



The Institute of Chartered Accountants of India
(Set up by an Act of Parliament)



Tripura State MSME Policy



MSME & Startup Committee, ICAI

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Message from Committee Leadership

Dear MSME & Startup Stakeholders,

We are pleased to share details about the ICAI MSME Clinic, an initiative designed to provide valuable guidance, support, and professional assistance to MSMEs and Startups across the country. This weekly walk-in, pro-bono advisory service aims to address key challenges faced by MSMEs, including finance, accounting, technology support and marketing.

About ICAI MSME Clinic

The ICAI MSME Clinic will be hosted every Friday by ICAI branches, where MSMEs and Startups can receive expert advice from two dedicated advisory desks:

- **Business Support Desk:** Led by Chartered Accountants specializing in MSME and Startup advisory, financial planning, compliance, and business strategy.
- **Institutional Support Desk:** Led by Bankers and Government Representatives, offering assistance with credit access, grievance redressal, and awareness of government schemes.

Introduction to the State-Specific MSME Policy

We are also excited to present the State-Specific MSME Policy, an essential resource for MSMEs & Startups in the ICAI MSME Clinic initiative. As part of this initiative, the Committee has developed a Resource Handbook and State-Specific MSME Policies, aimed at enhancing the knowledge base of MSMEs and Startups.

These State-Specific Handbooks serve as practical and accessible tools for navigating the unique opportunities, policies, and regulatory frameworks specific to each state. By consolidating available schemes, incentives, and support across states, we aim to provide MSMEs & Startups with the guidance they need to grow at the grassroots level and develop the capacity.

Vision of ICAI MSME Clinic

Through consistent, pro-bono engagement and sustainable operations, each branch becomes a local hub and incubation centre of MSME transformation, bridging professional excellence with grassroots economic development. ICAI aims to empower MSMEs & Startups annually, driving financial literacy, compliance discipline, and business growth.

Acknowledgement

We would like to extend our sincere gratitude to **CA Himanshu Srivastava** for their tireless efforts and contributions in preparing the **State-Specific MSME Policy of Tripura**, which will play a crucial role in this initiative.

MSME & Startup Commitment Growth

The MSME & Startup Committee, ICAI, is deeply committed to ensuring the success of the ICAI MSME Clinic and providing continuous support to MSMEs & Startups. Together, we look forward to contributing to the sustainable growth and empowerment of MSMEs & Startups, which are the backbone of the Indian economy.

CA Gyan Chandra Misra
Chairman
MSME & Startup Committee, ICAI

CA. Sanjay Kumar Agarwal
Vice Chairman
MSME & Startup Committee, ICAI

TRIPURA INDUSTRIAL INVESTMENT POLICY (TIIP) 2024

1. INTRODUCTION

1.1. Brief state profile relevant to the policy

Tripura, located in India’s northeast and sharing a long border with Bangladesh, enjoys a strategic position that supports cross-border trade and strengthens its role as a gateway to neighbouring markets. The State leverages its proximity to Bangladesh ports and SEZs, along with natural resources such as natural gas, rubber, bamboo, tea, agar, and medicinal plants, and an emerging IT/ITeS sector.

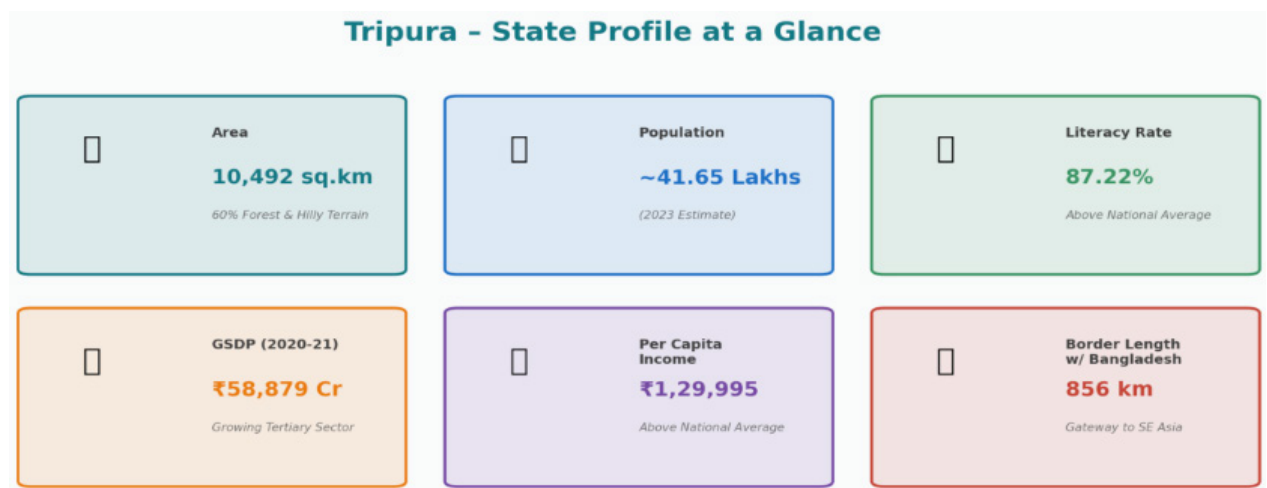
The Government of Tripura aims to attract private investment and promote sustainable industrial growth by providing an investor-friendly environment, strengthened infrastructure, and targeted incentives. The new industrial policy aligns with national initiatives such as Make in India and Atmanirbhar Bharat, while emphasising inclusive growth and development of identified thrust sectors in manufacturing and services.

