



Chhattisgarh
Business Made
Easy

CHHATTISGARH'S INDUSTRIAL DEVELOPMENT POLICY 2024-30

DEFENSE, AEROSPACE & SPACE TECHNOLOGY



#CGBusinessEasy



CHHATTISGARH

AT A GLANCE



- **9th** largest state by area – **135,000 sq.km.**
- **Borders 7 states** – Madhya Pradesh, Maharashtra, Telangana, Andhra Pradesh, Odisha, Jharkhand, Uttar Pradesh
- Access to **600+ million** population of India
- Well-connected state
- Flights to all major Indian cities within **90-120 mins** from State Capital
- **2,593 kms** of rail network, additional **1100+ kms** rail network under development
- East-West dedicated freight corridor passing through the State
- **3,500 kms** of national highway

- **Mineral rich state** – In 2023-24, Chhattisgarh's share in the India's mineral production was – **20.73%** in coal production, **16.64%** in iron ore, **10.94%** in limestone, **4.32%** in bauxite, and **100%** in tin ore.
- **Power surplus State** – **25,500+ MW** installed power capacity
- Zero power cut
- Zero labour unrest
- Affordable workforce
- Premier educational institutions: **AIIMS, IIT, IIM, NLU, NIFT, NIT, IIIT**, and many more
- **60+** Industrial areas and parks
- Sector specific industrial parks – Metal Park, Engineering Park, Electronics Manufacturing Clusters, Food Parks, Plastic Park, Textiles Park, Ready Made Garment Park, Space Manufacturing Cluster, Pharma Park

CHHATTISGARH'S STRENGTHS

Key industry reforms for ease of doing business:

- **OneClick** – New Single Window System for online applications, approvals and incentive disbursement
- **24x7** operations for industries, with night shifts enabled for women
- Digital land records
- Land allotment in **45 days**
- Housing for industrial workers within industrial zones



NAVA RAIPUR

INDIA'S FIRST GREENFIELD SMART CITY



- Spread across **237 sq.km.**
- SCADA (Supervisory Control and Data Acquisition) compliant power distribution and water supply
- Dedicated area for non-polluting industries
- Zero discharge city
- **30% Green cover**
- **Future-ready:** E-buses and EV charging infrastructure
- **18-hole golf course** with theme township
- Home to Asia's largest manmade jungle safari

CHHATTISGARH INDUSTRIAL DEVELOPMENT POLICY 2024-30

- Bespoke incentives for investments above **INR 1000 Cr** or units generating **1,000+ jobs**
- Fixed Capital Investment Subsidy – **30-50%**, with employment booster up to **1.5X**
- Interest Subsidy – **50%** for **5 years**
- **1 month's** wage as training expense reimbursement
- Employer's EPF contributions reimbursed for a period of **5 years**
- **20%** Employment assistance for **5 years** under special packages
- **50%** subsidy for environment protection on

**ETP
setup****Zero-waste
initiatives****Water &
energy audits****Environmental
management projects**



DEFENSE, AEROSPACE & SPACE TECHNOLOGY



- ✓ Fixed Capital Investment subsidy – **35%** with employment booster – **1.1X** for **100** employees, **1.2X** for **200**, **1.3X** for **500**, **1.4X** for **700**, and **1.5X** for **1000**
- ✓ Net SGST reimbursement for **12 years** (in lieu of FCI subsidy)
- ✓ Interest subsidy: **50%** for **5 years** up to **INR 20 Cr** per year
- ✓ Electricity duty exemption for **12 years**
- ✓ Land Related Subsidies
 - 100% Stamp duty exemption
 - 50% Reimbursement of land registration fee
 - 50% Exemption on land diversion fee up to 50 acres
- ✓ Employment Assistance
 - 75% EPF reimbursement for 5 years up to 2% of FCI per year
 - Employment assistance – 20% of salary for 5 years
 - Training cost reimbursement: one month wage up to INR 15,000 per employee
- ✓ Incentives for Technology Upgradation and Innovation
 - 20% Subsidy on R&D plant and machinery up to maximum INR 3 Cr
 - Incentives for establishment of Centre of Excellence
 - Drone testing centre: 20% of expenditure up to INR 50 Lakhs
 - 50% Subsidy on technical patent and technology purchase
- ✓ Export Promotion Incentives
 - 50% Transport subsidy for 5 years
 - 50% Subsidy for export certification and quality certification

GROWTH DRIVERS

- Electronics Manufacturing Cluster in Nava Raipur and other well established industrial areas and parks
- Space manufacturing cluster and new Electronics Manufacturing Cluster proposed in Rajnandgaon
- Premier institutions – IIT, IIM, NIT, IIIT, NLU, and AIIMS
- Presence of ITIs and Polytechnics for skilled workforce
- Availability of raw materials from established iron, steel and aluminium companies
- MSME Technology Centres in Durg and Bilaspur
- NABL certified testing lab in Bhilai



SAMPLE CALCULATIONS AEROSPACE AND DEFENCE

Fixed Capital Investment	INR 300 Crores
Investment in machinery	INR 210 Crores
Employment generation	300
Land requirement assumed	25 acres
Electricity consumption assumed	15 Lakh units per month

