

2025



# ***MADHYA PRADESH INDUSTRIAL PROMOTION POLICY 2025***

**KNOWLEDGE SERIES**

**[www.bizastra.com](http://www.bizastra.com)**



## ***Greetings from Bizastra!***

*This edition focuses on the*  
***MADHYA PRADESH INDUSTRIAL  
PROMOTION POLICY 2025.***

■ **IPP 2025** aims to make **Madhya Pradesh** a global **industrial hub**, focusing on **large-scale industries, FDI, and R&D.**

---

■ **Key sectors:** EVs, pharmaceuticals, textiles, medical devices, food processing, and renewable energy.

---

■ The policy aligns with **India's national sectoral policies and PLI schemes** to **boost strategic investments.**

---

# 1. Objective And Policy Period

Contribution to the State's GDP

Develop world class industrial infrastructure.

Sustainable industrial growth.

Investor facilitation.

Employment-intensive sectors.

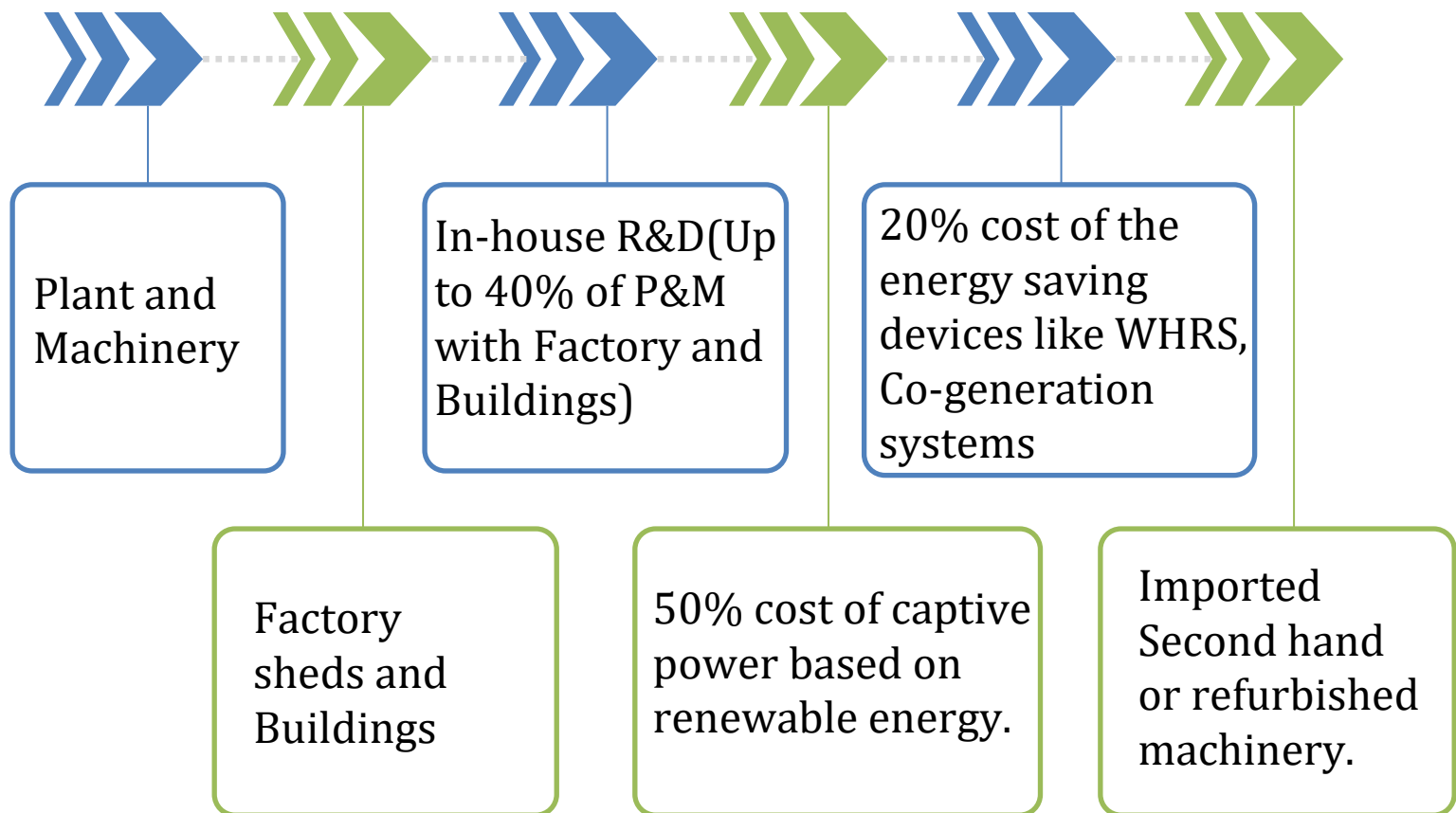
Future-ready workforce.



