



IT & ITeS POLICY 2022

UTTAR PRADESH

Table of Contents

1. Preamble	1
2. Policy Framework	1
2.1. Vision	1
2.2. Strategic Objectives	2
3. Infrastructure Augmentation	2
3.1 IT Park	2
3.2 IT City	3
4. Encourage Innovation Ecosystem	4
4.1 Centers of Excellence	4
4.2 R&D Support	4
5. Skill Development	5
6. Incentives for IT/ ITeS Units	5
6.1 Fiscal Incentives for New Units	5
6.1.1 Capital Subsidy	5
6.1.2 Operating Expense Subsidy	5
6.1.3 Rebate on Land	6
6.1.4 Interest Subsidy	6
6.1.5 Stamp Duty	6
6.1.6 Grant on EPF for Employment Generation	6
6.1.7 Recruitment Assistance	7
6.1.8 Incentives for Certifications	7
6.1.9 Patent Filing Cost	7
6.1.10 Work From Home (WFH)	7
6.2 Benefits for Expansion Units	7
6.3 Incentives on a Case-to-Case Basis	7
6.4 Non-Fiscal Incentives	8
7. Implementation Framework	8
8. Policy Period and Applicability	9
Definitions	10
Annexure 1: Classification of Districts	12

1. Preamble

Globally, the IT and ITeS market is expected to grow at a Compound Annual Growth Rate (CAGR) of 9% per annum and reach \$11.86 trillion in FY25. The IT and ITeS sector has emerged as a massive growth driver with enormous potential particularly in developing countries. In India, the sector has become the most significant growth catalyst for the economy contributing to around 8% of India's GDP in 2020 and the largest contributor to total exports. India's IT industry's revenue rose up to \$227 billion in FY22, showcasing a 15.5% year-on-year growth. Based on the current trends and onset of new technologies, the industry is predicted to touch the \$350 billion revenue mark by FY26. As a global hub for digital talent, India's IT sector employs an estimated 5 million people and is also the largest private sector employer of women. Uttar Pradesh (UP), the most populous state and second largest economy in the country, is known as the IT Hub of North India, holding sixth position in software exports in the country. The IT and ITeS sector in the state of UP provides direct employment to more than 0.12 million people. Under the UP IT/ ITeS Policy 2017-22, the state received investment proposals of around Rs.6,300 crores with employment of ~53,000 people.

The IT and ITeS sector has thrived as an emerging field over the past many years in the state of UP and has now become a necessity to survive the dynamic business environment. The government of Uttar Pradesh recognizes this dominance of the IT and ITeS sector and focuses on developing infrastructure and human capital development through effective policy implementation to create a conducive ambience for the IT and ITeS industry. In this context, the state houses large number of universities, technical colleges and ITIs, thus making available high-quality manpower. Some of the country's apex institutes are situated in Uttar Pradesh that provide best-in-class infrastructure and education opportunities, including IIT Kanpur, IIT(BHU) Varanasi, MNNIT Allahabad and IIIT Allahabad.

The policy aims to build a robust ecosystem for the sector by enabling a sound business environment and by encouraging collaboration and consolidation towards creating a technological shift in the state through establishment of IT Cities, IT Parks and Centers of Excellence in emerging technologies such as AI, Blockchain, Big data, Cloud computing and IoT. It proposes to enable a conducive regulatory landscape to accelerate innovation and drive innovation specific funding, build strong industry-academia collaboration in line with global best practices and dedicated innovation hubs with best-in-class infrastructure. In congruence with the Hon'ble Prime Minister's vision of 'Digital India' and 'Reform, Perform and Transform', the Uttar Pradesh government is transforming itself into a digitally empowered society and knowledge economy, thereby paving its way to become a dream destination for investments in line with its goal to become a \$1 trillion economy by 2027.

Uttar Pradesh is categorized as an achiever state in the recent 'ease of doing business' rankings, has made big strides through implementation of several reforms spanning across labor regulation, land administration, access to information and transparency, online single window and construction permits. Udyog Bandhu a dedicated state government body, provides necessary assistance for investors planning to establish their business in the state. Also, Nivesh Mitra - a dedicated single window clearance portal offering 353 services from 29 departments, has been instituted to facilitate faster and time bound issuance of various approvals. The portal has successfully cleared about 7.7 Lakh applications within the stipulated time.

2. Policy Framework

2.1. Vision

Transform the IT landscape of Uttar Pradesh to establish it as a trusted and leading global hub for information technology, comprising world-class IT infrastructure infused with high caliber talent, driving innovation and leading to a sustainable economic development across the state.