S.N.	Incentives	Incentive description	Amt. (Rs. Crore)
01.	Fixed capital investment subsidy	42% of FCI, disbursed in 6 equal yearly instalments, max INR 180 Cr (including employment multiplier of 1.2 on 300 permanent employment generation)	126.00
02.	Interest Subsidy	Interest calculated at 6% rate or 50% of actual payment whichever is lower, annual limit of INR 20 Cr per annum for 5 years	52.50
03.	Electricity duty exemption	100% for 12 years	12.10
04.	Employment generation subsidy	20% of wages for 5 years for employees earning less than INR 50,000	9.00
05.	EPF reimbursement	75% reimbursement for 5 years up to 2% of FCI	4.05
06.	Training subsidy	One month's wage up to INR 15,000 per employee, max limit 100% of FCI	0.45
07.	Establishment of Research and Development Center (capital subsidy)	20% on plant & machinery and equipment, max INR 3 Cr	3.00
08.	Stamp duty exemption	100% exemption on stamp duty (exempted during land registration)	0.83
09.	Land registration fee reimbursement	Reimbursement of 50% of registration charges	0.28
10.	Land diversion charges	50% exemption up to 50 acres land	0.04
11.	New Electricity Connection	50% of cost (except security deposit)	0.05
12.	Project report subsidy	1% of FCI	6.00
13.	Quality certification subsidy	50% of expense	
14.	Technical patent subsidy	50% of expense	
15.	Technology purchase subsidy	50% of expense	
16.	Water and energy audit fee reimbursement	50% of expense	
17.	Transport subsidy for export	50% of cost of transport for 5 years	1.50
18.	Export Certification	50% up to INR 15 Lakh per product for 10 products	
TOTAL (Rs. Crore)			215.79
Subsidy as percentage of FCI			72%

Note: These calculations are for illustration purposes only. Calculations are based on assumptions; final incentives may vary. Subsidies as per special package for Defence, Aerospace & Space Technology sector. Employment benefits applicable for CG domicile on-roll employees. Incentives eligibility and other terms and conditions as per IDP 2024-30 and related notifications. Overall incentives (excluding exemptions) capped at 100% of FCI.

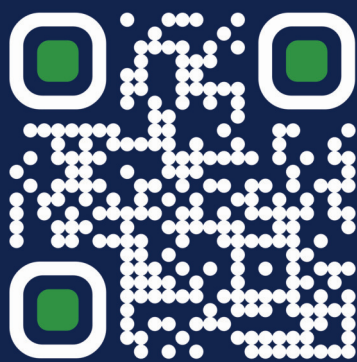


SAMPLE CALCULATIONS AEROSPACE AND DEFENCE

Fixed Capital Investment	INR 800 Crores
Investment in machinery	INR 560 Crores
Employment generation	600
Land requirement assumed	50 acres
Electricity consumption assumed	25 Lakh units per month

S.N.	Incentives	Incentive description	Amt. (Rs. Crore)
01.	Fixed capital investment subsidy	45.5% of FCI, disbursed in 6 equal yearly instalments, max INR 390 Cr (including employment multiplier of 1.3 on 600 permanent employment generation)	364.00
02.	Interest Subsidy	Interest calculated at 6% rate or 50% of actual payment whichever is lower, annual limit of INR 20 Cr per annum for 5 years	100.00
03.	Electricity duty exemption	100% for 12 years	20.16
04.	Employment generation subsidy	20% of wages for 5 years for employees earning less than INR 50,000	18.00
05.	EPF reimbursement	75% reimbursement for 5 years up to 2% of FCI	8.10
06.	Training subsidy	One month's wage up to INR 15,000 per employee, max limit 100% of FCI	0.90
07.	Establishment of Research and Development Center (capital subsidy)	20% on plant & machinery and equipment, max INR 3 Cr	3.00
08.	Stamp duty exemption	100% exemption on stamp duty (exempted during land registration)	1.65
09.	Land registration fee reimbursement	Reimbursement of 50% of registration charges	0.56
10.	Land diversion charges	50% exemption up to 50 acres land	0.08
11.	New Electricity Connection	50% of cost (except security deposit)	0.05
12.	Project report subsidy	1% of FCI	16.00
13.	Quality certification subsidy	50% of expense	
14.	Technical patent subsidy	50% of expense	
15.	Technology purchase subsidy	50% of expense	
16.	Water and energy audit fee reimbursement	50% of expense	
17.	Transport subsidy for export	50% of cost of transport for 5 years	1.50
18.	Export Certification	50% up to INR 15 Lakh per product for 10 products	
TOTAL (Rs. Crore)			534.00
Subsidy as percentage of FCI			67%

Note: These calculations are for illustration purposes only. Calculations are based on assumptions; final incentives may vary. Subsidies as per special package for Defence. Aerospace & Space Technology sector. Employment benefits applicable for CG domicile on-roll employees. Incentives eligibility and other terms and conditions as per IDP 2024-30 and related notifications. Overall incentives (excluding exemptions) capped at 100% of FCI.



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