

GB
Modi

CA

CA G.B.MODI

gbmodi@hotmail.com

MAHARASHTRA GOVT. POLICIES

| No. | NAME OF POLICY | No. | NAME OF POLICY |
|-----|---|-----|--|
| 1 | MAHARASHTRA PACKAGE SCHEME OF INVENTIVES-2019MAHARASHTRA | 2 | MAHARASHTRA STATE WOMEN ENTREPRENEURS POLICY |
| 3 | MAHARASHTRA C HIEF MINISTER AGRO AND FOOD POCCESSING POLICY- 2018 | 4 | MAHARASHTRA TEXTILE POLICY 2018-2023 |
| 5 | MAHARASHTRA IT/ITES POLICY-2019 | 6 | MAHARASHTRA ELECTORINS POLICY- 2016 |
| 7 | MAHARASHTRA LOGISTICS PARK POLICY-2018 | 8 | MAHARSHTRA STATE ELECTRIC VEHICLE POLICY-2018 |
| 9 | MAHARASHTRA GEMS & JEWLLARY PARK POLICY | 10 | MAHARSHTRA TOURISM POLICY-2016 |
| 11 | MAHARASHTRA CLOUD COMPUTING POLICY 2018 | 12 | MAHARASHTRA FIN TECH POLICY-2018 |
| 13 | MAHARASHTRA AEROSPACE DEFENCE MANUFACTURING POLICY- 2018 | 14 | MAHARASHTRA TELECOM INFRASTRUCTURE POLICY-2018 |

Package Scheme of Incentives - 2019

**GOVERNMENT OF MAHARASHTRA
INDUSTRIES, ENERGY AND LABOUR DEPARTMENT**

Resolution No. PSI -2019 / CR 46 / IND-8

Mantralaya, Mumbai - 400 032,

Dated the 16 September, 2019

Government Resolutions of Industries and Labour Department,

1. No. IDL-7064/IND-1, dated the 25/09/1964,
2. No. IDL-7069/IND-1, dated the 02/04/1969,
3. No. IDL-7069/IND-I, dated the 10/03/1970,
4. No. IDL-7073/34605/IND-1 (B), dated the 23/10/1973.,
5. No PSI-2013/(CR-54)/IND-8, dated the 1st April, 2013.
6. No PSI-2013/CR-108/IND-8, dated the 25th June, 2013.
7. No PSI-2013/(CR-54)/IND-8, dated the 27th June, 2013.
8. No PSI-2013/CR-54/IND-8, dated the 12th August, 2013.
9. No PSI-2108/CR-36/IND-8, dated the 30th August, 2013.
10. No PSI-2013/CR-212/IND-8, dated the 1st March, 2014.
11. No. MEM-2014/CR-88/IND-8, dated the 8th January, 2015.
12. No. HPC-2014/CR 76/IND-8, dated the 5th March, 2015.
13. No. HPC-2015/CR 11/IND-8, dated the 5th March, 2015.
14. No. HPC-2016/CR 25/IND-8, dated the 5th March, 2016.
15. No. PSI-2013/(CR - 54) / IND - 8 dated 7th May, 2016
16. No PSI-2016/CR-172/IND-8, dated the 16th September, 2016.
17. No PSI-2016/CR-156/IND-8, dated the 16th September, 2016.
18. No PSI-2013/(CR-54)/IND-8, dated the 25th October, 2016.
19. No PSI-2016/CR-305/IND-8, dated the 20th January, 2017.
20. No PSI-2017/CR-73/IND-8, dated the 10th April, 2017.
21. No PSI-2013/CR-54/IND-8, dated the 19th April, 2018.
22. No PSI-2013/CR-54/IND-8, dated the 5th June, 2018.
23. No PSI-2017/CR-197/IND-8, dated the 12th June, 2018.
24. No PSI-1707/(CR-50)/IND-8, dated the 24th August, 2018.
25. No PSI-2018/CR-117/IND-8, dated the 20th December, 2018.
26. No. NIP-2019/CR-6/IND-2, dated the 7th March, 2019.
27. No. PSI-2017/CR-117/IND-8, dated the 8th March, 2019.

