Engineering, design and technical services covered
Banking, financial services and insurance	Fintech, back-office operations and processing centres, and MSME-focused lending platforms.	BFSI covered as a service
Higher and technical education; skilling	Institutes for aviation, maritime and semiconductor training; industry-linked skilling centres.	Skilling covered, with aviation and maritime training as a Thrust Sector
Investor-facing advisory	Policy-claim management, incentive certification, audit support and Single Window Portal compliance for investors.	Quarterly claims, auditor certification and reporting create steady demand

Design note for service investors

The service ceiling is based on Eligible Capital Investment, which excludes land, working capital and pre-operative costs. **Asset-light service units will therefore have a lower ceiling** than capital-intensive manufacturers. EPF support also needs more than 200 eligible employees, so smaller service firms will mainly rely on SGST-linked assistance, electricity duty and lease rental support.

9. Suggested Next Steps for Investors

- **Identify the category** under section 2.2 and choose between the manufacturing and services tracks, if both could apply.
- **Check the location** against the Priority Area list in Annexure I, since the status on the Certificate of Intent date is locked in.
- **Confirm the sector** against the Thrust Sector list in Annexure III.
- **Plan investment timing:** only investment on or after 9 May 2026 counts, through banks and recorded in the books.

- **Apply early on the Single Window Portal** (ipp.wb.gov.in) so that terms are locked on the Certificate of Intent date.
- **Prepare for claims:** maintain separate records, auditor certification of Eligible FCI, GSTIN-wise registration and payroll compliance.
- **Review the Scheme** once published for procedures, forms and definitions that the booklet does not cover.

Disclaimer

This document summarises the booklet issued by the Industry, Commerce & Enterprises Department, Government of West Bengal (November 2026). Every benefit is subject to eligibility and sanction. Where this document differs from the Policy or the West Bengal Investment Promotion Scheme, 2026, the Policy and the Scheme prevail. Sections labelled assessment, and the ideas in sections 7 and 8, reflect the views of ARS Management Consultancy Services Pvt. Ltd. and do not form part of the Policy.

ARS in GST ALL ROUND SUPPORT | ARS in MSME ALL ROUND SUPPORT | ARS in RERA ALL ROUND SUPPORT | ARS in Make in India ALL ROUND SUPPORT | ARS in LPO ALL ROUND SUPPORT

All Round Support :

GST (Goods & Services Tax), Customs, Central Excise, Service Tax, VAT, CST

MSME (Micro Small & Medium Enterprises) Support

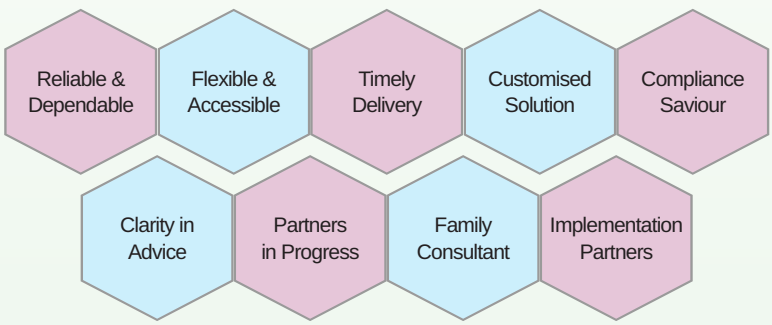
RERA, Real Estate – Project Registration / Extension, Quarterly Updates, Compliance, Management of Escrow Account, Agents & Allottees Support Taxation, Legal, Accounting, Drafting, Representation.

Make in India – Advisory, Set-Up, Hand-Holding, Tax & Regulatory, Audits, Transactions

LPO (Legal Process Outsourcing)

Compliance (Accounting, Computation, Return Filing)	**Corporate Training**
Compliance Review	**Contract Evaluation**
Compliance Verification Support	**Business Process Re-engineering**
Advisory	**Documentation and Internal Control**
Litigation Management	**SAP Implementation Support**
GST Implication Review	**Compliance Process Implementation**
Audit & Assurance	**Internal Financial Control & Analysis**
RERA Registration	**RERA Accounting**
RERA Audit	**RERA Quarterly Progress Report**

WHY ARS?



ARS Management Consultancy Services Pvt. Ltd.
(All Round Services to India Inc.)

Office Address :
2/7, Sarat Bose Road, "Vasundhara", 2nd Floor, Unit No. 07
Kolkata - 700 020, Phone : +91-33-4001-6105, +91-98361-28000
E-mail ID : info@arsconsultants.net, Website : www.arsconsultants.net

NEW DELHI | MUMBAI | NASHIK | BENGALURU | CHENNAI | TELANGANA
JAIPUR | BHUBANESWAR | GUWAHATI | INDORE | PATNA | RANCHI