Viksit Gujarat Industrial Policy – 2026
Scheme for assistance to MSMEs

Government of Gujarat
Industries & Mines Department
Resolution No. IMD/WRT/e-file/9/2026/2630/CH
Sachivalaya, Gandhinagar
Date: 25/09/2026

Read:

1. Viksit Gujarat Industrial Policy – 2026
2. Industries & Mines Department GR No. MIS-102022-1271(1)-I(Ch) Dt. 05/10/2022

Preamble

Micro, Small, and Medium Enterprises (MSMEs) constitute the backbone of Gujarat's industrial ecosystem, serving as a critical engine for entrepreneurship, innovation, and employment generation. They contribute substantially to regional economic development, inclusive growth and the creation of resilient industrial clusters. MSMEs act as vital suppliers, service providers and technology collaborators for large and mega industries across diverse sectors. Their dynamic participation strengthens industrial value chains, promotes innovation, and enhances the competitiveness of Gujarat's industrial base.

Recognizing their strategic importance in achieving Atmanirbhar Bharat and global competitiveness, the Government of Gujarat has adopted a progressive and forward-looking policy framework under Viksit Gujarat Industrial Policy 2026. It seeks to empower MSMEs across their entire lifecycle from scaling to evolution into larger enterprises. By facilitating integration into domestic and global value chains, promoting technology adoption, supporting modernization, and enabling access to finance, infrastructure, markets and skill development, the Policy encourages MSMEs to grow beyond the traditional micro, small and medium segments.

The Policy further promotes inclusivity and entrepreneurship by encouraging women entrepreneurs, youth-led enterprises and socially and economically marginalized communities to participate actively in industrial development. MSMEs are positioned as catalysts for innovation-driven economic growth, resilient supply chains, and sustainable industrial ecosystems, supporting the broader objectives of Viksit Gujarat and Viksit Bharat @ 2047.

By nurturing MSMEs as future-ready, technologically advanced, and globally competitive enterprises, the Government of Gujarat aims to develop a robust grassroots industrial base that embodies the Swadeshi spirit, accelerates regional and sectoral development, and ensures Gujarat's continued leadership in India's industrial growth story. Through targeted incentives, market development support, skill-building initiatives, and infrastructure facilitation, MSMEs are empowered to contribute maximally to economic resilience, inclusive prosperity, and the long-term vision of a self-reliant, innovation-driven and globally integrated industrial ecosystem.

Resolution:

This Scheme will be known as Viksit Gujarat Industrial Policy-2026 - **Scheme for assistance to MSMEs**, which shall come into force from the date 01.06.2026 and will remain in force for 5 years. i.e. date 31.05.2031.

1. Definitions:

1.1 **Enterprise:** Enterprise means a legal entity such as company, partnership firm including LLP, Society, Trust, Industrial Cooperative society, or proprietary concern engaged or to be engaged in the manufacturing, production, processing or job work of articles.

1.2 **Micro, Small and Medium Enterprise:** For the purpose of eligibility under this scheme, a micro, small or medium Enterprise means an enterprise which has Gross fixed capital investment made only in Plant and Machinery in all the units across country as per following:

a. **Micro:** Less than or equal to INR 2.5 crore.

b. **Small:** More than INR 2.5 crore and less than or equal to INR 25 crore.

c. **Medium:** More than INR 25 crore and less than or equal to INR 125 crore.

1.3 **New Enterprise:** A New Enterprise means an enterprise set up by the MSME as defined in para 1.2 above and that has commenced commercial production during the operative period of the scheme, provided it satisfies the following conditions:

a. The new enterprise should have obtained Udyam Registration or a Letter of Intent or a Letter of Approval or has filed Industrial Entrepreneur Memorandum (IEM) or amended in existing IEM or MCA21 for Project or any other license or permission as notified by the Government of India.

b. Any new / existing unit that decides to carry out expansion / diversification at some other premises, other than existing premises shall be considered as a "New unit" and termed as existing applying as new.

c. The new project should have separately identifiable fixed capital investment. It shall have to maintain separate books of accounts. However, the new project will not lose its eligibility if the utilities of an existing project, such as water supply, electricity, steam, gas, pollution control facilities etc. are utilized.

1.4 **Existing Enterprise:** An Existing Enterprise means an enterprise that was in production before the date of initiating the expansion/ diversification. A new Enterprise set up under this policy that decides to carry out expansion / diversification of existing production line during the operative period of the scheme will also be termed as an existing Enterprise with reference to the expansion / diversification.

1.5 **Expansion:** Expansion means where an existing enterprise increases its investment in existing gross fixed capital investment (excluding Land) (as on the date of initiation of applied project) by at least 50% of its existing project in the same premises, of which at least 60% of investment is made in plant and machinery, and also increases its installed capacity by at least 50% of existing product(s) for which expansion is carried out. Such expansion will be eligible only if the existing enterprise has reached the utilization of existing installed capacity at least to the extent of 75% in any one of the preceding three financial years from Date of commencement of commercial production of expansion project.

Expansion project is eligible only after one year from Project Completion of existing unit or one year of DoCP of existing unit whichever is later.

For micro enterprise: An existing enterprise increases its investment in existing gross fixed capital investment (as on the date of initiation of applied project) by at least 50% of its existing project in the same premises, of which at least 60% of investment is made in plant and machinery, and also increases its installed capacity by at least 50% of existing product(s) for which expansion is carried out.

Expansion Project should have separately identifiable fixed capital investment. However, the enterprise will not lose its eligibility if the utilities of an existing project, such as water supply, electricity, steam, gas, pollution control facilities etc. are utilized.

1.6 **Diversification:** Diversification means where an existing / new enterprise engaged in manufacturing diversifies its production line with an increased investment in existing gross fixed capital investment (as on the date of initiation of applied project) by at least 25% of its existing project in case of micro and small enterprises and at least 50% of its existing project in case of medium enterprise , at the same premise, of which at least 60% of investment is made in plant and machinery.