MADHYAPRADESH

GUJRAT

CHHATTISGARH

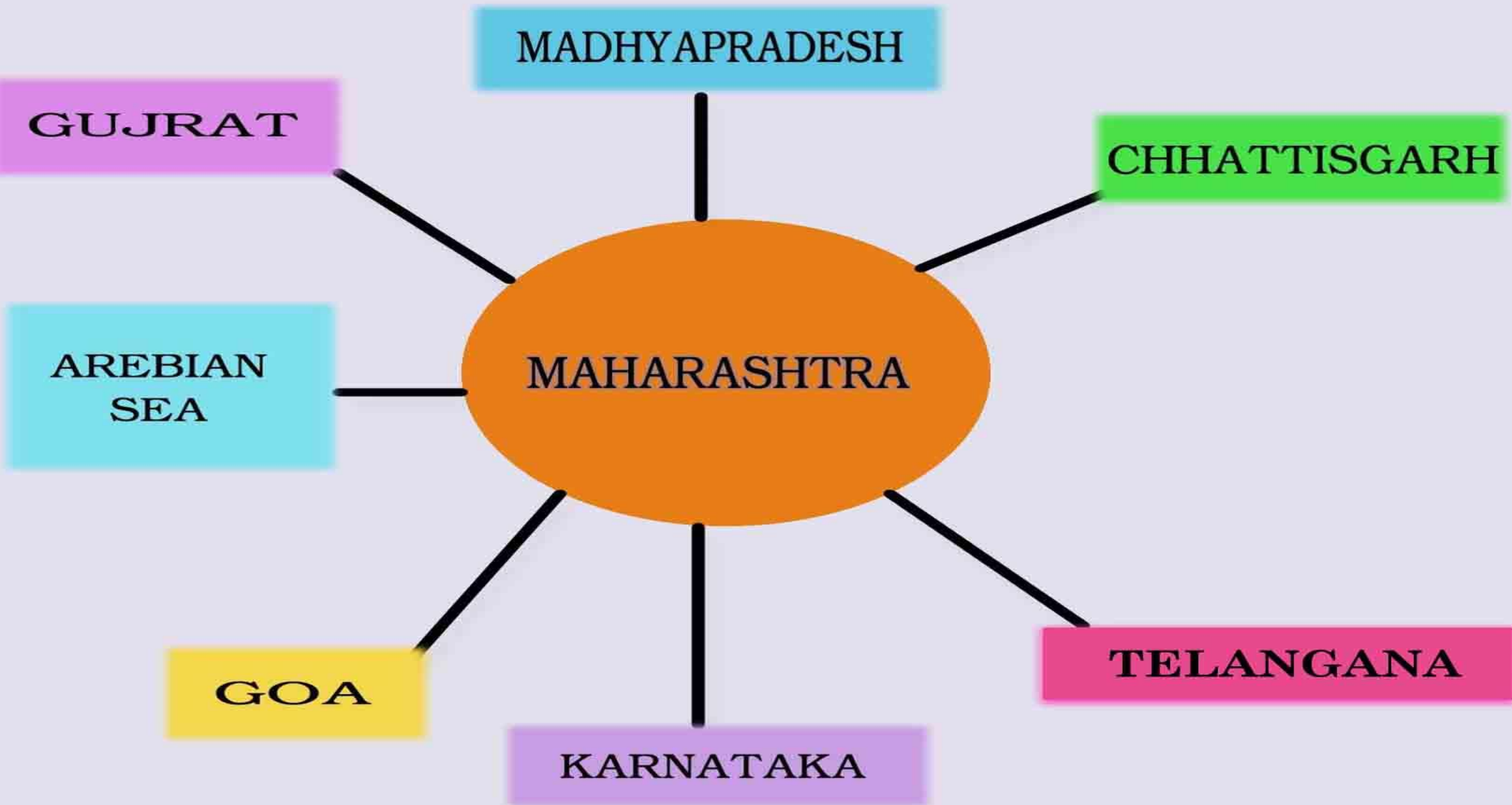
AREBIAN
SEA

MAHARASHTRA

GOA

TELANGANA

KARNATAKA





PACKAGE SCHEME OF INCENTIVES 2019-2024

PERIOD OF OPERATION

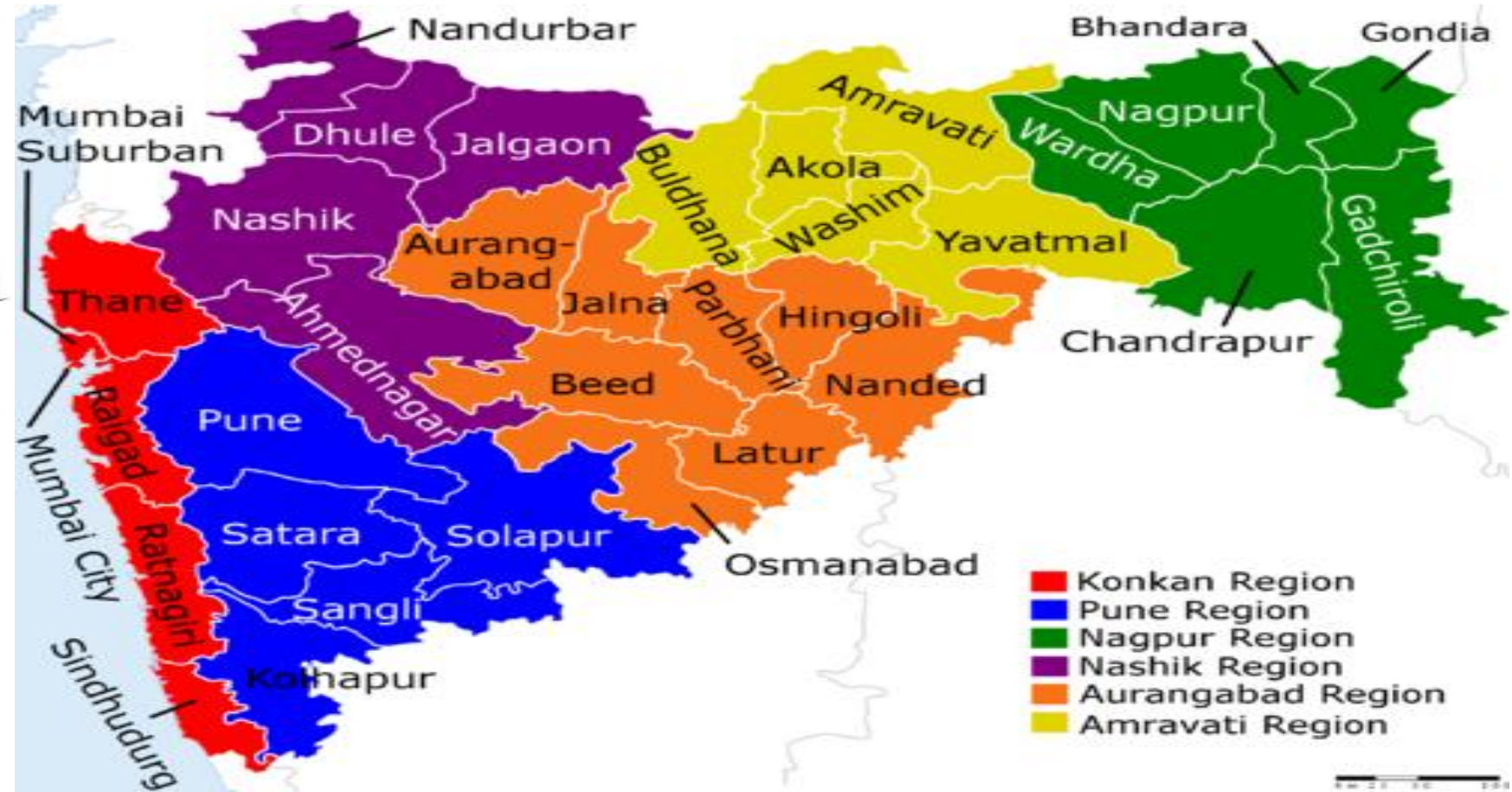
THE PSI-2019 SCHEME, AS MAY BE AMENDED BY THE GOVERNMENT
FROM TIME TO TIME, SHALL REMAIN IN OPERATION FROM

1st April, 2019

To

31st March, 2024

PACKAGE SCHEME OF INCENTIVES 2019 GOVERNMENT OF MAHARASHTRA



CLASSIFICATION OF AREAS FOR PSI-2019

For the purposes of the PSI- 2019, detailed Taluka wise classification of different areas of the State as Group, A /B/ C/ D/ D + etc., on the basis of their level of industrial development is as follows –

Group A

➤ Denotes Industrially developed areas.

Group B

➤ Denotes Areas where some industrial development has taken place, but are less developed than the areas under Group A.

Group C

➤ Denotes Areas, which are less developed than those covered under Group B.

Group D

➤ Denotes the lesser-developed areas of the State, not covered under Group A Group B/Group C.

Group D+

➤ Denotes the least developed areas, not covered under Group A/Group B/Group C/Group D.

