



MP INDUSTRIAL DEVELOPMENT
CORPORATION LTD.

COMPENDIUM OF POLICIES

Government of
Madhya Pradesh



**INVEST
MADHYA
PRADESH**

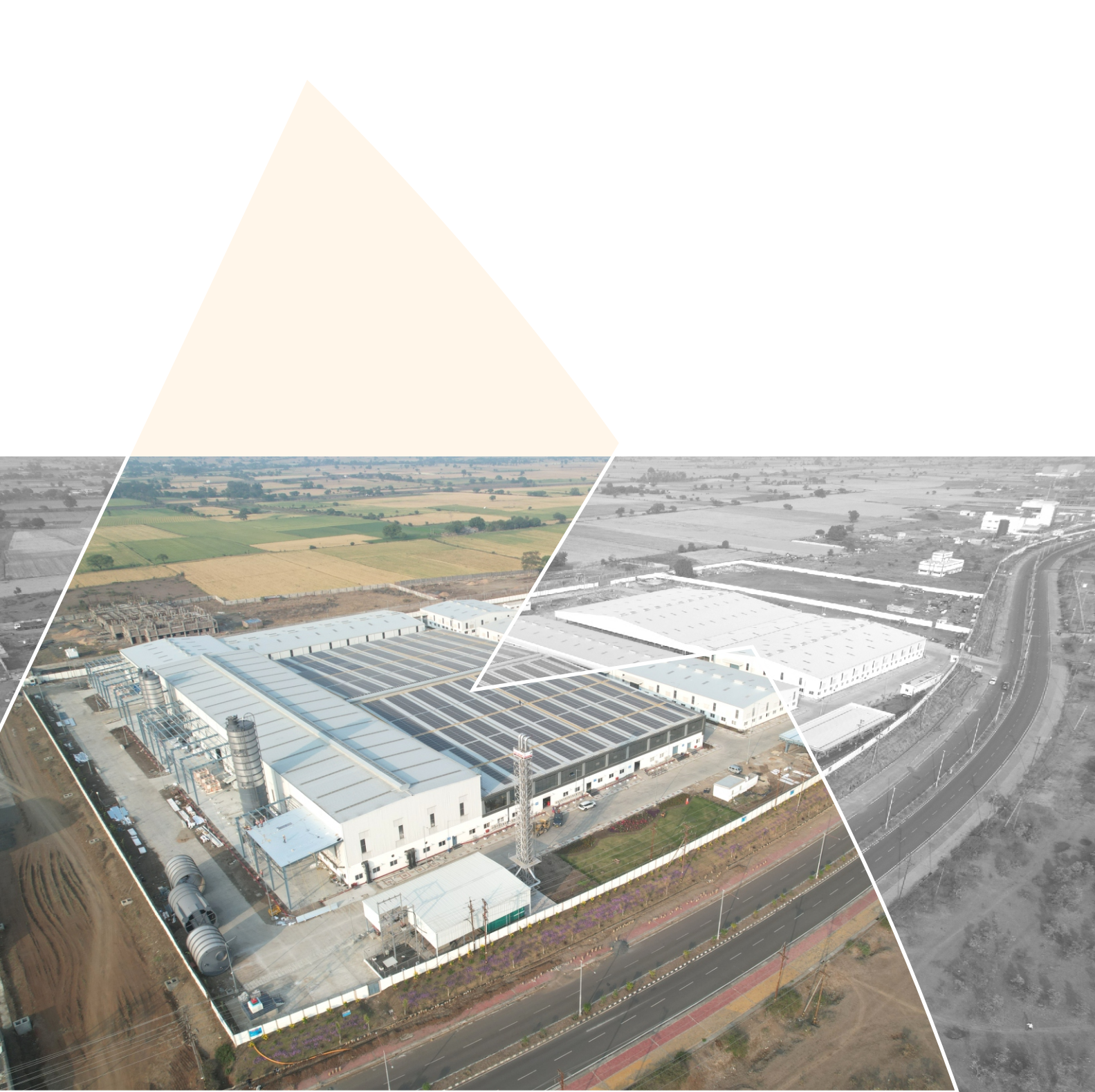




Table of Contents



1.	Industrial Promotion Policy, 2014 (Amended 2022)	3
	– Incentives for Large Manufacturing Industries	3
	– Additional Incentive for Large Scale Food Processing units	4
	– Special Package for Large Scale Garment Industries	4
	– Incentives Package for Logistics & Warehousing Industries	5
2.	MP MSME Development Policy 2021	6
3.	Madhya Pradesh Startup Policy and Implementation Scheme, 2022	8
4.	Madhya Pradesh IT, ITeS, ESDM Investment Promotion Policy 2023	9
	– IT, ITeS	9
	• IT, ITeS Units	9
	• IT, ITeS Developers	10
	– Electronic System Design and Manufacturing (ESDM)	11
	• ESDM Units	11
	• ESDM Developers	11
	– Data Centre Units and Edge Data Centres	11
	– Land Benefits for IT/ ITeS/ ESDM Units	12
5.	Madhya Pradesh Health Sector Investment Promotion Scheme, 2020	13
6.	MP Tourism Policy 2016 Amended 2019	15
7.	MP Film Tourism Policy 2020	18
8.	Scheme for Promotion of Ethanol and Bio-fuel Production	19
9.	Madhya Pradesh Renewable Energy Policy, 2022	21
10.	Madhya Pradesh Pumped Hydro Policy, 2022	23
11.	Initiatives for Attracting Investments in the Aviation Sector	27
12.	Real Estate Policy for Madhya Pradesh, 2019	25
13.	Madhya Pradesh Housing Redevelopment Policy, 2022	27
14.	Redensification Policy 2022	28



Industrial Promotion Policy, 2014 (Amended 2022)



Operative Period: This policy is valid from 2014 (amended 2022) until a new policy is notified by the State Government.