1.2. State Profile

Tripura, located in the south-west corner of India’s North Eastern Region, covers an area of 10,492 sq. km, of which around 60% is forest and hilly terrain. The brief state profile is provided hereunder:

- Population (2023): Approx. 41.65 lakhs
- Literacy Rate: 87.22% (higher than the national average)
- Gross State Domestic Product (GSDP) (2020-21): ₹58,879.53 crore
- Per Capita Income: ₹1,29,995 (above national average)

The state economy is driven by agriculture, natural resources, and a growing tertiary sector. Key natural resources include natural gas, rubber, bamboo, tea, agar, and medicinal plants



1.3. Industrial Strengths and Resources

The promising sectors of state economy are:

- Rubber: 2nd largest producer in India (1.02 MT in 2023)
- Bamboo: 21 species; 4,201 sq. km under cultivation
- Agar: 14 million trees; turnover ₹500 crore (expected ₹2,000 crore in 5 years)
- Natural Gas: 97% methane; ONGC's 726 MW Palatana project operational
- Tea: 54 tea estates; over 80 million kg annual production under 23 Tea processing factories
- Sericulture: 20 sericulture clusters; 3.6 MT silk produced during 2020-21.

1.4. Connectivity and Infrastructure

A strong connectivity network is one of Tripura's greatest strengths, and it forms a core pillar for industrial growth in the state. The state's linkages by road, rail, air, waterways, and border trade routes have expanded significantly in recent years, positioning Tripura as a natural logistics hub for the Northeast and a gateway to Bangladesh and Southeast Asia.

Road Connectivity

Tripura's road system has undergone major upgrades, connecting key industrial locations to national highways and border points including. The extension of the highway network up to Sabroom has opened direct access to the Chattogram Port in Bangladesh, considerably shortening the distance for international cargo movement. The Maitri Setu bridge further strengthens this advantage by enabling seamless road movement to Bangladesh's port infrastructure.

Railway Connectivity

The state's entire railway system now operates on broad gauge, linking southern Tripura with the country's main railway grid. Passenger and freight trains connect Agartala with major Indian cities, improving market access and reducing transit time. The cross-border rail link between Agartala and Akhaura in Bangladesh is a significant development, as it is expected to drastically cut travel time to Kolkata and enhance cargo connectivity to ports.

Air Connectivity

Tripura has an international-standard airport at Agartala, which serves as one of the busiest aviation hubs in the Northeast. The airport offers direct flights to major Indian metros, improving mobility for business and tourism. Plans to establish air links with Bangladesh will further enhance the state's international connectivity and support cross-border trade and travel.

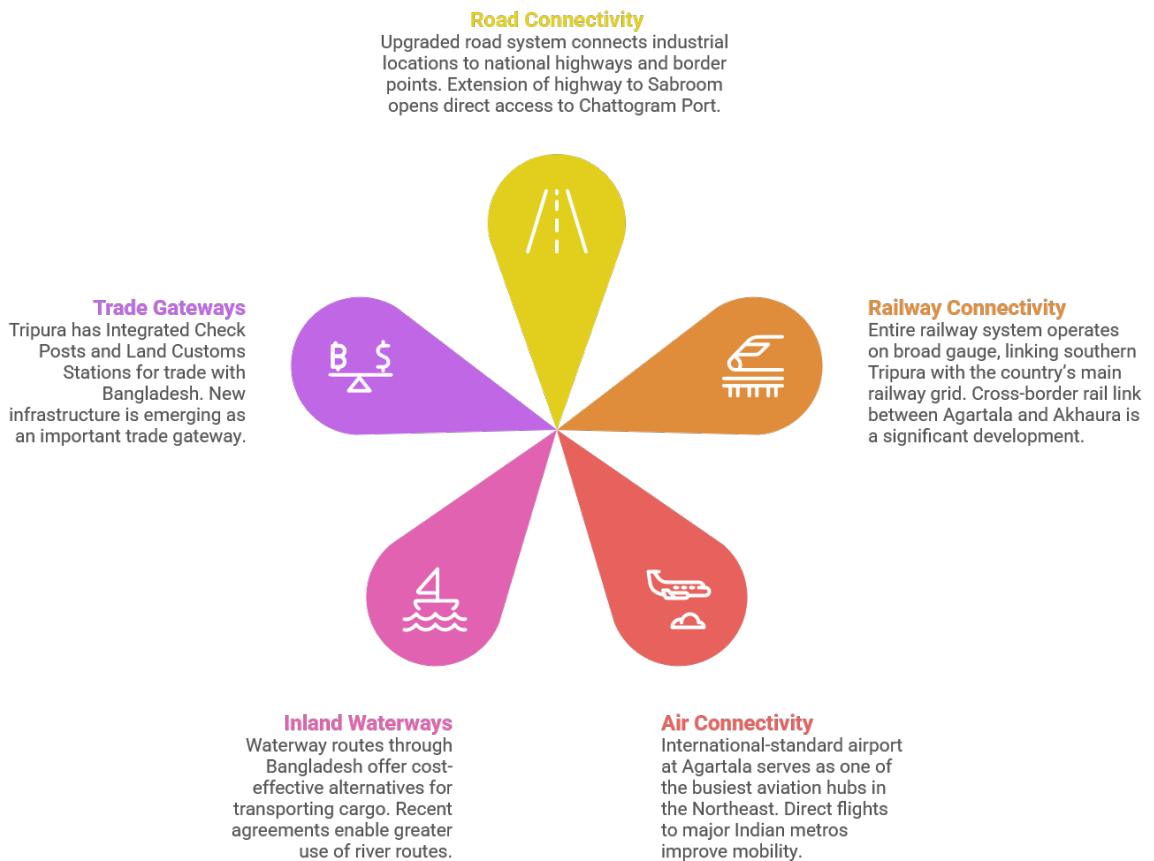
Inland Waterways

The state benefits from waterway routes that pass through Bangladesh, offering cost-effective alternatives for transporting cargo from mainland India to Tripura. Recent agreements between India and Bangladesh have enabled greater use of these river routes, easing pressure on road transport and creating multi-modal logistics options.