No Industry District

Denotes District having no industries and not covered under Group A / B / C / D & D+.

Naxalism Affected Area

Denotes Area affected by naxalism, as described in GR No NAVIKA-2008/C.R.209/Ka. 1416 Dated 31.5.2009.

DEFINITIONS



NEW UNIT

- A New Unit shall mean a Unit which is set up for the first time by an entity in the
- Private Sector
- Co-operative Sector
- State
- Joint Sector
- In any Taluka where there is no Existing Unit set up by the said entity,

PROVIDED THAT SUCH UNIT SATISFIES THE FOLLOWING CONDITIONS:

- It is not an Existing Unit.
- At least one of the Effective Steps is completed on or **AFTER** the 1st April, 2019 for setting up the Unit.
- It is not formed as a result of re-establishment, mere change of ownership, change in the constitution, reconstruction or revival of an Existing Unit.

EXPANSION/ DIVERSIFICATION PROJECT

An investment shall be regarded as Expansion Project or a Diversification Project, as the case may be, if an Existing / New Unit in any of the areas covered under.

- 1) Group “B”,
- 2) Group “C”,
- 3) Group “D”,
- 4) Group D+,
- 5) Naxalism Affected Areas
- 6) Aspirational District or No-Industry- Districts,

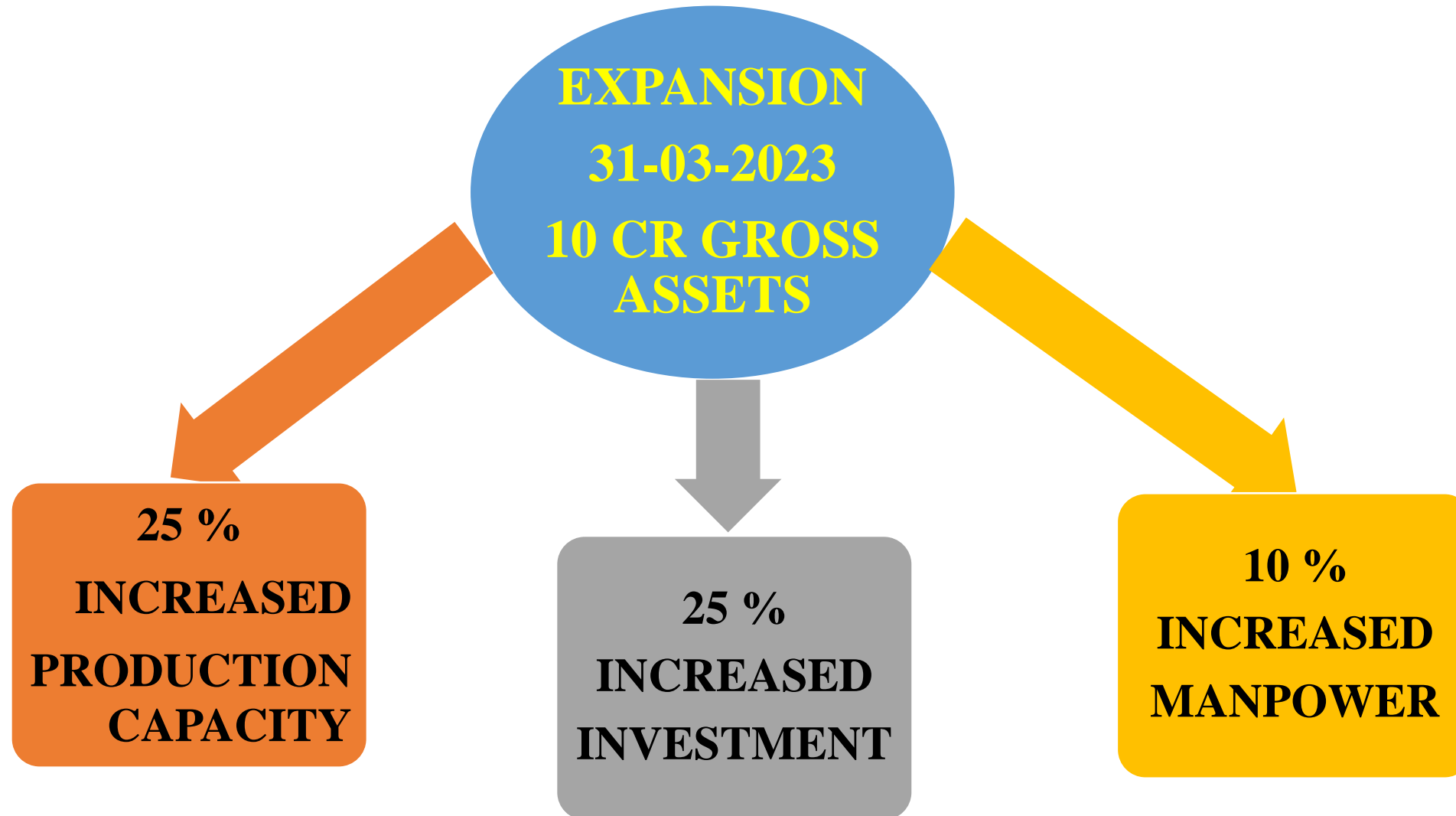
➤ Makes, on or after the date 1st April, 2019,

An additional fixed capital investment in additional production / manufacturing facilities

- For manufacture of the same product / products as of the Existing /New Unit or
- For manufacture of different products,
- As the case maybe provided it satisfies the Three conditions, namely.

EXPANSION / DIVERSIFICATION PROJECT (CONDITIONS)

EXPANSION / DIVERSIFICATION PROJECT



EXPANSION / DIVERSIFICATION PROJECT (CONDITIONS)

- The said additional Fixed Capital Investment for expansion / diversification of the Existing/ New Unit should exceed **25 % of the Gross Block** of the Existing / New Unit immediately prior to setting up of the additional production /manufacturing facilities, as on the last day of the previous financial year, subject to a minimum additional fixed capital investment of **Rs. 10 crores** in case of LSI and Special LSI, **Rs. 5 crores** in case of non-MSMEs and upto Special LSI and **Rs. 25 Lacks, in case of MSMEs**.
- In the case of Expansion or Expansion-cum-Diversification but not mere Diversification "*per se*", the said additional Fixed Capital Investment should result in increase of existing installed production capacity by at least **25 %** ; and
- Such Expansion / Diversification should increase the employment in the non-supervisory category at least to the extent of **10 percent** of the pre expansion/diversification level of such employment and **80 %** of such additional employment should be from amongst local persons.

Note: The above criteria should be fulfilled for single location of the Unit which is undergoing expansion / diversification. Sum total of investment made in Units of the same entity at various locations shall not be considered for qualifying criteria for expansion / diversification.

