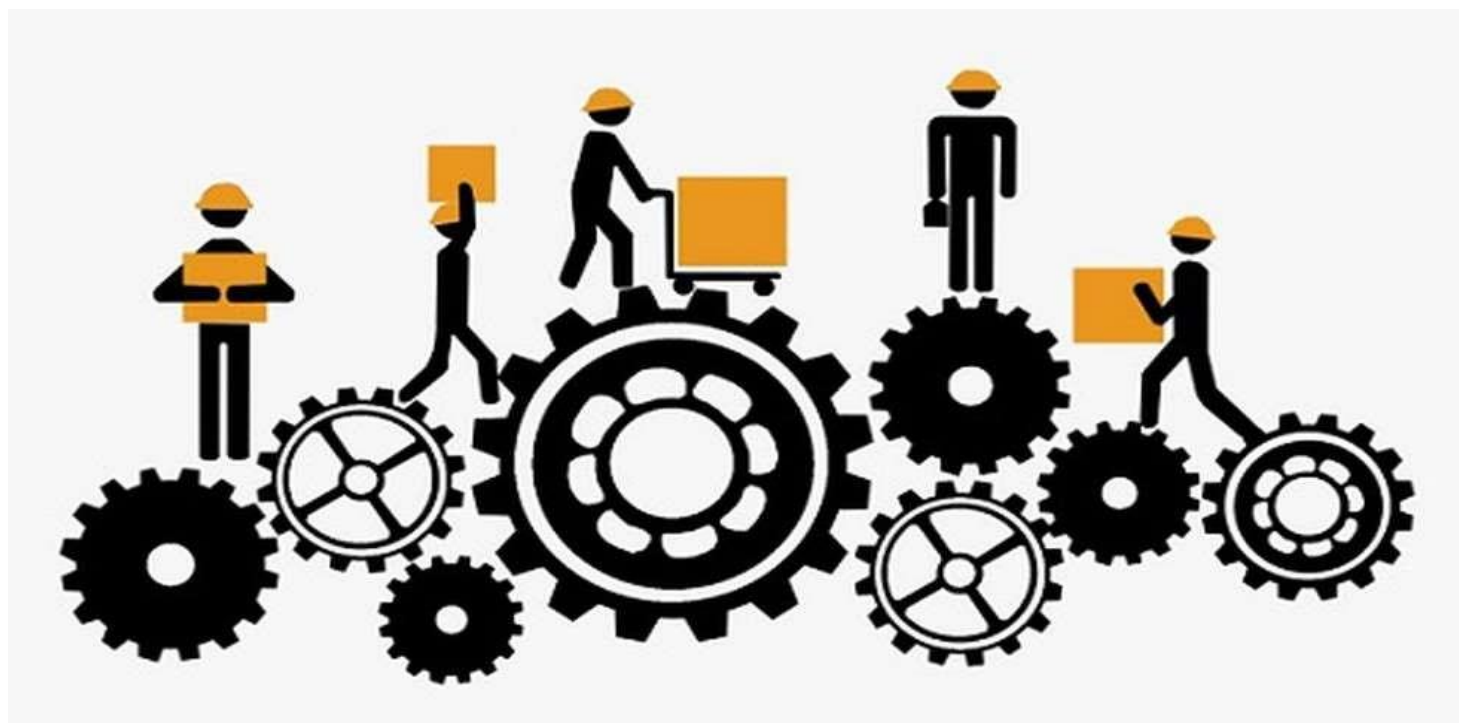


Compendium of MSME Policy and Incentive Schemes of Uttar Pradesh



Compendium of MSME Policy and Incentive Schemes of Uttar Pradesh

Abbreviations

BRAP	Business Reform Action Plan
CFC	Common Facility Centre
CFS	Container Freight Station
CGTMSE	Credit Guarantee Fund Trust for Micro and Small Enterprises
COVID-19	Coronavirus-2019
DC	Development Commissioner
DFS	Department of Financial Services
DIC	District Industries Centre
DICCI	Dalit Indian Chamber of Commerce and Industry
DIEPC	District Enterprise and Promotion Centre
DPIIT	Department for Promotion of Industry and Internal Trade
EBU	EV Battery Manufacturing or Assembly Units
EMD	Ernest Money Deposit
EoDB	Ease of Doing Business
EPB	Export Promotion Bureau
EPF	Employee Provident Fund
ESDM	Electronics System Design and Manufacturing
ESDP	Entrepreneurship Skill Development Programme
EVMU	Electric Vehicle and its components manufacturing units
FCI	Food Corporation of India
GDP	Gross Domestic Product
GoUP	Government of Uttar Pradesh
IAS	Indian Administrative Services
ICD	Inland Container Depot
ILO	Indian Labour Organization
INR	Indian Natural Rupees
IT	Information Technology
KPI	Key Performance Indicator
LDM	Local District Manager
MRO	Maintenance, Repair and Operations
MSME-DI	Micro Small Medium Enterprises -Development Institutes
MSMEs	Micro Small Medium Enterprises

Compendium of MSME Policy and Incentive Schemes of Uttar Pradesh

MSME-TC	Micro Small Medium Enterprises – Technology Centres
MVP	Minimum Viable Product
NABARD	National Bank of Agriculture and Rural Development
NAVY	Niryat Awasthapna Vikas Yojna
NIC	National Informatics Centre
NSIC	National Small Industries Corporation
ODOP	One District One Product
PAN	Personal Account Number
PSU	Public Sector Undertaking
RCS	Regional Connectivity Scheme
SAMPADA	Scheme for Agro-Marine Processing and Development of Agro-Processing Clusters
SC	Schedules Caste
SFAC	Small Farmer's Agri-Business Consortium
SGST	State Gross service Tax
SIDBI	Small Industries Development Bank of India
SMEVCF	A Small, Medium Enterprise Venture Capital Fund
SPRS	Single Point Registration Scheme
SPV	Special Purpose Vehicle
ST	Scheduled Tribe
SUCC	Stand Up Connect Centres
UP	Uttar Pradesh
UPIIEPP	Uttar Pradesh Industrial Investments and Employment Pormotion Policy 2017
VCF	Venture Capital Assistance Fund

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1 Introduction of MSME

Uttar Pradesh (UP) is largest state with 75 districts under 18 divisions with Lucknow as the capital. Uttar Pradesh has the largest population in the country and accounts for approximately 17% of India's total population amounting to ~ 200 million people. The state has also the **third largest economy, contributing 8% of India's total Gross Domestic Product (GDP)**¹. Between 2015-16 and 2020-21 the states GDP grew at a CAGR of 9.50% standing at INR 17.91 trillion in 2020-21 (Figure 2).

As per, U.P. unorganized manufacturing survey of 2017, there are over 160,000 Micro Small and Medium Enterprises (MSMEs) enterprises in UP, 93% of which are single household entities. On an average the enterprises employed 8 people and in total they employed 1.3 million people. In total across all sectors there are 6.7 million enterprises in U.P. employing 13.75 million people in the state.² Data indicates that the districts of Gautam Buddha Nagar, Agra, Meerut, Allahabad, Ghaziabad, Hardoi and Kanpur feature on the top in various key parameters such as number of enterprises, employment and output. Initiatives in these districts will impact more enterprises and workforce. On the other hand, clusters in Varanasi and Aligarh have a unique industrial heritage which can create a disproportionate impact of output as well as employment and must be supported with well targeted interventions.

Comprising of **14.20% (approx. 90 lakh)**³ of MSMEs in the country, **U.P. is emerging as the country's next growth frontier** with its large consumer base, rapidly improving physical infrastructure, abundant availability of manpower, and reform-oriented proactive governance. The policy environment and business climate of the state provides significant opportunities for entrepreneurs to create a global footprint. The state government has implemented several policies including UP Industrial Investments and Employment Promotion Policy 2017 (UPIIEPP), UP Micro, Small and Medium Enterprise Promotion Policy 2017, One District-One Product Scheme (ODOP) and Food Processing Industry Policy-2017.

It is evident from the above information that the MSME sector serves as a backbone of manufacturing sector in Uttar Pradesh with the presence of many traditional clusters which includes agriculture, leather, handloom, handicrafts, etc. There are more than 40 lakhs MSMEs and providing more than 95 lakh employment opportunities in the state. But, due to increased competition, environmental regulations, requirement of technology upgradation and infrastructure requirements, MSMEs are struggling to see the growth and development in the state.

Classification of enterprises. As per new classification criteria of manufacturing and service units notified on 26.06.2020, an enterprise shall be classified as a micro, small or medium enterprise on the basis of the following criteria, namely:--

- i. A micro enterprise, where the investment in plant and machinery or equipment does not exceed **one crore rupees** and turnover does not exceed **five crore rupees**;
- ii. A small enterprise, where the investment in plant and machinery or equipment does not exceed **ten crore rupees** and turnover does not exceed **fifty crore rupees**; and

¹ <http://invest.up.gov.in/>

² The State of Employment in Uttar Pradesh – Indian Labour Organization (ILO)

³ MoMSME Annual Report 2020-21

Compendium of MSME Policy and Incentive Schemes of Uttar Pradesh

- iii. A medium enterprise, where the investment in plant and machinery or equipment does not exceed **fifty crore rupees** and turnover does not exceed **two hundred and fifty crore rupees**.

Below is the number of MSMEs currently registered in Uttar Pradesh:

Type	No. of Units in Uttar Pradesh (in lakhs)
Micro	89.64
Small	0.36
Medium	0.00
Total MSME	89.99

Table 1: Estimated number of enterprises ⁴

⁴ MSME Annual Report- 2020-21

2 Entrepreneurship Development and the MSME Sector in Specific state

An entrepreneur is a catalyst for economic development, a change agent with vision and creativity. The development led by entrepreneurship attracts the possibility of new products, services and organizational forms, but it also enables a process of personal, economic, social and cultural value creation which fosters new approaches to economic development and its evaluation. Entrepreneurship plays a significant role in shaping the level of economic development, an urgent of developing countries like India, wherein the share of youth is quite large and capability of the employment sector, limited. **Entrepreneur development is the process of improving the skills and knowledge of entrepreneurs and enhancing the capacity to develop, manage and organise a business venture by considering the risks involved in it.** Potential entrepreneurship development requires to be supported by a business ecosystem that is conducive to its emergence, easy finance, expertise, infrastructure, skills and a high level of motivation for change.

India initiated its efforts in this direction through the National Skills Development Policy, 2009, and later, the National Policy for Skill Development and Entrepreneurship in 2015. Wherever possible the government has directed its offices and other public sector undertakings to support new Start Ups and MSMEs by giving priority to purchase their products. All these efforts are bearing fruit because the government of India has focused on infrastructural development. E.g. Construction of highways, dams, increasing internet connectivity etc. **The government of India has recently introduced schemes like Make in India, Start-up India, Skill India and Digital India** which have been started keeping in view the need to reduce migration of Indian skilled and unskilled labour overseas and give a booster for employment generation.

