

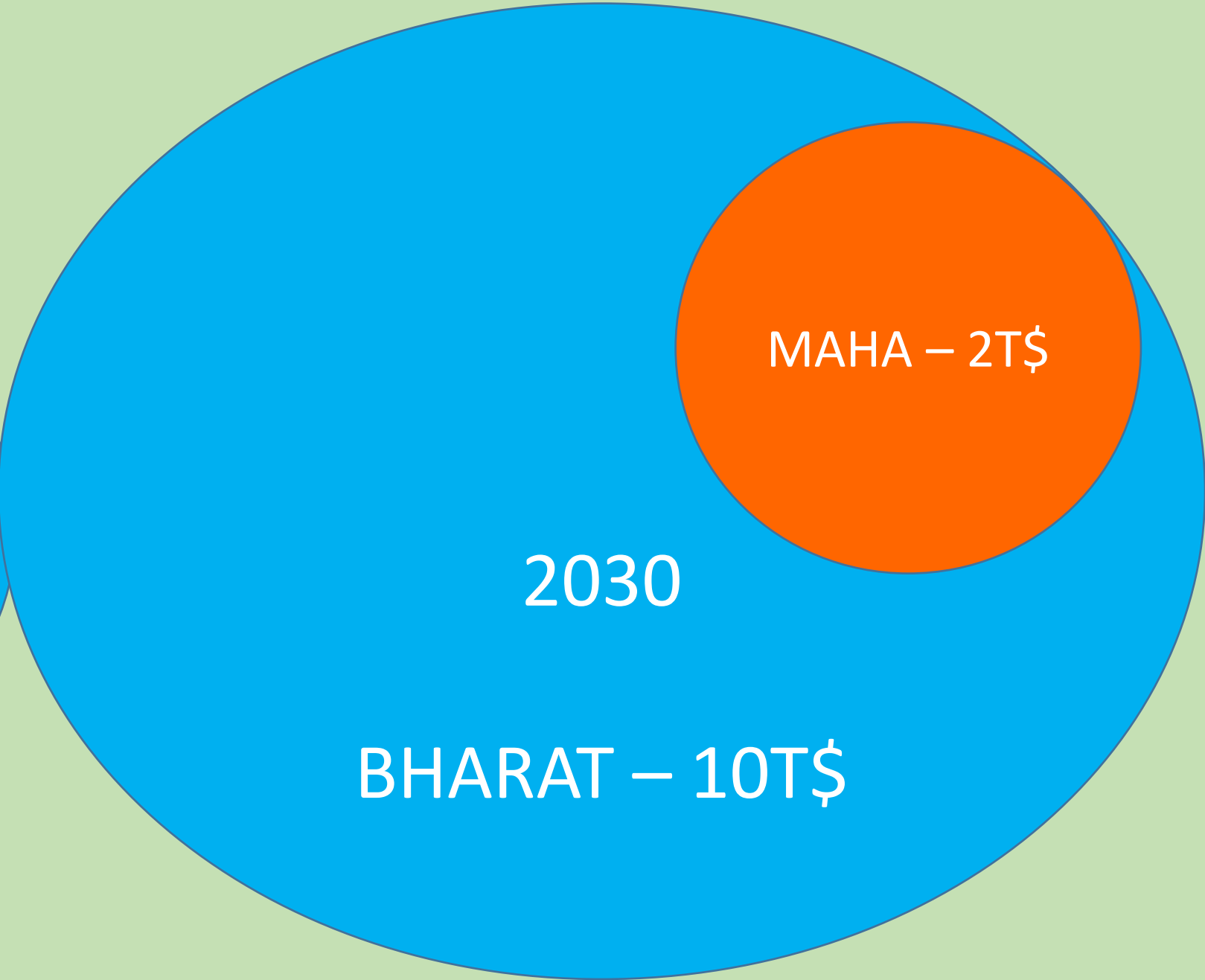
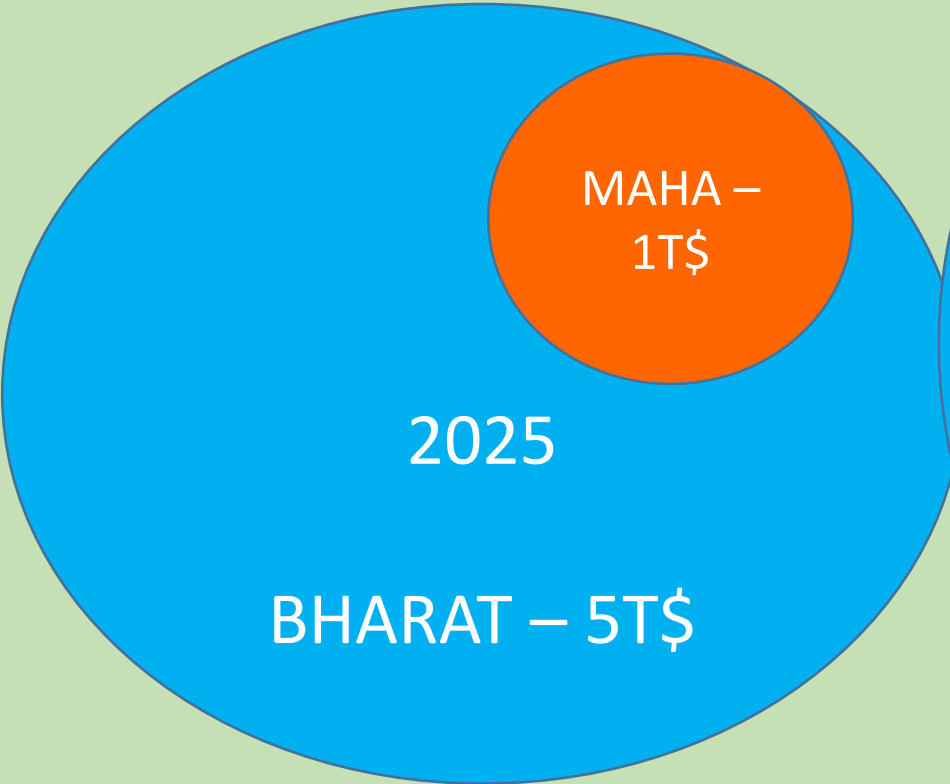
**MAHARASHTRA PACKAGE SCHEME OF INCENTIVES
SPECIAL LARGE & LARGE SCALE INDUSTRIES**