Objective: To improve investor facilitation and enhance ease of doing business; to achieve higher and sustainable economic growth by accelerating the growth of manufacturing and service sectors through private sector participation; to enhance employment opportunities in all sector; to encourage growth in Madhya Pradesh's thrust sectors

Incentives for Large Manufacturing Industries

- a. **Basic Investment Promotion Assistance (BIPA):** Upto 40 % of investment in Plant and machinery disbursed across 7 years
- b. **Incentive Multiples over IPA**
 - **Employment generation incentive:** 1.0–1.5 times
 - **Export incentive:** 1.0–1.2 times
- c. **Assistance for infrastructure development** in private/undeveloped government land: 50% of the expenditure incurred upto INR 3 Crore
- d. **Assistance for green industrialization:** 50% of expenditure incurred upto INR 1.00 Cr.



- e. 100% reimbursement on **Patent Charges** upto INR 5 lacs.
- f. **Interest Subsidy** of 5–7% for a period of 5 years. (only for textile units)
- g. **Slack period** of 2 years after COD for Investments in Pharma

(Customized package available for Investment above INR.100 Cr and INR 25 Cr for Garment, Food Processing, Bio-Technology, Herbal and Minor Forest Produce, Tourism and IT)

Additional Incentive for Large Scale Food Processing units

- a. **Investment Promotion Assistance: 1.5 times** on BIPA
- b. **Mandi Fee reimbursement for five years** upto 50% of Investment in P&M
- c. **Financial assistance of 15%** of the project cost upto INR 5 crore for Mega Food parks and Food parks
- d. Stamp duty will be reimbursed to the promoters for transferring their land to Special purpose vehicle for establishing mega food park
- e. **Tariff Rebate on new HT connection at INR 1/- per unit** for a period of 5 years for green field projects



Special Package for Large Scale Garment Industries

- a. **Basic Investment Promotion Assistance (BIPA):** Upto 40 % of investment in Plant and machinery disbursed across 7 years
- b. **Incentive Multiples over IPA**
 - **Employment generation incentive:** 1.0–1.5 times
 - **Export incentive:** 1.0–1.2 times
- c. **Interest subsidy** of 5% for 7 years
- d. **Assistance for green industrialization:** 50% of expenditure incurred upto INR 1.00 Cr.
- e. **Employment Generation Assistance** upto INR 5,000/month per employee for 5 years from COD applicable for 10 years
- f. **Skill development and training expenses reimbursement** of INR 13000 for 5 years for MP domicile employees
- g. 50% discount in the **development fee** in case of taking lease land in the industrial area
- h. 100% reimbursement of **Stamp Duty and Registration Fee**
- i. **Electricity duty exemption** for a period of 7 years from the date of taking new electricity connection
- j. **Fixed electricity tariff** of INR 5 per unit for 5 years from COD.
- k. Garment Units can avail maximum incentives to the tune of 200% of their investment in plant and machinery



Incentives Package for Logistics & Warehousing Industries

- a. Investment assistance to the tune of 15% (maximum of INR 15 Cr.) on Gross Fixed Capital Investment (except land and residential buildings)
- b. **Infrastructure development assistance** of 50% upto maximum of INR 1 Crore
- c. 100% reimbursement of stamp duty and registration fee on Instrument of Mortgage
- d. **Relaxed Floor Area Ratio (FAR)** of 1: 0.60 and maximum ground coverage of 60%



MP MSME Development Policy 2021



Operative Period: The policy is valid from 2021 until replaced by another policy.

Objective: Achieving the State's goal of overall industrial development and MSME competitiveness; creating enabling infrastructure; providing a conducive ecosystem and promoting inclusive growth for MSMEs; providing an opportunity to young entrepreneurs through instilling employment generation.

The following incentives shall be provided to MSMEs with investment up to INR 10 Cr in Plant & Machinery (P&M)

- a. Investment Promotion assistance of 40%, additional 8% for SC/ST/Women
- b. Additional 12% on capital subsidy for export-oriented units
- c. Financial assistance upto INR 5 Lakhs for quality certifications
- d. Financial assistance upto INR 5 Lakhs for energy audit expenses
- e. Financial assistance upto INR 5 Lakhs for patents/IPR registration
- f. 50% reimbursement of expenditure towards Infrastructure Development (Road, water electricity etc) upto INR 25 Lakhs
- g. 50% reimbursement for expenditure towards setting up of ETP upto INR 25 Lakhs



**Additional Concessions for Specific Sectors
(Investment up to INR 10 Cr in P&M)**

Power Loom Sector

- a. Capital subsidy of 25% for upgradation of power loom.
- b. Electricity Concession of INR 1.50 per unit for 20HP and INR. 1.25 per unit for greater than 20HP and upto 150HP.

Pharma Sector

- a. Assistance upto 50% on the expenditure incurred for obtaining certificate of Good Manufacturing Practices (GMP) & USFDA with a maximum limit of INR 50 Lakhs
- b. Assistance upto 50% on the expenditure incurred for establishment of pharmaceutical labs with maximum limit of INR 25 Lakhs

Apparel Sector

Salary grant of INR 2500/month per person to units for 5 years (Upto INR 5 Lakhs per annum)

Investment more than INR 10 Cr & upto INR 50 Cr in P&M: (Medium Enterprises)

- a. Investment Promotion assistance up to 40% of Plant & Machinery and Building
- b. Financial assistance upto INR 5 Lakhs for patents/IPR registration
- c. 50% reimbursement of expenditure towards Infrastructure Development (Road, water and electricity etc) upto INR 1 Crore on each
- d. 50% reimbursement for expenditure towards setting up of ETP upto INR 1 Crore

**Special Package for Specific Sectors
(Investment more than INR 10 Cr & up to INR 50 Cr in P&M)**

Textile Sector

- a. Interest subsidy of 2% for 5 years for investment Upto INR 25 Cr in fixed
- b. Interest subsidy of 7% for 5 years for New Composite Units with investment more than INR 25 Crores

- c. Assets upto INR 5 Crore and 5% for 5 years for investment more than INR 25 Cr.

