



NEW INDUSTRIAL POLICY

KERALA'S NEW INDUSTRIAL POLICY 2023-28: FOSTERING INNOVATION AND GROWTH IN MEDTECH AND EMERGING SECTORS

The Government of Kerala has framed and adopted a progressive new Industrial Policy on 1st April 2023. Recognizing the immense potential of the MedTech sector, the Government of Kerala has introduced a series of incentives and initiatives to attract investments and foster growth in this domain. In line with Kerala's transition to a high-value, knowledge economy, Emerging Technology sectors like Artificial Intelligence (AI), Electric Vehicles (EVs) have identified as thrust sectors. Medical Technology, Medical Devices & Equipment, Biotechnology and Life sciences as well as high-value rubber echnology products are also priority sunrise sectors. A policy approach that is cognizant of the need for the preservation of rich natural resources and the vibrant community in Kerala, the new policy aims to establish sustainable businesses and industries in a strong Environment-Social-Governance (ESG) context.

Recognizing the potential of the medical devices industry, the Kerala Industrial Policy 2023 puts significant focus on promoting innovation, research, and development in this sector. The policy aims to establish medical device parks and innovation centers to support the manufacturing of high-quality and affordable medical devices. It encourages collaboration between industry and research institutions, fostering translational research and technology transfer. Additionally, the policy provides incentives such as tax exemptions, subsidies, and venture capital

support to attract investment and promote the growth of the medical devices sector.

To attract investments and facilitate the growth of industries, the policy offers a range of incentives and support mechanisms. It includes subsidies for land acquisition, infrastructure development, and utilities. Special provisions are made for micro, small, and medium enterprises (MSMEs) to encourage their participation in the industrial ecosystem. Financial incentives such as interest subsidies, venture capital funds, and tax exemptions are provided to promote entrepreneurship and innovation. The policy also emphasizes skill development programs and capacity-building initiatives to create a qualified workforce aligned with industry requirements.

The Kerala Industrial Policy 2023 is a forward-looking and comprehensive roadmap for the states industrial growth and economic development. With a focus on priority sectors such as medical devices, IT and electronics, tourism, healthcare, and agriculture, the policy aims to attract investments, foster innovation, and create employment opportunities. By providing incentives, infrastructure support, and skill development initiatives, the government endeavors to transform Kerala into a thriving industrial destination, promoting sustainable and inclusive growth. The policy sets the stage for Kerala's emergence as a hub for innovation, entrepreneurship, and industrial excellence in the coming years.