ELIGIBILITY PERIOD

For the purpose of incentives of :-

- 1) Industrial Promotion Subsidy,
- 2) Interest Subsidy,
- 3) Electricity Duty Exemption,
- 4) Power Tariff Subsidy etc.,

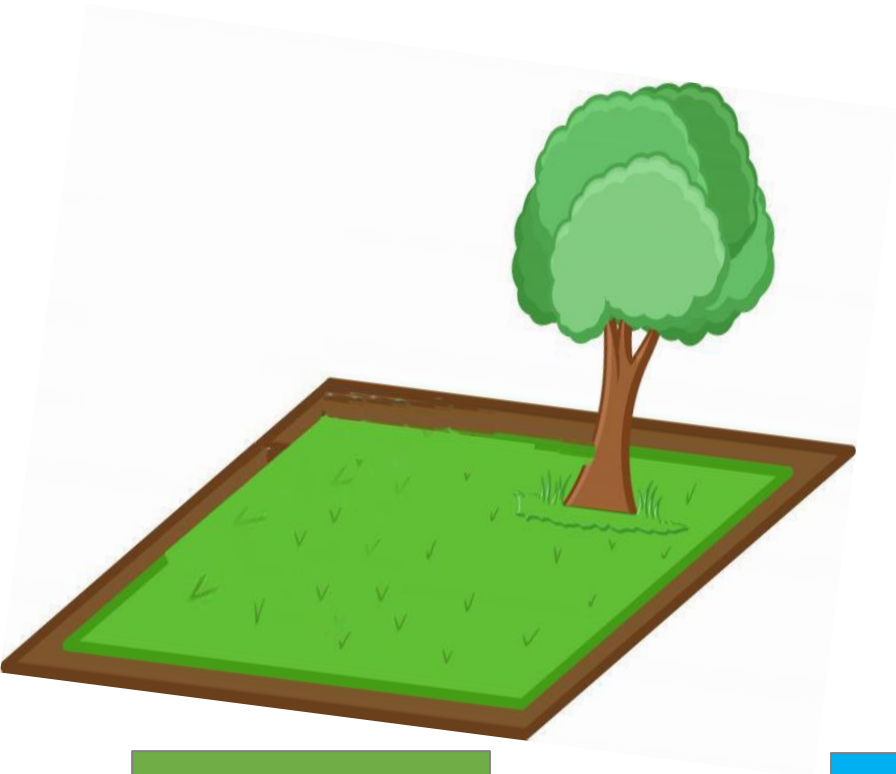
- Applicable to an Eligible Unit subject to the fulfilment of the conditions of the PSI-2019,
- The period of eligibility shall be computed from the Effective date of Eligibility and depend on the nature and location of the Eligible Unit.

In respect of Mega Projects/ Ultra Mega Projects, the eligibility period shall be as, approved by the “Cabinet Sub Committee” or the “High Power Committee”, subject to fulfilment of the conditions of the PSI- 2019.

EFFECTIVE STEPS

**ANY
ONE**

STEPS COMPLTE AFTER 01-04-2019 AND BEFORE 31.03.2024



LAND



**MAHARASHTRA POLLUTION CONTROL
BOARD CERTIFICATE
(MPCB)**

MPCB CERTIFICATE



CONSTITUTION

COVERAGE UNDER THE PSI - 2019

The following categories of Eligible Industrial Units in the Private Sector, Co-operative Sector, Central Public Sector, State Public Sector/ Joint Sector shall be eligible to be considered for incentives under the PSI- 2019 :-

- Industries listed in the First Schedule of the Industries (Development and Regulation) Act, 1951, as amended from time to time.
- Manufacturing Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006. (MSMED Act, 2006).
- Information Technology Manufacturing Units registered with the Directorate of Industries or the Maharashtra Industrial Development Corporation (MIDC) or the Development Commissioner, Santacruz Electronic Export Processing Zone (SEEPZ) or Software Technology Parks of India (STPI) in the State.

COVERAGE UNDER THE PSI - 2019

- Bio-technology Manufacturing Units as specified by the Government from time to time, which are outside the purview of any registering authority mentioned above.
- Cold storages which are a part of **INTEGRATED** manufacturing process.
- Mechanized Food/Agro Processing Industries in the following sectors:
 - Dairy, Fruit and Vegetable Processing.
 - Grain Processing.
 - Fish Processing.
 - Consumer foods including Packed foods.
 - Non alcoholic beverages from fruits and vegetables.

PROCEDURE FOR APPLICATION UNDER PSI-2019

HOW TO
APPLY



PresenterMedia 



APPLICATION FOR ELIGIBILITY

- An application for eligibility under the PSI 2019 Scheme shall be submitted to the Implementing Agency by an Eligible Unit only after it has taken all the Effective Steps but not later than the 31st March, 2024. It shall be supported by documentary evidence with regard to completion of the Effective Steps.
- For claiming eligibility under the PSI-2019, any New/Expansion/Diversification, Eligible Unit shall commence the commercial production and also acquire the fixed assets at site, having paid for the same, and paid for it within the investment period.
- The Investment Period for Micro, Small and Medium manufacturing Enterprises will be **THREE YEARS**, From the date of application

APPLICATION FOR ELIGIBILITY

- The Investment Period will be counted from the date of submission of application to the Implementing Agency or the date suggested by the Eligible Unit.
- However, this date should be within this Scheme Period and the *assets acquired prior to and beyond the investment period* will not be considered eligible for incentives,
- However, the Land cost prior to submission of valid application shall be considered for Fix Capital Investment.
- Delay in commencement of commercial production will entail proportionate curtailment of incentives and the Eligibility Certificate period.

