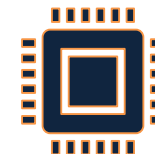


Department of Science and Technology, Government of Gujarat

Date: October 28th , 2022

Background

- The Gujarat Government with an aim to be a national leader in the Electronics sector by encouraging and driving growth through strategic Policy interventions, State-of-the-art infrastructure; and advancement into research and innovation for promoting value led manufacturing and enabling the holistic development of Electronics sector in the State
- The schemes will focus on attracting investments and employment across the State by driving growth through incentives, process optimization and facilitating adoption of latest technologies in the electronics manufacturing



Operative Period

- The Operative Period of the Policy will be from date of notification of this Policy (i.e., October 28th , 2022) till March 31st , 2028, or till the declaration of a new or revised Policy, whichever is earlier
- Eligible entities who have applied for assistance on or before March 31st, 2028 and who have commenced operation on or before 31st March 2031 shall be eligible for incentives

Eligible Entities

- New Unit i.e., MSME/Companies/Small Scale Industry (SSI) setting up operations for the production of eligible goods indicated in Target Segments of this Policy or
- Existing Unit i.e., MSME/Companies/ Small Scale Industry (SSI) undertaking expansion / diversification in the project for the production of eligible goods indicated in Target Segments of this Policy.
- Expansion refers to increase in existing production capacity of the goods proposed by at least 50% subject to 75% Utilization of the existing installed capacity in any of the preceding three financial year



Target Segments

IT Hardware Products including computers , servers, printers, ATM; Opto-electronics and Agri Electronics, Nano Electronic Products	Electrolyzers for production of Green Hydrogen Technologies	Home fuel cells, Strategic Electronics, Energy Conservation electronics, Avionics
Consumer Electronics like TV, Digital Cameras, Cam recorders. Electronic watches and clocks, Electronic Toys, Wearable Electronics, Electronic personal care products	Automotive Electronics including Anti-Lock braking system, Electronic Brake Distribution, Traction Control, Brushed DC Motors, etc.	Industrial electronic products including measuring and control equipment, energy meters etc.
Bio-metric and identity devices/RFID: Smart card manufacturing and personalization	Machine to Machine (M2M) and Internet of Things (IoT) products	Electronic product design including PCB design, LEDs
Health and Medical Electronics	Solar Photo Voltaic including thin film etc.	Power supplies for Electronics products



Target Segments

Advanced Chemistry Cell Energy Storage devices for mobile and stationary applications ranging from vehicles (both hybrid and EV) to storage batteries.	Electronic security devices CCTV/surveillance equipment etc, Multi-functional electronic devices; Electronics products for energy management, Advanced storage batteries , Video Conferencing Equipment, Optical Fiber and Optical Fiber Cables, etc.	Semiconductor equipment such as automatic test handler, pick and place machines, test head manipulator and their accessories like test sockets, probe cards etc.
VSAT based systems – broadband, disaster management; nonconventional energy sources, portable mechanical chargers for handsets, computers	Industry 4.0 based devices utilizing IoT / ML / BIG Data Analytics / Cloud etc. based technologies for improving Electronic manufacturing and services	Consumer Appliances like refrigerators, ACs, fully automatic washing machines, microwave ovens, etc.
Telecom Products including optical fiber equipment, terrestrial communication equipment, satellite communication equipment, IP based new generation soft switches/routers, data networking equipment – copper/optical – consumer and carrier grades	Transport systems – DWDM, SDH, PON, cross-connects, RF over optical fibre, Carrier ethernet, packet optical transport platform (P-OTP), wireless technology, Microwave Radio Systems, Software defined radio, cognitive radio, distributed antenna systems, equipment related to security and surveillance, processing of speech, data, image, video	Customer premises equipment (CPE) – PBX systems, headend, 3G, 4G, 5G or upcoming routers, VoIP gateways, residential gateways, access points, routers, broadband CPEs, mobile phones, mobile handsets/ smart mobile phones, Set-top boxes, streaming devices, modems, dongles, data card; short range devices (SRD), sensors

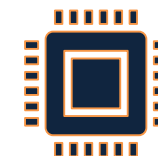
➤ Electronics Goods covered under the Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECs) introduced by the Ministry of Electronics & Information Technology (Meity) shall be covered under Gujarat Electronics Policy (GEP)

Eligible CAPEX

- Expenditure incurred on Plant & Machinery, equipment and associated utilities including parts, accessories, components and parts thereof used in design, manufacturing, assembly, testing, packaging or processing of the eligible goods
- Expenditure incurred on Construction of the plant excluding cost of Land & expenditure on purchase of the Building
- Expenditure incurred during the operative period of policy up till 2 years from the date of commencement of commercial operation/ production

Non Financial Incentives

Eligible Units will be facilitated for statutory compliances, Single window for Fast track approvals, Assistance in Land Identification & Allotment, Regulatory approvals, common dormitories for housing industrial workforce, Uninterrupted Utilities Supply like Gas, water, and Power, providing a sustainable social infrastructure to support the industrial workforce for GEM Clusters



Financial Incentives

Incentives and Offerings	Eligible CAPEX less than or equal to INR 1,000 Cr.	Eligible CAPEX more than INR 1,000 Cr
Capital Assistance	20% of eligible CAPEX with a ceiling of INR 200 Crores	20% of eligible CAPEX subject to ceiling of INR 200 Cr for the Eligible CAPEX incurred up to 1000 Cr and 15% of incremental eligible CAPEX above INR 1000 Cr
The Capital Support Subsidy will be disbursed in equal annual installments over the period of 5 years		

Interest Assistance

- 7% or actual interest paid whichever is lower with a cap of INR 10 Cr p.a for the period of 5 years from date of start of actual interest repayment
- The benefit can be availed only on the interest repayment within the operative period of policy
- 2% of the interest levied shall be borne by applicant

Logistics Subsidy & Stamp Duty

- 25% of import freight charges with a cap of INR 5 Cr p.a. for 5 years
- Relocation of manufacturing unit to Gujarat- 50% reimbursement of cost incurred on import of manufacturing equipment with a cap of INR 5 Cr.
- All eligible units will be entitled for one time reimbursement of 100% of Stamp Duty and registration fees for lease/sale/transfer of land.

Power Tariff & Electricity Duty

- Power Tariff subsidy of INR 1/unit for a period of 5 years
- All eligible units can claim exemption from paying electricity duty
- In expansion/diversification power tariff subsidy and electricity subsidy reimbursement will be entitled for additional power consumed only for proposed project.

EPF

- 100 per cent of employer's contribution in case of female employees locally working in Gujarat and 75 per cent in case of male employees
- The ceiling of incentive amount per employee will be 12 per cent of the employee's basic salary plus applicable Dearness Allowance (DA) and retaining allowance

Note: Any applicant claiming an incentive from any other policy of the Government of Gujarat is not permitted to claim an incentive under this scheme.

For more information, let's talk !

Say Hello !

Gautam Pai

Director

Awfficity Business Solutions Private Limited

T: +91 99097 74666

E: gautampai@awfficity.com

Pranav Shukla

Director

Awfficity Business Solutions Private Limited

T: +91 99042 19904

E: pranavshukla@awfficity.com