Such diversification enterprise should have separately identifiable fixed capital investment. However, the enterprise will not lose its eligibility, if the utilities of an existing project, such as water, electricity, steam, gas, pollution control facilities etc. are utilized.

1.7 **Installed Capacity:**

Installed Capacity means the optimum production capacity of the plant which is undergoing expansion. The installed capacity as mentioned in the appraisal report prepared by a bank or financial institution will be considered as installed capacity. Where no such appraisal is available, the production capacity as worked out by the MSME Commissioner, or by an officer authorized by him, will be considered as installed capacity.

1.8 Term Loan: Term loan means loan sanctioned by the RBI recognized financial institutions / Banks / External Commercial Borrowings (ECB) sanctioned by overseas institutions, for the setting up of project by the industrial undertaking. Loan from Government Financial Institutions e.g. NDDB, GSFS, HUDCO, REC, PFC, etc. will also be eligible. The Committee constituted under para 23.1 of this resolution is empowered to grant eligibility to any other Government financial institutions, as deemed fit. However, only the amount actually disbursed during eligible investment period against the sanctioned term loan will be considered for the incentives under the scheme. Loan availed from NBFC will not be eligible under the scheme.

1.9 **Date of Commercial Production (DoCP):**

In case of New Enterprise, the DoCP shall be the date of first commercial sale bill of the product(s) for which the project has been set up.

In case of expansion/ diversification projects, the DoCP shall be the date of first commercial sale bill of the product(s) being manufactured by the expansion/ diversification project.

1.10 **Gross Fixed Capital Investment of applied Project (GFCI):**

Gross Fixed Capital Investment of applied project means the investment made in building, plant and machinery, utilities, tools and equipment, and other fixed assets (excluding Land) required to manufacture the end product.

1.11 **Eligible Fixed Capital Investment (EFCI):**

Eligible Fixed Capital Investment means following investment made during eligible investment period as mentioned in para 3 of this G.R.

Assets acquired and paid during eligible investment period of the project under this scheme shall be considered for determining the eligible fixed capital investment.

a. **New Building:**

A New Building means a new building constructed, or the acquisition of a new and unused building, for the project, including administrative building. The cost of a new building shall be calculated as per the actual cost or the Schedule of Rates (SOR) of the relevant year of the Roads & Buildings department of the State Government, whichever is lower.

The cost of new buildings constructed for installation of plant and machinery, R&D activities, in-house testing facilities, storage facilities, and other buildings related to the manufacturing process, shall be considered as per the actual expenditure incurred.

Building constructed on own land or GIDC plot, land having lease deed or rent agreement covering incentive period and Constructed GIDC sheds will be considered as eligible fixed capital investment. No cost incurred on acquisition of old building, or the expenditure incurred on repairing and refurbishing a building, will be considered as eligible fixed capital investment.

b. Other Construction:

Other construction means construction such as compound wall and gates, security cabins, internal roads, bore well, water tank, internal pipeline network for water and gas, and other related constructions shall be considered as per the actual cost incurred.

c. Plant and Machinery:

Plant and machinery means new plant and machinery, utilities, dies and moulds, including cost of transportation, foundation, erection, installation and electrification, capitalized under the head of plant and machinery.

The electrification cost will include the cost of sub-station and transformer installed by the enterprise in its premises.

Plant and machinery shall also include:

- **i.** Plant for captive power generation within the premises of industrial unit will be eligible.
- **ii.** Vehicles used for transportation only within the premises of the industrial unit, and material handling equipment exclusively used in transporting goods within such premises;
- **iii.** Plant for desalination of sea water or purification of water;
- **iv.** Plant for pollution control measures, including facility for collection, treatment, disposal of effluent or solid/ hazardous waste;
- **v.** Technology, Design and Drawings, Patents: The cost incurred in acquiring technology, design and drawings, patents, limited to 10% of the EFCI in Plant and Machineries.
- **vi.** Diesel generating sets of capacity not more than 50% of the connected electric load or 5 MW, whichever is less shall also be included as Plant and Machinery.

d. Project related infrastructure:

Fixed capital investment made in the following assets/items will be considered as project related infrastructure. Direct expenditure incurred for the following items will also be considered to determine the eligibility under this head:

- **i.** Residential colony/ dormitory housing facilities, hospital, school or sports facilities created for workers and staff, rest rooms, day care facilities / creche of the industrial unit;
- **ii.** Feeder road to the industrial unit from the nearest approach road;
- **iii.** Dedicated facilities created for carrying water, gas, and raw material required by the project through pipeline;
- **iv.** Non-refundable deposit paid to Electricity Company for transmission of electricity from the nearest sub-station;
- **v.** expenditure for digitization of communication network and laying of telecommunication cables;
- **vi.** Construction of building for bank or post office, if provided by the unit without any charge;
- **vii.** Training Centre to train local people for employment in the project and Skill Development Centre;
- **viii.** Expenditure on transport facilities, such as buses, for conveyance of workers from nearby villages/ towns to the factory premises;
- **ix.** Any other item of infrastructure as approved by the SLEC.

Only 50% of the actual expenditure incurred on the above project related infrastructure items listed in clauses (i) to (ix) shall be considered for determining the eligible fixed capital investment.

1.12 **Ineligible Capital Expenditure/ Assets:**

The following expenditure shall not be considered for calculating the eligible fixed capital investment:

- **a.** Land and Land development cost.
- **b.** Working capital
- **c.** Goodwill
- **d.** Royalty
- **e.** Preliminary and pre-operative expenses

f. Second hand Plant and machinery (Indigenous and/or imported)

g. Interest capitalized

h. Rented or leased assets (Including Building).

i. Power generation plant, except for captive use within premises.

j. Renewable power plant for third party sale or non-captive use.

k. Design Drawing fees, consultancy fees, supervision fees, Third Party Inspection, etc. without Technology Acquisition

1.13 **Previous Scheme:**

Previous scheme means the Aatmanirbhar Gujarat Scheme for Assistance to MSMEs Resolution No -MIS-102022-1271(1)-I(Ch) dated.05/10/2022.