2.2. Strategic Objectives

- The State of Uttar Pradesh through this IT and ITeS policy aims to achieve the following objectives:
 - 2.2.1 Infrastructure:** Facilitate development of best-in-class infrastructure for IT/ITeS sector to meet the growing demand for innovative and advanced technologies by developing IT Parks, IT Cities in the state
 - 2.2.2 Innovation:** Encourage innovation ecosystem by providing an enabling mechanism in the form of access to mentors, establishing CoEs and promoting R&D with a focus on emerging technologies
 - 2.2.3 Capacity Building:** Enhance the skill levels of existing and young workforce on next generation technologies (such as Data Analytics, Internet of Things, Virtual Reality, Artificial Intelligence, Machine Learning etc.) and develop an industry-ready talent pool
 - 2.2.4 Investments:** Promote investor facilitation and make UP a preferred investment destination for technology companies and attract domestic as well as foreign investments during the policy period
 - 2.2.5 Exports:** Boost export potential of the state's IT/ITeS sector to contribute substantially more to India's exports in this sector including providing single window clearance for the units setting up in STPIs within Uttar Pradesh
 - 2.2.6 Employment:** Generate state-wide direct and indirect employment opportunities by offering special incentives to boost local employment
 - 2.2.7 Regional Development:** Drive IT penetration and balanced regional development through additional incentives for setting up IT/ITeS units across the state

3. Infrastructure Augmentation

Uttar Pradesh already hosts a good number of IT/ITeS companies who have established their operations in the state. HCL in collaboration with State Government of Uttar Pradesh has developed a dedicated IT city in 100 acres for operations and skill development activities. The state currently has operational STPI parks developed in collaboration with UP Government in Noida, Meerut, Lucknow, Kanpur and Prayagraj. Another IT Park in Agra will shortly become operational. Three other STPI parks are being developed in Varanasi, Bareilly, and Gorakhpur cities. The State Government shall provide impetus to the IT ecosystem by supporting the development of ready to occupy workspaces at an easy-to-commute location, that will allow IT/ITeS units to immediately commence their operations within the state. This policy proposes to undertake the following initiatives to develop infrastructure in the IT sector:

3.1 IT Park

- 3.1.1** The State Government will extend financial assistance towards development of one greenfield IT Park in every revenue division of the state, except in districts of Gautam Buddh Nagar and Ghaziabad. IT parks proposed in an administrative division under Taj Trapezium Zone (TTZ) will be developed in districts coming under Taj Trapezium Zone (TTZ). Capital expenditure support will be provided for the creation of IT Park within each revenue division on a first-come-first-serve basis. Incentives for any additional IT parks shall be reviewed by the empowered committee and dealt on a case-to-case basis.
- 3.1.2** A one-time support of 25% of the eligible capital expenditure incurred for development of IT Park shall be provided subject to a maximum support of Rs.20 Crores.
- 3.1.3** Capital expenditure shall comprise of expenditure incurred on building construction and infrastructural facilities, excluding the cost of land.

- 3.1.4** 80% of the above incentives will be provided in four instalments based on expenditure incurred at 25%, 50%, 75% and 100% of total project cost. The final 20% will be released after 50% of built-up floor area has been allotted/leased out to the units for their commercial operations.
- 3.1.5** 100% exemption on stamp duty will be granted on the purchase/lease of land by the developer.
- 3.1.6** The Government will provide support for development of external infrastructure facility i.e. Roads (by Public Works Department), Electrical Infrastructure (Energy Department). Support shall also be extended in obtaining building clearances.
- 3.1.7** Floor Area Ratio (FAR): FAR 3 and 1 (Purchasable, as per building by-laws prevalent at that time) applicable to IT parks.
- 3.1.8** An Empowered committee will take a final decision on the IT parks that qualify for applicability of these incentives.
- 3.1.9** Consortium of developers will also be allowed.
- 3.1.10** Preferential land allotment on a fast-track basis will be done as per the policy provisions, terms & conditions of UP Industrial Investment and Employment Promotion Policy 2022.
- 3.1.11** IT Parks which host co-working spaces will also be eligible for the above incentives.

