



Standard Operating Procedure (SOP) of Investment Promotion Policy released

Why In News?

On November 20, 2023, Infrastructure and Industrial Development Commissioner Manoj Kumar Singh released the Standard Operating Procedure (SOP) of the Investment Promotion Policy (FDI Policy) designed to attract Foreign Direct Investment (FDI) and Fortune 500 companies.

Key Points:

- According to the issued SOP, this FDI policy will be effective from November 1, 2023 to October 31, 2028.
- Fortune 500 includes Fortune Global 500 and Fortune India 500 companies.
- Investors will get 100% rebate in electricity bill for five years and 50 to 100% rebate in stamp duty and registration. Apart from this, provision of 75 to 80 percent subsidy has also been made on land.
- Rebate in stamp duty and registration for investors will be 50 percent in Gautam Buddha Nagar and Ghaziabad, 75 percent in Madhyanchal, Paschimanchal and 100 percent in Bundelkhand and Purvanchal. In lieu of subsidy, the investor will have to give a bank guarantee of the same amount.
- The government will give a letter to the investor for stamp exemption on purchasing land from development authorities. Upon purchasing land from a private developer, a certificate will be issued by Invest UP. Subsidy will be given on this basis. Stamp and registration fees will be reimbursed after industrial production begins.
- Under FDI, investors will get minimum 75 percent to 80 percent subsidy on land. In some cases it can be more than 80 percent. It will be reviewed within seven days by the evaluation committee constituted under the chairmanship of the CEO of Invest UP. This report will be presented before the authority committee constituted under the leadership of Infrastructure and Industrial Development Commissioner.
- The committee will accept or reject the proposal within 15 days. Once the proposal is accepted by the authorization committee, a letter will be issued to the concerned development authority. If the investor does not start production within the given investment period, the land will be taken back along with 12 percent interest.
- To get the subsidy, investors will have to compulsorily submit 11 documents related to the company like Letter of Comfort.
- **Period for investment-**
 - Production will have to be started in maximum 4 years with an investment of Rs 100 to 200 crore.
 - Production will have to be started in maximum 5 years with an investment of Rs 200 to 500 crore.
 - Production will have to be started in maximum 7 years with an investment of Rs 500 to 3000 crore.
 - With an investment of more than Rs 3000 crore, production will have to be started in a maximum of 9 years.

