



Revocation of West Bengal Incentive Schemes | West Bengal | 21 Mar 2025

Why in News?

The West Bengal Industries Minister tabled [the Revocation of State Incentive Schemes](#) and **Obligations in the Nature of Grants and Incentives Bill 2025** in the assembly.

Key Points

- **Challenges with the Existing Scheme:**
 - The Chief Minister of State stated that **the West Bengal Incentive Scheme dates back to 2001-02 and has become difficult to sustain.**
 - She highlighted the **transformation in the state's industrial scenario** since 2000-2001.
 - Earlier, IT and related industries were nearly non-existent, but now:
 - [Artificial Intelligence \(AI\)](#) is a major industry.
 - [Tourism](#) has expanded significantly.
 - [Green industries](#) have gained prominence.
 - The [mining policy](#) differs for coal and iron ore.
- **New Policy Under Development:**
 - The government has set up a **committee led by the Chief Secretary to consult stakeholders** on the new scheme.
 - The new scheme will be introduced keeping the state's financial health in mind.
- **State Fiscal Responsibility and Budget Management Bill 2025:**
 - The state government has introduced a bill in the assembly to **increase the borrowing limit.**
 - The borrowing cap will rise by 0.5% of the [Gross State Domestic Product \(GSDP\)](#), from 3% to 3.5% for 2024-25.
 - This additional borrowing flexibility aligns with [the 15th Finance Commission](#)'s roadmap and is linked to power sector reforms.