

Compressed Biogas Policy Highlights for Chhattisgarh

National Policy on Biofuels 2018 emphasises active promotion of advanced bio-fuels, including CBG. SATAT, the initiative is aimed at providing a “**Sustainable Alternative Towards Affordable Transportation**” as a developmental effort that would benefit both vehicle-users as well as farmers and entrepreneurs. This initiative holds great promise for efficient municipal solid waste management and in tackling the problem of polluted urban air due to farm stubble-burning and carbon emissions.

SATAT the initiative by Government of India in the energy transition and will help in reducing India’s dependency on fossil fuels resources. Its aims to make India a Global Hub for Production, Utilization and Export of Compressed Biogas and its derivatives. The Initiative will help India in decarbonization towards its goal of Net-Zero and become energy Independent by 2047 and achieving Net Zero by 2070. To achieve its goal and commitment, Government of India has recognized the critical role of SATAT, with its vast renewable energy resources.

Chhattisgarh has undertaken a focused and coordinated step to ensure successful achievement of the SATAT objectives. The State Industrial Development Policy 2024-30 has categorized ‘**Compressed Biogas Plants**’ under “**Industrial Investment Promotion**” Package for Large Enterprises. Under the Industrial Development Policy 2024-30 of Chhattisgarh, based on investment in the state, new Enterprises in Compressed Biogas (CBG) plants, as well as cases of expansion /diversification/substitution/modernization of existing enterprises, will be provided with industrial investment promotion up to 100 percent of the amount invested under fixed capital investment heads (unless otherwise specified). This package will provide the following subsidies/exemptions/concessions/reimbursements:

S.No.	Item	Remarks
1.	Net State Goods and Services Tax (Net SGST) Reimbursement	Reimbursement of the Net State Goods and Services Tax (Net SGST) paid for up to 12 years from the date of commencement of commercial production, up to 100 % of the maximum fixed capital investment or Fixed Capital Investment Subsidy –a fixed capital investment subsidy will be provided; first installment will be paid after the commencement of production.
2.	Electricity Duty Exemption	Only new enterprises in Compressed Biogas plants will be provided with electricity duty exemption for up to 12 years from the date of commencement of commercial production.
3.	Stamp Duty Exemption	Full exemption from stamp duty will be granted on executed deeds for the purchase/lease of land, sheds, and buildings including related and lease deeds.
4.	Registration Fee Reimbursement	A 50 percent reimbursement of the registration fee payable on the land will be provided.
5.	Land Use Conversion Fee Exemption	A 50 percent exemption on land use conversion fees (diversion fees) for up to a maximum of 50 acres of land for industrial purposes.
6.	Reimbursement of Charges for New Electricity Connection	Only eligible new enterprises will be provided with a 50 percent reimbursement of the charges for new electricity connections (excluding the security deposit).

(Refer Industrial Development Policy 2024-30 vide Government of Chhattisgarh, Department of Commerce and Industry, Notification no. F20-28/2024/11/6 dated 04 November, 2024, Nava Raipur, Atal Nagar)

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7.	Effluent Treatment Plant (ETP)	A 50 % percent reimbursement of the expenditure on ETP will be provided, up to a maximum of Rs.1.0 crore, based on a certificate issued by the Chhattisgarh Environment Conservation Board.									
8.	Zero Waste Incentive	A 50 percent interest subsidy will be provided on loans taken for developing environmental protection infrastructure for water recycling/harvesting and zero discharge technology for up to 5 years, with a maximum amount of Rs. 10 lakh.									
9.	E.P.F. Reimbursement	A 75 percent reimbursement of the EPF contribution for skilled and semi-skilled employees from Chhattisgarh will be provided for up to 5 years from the date of production, with a maximum eligibility of Rs. 1 crore per year.									
10.	Training Stipend Reimbursement	Training expenses reimbursement of skilled and semi-skilled employees who have domicile of Chhattisgarh and earn less than Rs. 50,000 per month									
11.	Special Subsidy for Anchor Units	The first 5 anchor units with an investment of over Rs. 200.00 crore will receive additional 5 percent subsidy on the approved fixed capital investment, with the total subsidy limit extending up to 110 percent of the total fixed capital investment.									
12.	Other Subsidies	Project Report Subsidy, Quality Certification Subsidy, Technical Patent Subsidy, Technology Purchase Subsidy, and Water and Energy Efficiency Expenditure Reimbursement Subsidy, will also be provided as per provisions.									
13.	Special Industrial Investment Promotion	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 5%;">Sl.</th> <th style="width: 35%;">Fund</th> <th style="width: 60%;">Description</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Establishment of Research and Development</td> <td>Full Exemption from Stamp Duty on Land and Buildings purchase/lease for R&D under biomass GH plant and 25% Subsidy on Equipment for Testing & Quality Certification Labs with a maximum of Rs. 1 Crore.</td> </tr> <tr> <td>2.</td> <td>Export Expense Reimbursement (Only Export Units)</td> <td>For biomass GH plants, 75% of the expenses incurred for export of goods from production site to the port for export, for up to 10 years, maximum reimbursement will be 35% of the fixed capital investment.</td> </tr> </tbody> </table>	Sl.	Fund	Description	1.	Establishment of Research and Development	Full Exemption from Stamp Duty on Land and Buildings purchase/lease for R&D under biomass GH plant and 25% Subsidy on Equipment for Testing & Quality Certification Labs with a maximum of Rs. 1 Crore.	2.	Export Expense Reimbursement (Only Export Units)	For biomass GH plants, 75% of the expenses incurred for export of goods from production site to the port for export, for up to 10 years, maximum reimbursement will be 35% of the fixed capital investment.
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14.	Provision for Special Industrial Investment Promotion for Units Investing Over ₹. 1,000 Crore	Plants that invest Rs. 1,000crore or more in fixed capital investment or provide employment to 1,000 or more individuals will have proposals for additional incentives, beyond those declared in the Industrial Development Policy 2024-30, to be considered by the Cabinet Sub-Committee.									

(Refer Industrial Development Policy 2024-30 vide Government of Chhattisgarh, Department of Commerce and Industry, Notification no. F20-28/2024/11/6 dated 04 November, 2024, Nava Raipur, Atal Nagar)

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