Trade Gateways and Border Infrastructure

Tripura has 3 Integrated Check Posts (ICPs) Agartala, Srimantapur, and Sabroom and 5 Land Customs Stations (LCS) for trade with Bangladesh. These facilities support formal trade, customs procedures, and passenger movement. With new infrastructure such as Integrated Check Posts and a Special Economic Zone coming up in the southern part of the state, Tripura is gradually emerging as an important trade gateway for both domestic and international markets.

Tripura Connectivity



1.5. Industrial Infrastructure

Tripura has made steady progress in building industrial infrastructure, with the objective of creating an enabling environment for manufacturing, services, logistics and value-added activities. Over the last decade, the state has expanded the availability and quality of industrial land, utilities, and support facilities, reflecting its intent to attract investment and broaden its industrial base.

Around 1,200 acres of land is currently available for industries, with ready infrastructure such as roads, power, water, drainage, and warehousing.

The state is power-surplus and supported by major gas-based and hydro projects, ensuring reliable electricity for industries.

A large Asian Development Bank supported project is upgrading nine industrial estates with advanced features such as solar systems, truck terminals, weighbridges, CCTV, SCADA and common facility centres, moving the state towards high-quality industrial infrastructure.

1.6. Key Highlights

- Policy effective from 8th October 2024 for a period of five years.
- Encourages both manufacturing and service sectors with emphasis on sustainability.
- TIIP-2024 Introduces Production Linked Incentive (PLI) for eligible units for up to five years from commercial production.
- Extends special incentives for women entrepreneurs, SC/ST units, start-ups, and enterprises in backward areas.
- Incentive framework includes capital investment subsidy, SGST reimbursement, interest subsidy, power subsidy, employment incentives, and procurement preference.
- Thrust sectors such as rubber, bamboo, tea, agarwood, food processing, natural gas, logistics, tourism, health, packaging, and IT/ITeS receive enhanced incentives and support.
- SWAAGAT single-window is integrated for approvals and incentive administration.

2. ABOUT THE POLICY

2.1. Policy period and applicability

The Tripura Industrial Investment Promotion Incentive Scheme (TIIPIS), 2022 came into effect on 8th Oct 2024 and remains valid until 31 March 2027. The TIIP, 2024 notification complements TIIPIS-2022 and applies across the State to eligible industrial enterprises in private, cooperative, SHG, joint and state-managed sectors. Units that commenced production before 1 April 2022 remain governed by the previous scheme provisions.

2.2. Thrust Sector Industries

The following industrial enterprises for both Manufacturing and Service Sector activities shall be treated as “Thrust Sector Industries”:

Thrust Sector Industries



Manufacturing Sector

- Industrial units which are using Bamboo, Rubber, Agriculture and Horticultural produce and Natural Gas as their major raw materials during production.
- Tea manufacturing.
- Agar Oil Extraction industry

- d. Rubber Wood Processing Industry
- e. Industrial units using plastic waste/ e-waste as major raw material during production.
- f. Municipal Waste Processing.
- g. Packaging material manufacturing activity.
- h. Agro waste processing Industry.
- i. Industries manufacturing/using bio-degradable plastics.
- j. Industries making cutlery items using areca nut leaves or bamboo.

Service Sector:

- a. Tourism promoting Activities (Water Sports, Ropeways, Adventure & Leisure Sports, Floating Restaurant) with a minimum investment of Rs. 3 Crores (excluding cost of land).
- b. Hospitals/ Nursing Homes with minimum investment of Rs. 3 Crores (excluding cost of land) with a minimum capacity of 25 beds.

New activities to be included under Thrust sectors:

In order to facilitate the growth of the pharmaceutical Industry and logistic activities such as warehousing, Inland Container Depots (ICDs), Container Freight Station (CFS), Cold Chain, Logistics Park, Railway Yard etc. in the State, fiscal incentives available in the State would be extended including scope of offering special incentives on case-to-case basis for which the TIIPIS, 2022 scheme would be suitably amended.

2.3. Vision

It is aspired to convert Tripura into the preferred destination for industrial and trade activities, thereby affording to State and its people –

- Rapid economic development and improved living standards
- Better employment & self-employment opportunities
- Optimal utilization of natural and physical resources.

2.4. Mission

To act as the facilitator and catalyst for opportunities in the industries and trade sector; across micro, small-scale, medium and large scale units; and for internal .

2.5. Values

As a progressive State that has the livelihood interests of people as the focus for its activities, with enduring value-set guiding the way in which we interact with our co- stakeholders and link our collective efforts.

2.6. Objectives of the New Policy

The objectives of the Tripura Industrial Investment Policy 2024 are:

- i. To position Tripura as a competitive investment destination, leveraging strategic location and resources
- ii. To Attract large-scale industries for faster economic growth.
- iii. To Strengthen forward linkages (marketing, branding, packaging/finished goods)
- iv. To develop MSME-focused parameters to benefit local urban and rural youth.
- v. To promote ease of doing business via digitisation, rationalisation and decriminalisation of state laws.
- vi. To create inclusive, gender-responsive infrastructure and promote R&D and start-ups to expand export-oriented industries
- vii. To encourage sustainable investment environment in the State and to promote Tripura as a Brand, i.e., “Brand Tripura”.