1.14 **Category-wise classification of talukas under the scheme.**

The classification shall be as per the provisions of Government Resolution No. IMD/HRM/e-file/9/2026/2211/I Section dated 08/09/2026.

If a project is located in the geographical limit of more than one taluka, then the taluka in which the project has the largest percentage of land area will be considered as the eligible category of taluka under the scheme.

1.15 **Selected Thrust Sector:**

Following Manufacturing sectors have been identified as Selected Thrust Sectors-

Sr No	Sector
1.	Sports goods and equipment manufacturing
2.	Toys Manufacturing
3.	Footwear manufacturing
4.	Robot manufacturing
5.	Drone manufacturing
6.	Any other sectors as may be notified from time to time.

Eligibility

2.1 A new enterprise, or an existing enterprise that undertakes expansion/ diversification and which commences commercial production during the operative period of the scheme will be eligible under the scheme.

2.2 An enterprise that has availed any incentive for the same GFCI under any scheme of the state government, or any agency of the state government, shall not be eligible for incentive under this scheme, unless specifically provided.

2.3 While deciding the final eligibility of the project for the incentive, Gross fixed capital investment made in the project or the cost as certified in Project Completion Certificate from the bank or financial institution or Asset verification report from MSME Commissionerate/DIC, whichever is lower, will be considered.

In case of self-finance project, Statutory Auditor/ Chartered Accountant / Chartered Engineer / Company Secretary Certificate or Asset verification report from MSME Commissionerate/DIC, whichever is lower, will be considered.

2.4 An enterprise shall be eligible to avail the assistance under the scheme for expansion / diversification project / existing as new project till it continues to be covered under the definition of an MSME in accordance with para 1.2 of this G.R.

3. **Eligible Investment period (Component 1, 2 and 3):**

3.1 In order to be eligible for incentive under this resolution, the enterprise must have commenced commercial production during the operative period of the scheme.

3.2 The consideration of investment period for eligible fixed capital investment will be, for the assets acquired and paid from date 01.01.2026.

The extended time from the date of commencement of commercial production (DoCP) is as specified as the table mentioned below. Such extended period shall be allowed beyond the operative period of the scheme provided that; commencement of commercial production must be during the operative period of the scheme.

Extended Investment period for consideration of eligible fixed capital investment:		
1.	GFCI in plant and machinery upto Rs.50 Cr	12 Months from DoCP
2.	GFCI in plant and machinery more than Rs.50 Cr upto Rs.125 Cr.	18 Months from DoCP

3.3 Status of micro, small and medium enterprise will be decided as on date of completion of project.

4. Incentive Schemes:

4.1 Option for Previous Policy

a. Enterprises that have commenced commercial production before 01.06.2026 shall be eligible to avail benefits only under the previous Scheme, subject to fulfilment of the conditions stipulated therein.

b. Any Enterprise that has not commenced commercial production before 01.06.2026 shall be eligible to apply for benefits either under the previous Scheme or under this Scheme, subject to fulfilment of the eligibility conditions prescribed under the respective Scheme.

c. Such Enterprise shall submit its application and exercise its option to avail benefits under Previous Scheme within a period of six months from the date of issuance of this Government Resolution.

d. The option so exercised shall be final and irrevocable, and no request for change of option shall be entertained thereafter.

e. Upon expiry of the aforesaid period of six months, all applications received thereafter shall be considered only under this Scheme, subject to fulfilment of the eligibility conditions prescribed herein and the consideration of investment period under this policy for eligible fixed capital investment will be, for the assets acquired and paid from date 01.01.2026.

f. Provided that, notwithstanding anything contained in this Government Resolution, no Enterprise shall be eligible to avail benefits under the previous Scheme unless it commences commercial production on or before 04.10.2027.

g. For the removal of doubts, it is hereby clarified that Enterprise commencing commercial production before 01.06.2026 shall not be entitled to opt for benefits under this Scheme and shall be governed exclusively by the provisions of the previous Scheme.

4.2 Combination of Capital, Interest and Power Tariff.

An Enterprise can choose any one component or a combination of more than one Components mentioned below, maintaining the individual ceiling of that component and overall ceiling mentioned in Taluka category column

Note:- Maximum ceiling of combined eligible incentives shall be 45% and 35% of EFCI over the period of 5 years for Category-A and B respectively.

Taluka Category	Component-1	Component-2	Component-3
	Capital Subsidy	**Interest Subsidy**	**Power Tariff**
Category- A (Maximum Ceiling of 45% of EFCI)	Micro:35% of EFCI disbursed in 1 year Small and Medium : 35% of EFCI disbursed over 5 Years	7% on Term Loan for 5 years up to 10% of EFCI	INR 2 per unit for 5 years up to 25% of EFCI
Category-B (Maximum Ceiling of 35% of EFCI)	Micro: 25% of EFCI disbursed in 1 year Small and Medium : 25% of EFCI disbursed over 5 Years	7% on Term Loan for 5 years up to 10% of EFCI	INR 1 per unit for 5 years up to 25% of EFCI

a. The incentives shall be disbursed over a period of 5 years from DoCP.

b. 1% additional interest subsidy to Women Entrepreneur, registered startups in manufacturing sector, first generation entrepreneur within over all ceiling as above shall be given.

c. For Small and Medium Enterprises, annual ceiling of 9% and 7% of EFCI for Category-A and B respectively.

d. For Micro Enterprises: For Year-1: Annual ceiling will be 37% and 27% for Category-A and B respectively and subsequently for years 2-5, annual ceiling will be 2% for both Category-A and B.