3.2 IT City

- 3.2.1** IT city refers to an area where state-of-the art infrastructure exists to support IT/ITeS activities and promote the 'walk to work culture'. It consists of IT/ITeS office spaces/ IT park/ co-working spaces etc. with residential and commercial complexes that may include auditorium, food courts, gymnasium, conference halls, conveyance facilities etc.
- 3.2.2** The State Government endeavors to develop one IT city in each of the regions - Paschimanchal (Agra district of Taj Trapezium Zone (TTZ), Madhyanchal, Poorvanchal and Bundelkhand, and thus pave the way for furthering establishment of IT units across the state.
- 3.2.3** The Government encourages developers/consortium of developers for the development of a dedicated state-of-the-art IT city with modern amenities on par with global standards. Support shall be extended by means of following incentives:
- Relaxation of zoning/ land use laws
 - Flexible Floor Space Index (FSI) norms applicability
 - Extend utilities doorstep support
 - Assistance in obtaining necessary statutory clearances
 - 100% exemption on stamp duty will be granted on the purchase/lease of land by the developer
 - CAPEX Support – One time support of 25% of the eligible capital expenditure shall be provided subject to a maximum support of Rs.100 Crores incurred for developing the IT city. Eligible capital expenditure shall comprise of building construction and infrastructural facilities, excluding the cost of land. Further, the capital expenditure incurred only in the processing area shall be considered eligible. Developer will get 80% of their eligible capital subsidy in four instalments in respect to the various stages of completion of the project from 25%, 50%, 75% and 100%. Last instalment of remaining capital subsidy of 20% will be disbursed only once the 50% of the built-up area is allotted.

- Additional incentives (including enhanced CAPEX support) may be provided on a case-to-case basis on the recommendation of the Empowered Committee with the approval of the State Cabinet

4. Encourage Innovation Ecosystem

The policy proposes to build an ecosystem encouraging innovation through the following initiatives:

4.1 Centers of Excellence

- 4.1.1** Policy envisages to create world class infrastructure in the form of Centers of Excellence (CoE) to promote research, innovation and entrepreneurship in the IT/ITeS sector.
- 4.1.2** Policy aims to establish three Centers of Excellence in collaboration with reputed academic institutions and/or industry associations/industry or any other Govt./ Private entity up to 50% of the total CoE project cost (subject to a maximum of Rs.10 Crores.) will be borne by Government of UP.
- 4.1.3** The Empowered Committee shall be competent to grant sanction for setting up of the CoE.

4.2 R&D Support

The Government will support standalone / in-house R&D Centers and Design Centers recognized by Council of Scientific & Industrial Research (CSIR)/ Department of Scientific and Industrial Research (DSIR) or approved by Expert Committee constituted by the State Government for this purpose

- 4.2.1** Financial support shall be provided in the form of reimbursement (covering capital and operational expenditure) of 50% of the eligible R&D expenditure maximum up to Rs.5 Crores for one unit in the span of 5 years.
- 4.2.2** 50% of the eligible reimbursement amount shall be provided on a half-yearly basis and the remaining 50% of the amount shall be disbursed post successful development of the product/R&D activity.
- 4.2.3** R&D activities which are to be incentivized through this provision are expected to be engaged in innovative research & development activities in the field of IT/ ITeS sector. Such R&D activities should be related to the line of business of the unit, such as the development of new technologies, design & engineering, product development, development of new methods of analysis & testing, and research for increased efficiency in the use of resources. At the time of application, the R&D unit(s) should have well defined, time-bound R&D programmes leading to the development of innovative products and/or technology(ies). Units engaged solely in market research, work & methods study, operations & management research, testing & analysis of routine nature for operation, process control, quality control and maintenance of day-to-day production, and maintenance of plant shall not be considered as R&D centers.
- 4.2.4** Existing units set up in UP incurring R&D expenditure for a new R&D activity will be eligible to avail incentives under this policy.
- 4.2.5** The proposal under this provision shall exclude any capital expenditure related to R&D equipment on which incentive has already been claimed under Section 6.

5. Skill Development

To fulfil the growing need for skilled IT manpower and narrow the existing gap between the demand and supply of skills, there is a compelling need to launch an initiative that will address the challenge of imparting the skills required by a growing economy. The Government through this policy will undertake the following initiatives for upskilling the existing and new workforce:

- 5.1** Encourage professionals/employees and students to complete certifications in emerging technology courses. The Government shall reimburse 50% of the course fee up to Rs. 50,000 per candidate who is of Uttar Pradesh domicile. A standing committee comprising of IT/ITeS companies, industry associations, academic institutions etc. will advise on the list of training providers including their empanelment and determine the eligible courses, which may be revised on a periodic basis as per the industry trends and needs.
- 5.2** UP Skill Development Mission (SDM) will collaborate with leading industry players and academic institutions to deliver trainings on courses pertaining to IT/ITeS sector.

