

No land conversion fee for MSME now

TIMES NEWS NETWORK

Lucknow: In a major relief to MSME unit operators, the state govt has decided to roll back the conversion charges which is imposed to allow industrial activity over agricultural land.

Taking note of the representations made by industrial bodies, the MSME department clarified that the provisions available in the 2017-18 policy will continue to remain effective. There are over 90 lakh micro, small and medium enterprises in the state and the changed scenario is going to benefit thousands of unit operators who have sought permission from the 29 housing development authorities to allow conversion of land use. On an average one-third of the value of the land

is paid as conversion charges to the housing department.

The exemption will be offered to the private industrial parks as well that have been planned under the PLEDGE (promoting leadership and enterprise for development of growth engines) scheme by private players and industrialists on build, own and operate model. In MSME promotion policy released in 2022 the provision to exempt the applicant from paying up conversion charges was not mentioned. Through approval of the cabinet the amendment was notified in the updated policy in Jan this year post which all development authorities have been asked to offer exemption retrospectively to the PLEDGE parks that have been set up Feb 1, 2023, onwards in the state.