e. carry forward of incentives due to per annum ceiling of the incentive, shall not be allowed.

f. Renewable energy is also allowed for Power Tariff Reimbursement (except captive)

4.3 Combination of Capital, Interest and Power Tariff for selected thrust sector.

<table>
<tr><td colspan="4">An Enterprise can choose any one component or a combination of more than one Components mentioned below, maintaining the individual ceiling of that component and overall ceiling mentioned in Taluka category column.
<u>Note:-</u> Maximum ceiling of combined eligible incentives shall be 50% and 45% of EFCI over a period of 5 years for Category-A and B respectively.</td></tr>
<tr><td rowspan="2">Taluka Category</td><td>Component-1</td><td>Component-2</td><td>Component-3</td></tr>
<tr><td>Capital Subsidy</td><td>Interest Subsidy</td><td>Power Tariff</td></tr>
<tr><td>Category- A

(Maximum Ceiling of 50% of EFCI)</td><td>Micro:35% of EFCI disbursed in 1 year
Small and Medium: 35% of EFCI disbursed over 5 Years</td><td>7% on Term Loan for 5 years up to 20% of EFCI</td><td>INR 2 per unit for 5 years up to 20% of EFCI</td></tr>
<tr><td>Category-B

(Maximum Ceiling of 45% of EFCI)</td><td>Micro: 30% of EFCI disbursed in 1 year
Small and Medium: 30% of EFCI disbursed over 5 Years</td><td>7% on Term Loan for 5 years up to 20% of EFCI</td><td>INR 1 per unit for 5 years up to 20% of EFCI</td></tr>
</table>

a. The incentives shall be disbursed over a period of 5 years from DoCP.

b. 1% additional interest subsidy to Women Entrepreneur, registered startups in manufacturing sector, first generation entrepreneur within over all ceiling as above shall be given.

c. For Small and Medium Enterprises, annual ceiling of 10% and 9% of EFCI for Category-A and B respectively.

d. For Micro Enterprises: For Year-1: Annual ceiling will be 38% and 33% for Category-A and B respectively and subsequently for years 2-5, annual ceiling will be 3% for both Category-A and B.

e. Carry forward of incentives due to per annum ceiling of the incentive, shall not be allowed.

f. Renewable energy is also allowed for Power Tariff Reimbursement (except captive)

5 Conditions for availing Assistance:

5.1 Conditions for Capital Subsidy

a. The enterprise shall be eligible to receive a Capital Subsidy on their eligible fixed capital investment, as defined under this resolution. The applicable rate of subsidy shall be as per para 4 and will be disbursed only after the commencement of commercial production.

b. If enterprise is availing Capital subsidy under scheme of Central government, then total quantum of capital subsidy from state will be reduced to the extent such that in any case total incentives (Capital, Interest and Power Tariff) from the Central and State Government, shall not exceed the EFCI.

5.2 Conditions for Interest Subsidy

a. Enterprise may apply for claim of interest subsidy after obtaining the Provisional Eligibility Certificate or Final Eligibility Certificate, as the case may be.

b. New enterprise, expansion and/or diversification projects will be eligible for interest subsidy. Interest subsidy will be eligible on amount of loan actually disbursed against the sanctioned term loan for Eligible Fixed Capital Investment (EFCI) only.

c. EFCI of disbursed amount of term loan within eligible investment period as defined in Para 3 above will be eligible for interest subsidy.

d. The interest subsidy will be reimbursed only on interest levied by the financial institution. Penal interest or other charges will not be considered as interest.

e. Interest subsidy will be disbursed only to the enterprise which pays regular instalments and interest to the bank/financial institution. If the enterprise becomes defaulter, it will not be eligible for interest subsidy for the default period, and such default period will be deducted from the period eligible for interest subsidy. The default will be determined as per the RBI guidelines.

f. In any case, the enterprise shall have to bear a minimum 2% interest levied on term loan by the financial institution.

g. If the eligible enterprise is also availing interest subsidy from Government of India, the interest subsidy from the state shall be to the extent that the industrial undertaking bears at least 2% of the interest even after offsetting the interest subsidy from Government of India.

5.3 Conditions for Power Tariff Subsidy

a. Eligible enterprise availing power either from DISCOM or Renewable Power through open access will be eligible under the scheme.

b. In case of expansion / diversification, Industrial Unit will be eligible only for additional consumption of power. Enterprises shall have to install sub-meter to claim incentives under the scheme. In case of Micro Enterprises, where sub-meter is not available, additional power consumption with respect to average consumption of past three years or average of past period in case unit is existing for less than three years, from production of existing project will be considered.

c. The power consumed from its own captive power plant shall not be eligible for the power tariff subsidy.

d. Power Tariff Subsidy will be eligible only on submission of copy of electricity bill or invoice in the name of Enterprises.

e. The industrial undertaking may apply for claim of power tariff subsidy after obtaining the Provisional Eligibility Certificate or Final Eligibility Certificate, as the case may be.

5.4 Other Conditions Applicable to Capital subsidy, interest subsidy and Power tariff subsidy.

a. An enterprise shall be required to employ persons domiciled in Gujarat to the extent of at least 85% of its total number of employees in all categories. The employment of persons domiciled in Gujarat in managerial and supervisory capacity shall not be less than 60% of the number of persons employed by the enterprise in managerial and supervisory capacity.

b. Enterprise shall have to submit GPCB certificate as applicable to DIC / MSME Commissioner.

c. Enterprise may avail incentives under any scheme of Central Government. However, the total incentives received from state and central government scheme should not exceed the Eligible Fixed Capital Investment.

d. Any investment made by an existing enterprise for renovation, rehabilitation, or rationalization will not be eligible for incentive under this resolution.

e. Enterprise that has availed incentive under this scheme shall be required to remain in production continuously till the expiry of the eligible period of incentive. However, if production is discontinued for specific period due to reasons beyond the control of the management, the sanctioning authority may condone the period for which production is discontinued after due verification of details and reasons of discontinuation of production and after satisfying itself to the same.