Though many initiatives have been undertaken, institutional reforms have fallen behind leaving a yawning gap between good intentions and poor practice. This is a result of **dissonance in the central and state governments initiatives** which have been implemented in a segmented and piecemeal approach not catering to the end to end requirements in which a business operates. E.g. the focus has been mainly on creating physical infrastructure while productivity upgradation through soft intervention has limited push. There is a **greater need for R&D funding, labour market reforms, the commercialization of traditional knowledge, integration of rural academic institutes, MSMEs and industry for innovation, infrastructure development in rural areas, simplifying the business procedure**, etc.

As per the State Business Reform Action Plan (BRAP) 2019, **U.P. ranked 2nd in India for its Ease of Doing Buisness (EoDB), jumping 12 places from the previous year.** This was a result of implementation of 186 reforms suggested by the Department for Promotion of Industry and Internal Trade (DPIIT) including and not limited to labour regulation, online single window, access to information & transparency, land administration, construction permit, settlement of commercial disputes, and inspection enablers.

Currently, there is scope for **revamping the ongoing entrepreneurship development initiatives in the state to make it more holistic and comprehensive.** There are differential development needs of MSMEs based on size and scale of operations, hence the initiatives can be suitably modified to offer differential packages. As a strategy, there is a need to adopt a differential development approach for varied business models. Larger complex businesses require multiple long-term interventions executed in parallel while addressing the needs of different segments while a more focussed and specific out-

come oriented intervention is more apt for smaller businesses. The focus could also be firmly placed on achieving systemic change in selected sectors. This would mean **investing in the long-term build-up of local capacities for technical support and general business development services**, and for developing the required institutional framework for MSME oriented research, vocational education and finance.

Similarly, there is a **great scope of collaboration for central sponsored schemes of entrepreneurship development with state sponsored schemes** of this nature. In the current set-up, the central schemes have more focus more on the components related with training and skill development of the potential entrepreneurs while some of the states are focussing on critical aspects like access to finance, market linkages etc. Each of these programs have its own strength and weaknesses. The state schemes have a definite advantage in terms of greater outreach, better mobilization mechanism and close monitoring capabilities while central schemes have better financial strength and regularity of operations. If synergy could be established in execution of state and central schemes for entrepreneurship development, it would not only create a comprehensive offer for potential entrepreneurs but also be more impactful in outcomes across all aspects business development like financial assistance, technology assistance and upgradation, infrastructure development, skill development and training, enhanced competitiveness and market assistance to MSMEs.

Looking into the above, there is a **need for to synergize various initiatives by the government and offerings by private players in order to provide end to end value chain needs of a business**. This entails providing handholding support in the form of registration help, information dissemination and advisory services to MSMEs in the establishment, development and promotion of services and products developed by them.

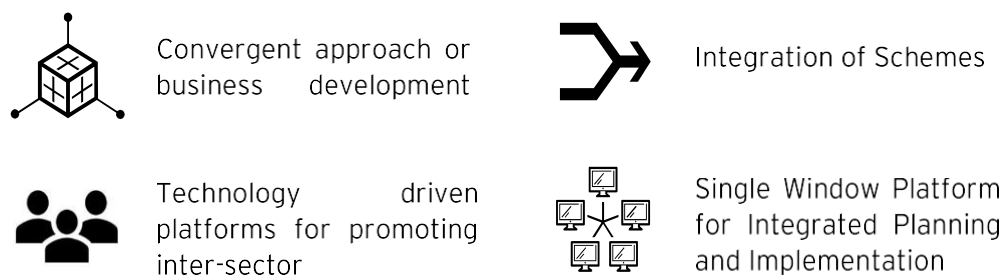


Figure 1: Integrated Business Development Approach

Key features of the Integrated Business Development:

- 1. Integration of various government schemes-** State schemes from various ministries which offer sector specific interventions and other complementary support like Uttar Pradesh Chief Minister Youth Self Employment Scheme, Scheme for Promoting Establishment of Private Industrial Parks 2017, One District One Product: Margin Money Scheme, should be bundled with national level schemes like StartUp India, StandUP India, Single Point Registration Scheme (SPRS) and Entrepreneurship Skill Development Plan to provide a holistic business development. For example: ESDP intends to strengthen the capability of entrepreneurs for developing successful business ventures, by conducting training programmes. There are 4 modules for aspiring and existing entrepreneurs. Due to limited geographic reach and resources with MSME-Development Institutes (MSME-DIs) and MSME Technology Centres (TCs), the offtake of the scheme has not been very encouraging during last 5 years. To combat this, Ministry of Micro Small and Medium Enterprises (MoMSME) has allowed more central and

state government organizations to work as Implementation Agencies in order to broaden the outreach.

A brief understanding about the benefit of these schemes is provided below:

1. Central Schemes

- **StartUP India:** The primary objective of this scheme is promotion of startups, generation of employment, and wealth creation through simplification and handholding of applications, Funding & Incentives and Incubation & Industry-Academia Partnerships.
- **StandUp India:** Stand Up India Scheme facilitate bank loans between 10 lakh and 1 crore to atleast one scheduled caste (SC) or Scehduled Tribe, borrower and atleast one women per bank branch for setting up a greenfield enterprise. This enterprise may be in manufacturing, services or the trading sector.
- **SPRS** is a developmental scheme of National Small Industries Corporation (NSIC) to assist the MSEs in India by exempting them from Earnest Money Deposit (EMD) in Government Purchases
- **ESDP:** The scheme ensures promotion of new enterprises, capacity building of the existing MSMEs and inculcating entrepreneurial culture in the country through the building and promotion of training aids, equipment and other related infrastructure to enhance the quality of training activities in the EDCs, MSME DIs and TCs and training activities at HQ level.

2. State Schemes

- **Scheme for Promoting Establishment of Private Industrial Parks 2017:** This scheme provides interest subsidy reimbursement for industrial parks/estates and Agro Parks developed by the private sector and a 100% exemption/reimbursement to developers and 50% exemption to individual buyers (first) on stamp duty.
- **ODOP - Margin Money Scheme:** This scheme benefits with not whole but a margin of the project cost. The applicants receive it in the form of subsidy to set up the project.

2. **Provide integrated business development services-** With integrated business development services approach, **MSMEs should be hand-helded in their business starting from registration to promotion of their product/service in a competitive landscape.** This would entail handholding support in the form of registration help, information dissemination and advisory services across the following 6 pillars:

- ▶ Leveraging sector specific government schemes
- ▶ Access to Market to identify and evaluate a products export potential
- ▶ Human Resource Development for capacity building among local artisans
- ▶ Technical Advisory for Product Development & Design
- ▶ International Business Opportunities through Quality Control
- ▶ Access to Finance for Working Capital Support



Figure 2: Pillars of entrepreneurial support

3. **Networking of Entrepreneurs:** There is currently limited and individual driven networking channels functional for entrepreneurs. Only few efforts have been observed towards development of a formal set-up for promoting inter-sector interactions, a lack of which limits the learning opportunities and fast adoption of best working practices. The integrated business development approach should focus on **technology driven platforms for promoting inter-sector communications and transactions.**
4. **Single-Window Platform:** An **absence of a comprehensive single window platform** is one of the key missing enablers of the U.P. entrepreneurial ecosystem. While the launch of champions portal by Nivesh Mitra is an attempt in the right direction, the effective usage of the portal and providing professionally managed services for MSMEs at the state level is the true target. The impact of the portal can be enhanced by **providing access to e-learnings, guides to set-up businesses in similar sectors, online applications and follow-up for scheme applications, success stories, access to finance, market & technology etc.**

With the help of this approach, potential entrepreneurs and youth will get better understanding, knowledge and skill set required to undertake the operations of their business in more efficient manner.

3 State Specific MSME Policy

Micro, small and medium enterprises make significant contribution to the state economy. This sector is extremely important from the viewpoint of capital investment, production and employment. **In terms of number of MSMEs (approximately 46 lakhs; 8%), Uttar Pradesh holds the first place in the country and this sector is second only to agriculture sector in providing employment.** This sector contributes considerably in exports from the state. Uttar Pradesh has been the leader in export of handicrafts, processed food products, engineering goods, carpets, readymade garments and leather products. The state's share in national exports is 4.37%

In view of the significant contribution of this sector in promoting entrepreneurship, self-employment and creation of employment opportunities as well as in increasing per capita income, the state government has taken the decision for **implementation of the U.P. Micro, Small and Medium Enterprises Promotion Policy 2017**. The policies **aim to establish Uttar Pradesh as an attractive investment destination as well as an example for employment creation.** This can be achieved through the establishment of a high-end modern technology driven administrative system that will monitor the setting up of new units, expansion and upgradation of existing units and provide end-to-end handholding of entrepreneurs. The eventual **goal is to reduce regional inequalities on the parameters of entrepreneurship, employment and per capita income and to decrease disparities amongst different classes of society.**

The key focus areas of the policies are given below:

1. Land Incentives:

- ▶ In rural areas, gram sabha land measuring more than 10 acres shall be identified and passed on in favour of industries department free of cost.
- ▶ Land parcels measuring 5 acres or more and belonging to a gram sabha situated within a radius of 5 kilometre of Agra-Lucknow expressway, Poorvanchal Expressway and other such corridors being developed and 50% of plots shall be reserved for micro and small sector.
- ▶ Minimum of 30% area would be reserved for micro and small sector in the industrial areas developed by UPSIDC and other organizations.

2. Land Use Conversion: 100% exemption from conversion charges for converting agricultural land to industrial land of agriculture land development authorities.