2.7. Guiding Principles of the Policy

The policy rests on five pillars:

Infrastructural Development: The policy places strong emphasis on the creation and upgradation of new facilities to strengthen the State’s industrial base. This includes the development of industrial infrastructure to support the manufacturing, services, and logistics sectors, while improving connectivity across Tripura. Enhanced infrastructure will ensure seamless transportation and trade, including the facilitation of cross-border and foreign trade, thereby promoting balanced regional growth and industrial expansion.

Fiscal Policy: The fiscal incentives under the policy are designed to extend monetary and tax-related benefits to entrepreneurs, encouraging greater investment within the State’s economy. Special focus is given to the MSME sector, which receives substantial fiscal support to strengthen its competitiveness and sustainability. These measures also aim to catalyse the growth of large-scale industries, ensuring a balanced industrial ecosystem across different enterprise levels.

Investment Promotion: The policy seeks to attract investment in a structured, focused, and comprehensive manner through a robust Investment Facilitation Framework. The Investment Facilitation Bureau plays a key role in guiding investors throughout their investment journey, from project identification to implementation. This proactive approach aims to stimulate new industrial ventures, promote innovation, and position Tripura as a preferred investment destination in the region.

Ease of Doing Business: The policy aims to provide a supportive and streamlined ecosystem for both prospective and existing businesses in Tripura. Through initiatives under the Ease of

Doing Business reforms, the State strives to create an investor-friendly environment, reducing procedural delays and compliance costs. These measures particularly focus on domestic micro, small, and medium enterprises, simplifying regulatory processes throughout their business lifecycle and promoting cost-efficient operations.

Gender responsive and socially inclusive growth: The policy underscores the importance of inclusive development by promoting entrepreneurship and employment opportunities for women and marginalised communities. All industrial infrastructure developed under this policy will be accessible, inclusive, and gender-sensitive, with special focus on women’s safety, sanitation, mobility, and last-mile connectivity. Dedicated incentives and support mechanisms are envisaged for women-led enterprises, self-help groups (SHGs), and non-farm collectives, ensuring equitable participation in Tripura’s industrial growth.

2.8. Ease of Doing Business and Reducing Compliance Burden

Tripura Business Initiatives

Industrial Grievance Forums

Receives and reviews complaints from investors, ensuring timely redressal.



SWAAGAT Portal

Digital platform to streamline industry setup, simplifying approvals and enhancing transparency.

Investment Facilitation Cell

Guides and assists investors throughout the investment lifecycle in Tripura.



Industries Facilitation Act

Single window clearance for business approvals, promoting industrialization and regulatory transformation.

Government of Tripura has taken several initiatives in Ease of Doing business. The Tripura Industries (Facilitation) act, 2018 focuses on creating an online portal to ensure investor friendly environment and improve ease of doing business.

A. SWAAGAT Portal

The SWAAGAT (Single Window Approval by All Government Agencies in Tripura) Portal serves as a comprehensive digital platform designed to streamline the process of setting up industries in Tripura. It caters to entrepreneurs and investors across micro, small, medium, and large-scale sectors, as well as domestic and international trade participants.

The portal functions as both an integrator and catalyst for industrial and commercial opportunities in the state, with the primary objective of simplifying approvals, enhancing transparency, and improving service delivery.

The salient features of the SWAAGAT portal are:

- a. Common Application Form (CAF) with document upload facility for preliminary submissions.
- b. Provision of a Unique Identification Number (UIN), serving as the single state registration ID for Tripura.
- c. A Centralized Inspection System for scheduling, inspector allocation, and display of inspection details.
- d. An Incentives Management System allowing investors and industrialists to apply for and track incentives.
- e. Automated Certificate Generation (e.g., NOCs, Licenses, and other approvals) linked to the UIN.
- f. A Grievance Management System enabling investors to submit and track grievances online for timely redressal.
- g. An integrated Centralized Payment Gateway through NIC's e-Grass platform.
- h. Integration with the National Single Window System (NSWS) to ensure seamless coordination at the national level.

B. The Tripura Industries (Facilitation) Act 2018:

To promote ease of doing business and accelerate industrialization, the Government of Tripura enacted the Tripura Industries (Facilitation) Act, 2018, along with the Tripura Industries (Facilitation) Rules, 2020.

The legislation introduced a single window clearance mechanism for obtaining all requisite approvals for establishing new business ventures in the State. This reform represents one of the most comprehensive regulatory transformations undertaken by the Government, enabling entrepreneurs to submit a single, consolidated application for all permissions required to set up operations in Tripura.

C. Investment Facilitation cell

- i. In strengthen the investment ecosystem, an Investment Facilitation Cell/Committee will be established to guide and assist investors throughout the investment lifecycle in Tripura. The Cell/Committee will be headed by the Secretary, Industries & Commerce Department, while the Director, Industries & Commerce Department will serve as the Member Secretary, responsible for strategic coordination, planning, and execution of investment promotion activities.
- ii. The Cell will comprise representatives from all line departments, and will include:
 - An Investment Promotion Division, and
 - An Investor Assistance Division.

Additionally, a dedicated aftercare wing with provision for hiring domain experts will be set up to provide continuous post-investment support and handholding for investors.

D. Industrial Grievance Forums

- i. The Industrial Grievance Forum under the Department of Industries and Commerce will receive complaints or grievances from investors and entrepreneurs through both online (portal-based) and offline (physical submission) modes.
- ii. The grievances will be reviewed regularly at the Directorate level by the Director, Industries & Commerce Department. Any individual or entity having an issue concerning the Department or any of its organizations may lodge a grievance for resolution.
- iii. The Department will communicate the steps taken for redressal to the concerned party within 30 days of the grievance submission date.
- iv. If the investor or applicant remains dissatisfied with the decision, an appeal may be filed with the Secretary-in-Charge, Industries & Commerce Department, either through the online portal or via physical submission.