6 Application for Provisional / Final Eligibility Certificate:

6.1 After commencement of commercial production, enterprise shall submit an application for Provisional Eligibility Certificate (PEC) within six months from the date of commencement of commercial production or within six months from the date of issue of this G.R., whichever is later.

6.2 If entire investment gets completed on the date of commercial production, Enterprise may opt to apply directly for Final Eligibility Certificate (FEC) instead of provisional eligibility certificate with requisite details within the time-limit as prescribed in above (6.1).

6.3 If entire investment gets completed within eligible investment period as mentioned in para (3) of GR, Enterprise may directly apply for Final Eligibility Certificate with requisite details, within six months from the date of completion of project or within six months from the date of issue of this G.R., whichever is later.

6.4 If entire investment is not completed within eligible investment period, the Enterprise will have to submit application for final eligibility certificate with requisite details within six months from the last date of eligible investment period as specified in para (3) of the GR.

6.5 If the Enterprise fails to submit the application for the provisional eligibility certificate within the prescribed time limit, it shall be required to submit the application for the final eligibility certificate directly within its respective prescribed time limit.

6.6 The Provisional Eligibility Certificate will be issued to the Enterprise to the extent of 40% of the eligible fixed capital investment at the time of DoCP.

7 EPF Reimbursement

7.1 Eligibility:

A new enterprise, or an existing enterprise that carries out Expansion / Diversification and which commences commercial production during the operative period of the scheme will be eligible under the scheme.

7.2 Quantum of incentive:

Eligible enterprise shall be able to claim reimbursement of employer's contribution under Employees' Provident Fund (EPF) made by them for their new employees working in Gujarat for a maximum period of 5 years from the date of commencement of commercial production. The reimbursement shall be made subject to following criteria:

a. 100% of employer's statutory contribution under EPF amount paid, and

b. The ceiling of incentive amount per employee will be 12% of the employee's basic salary plus applicable Dearness Allowance (DA) and retaining allowance or INR 1800 per month for male employees, INR 2500 per months for woman employees and INR 3000 per month for specially abled employees, whichever is lower.

7.3 Conditions for EPF Reimbursement:

a. In case of eligible expansion / diversification by Enterprise, the assistance will be available for incremental employee count beyond the count that existed before expansion.

b. New Employee means such employee who did not have a Universal Account Number (UAN) prior to joining the eligible enterprise and joins the eligible enterprise during the incentive period (i.e. 5 years from DoCP)

c. The reimbursement may be done on a quarterly basis based on payment receipts submitted by the employer.

d. An eligible enterprise that has availed EPF reimbursement under any scheme of the central / state government, or any agency of the central/ state government, shall not be eligible for EPF incentive under this scheme for that period.

8. Assistance for Quality Certification

The scheme is to extend support to MSME to get quality certification to introduce quality product in competitive market.The manufacturing sector will be eligible for following assistance.

8.1 ERP Assistance.

65% of the capital cost for installing the Enterprise Resource Planning (ERP) system, Next generation ERP related to day to day operations of unit subject to a maximum amount of Rs. 1,00,000/- during the operative period of the scheme.

a. ERP system with server and software facilitating details of production, inventory control, sales, purchase, accounting and Human Resource Management etc.

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b. The Capital cost in ERP system includes installation charges, software and annual service cost. The Capital cost does not include the hardware part of the ERP system.

c. In case of Software-as-a-Service (SaaS) based deployment option of ERP system, the annual subscription charges will be considered.

d. The Enterprise shall have to submit the application within six months from the date of installation of ERP.

8.2 Quality Certification

a. 50% of fee payable to certification for national /Internationa l Certification (i.e BIS/ISI/Hallmark etc., and other national/ International certification) and 50% cost of testing equipment and machinery required for that certification totaling up to maximum amount of Rs.10 lakh during the operative period of the scheme.

b. The cost for certificate will include: - Fees charged by certification agency (excluding travel, hotel & surveillance charges), Cost of testing equipment/machinery which are only procured for the purpose of complying with the tests prescribed in the Standards Booklet of particular standard (i.e, BIS and other quality marks) will be considered eligible and calibration charges of equipment is eligible.

c. The enterprise will not be eligible if any certification is required as a part of statutory provision.

d. This Quality certification scheme will be supplementary to such scheme of Government of India. However, in no case total assistance from GOG and GOI should exceed more than actual expenditure incurred by the enterprise for said purpose.

e. The testing equipment purchased after the issuance of Quality certificate shall not be eligible for assistance.

f. The Enterprise shall have to submit the application within six months from the date of issue of the Certificate.

g. Expenditure incurred for renewal of certificate shall not be eligible for assistance under the scheme.

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9. Financial Support to MSMEs in ZED Certification

The scheme envisages promotion of Zero Defect and Zero Effect (ZED) manufacturing amongst MSMEs and ZED Assessment for their certification so as to:

9.1 Develop an Ecosystem for Zero Defect Manufacturing in MSMEs.

9.2 Promote adaptation of Quality tools/systems and Energy Efficient manufacturing.

9.3 Enable MSMEs for manufacturing of quality products.

9.4 Encourage MSMEs to constantly upgrade their quality standards in products and processes.

9.5 Drive manufacturing with adoption of Zero Defect production processes and without impacting the environment.

9.6 Support 'Make in India' campaign.

9.7 Develop professionals in the area of ZED manufacturing and certification.

The enterprise will be eligible for subsidy @ 50% of all charges on the amount after deducting the assistance received from Government of India for ZED Certification, up to a maximum amount of Rs.50,000/- during the operative period of the scheme. Enterprise shall have to submit the application within six months from the date of issue of the Certificate.