6. Incentives for IT/ ITeS Units

The State Government will provide multiple incentives for IT/ITeS companies who will set up their operations in Uttar Pradesh. Both new and expansion units across the state of Uttar Pradesh will be eligible to claim incentives under this policy. New units with a minimum Fixed Capital Investment (FCI) of Rs. 2 Crores shall be eligible for the following incentives:

6.1 Fiscal Incentives for New Units

6.1.1 Capital Subsidy

Capital subsidy would be provided at the rate of 10% on Fixed Capital Investment (FCI), subject to a maximum subsidy of Rs. 50 Crores to the eligible IT/ITeS units with a minimum capital investment of Rs. 5 Crores. The disbursement shall be done in annual installments over five years post commencement of commercial operations and each annual installment shall not exceed Rs.10 Crores.

6.1.2 Operating Expense Subsidy

The government through this policy shall provide subsidy towards operating expenses incurred by IT/ITeS units. All eligible units can avail reimbursement of 10% on Operating expenses which shall comprise of the following:

- i. Lease Rentals** – Expenditure incurred towards leasing office space for establishing an IT/ITeS unit shall be reimbursed based on the actual lease rent subject to a maximum monthly rental of Rs.50 per sq ft. This shall also be available to the units running their operations in co-working spaces.
- ii. Bandwidth Expenses** – Actual expenses incurred on bandwidth connectivity that has been paid to a licensed internet service provider.
- iii. Data Center/Cloud Service Costs** – Actual costs incurred on availing Data Center or Cloud services, provided the service provider is based within Uttar Pradesh and holds a valid GSTIN under Uttar Pradesh Goods and Services Tax Act from which the invoice for services has been issued.
- iv. Power Charges** – Actual power tariffs paid towards energy units consumed for running operations of the IT/ITeS unit.

The above subsidy shall be provided for a period of 5 years from commencement of commercial operations and overall amount shall remain capped at Rs. 20 crores per annum.

6.1.3

Rebate on Land

- i. The Government will provide rebate on the land purchased in Uttar Pradesh subject to the fulfilment of the criteria mentioned in this policy.
- ii. **25% reimbursement on the cost of land** shall be provided subject to a maximum rebate of Rs.50 Crores and meeting the below region-wise minimum employment criteria

Region	Minimum Employment
Paschimanchal (Except Taj Trapezium Zone (TTZ))	200 Employees per acre of Land
Madhyanchal	150 Employees per acre of Land
Bundelkhand/Poorvanchal/ Taj Trapezium Zone (TTZ)	100 Employees per acre of Land

Note: List of districts falling in the Bundelkhand, Poorvanchal, Madhyanchal & Paschimanchal is provided in Annexure-1.

- iii. The employment should be for a continuous period of one year.
- iv. The actual purchase price as per the registered document of the land shall be considered as the cost of land for the project (excluding Stamp duty & registration charges). In case, the land is allotted by state agencies, the actual allotment price paid shall be considered as the cost of land (excluding Stamp duty & registration charges). On purchase of private land, the cost of land will be considered as per the prevailing circle rates or actual purchase price, whichever is lower.

6.1.4 Interest Subsidy

Interest subsidy shall be provided at 7% per annum on the term loan or the actual interest paid, whichever is lower on the loans obtained from Scheduled Banks/ Financial Institutions subject to a maximum of Rs. 1 crore per annum per unit for a period of 5 years from the commencement of commercial operations.

6.1.5 Stamp Duty

100% exemption of stamp duty on purchase/lease of land/office space/ buildings for IT/ITeS use with condition of commencing operations within the time limits stipulated in Section 8.3 of this policy.

6.1.6 Grant on EPF for Employment Generation

100% reimbursement of the total EPF amount paid for IT/ITeS professionals of Uttar Pradesh domicile with employment for continuous 1 year, after commencement of commercial operations, up to Rs. 2000 per employee per month and subject to a maximum of Rs. 1 Crore per annum for 5 years for an unit. This incentive is applicable only for Women/SC/ST/Transgender/Divyangjan employees.

6.1.7 Recruitment Assistance

- i. Recruitment assistance of Rs.20,000 per employee in units located in Uttar Pradesh (excluding Gautam Buddha Nagar and Ghaziabad districts) subject to continuous employment of minimum 1 year and annual recruitment of at least 30 students in IT/ITeS sector.
- ii. This assistance is only applicable for employees recruited for their first job and who have been deployed in UP-located units for at least a period of 1 year. The employee shall be of Uttar Pradesh domicile and from an UP-based college.
- iii. This benefit can be availed for a duration of 5 years from the commencement of operations.
- iv. A mechanism shall be developed in consultation with Technical Education Department, Vocational Education and Skill Development Department for assisting IT/ITeS companies in recruiting candidates from UP-based colleges and ensuring the delivery of benefits as per this provision.