2.9. Focused approach for balanced regional development.

- i. Balanced regional development is essential for achieving inclusive and sustainable economic growth across the State. The objective is not uniform industrial development in every district, but rather the optimal utilization of each district's development potential to ensure equitable distribution of economic benefits. Such an approach will help reduce disparities in per capita income, prevent industrial concentration, and promote decentralized employment generation. Accordingly, anchor units in industrially underdeveloped districts will receive special incentives under this policy.
- ii. Anchor Unit is defined as a pioneer manufacturing enterprise (excluding tea manufacturing units and conventional power generation units) that establishes itself in a district currently lacking major industrial operations. These units must meet the minimum employment and/or investment threshold as specified by the State Government to qualify for anchor incentives.

3. POLICY FEATURES & INCENTIVES

3.1. Promotion of Micro, Small and Medium Enterprises (MSMEs)

- i. The Micro, Small, and Medium Enterprises (MSME) sector constitutes the core foundation of Tripura's industrial ecosystem, representing the majority of enterprises in the State. Most of these manufacturing units are resource-based or belong to the service sector. Consequently, the growth and sustainability of this sector are vital for economic development and employment generation, particularly in light of the redefinition of MSMEs in June 2020.

To strengthen and expand the MSME sector, the Government of Tripura has undertaken several initiatives, which include:

- a. Tripura Industries Facilitation Act, 2018
 - b. Micro & Small Enterprises Facilitation Council
 - c. Notification of Empowered Committee and Working Committee
 - d. Establishment of MSME Help Desk in all Districts
 - e. Attractive Package of Incentives
 - f. Award to best performing units.
- ii. The State Government will also extend support for promotion and marketing of locally manufactured products. Under the Tripura Industrial Investment Promotion Scheme, 2022, the Government provides purchase preference to local industries and facilitates their participation in trade fairs and exhibitions to expand their market reach. Furthermore, a comprehensive directory of all MSME and Large-Scale Industrial (LSI) units, along with a catalogue of products manufactured in the State, will be prepared and hosted on a dedicated web platform. All Government Departments and undertakings will be instructed to procure goods from local units through the Government e-Marketplace (GeM) portal, promoting local enterprise and self-reliance.
 - iii. A Committee will be constituted to recommend suitable amendments in the "Tripura Industrial Investment Promotion Scheme, 2022". The terms of reference of the Committee will recommendations regarding inclusion of new incentives like exemption/ reimbursement of stamp duty paid in respect of transfer of land or shed by TIDC to new industrial units, delegation of power to TIDC for issue of trade license to units in notified industrial areas, suitably modify any existing provision of the incentive policy and simplify the procedure for claiming subsidies.

3.2. Support to local units State Package of Incentives

- i. The State of Tripura has been extending a comprehensive package of fiscal and non-fiscal incentives to promote industrial investments since 1995. The Tripura Industrial Investment Promotion Scheme, 2022 (TIIPS, 2022), introduced in 2022 for MSME and Large-Scale Industrial (LSI) units, remains valid up to 2027. The fiscal incentive package, applicable to both manufacturing and service sectors, includes subsidies for capital

investment, net input tax reimbursement, partial reimbursement of interest on term loans, employment cost subsidy, export promotion subsidy, transport subsidy, power subsidy, Zero Defect Zero Effect (ZED) certification subsidy, marketing promotion subsidy, and credit guarantee fee reimbursement. In addition to fiscal support, the State provides non-fiscal incentives such as procurement preference, exemption from earnest money deposits, and waiver of bid security requirements to facilitate greater participation of local enterprises.

- ii. The Government of Tripura remains committed to supporting local enterprises and women-led businesses through this extensive array of incentives. The fiscal and non-fiscal incentive structure will be reviewed annually and updated as needed to align with evolving industrial requirements and future investment opportunities.

3.3. Production-Linked Incentives

- i. To enhance productivity and encourage output-based performance among local industries, the Government will review and amend TIIPS, 2022 to incorporate a Production-Linked Incentive (PLI) component. Eligible units will receive production-linked subsidies for a maximum period of five (5) years from the date of commercial production.
- ii. Under this framework, Micro, Small, Medium, and Large units, as defined periodically by the Government of India, will be eligible for incentives based on a percentage of their annual gross turnover. The units must be registered under GST in Tripura on or after the date of notification modifying TIIPS, 2022. Each eligible unit can avail benefits for up to five (5) years, subject to a ceiling limit per unit per annum, to be determined by the competent authority. The gross turnover will be as defined under the Tripura Goods and Services Tax Act, limited to goods actually produced by the unit. The proposal will be examined by a dedicated Committee constituted for this purpose.

3.4. Attracting Mega /Large Units in the State – Special provisions

- i. The Government of Tripura aims to promote Mega Projects to attract large-scale investments and generate employment. Projects involving a minimum fixed capital investment of INR 100 crore and providing direct employment to more than 100 persons will be eligible for special incentives such as Capital Investment Subsidy, Industrial Promotion Subsidy, State Transport Subsidy, Export Promotion Subsidy, Industrial Land Support, or infrastructure creation (e.g., road connectivity, power, and utility services).
- ii. A Working Committee, chaired by the Secretary-in-Charge, Industries & Commerce Department, will conduct a preliminary evaluation of proposals and recommend tailored incentive packages to the Empowered Committee, after obtaining approval from the Finance and other concerned Departments. The Empowered Committee, chaired by the Chief Minister, will review and forward its recommendations to the Council of Ministers for final approval. The TIIPS, 2022 scheme will be suitably amended to incorporate these provisions.