10. Assistance in implementation of Information and Communication Technology

The equipment required for use of ICT as a media of communication, networking with hardware for accessing cloud computing, Industry 4.0 /AI related technology shall be eligible for 65% of the capital expenditure related to ICT facilities, maximum up to Rs.5 Lakh during the operative period of the scheme.

Enterprise shall have to submit the application within six months from the date of installation of ICT facilities.

11. Assistance for Technology Acquisition

Assistance for acquisition of appropriate technology from recognized institutions for its product/ process during the operative period of the scheme, will be provided by way of 65% of the cost payable subject to a maximum of Rs.50 lakh, including royalty payment for first two years.

11.1 The enterprise shall have to apply to the MSME Commissionerate Within six months after signing of MOU/ purchase agreement/contract with technology Provider.

11.2 Assistance will be available to New Enterprise as well as existing enterprise

for acquiring technology.

11.3 Assistance will not be eligible for purchase of any plant and machinery or equipment.

11.4 Patented Technology acquired from Indian Companies / foreign companies will also be eligible.

12. Assistance for Patent Registration

12.1 Individual/ any legal entity will be eligible for assistance under the scheme.

12.2 75% of cost/expenditure incurred for any number of patent applications subject to maximum Rs.25 lakh per applicant/Enterprise for obtaining Patent registration of developed product/process during the operating period of the scheme.

12.3 Fees paid to patent attorney, patent registration and patent equipment purchased to develop patent will be eligible as cost/expenditure (excluding travel, hotel charges) for obtaining patent registration.

12.4 Maximum fee for attorney for national patent shall be capped at Rs.50,000/- for domestic patents and Rs.2,00,000/- per country for international patent within the overall cap of 75% of the cost/expenditure of patent registration within overall ceiling.

12.5 50% of the Assistance will be disbursed after the publication/notification of the patent, while remaining assistance will be disbursed after issuance of certificate of patent.

12.6 Applicant shall have to submit application within six months from the date of publication/notification of the patent. Application submitted after six months from the date of publication/notification will not be eligible for assistance.

13. Assistance for saving in consumption of Energy and Water

13.1 The existing as well as new enterprise taking action for saving in consumption of Energy and Water will be eligible for assistance under this scheme (a) 75% Cost of energy/water audit conducted by a recognized institution/ consultant subject to maximum Rs. 50,000/- for each will be reimbursed once during the operative period of the scheme.

13.2 25% of cost of equipment recommended by the Auditing authority subject to Maximum Rs. 20 lakhs one time assistance will be eligible during the operative period of the scheme.

13.3 The assistance on cost of equipment will be eligible subject to the condition that saving in energy / water minimum by 10% of average monthly consumption of previous 12 months before audit.

13.4 Even after taking all steps as mentioned above for efficient use of energy /water, if consumption is increasing with reference to increase in production, then such claim will be examined separately by the committee to be constituted by SLEC.

13.5 Enterprise shall have to submit the application within six months from the date of issue of audit report.

14. Assistance for raising Capital through SME Exchange

14.1 Under the new guidelines of SEBI, MSME can raise equity capital through SME exchange.

14.2 To encourage MSME to opt for this route, assistance will be provided under this scheme.@ 25% expenditure incurred on raising of fund through SME Exchange maximum to Rs. 5 lakhs one time after successful raising of equity as per approved scheme by SME Exchange during the operative period of the scheme.

14.3 Enterprise shall have to submit the application within six months from the listing date in SME Exchange.

14.4 MSME status of enterprise will be considered on the date of listing in SME exchange.

14.5 GVFL may take equity in enterprise which are registered with SME Exchange

15. Assistance for reimbursement of CGTMSE fees

15.1 Government of India has introduced instruction to financial institution to sanction Collateral free loans by charging additional fee on such loans.

15.2 It has been decided to extend support to MSEs under this scheme Service fees charged by Bank/ Financial institution as under will be eligible for assistance.

15.3 Assistance as reimbursement @ 100% annual Service fees paid to Bank/financial Institution by entrepreneur for availing of collateral free term loan under CGTMSE scheme as amended time to time, for the period of five year.

15.4 Conditions:

a. Enterprise has to apply as per time limit prescribed for PEC/ FEC as per para 6.

b. The assistance will be disbursed with Interest subsidy once in a year.

c. The service activity and trading activity will not be eligible under the scheme.

d. The detailed standard of procedures and guidelines for giving assistance in the Credit Guarantee Scheme of CGTMSE would be provided by the MSME Commissionerate office and will be final and binding to all the concerned stakeholders.

16. Assistance for Power Connection charges

16.1 Eligibility: MSME, located in other than GIDC/ approved industrial park area which has paid charges to distribution licensee during the operative period of the scheme, for new connection or to get additional load in case of existing consumer or for shifting of connection or service line, will be eligible for assistance under the scheme.

16.2 Quantum of assistance: Assistance @ 35% of charges paid to distribution Licenses for LT/HT service line, maximum limit up to Rs.5 lakhs during the operative period of the scheme.

16.3 Conditions: The enterprise shall have to apply for reimbursement within six months from the date of payment of charges to Distribution Licensee for service line.

17. Assistance in Rent to MSEs

The enterprise acquiring Rented/Leased shed to set up manufacturing activities during the operative period of the scheme will be provided assistance by way of reimbursement of rent paid by it. This will extend support to add working capital as this will result into saving of margins payable to bank/Financial Institute.

17.1 Quantum of assistance

a. The assistance@65% of rent paid by the MSME enterprise and @75% in case of 100% equity ownership of women entrepreneur with maximum Limit of Rs.3 lakh Per Annum.

b. The assistance will be provided for five years.

17.2 Conditions:

a. The owner of shed should have legal ownership and possession.

b. The manufacturing activities should be consuming electricity/power.

c. The assistance of rent will be given with effect from the date of rent Deed or three months prior to the date of production whichever is later.

d. The service activity and trading activity will not be eligible under the scheme.

e. Enterprise shall have to apply within six months from the date of Rent agreement / Lease deed.