By

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Pune

The GDP



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MSMED Act

CMEGP

TReDS

Cluster

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PLI

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How do I increase my business?

How do I fund new Orders?

59 Min

Are there any incentives?

How do I Manage Credit Period?

PSI

Sub Debt

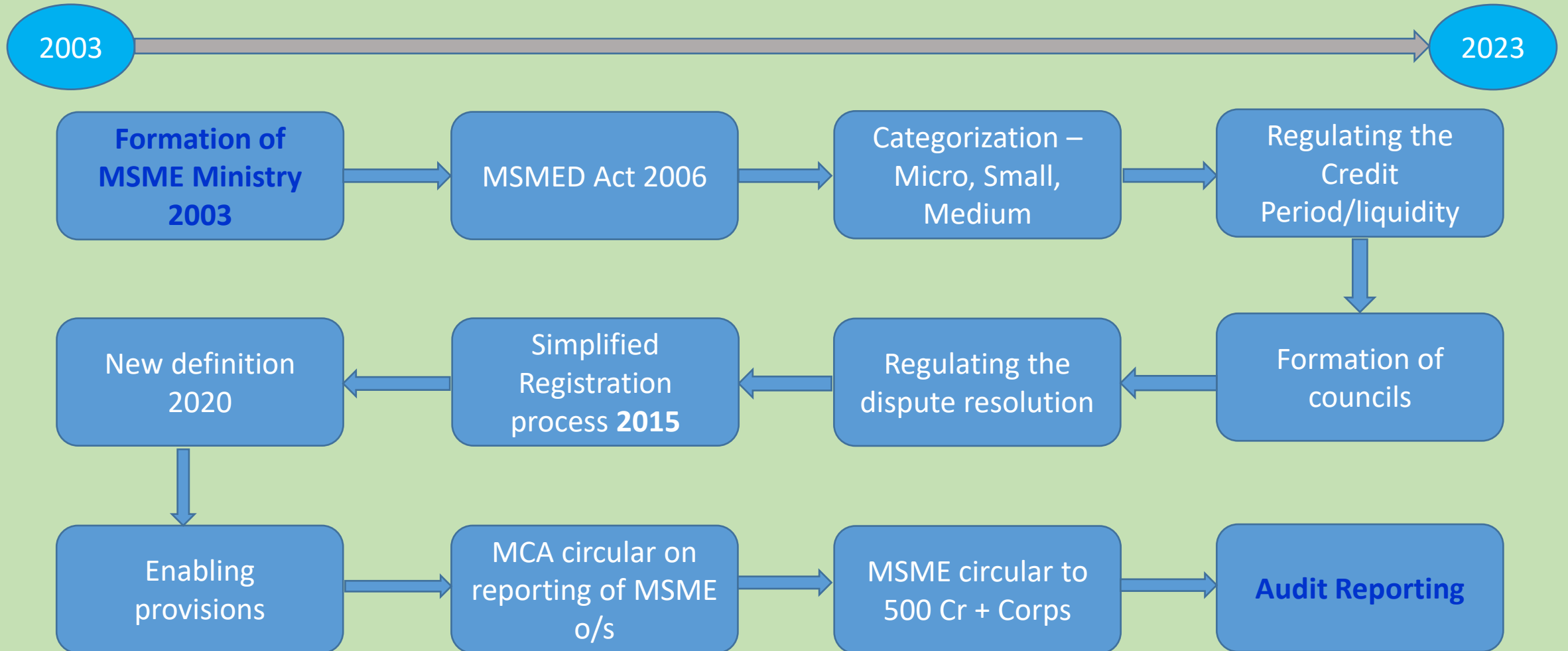


Start up India

Samadhaan

I am a MSME

Formalization process of MSME Sector



MSME - Old definition

Type of Unit	Manufacturing	Service
	P&M	Equipment
Micro	25 Lk	10 Lk
Small	5 Cr	2 Cr
Medium	10 Cr	5 Cr

New Definition of MSME – w.e.f - **1st July, 2020**

Manufacturers & service providers	MICRO	SMALL	MEDIUM
Investments in Plant & Machinery or Equipment	Upto Rs. 1 crore	Upto Rs. 10 crores	Upto Rs. 50 crores
Turnover	Upto Rs. 5 crores	Upto Rs. 50 crores	Upto Rs. 250 crores

PSI

for

LSI and Special LSI

Definitions

- **MSMEs** shall be construed as per their definition in the Micro, Small and Medium Enterprises Development Act, 2006. (MSMED Act, 2006) published vide Gol's extraordinary gazette dated 30th September, 2006

And

- Units outside the definition of MSMEs published vide Gol's extraordinary gazette dated 30th September, 2006, with total Gross Fixed Capital Investment (FCI) upto Rs. 50 crores. *

Definitions..

- **LSI** – Industrial Units, having investment **more than the Medium Manufacturing Enterprises** as per MSMED Act **OR upto FCI of Rs. 50 crores (MSME for PSI)** but **less than the Mega Projects**, satisfying the minimum threshold limits of Fixed Capital Investment (FCI) **OR** Direct Employment prescribed shall be classified as Large Scale Industries.
