

**Proposals & Issues submitted to Shri Shailesh Krishan, I.A.S, Principal Secretary, Chief
Minister Secretariat, ON 25th OCT. 2007**

1. Meeting with Chief Minister , Uttar Pradesh

IIA propose a Meeting of IIA Chapter Chairmen & Divisional Chairmen from all over U.P. under the leadership of President IIA with the Chief Minister. The objective of the meeting is to share IIA proposals for Employment generation through the promotion of Micro & Small Industries. A request letter to the Hon'ble Chief Minister is enclosed at **Annexure- I** in this regard.

2. Separate Industrial Policy for MSME's.

More than 15 lacs MSME's are operating in Uttar Pradesh employing more than 1.5 Crores people. This sector has an important role to play in the Socio-Economic Development of the State. If this sector is provided due attention it can easily absorbed another 10% work force. As such Employment of another 15 lacs people will be ensured. We therefore propose that a Separate Industrial Policy for this sector may be formulated & announced. IIA can prepare and submit the Draft Policy if agreed by the Govt. of U.P.

It is worth mentioning have that Govt of Rajasthan has entrusted the task of formulation of industrial policy to CII. The press coverage is enclosed at **Annexure-II**.

3. State Budget 2008-09

Every year proposals are invited by Govt. of India for the Budget from IIA. As such the exercise has already been initiated by Govt. of India and IIA is working on it. We propose that the State Govt. may also initiate such exercise. IIA can prepare the proposals related to specific Industry Sectors, Exports related issues, Taxation issues, Urban Development/Industrial Estates issues and cluster Development issues etc.

4. Industry Survey

Authentic data about Industries is not available in the State through which concrete programmes for Promotion & Development of Industries can be formulated. IIA have initiated the process through a questioner which is available on IIA website for online submission also. The format of the Questioner is attached at **Annexure –III** for ready reference. This is a huge exercise which can not be completed properly without the involvement and support of the State Govt. We therefore invite Govt. of U.P. to join in this endeavour.

5. Udyami Mahasammelan

IIA propose to organise Udyami Mahasammelan of MSME's in U.P. on 1 Feb. 08 where in more than 1000 Representative Industrialists from all over the State will be invited. We propose that this Udyami Mahasammelan may be inaugurated by the Chief Secretary & after day long deliberations on various issues, the Hon'ble Chief Minister preside over the concluding session and make important policy announcements for the promotion & development of MSME's. in U.P.

Such annual event is absolutely necessary for industrial development in the State and will act as a useful pre-budget exercise.

6. State Level Udyog Bandhu (Open House) under the chairmanship of the Hon'ble Chief Minister.

We propose that Hon'ble Chief Minister may chair the State Level Udyog Bandhu (Open House) once in three months. This will strengthen the Institutions of Udyog Bandhu in the State and issues & problems of the Industries will get resolved quickly. Such an action will definitely instil a sense of confidence & faith in the minds of Entrepreneurs of the State and the investments in Industrial Sector will certainly rise.

7. U.P. Industrial Expo & India Food Expo – 08

For the past 5 years IIA is organising biggest Industrial Trade Fair in the State capital with the objective to Promote Industrialisation in the State. The next edition of the Trade Fair is scheduled to be held from 1 to 4 Feb.08 at Laxman Mela Ground. 400 Stalls are proposed to be put up in the Trade Fair. We propose that this Mega Event is inaugurated by Hon'ble Chief Minister. The details of the Trade Fairs are enclosed at **Annexure-IV**.

