

No. 11(5)/2009-DBA.II/NER
Government of India
Ministry of Commerce & Industry
(Deptt. of Industrial Policy & Promotion)
Udyog Bhawan, New Delhi -110 011



Dated: 20 Sept., 2012

To

The Principal Secretary (Industries) The Commissioner / Secretary (Industries)
Government of Assam, Arunachal Pradesh, Manipur, Meghalaya, Mizoram,
Nagaland, Sikkim and Tripura

**Subject: Transport Subsidy Scheme by Inland Waterways Transport-
clarification reg.**

Sir,

VC-126
25/9

The undersigned is directed to say that this Department administers Transport Subsidy Scheme which provides for subsidy on transport of raw material & finished goods by eligible industrial units in the states of NER (including Sikkim), Jammu and Kashmir, Uttarakhand, Darjeeling District of West Bengal, Union Territories of Andaman and Nicobar Islands and Lakshadweep. Though the scheme does not put any restriction on modes of transport of Raw Material/finished goods other than rail or road, a doubt has arisen whether subsidy is admissible on transportation of raw material/finished goods by Inland Water Transport.

2. The matter has since been examined and it is clarified that Transport Subsidy is admissible for mode of transport other than Rail or Road which also includes Inland Waterways Transport (IWT).

3. Accordingly, under Transport Subsidy Scheme, 1971, an industrial unit, located in North Eastern Region (NER) will be eligible for subsidy equivalent to 90% of the transport costs for transportation by IWT from Dhubri to any other location on the Brahmaputra river right up to Sadiya along the National Waterway - 2 and thereafter by road to the manufacturing unit and vice-versa, in respect of raw materials which are

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brought into and finished goods which are taken out of NER. However in such cases, subsidy will be subjected to a ceiling of 90% of the amount which the industrial unit might have paid had the transportation been undertaken from Siliguri (designated Rail head for NER) by rail up to railway station nearest to the location of the industrial unit and thereafter by road and vice versa.

4. In addition, all other provisions of the Transport Subsidy Scheme, 1971 will be applicable for deciding the eligibility of an industrial unit for the transport subsidy by IWT under the extant scheme.

Yours faithfully,

sd/-

(Arun Kumar)

Under Secretary to the Government of India

Tel:No.2306 3096/ Fax: 2306 2626

Copy to:

1. Secretary, M/o Shipping, Transport Bhawan, 1. Parliament Street, New Delhi 110001.
- ✓ 2. Chairperson, Inland Waterways Authority of India, A-13, Sector-1, Noida-201301 (U.P).



(Arun Kumar)

Under Secretary to the Government of India