

## **Uttar Pradesh has approved MSME Promotion Policy- 2022**

Uttar Pradesh has approved the MSME Promotion Policy- 2022, where the state government has given special focus on setting up new units, clean energy, energy efficiency, technology, quality, productivity & capacity building.

Some of the Key Highlights of the policy are stated below:

- ✓ **Capital Subsidy ranging from 15 percent to 25 percent for MSMEs enterprises to be set up , 2 percent extra would be given to Women & SC-ST Entrepreneurs.**
- ✓ **The maximum limit of gratuity has been fixed at Rs 4 crore per unit. There is a provision for capital subsidy of up to 25 percent on investment and up to 50 percent interest subvention on loans taken.**
- ✓ **There will be 100 percent exemption in stamp duty on the purchase of land for setting up MSME parks of more than 10 acres in the state and 50 percent interest subsidy (maximum Rs 2 crore) will be provided for 7 years on the loan taken.**
- ✓ **100% stamp duty exemption in Bundelkhand, Purvanchal and for Women Entrepreneurs. 75% Stamp duty exemption in Paschimanchal & Madhyanchal and 50% in Gautam Buddha Nagar & Ghaziabad.**
- ✓ **Financial assistance of up to Rs 10 crore can be given for the Common Effluent Treatment Plan (CETP) for the disposal of effluents.**
- ✓ **Capital interest subvention for new micro industries to be set up in the state, 50 percent discount will be available on the annual interest payable on the loan. This interest subsidy will be given for 5 years and the maximum limit will be Rs 25 lakh per unit. For SC-ST and women entrepreneurs, this interest subvention will be up to 60 percent.**
- ✓ **MSME units will be encouraged to list on the stock exchange to provide credit from as many sources as possible. All such entities will be compensated for 20 per cent of the expenditure of listing and a maximum of Rs 5 lakh. Establishment of flatted factory will be encouraged.**
- ✓ **The process of allotment of plots and sheds in industrial establishments will be made online.**
- ✓ **Inorder to encourage MSMEs in rural areas, 5 acres or more of gram sabha land will be recaptured and transferred to the Directorate of Industries free of cost.**
- ✓ **Financial assistance up to 75% of the total cost and up to a maximum of Rs 5 lakh will be provided for achieving quality standards such as Zero Effect-Zero Defect, WHO GMP, Hallmark, BIS, etc.**
- ✓ **Financial assistance up to 75% of the total cost and up to a maximum of Rs 10 lakh for Patent/ GI Registration.**

✓ **Financial assistance up to 75% of the total cost and up to a maximum of Rs 5 lakh for implementing ICT and upto maximum of Rs 1 lakh for implementation of ERP system approved by directorate of industries, UP.**

✓ **Reimbursement of CGTMSE Fee applicable on CGTMSE, Collateral Free Loans.**

✓ **Financial assistance up to a maximum of Rs 20 lakh will be provided to MSME units for adopting clean and green technology.**

✓ **And many more...**

Association of Small, Progressive, Innovative & Rising Enterprises, popularly known as ASPIRE is continuously working to support MSMEs in India.

We thank the Uttar Pradesh Government for accepting, considering and making some of our recommendations part of the new policy.