Food Processing Sector

- a. Power tariff rebate of INR 1 per unit for 5 years for HT Connections or 20% on power charges whichever is less
- b. Upto 50% exemption on Mandi Fee for 5 years
- c. Infrastructure developers under this sector can avail 15% of project cost (Upto INR 5 Crore)

Apparel Sector

- a. Interest Subsidy of 5% for 7 years on term loan
- b. Exemption from Electricity Duty for 7 years
- c. Fixed Power Tariff fixed at INR 5 per unit for 5 years
- d. Employment Generation Subsidy upto INR 5000/month for 5 years
- e. Reimbursement of Training expense upto INR 13000 per employee shall for 5 years
- f. 100% reimbursement of Stamp Duty & Registration fee

Fiscal Incentive for Infrastructure Development

- a. Financial assistance up to INR 2.5 Crores for developing Industrial Area
- b. Financial assistance up to INR 5 Crores for developing Industrial Area in private sector and for developing Industrial Area for Power loom, Pharma, Apparel sectors.

For complete policy details, please scan



Madhya Pradesh Startup Policy and Implementation Scheme, 2022



For complete policy details,
please scan



Operative Period: The policy is valid for a period of 5 years from 2022 until replaced by another policy.

Objectives: Development of Start-up ecosystem through positive interventions and other catalytic programs; to achieve 100% growth rate in start-ups registered and recognized in Startup India, Government of India; to achieve 200% growth rate in start-ups in Agriculture and Food Sector registered and recognized with Startup India, Government of India; increase in the number of product-based start-ups

Assistance upto 15% upto INR 15 lakhs per startup to SEBI/ RBI recognized financial institutions funding Startups in Madhya Pradesh. Additional 20 % assistance to women entrepreneurs.

Lease Rental Assistance of 50% up to INR. 5000/-per month for 3 years.

Fixed electricity tariff of INR 5 per unit for 3 years from COD.

Electricity Duty Exemption for 3 years from COD

Employment Generation Assistance upto INR 5000/ month per employee for 3 years up to 25 employees.

Assistance available upto 5 years from COD

Assistance upto INR 5 lakh on patent development

Training cost reimbursement of INR 13000/year per new employee for 3 years up to a maximum of 25 employees.

Madhya Pradesh IT, ITeS, ESDM Investment Promotion Policy 2023



Objective of the Policy: The objective is to position the state as a premier hub for the IT/ITeS/ESDM industry by fostering investments, creating employment avenues, and establishing a conducive ecosystem with robust infrastructure tailored for IT/ITeS, ESDM, and related sectors.

Operating period of the Policy: The Policy is valid for a period of 5 years starting from 2023 to 2028

IT, ITeS

IT, ITeS Units

Assistance for IT, ITeS units is provided under two separate models, Capital Assistance model and Rental Assistance Model.

A. Capital Assistance Model:

The units which undertake the construction of building(s) on private land or land leased from the government are eligible to take incentives under this model.

- Capital expenditure assistance of 25% on Gross Fixed Capital Investment (GFCI), upto INR 30 Cr payable in 7 equal annual instalments.
- Additional assistance of 2% for unit/s set up by women entrepreneur(s)
- Provided 80% of the total built-up area constructed/developed for core activities.
- Interest subsidy of 6% on the interest recovered or the actual rate (whichever is lower) upto INR 5 Cr in 5 years.

B. Rental Assistance Model:

IT/ITeS units leasing bare shell or plug & play spaces qualify for rental and Employment Generation Assistance. However, units leasing such spaces through nodal agencies



at concessional rates are ineligible for rental assistance. Units owning or purchasing pre-constructed buildings are eligible solely for Employment Generation Assistance.

- a. **Rental Assistance** for a period of 3 years for the following category of districts, provided minimum rented carpet area is 3000 Sq. Ft.

For category A (per seat per month)

- Co-working rental assistance- INR 3000 (Total ceiling -INR 10 Crores)
- Rental assistance- INR 1000 (Total ceiling - INR 3 Crores).

For category B (per seat per month)

- Co-working rental assistance- INR 1500 (Total ceiling -INR 5 Crores).
- Rental assistance- INR 5 Crores (Total ceiling -INR 1.5 Crores).

- b. **Employment Generation** Assistance for 3 years upto INR 15 crores (no annual limit)

- For upto 1000 employees- INR 4000 per emp. per month
- 1000-1500 employees- INR 4500 (for 1000 employees)
- 1500-2000 employees- INR 5000 for 1500 employees
- Up to 200 employees in Rural BPOs- INR 5000

- c. **Additional Assistances** (available to all units)

- Marketing Assistance on reimbursement basis of 50% on expenses upto 2 lakh (international events) or 1 lakh (national events) for once in a financial year for up to 3 years.
- Reimbursement of Quality certification costs @50% upto INR 6 lakhs, can be availed once per certification.
- Patent certification assistance of upto INR 5 lakh for domestic patents and INR 10 lakh for international patents.
- 100% rebate on stamp duty and registration charges on the lease executed in industrial parks developed by GoMP.

- d. **Incentives for Expansion/Diversification units**

Expansion and Diversification IT/ITeS/ESDM/ Data Centre Units may avail respective assistance/incentives given,

- They have taken benefits/assistance under any of the IT policies and have now expanded at other locations.
- The new investment is minimum 30% of existing GFCI.

IT, ITeS Developers

- Eligible developers, with a minimum of 2 Lakh sq.ft. built-up area, can avail capital expenditure assistance.
- This assistance includes 25% on Gross Fixed Capital Investment (GFCI) for the first 5 parks in Category A districts, with a maximum ceiling of INR 25 Cr per single location.
- Other developers (apart from the first five), a 15% CAPEX assistance on GFCI is available over 5 years, with a maximum ceiling of INR 10 Cr per single location.
- 100% rebate on stamp duty and registration charges on the lease executed in industrial parks developed by GoMP.

Disbursements are contingent upon construction stages and occupancy levels

ITIA Developers

Notification of the land as an ITIA given,

- Private Ownership: A contiguous area of more than 5 acres, minimum built-up area of 4 lakh sq. ft., minimum 60% leased/sold/rented to IT/ITeS/ESDM Units and minimum GFCI of INR 120 Crores
- Government Bodies of GoMP: total built-up of minimum 2 lakh sq.ft., minimum 60% leased/sold/rented to IT/ITeS Units except data centre units.
- No additional assistance/incentives under the policy



Electronic System Design and Manufacturing (ESDM)

(i) ESDM Units

The unit(s) operating in ESDM sector including standalone R&D, Testing and Design labs in M.P. will be eligible to claim Capital expenditure assistance.

