

# Government of Maharashtra extends the Maharashtra Electronics Policy, 2016, till 30 September 2023

The Government of Maharashtra has recently extended the Maharashtra Electronics Policy (MEP), 2016, through a resolution dated **1 June 2023**. This policy was introduced with the objective to offer investment-linked incentives to the electronics manufacturing industry in Maharashtra.

The extension is effective from 1 April 2023 and will be in place for a period of six months, ending on **30 September 2023**, or until the new policy on the subject is implemented, whichever occurs earlier.

## Key features of the scheme:

- **Applicability:** The policy is applicable to the electronics manufacturing industry in Maharashtra.
- **Eligibility:** Auto approval under the MEP if there is an approval for investment under the Scheme for Promotion of Electronic Components and Semi-Conductors (SPECs). If not, an application needs to be made to the technical committee established as per the MEP.
- **Quantum of incentive:** While there are many incentives, the Industrial Promotion Subsidy (IPS) is a key incentive under the policy. The IPS is in nature of reimbursement of the State Goods & Services Tax (SGST) on eligible products. The overall incentive under the policy shall be up to 100% of eligible Fixed Capital Investment (FCI), subject to guidelines.
- **Unit categorisation:** Basis the quantum of investment, the units are classified as MSME / Large / Mega, and basis the taluka, the units are classified into different categories such as A/B/C/D.
- **New unit / expansion unit:** The policy is applicable for both new and expansion units, subject to fulfilling the required criteria.
- **Fixed Capital Investment (FCI):** It includes land, building, plant and machinery, development cost, and royalties, subject to guidelines.

For companies manufacturing electronic products, which are planning to invest or have already invested (subject to policy guidelines) in Maharashtra, this extension provides a good opportunity for making the application within the extended timelines.

