

CABINET NOD LIKELY TODAY

UP Govt set to roll out two new schemes for industry

The launch will take place alongside rollout of Nivesh Mitra 3.0

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Lucknow, March 22

THE STATE government is set to launch two major industrial initiatives on Tuesday — the Private Business Park Development Scheme – 2025 and the Plug-and-Play Industrial Sheds Scheme. The launch will take place alongside the rollout of Nivesh Mitra 3.0, the upgraded single-window clearance system designed to support investors through faster approvals and AI technology-driven interface.

Before the launch, both the schemes are likely to be tabled for Cabinet approval on Monday so that they can be taken up for launch by Chief Minister Yogi Adityanath on Tuesday along with launch of Nivesh Mitra. 03, according to sources.

Plug-and-Play

Industrial Sheds Scheme

The Plug-and-Play Industrial Sheds Scheme will be implemented under a Design-Build-Finance-Operate-Transfer (DBFOT) public-private partnership model, introducing a shift from the existing “lease and build” system to a “rent and operate” approach.

Officials told The Indian Express that it was observed that the current model places a heavy financial burden on enterprises due to high land and construction costs, long gestation periods and cash-flow constraints. Thus, under the new framework, private developers will design, finance, build, operate and maintain ready-to-use industrial sheds, while land ownership will remain with the Industrial Development Authorities (IDAs). The scheme is aimed primarily at MSMEs, enabling quicker start of operations, lower upfront investment, and greater operational flexibility. It also seeks to improve land utilisation and generate employment at a faster pace. The concession period is being proposed at 45 years under the scheme, extendable by 15 years, with developers

required to pay upfront land premiums, annual fees and a share of revenue. They will bear project risks, while governance safeguards such as escrow mechanisms, audits and oversight by independent engineers will be put in place. Strict minimum development obligations have been built in to prevent land hoarding. The scheme is expected to be rolled out initially through pilot projects before scaling up.

Private Business Park Development Scheme

Sources said the Private Business Park Development Scheme is aimed at attracting multinational corporations, IT firms and innovation-driven enterprises by providing world-class, plug-and-play infrastructure.

Under the scheme, private developers will set up integrated business parks to host offices, research and development centres and global capability centres, enabling faster establishment of operations and reducing project delays. The scheme will also follow a PPP-DBFOT model, with a 45-year concession period, extendable further, said sources.

Developers will be required to develop a minimum land parcel of 10 acres, with phased construction obligations linked to utilisation benchmarks.

At least 50 per cent space will be reserved for IT and knowledge-based industries, with a limited portion allowed for retail and support services such as food courts and training facilities, said sources.

The financial model includes upfront land premium and revenue sharing, both carrying weight in bid evaluation. Eligibility has been restricted to reputed developers, real estate investment trusts (REITs) or consortia with strong financial credentials and prior experience in business park development and management.

Developers will also be required to secure commitments from anchor tenants, including global firms, for a portion of the leasable area. Sources further informed that the state government will provide encumbrance-free land, external infrastructure and single-window clearances, while private partners will handle planning, financing, construction, leasing and operations.