APPLICATION FOR ELIGIBILITY

- **If a Unit has completed all Effective steps but not started the production before the 1st April, 2019 and has not filed an application with the Implementing Agency under PSI 2013, such unit can submit the application under PSI - 2019.**
- **However, the incentives applicable to such Eligible Unit shall be as per PSI- 2013 or PSI - 2019 , whichever is lower.**
- **For such unit , the investment made within the investment period from the date of application only will be considered for Incentives.**

-- SCHEME END--

FINANCIAL
INCENTIVES FOR
MSMEs UNDER PSI-
2019



MSME / FCI = 50 CR

Eligible subsidy according to location



| Taluka / Area | Ceiling as % of Fixed Capital Investment | No. of Year |
|--|--|-------------|
| 1 | 2 | 3 |
| A | Nil | Nil |
| B | 30 % | 7 Year |
| C | 40 % | 7 Year |
| D | 50 % | 10 Year |
| D+ | 60 % | 10 Year |
| Vidarbha, Marathwada, Ratnagiri, Sindhudurg & Dhule | 80 % | 10 Year |
| <u>Aspirational Districts</u> (Osmanabad, Gadchiroli, Washim and Nandurbar) | 100 % | 10 Year |
| No Industry Districts, Naxalism Affected Areas* | | |

CLASSIFICATION OF AREAS UNDER PSI – 2019

Group A 0%

| Sr. No. | Division | District | Talukas |
|---------|-----------------|---------------|---|
| 1 | Konkan Division | Grater Mumbai | Greater Mumbai |
| | | Thane | Thane, Kalyan, Ulhasnagar, Ambarnath ,Bhivandi @ |
| | | Palghar | Vasai, Palghar |
| | | Raigad | Alibag @ , Uran, Parnel, Karjat@, Khalapur, Pen, Roha |
| 2 | Pune Division | Pune | Pune City, Maval, Haveli @ , Bhor @, Daund@, Shirur@, Khed @, Mulshi @ Purander @ , Velhe @ |

@ : Within Mumbai Metropolitan Region (MMR), PMR

CLASSIFICATION OF AREAS UNDER PSI – 2019

Group B

30

%

| Sr. No. | Division | District | Talukas |
|---------|-----------------|----------|---------------|
| 1 | Konkan Division | Thane | Murbad |
| | | Palghar | Dahanu |
| 2 | Nashik Division | Nasik | Nashik Taluka |

CLASSIFICATION OF AREAS UNDER PSI – 2019

Group C

40

%

| Sr.No | Division | District | Talukas |
|-------|-----------------|-----------|--|
| 1 | Konkan Division | Thane | Bhivandi \$, Shahapur |
| | | Raigad | Karjat \$, Mahad, Mangaon, Murud |
| | | Ratnagiri | Ratnagiri, Chiplun |
| 2 | Pune Division | Pune | Shirur \$, Daund \$, Bhore \$, Khed \$, Indapur, Baramati, Purandar\$ |
| 3 | Nashik Division | Nashik | Niphad , Sinnar |

\$: Outside MMR / PMR

CLASSIFICATION OF AREAS UNDER PSI – 2019

Group D

50%

| Sr. No. | Division | District | Talukas |
|---------|---------------------|------------|---|
| 1 | Konkan Division | Raigad | Shrivardhan |
| | | Ratnagiri | Khed |
| | | Sindhudurg | Vengurla |
| 2 | Pune Division | Pune | Ambeegaon, Junnar |
| | | Solapur | Solapur (North) , Pandharpur, Malshiras |
| | | Satara | Satara, Khandala, Koregaon, Phaltan, Khatav, Karad, Mahabaleshwar |
| | | Sangali | Miraj |
| | | Kolhapur | Karveer, Panhala, Hatkangale, Shirol |
| 3 | Nasik Division | Nasik | Dindori, Yeola, Igatpuri |
| | | Ahmednagar | Nagar, Rahuri, Shrirampur, Newasa, Karjat, Shrigonda, Akola, Sangamner, Kopargaon, Rahata |
| | | Jalgaon | Jalgaon, Yawal, Chalisgaon, Amalner, Dharangaon |
| | Aurangabad Division | Aurangabad | Aurangabad |
| | Nagpur Division | Nagpur | Nagpur City |

CLASSIFICATION OF AREAS UNDER PSI – 2019

Group D+

60%

| Sr. No | Division | District | Talukas |
|--------|-----------------|------------|---|
| 1 | KONKAN DIVISION | Palghar | Jawhar, Mokhada, Talasari Wada, Vikramgad |
| | | Raigad | Poladpur Mhasala Tala |
| | | Ratnagiri | Guhagar, Dapoli, Lanja, Mandangad, Rajapur, Sangameshwar |
| | | Sindhudurg | Kankavli, Kudal, Sawantwadi, Malvan, Deogad, Vaibhavwadi, Doda Marg |
| 2 | Pune Division | Pune | Velhe \$ |
| | | Solapur | Barshi, Akkalkot, Solapur (South) Mohol, Mangalwedhe, Sangole, Karmala, Madha |
| | | Satara | Wai, Man, Patan, Jaoli |
| | | Sangali | Tasgaon, Khanapur, Atapadi, Jat, Kavathe Mahaankal, Walwa, Shirala, Kadegaon, Palus |
| | | Kolhapur | Kagal, Gadhinglaj, Chandgad, Ajra, Bhudargad, Radhanagari, Baavada, Shahuwadi |
| 3 | Nasik Division | Nasik | Peth, Surgana, Kalwan, Baglan, Chandwad, Nandgaon, Trimbakeshwar, Deola, Malegaon |
| | | Ahmednagar | Shevgaon, Pathardi, Jamkhed, Parner |
| | | Dhule | Sakri, Shirpur, Shindkheda |
| | | Nandurbar | Nandurbar, Nawapur, Shahada, Talode, Akrani, Akkalkuva |
| | | Jalgaon | Chopada, Raver, Edalabad, Bhusawal, Jamner, Pachora, Bhadgaon, Parola, Erandol, Bodgaon |

CLASSIFICATION OF AREAS UNDER PSI – 2019

Group D+

60%

| Sr. No | Division | District | Talukas |
|--------|---------------------|------------|---|
| 4 | Aurangabad Division | Aurangabad | Khuldabad, Kannad, Soegaon, Siliod, Paithan, Gangapur, Vaijapur, Phulambri |
| | | Jalna | Jalna, Ambad, Jafferabad, Partur, Bhokargaon, Badnapur, Ghangsavangi, Mantha |
| | | Beed | Beed, Georai, Majalgaon, Ambejogai, Kaij, Patoda, Ashti, Pharur, Parli, Wadavani, Shirur Kasar |
| | | Osmanabad | Osmanabad, Kalamb, Omerga, Tuljapur, Paranda, Bhum, Washi, Lohara |
| | | Parbhani | Parbhani, Jintur, Selu, Gangakhed, Pathri, Palam, Purna, Manawat, Sonpeth |
| | | Hingoli | No Industry District |
| | | Latur | Latur, Ahmedpur, Udgir, Nilanga, Ausa, Chakur, Deoni, Shirur- Anantpal, Jalkot, Renapur |
| | | Nanded | Nanded, Bhokar, Hadgaon, Kinwat, Biloli, Degpur, Mudkhed, Kandhar, Loha Mudkhed Ardhapur Naigaon Dharmabad Himayatnagar Umari Mahur |
| 5 | Amravati Division | Amravati | Amravati Achalpur Bhatkuli Nandgaon Khandeshwar Chandur Bazar Morshi Warud Chandur Rly. Teosa Daryapur Anjangaon Surji Chikhaldara Dharni Dhamangaon Rly. |
| | | Akola | Akola, Barshitakli, Akot, Telhara, Balapur, Patur, Murtijapur |
| | | Washim | Washim, Malegaon, Risod, Mangrulpir, Manora, Karanja |

