



Gujarat

Gujarat Industrial Policy 2020

August 8, 2020

Relevant to all Mahindra Businesses

Background

- Announcing Gujarat Industrial Policy 2020 that aims to provide an estimated Rs 40,000 crore as subsidies to industries in the next five years, the state government
- The policy conceptualises three sectors categorising them in two major groups of Core sectors and Sunrise sectors.
- Core sectors include areas where Gujarat already has a strong manufacturing base and has potential to accelerate further on a global scale

The new measures

- The policy conceptualises three sectors categorising them in two major groups of Core sectors and Sunrise sectors
- Core sectors include areas where Gujarat already has a strong manufacturing base and has potential to accelerate further on a global scale
- Sunrise Sectors are sectors which have a significant potential for technological advancement and can contribute to sustainable economic development

Benefits and Features

- Thrust sectors will be given incremental incentives as part of the policy
- The policy also de-links incentives from state GST and provides for upto 12% of fixed Capital investment will be given to large industries for setting up manufacturing operations in the State in the form of capital subsidy
- The New Gujarat Industrial Policy 2020 will offer interest subsidy upto 7% upto INR 35 lakhs per annum for a period upto 7 years to these service sector MSMEs in the State including those engaged in Financial Services, Healthcare Services, Audio Visual services, Construction related engineering services, Environmental services etc, the Chief Minister maintained adding that simultaneously, the State is working on a Service sector policy for large enterprises

MSME is the focus

- The policy also focuses to promote MSMEs with an aim to make domestic MSMEs globally competitive
- Government will support MSMEs in upgradation of technologies, adopting globally accepted certifications and in marketing their products internationally

References:

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2. <https://economictimes.indiatimes.com/news/economy/policy/gujarat-announces-industrial-policy-2020-cm-vijay-rupani-says-it-will-make-the-state-atmanirbhar/articleshow/77410785.cms?from=mdr>
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