3. In Bundelkhand, Poorvanchal, Madhyanchal and Pashimanchal (except Gautam Buddha Nagar and Ghaziabad district), private parties setting up industrial estates of area of more than 20 acres shall be provided following incentives as applicable under the Uttar Pradesh Industrial Investment and Employment Promotion, 2017"

- ▶ 50% annual interest subsidy for loan taken to buy land, for 7 years, subject to maximum limit of INR 5 lakh per annum
- ▶ 60% annual interest subsidy for loan taken to build infrastructure, for 7 years, subject to maximum limit of INR 10 crore per annum
- ▶ 60% annual interest subsidy for loan taken to build common facility for workers, for 7 years, subject to maximum limit of INR 5 crore per annum
- ▶ 100% stamp duty exemption

- 4. Special Purpose Vehicles (SPV) Formation:** Setting up of SPVs with the participation of allottees and State Government to grant equal proportion of contribution by the allottees.
- 5. Stamp Duty Exemption:** Exemption from stamp duty in accordance with the clause 5.1. of UPIIEPP 2017.
- 6. Employee Provident Fund (EPF) Reimbursement:** 100% reimbursement for 5 years from the date of commencement of the unit for MSMEs.
- 7. Other Incentives:** Other incentives under UPIIEPP 2017, applicable to MSMEs include:
Net State Gross Service Tax reimbursements as mentioned under UPIIEPP will also be applicable to MSMEs.
 - ▶ 90% for small industries for 5 years
 - ▶ 60% for medium industries for 5 years
- 8. Capital Interest subsidy:** 5% per annum for 5 years
- 9. Infrastructure interest subsidy:** 5% per annum for 5 years
- 10. Industrial quality development subsidy:** 5% per annum for 5 years
 - ▶ 100% electricity duty exemption to new units for 10 years
 - ▶ 100% electricity duty exemption to new units producing electricity from captive power plants for self-use for 5 years
 - ▶ 100% mandi free exemption to all new food processing units for raw material purchase for 5 years
- 11. Land conversion waiver:** Waiver of land use conversion charges from agricultural to industrial being established on agriculture land development authorities for MSMEs
- 12. Electricity charges reimbursement:** Reimbursement of the fixed electricity charges at the rate of one rupee per unit for 5 years from the date of production for MSMEs.
- 13. CGTMSE:** Payment of service fee to Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) charged by banks for collateral free loans up to INR 2.00 Cr to be borne by the state government for MSMEs.
- 14. SMEVCF:** A Small, Medium Enterprise Venture Capital Fund (SMEVCF) shall be created by the state government with the help of other financial institutions to encourage development of start-up and upward mobile MSMEs
- 15. Special schemes:** special schemes like Vishwakarma Shram Samman Yojna and Mukhyamatri Yuva Swarozgar Yojna will be applicable.
- 16. Interest subsidy reimbursement:** Reimbursement of interest subsidy at 5% annually for 5 years.

4 State Specific Incentive Scheme for Micro, Small and Medium Enterprises

The state of Uttar Pradesh has been leading in the export of handicrafts, processed food, engineering goods, carpet, readymade garments and leather products. It is famous for the traditional products manufactured by local Micro, Small and Medium Enterprises (MSMEs) in the state and possess immense potential for generating employment. Key growth drivers in the state include:

- ▶ **Indigenisation:** With the advent of **Make in India** and enhanced focus on locally manufactured products, there is huge opportunity for investments and outputs by large players and their MSME vendors to **indigenise and/or enable import substitution** particularly adapting to research and development, innovation and global technologies.
- ▶ **Government procurement policy and procurement by large domestic and foreign industries:** A favourable procurement policy complemented by the huge industrial base in the state supports MSME vendors to grow their business in the state. Currently, Uttar Pradesh has **mandated 25 per cent procurement by the state government departments and public sector undertakings (PSU) from the state MSMEs**. Besides this, the state government has fixed a sub-quota of 3 per cent and 4 per cent for compulsory procurement from the MSME units owned by women and scheduled caste/scheduled tribe (SC/ST) entrepreneurs respectively as well as a 5 per cent procurement from ‘green enterprises’, which are operated on eco-friendly standards and do not harm environment.

To encourage indigenous and specialized products in the state, the UP government has launched schemes like **ODOP programme and policies like the U.P. Micro, Small & Medium Enterprises Promotion Policy 2017 and the Uttar Pradesh Chief Minister Youth Self Employment Scheme 2020**. The following section will give a brief of the state governments policies and central and state government schemes available to entrepreneurs in Uttar Pradesh.

4.1 Policies

4.1.1 Industrial Investment and Employment Promotion Policy 2017, Government of Uttar Pradesh

The Industrial Investment & Employment Promotion Policy of Uttar Pradesh 2017 will strive to leverage the inherent strengths of the state while developing new ones and tackling its underlying weaknesses considering the economic dynamics at play at the Indian, Asian and the Global level. The policy will aim to **create a framework to stabilize and make existing industries more competitive as well as attract and realize new international and national investments in the industrial sector**. The key features of this policy include:

- ▶ **Stamp Duty:** 100% in Bundelkhand & Poorvanchal, 75% in Madhyanchal & Paschimanchal (except GBNagar & Ghaziabad districts) and 50% in Gautam Buddha Nagar & Ghaziabad districts.
- ▶ **EPF Reimbursement :** Facility to the extent of 50% of employer’s contribution to the units providing direct employment to 100 or more unskilled workers
- ▶ **SGST Reimbursement :** Net SGST reimbursement @90% for Small Industries for 5 years, @60% for Medium Industries for 5 years, @60% for Large Industries other than Mega Industries for 5 years, and @70% for Mega category Industries for 10 years.

- ▶ **Capital Interest Subsidy** : 5% per annum for 5 years
- ▶ **Infrastructure Interest Subsidy** : 5% per annum for 5 years
- ▶ **Industrial Quality Development** : 5% per annum for 5 years
- ▶ **Electricity Duty** : 100% exemption to all new industrial units set up in the state for 10 years. Also, 100% exemption to all new industrial units producing electricity from captive power plants for self-use for 10 years
- ▶ **Mandi Fee** : 100% exemption to all new food processing units on purchase of raw material for 5 years.
- ▶ **Incentivising employment generation** : Units generating minimum employment of 200 direct workers including skilled and unskilled will be provided 10% additional EPF reimbursement facility on employer's contribution.

4.1.2 U.P. Warehousing & Logistics Policy 2018

Rapid industrialisation in Uttar Pradesh is creating higher demand for more sophisticated logistics infrastructure in the State. The state has huge storage capacity with large number of warehouses under State Warehouse Corporation, cold storages including those under National Horticulture Mission, and Grameen Bhandarans (Rural Godowns) under National Agriculture Bank for Rural Development (NABARD). There are approximately 174 warehouses in UP with 71.84 lakh MT capacity. The current capacity is not enough to suffice the rising storage needs. Therefore, expanding the storage capacity in the state is being emphasized in state.

Taking forward the Make in India vision of Govt of India, the State of Uttar Pradesh has already launched UPIIPP, 2017 and Food Processing Industry Policy 2017 to **create a supporting ecosystem for investments in industries and related infrastructure**. A vibrant warehousing and logistics sector would **increase the competitiveness of goods produced in the state, both in the domestic as well as export market**. The sector has high potential to boost manufacturing and job creation in the state, and can therefore can be instrumental in improving the State's GDP. With this view, the GoUP envisions this "Warehousing and Logistics Policy" to **maximise the benefit of the strategic geographical location of the state, and spur far reaching economic benefit**. The Uttar Pradesh Warehousing and Logistics Policy 2018 aims at **complementing the UPIIEPP 2017 and strengthen the state's foothold in the logistics sector**. Key features of the policy include:

- ▶ **Capital Interest Subsidy** @5% for 5 years upto INR 50 lacs for logistics unit
 - @5% for 5 years subject to overall ceiling of INR 10Cr for Private logistics Par
- ▶ **Infrastructure Interest subsidy** @5% for 5 years upto INR 5 Cr for logistics unit
 - @5% for 5 years upto INR 10 Cr for Private logistics Park
- ▶ **Energy** @ **100% exemption** on electricity duty for 10 years
- ▶ **Land-use conversion Charge** @ **50% concession** on land use conversion charges
- ▶ **Development Charges** @ **75% exemption**.
- ▶ **Quality certification of Warehouses** @ **50% of cost** of quality certification upto INR 1.5 lacs reimbursement
- ▶ **EPF reimbursement facility** @ 50% reimbursement on providing direct employment to 100 or more employees

4.1.3 U.P. Food Processing Industry Policy 2017, Government of Uttar Pradesh

The main objective of the Uttar Pradesh Food Processing Industry Policy 2017 is to ensure fair and remunerative price of the produce to the growers, value addition to the price of raw produce, promote setting up of food processing industries, easy availability of processed food products to consumers at competitive prices, generation of new employment opportunities to build capacities and increase the skill level of the manpower in this sector and also make available additionally required manpower. The key features of this policy include:

- ▶ **Capital Investment Subsidy @25%** upto Rs 50 lakhs
- ▶ **Additional Grants-in-aid** to Mega Food Parks upto Rs 50 Cr under Scheme for Agro-Marine Processing and Development of Agro-Processing Clusters (SAMPADA) scheme
- ▶ **Additional Grants-in-aid @10%** under SAMPADA scheme for fruits and vegetables processing industries
- ▶ **Interest Subsidy @100%** for 5 years to micro and small food processing industries,, and @7% for 5 years for establishments other than micro and small food processing industries.
- ▶ **Interest Subsidy for purchase of reefer vehicle/ mobile cooling van @7%** for 5 years
- ▶ **Export promotion incentive @50%** reimbursement of expenses incurred on exporting processed food samples for test marketing; and reimbursement of 25% of transportation cost up to INR 10 lakhs p.a. for 3 years. Also 20% reimbursement of Free On Board value up to Rs 20 lakhs per beneficiary p.a. for 3 years.
- ▶ **Patent registration fee reimbursement @75%** and Quality certification fee reimbursement @50% for internationally accepted quality certification

4.1.4 U.P. Milk Policy 2018

Due to increasing urbanization, increase in population, shrinking family, rise in family income and busyness in daily life, changing dietary habits have resulted in a continuous increase in demand for processed products. In Uttar Pradesh, there is immense potential for development of milk production and processing sector, capital investment in this sector, employment generation and increase in income of all stakeholders.