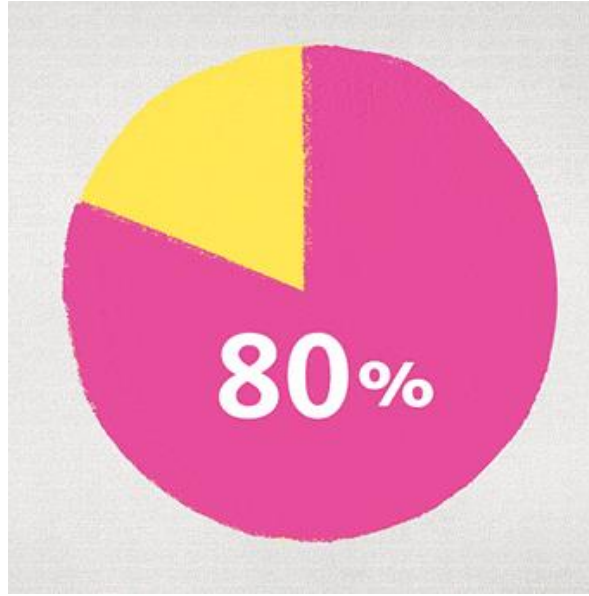
CLASSIFICATION OF AREAS UNDER PSI – 2019

Group D+

60%

| Sr. No | Division | District | Talukas |
|--------|-------------------|------------|---|
| 5 | Buldhana Division | Buldhana | Buldhana Chikhali Shegaon DeulgaonRaja Malkapur Motala Nandura Jalgaon, Jamod, Sangrampur, Khamgaon, Mehkar Sindakhed-Raja Lonar |
| | | Yavatmal | Yavatmal, Babhulgaon, Kalamb, Kelapur, Ralegaon, Ghatanji, Wani, Maregaon, Pusad, Mahagaon, Umarkhed, Darwaha, Ner, Digras, Arni ,Zari-Jamd |
| 6 | Nagpur Division | Nagpur | Nagpur (R) Kamptee Hingana, Katol, Narkhed, Savner, Kalmeshwar, Ramtek, Parseoni, Mauda, Umred, Bhiwapur, Kuhi |
| | | Bhandara | Bhandara, Pauni, Tumsar, Mohadi, Sakoli, Lakhanpur, Lakhani |
| | | Gondia | Gondia, Goregaon, Tirora, Arjuni- Morgaon, Deori, Sadakarjuni, Amgaon, Salekasa |
| | | Wardha | Wardha, Deoli, Seloo, Arvi, Karanja, Ahsti, Hinganghat, Samudrapur |
| | | Chandrapur | Chandrapur Gondpipri Mul Warora Chimur Bhadravati Brahmapuri Sindewahi Nagbhid Rajura Korpana Sawali Pobhurna Ballarpur Jiwati |

CLASSIFICATION OF AREAS UNDER PSI – 2019



| No | Taluka |
|----|------------|
| 1 | Ratnagiri |
| 2 | Sindhudurg |
| 3 | Dhule |

CLASSIFICATION OF AREAS UNDER PSI – 2019

NO INDUSTRY DISTRICT

100

%



| Sr. No. | Division | District | Talukas |
|---------|---------------------|------------|---------------------------|
| 1 | Aurangabad Division | Hingoli | All Talukas of Hingoli |
| 2 | Nagpur Division | Gadchiroli | All Talukas of Gadchiroli |

CLASSIFICATION OF AREAS UNDER PSI – 2019

GROUP NAXALISM AFFECTED AREA

100 %



| Sr. No. | Division | District | Talukas |
|---------|---------------------|------------|--|
| 1 | Nagpur Division | Gadchiroli | Chamorshi ,Gadchiroli Aheri ,Armori Kurkheda, Desaiganj (Vadasa),Dhanora , Etapalli, Sironcha ,Mulchera, Korchi, Bhamragad |
| | | Gondia | Gondia,Tiroda,Goregaon,Deor,Amgaon. Salekasa,Arjuni Morgaon,Sadak Arjuni |
| | | Chandrapur | Chandrapur, Gondpipri, Rajura, Korpana, Jiwati, Ballarsha, Pobhurna, Mul, Sawali |
| | | Bhandara | Sakoli, Lakhandur, Lakhani |
| | | Yavatmal | Pandharkawda, Wani, Zari-Jamdi, Ghatanji, Arni |
| 2 | Aurangabad Division | Nanded | Kinwat |

CLASSIFICATION OF AREAS UNDER PSI – 2019

• ASPIRATIONAL DISTRICTS :~

100 %



| SR. NO. | DIVISION | DISTRICT | TALUKAS |
|---------|---------------------|------------|---------------------------|
| 1 | Aurangabad Division | Osmanabad | All Talukas of Osmanabad |
| 2 | Nagpur Division | Gadchiroli | All Talukas of Gadchiroli |
| 3 | Aurangabad Division | Washim | All Talukas of Washim |
| 4 | Nashik Division | Nandurbar | All Talukas of Nandurbar |

Example – 1 MSME / FCI = 50 CR



Eligible subsidy according to location

| Taluka / Area | Ceiling as % of Fixed Capital Investment | Cost of Project Rs 10 Crore | Eligible Amount of Subsidy | No. of Year | Per Year Subsidy |
|--|--|-----------------------------|----------------------------|-------------|------------------|
| 1 | 2 | 3 | 4 | 5 | 6 |
| A | Nil | 10 Cr | Nil | Nil | Nil |
| B | 30 % | 10 Cr | 3 Cr | 7 Year | 42.85 Lac |
| C | 40 % | 10 Cr | 4 Cr | 7 Year | 57.14 Lac |
| D | 50 % | 10 Cr | 5 Cr | 10 Year | 50 Lac |
| D+ | 60 % | 10 Cr | 6 Cr | 10 Year | 60 Lac |
| Vidarbha, Marathwada, Ratnagiri, Sindhurg & Dhule | 80 % | 10 Cr | 8 Cr | 10 Year | 80 Lac |
| <u>Aspirational Districts</u> (Osmanabad, Gadchiroli, Washim and Nandurbar) | 100 % | 10 Cr | 10 Cr | 10 Year | 1 Cr |
| No Industry Districts, Naxalism Affected Areas* | | | | | |

FINANCIAL INCENTIVES FOR MSMEs UNDER PSI-2019

- **MSME shall include units as per the definition of Government of India- Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, as well as the small industries with FCI (Fixed Capital Investment) of up to 50 Cr**

- **New MSME Units will eligible for BASKET OF INCENTIVES which includes:-**

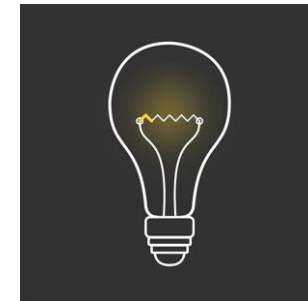
i. Industrial promotion subsidy



ii. Interest Subsidy 5%



iii. Power tariff Subsidy



Rs 1/- Per Unit

- The total quantum of incentives will be linked to the Fixed Capital Investment.