- Capital expenditure assistance of 40% on Gross Fixed Capital Investment (GFCI), upto INR 150 Cr payable on yearly equal instalments in upto 7 years.
- Additional assistance of 2% for unit/s set up by women entrepreneur(s).
- Interest subsidy of 6% on the interest recovered or the actual rate (whichever is lower) upto INR 10 Cr in 5 years.

Additional Assistance

- Marketing Assistance via subsidy of 50% on expenses upto 2 lakh (international events) or 1 lakh (national events) for once in a financial year for up to 3 years.
- Assistance for Testing, Calibration, and Certification includes coverage of 50% of the costs, up to INR 10 Lakhs, for labs situated within Madhya Pradesh, and 25% of the costs, up to INR 5 Lakhs, for labs located outside the state. Additionally, 50% of the costs for ISO Certification are supported, with a maximum assistance of INR 1 Lakh.
- Patent certification assistance of upto INR 5 lakh for domestic patents and INR 10 lakh for international patents.
- 100% rebate on stamp duty and registration charges on the lease executed in industrial parks developed by GoMP.

(ii) ESDM Developers

- Capital assistance is available for, ready-built factory sheds without common facilities are eligible for a capital expenditure (CAPEX) subsidy of 15% of the Gross Fixed Capital Investment (GFCI), with a cap of INR 1500 per square foot upto maximum of INR 5Cr.

- Meanwhile, for ready-built factory sheds with common facilities, the CAPEX subsidy is set at 25% of the GFCI, capped at INR 2000 per square foot upto INR 25 Cr.
- Furthermore, developers have the option to seek reimbursement for stamp duty and registration charges on the lease executed in industrial parks developed by GoMP.

Disbursements are contingent upon construction stages and occupancy levels

Data Centre Units and Edge Data Centres

- Capital expenditure assistance of 25% on Gross Fixed Capital Investment (GFCI), for first 5 anchor DC with a minimum investment of INR 500 Cr in MP is available upto INR 125 Cr for each data centre. After the anchor data centres, others can avail assistance of 15% of GFCI upto INR 50 Cr.
- Power tariff reimbursement is offered at the rate of INR 2 per unit – for first five (5) DC (with Min 5 MW capacity) and at INR 1 per unit – for others, for a period of 5 years.
- Electricity duty exemption is available for connections of 33 KV (3 years), 132 KV (5 years) and 220 KV (7 years).
- Reimbursement of Transmission and Wheeling Charges to DC units is available at 50% for 5 years on intra state sale of power.
- Dual power grid on demand and Renewable energy under open access system is available for Dcs.
- One-time quality certification reimbursement of 50% up to INR 6 Lakhs and uptime tier 3/4 certification up to INR 10 Lakhs.
- Patent certification assistance of upto INR 5 lakh for domestic patents and INR 10 lakh for international patents.
- 100% rebate on stamp duty and registration charges on the lease executed in industrial parks developed by GoMP.



Land Benefits for IT/ITeS/ESDM Units

- A rebate on land shall be provided as per the collector guideline value according to the area mentioned below:
 - Up to 0.5 acre - 75%
 - > 0.5 acre up to 1 acre - 60%
 - > 1 acre up to 5 acres - 50%
 - > 5 acres - 25%
- To claim incentives under this policy, IT/ITeS/ESDM/Data Centre Units who have been allotted land in IT Parks of Nodal Agency, would be required to construct minimum 50% (for IT/ITeS/Data Centre) and minimum 40% (for ESDM) of the total built-up area that can be constructed on the said land as per the permitted FAR of the development plan of that area.
 - Built up area use on land allocated by nodal agency will be as follows:
 - a. For IT/ ITeS/ ESDM Units in Parks of MPSEDC–
 - Raw: 80% core activities & 20 % other use
 - Developed: 80% core activities & 20 % other use
 - b. For Data Centre
 - Raw/Developed :100% core activities
 - c. For Developers – IT/ITeS/ESDM
 - Developed /Raw: 80% core activities & 20 % other use
 - d. For Developers in ITIA
 - Developed/Raw: 60% core activities & 40 % other use.



Madhya Pradesh Health Sector Investment Promotion Scheme, 2020



Objective of the Policy: The Scheme is aimed towards enhancing access to healthcare facilities and ensuring the affordability of quality medical treatment throughout the state. There are two main objectives:

- To incentivize the establishment of Stand-alone Healthcare Centers along with encouraging private investment in healthcare infrastructure; and
- To bolster the quantity and caliber of medical and nursing staff in the state.

Operating period of the Policy: The Policy is valid for a period of 5 years starting from 2019 to 2024.

Incentives under the Policy

1. Eligible Medical Establishments:

Medical Establishment	Minimum Capital Investment (INR Cr)	Minimum Beds Required	Number of Speciality Care Required and Other Conditions
Multi-Specialty Hospital - I	5	30	2 or more speciality
Multi-Specialty Hospital - II	15	100	2 or more speciality
Super Specialty Hospital	12	50	Reserve min 25% beds for Super Specialty care
Medical College	150	–	–
Nursing College	–	–	Commencing Post Graduate Degree Programs or Specialty Nursing Courses recognised by MP Nursing Council
Stand-alone Healthcare Centre	0.5	–	Min 75% capital invested in medical infra and should not be situated in or attached to any hospital.