## Policy Period:

This policy shall be effective from the date of notification of this policy for 5 years or till the launch of new policy w.e.f 24th February 2025.

## 2 . Fixed Capital Investment



## 3 . Applicable To:



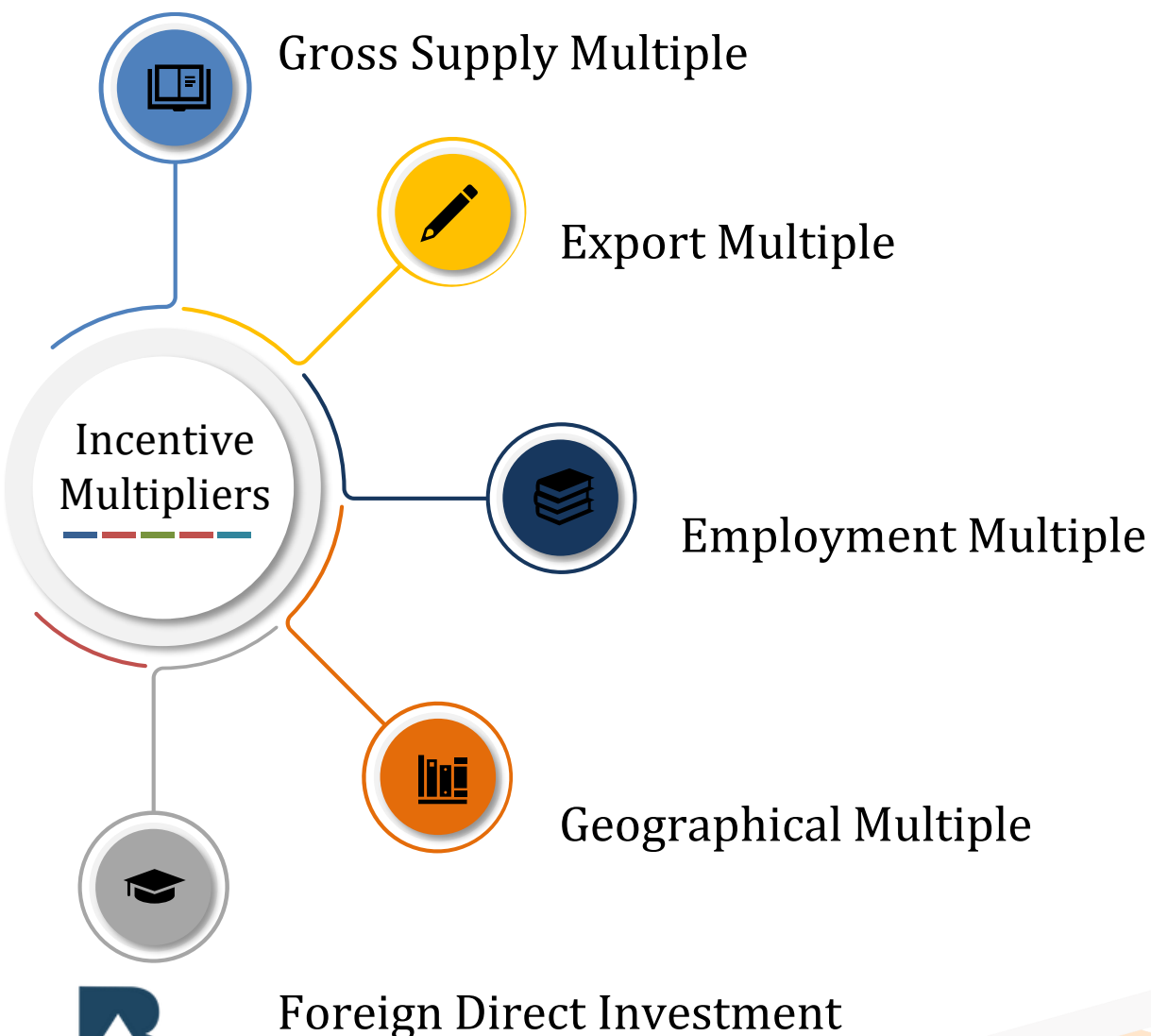
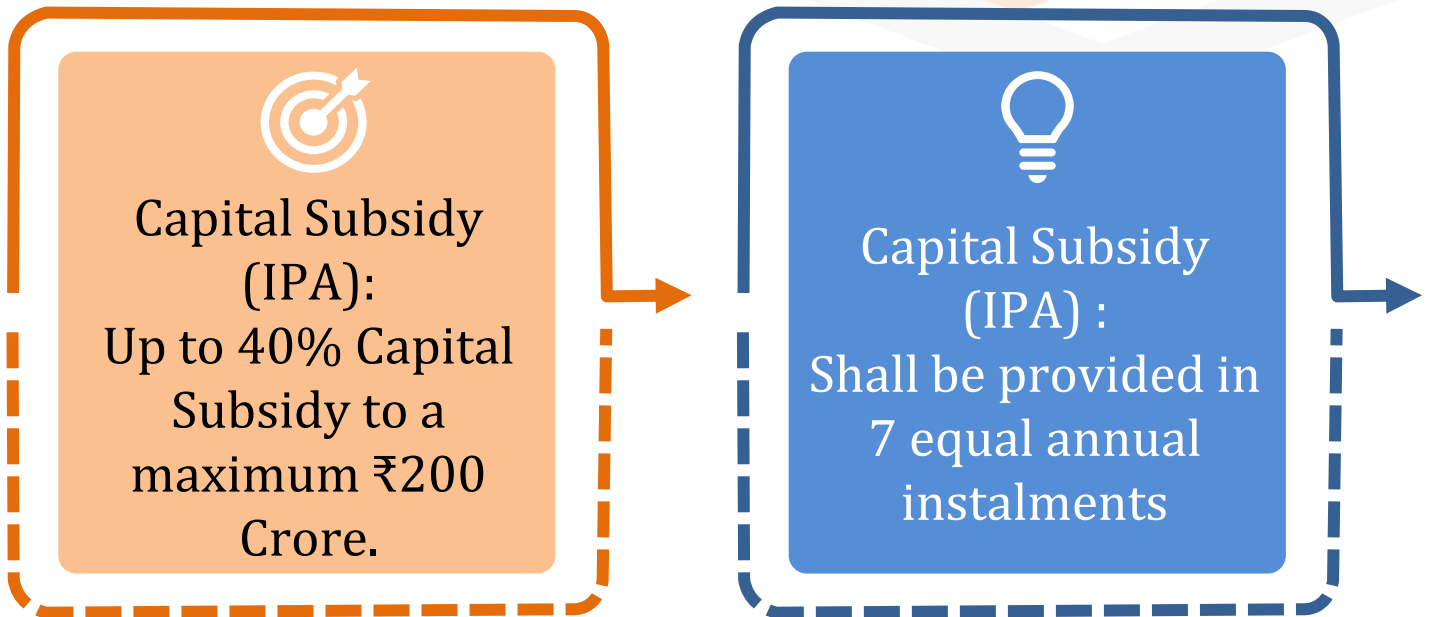
Manufacturing Units – Large And  
Mega Units