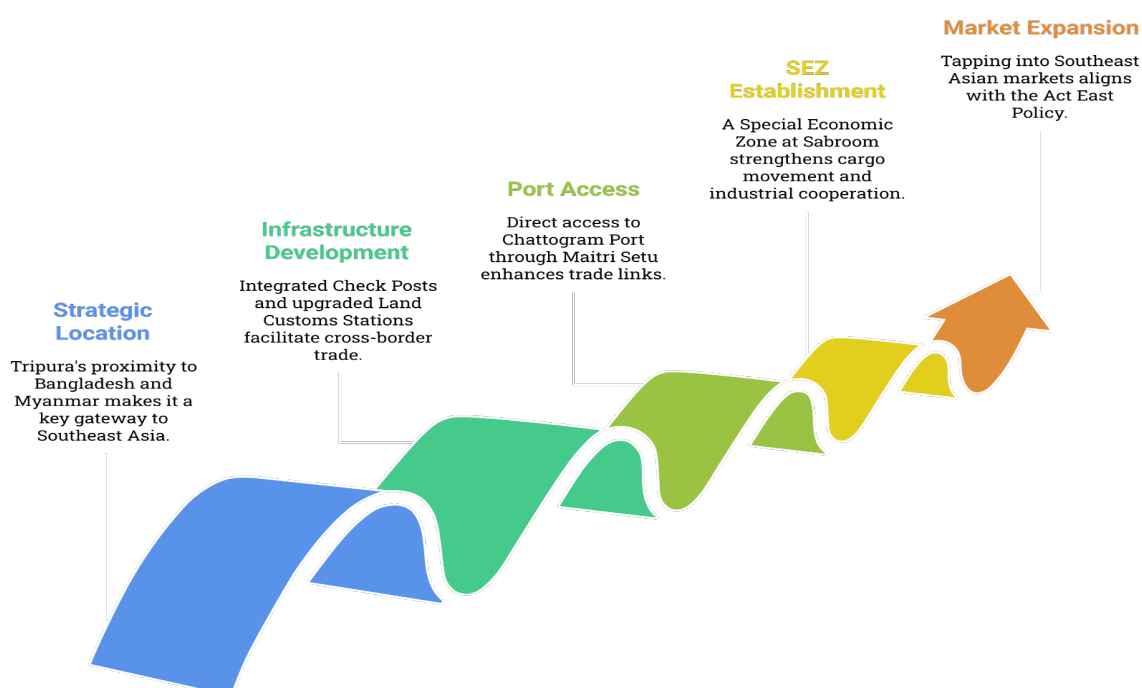
3.5. Capitalizing on Tripura's locational advantage

- i. Tripura's strategic geographical position makes it a crucial gateway to Southeast Asia. The State shares an 856 km-long border with Bangladesh and lies in close proximity to

Myanmar, positioning it as a key player in regional connectivity. Tripura is the closest Indian State to the Chattogram Port (Bangladesh) approximately 75 km from Sabroom. The Government of Bangladesh has already opened the Chattogram and Mongla Ports for transport and transshipment of goods through Tripura. Additionally, several riverine routes via Ashuganj Port in Bangladesh offer access to multimodal transport networks. The Agartala-Akhaura Railway Line, now commissioned, will further boost passenger and cargo movement, creating the shortest route to Kolkata via Dhaka for the entire North East region.

- ii. The Land Ports Authority of India has developed Integrated Check Posts (ICPs) at Agartala, Srimantapur, and Sabroom, while infrastructure at the remaining five Land Customs Stations (LCSs) is being upgraded. Two Border Haats at Kamalasagar and Srinagar are operational, with two more under construction, strengthening cross-border trade infrastructure.
- iii. On the Bangladeshi side, the Bangladesh Export Zone Authority has planned a special manufacturing and economic zone near Belonia. Sabroom’s location thus provides a unique opportunity for cross-border trade and industrial cooperation. Through the Maitri Setu, Tripura now has direct access to Chattogram Port, enhancing trade links between India’s North East, Bangladesh, and the rest of India. The Government of India’s Department of Commerce has approved an SEZ at Sabroom, ideally situated for developing a Multi-Modal Logistics Park (MMLP) to strengthen cargo movement within Tripura and the broader North Eastern region.
- iv. In alignment with the Act East Policy, the State will intensify efforts to tap into markets in Myanmar, Thailand, and other Southeast Asian countries. The proposed multi-sector SEZ along the Belonia–Bishramganj corridor will further boost export potential from Sepahijala district by leveraging its proximity to Chattogram Port.

Enhancing Tripura's Regional Connectivity



3.6. Skill Enhancement

- i. The State's growing secondary sector, rising trade volumes, and proactive industrial initiatives have increased demand for skilled manpower. The Government has prioritized skill development through the establishment of engineering colleges, polytechnics, and ITIs, as well as by attracting private universities offering technical and management program
- ii. The Directorate of Skill Development has launched the "Mukhya Mantri Dakhyata Unnayan Prakalpa", targeting the training of 30,000 youth in emerging technologies such as Artificial Intelligence (AI), Drone Technology, Internet of Things (IoT), Robotics, and Smart City Services.
- iii. The State plans to introduce industry-specific short-term, long-term, and modular courses in existing technical institutions, in partnership with industry stakeholders, to ensure training relevance. Collaborations with reputed engineering and management institutions will enhance the overall quality and scope of training programs.
- iv. Special emphasis will continue to be placed on women's skill development, particularly among indigenous and tribal communities, to encourage participation in non-traditional sectors.

3.7. Promotion of Green Industrial Parks

As industrial development expands, the Government emphasizes the need for sustainable growth that balances development with environmental protection. Tripura, being one of India's two ecological hotspots, possesses rich biodiversity, including 8.6% of India's flowering plant species, 129 fish species (including vulnerable and endangered types), 32 amphibians, 89 invertebrates, 90 mammals, and 341 bird species.