2. Financial assistance per seat of INR 50,000/- to Nursing Colleges for the first 5 academic batches of each Post Graduate Degree Course or Specialty Nursing Course

3. Capital Subsidy with Land Allotment

Category	Category A		Category B		Category C	
	Rate of Subsidy	Maximum Limit (INR Cr)	Rate of Subsidy	Maximum Limit (INR Cr)	Rate of Subsidy	Maximum Limit (INR Cr)
Multi-Specialty Hospital - I	20%	2.0	30%	3.0	40%	4.0
Multi-Specialty Hospital - II	20%	5.0	30%	6.0	40%	8.0
Super Specialty Hospital	20%	3.0	30%	5.0	40%	7.0

4. Capital Subsidy without Land Allotment

Category	Category A		Category B		Category C	
	Rate of Subsidy	Maximum Limit (INR Cr)	Rate of Subsidy	Maximum Limit (INR Cr)	Rate of Subsidy	Maximum Limit (INR Cr)
Multi-Specialty Hospital - I	30%	3.0	40%	4.0	50%	5.0
Multi-Specialty Hospital - II	30%	6.5	40%	8.0	50%	10.0
Super Specialty Hospital	30%	5	40%	6.5	50%	8.0
Stand-alone Healthcare Centre	30%*	1.5*	40%	2.5	50%	4.0

* Outside Municipal Areas

5. Allotment of Land

Category	Category A		Category B		Category C	
	Maximum Area*	Rate Of Concession	Maximum Area	Rate Of Concession	Maximum Area	Rate Of Concession
Multi-Specialty Hospital - I	≤ 1.5 acres	40%	≤ 1.5 acres	75%	≤ 1.5 acres	75%
Multi-Specialty Hospital - II	≤ 2.5 acres	40%	≤ 2.5 acres	75%	≤ 2.5 acres	75%
Super Specialty Hospital	≤ 1.5 acres	40%	≤ 1.5 acres	75%	≤ 1.5 acres	75%
Medical College	≤ 25acres	75%	≤ 25acres	100%	≤ 25acres	100%

*Outside Municipal Areas

For complete policy details,
please scan



MP Tourism Policy 2016 Amended 2019



Objectives of the Policy: The policy aims at balanced and sustainable tourism which enables socio-economic development and establishes Madhya Pradesh as a destination that provides a complete tourism experience. The policy defines tourism project, and the eligible projects can avail incentives under this policy.

Operating Period of the Policy: The Policy is valid from 2016 to 2024

Incentives under the Policy

1. For the allotment of land/heritage assets for establishing tourism projects, fixed reserve price for different areas is as follows:
 - a. INR 5 lakh per hectare for rural areas,
 - b. INR 10 lakh per hectare for urban areas, and
 - c. INR 1 lakh per property for heritage sites.
2. Additionally, for Ultra Mega Projects with investments exceeding INR 100 Crore, direct allotment of government land is available.
3. The annual lease rent payable would be 1% and the duration of the lease would be for 90 years.
4. To encourage investment, the policy offers reimbursement of stamp duty and registration charges and permits mortgaging of leased properties. Financial incentives can be claimed through an online application process.



Tourism projects under this policy also qualify for capital investment subsidies. The subsidy amount will be determined based on the

nature of the activity and the capital investment, as outlined below:

Sl. No.	Subsidy Scheme	Minimum Project Expenditure (INR in Lac)	Percentage of Subsidy against Fixed Capital Investment	Maximum ceiling of Subsidy (INR in lac)
1.	Capital Investment subsidy - Heritage Hotel	300	15%	200
2.	Capital Investment subsidy - Heritage Hotel (On lease from Tourism Department)	1000	15%	500
3.	Capital Investment subsidy - Deluxe/Three Star or Higher category new Hotel and Resort (Min 50 AC rooms)	1000	15%	500
4.	Capital Investment subsidy - New Hotel/Resort of Standard category (Min 25 rooms for hotel and 10 rooms for resort)	200	15%	50
5.	Capital Investment subsidy - New Resort and Wellness Centre	500	15%	200
6.	Capital Investment Subsidy - expansion of established Star/Deluxe/Standard Hotel/Resort/Heritage Hotel (min 50% increase in staying capacity)	100	15%	500
7.	Capital Investment Subsidy - Convention center cum Hotel under MICE (hall's capacity >500)	2000	15%	1000
8.	Capital Investment Subsidy - Film Studio, Film making, Museum, Aquarium, Theme Park	100	15%	500
9.	Capital Investment subsidy - Adventure Tourism, Water Tourism, Water Sports, Cruise/Houseboat, Navigation infrastructure, Amusement Park, Sound and Light show, Laser show, Camping (including tents)	25	15%	300
10.	Capital Investment subsidy - Wayside Amenities under Green Field/ Franchise Model (as per Way Side Amenities Policy 2016)	25	15%	50
11.	Capital Investment subsidy - creation of infrastructure such as power supply, water supply, approach road, sewage etc on land and heritage assets obtained on lease from Tourism Department	50	25%	300
12.	Installation of Ropeway infrastructure for transport in inaccessible tourist places/ forest areas.	100	40%	500
13.	Capital subsidy for establishment of Sea Plane, Amphibian Tourist Vehicle and Aero Sports and Aero Sports Training Centre/ Academy (subsidy will be given after 1 year from date of operation)	100	25%	1000



5. Special Incentives for wildlife resorts with minimum investment ranging from INR 1 Cr to INR 5 Cr are provided for specific category of forest area upto maximum subsidy of INR 3 Cr.
6. Additional 5% Capital investment subsidy shall be given to establish Tourism Projects in distant & new ulterior areas.
7. Capital subsidy to existing hotels for renovation/modernization & upgradation will be provided on a minimum investment of INR 10 Cr to INR 25 Cr.
8. Investment Promotion assistance to setup Large/Mega/Ultra-mega tourism projects:

Category of the Project	Minimum Investment (INR in Cr)	Minimum Employment (Domicile)	Percentage of Assistance	Maximum Assistance (INR in Cr)
Large	10 or more	50	30%	15
Mega	50 or more	100	30%	30
Ultra-mega	100 or more	200	30%	90

9. Subsidy for Responsible tourism
 - a. Any unit certified by Eco Tourism Society of India shall be entitled for reimbursement of 100% investment made to obtain such certificate subject to a maximum ceiling of INR 1.00 lakh.
 - b. New or existing tourism units installing Pollution Control mechanisms as per Pollution Control Board guidelines are eligible for a 25% subsidy on investments, capped at INR 50.00 lakh. The minimum investment required to qualify for this subsidy is INR 10.00 lakh.
10. Tourism projects by SC/ST entrepreneurs under 100% ownership, shall be entitled for an additional 5% capital investment subsidy.
11. Heritage/Large/Mega/Ultra-mega projects shall be entitled to get phase wise incentives/grant during the implementation of project as per approved implementation timeline.
12. Assistance for Tourism Marketing:
 - a. For national events, 50% financial assistance upto a max of INR 50 thousand.
 - b. For international events, 50% financial assistance upto a max of INR 1 lakh for hiring space/stall and Air fare of 1 person in Economy Class.
3. Special grant for operation of Hot Air Balloon in the form of capital subsidy of 50% on capital investment, provided minimum investment is of INR 50 lakh.