8. Long pending & important issues of Industries in U.P.

(A) Depriving State units from the benefit extended to outside the state units :-

Surprisingly the previous Govt. issued a Notification No. KA.NI-2-1283/12.07.07 under Trade Tax Act in respect to Electrical Goods Contract/Supply/vending to U.P.P.C.L & its units under R.G.G.V.Y Scheme. This Notification exempted Ex. U.P. Dealers from Trade Tax but the exemption is not granted to the State Units who are subjected to over 12% Trade Tax. This difference of Tax for U.P. Dealers, Prices/Value would have gone up automatically by more than 15%. As such the "contracts" were naturally to be tilted to Ex-UPains. IIA sensing the imminent consequential extinction of U.P. Dealers, took up the matter at the level of Principal Secretary Trade Tax, Industrial Development Commissioner, Principal Secretary Energy, Ex-Director U.B & Commissioner Trade Tax, through Regular dialogues, interactions & written communications for more than one year now. The State units are still deprived of the exemption. Detailed letter in this regard is enclosed **Annexure- V**.

(B) Few important/Long pending (sample) issues which need the special and urgent attention.

(1) Premises of M/s Bajaj Foods, Saharanpur occupied illegally by Excise Department.

District Excise Office Saharanpur is operative in the premises of M/s Bajaj Foods Saharanpur for more than 4-5 years. In spite of the clear orders of the Dy. Excise Commissioner Allahabad dated 24th June 03 and a letter from Udyog Bandhu dated 27th April 07 the premises are not vacated as yet. Both the letters are enclosed at **Annexure- VI** for ready reference.

(2) Purchase of Tree Guards from SSI's in U.P.

Forest department is purchasing Tree Guards from U.P Agro at about 50% higher prices compared to what SSI units in U.P can supply. IIA have been representing this issue to the Govt. & Udyog Bandhu since long. Executive Director Udyog Bandhu have sent a recommendary letter to Principal Secretary SSI in Oct. 2006 also. Still the matter is not decided. Relevant papers are enclosed at **Annexure- VII**.

(3) Acquiring of the Land of M/s G.S. Dyes Sahjahanpur

Avas vikas Parishad initiated the process of acquiring a portion of the land of M/s G.S. Dyes about 7 years back. The matter was taken up in Udyog Bandhu and after long deliberations a Govt. order dated 1.3. 2003 was issued by the Secretary, Avas U.P. In spite of this order the Land was notified for acquisition by mistake which the department has admitted in subsequent Udyog Bandhu Meeting. The entrepreneur is again running from pillar to post for getting his land de-notified. Details are enclosed at **Annexure – VIII**.

(4) Closure of M/s Shiva Audhyogic Sansthan and M/s Ruchi Enterprises Naziabadad Bijnore by Forest Department.

Both the units are in Micro Sector and are manufacturing Table Tops, Furniture, Chaukat, Windows etc without the use of Saw Mill & Peeling Machines. These units have been sealed by the Forest Department

assuming these to be Plywood Units. The matter was discussed in Tripartite Meeting of Udyog Bandhu on 3rd Oct. wherein it was observed that even the local forest officials have communicated to the department in writing that these units do not fall under the category of Plywood industries.

The units are still sealed. Details of the case are enclosed at **Annexure – IX.**

(5) Approval of the Industry Map of M/s Shivalic Cotax Saharanpur.

The operations of the Rs. 20-30 Crore investment industry are held up due to delay in approvals for change in Land use. Though as per Govt. of U.P. Industrial policy the change of Land use should be done within 20 days. The details of the case are enclosed at **Annexure-X.**

(6) Issue of applicability of Stamp Duty at Industrial Rate on Cinema Hall.

M/s S.B. Properties Saharanpur got a sale deed executed for a Cinema Hall at Industrial rates of duty because Cinema Halls and Multiplexes are given the Status of an Industry by Govt. of U.P. The Asstt. Commissioner Stamp Saharanpur has imposed the duty at Commercial rates. The issue was discussed in Tripartite Meeting of State Udyog Bandhu on 15.5.07 wherein representative of the department said that the necessary instructions will be issued shortly. Matter is still pending. Minutes of Udyog Bandhu are enclosed at **Annexure- XI.**

Above issues/cases are few samples only. There are many more such cases which we will bring to the notice of Executive Director Udyog Bandhu in Subsequent meetings.

Dated 25 Oct. 07

Parveen Sadana
President