The policy seeks to promote Green Industrial Parks to achieve eco-friendly industrialization while protecting biodiversity, conserving resources, and promoting circular economy practices.

The key pillars of this measure include:

- i. Safeguarding natural habitats:
Projects to integrate compensatory afforestation, creation of green belts, and ensure that habitats of vulnerable species are not adversely impacted.
- ii. Reducing environmental impacts of industrial discharge/emission:
Industrial parks will include Common Effluent Treatment Plants (CETPs) with zero discharge systems and adopt process innovations to reduce waste and pollution at source. Promotion of solid waste recycling and water reuse will be integral.
- iii. Green and sustainable procurement:
Priority to be given to locally sourced eco-friendly materials and green construction practices, promoting forward and backward linkages among park units.
- iv. Reduction of climate change impacts:
The Government to promote rainwater harvesting, green roofing, natural ventilation, solar installations, and eco-friendly building materials to mitigate climate change effects.

v. Promoting circular economies:

Industrial ecosystems will be designed to reuse waste from one process as input for another. For example, bamboo by-products will be reused for briquettes, charcoal, bioethanol, and biogas.

vi. Optimizing resource usage efficiency:

The State to adopt renewable energy solutions, improve water management, and promote low-waste production processes to reduce the ecological footprint.

vii. Greening transport networks:

The Government plans to introduce electric buses for commuting to industrial areas, develop dedicated heavy-traffic lanes, and expand eco-friendly public transport connectivity.

3.8. Boost to Foreign Trade

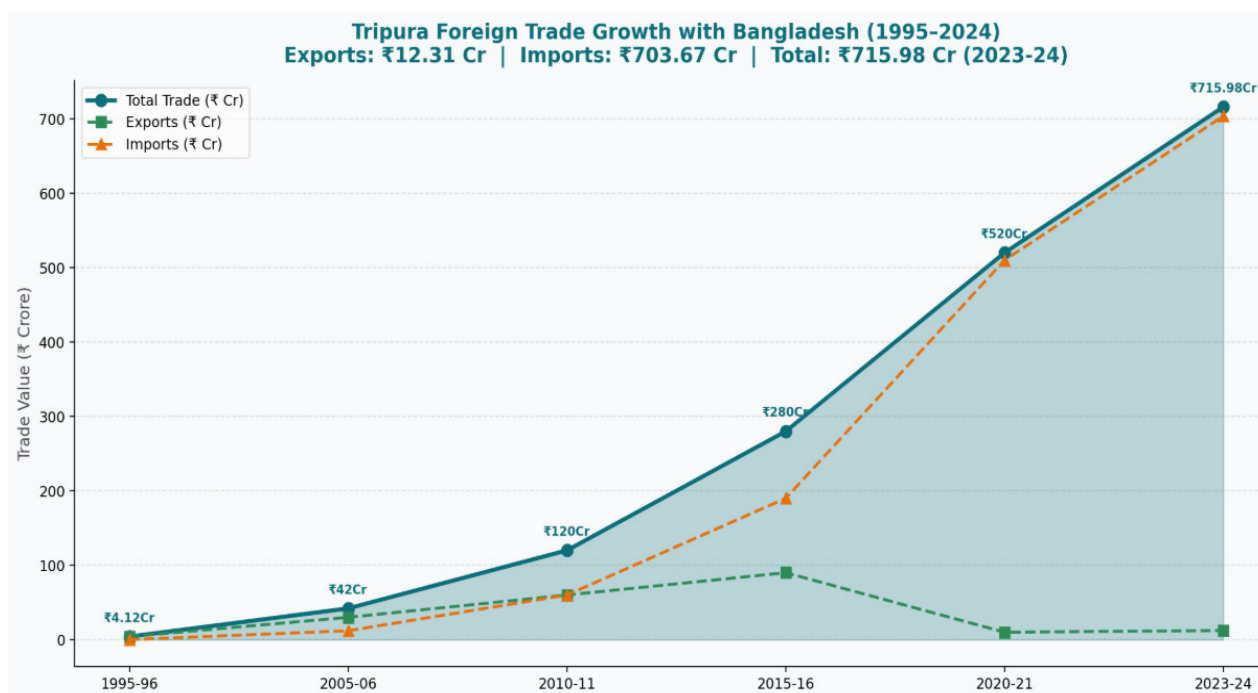
i. Tripura's foreign trade is primarily conducted with Bangladesh, officially initiated in 1995–96 through the Agartala Land Customs Station (LCS). At present, there are eight (8) notified LCSs- Agartala, Srimantapur, Muhurighat, Khowaighat, Dhalaighat, Manughat, Old Raghna Bazar, and Sabroom. Dhalaighat LCS is currently operational only for immigration, while ICP Sabroom will commence operations shortly.

ii. The volume of trade has grown exponentially from ₹4.12 crore in 1995–96 to approximately ₹715.98 crore in 2023–24 (Exports: ₹12.31 crore; Imports: ₹703.67 crore). Major export commodities include rice, wheat, cumin, dry fish, fruits, spices, and agarbatti, while key imports include fish, food items, coal, utensils, and construction materials.

iii. Export-oriented districts bordering Bangladesh focus largely on agriculture, with products such as rice, cereals, jackfruit, and banana. To increase export competitiveness, the Government plans to promote processing units, export subsidies, dedicated Agar trade markets, and an International Trade and Research Centre near industrial corridors to enhance value addition and market access.

iv. The growth of exports is, however, hindered by non-tariff barriers imposed by Bangladesh. Currently, about 40 items, mainly food grains, are allowed for export through Tripura's ICPs and LCSs. High-demand items such as cotton, automobiles, electronics, iron, and steel remain restricted. Moreover, Bangladesh has raised objections to construction of trade infrastructure within 150 yards of the international border.

v. As a result, projects like ICP construction at Manughat and Muhurighat and expansion of ICP Agartala face delays. The Government of Tripura will continue to engage with the Ministry of Commerce, Ministry of External Affairs, and Ministry of Home Affairs, Government of India, to address these concerns and persuade the Government of Bangladesh to remove non-tariff barriers and allow full-scale export operations, similar to the Petrapole–Benapole model in West Bengal.