18. Electricity Duty:

MSMEs shall be eligible to receive exemption from the electricity duty as applicable under Gujarat Electricity Duty Act, 1958.

19. Special Provisions of Assistance to MSMEs for Selected Thrust Sectors:

Industrial unit in selected thrust sectors will be eligible for assistance under the scheme.

19.1 Reimbursement of stamp duty and registration charges:

a. Eligible MSME under selected thrust sectors shall be eligible to claim 100% reimbursement of stamp duty and registration charges paid to Government of Gujarat for purchase and/or lease of land meant for the project.

b. Conditions –

i. Reimbursed Stamp Duty and Reimbursed Registration Charges shall not be included as part of Eligible Fixed Capital Investment

ii. Reimbursement of Stamp Duty/ Registration fees shall be made only after the commencement of commercial production.

iii. Reimbursement Stamp Duty/ Registration fees shall be applicable only on the land purchased and/or leased during the eligible investment period.

iv. Applicant shall have to submit application within six months from the DoCP. Application submitted after Six months will not be eligible for assistance.

19.2 Support to Intellectual Property Rights (IPR):

a. Eligible MSME under selected thrust sectors shall be eligible to claim 75% reimbursement of expenses towards Intellectual Property Rights – Patent, Design, Copyright, Trademark, and GI Registration obtained during the operative period of scheme, subject to maximum INR 1 Crore.

b. Conditions

i. Fees paid to authority, registration and equipment purchased to develop product will be eligible expenditure (excluding travel, hotel charges) for obtaining such registration.

ii. Applicant may apply for assistance multiple times during the operative period till maximum assistance of INR 1 Crore shall be utilized.

iii. Applicant shall have to submit application within six month from the date of publication/notification of the Patent / Design / Copyright / Trademark / GI Registration. Application submitted after six month from the date of publication/notification will not be eligible for assistance.

iv. Expenditure incurred on or after date.01.01.2026 shall be considered for assistance under the scheme

19.3 Assistance for Technology Acquisition:

a. Eligible MSMEs under selected thrust sectors shall be eligible to claim 65% reimbursement of expenses towards technology acquisition obtained from recognized institution for its product/ process during the operative period of scheme, subject to maximum INR 1 Crore.

b. Conditions –

i. Expenses incurred for technology acquisition obtained from recognized institution including royalty payment for first two years shall be considered for reimbursement.

ii. The enterprise shall have to apply to MSME Commissionerate within six month after signing of MOU / agreement / contract with technology provider. Application submitted after six months from the date of signing of MOU / agreement / contract will not be eligible for assistance

iii. Assistance will be available to New Enterprise as well as existing enterprise for acquiring technology.

iv. Assistance will not be eligible for purchase of any plant and machinery or equipment.

v. Patented Technology acquired from Indian Companies/foreign companies will also be eligible.

vi. Expenditure incurred on or after date.01.01.2026 shall be considered for assistance under the scheme.

19.4 Assistance for International Certification / Compliances:

a. Eligible MSMEs under selected thrust sectors shall be eligible to claim 100% reimbursement of fees payable to International Certification, during the operative period of the scheme, subject to maximum INR 5 Crore.

b. Conditions –

i. Expenses incurred for fees charged by certification agency (excluding travel, hotel & surveillance charges).

ii. Applicant shall have to submit application within six months from the date of issuance of certificate. Application submitted after six months will not be eligible for assistance.

iii. MSMEs shall not be eligible if any certification is required as a part of statutory provision.

iv. Expenditure incurred for renewal of certificate shall not be eligible for assistance under the scheme.

v. Expenditure incurred on or after date.01.01.2026 shall be considered for assistance under the scheme.

19.5 Assistance for Training of Manpower:

a. Eligible MSMEs under selected thrust sectors shall be eligible to claim for expenses incurred by the industrial undertaking for training of its employees, in India or abroad, for the first 12 months subject to maximum INR 8,000/- per employee per month.

b. Conditions –

i. Only trainees domiciled in Gujarat would be eligible for this incentive.

ii. An industrial undertaking shall be eligible for this assistance for manpower trained for a period starting one year prior to the date of commencement of production. However, the assistance shall be disbursed only after the commencement of commercial production.

iii. Applicant shall have to submit application within six months from the last date of such training program. Application submitted after six months will not be eligible for assistance.

iv. An enterprise shall be allowed to claim only once during the operative period of the scheme for Assistance for Training of Manpower.

19.6 Assistance for Setting up Creative Design Studio:

a. Eligible MSMEs under selected thrust sectors shall be eligible to claim for 50% of expenses incurred by the enterprises for Setting up Creative Design Studio, in house or standalone, during the operative period of the scheme, subject to maximum INR 5 crore.

b. Conditions –

i. Expenses incurred for Machinery and equipment, hardware and software obtained for Setting up Creative Design Studio, in house or standalone shall be considered for reimbursement.

ii. Applicant shall have to submit application within six months from the date of commencement of such Creative Design Studio. Application submitted after six months will not be eligible for assistance.

iii. Expenditure incurred on or after date.01.01.2026 shall be considered for assistance under the scheme.

19.7 Assistance for AI Subscription fees:

a. Eligible micro enterprise and Artisans under selected thrust sectors shall be eligible to claim 80% of AI subscription fees up to INR 1 Lakh per annum for 3 years.

b. Conditions –

i. Applicant shall have to submit application within six months from the last date of subscription. Application submitted after six month will not be eligible for assistance.

ii. Expenditure incurred on or after date.01.01.2026 shall be considered for assistance under the scheme.

20. Availment of incentives under any other incentive scheme of the state government.

Notwithstanding the provisions under other schemes of the State Government, an enterprise eligible under this scheme or any other sector specific incentive scheme of the State Government, may opt for either of the incentive schemes. If any enterprise is availing incentive under any other State Government scheme, it will not be eligible under this scheme, unless specifically provided.

