

From:

Anoop Mishra,
Infrastructure and Industrial Development Commissioner,
Govt. of U.P.

To:

1. All Principal Secretaries/Secretaries, Govt. of U.P.
2. Commissioner and Director, Industries, Uttar Pradesh.
3. All Divisional Commissioners/District Magistrates, Uttar Pradesh.

Industrial Development Section-6

Lucknow: Dated 21 August, 2009

Sub: Removal of difficulties in obtaining exemption/ concession from stamp duty and registration fee under Notification issued by Stamp & Registration Department under Industrial and Service Sector Investment Policy-2004.

Sir,

para-2 of Notification No.KA.NI-5-305-11-2005-500(136)-2003 dated 19.01.2005 issued by Tax & Registration Department, provides that the District Magistrate or General Manager, District Industries Centre of the concerned district shall sign on the instrument as a witness for the purpose of confirming the fact that the transfer is being executed under the aforesaid Policy. The procedure for granting benefit of exemption/concession from stamp duty/registration fees under aforesaid notification was prescribed in G.O. Nos.3014/77-6-05-500(40)/2000 dated 19.12.2005, No.702/77-6-07-15M/05 dated 28.06.2007 and 1871/77-6-08-31M/08 dated 06.01.2009 issued by the Industrial Development Department. Representations have been received from industrial units that considerable delay takes place in getting exemption/concession from stamp duty where the land was obtained from private source resulting in delay in establishment of new industrial units. A report from director of industries in this respect was asked. The recommendations about procedure for granting exemption/ concession in respect of land made available by Industrial Development Department or from private source was sent by the Commissioner and Director of Industries vide letter No.857/11/AVP/Stamp Exemption/2009-10 dated 01.07.2009.

After due consideration of the recommendations of the Commissioner and Director, Industries and difficulties in getting exemption/ concession in stamp duty, I have been directed to say that in supersession of G.O nos. dated 19.12.2005, 28.06.2007 and 06.01.2009 the following procedure is being prescribed for granting exemption/ concession from stamp duty/registration fees under Notification of the Tax & Registration Department dated 19.01.2005.

- (i) G.Os about fixing the standards, eligibility and required conditions (such as area of land, period for manufacture and start of infrastructural facility etc.) has been issued by the concerned administrative departments for getting

exemption/ concession from stamp duty and registration fee for transfer of land for establishment of industrial units, infrastructure facilities (such as hospitals, training institutes, medical and dental colleges and other educational institutions, multiplexes, cinemas, shopping malls, entertainment centres, establishment of infrastructural facility i.e. establishment of industrial estates, roads, bridges, over-bridge, whole sale market, transshipment centre, integrated transport and commercial centres, container depot, electric supply, water supply, water drainage, exhibition centres, warehouses, information technology units, bio-technology units, business process outsourcing units, call centres and agricultural processing units mentioned in said notification and set up under Industrial and Service Sector Investment Policy-2004.

- (ii) The proposal of the entrepreneur for establishment of aforementioned infrastructure facilities shall be examined with a view whether the proposal fulfills prescribed standards and conditions. For maintaining similarity and for facility of entrepreneurs following procedure has been prescribed in this respect:
 - (a) If the land for aforesaid infrastructure facility/projects is being made available by any government institution such as Development Authority, Industrial Development Authority, Housing & Development Board, UPSIDC etc. then they shall examine the project report and after being satisfied that prescribed conditions and standards are being fulfilled the land shall be allotted. For ensuring the compliance of the aforesaid conditions, the concerned certifications Authority/Board/Corporation shall execute an agreement with the entrepreneur in which prescribed time, conditions shall be mentioned and assurance of the entrepreneur shall be recorded for their time bound compliance and in case of delay or deviation, payment of amount equivalent to the concession from stamp duty and registration fee to the said Authority/Board or Corporation shall also be recorded. For this purpose, a Bank Guarantee shall also be made available by the entrepreneur along with the agreement. The certification agency shall review the progress of the project after suitable intervals. In case of failure to complete the work within the prescribed time and as per conditions of agreement, the said authority shall encash the Bank Guarantee and deposit it in the appropriate account so that exemption from stamp duty is not misused. The concerned government institutions shall issue a certificate to the concerned General Manager, District Industries Centre that the proposal of the entrepreneur fulfills the prescribed conditions and standards of the concerned department. After receipt of certificate of concerned government institution, the concerned General Manager, District Industries Centre shall sign the instrument as witness and send the instrument for registration to the concerned sub-Registrar, Registration without any delay.

- (b) If the land has been obtained from Industrial Development Department or from private sources, the General Manager, District Industries Centres shall be nodal agency. The Industrial units shall furnish the proposal for exemption from stamp duty and registration fees to the concerned General Manager, District Industries Cente. The General Manager, District Industries Cente shall after following the procedure in sub-para (a) above, regarding certification, agreement and monitoring shall make his recommendation for exemption from stamp duty and sign the instrument as witness in proof that transfer is being executed under the aforesaid policy. The instrument shall then be sent to the concerned Sub-Registrar, Registration for registration without any further delay.

Please ensure action accordingly.

Yours faithfully,

(Anoop Mishra)
Infrastructure
and Industrial Development Commissioner
Govt. of U.P.

No. and Date as above

1. Staff Officer to Cabinet Secretary, Govt. of U.P.
2. Principal Staff Officer, Chief Secretary, Govt. of U.P.
3. Managing Director, PICUP, PICUP Bhawan, Gomti Nagar, Lucknow.
4. Managing Director, U.P. Financial Corporation, Kanpur.
5. All officers of Industrial Development Branch.
6. Executive Director, Udyog Bandhu, Lucknow.
7. Chief Executive Officer, GIDA/SIDA/LIDA.
8. Guard File/Sectional Order Book

By Order,

(V.N. Garg)
Principal Secretary
Infrastructure and Industrial Development