6.1.8 Incentives for Certifications

Reimbursement of the cost incurred by an IT/ITeS company operating in the state on successfully securing quality & IT related certifications such as Capability Maturity Model (CMM) level 2 upwards, ISO 27001 for security, ISO 20000 for service management terminology, COPC, eSCM certification with maximum reimbursement of 3 certifications with total limit of Rs. 25 lakhs per unit. Such similar certifications related to this sector shall be included from time to time subject to approval of Empowered Committee.

6.1.9 Patent Filing Cost

To encourage research and development, support will be provided to cover patent filing costs incurred by units located within the state. This would be reimbursement of up to 100% of actual filing costs on awarded patents, subject to a maximum of Rs.5,00,000 for domestic patents and Rs. 10,00,000 for international patents per unit.

6.1.10 Work From Home (WFH)

The units shall be eligible to claim the benefit of employment generation subsidy, EPF reimbursement and other employment linked benefits provided under this policy in respect of Uttar Pradesh based employees working from home/ such other premises located within Uttar Pradesh.

6.2 Benefits for Expansion Units

Expansion units with a minimum incremental fixed capital (which qualifies as eligible FCI towards expansion of unit) of Rs. 2 crores shall be eligible to claim the following incentives:

- 6.2.1** Eligible expansion units will be eligible to claim capital subsidy at the rate of 10% on the incremental Fixed Capital Investment (FCI), subject to a maximum subsidy of Rs. 50 Crores to the eligible IT/ITeS units.

Reimbursement of EPF and recruitment assistance shall be provided at the same rate and as per the terms and conditions mentioned above for new units. The average employee headcount during the year before expansion shall be considered as the baseline employee headcount. The incremental headcount over and above the baseline headcount is alone considered for employment related benefits.

6.3 Incentives on a Case-to-Case Basis

- 6.3.1 For IT/ ITeS Mega Unit investments:** Special incentives on a case-to-case basis may be granted for large IT/ ITeS projects that qualify capital investment or employment creation requirement as follows:

Location	Minimum Eligibility Requirements
Gautam Buddh Nagar and Ghaziabad	Investment greater than Rs.250 Crores Or Employment of more than 3000 Professionals
Rest of Uttar Pradesh	Investment greater than Rs.100 Crores Or Employment of more than 1000 Professionals

The incentives offered shall be in the form of capital subsidy, operating expenses reimbursement, interest subsidy, stamp duty exemption, EPF reimbursement, recruitment assistance, land cost reimbursement etc. The maximum limit of financial incentives may be relaxed on the recommendation of the Empowered Committee, subject to the approval of State Cabinet. The State shall appoint a dedicated nodal officer who would act as a single point of contact for better coordination with all relevant departments and to ensure all necessary support is made available.

6.4 Non-Fiscal Incentives

- 6.4.1** Exemption from the purview of the UP Pollution Control Act, except in case of power generation sets of capacity of more than 25 KVA for IT/ITeS Industry.
- 6.4.2** Exemption for IT/ITeS industry from inspections under the following acts and rules framed there under, barring inspections arising out of specific complaints. Under this provision, units shall be eligible for inspection only once in every 5 years.
- 6.4.3** The IT/ITeS industry are permitted to file self-certifications (may be amended from time to time), in the prescribed formats for:
- The Factories Act
 - The Maternity Benefit Act
 - The Shops & Establishments Act
 - The Contract Labour (Regulations & Abolition) Act
 - The Payment of Wages Act
 - The Minimum Wages Act
 - The Employment Exchanges (Compulsory Notification of Vacancies) Act
- 6.4.4** Permission to IT/ITES companies to have 24x7 operations (to run in three shifts) and employment of women in all three shifts.
- 6.4.5** The State Government as and when necessary, may notify certain IT/ITeS units as 'essential services'/ public utility services.
- 6.4.6** Floor Area Ratio (FAR): FAR 3 and 1 (Purchasable, as per building by-laws prevalent at that time) applicable to IT/ITeS units.
- 6.4.7** The above non-fiscal incentives are applicable for both new units and expansion units

7. Implementation Framework

7.1. State Level Empowered Committee

- 7.1.1.** A State Level Empowered Committee formed under the chairmanship of the Chief Secretary shall oversee the development of UP IT/ITeS Policy and monitor its implementation.