21. Sunset Clause:

21.1 Enterprise can apply for Final Eligibility Certificate (FEC) within prescribed time limit as per para 6 of this Government Resolution.

21.2 If application is made after prescribed time limit (i.e. 6 months) and within two years, it will be considered as delayed submission. In such case, incentive period and eligible quantum of incentive shall be reduced proportionately to the extent of the delayed period.

21.3 No application of FEC shall be entertained beyond two years from the date of eligible investment period.

21.4 MSME Commissionerate /DIC shall process complete applications received within the prescribed time limit and dispose of the same within the prescribed time limit.

21.5 If the applicant fails to provide requisite documents within prescribed time limit, the application shall be liable for rejection. The decision of the MSME Commissionerate in this regard shall be final and binding. and no claim, representation, or challenge shall be maintainable against such decision in respect of delayed or incomplete applications submitted after the expiry of the Policy or the prescribed time limit.

21.6 All Applications will be decided by the competent authority within the prescribed time limit. Thereafter the applicability of the policy will be lapsed.

22. Other Conditions:

The incentives granted under the scheme shall be subject to the following conditions:

22.1 Enterprise shall have to submit GPCB certificate as applicable to DIC / MSME Commissioner.

22.2 Any investment made by an existing enterprise for renovation, rehabilitation, or rationalization will not be eligible for incentive under this resolution.

22.3 Enterprise that has availed incentive under this scheme shall be required to remain in production continuously till the expiry of the eligible period of incentive. However, if production is discontinued for specific period due to reasons beyond the control of the management, the sanctioning authority may condone the period for which production is discontinued after due verification of details and reasons of discontinuation of production and after satisfying itself to the same.

22.4 In case of breach of any one or more of the conditions of this GR, the incentives disbursed under the scheme shall be liable to be recovered as an arrears of land revenue or in any other appropriate manner the government may deem fit along with interest at the rate of eighteen per cent per annum from the date of first availment of such incentive.

22.5 The MSME Commissioner may separately issue guidelines for the implementation of the scheme.

23. State Level Empowered Committee (SLEC)

23.1 A committee consisting of following members is constituted for monitoring and interpreting of GR of various MSME Schemes:

1.	**Commissioner MSME**	**Chairperson**
2.	Joint/ Deputy Secretary, Industries and Mines Department.	Member
3.	Financial Advisor, Industries and Mines Department	Member
4.	2 Representatives of industry association(s) as may be Member decided by the Chairperson of the committee	Member
5.	Joint/ Deputy Commissioner of Industries	Member Secretary

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23.2 Sanctioning and disbursement Authority for assistance on proposals under various Component will be as follows:

Sr. No.	Component	Sanctioning and Disbursing Authority
1.	Capital Subsidy	Micro, Small -GM-DIC Medium-MSME Commissioner
2.	Interest Subsidy	Micro, Small -GM-DIC Medium-MSME Commissioner
3.	Power tariff assistance	Micro, Small -GM-DIC Medium-MSME Commissioner
4.	EPF Reimbursement to MSMEs	Micro, Small -GM-DIC Medium-MSME Commissioner
5.	Assistance for Quality Certification	MSME Commissioner
6.	Financial Support to MSMEs in ZED Certification	GM-DIC
7.	Assistance in implementation of Information and Communication Technology	GM-DIC
8.	Assistance for Technology Acquisition	MSME Commissioner
9.	Assistance for Patent Registration	MSME Commissioner
10.	Assistance for saving in consumption of Energy and Water	GM-DIC
11.	Assistance for raising Capital through SME Exchange	MSME Commissioner
12.	Assistance for reimbursement of CGTMSE fees	Micro & Small -GM-DIC Medium-MSME Commissioner
13.	Assistance for Power Connection charges	GM-DIC
14.	Assistance in Rent to MSEs	GM-DIC
15.	Special Provisions of Assistance to MSMEs for Selected Thrust Sectors (As per para 19)	MSME Commissioner

24. Authority for Interpretation:

Any dispute or difference of opinion regarding the interpretation of the provisions of this resolution shall be referred to the SLEC constituted under para 23.1 of this GR. Committee shall recommend the decision for approval to the Industries and Mines department and the decision of the department will be final and binding to all.

25. The Government may conduct a periodical review of the Scheme to evaluate its implementation and effectiveness in achieving the intended objectives and will take appropriate decision.

26. Budget Provisions:

The expenditure under the scheme will be met from the sanctioned grant of the respective financial year under the following budget head:

Demand Number: 49

Major head: 2851 Village and small industries

Minor head: 102 Small scale industries

Sub Head: 16 (IND -1) Financial assistance to Industries

This issues with the concurrence dated 24/08/2026 of Finance Department received on the file of even number.

By order and in the name of the Governor of Gujarat.

Ramzan

(Ramzan A. Jafrani)
Under Secretary
Industries and Mines Department

Copy to:

1. Secretary to Hon'ble Governor of Gujarat*
2. Additional Chief Secretary/Additional Principal Secretary/Principal Secretary to Hon'ble Chief Minister
3. Secretary to the Hon'ble Deputy Chief minister.
4. Personal Secretary to all Hon'ble Ministers

5. Principal Advisor/Advisor to Hon'ble Chief Minister
6. Additional Secretary to Chief Secretary
7. Additional Chief Secretary, Finance Department
8. PS to Additional Chief Secretary, Industries and Mines Department
9. V.C & M.D., G.I.D.C., Gandhinagar
10. Industries Commissioner, Gandhinagar
11. MSME Commissioner, Gandhinagar
12. Director, Information and Broadcasting for wider publicity.
13. C.E.O., GIDB, Gandhinagar
14. Accountant General Rajkot/ Ahmedabad
15. Computer Cell, Industries and Mines Department
16. Select file

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