➤ **The total quantum of incentives excluding the incentives of :-**

- Exemption of electricity duty and
- Waiver of stamp duty

- **GST (IPS) SUBSIDY**



GST
Goods and Services Tax

| GST 18 % | |
|------------------------|-----------|
| SGST | 9% |
| CGST | 9% |
| GST REFUND FORM DIC | SGST- 9 % |

| GST 18 % | |
|------------------------|------|
| IGST | 18% |
| GST REFUND FORM DIC | NILL |

INTEREST SUBSIDY

- Eligible **New Micro**, **Small** and **Medium** Enterprises (MSME) will be eligible for Interest subsidy in respect of interest actually paid to the Bank and Public Financial Institutions.
- The amount of **Interest Subsidy** will be calculated **@ 5 %**
- The quantum of interest subsidy payable to the eligible unit every year will **not exceed the bills paid for electricity consumed during the relevant year.**

**10 - 5 =
5% (INTEREST)**



POWER TARIFF SUBSIDY



POWER TARIFF SUBSIDY

**Rs 1/- Per Unit 36
Month**

POWER TARIFF SUBSIDY

- Eligible New Micro, Small and Medium Enterprises (MSME) will be eligible for power tariff subsidy other than “A” area.
- The subsidy will be to the tune of Rs 1/- per unit for the Units located in
 - Vidarbha,
 - Marathwada,
 - North Maharashtra and the Districts of
 - Raigad, Ratnagiri ,Sindhudurg in Kokan Region

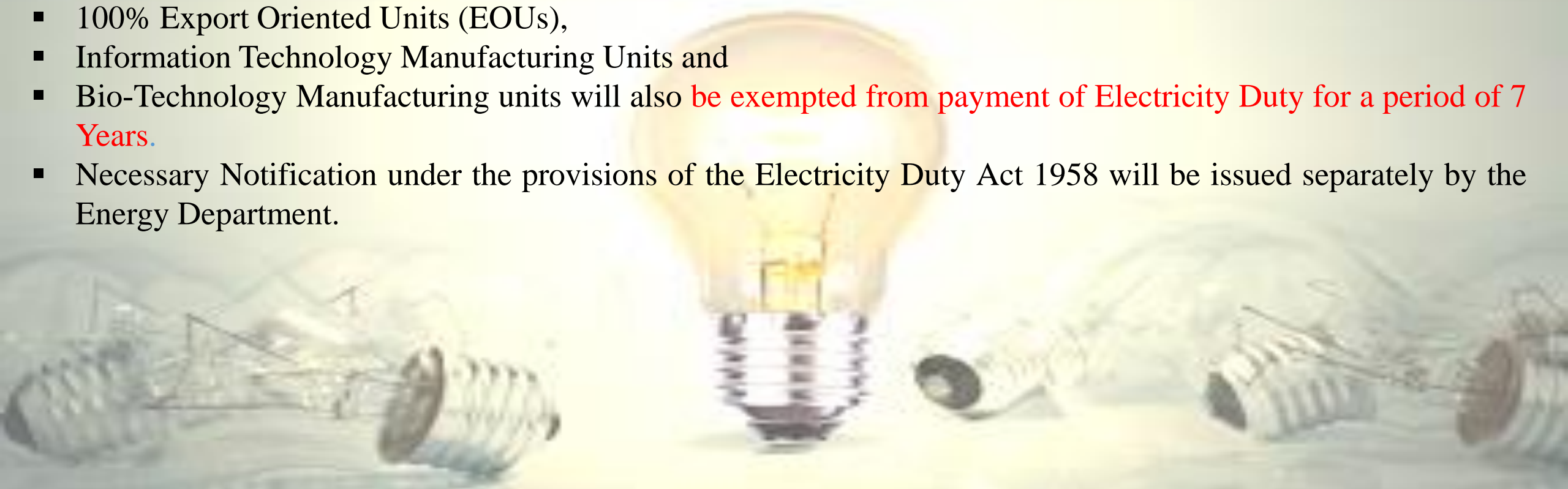
And

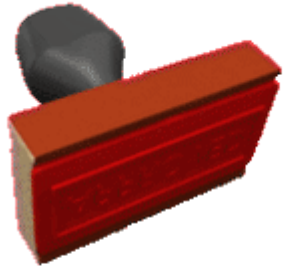
Rs 0.50 per unit for the Units in other areas of the State for a period of 3 years from the date of commencement of commercial production, for the energy consumed and paid.

- The Units in Group “A” areas will however not be eligible for this incentive.

EXEMPTION FROM ELECTRICITY DUTY

- A. All Eligible **New Units** in Group C, D, and D+ areas and No-Industry District(s) and Naxalism affected Area will be **exempted from payment of Electricity Duty during eligibility period not exceeding 15 years.**
- B. In Group A and B areas:-
- 100% Export Oriented Units (EOUs),
 - Information Technology Manufacturing Units and
 - Bio-Technology Manufacturing units will also **be exempted from payment of Electricity Duty for a period of 7 Years.**
 - Necessary Notification under the provisions of the Electricity Duty Act 1958 will be issued separately by the Energy Department.





WAIVER OF STAMP DUTY

- A. New Units as well as Units undertaking Expansion/ Diversification (including Mega and Ultra Mega Projects) will be exempted from payment of Stamp duty during the Investment period in Group “C, D, D+ Talukas, No Industry Districts and Naxalism affected areas.
- B. In Group A and B areas, stamp duty exemption would be available as given below:
- BT Manufacturing and IT Manufacturing Units in Public Parks : 100%
 - BT Manufacturing and IT Manufacturing Units in Private Parks : 75%
 - Mega Projects - 50% for first conveyance deed only

Explanation: Eligible New/Expansion Units of PSI-2019 will also be eligible for Stamp Duty Exemption during their investment period.