7.1.2. The Empowered Committee shall provide recommendation / approval for investment on case-to-case basis, for development of IT City/ IT Park/ Large IT/ ITeS projects/ CoEs, to bring about inter-departmental coordination and for grievance redressal of investors.

7.2. Policy Implementation Unit

7.2.1. A Policy Implementation Unit (PIU) shall be established under the chairmanship of Additional Chief Secretary, Department of IT & Electronics. The Policy Implementation Unit shall take decisions on matters pertaining to effective and successful implementation of this Policy.

7.2.2. The PIU shall be responsible for providing recommendation and approval for incentives applicable to IT/ITeS units established in Uttar Pradesh. It shall provide timely redressal of any grievances and facilitate necessary guidance and support. In case, PIU is not able to decide on a particular issue, it shall be taken up to the Empowered Committee, chaired by the Chief Secretary.

7.3. Nodal Agency

7.3.1. UP Electronics Corporation Ltd. (UPLC) will be the nodal agency for implementing this policy.

7.4. Project Management Unit

7.4.1. A dedicated Project Management Unit (PMU) comprising of outsourced professionals and consultants shall be constituted under the nodal agency to support and monitor the implementation.

8. Policy Period and Applicability

8.1 This policy will come into effect on the date of its notification and will remain in force for the period of 5 years or till a new policy is announced.

8.2 Incentives shall be available to the following units under this policy:

8.2.1. Proposals submitted after the notification of this policy.

8.2.2. Incentives under the policy are applicable for both the new units and the units proposing expansion.

8.3 The units availing incentives under this policy shall commence the commercial operations within the following timelines:

Eligible FCI	Time limit for commencement of commercial operations
Up to Rs.200 crores	4 years from the date of issuance of Letter of Comfort (LoC)
Greater than Rs.200 crores but less than Rs.1,000 crores	5 years from the date of issuance of Letter of Comfort (LoC)
Greater than Rs.1,000 crores	7 years from the date of issuance of Letter of Comfort (LoC)

8.4 Only such amount of investment which is made from the date of notification of the policy and within the time limit mentioned above shall be considered as eligible fixed capital investment.

8.5 Cases under previous IT/ ITeS policies for which LOC has been issued will be governed by provisions of the previous policies.

Definitions

- a) **"IT Industry"** includes IT Hardware and IT/ITeS units/companies, where IT units/ companies include IT Applications, software and IT services and IT Enabled Services includes BPO/ KPO/Consulting /Animation/Artificial Intelligence/ Gaming and other Knowledge Industry units.
- b) **Software services** include the following: Application software, Operating system, Middleware /Firmware, any component level development, Design and Quality assurance work, System integration work/components, any localization and SCM work in the software and Extension development (modules outside the main software).
- c) **"IT"** is defined as any service which results from the use of any IT software over a system of IT products for realizing value addition. Information Technology (IT) services include:
- Application software
 - Internet Service Provider
 - E-mail Service Provider
 - World wide web Service Provider
 - E-commerce and content development
 - Electronic Data Interchange (EDI) Services
 - Video conferencing
 - V-SAT, ISDN services
 - Electronic Data Center activities
- d) **"IT enabled Services"** include processes and services that are delivered over telecom networks or the internet to a wide range of business segments such as Medical Transcription, Legal Database processing, IT, Education and Training, Legal process outsourcing, IPR services, Digital content development / animation, Remote Maintenance, Back-office operations – Accounts/Financial services, Electronic, Medical and Health consultancy, Bio informatics, Data Processing and Call Centers etc. ITeS include, but are not limited to:
- R&D
 - E-commerce/ digital marketplaces/ online aggregators
 - Global Capability Centers (GCCs)
 - BPM (Business Process Management)
 - Customer Interaction Services, e.g., call/contact centers and email help desks
 - Engineering and Design
 - Back Office Processing
 - Finance and Accounting (provided remotely)
 - Insurance Claims Processing (provided remotely)
 - HR Services (provided remotely)
 - Web site Development and Maintenance Services
 - Data search, Integration and Analysis network consulting and Management
 - Remote Education