For complete policy details, please scan



MP Film Tourism Policy 2020



For complete policy details, please scan



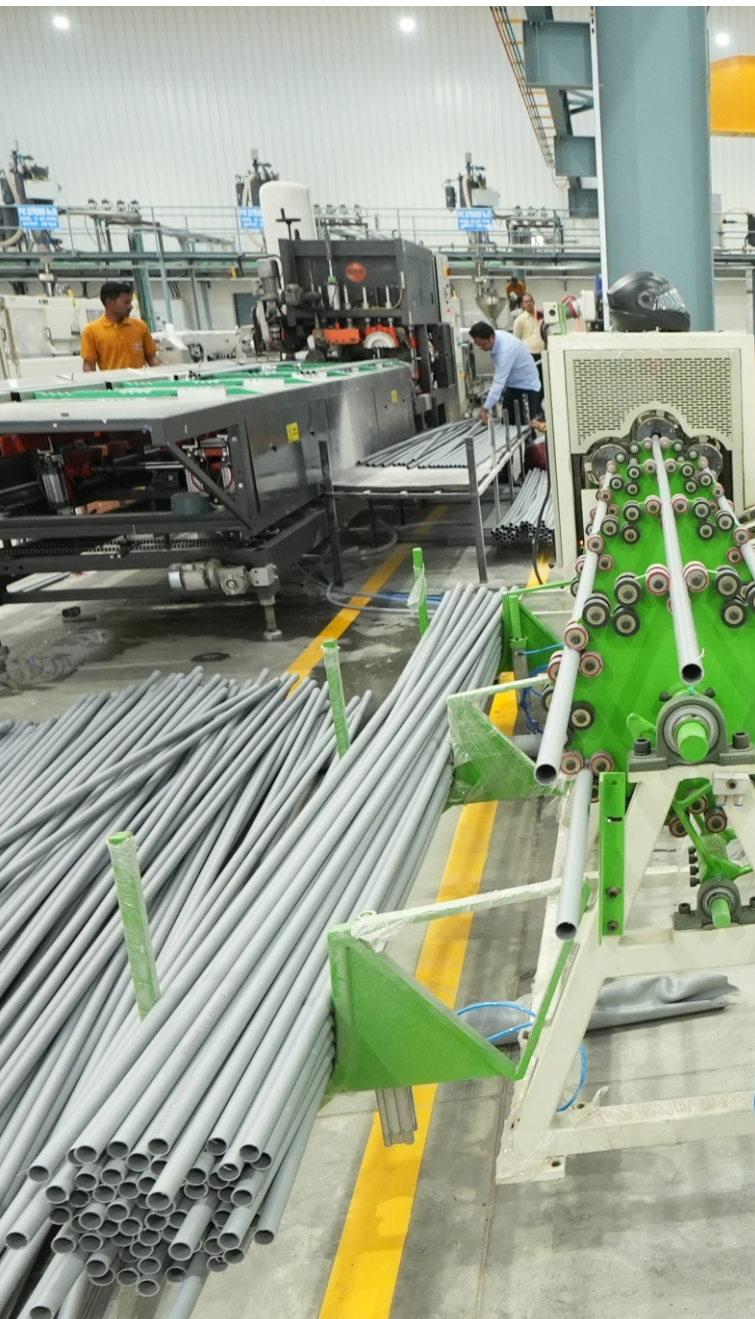
Objectives of the Policy: The Film Tourism Policy aims to position Madhya Pradesh as a leading film-friendly state while harnessing its rich natural and cultural resources to create employment opportunities.

Operating Period of the Policy: The Policy is valid for a period of 5 years starting from 2020 to 2025

Incentives under the policy

1. For FEATURE Films projects, financial assistance is available up to INR 2 crore or up to 25% of the Cost of Production (COP), whichever is less.
2. Similarly, for FEATURE Films projects, financial aid extends up to INR 40 lakh or up to 25% of the Cost of Production (COP), whichever is less.
3. Cinema Hall Construction projects are eligible for assistance of up to 15%, with a maximum cap of INR 1 crore.
4. Web series & TV serial Films projects can receive financial support of up to INR 1 crore or up to 25% of the Cost of Production (COP), whichever is less.
5. Infrastructure development related to films can benefit from a financial subsidy of up to 30%, with a maximum limit of INR 90 crore.
6. Marketing and Promotional assistance to promote film tourism shall be provided by the state government.
7. State government-owned hotels and resorts offer a discount of up to 40% on room tariffs for the film cast and crew.
8. Single Window – Dedicated online portal with single-point interface to provide time bound clearance mechanism to film makers intending to shoot in Madhya Pradesh.

Scheme for Promotion of Ethanol and Bio-fuel Production



Objective of the Policy: This policy has been framed with the objective of promoting the production of ethanol in the state. The policy provides incentives to make ethanol production more lucrative to attract more private investment in the state in this sector.

Operating Period of the Policy: From 2021 onwards

Eligible Units:

Green-field standalone Ethanol manufacturing units investing more than INR 10 Crore on the date of commercial production and producing from all food grains under National Policy on Biofuels, 2018 except sugarcane (molasses) and Mahua

Incentives under the Policy

1. Production linked incentive of INR 1.50 per litre Ethanol supplied to OMCs and manufactured in the unit upto 100% investment in P&M in 7 years from date of commercial production.
2. 100% rebate on stamp duty and registration charges to units on purchase of land.
3. 100% exemption from Electricity duty to units for 5 years from date of operation.
4. Quality certification discount of 50% of cost or INR 1 lakhs whichever is less.
5. Reimbursement of patent charges @100% upto INR 5 lakhs.