Necessary **Notification under the provisions of the Bombay Stamp Act 1958 will be issued separately by the Revenue & Forest Department.**

NEW MSMES AND EXPANSION THEREOF IN ALL CATEGORIES OF AREAS WILL BE ELIGIBLE FOR FOLLOWING INCENTIVES

• INCENTIVES FOR TECHNOLOGY UP-GRADATION

5% subsidy on capital equipment for Technology Up –gradation, subject to a **maximum of Rs.25 lacs**

What is Technology Upgradation :

- ❖ Technology up-gradation would ordinary mean induction of state of the art or near state of the art technology.
- ❖ It would also mean a significant step up from the present technology level to substantially higher one involving improved environmental of improved packaging techniques as well as anti-pollution measures and energy conversation machinery.
- ❖ Further, the units in need of introducing facilities for in-house testing and on-line quality control would qualify for assistance.



- Technology Up gradation
- Types of Units covered under the scheme:

❖ Units holding eligibility certificate under PSI-2013 and to which assistance is sanctioned under Credit Link capital subsidy scheme (CLCSS) of MSME or Technology Up-Gradation Fund Scheme for Textile and jute Industries (TUFS) or Technology Mission on cotton (TMC) Scheme of Ministry of Textile, Govt.of India during the period 01/04/2013 to 31/03/2019 shall be considered eligible for receipt of Technology up-gradation incentives.

New MSMEs and Expansion thereof in all categories of areas will be eligible for following incentives

SUBSIDY ON CLEANER PRODUCTION MEASURES

- 25% on capital equipment for cleaner production measures ,limited to Rs.5 Lakhs

Types of Unit Covered under the scheme :

- ❖ Unit holding eligible certificate under PSI-2013 and who has filed valid application with the implementing agency after issue of eligibility certificate within 6 months from expiry of the period of eligibility certificate as defined under PSI-2013.
- ❖ Failure to file valid application within the prescribed period shall render the application invalid.
The above subsidies are paid one time.

INCENTIVES FOR STRENGTHENING MSMEs AND LSIIs

New MSMEs and Expansion thereof in all categories of areas will be eligible for following incentives –

- 75 % subsidy on the expenses incurred on quality certification limited to Rs. 1 Lakh.
- 25% subsidy on capital equipment for cleaner production measures ,limited to Rs.5 Lakhs
- 75 % subsidy on the expenses incurred on patent registration limited to Rs. 10 Lakh for the National patents and Rs. 20 lakh for the International patents.

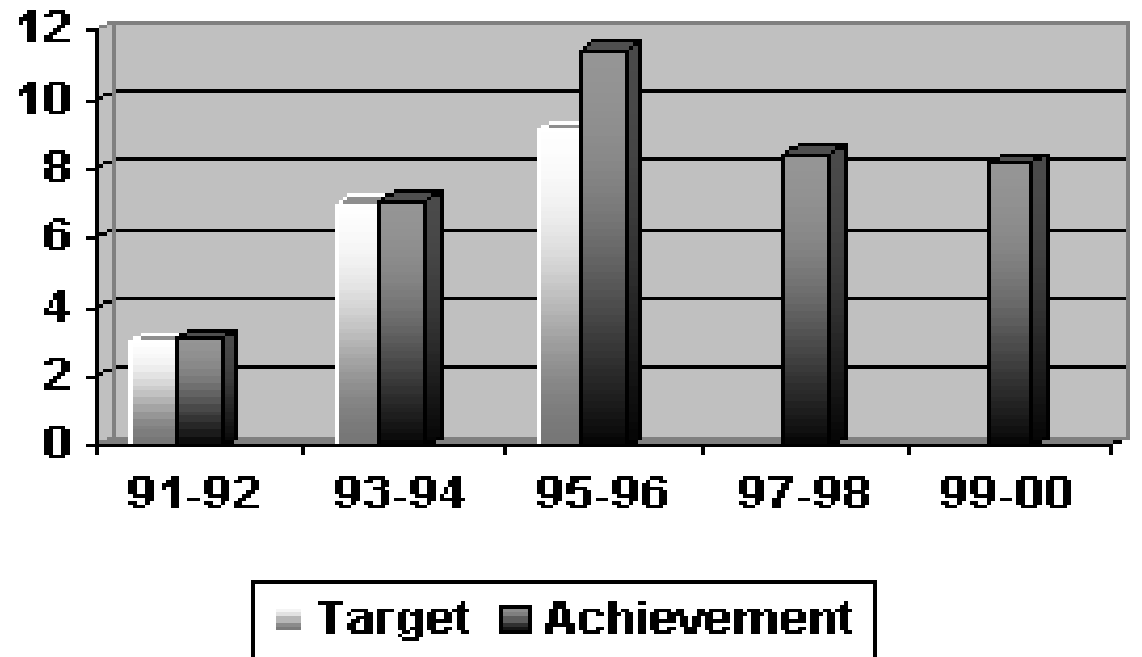
INCENTIVES FOR STRENGTHENING MSMEs

Incentives for Credit Rating of MSMEs in all categories of areas –

- 75% of the cost of carrying out Credit Rating by Small Industries Development Bank of India/ Government accredited Credit Rating Agency, limited to Rs. 40,000.

- **New MSMEs, LSI and Expansion** thereof will be eligible for the following incentives in all categories of areas –
 - 75% of cost of water audit limited to Rs. 1.00 lakh.
 - 75% of cost of energy audit limited to Rs. 2.00 lakh.
 - 50% of the cost of Capital Equipment under the measures to conserve/recycle water, limited to Rs. 5 lakh.
 - 50% of the cost of Capital Equipment for improving energy Efficiency, limited to Rs. 5 lakh.

**YEARLY CAP FOR THE
INCENTIVES**



YEARLY CAP FOR THE INCENTIVES

- The amount of incentives to be disbursed to the **MSMEs and LSI Units** every year will be limited to the **total quantum of incentives divided by the number of years as per the applicable Eligibility period with the provision of carrying forward the differential** between the actual sanctioned amount for a given year and the yearly disbursement limit.
- For Mega Projects/ Ultra Mega Projects, if the E.C. Period is **more than 10 years, the yearly limit on disbursement amount shall be equal to 1/10 of the total quantum of incentives**

OR

- Industrial Promotion Subsidy sanctioned for that year whichever is less.
- The Carry forward principle will be applicable. The balance quantum of incentives will be allowed to be availed of after 10 years with yearly cap as above.
- Proportionate quantum of incentives will be calculated for a part of the year.

GB
Modi

CA

CA G.B.MODI

gbmodi@hotmail.com

*Thank
you*