- **Special LSI** – For unit having eligible FCI more than Rs. 50 Crores & up to the minimum investment stipulated for qualifying as LSI unit, will essentially be LSI but will have separate dispensation for incentives.

Minimum threshold of FCI and Employment for LSI

Table 1 – Eligibility Criteria for LSI

Taluka / Area Classification	Minimum Qualifying Fixed Capital Investment (INR crore)	Minimum Direct Employment (number of people)
A & B	750	1000
C	500	750
D	250	500
D+	150	400
Vidarbha, Marathwada, Ratnagiri, Sindhudurg & Dhule	100	300
No Industry Districts, Naxalism Affected Areas* and Aspirational Districts**	100	250

* Naxalism affected areas as per Government Resolution No.: PSI -2013 / (CR- 54)/IND-8 Dated 1st April 2013 issued by Government of Maharashtra Industries, Energy and Labour Department.

** Aspirational Districts - Osmanabad, Gadchiroli, Washim and Nandurbar

Limit of incentives

Taluka / Area Classification	Minimum Qualifying Fixed Capital Investment (INR crore)	Minimum Direct Employment (number of people)	Maximum Ceiling of basket as % of FCI	Incentive period in years
A & B (Only LSI)	750	1000	25%	7
C	500	750	40%	7
D	250	500	60%	7
D+	150	400	70%	7
Vidarbha, Marathwada, Ratnagiri, Sindhudurg & Dhule	100	300	80%	9
No Industry Districts, Naxalism Affected Areas* and Aspirational Districts**	100	250	100%	9

LSI – Additional Conditions

- Large Scale projects based on employment criteria shall be required to maintain the “qualifying direct employment” (on the roll and in premises of the eligible Unit) throughout the year
- 80% of such employees should be local persons.
- If the employment criteria is not maintained in any month of the year for which Industrial Promotion Subsidy is claimed, then Industrial Promotion Subsidy shall not be admissible for such year.

