

ACCENT REGION

UTTAR PRADESH

State to simplify land allotment for MSMEs

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To boost micro, small and medium enterprises (MSMEs) and attract fresh private investment, the Uttar Pradesh government is framing a new policy to simplify industrial land allotment in the sector.

UP has the maximum number of 9 million MSMEs in India, a key driver of employment and economic growth in the state.

During a recent review meeting chaired by Chief Minister Yogi Adityanath, the high cost of industrial land was highlighted as a major hurdle for expansion, technology upgrades, and the establishment of both new and existing units. The proposed policy aims to expand the industrial land bank and promote an industry-friendly plug-and-play model for small and medium enterprises.

Yogi has directed senior officials to ensure adequate land availability and promote a lease-rental model based on revenue sharing, enabling MSMEs to begin production quickly and without initial procedural bottlenecks. "Such a model can prove extremely beneficial

for the growth of the MSME sector," he said, calling for the policy to be finalised at the earliest.

Industrial land prices in Uttar Pradesh — particularly in NCR districts — remain higher than in other states. The government believes that providing MSMEs with affordable industrial plots and ready-to-use sheds will help bridge this gap, and the upcoming policy is expected to ease the burden significantly.

The policy's core objective is to allow industries to focus on production, machinery installation and job creation rather than spending time and capital on land acquisition and construction.

Under the plug-and-play framework, industrial development authorities will retain land ownership while either constructing ready industrial sheds themselves or partnering with private developers under the PPP model. The approach will align with the DBFOT (design-build-finance-operate-transfer) structure, where private players will handle construction and operations while regulatory control remains with the authority.