The government aims to reduce perishability of milk and milk products, promote market-centric activities in the dairy sector and spread awareness about modern technology in this field. The objective of Uttar Pradesh Milk Policy-2018 is to **promote the export of processed milk and milk products, to increase the per capita income in the state, to promote infrastructure and private investment in the milk sector.**

Towards this, GoUP will **simplify various processes to address issues related to the quality of dairy products and will create an information technology enabled database with the objective of providing relevant market information to industry** in the state. The objective of the policy is providing a congenial environment for the establishment and development of the milk processing industry in Uttar Pradesh. Key features of the policy include:

- ▶ **Capital Subsidy @ 25%** on cost of creating infrastructure/ expansion/ diversification
- ▶ **100% interest subsidy for 5years to MSME Milk processing units**
- ▶ **7% interest subsidy for 5years to non MSME Milk processing units**
- ▶ **50% subsidy on cost of preparing Detailed Project Report**

► **Promoting Exports**

- 50% subsidy on cost of sending sample for test abroad
- Freight subsidy @25% to transport processed product from plant to airport/port for 3years
- 20% subsidy on product Freight on Board cost for 3years

► **50% reimbursement of quality certification fees and testing charges**

► **75% reimbursement of patent filing fees (one time)**

4.1.5 U.P. Handlooms, Powerlooms, Silk, Textile & Garmenting Policy 2017

The policy aims to **attract investment for creating new job opportunities and promote Make in India to meet the domestic demand for textiles**. This policy will help promote development of the textile industry in backward areas and Ensure rapid availability of skilled labour in Textile industry. The key features of this policy include:

- **Land Subsidy @50%** of land cost (30% in Gautam Buddh Nagar district) on land purchase from State Agencies
- **Stamp Duty exemption @100%** (75% in Gautam Buddh Nagar district)
- **SGST refund for 10years @90%** to MSME units, @80% to Mega units
- **Electricity Duty exemption @100%** to new units for 10 years
- **Capital Investment Subsidy @25%** for plant and machinery based on investment
- **Interest Subsidy @7%** upto Rs 1.5 cr (upto Rs 75 lacs for GB Nagar) for 7 years for procurement under TUFs
- **Infrastructure Interest Subsidy @5%** upto Rs 1 cr for 5 years per unit for developing infrastructural amenities
- **Quality Development Subsidy @ 5%** upto Rs 1 cr for 5 years per lab for research and quality improvement
- **EPF reimbursement for 5 years to new unit @50%** with min 100 workers & @60% with min 200 workers Special Incentives for Textile Parks
- **Stamp duty exemption @100%** to developer (except in GB Nagar district), and @50% to first buyer of plot/unit
- **Interest Subsidy @50%** on purchase of land for 7 years upto Rs 50 Cr; and @60% for 7 years for construction of staff-quarters, hostel/dormitory.

4.1.6 U.P. Pharmaceutical Industry Policy 2018

India is one of the most cost-effective manufacturers of drugs and pharmaceuticals in the world, owing to the abundance of natural resources and availability of cheap labour in the country. The country produces diverse range of products, and the healthcare market is rapidly expanding here.

Taking forward the Make in India vision of Government of India, the State Government of Uttar Pradesh has launched the UPIIEPP, 2017, which is expected to expedite industrialisation in the State and boost investments. This policy takes ahead the vision and objectives of UPIIEPP and provides attractive incentives to develop supporting ecosystem for a competitive Pharma industry in Uttar Pradesh. The policy aims at **building up competencies of research, development and commercialization in pharmaceutical sector, capable of harnessing the true potential of the sector in a sustainable way** by utilizing the knowledge and manpower from premier institutions to provide quality and affordable healthcare services. Key features of the policy include:

- ▶ **Patent Filing Subsidy** @ 100% of actual filing costs on domestic patents
 - @50% of actual filing costs on international patents
- ▶ **Quality Certification Subsidy** @75% of cost incurred for ISO certification and 50% of cost incurred for BIS certification
- ▶ **Support for setting up R&D institutes @60% of annual interest** on loan taken reimbursement
- ▶ **Support for Clinical Trials** @ 75% of total expenditure reimbursement
- ▶ **Support for Contract / sponsored research @ 50% subsidy** on eligible project cost to institutes situated within UP
- ▶ **SGST Reimbursement, Stamp duty exemption, Capital Interest Subsidy, Infrastructure Interest Subsidy, Industrial Research Subsidy, Electricity Duty & Mandi Fee exemption** as per Incentives under UPIIEPP 2017
- ▶ **Pharma Park:** Horizontal Pharma Park developed over min 10 acres of land and Vertical Pharma Park developed over min 3 acres of land will be provided same incentives as provided to Private Industrial Parks under UPIIEPP, 2017

4.1.7 U.P. Electric Vehicle Manufacturing Policy 2019

Electric Vehicles are widely gaining market across the globe. Due to high pressure and fast depletion of fossil fuels, **electric mobility has become necessary to reduce impact of transportation on environment and climate change**. The recent Paris Agreement enforced in November 2016 provides to limit Carbon dioxide emissions to control global warming and threats of climate change. **Electrification of automotive industry aims at achieving the set objectives by decarbonising the transport system.**

Towards this, the Uttar Pradesh Electric Vehicles Manufacturing and Mobility Policy 2018 **provides attractive fiscal and non-fiscal to attract investments to promote Electric mobility in the state**. The policy also promotes early adoption of EVs in the state as well as create demand in the sector. Therefore, **the policy contains 3-components; manufacturing, charging infrastructure and demand creation**. This policy complements the UPIIEPP, 2017. Besides the department of infrastructure & industrial development, department of transport, department of power and department of urban development play pivotal role in the implementation of this policy. Key features of the policy include:

- ▶ **Land Subsidy** @25% of actual cost or prevalent circle rate of land whichever is le
- ▶ **Capital Interest Subsidy** @5% p.a. for 5 years upto Rs 50 lakh p.a., to Large, Anchor Electric Vehicle and its components manufacturing units (EVMU)/ EV Battery Manufacturing or Assembly Units (EBUs) & MSME
- ▶ **Infrastructure Interest subsidy** @ 5% p.a. for 5 years upto Rs 1 Cr, to Large, Anchor EVMU/EBUs & MSME
- ▶ **Energy** @100% exemption to Large, Anchor EVMU/EBUs and MSME units for 10 years
- ▶ **Patent and Certification** @75% reimbursement of patent registration cost and 50% reimbursement of quality certification charges for MSME only
- ▶ **Capital Subsidy for Charging Facility** @25% on FCI (excluding land cost) to first 1000 charging stations upto Rs 6 lakh per charging station

- ▶ **Capital Interest Subsidy for Charging Station** @50% reimbursement on FCI (excluding land cost) for setting up hydrogen generation and fuelling plants to first 10 units, subject to max INR 50 lakh per unit.
- ▶ **Vehicle Registration Fee** @ **100% exemption** from Vehicle registration fees (Only First 1 lakh buyers, and Vehicle manufactures in UP)

4.1.8 U.P. Tourism Policy 2018

In 2018, Uttar Pradesh was ranked the 2nd in terms of total tourist arrivals, 2nd in terms of domestic tourist arrivals and 3rd in terms of foreign tourist arrivals. **The tourism industry in UP has a significant contribution to the state's economic growth.** The contribution of tourism to employment generation, both direct and indirect, is of immense importance to the state. The GoUP understands the importance of the tourism sector and has **identified tourism as a priority sector**. In order to tap the infinite possibilities offered by the sector, strategic and organized initiatives are needed to make the state a major tourist attraction.

The tourism policy will help U.P. in **creating a sustainable, pro-growth, and a pro-poor ecosystem**. The policy envisages a dynamic and long-term approach to achieve the true growth potential of the tourism sector in the state. The policy proposes aggressive initiatives, attractive incentives and requisite regulatory reforms. The objective of the policy is to **aid U.P. in becoming most preferred tourist destination in India by 2023 and attract investments with a target of INR 5,000 Crore per year**. It targets to:

- ▶ Provide **employment to approximately 5,00,000 people per year**
- ▶ Impart **training to 10,000 tourism service providers**, over the next five years
- ▶ Elevate the standards of public service facilities across the state and provide high quality visitor experience

Key features of the policy include:

- ▶ **Capital Investment Subsidy**
 - @15% to New Hotels/Resorts upto Rs 10 Cr
 - @15% to Wellness Centres upto Rs 10 Cr
 - @10% to New Sports resort upto Rs 1 Cr
 - @15% to New Budget Hotels upto Rs 1.5 Cr
 - @20% to New Tented accommodation upto Rs 50 lacs
 - @25% to New heritage properties upto Rs 1.5 Cr (To know about more categories refer to full policy)
- ▶ **Interest Subsidy** @5% for 5 years upto Rs 25 lacs per annum to all new units
- ▶ **Stamp Duty exemption** @100% on sale/lease/transfer for the first transaction
- ▶ **Conversion and Development charges waiver** @ 100% to all tourism units
- ▶ **Skill Development Subsidy** @100% reimbursement of hospitality related course fees for upto Rs 10000 per person and subsidy of INR
- ▶ **5 lakh individual/group in reviving the indigenous and scarce art**, music, folk dance, craft and cuisine
- ▶ **Excise License Fee exemption** @100% exemption to Heritage hotels set up in rural areas.

4.1.9 Export Promotion Policy, Government of Uttar Pradesh

The policy aims to promote development and competitiveness in the field of exports, provide necessary export-related assistance and services to export subsidiaries and establish and develop technical and physical infrastructures to increase exports from the state industries.

Key focus areas of the Export Policy Uttar Pradesh 2020-25 include handicrafts, agriculture and processed food products, engineering goods, handloom and textile, leather products, carpets and rugs, glass and ceramic products, wood products, sports goods, defence products, services sector, education, tourism, Information Technology (IT) and ITES, medical value travels and logistics.

1. **Marketing and Development Assistance Scheme:** The scheme aims to encourage exporters (including MSME exporters) to access and develop overseas markets. The scheme offers funding for participation in international fairs, study tours abroad, trade delegations, publicity, etc. Under the scheme, financial assistance is provided in the following activities:
 - a. **Foreign Fairs/Exhibition:**
 - i. 60% of Stall charges paid up to max. Rs. 100000/- for one fair/exhibition
 - ii. Air Fare 50% by economy class max. Up to Rs. 50000/- per fair for one person.
 - b. **Publicity Advt., Printing Of Catalogue & Development Of Website:**
 - i. 60% of total cost of Expenditure maximum upto Rs. 60000/- annually.
 - c. **Samples to Foreign Buyers**
 - i. 75% of total expenses on courier for sending samples max. assistance up to Rs. 50000/- per year
 - d. **Facility for obtaining ISO 9001-2000/BIS 14000, Hall Mark, HACCP & C-MARK**
 - i. 50% of total expenses max. up to Rs. 75000/- per year
2. **Freight Subsidy scheme:** This scheme gives assistance against expenses incurred on freight charges for sending goods for exports, through State Inland Container Depot (ICD)/Container Freight Station (CFS) up to the gateway port. Under the scheme, 25% of the total inland Freight charges with maximum ceiling of Rs. 6000/- for 20" and Rs. 12000/- for 40" per container up to maximum Rs 12.00 lac in current financial year is admissible to exporting units to send their goods by State ICD/CFS to the gateway port. This amount is sanctioned by the district users committee chaired by D.M. of the concerned district.
3. **Air Freight Subsidy scheme:** This scheme gives subsidy on Export Cargo sent by Air Cargo Complex in U.P. (Amausi, Lucknow and Babatpur, Varanasi) at the rate of 20% of freight charges or 50/- per Kg. whichever is less. upto the limit of 2.00 lacs per unit per annum.
4. **Uttar Pradesh Niryat Awasthapna Vikas Yojna (NAVY)** is formulated to involve the States in the export effort by providing assistance to the States Governments for creating appropriate infrastructure for the development and growth of exports. The Government of India has delinked the ASIDE (Assistance to State for Developing Export Infrastructure and Other Allied Activities) Scheme from the Union Budget 2015-16. So to complete the projects related to Export Infrastructure the State Government started Uttar Pradesh Niryat Awasthapna Vikas Yojna. Under this scheme, the selected projects lying in the basket have to be completed. Like the ASIDE Scheme, projects have to be established, maintained and operated by the Implementing Agencies (SPVs). **Financial assistance of minimum 30% of project cost and**

incumbrance free land will be provided by the Implementing Agencies (SPVs) and a maximum of 70% of the project cost will be assisted under scheme.