LSI...

- Minimum Direct Employment so prescribed should be created **within a period of two years** from the date of commencement of commercial production.
- The investment in **Captive Power Plant** including captive solar power plant shall be considered for determining the qualifying criteria for eligibility as Large Scale Project.
- Plant shall be located in the premises & 80% power consumed within.
- But investment in captive power plant **will not be incentivized** (However Investment in captive power plant will be limited to 20% of total project cost).

Incentives, terms and conditions

LSI + Spl LSI

1. Investment Period – 4 years

2. Effective Steps

- Land
- Entity Registration
- Industrial **Entrepreneur's Memorandum (IEM)** along with a copy of its acknowledgement for the proposed location of the unit

<https://services.dpiit.gov.in/lms/iemServices>

3. Expansion

LSI – 10CR

Spl LSI – 5CR

incentive @ 80% and period 1 year (-)

4. Implementing Agency - Directorate of Industries, GoM

5. Aggregate fiscal incentives provided by various departments or agencies of the State Government shall not exceed the basket of incentives (as percentage of FCI).

6. Additional incentive - Food processing, green energy, bio-fuel, Industry 4.0 activity – will be eligible for 20% additional incentive and + 2 years of eligibility period.

7. Reduction - units applying for incentives and going into commercial production in the first year of policy period – eligible for full basket of eligible incentives.

In subsequent years - incentives will be reduced by 5% for each year of delay

[E.g. if the ceiling as per the basket is 40% and there is a delay of 1 year, the unit will be eligible for incentives of 35% of eligible FCI]

This reduction will not be applicable to industries in thrust sectors

8. Quantum

Incentive	Eligibility	Quantum
IPS	LSI	50 % of Gross SGST
	Spl LSI	40% of NET SGST (Units in A&B zones not eligible)
Ele duty (E)	All new units	
	C Zone onwards	Eligible
	A&B	EOU, IT, BT
Stamp duty (E)	New and Expansion	
	C onwards	100%
	<u>A&B</u>	
	In public IT,BT	100%
	In private IT,BT	75%
	Large	50%

Yearly cap for the incentives

- Every year will be limited to the total quantum of incentives divided by the number of years
- Carry forward - the surplus differential between the actual sanctioned amount for a given year and the yearly disbursement limit can be carried forward.
- Deficit differential will not be carried forward

[Eg - unit eligible for Rs. 100 cr, E. C. period 10 years, actual incentives shall not exceed Rs.10 cr in a given year even though the amount of total incentives sanctioned for that year is more than Rs. 10. The difference can be carried forward. If the sanctioned amount is less than Rs. 10cr, the deficit shall not be carried forward.]



**Directorate of
Industries**
Government of Maharashtra

Package Scheme of Incentive - 2019

Click Here: GR PSI -2019



Online Application Registration

User Login

Investor's Guide

District Login

RO Login

HO Login

- <https://mhpsi.maharashtra.gov.in/>

Application process

- Entity formation
- Land possession
- Project report
- Project appraisal
- Financial tieup
- MPCB consent
- Building sanctioned
- CA certificates

PSI dashboard

DASHBOARD

Dashboard is updated on Real Time Basis

Application Type	Notified Timeline(in Days)	Total Online Submitted Application	Total Number of Application Processed	Application Approved	Application Rejected	Application Pending	Max Days	Min Days	Mean	Median	Mode
Stamp Duty	7	651	320	307	3	10	181	1	20.17	11	1
Eligibility Certificate	30	1378	77	50	1	26	103	1	10.49	3	1

MSME Champions – One stop redressal for MSMEs

ABOUT CHAMPIONS

The CHAMPIONS portal is a platform for resolution, redressal and remedies. It is a facility provided by the Ministry of Micro, Small and Medium Enterprises for: -

- Ensuring a speedy, convenient, and effective redressal of MSMEs grievances.
- Handholding and helping MSMEs in their navigation of various government schemes/policies.
- Providing guidance and advisory services in areas of Finance, Marketing, Technology, Raw Material, Labour, Infrastructure and Capacity Building.
- Connecting MSMEs with key officials of Ministry, State Governments, Lending Institutions and Government agencies.
- Disseminating of information and details of all schemes of the Ministry of MSME.



As on date, the portal disseminates information in eleven regional languages by using the facilitation from 69 state control rooms across the nation.

Lets be solution providers

ThanQ?

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