3.9. Land Banks

Tripura has created an organized land bank to make industrial land easily accessible to investors and ensure transparent allocation. The government has mapped available land parcels across the state on an online portal, where investors can view details of plots, existing infrastructure, and vacant spaces. This digital system is regularly updated so that entrepreneurs have clarity on location-specific availability and can plan their projects without delays.

To further expand industrial land availability, the state is identifying additional parcels near major transport corridors, national highways, and railway stations. Land from defunct tea estates, unused departmental land, and fallow areas is also being considered for industrial use. The aim is to create clusters that can develop into economic corridors, especially along the north–south stretch from Dharmanagar to Sabroom.

Process for allotment of Land

The land allotment process in Tripura is designed to ensure transparency and timely access to industrial land. All allotments are handled by the Tripura Industrial Development Corporation (TIDCL), which evaluates applications, verifies project feasibility, and allocates land for an initial term of 30 years, extendable for another 30 years. The system is structured to minimize delays and provide clear guidelines for entrepreneurs.

A new, more streamlined Land Allotment Policy is being prepared to make the process faster and simpler. It will include building guidelines, priority for women-led enterprises, and mechanisms to improve ease of doing business. Overall, the approach aims to provide fair, predictable, and investor-friendly access to industrial land.

4. FOCUSED AREAS

4.1. How to Apply

The General Manager, District Industries Centers (DIC) will facilitate and guide all intending Investors for availing benefits of Central Government Schemes as per their area of interest. Review of such interests received and necessary facilitation made will be undertaken by Director, Industries & Commerce every quarter.

4.2. Industries that benefit from the policies

- Bamboo-based industries
- Rubber-based industries
- Agro and food processing industries
- Tea processing and packaging industries
- Agar and aromatic products industries
- Natural gas-based industries
- Plastic and e-waste recycling units
- Agro-waste and biodegradable material industries
- Handicraft and handloom-based industries

5. CONCLUSION AND STRATEGIC SIGNIFICANCE

The Tripura Industrial Policy, 2024 represents a landmark initiative in the State's industrial development agenda. For the first time, the policy introduces comprehensive provisions such as targeted support for large-scale industries, Production Linked Incentives (PLI), and the establishment of a dedicated Investor Facilitation Cell.

Although Tripura has historically implemented incentive-based policies to promote a conducive industrial ecosystem, the present policy adopts a more structured and forward-looking approach. It articulates the Government's strategic priorities for industrial growth while also outlining the expectations and responsibilities of investors participating in the State's economic transformation.

The policy further provides a clear and comprehensive roadmap for industrial development in Tripura, with the overarching objective of positioning the State as a strategic gateway to North-East India and South-East Asia.

6. LINKS

Policy Link: <https://tripura.gov.in/sites/default/files/TIIPS-2022.pdf>

Industrial and Investment Policy 2024

DIIC: <https://industries.tripura.gov.in/state-scheme-details>

7. REFERENCES

TIIPIS-2022, IT/ITES guidelines, SWAAGAT portal, Industrial Policy 2024 notification.

FAQs

1. Are there any special provisions for women entrepreneurs?

Yes. TIIP 2024 places strong emphasis on gender-responsive and socially inclusive growth. It extends special incentives to women entrepreneurs, SC/ST units, startups, and enterprises in backward areas. The policy promotes women's participation in non-traditional sectors through targeted skill training and support for women-led enterprises. Women are also prioritized in industrial land allotment and encouraged to benefit from state-level fiscal incentives under TIIPS 2022.

2. Does the State offer subsidies or incentives for specific industries?

Yes. The policy provides a comprehensive incentive package under the Tripura Industrial Investment Promotion Scheme (TIIPS), 2022, which includes capital investment subsidy, SGST reimbursement, interest subsidy, employment incentives, power subsidy, and transport and export subsidies. Enhanced incentives are offered to thrust sectors such as rubber, bamboo, tea, agarwood, food processing, natural gas-based industries, IT/ITeS, logistics, tourism, health services, and packaging industries.

3. What are the State's export promotion measures?

The State promotes exports by providing a 10% Export Promotion Subsidy on the value of goods exported through Land Customs Stations (LCSs) in Tripura, subject to a ceiling of ₹50 lakh per enterprise per year and at least 20% value addition within the State. The policy also supports participation in national and international trade fairs by reimbursing part of the travel and transportation costs for entrepreneurs, particularly in thrust sectors.

4. Are there tax exemptions or financial relaxations under this policy?

Yes. Eligible units can claim SGST reimbursement, interest subsidies, and reimbursement of stamp duty (proposed under review). Non-fiscal relaxations include procurement preference, exemption from earnest money deposit and bid security, and priority land allotment in industrial estates.



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MSME & Startup Committee, ICAI

A-29, ICAI Bhawan, Admin Block, Sector-62, Noida,
Uttar Pradesh-201309, India | Phone: 0120-3045944
Email: msme@icai.in, msmeclinic@icai.in



Startup Portal:
startup.icai.org



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