5. **State Export Award:** Given by the Government of U.P. to Outstanding exporters of the State in each of 25 specified categories. The application form for which is available with the Development Commissioner (DC), DIC office/ Export Promotion Bureau (EPB) office/ EPB website.

4.1.10 U.P. Civil Aviation Promotion Policy 2017

This policy aims to create a conducive business environment and provide adequate incentives for the development of robust civil aviation infrastructure in the state of U.P. In order to do so it provides incentives to improve the overall air connectivity in the state through development of new routes under regional connectivity scheme (RCS) and also facilitation of inter-connectivity of non-RCS airports of the State. This will facilitate trade and generate employment opportunities, provide support for development of air cargo hubs and fulfilment centres in the State and help facilitate the growth of Maintenance, Repair and Overhaul (MRO) facilities in the state. Key features of this policy include:

- ▶ **VAT on ATF @ Zero** for 10 years for RCS airports
 - @Zero for 01 year for connecting non-RCS airports in UP with non-RCS airports outside U.P.
 - @Zero for 01 year for connecting non-RCS airports within U.P.
- ▶ **Viability Gap Funding** (for 50% of total seat)@20% State Share as per RCS
- ▶ **Electricity @ Rs. 4/unit** upto 30000 units
- ▶ **Reimbursement of S-GST on sale of air tickets @ 100%** reimbursement for 3 years for RCS flights
 - @ 100% reimbursement for 1 year for new flights in connecting non-RCS airports within U.P.
 - @ 100% reimbursement for 1 year for new flights in connecting non-RCS airports within U.P.
- ▶ **Airport parking/night halt at RCS airports @ Zero** charges (for 3 years) at GoUP Airports
- ▶ **Office space (100 sqm) for airlines at GoUP RCS airports @ Zero** Rental (for 3 years) at GoUP Airports
- ▶ **Route Navigation & Facilitation Charges (RNFC) @ 50%** of RNFC (upto Rs. 2000) will be reimbursed on RCS airports or flights connecting Divisional Hq (for 3 years)

4.1.11 U.P. Defence & Aerospace Unit & Employment Promotion Policy 2018 & 2019 (First Amendment)

This policy aims to **attract private investment in the defence manufacturing sector** in the state in the context of the announcement of the establishment of Defence Industrial Corridor in Uttar Pradesh by Hon'ble Prime Minister, Shri Narendra Modi. This policy complements the State's Civil Aviation Policy - 2017 and UP Micro, Small and Medium Enterprises Policy 2017, taking forward the vision and objectives of the State's Industrial Investment and Employment Promotion Policy 2017. Equipped with attractive incentives, this policy **provides a strategic direction for the development of defence and aerospace sector in the state in the next 05 years.** The policy aims to **attract an investment of Rs. 50,000 Crores in the next 5 years and generate 2.5 lakh jobs in the defence and aerospace manufacturing sector.**

- ▶ **Capital Subsidy @10% of FCI** (except land cost) upto Rs. 10 Cr and @15% upto max Rs. 15 Cr in Bundelkhand Region for Mega Anchor & Anchor D&A Unit @5% of FCI (except land cost)

upto max Rs. 5 Cr and @7.5% upto max Rs. 7.5 Cr in Bundelkhand Region for MSME & Vendor Unit @10% of FCI up to Rs. 10 Cr and @15% of FCI up to a limit of INR 15 Cr in Bundelkhand region for Private Defence & Aerospace Parks @20% up to Rs. 1 Cr for setting up ETP (Mega Anchor & Anchor units)

- ▶ **Grant for setting up of Common Facility Centres @ 25%** wherein 75% grant has been provided by GoI
- ▶ **Stamp Duty@100% exemption**
- ▶ **Transport subsidy (Mega Anchor & Anchor units) @50%** subsidy upto consolidated maximum Rs. 2 Cr for transporting imported plant and machinery from logistic park/ transport hub/ port/ harbour to the production unit @30% subsidy up to Rs. 1 Cr (per annum for 5 years) for transporting finished goods to logistic park/ transport hub/ port/ harbour from the production unit
- ▶ **Technology transfer (Mega Anchor & Anchor units) @75%** for the first 5 units and @50% towards the next 5 units up to Rs. 50 lakhs per unit

4.1.12 U.P. Information Technology & Startup Policy 2017

The State Government has heralded tremendous transformation by creating an enabling policy environment, in tandem with undertaking proactive initiatives for translating these policies on ground. Uttar Pradesh has developed the twin cities of Noida and Greater Noida as leading software and start-up hubs. Spreading the growth in an equitable and balanced manner, Tier-II and Tier-III cities stand to benefit immensely from all round development initiatives. A state-of-the-art IT City is being established on PPP model in Lucknow. Further, IT Parks are being set up in cities like Agra, Meerut, Kanpur, Gorakhpur, Varanasi, Bareilly etc.

With the goal of **nurturing innovation and entrepreneurship and encouraging youth in Uttar Pradesh to become “Job creators” instead of “Job seekers,”** the State is taking laud worthy efforts. An INR 1000 Crore Uttar Pradesh Start-up Fund is being established to provide access to finance, exclusively to UP based start-ups. To **ensure creation of friendly business climate through ease of doing business reforms, single window clearance mechanism has been instituted at Udyog Bandhu.** Further, for guiding and facilitating investors, entrepreneurs and start-ups under UP IT & Start-up Policy, a dedicated policy implementation unit has been established at UP Electronics Corporation Limited. Key features of the policy include:

- ▶ **Interest subsidy @5% per annum** for a period of 7 years
- ▶ **Stamp Duty@100% exemption** on purchase/lease of land/office space/ buildings for IT/ITeS use with condition of commencing operations within 3 years
- ▶ **Electricity Duty@100% reimbursement** for new IT/ITeS units for a period of 10 years post commencement of commercial operations
- ▶ **Grant on EPF@100% reimbursement** of the total EPF amount paid for IT/ITeS Professionals of Uttar Pradesh domicile with employment for continuous 1 year, after start of commercial operation
- ▶ **Incentive for Certification:** Maximum reimbursement of 3 certifications with total limit of INR 25 lakhs per unit.
- ▶ **Recruitment Assistance:** INR20,000 per employee located in Tier-II and Tier-III cities subject to continuous employment of minimum 6 months and annual recruitment of at least 50 students in the field of IT-BPM, recruited from UP based colleges.
- ▶ **Patent Filing Subsidy @up to 100%** of actual filing costs on awarded patents

- ▶ **Provision for land:** Reimbursement up to 25% of the cost of purchase of land from State Agencies subjected to certain conditions

4.1.13 Uttar Pradesh Startup Policy 2020, Government of Uttar Pradesh

The State Government is aiming to inculcate the culture of entrepreneurship at a school level itself in order to make students learn virtues of entrepreneurship during the early years of their education. This initiative will not only elevate the student learning to a new level but also help in creating entrepreneurs of the future.

The policy aims to **build a holistic startup and entrepreneurial ecosystem in the state by supporting the establishment of Tinkering Labs in Schools, E-Cells in colleges, Incubators in institutes of higher learning and Centers of Excellence to promote research & development in the areas of emerging technologies etc.** The key features of this policy include:

- ▶ **Capital grant @ upto 50 percent reimbursement** of the eligible amount subject to maximum limit of INR One (1) Crore for incubators
- ▶ **Financial support to cover operational expenditure @ upto INR 30 Lakhs per year** for 5 years or until self-sustainable whichever is earlier for the incubators
- ▶ State level annual incubator rankings shall be introduced as per the Key Performance Indicator (KPI) framework approved by the PMIC. Top 3 performers in the ranking will be awarded amount of INR 3 Lakhs, 2 Lakhs and 1 Lakh per year to the winner, first runner up and the second runner up respectively
- ▶ **Grant-in-aid (covering capital and operational expenditure) @ upto INR 10 crores** to CoE during span of 5 years from the date of establishment.
- ▶ Incentives for Start-Ups:
 - **Sustenance allowance @ INR 15,000 per month per startup** for a period of one-year upto 10 startups per incubator per year at the idea stage.
 - **Seed capital @ upto INR 5 Lakhs per startup as marketing assistance** upto 10 startups per incubator per year to launch the Minimum Viable Product (MVP) in the market
- ▶ **Patent Filing reimbursement @INR 2 Lakhs for Indian patents and INR 10 Lakhs for International Patent**

4.1.14 Uttar Pradesh Electronics Manufacturing Policy 2020

IT & Electronics sector has been contributing immensely to the state Industry with the presence of companies like Oppo Mobiles, Haier Electronics, TCS, IBM, Wipro, ST microelectronics etc. and is proud of the long term establishment of Samsung, LG Electronics, HCL for more than 2 decades of successful operations in the state. The state has abundant skilled manpower along with the presence of prominent institutions like IIT, IIM, IIITs, and reputed Engineering Colleges catering to the demand of the Industry.

To accelerate the Electronics System Design and Manufacturing (ESDM) ecosystem development, the UP Electronics manufacturing policy 2020, hereby **covers the entire state and all the incentives under the policy shall be applicable to all eligible units setting up their base in UP.** This will lead the exponential growth in the establishment of ESDM units which will not only boost up the economy but also create large scale employment in the state. Key features of the policy include:

- ▶ **Interest Subsidy@5% per annum on the rate of interest** (investment up to INR 200 Cr on the loan) is reimbursed up to maximum of INR 1 Cr per annum per unit for 5 years (Maximum INR 5 Cr per unit) to the ESDM Units @up to 60% of annual interest for 7 years subject to INR 10 Cr per year with an overall ceiling of INR 50 Cr per private ESDM park.
- ▶ **Stamp Duty@100% exemption of stamp duty on purchase/lease of land** shall be available for the establishment of individual ESDM units @100% exemption of stamp duty on first transaction (Owner to Developer/SPV) and 50% exemption on second transaction (Developer/SPV to ESDM Units) shall be available for purchase/lease of land for EMCs/ESDM parks.
- ▶ **Patent Filing@up to INR 5 Lakhs for domestic and INR 10 Lakhs for international patents**, on actual basis reimbursement
- ▶ **Land Subsidy@25% on prevailing sector rates on purchase of land from state agencies** in Madhyanchal and Paschimanchal regions. @50% on prevailing sector rates on purchase of land from state Agencies in Bundelkhand and Purvanchal regions
- ▶ **Energy@50% exemption of Electricity Duty** shall be provided for a maximum period of 10 years to all ESDM units

4.1.15 U.P. Solar Energy Policy 2017

The Government of Uttar Pradesh is determined and is taking necessary steps to **encourage the generation based on renewable energy sources**. The State has a Solar energy potential of 22300megawatt capacity, which the State intends to harness to meet the energy requirements of the State and to achieve Solar Power generation target fixed by Ministry of New and Renewable Energy(MNRE) ,Government of India of 10700 megawatt.(inclusive of target of 4300 megawatt fixed for Solar Rooftop projects).