6. Capital subsidy is provided upto 50% on equipment of Zero Liquid Discharge facility subject to maximum INR 1 Cr.
7. Infrastructure development subsidy of 50% upto INR 1 Cr for developing private land or undeveloped government land.
8. Mandi Tax exemption of 100% for a period of 5 years on grains procured for Ethanol production.
9. Employment assistance for providing employment to differently abled persons is also offered as follows:
 - a. 100% reimbursement of skill development expenses upto INR 5000/- per employee for 3 months from date of joining.
 - b. EPF/ESI assistance of employee's contribution- maximum INR 6000/- per month for 5 years
 - c. Medical insurance premium reimbursement for 5 years



Madhya Pradesh Renewable Energy Policy, 2022



Objective: Establish Madhya Pradesh as a renewable energy hub through creation of RE equipment manufacturing eco-system, facilitating large scale adoption and deployment of RE in the State and facilitate the design, development and operationalization of new and innovative technologies and adoption approaches.

Policy Period: The Policy shall be applicable for the period of 5 years from August 2022.

Incentives for RE developers

- a. **Government Land** shall be provided on concessional rate (rebate of 50% on circle rate) to developers.
- b. **50% reimbursement on stamp duty** on purchase of private land for the project shall be available to developers.
- c. Projects shall be completely exempted from paying the **Electricity Duty** for period of **10 years**.
- d. Projects shall be completely exempted from **Energy Development Cess** for power supplied by renewable energy for a period of **10 years from the COD**.
- e. Projects shall be **provided 50% waiver on wheeling charges** for a period of **5 years** shall be extended as approved by MPERC from time to time.



Incentive for renewable energy sourced Energy Storage project

- a. **Government Land** shall be provided on **concessional rate** (rebate of 15% on circle rate) to developers.
- b. Projects shall be exempted from payment of 20% of registration cum facilitation fees.
- c. Developers shall be provided 15% reimbursement on stamp duty on purchase of private land.
- d. Projects shall be exempted from payment of **electricity duty for 10 years** from date of COD, towards storage of electrical energy and supply to Distribution Licensee/ Third party / Captive purpose.

Incentives for RE equipment manufacturers and production of Green Hydrogen

Eligible units can avail benefits as per the State's MSME/Industrial Promotion Policy. Additional Incentives for RE Manufacturing

- a. 100% reimbursement on stamp duty on purchase of private land.
- b. Re. 1 rebate in Electricity Tariff for 10 years
- c. Subsidy for Intellectual Capital (INR 50 Lakhs) and Quality Certification (INR 1 Cr.)

Incentive for entities setting up offices developing or developing RE plant for captive consumption in Green Zones in the State

- a. **Government Land** shall be provided on concessional rate (rebate of 15% on circle rate) to developers.
- b. Entities shall be provided **50% reimbursement on stamp duty** on purchase of private land within Green Zone.

Incentive for Premier technical institutions for undertaking feasibility studies

GoMP shall provide 100% financial support to Premier technical institutions, research institutions, private organizations for doing technical feasibility studies, pilot projects, to develop Green Cities and Zones etc.

For complete
policy details,
please scan



Madhya Pradesh Pumped Hydro Policy, 2022



For complete policy details,
please scan



Objective: Establish Madhya Pradesh as a renewable energy hub and untap the State's potential in pumped hydro projects.

Policy Period: The Policy shall be applicable for the period of 5 years from April 2023.

Incentives for Pumped Hydro Storage (PHS) projects developers

- a. Government Land shall be provided on concessional rate (rebate of 65% on circle rate) to developers bidding for power procurement by MPPMCL.
- b. 65% reimbursement on stamp duty on purchase of private land for the project shall be available to developers.
- c. Projects shall be completely exempted from paying the Electricity Duty for period of 10 years.
- d. Projects shall be completely exempted from Energy Development Cess for power supplied by renewable energy for a period of 10 years from the COD.
- e. Projects shall be provided 50% waiver on wheeling charges for a period of 5 years shall be extended as approved by MPERC from time to time.
- f. Projects shall be exempted from payment of 20% of registration cum facilitation fees.

Initiatives for Attracting Investments in the Aviation Sector



1. Government of Madhya Pradesh has identified multiple airstrips to be allotted for developing facilities for aircraft recycling, helicopter academy and aero sports through private investment.
2. The identified airstrips shall be allotted to private investors on long term development agreement. The duration of such agreement will be 15 years and after that it can be renewed for another 15 years.
3. Airstrips can be used for landing and takeoff of flying machines. No permanent construction will be permitted on the land contained in the airstrips.
4. Private investor can upgrade the strip with the permission of the department.

Real Estate Policy for Madhya Pradesh, 2019



Objective of the Policy: The Real Estate Policy envisions bringing in path breaking initiatives for the sector with the objectives of achieving simplification and streamlining of permissions and clearances by the designated regulatory and service-provisioning departments/agencies; enhancing ease of doing business by reducing transaction time and costs; improving transparency in decision making and accountability in execution; attracting new investments and expanding employment; and contributing to growth of planned neighbourhoods and liveable cities.

Operating period of the Policy: 2019 onwards till new policy is in place.

Focus Sector: Real Estate, Digital Infrastructure for Real Estate

Incentives

- **One State One Registration** – A colonizer shall be required to register only once for work within the state, with provision for renewal every five years.
- **Seamless integration of Registration and Mutation** with the Revenue Department and Municipal Bodies for property tax collection.
- **Nazul NOC waiver** with digitized and GIS based development plans/maps.
- **Online Composite Land Use Certificate** (Form P-II) shall be provided as a composite document and no further land use certification shall be required from T&CP department.
- **Waiving off dual 'Shelter Tax'** collected by ULBs against the built-up area for any development within and outside the project premises and tax deposited by developer in lieu of construction of LIG/EWS housing.