New / Expansion / Diversification /  
Technology Upgradation .



## 4. Financial Incentives:



## 5. Mega Units :

Mega Units are conferred Customized package by the CCIP

**A**



Investment  
Above 75  
Cr.

<b>a. Agri, Dairy and Food Processing</b>	<b>b. Furniture Manufacturing</b>	<b>c. Garment, Footwear, Toys and Accessories</b>
<b>d. Gems &amp; Jewellery</b>	<b>e. Herbal and Minor Forest Produce</b>	<b>f. High Value-Add Manufacturing</b>

**B**



Investment  
Above 250  
Cr.

**a. Any Large Industrial Unit coming in Priority Blocks.**

**b. High Potential Sectors include –**

- i. Personal Care and Cosmetics
- ii. Petrochemicals, Plastics and Polymers
- iii. Pharmaceutical and Biotechnology
- iv. Renewable Energy Equipment Manufacturing
- v. Telecommunication & Networking Products
- vi. Any sunrise sector

**C**



Investment  
Above 500  
Cr.

**All Except which are not covered under A & B**



## 6. Sector Specific Policies :

### 1. Agri, Dairy, and Food Processing Policy:

**Capital Subsidy(IPA)**  
up to 40%

**Food Processing**  
**Multiple** 1.5 times  
of IPA i.e. Up to  
60%

**Incentive for  
Quality  
Certification**

**Green  
Industrialization  
Assistance : 50%,  
max up to ₹5  
Crore**



**Infrastructure Development  
Assistance : 50%** assistance  
for developing power, water,  
gas pipeline, road, drainage  
maximum of ₹5 Crore

**Mandi Fee  
Reimbursement :**  
100% Mandi fee shall  
be reimbursed

**Power Tariff  
Reimbursement :**  
A period of 5 years.





# 7. Sector Specific Policies :

## 2. Garment & Apparel, Footwear, Toys, and Accessories Policy:

**Capital Subsidy(IPA)**  
up to 40%

**Green Industrialization Assistance :** 50%, max up to ₹5 Crore

**Assistance for IPR and Organic Certification :**  
100% reimbursement max of ₹10 Lakh per unit.



**Assistance for Employment Generation:**  
More than 250 employees up to ₹5,000 per month.

**Infrastructure Development Assistance :** 50% assistance for developing power, water, gas pipeline, road, drainage maximum of ₹5 Crore

**Assistance for Training and Skill Development:**  
Of ₹13,000 per new employee for 5 years.

**Power Tariff Reimbursement :**  
A period of 5 years.



## 8. Sector Specific Policies :

### 3. Pharmaceuticals Policy :

**Capital Subsidy(IPA)**  
up to 40%

**Additional multiple  
for API/ Bulk Drugs :**  
1.3 times of IPA i.e. Up  
to 60%

**Assistance for  
IPR and Organic  
Certification :**  
100%  
reimbursement  
max of ₹10 Lakh  
per unit.



**Green  
Industrialization Assistance :**  
50%, max up to  
₹5 Crore

**Infrastructure Development  
Assistance :** 50% assistance  
for developing power, water,  
gas pipeline, road, drainage  
maximum of ₹5 Crore

**Assistance for R&D :** Max  
of the 50% of the P&M  
with Factory sheds and  
Buildings.

## 9. Sector Specific Policies :

### 4. High Value-Add Manufacturing Policy:

**Capital Subsidy(IPA)**  
up to 40%

**Additional multiple  
for HVA 1.3 times of  
IPA i.e. Up to 60%**

**Assistance for  
IPR and Organic  
Certification :**  
100%  
reimbursement  
max of ₹10 Lakh  
per unit.



**Green  
Industrializati  
on Assistance :**  
50%, max up to  
₹5 Crore

**Infrastructure  
Development Assistance :**  
50% assistance for  
developing power, water, gas  
pipeline, road, drainage  
maximum of ₹5 Crore

**Incentive to Provide  
Employment to Differently  
Abled Persons: 100%**  
reimbursement up to  
₹5,000/- per employee



# 10.Frequently Asked Questions (FAQ)



## 1. Is Government Incentivizing the FDI ?

- Yes, the Government of Madhya Pradesh is incentivizing Foreign Direct Investment (FDI) under the Madhya Pradesh Industrial Promotion Policy 2025.

## 2. What are conditions for Expansion ?

- Minimum 30% additional investment (₹20 Cr or ₹100 Cr) with at least 20% capacity increase.

## 3. Is it applicable to units Upgrading their Technology?

- Applicable if investing 30% of existing investment (₹20 Cr or ₹100 Cr), operating for 7+ years, and no product change.



## 11.Closing Note



**The Madhya Pradesh Industrial Promotion Policy (IPP) 2025 aims to boost economic growth by offering financial incentives, investor-friendly governance, and robust industrial infrastructure.**

**Bizastra Private Limited stands ready to assist businesses in leveraging policy incentives, securing funding, and streamlining regulatory processes for sustainable industrial growth.**



**+91 91585 22195,  
+91 85309 15916.**



**[arohi@bizastra.com](mailto:arohi@bizastra.com)  
[gauri@bizastra.com](mailto:gauri@bizastra.com)**



**[www.Bizastra.com](http://www.Bizastra.com)**