The solar industry provides both one-time jobs during pre-commissioning/ construction phase and regular operations and maintenance positions over the life of the project. **Investments in the solar industry as well as domestic manufacturing of solar panels will help create direct and indirect employment opportunities in both skilled and unskilled sector**. Thus, keeping in view vast potential of solar power in the state and to improve the power availability, the Government is keen in establishing solar energy-based power plants in the state. To achieve this objective, State Government of Uttar Pradesh has adopted a Solar Power Policy, 2017. Key features of the policy include:

- ▶ **Electricity Duty@100% exemption from electricity duty** for 10 years
- ▶ **Stamp Duty@100% exemption on chargeable stamp duty**
- ▶ **Solar Park** : State offer to purchase 100% power generated from solar park
- ▶ **Exemptions for Large Scale Stand** – alone solar projects:
 - @ 50% exemption on wheeling charges/transmission charges on intrastate sale of power to third party or in case of captive use
 - @ 100% exemption from cross subsidy surcharge and wheeling charges /transmission charges on interstate sale of solar power
- ▶ **Subsidy for Grid Connected Rooftop Solar PV Plants**@ Rs. 15000/KW to the maximum limit of subsidy or Rs. 30000/KW per consumer on first come first serve basis for the first 100 MW applications submitted online to Uttar Pradesh New & Renewable Energy Development Agency (UPNEDA)
- ▶ **Subsidy for Mini Grid@ 30% subsidy** for the project to be installed in villages/Majras identified by UPNEDA/State Government by the state government

4.1.16 Bio-Energy Enterprises Promotion Programme 2018

The proposed policy seeks to **promote and incentivise setting up of power generation plants based on paddy straws** and also makes it **mandatory for state-owned thermal stations to use agricultural residue as raw material with coal to fire the power plants**. The policy envisages **an eco-friendly economic development in the state of U.P. based on biofuel in the State**. This will be achieved through the **establishment of 3 Mega investment units** in the state which will attract investment in the state and increase employment opportunities for the youth. Key features of the policy include:

- ▶ **Capital Subsidy @ 25%** for units investing upto INR 10 Cr @20% for units investing more than INR 10 Cr and upto 100 Cr
- ▶ **Stamp Duty @100% exemption from Stamp Duty**
- ▶ **SGST Subsidy @100% SGST reimbursement for 10 years**
- ▶ **Case to Case Incentives @** for units investing more than INR 100 Cr reimbursement of 15% for project cost or INR 150 Cr whichever is lesser

4.1.17 U.P Film Policy, 2018

Uttar Pradesh has played a very vital role in rise of Indian cinema. It has given to the film industry several film producers, directors, artistes, lyricists, musicians and script/screen play writers of eminence. The film industry in the state requires suitable environment which not only invites shooting of films on a large scale in the state, but also **promote other activities which are related to various aspects of film production for the purpose of overall development**. The purpose of this policy is to provide a strong infrastructure for overall development of the film industry in the state and to create a suitable environment for the same.

- ▶ **SGST reimbursement @100%** to multiplex/Cinema hall owner
- ▶ **Subsidy for films @INR 1 Cr** for films which have been shot for at least a half of its total shooting days in Uttar Pradesh @upto INR 2 Cr for the film with two-third of its total shooting days are in Uttar Pradesh
- ▶ **Additional Subsidy @ upto INR 25,00,000** will be provided to cast atleast 5 artists from UP @ upto INR 50,00,000 will be provided in case all the artists hail from UP
- ▶ **Processing Subsidy @ 50% of the processing cost** or INR 50, 00, 000, whichever is less is granted if any film producer, shoots and processes the film in the state
- ▶ **Subsidy for setting up Film institute @50% of its cost** or a maximum of INR 50 lakh, whichever is less, will be provided(excluding Noida/ Greater Noida)

4.1.18 Post-COVID-19 Accelerated Investment Promotion Policy for Economically Backward Regions of the State-2020, Government of Uttar Pradesh

COVID-19 pandemic has caused extensive economic loss at state and national level. Besides loss of revenue, employment resources have been impacted adversely because of decline in industrial output and economic activities. The reverse migration of more than 35 lakh migrant workers from various states has presented the State with challenge as well as opportunity. With an aim to create employment for such migrant labourers locally and to achieve the objective of building 'Atmanirbhar Bharat' (Self-reliant India), the State Government is looking forward to rigorously promote investments to boost industrial activity in the State.

Therefore, as part of several steps taken to mitigate the demographic risks posed to labour class, the State government is promulgating 'Post-COVID-19 Accelerated Investment Promotion Policy for Economically Backward Regions' to promote fast paced implementation of industrial investments in the economically backward regions of the state to address the COVID-19 distress. The key features of this policy include:

- ▶ **70% reimbursement of net SGST for 12 years** in Madhyanchal subject to 200% of eligible capital investment (made during the policy period) and 15 years in Poorvanchal and Bundelkhand subject to 300% of eligible capital investment (made during the policy period).
- ▶ **Capital interest subsidy @5% pa.** for 5 years upto Rs 1 Cr
- ▶ **Electricity duty exemption @50%** for 10 years. Same subsidy will apply for electricity captive power plant for self use.

4.1.19 Uttar Pradesh Oxygen Production Promotion Policy 2021

As the country is heavily struck by the second wave of COVID19, particularly fuelled by the new 2021 strain of the virus, there is severe medical crisis related to health infrastructure that has emerged during this pandemic. **Shortage of medical oxygen has become most eminent threat in treatment of patients** and Uttar Pradesh is also grappled with this shortage of medical oxygen.

Based on the recommendation of the EG-II, vide D. O. No. 17/S(HFW)/MO/2021 dated 18th April, 2021, Government of India has prohibited supply of Oxygen for industrial purposes by manufacturers and suppliers w.e.f. 22.04.2021, which has been effectively implemented in the State. Diversion of industrial oxygen for medical purposes coupled with various other efforts taken by Government of India and GoUP has lessened the pressure on supply of oxygen. However, there is need to ramp up the entire ecosystem of oxygen production to meet the increasing demand. Therefore, this policy has been introduced with an aim to **leverage the opportunities of oxygen manufacturing and to make Uttar Pradesh "Atma-Nirbhar" in the production of oxygen – both for medical and industrial purposes.** Key features of the policy include:

- ▶ The policy will include **all kinds of investments of Rs 50 Crores and above in new, expansion, diversification for all kinds of Oxygen manufacturing.** It also covers manufacturing of zeolite, oxygen cylinder, oxygen concentrator and all kind of allied devices, cryogenic tankers, iso-tankers, storage facilities and transport facilities manufacturer.
- ▶ **Investors are eligible for capital subsidy at the rate 25%** in Bundelkhand & Poorvanchal region, at the rate of 20% in Madhyanchal region and at the rate of 15% in Paschimanchal region.
- ▶ Also, it provides **stamp duty exemption at the rate of 100%** in Bundelkhand & Poorvanchal region, at the rate of 75% in Madhyanchal region and at the rate of 50% in Paschimanchal region.

The policy has been notified on the May 16, 2021 and will be valid for a period of 6 months. Invest UP has been nominated as nodal agency for processing the applications under this policy.

4.2 Schemes

4.2.1 StartUp Scheme

- ▶ **Interest Subsidy: An interest subsidy of 5% per annum on the rate of interest paid on the loans** obtained from Scheduled Banks/ Financial Institutions, for a period of 7 years; subsidy

shall be in the form of reimbursed and subject to a maximum of INR 1 crore per annum, per unit

- ▶ **Stamp Duty: 100% exemption of stamp duty on purchase/lease of land/office space/buildings for IT/ITeS** use with condition of commencing operations within 3 years
- ▶ **Exemption of Electricity Duty: 100% exemption on Electricity duty** for new IT/ITeS units for a period of 10 years post commencement of commercial operations
- ▶ **Incentives for Certifications:** Reimbursement of the cost incurred by an IT/ITeS companies operating in the State on successfully securing quality & IT related certifications such as Capability Maturity Model (CMM) level 2 upwards, ISO 27001 for security, ISO 20000 for service management terminology, COPC, eSCM certification; subject to maximum reimbursement of 3 certifications with total limit of INR 25 lakhs per unit. The similar certifications related to this sector shall be included in the list, from time to time
- ▶ **Promotional Incentives:**
 - GoUP shall promote organization of start-up challenges, Hackathons, boot camps, workshops, business plan competitions, conclave, conferences etc. to boost the start-up environment
 - GoUP shall provide sponsorship assistance, subject to a maximum of Rs 50,000 per start-up for participation in such forums

4.2.2 Scheme for Promoting Establishment of Private Industrial Parks 2017, Government of Uttar Pradesh

Industrial Parks/ Estates provide integrated facilities to industries and robustness of available infrastructure facilities in these parks contribute towards the increase in industrial efficiency and capacity building. In view of the requirement of industries to set up world class industrial parks in the state, it has been provisioned in the Industrial Investment and Employment Promotion Policy of Uttar Pradesh of 2017 that development of industrial parks in the private sector shall be encouraged.

The State Government will provide the following incentives to industrial parks/estates of more than 20 acres in Bundelkhand & Poorvanchal; 30 acres in Madhyanchal & Paschimanchal and more than 50 acres in case of Agro Parks developed by private sector:

- ▶ **Interest subsidy reimbursement for industrial parks/estates and Agro Parks** developed by private sector
 - 50% of annual interest on the loan taken to buy land for 7 years
 - 60% of annual interest on the loan taken for building infrastructure for 7 years
 - 60% of annual interest on the loan taken for building hostel/dormitory housing for workers for 7 years
- ▶ **100% exemption/reimbursement to developer and 50% exemption to individual buyers (first) on stamp duty**

4.2.3 One District One Product (ODOP)

This programme aims to create product-specific traditional industrial hubs across 75 districts of UP. This is going to provide an impetus to the traditional industries across respective districts in the state. The Hon'ble Prime Minister of India, Shri Narendra Modi has also praised the ODOP programme describing it as “An extension of Make in India”. The policy offers financial assistance for the growth of specialised products manufacturing through skill, marketing, common facility and MSME enterprise development.

