



## **Andhra Pradesh**

### **Andhra Pradesh State Industrial Development Policy 2020-23**

**August 11, 2020**

Relevant to all Mahindra Businesses

#### **Features of the policy**

- The new industrial policy for 2020-23 proposes interventions across infrastructure, ease of doing business, skill development, business enablement and fiscal incentives
- Notable interventions include complete zoning and pre-clearance of industrial land in the State, setting up of MSME parks with plug and play facilities
- To further enhance ease of doing business, the government proposes to provide deemed approval with a grace period of 3 years for all green category MSMEs
- 30 skill centres and 2 skilling universities shall be established in the State
- Fiscal incentives proposed for MSMEs include 100 per cent reimbursement of stamp duty, power subsidy of Re 1/unit, reimbursement of 100 per cent of net SGST, 15 per cent investment subsidy and interest subsidy upto 3 per cent
- For medium, large and mega industries, net SGST reimbursement linked to employment generation has been proposed
- The policy also lays down additional incentives for units owned by special category and women entrepreneurs

#### **The focus of the new policy**

- The policy identified ten thrust sectors including food processing, textiles, pharma and biotechnology, electronics, defence and aerospace, leather and footwear, toys and furniture, petrochemical and allied, automobiles, machinery, precision equipment and mineral based industries
- The policy lays emphasis on balancing growth across regions and communities and is focused on reducing the cost of doing business and helping MSMEs achieve scale and improve competitiveness
- Laying focus on skill development, the policy mentions Andhra Pradesh having 70.9 per cent (as of 2018) of its total population in the working-age and this is the second-highest share in India

- The MSMEs and women entrepreneurs will have special focus with ready-built pre-cleared facilities and skill development centres

## References:

1. <http://apedb.gov.in/downloads/ap-industrial-policy-2020-23-brochure-final.pdf>
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3. <https://www.thehindubusinessline.com/news/national/ap-industrial-policy-to-focus-on-sustainable-development-balanced-growth-across-regions/article32314844.ece#:~:text=Andhra%20Pradesh%20government%20has%20announc ed,event%20hosted%20at%20APIIC%20office.>
4. <https://currentaffairs.gktoday.in/andhra-pradesh-state-industrial-development-policy-2020-23-082020332472.html>