- Animation (provided remotely)
- Gaming
- Market Research (provided remotely)
- Translation, Transcription and Localization (provided remotely)
- Consultancy (provided remotely) for:
 - IT sector
 - ERP – Enterprise Resource Planning (e.g. SAP, Oracle etc.)
 - CRM – Customer Relationship Management
 - MRM- Marketing Resource Management
 - Technical support
 - Business Systems and Processes
- Data Processing
- System Integration and Customization
- System Upgradation Services
- Designing Systems
- Call Centers: i. Voice- Both inbound and outbound ii. Data- Both inbound and outbound
- Software Extension Development
- IT Facilities Management (including provided remotely)
- Such other services as may be notified from time to time

e) Unit means an IT/ITeS unit owned by an entity constituted as a company, partnership firm including a LLP, Society, Trust, Industrial Cooperative Society or Proprietary concern, which does not include a unit in the joint sector or public sector where the share capital of Government or a Government undertaking is 50% or higher.

f) Expansion Unit means an existing unit in Uttar Pradesh undertaking expansion, such that:

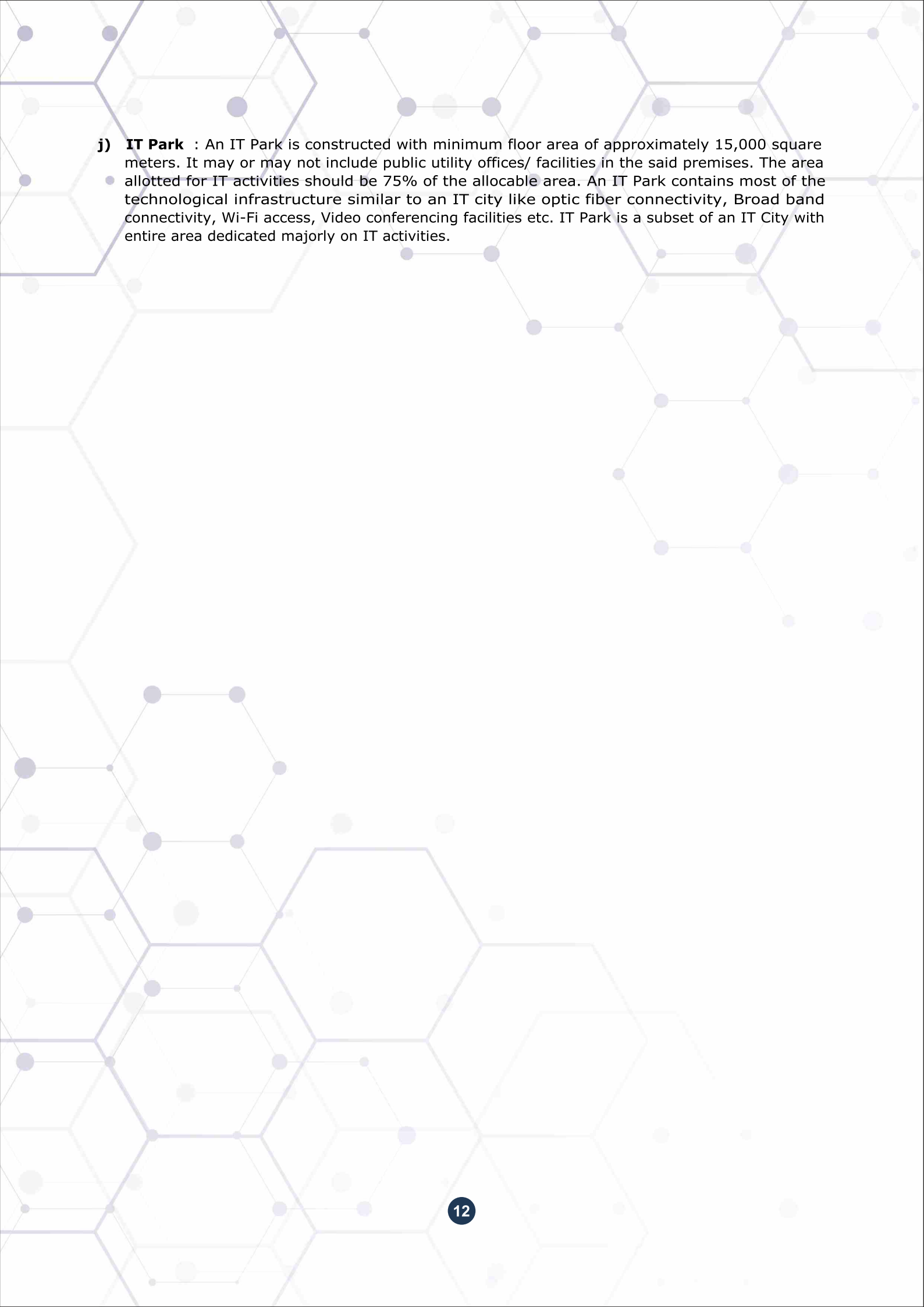
- (i) there is at least 25% increase in the existing FCI or incremental investment in FCI of Rs. 100 crores, whichever is lower;
- or
- (ii) existing headcount of employees on its payroll increases by 50% or by 1,000 employees, whichever is lower during the policy term.