Under this scheme, each of the State's 75 districts has been assigned a product that has a significant competitive advantage in manufacturing owing to a traditional MSME industry base already in existence there. Prime examples of such established value chains are Lucknow's chikankari, Varanasi's silk textiles, and Aligarh's locks and hardware industry. The ODOP scheme aims to cover every district of the State by providing a **composite package of support to selected products, including increased access to technology, market, finance and skills.**

The major objectives of ODOP Scheme are:

- ▶ To provide employment to youth & artisans
- ▶ To preserve and develop local crafts/skills and promote the art
- ▶ To add to incomes and local employment, thus preventing migration for jobs
- ▶ To improve product quality and skill development
- ▶ To transform products through packaging and branding
- ▶ To connect the production process with tourism
- ▶ To resolve issues of economic disparity and regional imbalance
- ▶ To take ODOP products to national and international markets



Figure 3: ODOP Scheme

1. Skill development scheme

The objective of the skill development scheme is to **provide different trainings across the value chain of ODOP product for that respective district.** The scheme targets skilled and unskilled artisans for training under different modules and certification and provides for a free advanced toolkit free to trained artisans.

2. Finance assistance scheme (margin money scheme)

The Government has provisioned **financial assistance of up to INR 20 lakh per applicant depending upon the cost of the project.** All national, rural and scheduled banks are covered to provide this financial assistance. The selection of the beneficiary is done by the District Level Task Force Committee (DLTFC), comprising personnel from leading urban and rural banks, government institutions, DICs (district industries centre), ODOP cell, etc.

3. Marketing development assistance scheme

Under this scheme, the UP Government provides financial assistance to workers, artisans, weavers, entrepreneurs, production units etc., for participation in regional, national and international exhibition events. Additionally, assistance is also provided for marketing products through e-commerce platforms, website or marketing portals.

4. Common facility centre (CFC) scheme

The ODOP Scheme also covers assistance for establishment of CFC for raw material, research and design development, manufacturing process, environment and energy conservation and packaging of ODOP products. The development of the CFC is proposed to be done through a SPV. Figure 2 shows the components of CFC covered under the scheme, the financial assistance provided and institutional requirement of the SPV.

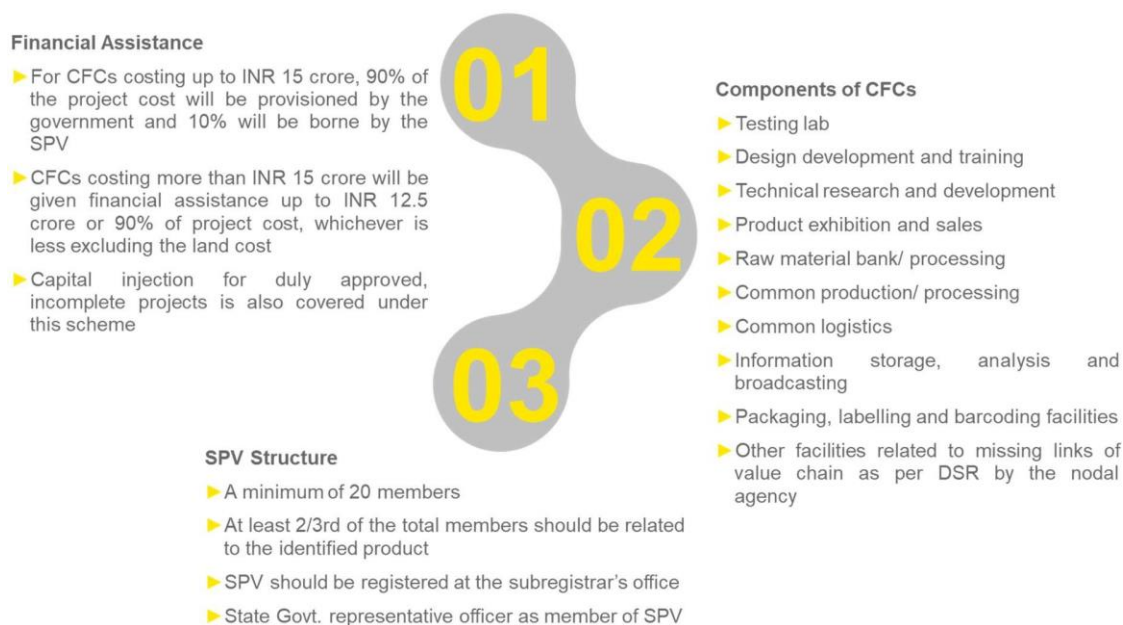


Figure 4: ODOP Scheme: Features of the CFC scheme

4.2.4 Uttar Pradesh Chief Minister Youth Self Employment Scheme

In order to promote the **self-employment opportunities to the educated but unemployed youth of state**, Government of Uttar Pradesh has announced the scheme of Mukhyamantri Yuva Swarozgar Yojana. In order to provide a single window system for application, disposal and real time monitoring of a scheme, a web portal with end-to-end computerization has been developed by National Informatics Centre (NIC) UP State Centre. The portal was launched by Chaudhary Udaybhan Singh, Hon'ble Minister of State, MSME & Export Promotion, GoUP on 19th Feb 2020.

Under the scheme, **loans up to Rs.25.00 lakh for setting up industries and Rs.10.00 lakh for service sector are provided through banks**. There is also a provision to provide 25 percent margin money by the state government, which is maximum Rs 6.25 lakh for the industry sector and maximum Rs 2.50 lakhs. For this, the candidate must be a native of Uttar Pradesh and must have passed high school. The age of the candidate should be between 18 to 40 years and he should not be a defaulter from any financial institution. After scrutiny under the scheme, the applications of the selected candidates are sent to the bank and the loan is sanctioned and disbursed.

5 Procedure for Availing Incentive Scheme for Uttar Pradesh

To apply for the above mentioned schemes, the following procedures can be followed:

5.1 Start UP Scheme

1. Log in to <http://itpolicyup.gov.in/login/> ; create new username ID and password
2. Log in to <http://lucknowinfo.com/itpolicyform/Public/frmStartupEnrollmentForm.aspx>
3. Fill in the required details

The screenshot shows the 'Startup Enrollment Form' for the 'IT & Startup Policy 2016' by the 'Government of Uttar Pradesh'. The form is divided into several sections:

- Entity Details:** Includes fields for Name, Address, Telephone No., Email, PIN code, and Stage of Entity.
- Registration:** Includes fields for Registered (Yes/No), Incorporation / Registration Date, and PAN No.
- Nature of Entity:** Includes checkboxes for Private Ltd, Limited Liability Partnership, and Registered Partnership.
- Entity Focus Area:** Includes checkboxes for Mobile and Information Technology, Internet of things, e-Commerce, Electronics design/VLSI design, Any innovative ideas/technologies in IT & Electronics sector, and Other.

A note at the bottom states: "(In case of non-registration, the start-up cannot avail the grant or incentive provided under the policy. The start-up has to mandatorily register within a month of establishment.)"

Figure 5:Registration form for StartUp, UP

5.2 ODOP & Chief Minister Youth Self Employment Scheme

4. Visit the Official Website of One District One Product i.e. odopup.in.
5. On the Homepage, Click on the Option “Apply Online” button.
6. Now you have to click on the link for ODOP Benefit amount scheme.
7. Click on the apply option under ODOP scheme or CM Youth Self Employment Scheme or other margin money schemes listed on the website

The screenshot displays the GoUP (Growth of UP) website interface. At the top, there is a header with the Uttar Pradesh Government logo, the text 'उद्योग एवं उद्यम प्रोत्साहन निदेशालय' (Ministry of Industry and Entrepreneurship Development), and 'उत्तर प्रदेश सरकार' (Government of Uttar Pradesh). To the right are logos for 'बिना बाधा' (Without Barrier), 'MAKE IN INDIA', and 'GoUP'. Below the header is a navigation bar with links: home, about us, Why invest in UP, Government Order, policies, beneficiary schemes, Contact person, and log in.

The main content area is divided into two columns. The left column contains a 'new user registration' button, a 'registered user login' button, and a login form with fields for 'User name', 'Password', a 'captcha' (with a 'refresh' button), and a 'remember' checkbox. Below the login form is a 'forgot password' link. At the bottom of the left column is an 'Application Status' section with an 'application Number' field and a 'KNOW YOUR APPLICATION STATUS' button.

The right column features a section titled 'Important guidelines for online beneficiary scheme' with a download icon. Below this is a list of schemes, each with a plus icon and a text label: Vishwakarma Shram Samman Yojana, Uttar Pradesh; Chief Minister Yuva Swarozgar Yojana, Uttar Pradesh; One District One Product Margin Money Scheme; One District One Product Training & Toolkit Scheme; TRAINING SCHEME FOR SC/ST; Training Scheme for Other Backward Classes; Handicraft Skill Development Training Scheme; and ODOP Marketing Development Assistance (MDA) Scheme. Below this list is a section titled 'Beneficiary schemes coming online soon' with two items: One District One Product Common Facility Center (CFC) Incentive Scheme and stamp duty exemption.

Figure 6: Registration form for availing scheme under GoUP

8. Click on the link for new user registration
9. The application form page will be displayed on the screen
10. Enter the required information details and upload documents
11. Click on Submit button for the application.
12. Choose amount of project planned under relevant scheme
13. Enter the information asked
14. Click on the submit button

6 Role of Chartered Accountants in MSME

It has been said that Chartered Accountants are the real managers of the economy. Considering Indian economy has approx. 6.3 Cr. MSMEs currently who contribute to 29% of GDP, hence CAs play major and important role in the development and promotion of MSME sector. The type of services practitioners can offer have been divided in below two categories:

1. **Non- Compliance Areas:** MSMEs market in India is very dynamic, and the regulatory environment which governs MSMEs operations is also constantly changing and, as a corollary, the demands of business advisory services are being evolved. MSMEs themselves are different in size, age, sector, location, and growth profile and are run by owners, managers with different capabilities and motivation. With the paradigm shift post COVID 19, the demand of management consultancy services has been increasing for MSMEs as they not only need guidance in terms of re-establishment or access to finance; they are looking forward to plan out strategy to sustain with business continuity plans in future. Few of such consultancy services have been outlined below:

- i. **Preparation of Project Reports/ project Financing :** In order to take benefit of Government schemes, MSMEs or group of MSMEs are required to prepare a ‘Detailed Project Report’ (DPR) which outlines the **business model of the project, technical specifications** and most importantly **financial projections** of the project being undertaken. MSMEs do not have adequate knowledge and support to prepare such project reports. Chartered Accountants can come forward in this area to support MSMEs in taking up the project in accordance with government schemes and prepare their DPR which can be submitted to government for approvals.

