



New Policy of MSME

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Why in News

Recently, the Department of Micro, Small, Medium Enterprises, Government of Madhya Pradesh has formulated a new MSME Development Policy to make Madhya Pradesh self-reliant and revive industries.

Key Points

- In this policy, apart from increasing investment in the state, all possible provisions have been made to provide employment to the local youth. Madhya Pradesh is very ahead in the country in agricultural products and in the policy made for processing these products in the state itself, it has been announced to give concessions along with many facilities to these units.
- Under the policy, many types of assistance facilities will be provided to the new food processing unit, in which investment of more than Rs 10 crore and up to Rs 50 crore has been made in the machinery plant.
- According to the policy, a rebate of Re 1 per unit or 20 percent, whichever is less, will be provided to high-pressure consumers on getting a new connection in the prevailing electricity tariff under electricity consumption assistance. This exemption will be admissible for food processing units for a period of up to 05 years from the date of production, commercial operation.
- In the off-season, 10% of the contract demand or the actual recorded demand, whichever is higher, will be billed at normal tariff, rebate will be payable to the respective category of food processing units.
- Similarly, the provision of exemption from the market fees is also in the policy. All such eligible food processing units will be exempted from the market fees for a maximum period of 50 per cent of the investment in plant and machinery or for a period of five years, whichever is less. This facility of exemption from duty will be available only to those units, which will purchase agricultural produce of this state.