g) Fixed Capital Investment (FCI) shall comprise of expenditure incurred on building construction, plant and machinery (including computers, R&D equipment, networking hardware and related fixed assets), software and infrastructure utilities. The cost of land and expenditure incurred on purchase of building shall not form part of FCI.

h) State Agencies

- Industrial Development Authorities
- Housing Boards
- Other State Institutions notified by the Government

i) IT City : An IT City requires 100 to 500 acres of land which will be used in the ratio of 60:40 approximately as processing and non-processing area. The processing area would consist of only IT units like IT companies, BPO's, KPO's etc. The non-processing area would include residential facilities, public utility offices/facilities/commercial area, Education, Healthcare, and open spaces.

- 
- j) **IT Park** : An IT Park is constructed with minimum floor area of approximately 15,000 square meters. It may or may not include public utility offices/ facilities in the said premises. The area allotted for IT activities should be 75% of the allocable area. An IT Park contains most of the technological infrastructure similar to an IT city like optic fiber connectivity, Broad band connectivity, Wi-Fi access, Video conferencing facilities etc. IT Park is a subset of an IT City with entire area dedicated majorly on IT activities.

Annexure 1: Classification of Districts

Poorvanchal	Bundlekhand	Madhyanchal	Paschimanchal
<u>Ayodhya Region</u> 1. Ayodhya 2. Ambedkar Nagar 3. Barabanki 4. Sultanpur 5. Amethi Gorakhpur Region 6. Gorakhpur 7. Deoria 8. Maharajanganj 9. Kushinagar <u>Prayagraj Region</u> 10. Prayagraj 11. Kaushambi 12. Fatehpur 13. Pratapgarh <u>Varanasi Region</u> 14. Varanasi 15. Chandauli 16. Jaunpur 17. Gazipur <u>Mirzapur Region</u> 18. Mirzapur 19. Sant Ravidas Nagar 20. Sonbhadra <u>Azamgarh Region</u> 21. Azamgarh 22. Ballia 23. Mau <u>Devipatan Mandal</u> 24. Gonda 25. Bahraich 26. Balrampur 27. Shravasti <u>Basti Region</u> 28. Basti 29. Sant Kabir Nagar 30. Siddharth Nagar	<u>Jhansi Region</u> 1. Jhansi 2. Jalaun 3. Lalitpur <u>Chitrakoot Region</u> 4. Banda 5. Chitrakoot 6. Hamirpur 7. Mahoba	<u>Kanpur Region</u> 1. Kanpur Nagar 2. Kanpur Dehat 3. Etawah 4. Auraiya 5. Farrukhabad 6. Kannauj <u>Lucknow Region</u> 7. Lucknow 8. Hardoi 9. Lakhimpur Kheri 10. Raebareli 11. Sitapur 12. Unnao	<u>Gautam Buddh Nagar</u> <u>Ghaziabad</u> <u>Agra Region</u> 1. Agra 2. Firozabad 3. Mainpuri 4. Mathura <u>Aligarh Region</u> 5. Aligarh 6. Hathras 7. Kasganj 8. Etah <u>Muradabad Region</u> 9. Muradabad 10. Bijnor 11. Sambhal 12. Rampur 13. Amroha <u>Meerut Region</u> 14. Meerut 15. Bulandshahar 16. Hapur 17. Baghpat <u>Saharanpur Region</u> 18. Muzaffarnagar 19. Shamli 20. Saharanpur <u>Bareilly Region</u> 21. Bareilly 22. Badaun 23. Pilibhit 24. Shahjahanpur



**Department of Information Technology And Electronics,
Government of Uttar Pradesh**



UP Electronics Corporation as Nodal Agency for Policy Implementation Unit (PIU)

Address: 10-Ashok Marg, Lucknow- 226001

Phone No: 0522-2286808, 2286809, 2286812

Email: info@itpolicyup.gov.in

Website: www.uplc.in



upite.gov.in



[dite_up](https://twitter.com/dite_up)



[diteUP](https://facebook.com/diteUP)



[up_dite](https://instagram.com/up_dite)