Few of the schemes of Government of Uttar Pradesh (GoUP) and Government of India (GOI) where MSMEs of UP are looking out for assistance are **One District one Product (ODOP), SFURTI, MSE-CDP, Pradhan Mantri Formalisation of Micro food processing Enterprises (PM-FME) Scheme, Prime Minister Employment Generation Programme (PMEGP), Mukhyamantri Yuva Swavalamban Yojana (MYSY)**

- ii. **Handholding MSMEs to avail benefit of schemes:** CAs can play an important role for creating awareness among stakeholders. Capacity building for the MSME is the need of the hour. However, occasional workshops and awareness events organised for MSMEs are helpful to them only to an extent, as they need continuous guidance to understand the scheme applicable for their sector/ business where benefit can be availed. Considering Chartered Accountants are reliable and trustworthy for their MSME clients and understand their business well; they can extend handholding support to MSMEs in applying for the schemes/ policy benefits and guide end to end steps involved in the process. Few examples where MSMEs need continuous support for availing govt. subsidies/ benefits can be **SGST Reimbursement/ Refunds in case of exports.**
- iii. **Certification for schemes:** The projects sanctioned under various schemes of government also require various certifications from MSMEs such as utilisation certificate, certificate for Net-worth and income of MSMEs etc., which can be catered by Chartered Accountants.
- iv. **Long-term Strategic Partner:** Chartered Accountants can become term strategic partners. They can provide sound business advice to minimize business risk. The right advice from an impartial professional can be the difference between success and failure. Chartered Accountants in public practice have the skills, knowledge and experience to improve the business practices.

A Chartered Accountant can be the business partner for the long haul, continuously adding values to the business

- v. **Business Performance Improvement/ Process Transformation:** Corporates increasingly face more complex business issues and need to rapidly change to keep pace with today's dynamic market. As competition grows and a larger number of industries head for a shakeout, improving business performance (efficiency and effectiveness) is a survival imperative. Meeting the rising expectations of key stakeholders in companies has led to a greater focus on ensuring better returns on investment. Having addressed all obvious areas of improvement, companies are now increasingly looking to develop more innovative ways to improve performance on lead- time, cost, quality and service related parameters. Most management teams realize that developing and implementing improvement initiatives take up a significant amount of their time and efforts. By engaging Chartered Accountants as consultants, they are able to ensure that the initiative does not lose steam after the initial hype, as so often happens when the initiatives are taken up internally. Chartered Accountants can assist the management in providing the following services:-

- ☐ Improving customer satisfaction
- ☐ Reducing process cycle cost
- ☐ Enhancing quality of delivered services

- vi. **Due Diligence for implemented projects:** As government need to monitor the success of the projects sanctioned under various schemes, due diligence audit can be conducted by chartered accountants practitioners to fulfil this requirement. The due diligence is done to assess if project is running as per compliances norms of government, funds sanctioned have been utilised in reasonable manner, etc.

5. Compliance related/ Statutory work areas:

Practitioners have developed their multi-disciplinary skills based over and above the book- keeping. MSME make use of their services to ensure compliance with various laws and regulations. Such major areas are:

i. Audit of accounts

Various laws require audit of accounts to be done by Chartered Accountants, e.g. under Companies Act, Income Tax Act. Some of the MSMEs in business are incorporated under the Companies Act, 1956. Such MSMEs are required to get their accounts audited under the provisions of Companies Act, 1956. Similarly, various provisions under the Income Tax Act also require audit of financial statements particularly under section 44AB of the Income Tax Act, 1961. In the case of MSMEs, SMPs are mostly conducting such audits. Under the Income Tax Act, a number of other sections also require audit/certification of the statements by Chartered Accountant. Some of these sections are 35D, 35E, 44AD, 80I, 80IA.

ii. Compliance of tax laws:

- ☐ **Income Tax:** Chartered Accountants are widely perceived to be the best equipped professionals to render all types of line and service function in the area of taxation. They can actively contribute as line managers in all areas of taxation, tax planning and tax management. In fact tax planning is becoming a highly specialized service which can be the exclusive preserve of practitioners. Outsourcing is the order of the day and practitioners are well-placed to give this essential value-addition. The tax audit has been exclusively given to Chartered Accountants where most of the Small and Medium Practitioners are involved. There are nearly two dozen certifications to be done by practitioners under the various

provisions of the Income Tax Act. They can also render a useful service in verifying whether the deductions given under the provisions of Section 10A & 10B have been correctly claimed.

- **Goods and Service Tax (GST):** With new regime of indirect tax, the requirement of chartered accountant professionals in day to day business has been increasing. CAs can serve the society by providing the services such as consultancy on the applicability and levy of Goods and Service Tax Laws, assisting in the structuring of the transactions and agreements in relation to inter-state and intra-state sales in order to minimize tax incidents, availment of input credits adequately. The various type of services professionals can provide are:
 - i. Registration for GST
 - ii. Filing of GST returns
 - iii. Computation of GST amount
 - iv. GST audits
 - v. Consultancy to manage business in accordance with GST laws (viz. Invoicing, E-way Bill etc.)

Conclusion

Practitioners used to provide compliance and monitoring services to meet provisions of tax laws and audit requirements traditionally which were called as traditional services. To begin with, they started offering standard accountancy services. With changing times, the horizon of chartered accountant services have broadened. Hence, range of services related to noncompliance areas offered by practitioners to support wider business requirements of MSMEs is gaining demand. Accountants themselves have to update for changing type of advice and services which would be required by MSMEs. Overall, while professionals are changing their style and areas to provide services, they are now **beginning to develop broad-based strategy and business consultancy practices**. Hopefully, the small accounting firms and sole practitioners would soon be playing a larger role in the 'multidisciplinary' practice arena.

7 Relevant Links & Contacts for MSME State Specific

7.1 NSIC

NSIC has been working to promote, aid and foster the growth of micro, small and medium enterprises in the country. NSIC operates through countrywide network of offices and Technical Centres in the Country. In addition, NSIC has set up Training cum Incubation Centre managed by professional manpower.

- Contact Number - +91-11-26926275, 26926370
- Website – <https://www.nsic.co.in/>
- Address - NSIC Bhawan, Okhla Industrial Estate, New Delhi - 110020, India

7.2 District Industries Centre

District Industries Centers are managed and operated at district level to provide all the necessary support services to entrepreneurs or first time business owners to start their own Micro Small and Medium Enterprises (MSMEs). DICs also promote Registration and Development of Industrial Cooperatives.

- ▶ Arrangements for credit facilities, machinery & equipment
- ▶ Development and expansion of industrial clusters
- ▶ Identification of suitable schemes
- ▶ Recognizing and financially supporting new entrepreneurs
- ▶ Preparation of feasibility reports
- ▶ Providing financial support to small units
- ▶ Providing raw materials

The functioning of DICs and their achievement is monitored by the Additional Chief Secretary (Industries) and Director Of Industries & Commerce. Approximately, there are 75 District Industries Centers (DICs), one each of the districts of the state.

7.3 MSME-Development Institute

MSME – DIs are a subordinate office of Development Commissioner (MSME). There are such DIs in the state of U.P. which cater to the promotional & developmental needs of the Micro, Small & Medium Enterprise Sector in districts as indicated in their jurisdiction list. The institute maintains a close liaison with the state industries department, Financial Institutions, Voluntary Organization and other agencies concerned with the development of Micro, Small and Medium Enterprises in the state of U.P. It supports the developmental efforts of the agencies by:-

- ▶ Providing required information on MSME sector.

► By rendering technical consultancy and other technical inputs.

► By formal and informal interaction

Agra

- Contact Name: T. R. Sharma
- Contact Number - 0562-2280879
- Email - dcdi-agra@dcmsme.gov.in or www.msmediagra.gov.in
- Address - 34, Industrial Estate, Nunhai, (U.P.), Agra -282 006. UP

Agra

- Contact Person – Ram Kumar GK
- Contact Number - (0512-2295070, 0512-2295071, 0512-2295073
- Email - dcdi-kanpur@dcmsme.gov.in or www.msmedikanpur.gov.in
- Address- 107, Industrial Estate, Kalpi Road, Kanpur -208 012

Allahabad

- Contact Number - 0532-2697468/6810
- Email - dcdi-allbad@dcmsme.gov.in
- Address- The Director, Msme-Di, E-17/18, Industrial Estate, Naini, Allahabad -211 009. U.P

7.4 ODOP Cell

ODOP Cell through District Enterprise and Promotion Centre (DIEPC) offices connects with respective ODOP product artisans, traders and manufacturers to inform them about various schemes under the programme and also through its various promotional campaigns informs them about the ODOP programme.

- Contact Person – Ram Kumar GK
- Contact Number - (0522)-2616313, +91-9415467934, CUG - 7234805011
- Email - odopcell@gmail.com or odoputtarpradesh2019@gmail.com
- Address - Niryat Bhawan, Second Floor, 8 Cantt Road, Qaiserbagh, Lucknow - 226001, Uttar Pradesh, India

7.5 Export Promotion Bureau (EPB)

The EPB interacts with the exporters on one hand and Export Promotion Councils, Agencies, Export Associations, State and Central Government Bodies on the other hand. It assists exporters in export procedure, various facilities and assistance offered by the State and Central Agencies. It also ensures the follow-up of export policy matters and miscellaneous problems of exporters. State exporters are registered by Export Promotion Bureau for providing export assistance offered by the State Government. It implements Freight Rationalisation Scheme of ICDs and Air Cargo, Market Development Assistance Scheme, State Export Award Scheme etc. Besides technical and design inputs, participation in overseas fairs/exhibitions, buyer seller meet, project study on exports are also 'initiated'..

- Address – Uttar Pradesh Export Promotion Council, Niryat Bhawan, 8 Cantt. Road
Qaiserbagh,
Lucknow-226001
- Contact Number - +91 (522) 2202893
- Email - upepclko@gmail.com

7.6 Khadi and Village Industries Commission (KVIC)

It is an apex organisation under the MoMSME, with regard to khadi and village industries within India, which seeks to - "plan, promote, facilitate, organise and assist in the establishment and development of khadi and village industries in the rural areas in coordination with other agencies engaged in rural development wherever necessary.

7.7 Khadi and Village Industries Board (KVIB)

The objective of the Khadi and Village Industries Board is to provide maximum employment opportunities and strengthen the rural economy by establishing small scale industries and low capital investment industries.