- **Affordable housing schemes by private developers shall be** incentivized by reducing or waiving altogether the fee payable as development charges/permission fees/registration charges for obtaining planning and building permits.
- **Density Bonus** shall be given in the form of increased FAR in return for contribution for EWS/LIG beyond mandatory provisions.
- **Issuance of Completion Certificate** for residential or commercial schemes in a phased manner (based on stages of construction) as mentioned in Bhumi Vikas Niyam 2012.
- **Expedited Permissions/fast-track approval** for self-declared/certified affordable housing projects within 15 days if all requisite documents fulfil the necessary requirements to build a project.
- Number of clearances/NOCs required to be obtained have been reduced from 27 to 5.
- **Instant/Deemed Sanctioning of permissions** for sanctioning, planning and building permission for structures up to a certain height and area shall be delegated to competent professionals as per competencies mentioned in Bhumi Vikas Niyam 2012.
- **Consortium of Developer** shall be encouraged for small real estate developers to participate collectively in large-scale affordable and other housing projects.
- **Minimum Land Requirement in Residential Schemes** of a minimum of 2 ha of land for sanctioning a housing scheme shall be reduced further.
- **Mortgaging for Colonizer's Registration** with the Urban Local Bodies shall be rationalized to ease the pressure on the developers.
- **Fees for Re-Registration of Colonizer** in case of change of ownership during construction, the fee requirement for re-registration shall be relaxed.
- **For Non-Resident Indians (NRIs) and People of Indian Origin (PIOs)** steps shall be taken to establish robust online services and to improve 'Ease of Doing Business'.
- **Public private partnership** with an incentive-based approach shall be adopted to facilitate economic/commercial.
- **Green belt** areas within project limits shall be considered as open spaces for providing greater flexibility to the developer and optimum utilisation of FAR.
- **Reduction in base FAR** to create a demand for higher FAR and to mobilize and harness the potential of the TDR policy.
- **Construction of EWS shall be allowed within a certain radius of the proposed project**, or an option shall be provided to the developer to deposit money in lieu of EWS houses.
- **FAR free zones** shall be created within the planning area on periphery to attract investment for commercial activities like entertainment hubs, IT parks etc.
- **Promotion of Transfer of Development Rights (TDR)** alternative channels for buying additional FAR from the market shall be explored.
- **Digital Infrastructure** for Real Estate through Sm-Re@Di (Smart MP Real Estate Digital Infrastructure) will be setup This System Would Ensure Paperless Working, Open Data Standards, Creation of A E-Property ID for Lineage Legacy Of Land, Real Time Status Monitoring, One Property One Payment, E-Project/Property Verification, Prop Tech Sandbox Etc.

Madhya Pradesh Housing Redevelopment Policy, 2022

Objective of the Policy: The redevelopment of public and private housing schemes in the urban areas of the state shall be taken under Public-Private Partnership (PPP) mode or by Public Authorities or by Private to improve quality of living of existing residents and utilize available land optimally. The policy intends to promote private investment to attain the aforesaid objectives with nominal or no cost to the government.

Operating period: 2022 onwards

Focus Sector: Housing, Real Estate, PPP, Developers

Incentives

- Housing schemes/projects can be undertaken by the Madhya Pradesh Housing and Infrastructure Development board (MPHIDB) ULBs or Private Developers etc.
- The redevelopment of public and private housing schemes shall be done through Public-Private Partnership (PPP).
- The public and private housing schemes which are older than 30 years or declared dilapidated by the competent authority (age of a dilapidated building can be less than 30 years) and have a registered Resident Welfare Association (RWA) shall be eligible for redevelopment under this policy.
- Redevelopment cess at the rate of 7% shall be levied on the additional FAR utilized over and above the permissible FAR for the redevelopment project. [Redevelopment Cess = Additional FAR utilised x land area (in mts) x applicable collector guideline rate (Rs/sqmts) x 7%]
- The projects may be exempted from one time municipal and revenue charges.
- The Developer shall be exempted from the obligation of construction of EWS units/LIG units/Payment of Shelter Fee and Depositing Bank Guarantee.
- The 5% stamp duty chargeable on developer against sale of compensatory components (whether in form of built-up area or plot) shall be charged @0.25%.
- FAR shall be allowed as additional 0.50 FAR over and above the permissible FAR, permissible ground coverage shall be 40% of the plot area with up to 7.5 per cent of maximum built-up area shall be permissible as commercial space for convenient shopping.

Redensification Policy 2022



Objective of the Policy: The objective of the policy is to ensure optimal land utilization of based on the development plan and Madhya Pradesh Bhumi Vikas Rules, 2012.

Operating period: 2022 onwards

Focus Sector: Government

Incentives

- Redensification broadly refers to the consumption of maximum FAR as notified in the Development plan or Madhya Pradesh Bhumi Vikas Adhinyam 2012 and reconstructing old/dilapidated government building/ structures on government land parcels. Such schemes maybe undertaken by government agencies such as Madhya Pradesh Housing and Infrastructure Development Board, Boards constituted under Town and Country Planning Act 1973, ULBs, PWD, MP Police Housing Corporation and other agencies as approved by the competent authority.
- Planning norms like area, FAR, ground coverage shall be applicable on CLP as per the notified Development plan. In case, either Development plan is not applicable, or it is not specifically mentioning about planning norms then Bhumi Vikas Niyam 2012 shall be applicable and landuse shall be clarified in advance. If on above CLP, additional FAR can be available as per the MP TDR rules 2018, then the same shall also be mentioned. Required development permission shall be obtained in advance.
- Exemption may be given for construction of EWS/LIG housing in projects under redensification after relevant amendments in rules/regulations





Contact Us

Principal Secretary
Department of Industrial Policy and
Investment Promotion
D-204, Vallabh Bhawan-3,
Mantralaya, Bhopal, M.P.
Phone: +91-755-2708661
Mail: pscommind@mp.gov.in

Managing Director
MP Industrial Development
Corporation Ltd. (MPIDC)
21, Arera Hills Bhopal, M.P.
Phone: +91-755-2575618, 2571830
Mail: md@mpidc.co.in

FOR DETAILS, LOG ON TO:
invest.mp.gov.in