

Uttar Pradesh | Draft industrial policy put up for public review, feedback: Govt

The state government is in process of formulating new policies to attract investment in the state ahead of the UP Global Investors Summit proposed to be held in February 2023.



The government will provide assistance to the developers of private industrial parks with a size of at least 20 acres in Bundelkhand and Purvanchal and 30 acres or more in Madhyanchal and Paschimanchal, says the policy. (File Photo)

The Uttar Pradesh government on Friday put up for review and feedback its draft Industrial Investment and Employment Promotion Policy, seeking suggestions from the public and the stakeholders by October 4.

The policy draft, which is available on Invest UP's official website, proposes option-based subsidy, land on lease for up to 50 years to industrial enterprises at 1% of circle rate, full exemption on stamp duty for private industrial parks and immediate land availability to companies with 100% foreign direct investment (FDI) to attract investment.

The state government is in process of formulating new policies to attract investment in the state ahead of the UP Global Investors Summit proposed to be held in February 2023.

'Invest UP' Chief Executive Officer (CEO) Abhishek Prakash said the draft policy provided option-based incentive model to enable the state as a competitive and attractive investment destination to industry players from all sectors.

Under the proposed policy, the investors will be able to choose either capital subsidy, net SGST reimbursement or production-linked incentive (PLI) top-up subsidy, he said.

The capital subsidy option will be available depending upon the region of investment and is linked to production capacity utilisation. The incentives are also connected with employment booster, which would enhance the capital subsidy for creating employment and also for boosting exports.

Under the production-linked incentive top-up subsidy, policy offers to enable investors shortlisted under the Union government's PLI schemes to choose UP as their investment destination. The policy also provides other incentives like stamp duty exemption, subsidy for research and development or acquiring intellectual property rights (IPRs), setting up R&D units and centres of excellence.

ADVERTISEMENT

The government claimed that the new draft policy has been conceived after rigorous stakeholder consultations and analysis of the best practices in different states and aims at establishing UP a nationally and internationally competitive investment destination keeping in mind the upcoming investors summit and the 1-trillion dollar economy goal.

The policy also proposes to facilitate industries in getting barren village land and other such government land on lease up to 50 years for industrial enterprises at 1% of circle rate for setting up a project.

The government will provide assistance to the developers of private industrial parks with a size of at least 20 acres in Bundelkhand and Purvanchal and 30 acres or more in Madhyanchal and Paschimanchal, says the policy.

ADVERTISEMENT

Infrastructure and Industrial Development Commissioner Arvind Kumar said, "In the last few years, UP has emerged as one of India's fast-growing economies and as a dream destination for industrial investment."

Capital subsidy offered is 25% of the eligible fixed capital investment (excluding land cost). This subsidy will be linked to regions like maximum limit of Rs 240 crore in Madhyanchal and Paschimanchal and maximum Rs 245 crore in Bundelkhand and Purvanchal. The policy also offers 100% exemption on stamp duty on the purchase of land by the developer for industrial parks.