

General Guidelines Regarding Requirements For Setting Up New Industrial Units in Uttar Pradesh.

Uttar Pradesh, the largest State of India in terms of Human Resources, extends facilitative environment for the entrepreneurs for setting up industries. Its efforts have been, acknowledged by a host of prestigious national as well as multinational industrial giants, who have chosen to locate their projects in the State.

However, in the interest of planned growth, certain registrations/ approvals/ NOCs/ Licenses etc. are required for setting up an industrial unit in the Uttar Pradesh. While some of these registrations/approvals/NOC/Licenses happen to be common requirements for all types of industries, some are needed for some specific industries. Some approvals are required prior to the setting up of the project, while certain other requirements are needed to be complied before commencement of production.

For the sake of convenience, an illustrative list of the main requirements, are enumerated as follows:

Requirements Common To All Types of Industries

A. Prior to setting up the unit

1. Registration with Industries Department:

- » **Entrepreneurs Memorandum Form - 1** with District Industries Center, for Micro, Small & Medium Scale Industries. Presently units having investment upto Rs. 25 Lacs in Plant & Machinery are termed as Micro, Rs. 25 Lacs to Rs. 5 Crores as Small and Rs. 5.00 crores to Rs. 10 crores as Medium. However, this is an optional requirement, though the entrepreneurs are advised to submit Form - 1 in DIC and obtain the acknowledgement along with Entrepreneur Memorandum Number, since it gives them an identification and sometimes it is also required by some departments.
- » Industrial Entrepreneur's Memorandum has to be filed with the Secretariat for Industrial Approvals (SIA), Ministry of Industries, Government of India for all Heavy industries and those not requiring Industrial License. (Presently 9 category of industries, are required to obtain industrial license from Ministry of Industry, Government of India from time to time).

[For Details click here](#)

2. Land allotment from Industrial Development Authority/or shed Allotment from District Industries Center
3. If land is private, land-use conversion declaration from District Authorities and permission under **Section 143 of UP Zamindari abolition and Land Reforms Act 1950**. [For Details click here](#)
4. NOC from Pollution Control Board under the provision of Water (Prevention of Pollution) Act 1974, Air (Prevention of Pollution) Act 1981, Environment (protection) Act 1986.
4. In case of 220 category of non-pollution SSI industries [For Details click here](#), which are Presently exempted by UP Pollution Control Board from obtaining NOC, the SSI registration granted by District Industries Center itself is Sufficient and no separate application for NOC is needed.

5. Building Map approval from concerned Development Authority/Designated Authority of notified area.
6. Fire Department NOC.
7. Provisional Trade Tax Registrations under section 8-B of U.P. Trade Tax Act 1948. This Registration is optional. It is however, beneficial to intending manufacturer who want to purchase plant, machinery, raw material, fuel, lubricants, consumables, packing materials etc. within the State of U.P. at a concessional rate, as allowable for use in the manufacture or packing of goods for sale. It also make them eligible to obtain Import Permit (Form "31"), for import of goods from outside the State.
8. Registration under Central Sales Tax Act Registration is compulsory, only when the unit proposes to make sales in course of Inter-State Trade and enables the unit to get the benefit of Form "C" for purchase from outside the State, at concessional rate of tax, as allowable.

B. Before commencement of Production

1. Consent from Pollution Control Board under Water (Prevention of Pollution) Act 1974, Air (Prevention of Pollution) Act 1981, and Environment (Protection) Act 1986.
2. Clearance from Fire Department.
3. Permanent Trade Tax Registration under U. P.Trade Tax Act 1948.
Registration under **Central Sales Tax Act 1956**
4. Registration is compulsory, only when the unit proposes to mark sales in course of Inter-State Trade and enables the unit to get the benefit of Form 'C' for purchase from outside the State at concessional rate of tax as allowable.

C. After Commencement of Production /Activity

Registration with Industries Department.

1.
 - » Entrepreneurs Memorandum Form II with District Industries Center for Micro, Small and Medium Scale Industries.
 - » Filling Industrial Entrepreneur Memorandum (Part-B) with SIA for Heavy Industries and those not requiring Industrial License. (presently 9 categories of industries, are required to obtain industrial license from Ministry of Industry, Government of India. However, this categorization is subject to changes from time to time) [For Details click here](#)

Additional Requirements Depending Upon Specific Nature of Industry

A. Prior to setting-up the unit

- 1 Letter of Intent to be filed with Ministry of Industries, Government of India, as by 9 category of industries presently notified by Government of India, as well as those, not covered under the provisions for exemptions, from Industrial Licensing. however, this is subject to change, from time to time. [For Details click here](#)
- 2 [Sanction of power for Construction / light & fan, as well as for production, if power is required.](#)
- 3 NOC from District Magistrate, for storage of Diesel for the units which store diesel for their D.G. Sets/Furnace etc.
- 4 NOC from Drug Controller, for setting Drugs & Pharmaceuticals and Cosmetics products manufacturing units, covered under Drugs & Cosmetics Act 1940.
- 5 NOC from Director Ayurvedic & Unani medicines, for setting up Ayurvedic/ Unani medicines manufacturing units.
- 6 NOC from Forest Department, for setting up wood based units.

- 7 Allotment Assurance from UP Excise Department for setting up Alcohol based units for ensuring the availability of Alcohol.
- 8 Registration under Shop and Commercial Establishment; Act 1962 for the units having employees posted in their offices, not covered under the Factories Act,1948.

B. Before commencement of production

- 1 Industrial License from Ministry of Industry, Government of India. Presently 9 category of Industries, are required to obtain industrial License from Ministry of Industry) as well as those not covered under the provisions for exemptions from Industrial Licensing. Government of India. However, this is subject to changes by Government of India time to time.) [For Details click here](#)
- 2 [Factory License under the Factories Act 1948,in case of factories where manufacturing process is carried on with the aid of power, if the number of workers employed is ten or more, and without aid of power, if the number of workers employed is twenty or more.](#)
- 3 Clearance from Director, Electrical Safety, under Indian Electricity Rules 1956,if power connection/D.G. set is installed.
- 4 Drug License under Drugs & Cosmetics Act 1940,for Drugs and Pharmaceuticals and Cosmetics products manufacturing units covered under Drugs & Cosmetics Act.
- 5 Excise License under UP State Excise Act for Distilleries & Breweries, covered under the said Act.
- 6 License from Food Commissioner, for units manufacturing food items covered under UP Scheduled Commodities Dealer (Licensing and Restriction Hoarding Order) 1989.
- 7 License under Milk and Milk Product order for milk based industries.

The above are only illustrative and not exhaustive list of requirements.

The Application Forms of various departments are available on this website as soon as you enter into it using your Unit Id and password in the form of:-

Set - 'A' (containing application form for clearances before setting up the unit) and

Set - `B' (containing application form for clearances before and after commencement of production).