



Government of Maharashtra

FinTech Policy 2018

1. Maharashtra is the first State in the country to announce the FinTech policy.
2. Considering the importance of FinTech in the BFSI sector, the State government has decided to set up "World FinTech Hub" in the Mumbai Metropolitan Region.
3. The Major objectives of the FinTech policy are – Mumbai to emerge as one of the world's top five FinTech centers in the next five years; to incubate at least 300 start-ups in the next three years; facilitate venture capital funding of at least Rs. 200 crores for FinTech start-ups in the hub over first three years & provide at least 2 times more co-working space to start-ups.
4. The Government of Maharashtra will create a FinTech corpus fund of Rs. 250 crores over the next three years.
5. Additional FSI will be provided under this policy to promote setting up of Smart FinTech centers. At least 85% of the built-up area should be occupied by units in the business of FinTech (start-ups, incubators, and accelerators), banking, and financial services including NBFC and insurance, and IT/ITeS sectors with focus on FinTech.
6. The Government of Maharashtra will set up a co-working space of minimum 10,000 sq. ft. in one of the central locations of Mumbai, which will be made available to FinTech companies at reasonable rates. A hub and spoke model will be followed where the centrally located physical infrastructure set up by the Government will act as the hub and locations of other stakeholders like educational institutions, FinTech accelerators, banks, technological firms and IT parks can act as spoke locations.
7. Annual benefit of up to Rs. 10 lakhs will be provided to FinTech startups for a maximum period of 3 years (for companies with an annual turnover up to Rs 25 crores) towards reimbursement of internet and electricity consumption, Hosting infrastructure at subsidized rates, Reimbursement of state and central GST, Reimbursement of participation fee with participation / performance of global events.
8. Government will set up an investment fund of Rs. 20 crores for funding FinTech accelerators and incubators.
9. An incentive fund of up to Rs. 10 crores will be created to encourage high growth FinTech startups in the first year of their operations. Each year top 20 rated start-ups will be provided a grant of Rs. 10 lakhs each, once during the lifetime of the start-up. These start-ups will be identified on several parameters including growth rate, innovation, social impact, etc.



10. Government shall pilot a number of different projects using Blockchain and DLT (Distributed Ledger Technologies) across areas like land registry, supply chain management, and identity management, education, healthcare amongst other areas.
11. Industry Sandbox for Mumbai FinTech Hub will be developed.
12. A State Steering Committee & an Advisory Panel comprising of 15 experts will be formed.
13. Educational establishments in the state will be encouraged to start full-time degree courses and vocational degree courses in FinTech.

