UP IT Policy 2015

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1. Introduction

Uttar Pradesh, as one of the largest contributor in IT/ITeS sector & has been consistently focusing on developing infrastructure, human capital development and effective policy implementation so as to create a conducive ambience for IT-BPM industry. The state under the Dynamic leadership of Hon’ble Chief Minister of Uttar Pradesh with a set goal to take Information Technology into the entire land of UP released IT Policy 2012 focusing on Tier-II & Tier-III cities of the state leveraging the experience of Noida/G.Noida as IT Hub.

India’s success in the area of Information Technology (IT) Software and Related Services over the past decade has been acknowledged globally. According to NASSCOM, IT-BPM Industry is contributing highest relative share in national GDP of around 9.5%. Indian IT-BPM industry achieved revenue of around US $130 Billion in FY 2014 and with 13% growth rate, it is expected to achieve revenue of US $150 Billion in FY2015. With around 3.5 million employees, currently IT-BPM industry has become the largest private sector employer in the country. In addition to this, Industry shares the largest chunk of more than 38% services export. In terms of entrepreneurship promotion, India has now become 4th largest startup hub in the world with the presence of more than 3,100 startups in the country. India continues to consolidate its position as the global hub for IT-BPM services.

IT Policy Implementation: With a conducive environment, Uttar Pradesh, for effective implementation, established Policy implementation Unit (PIU) & roped in best of Industry Consultant KPMG to manage PIU. One of the achievements is the construction of 100 acre IT City on PPP model in Lucknow with state of art skill development centre with a capacity of 5,000 students per year. This IT city with min. INR 1,500 Crores investment will generate direct & indirect employment of approx. 75,000 people. Another initiative is the establishment of IT Parks in Agra, Meerut, Ghaziabad, Kanpur & Gorakhpur is in process. To encourage start-ups, the state government started First Government based incubator IT UPVAN in Ghaziabad & Lucknow. Rural incubation cum training centres, eSETU (e-Skill Entrepreneurship Training Unit) have been planned to establish in 13 cities of the state. The state is undergoing a radical infrastructural change building Agra-Lucknow expressway, Lucknow metro & in other cities, Electronic Manufacturing Clusters, Trans-Ganga project, 13 Smart cities etc.

e-Governance: The state Government has established more than 20,000 Common Service Delivery outlets such as Jan Seva Kendra, Lokvani, e-Suvidha services delivering 5.6 crores electronically to the doorstep of the citizens taking it to the remotest location such as Ghazipur District with 55 Lacs has highest number of eTransaction in the state. The time bound implementation of Mission Mode Projects (MMPs) was one of the priorities of the government. The state government made a provision of self declaration in citizen centric services like caste, income certificates etc. which was a big welcome among citizens of UP.

World’s largest Laptop Distribution Program: The state receives several e-Governance awards for ‘Bridging the Digital Divide: Laptop distribution program” & e-Governance projects in various prestigious forums & events.

Considering the future of m-Governance, the state government promoted Government Services through mobile based applications. As a result, mobile applications such as m-Sehat (strengthening the front-line health workers minimize mother-infant mortality rate), m-Swasthya (accelerate the reduction of maternal, neonatal, and child mortality), UPOne etc have been developed and implemented.
Abundant Skilled Manpower: The availability of numerous technical and manpower centers of excellence makes the state ideally suitable for setting up of IT industry. State has large base of skilled manpower graduating from 700 professional institutions half of which imparting engineering and management courses including IIT Kanpur, IIIT Allahabad, IT-BHU & IIM, Lucknow making it an ideal destination for knowledge-based sectors. Dr. Abdul Kalam University, one of the largest technical university is home to 300+ engineering institutions.

Continuing the success of IT Policy 2012 and considering the changing business scenario & scaling up the initiatives of IT Policy 2012, The IT Policy 2015 aims to reinforce the position of Uttar Pradesh as an attractive destination for the IT/ITeS industry, enhances citizen services through e-Governance & m-governance model & gives a special focus on startups & budding Entrepreneurs to flourish in the state.

2. Vision, Mission & Objective

2.1. Vision

“To use I.T. as a vehicle for economic development of Uttar Pradesh with inclusive growth to create a vibrant society with a high quality of life”

2.2. Mission

The mission of the State is to:

- To position Uttar Pradesh as the preferred IT/ITeS investment destination in India
- To leverage IT as an engine of growth for UP
- To transform physical communities into connected communities that can help to realize sustainable economic growth and enhance the quality of life.

2.3. Objective

- Promoting UP as an attractive investment destination for IT/ITeS companies by providing congenial, industry friendly and proactive climate.

- Promote the development of IT Cities/IT Parks for IT Infrastructure Development.

- To create excellent ICT infrastructure as a platform to provide seamless connectivity for businesses and users, easy to use public and private services in a vibrant ecosystem consisting of ICT operators, Service Providers, Government, Regulators and end users.

- Enhancing the quality of talent pool and creation of additional employment opportunities, development of skilled IT manpower in the state for all sections of the society, across all regions, and to leverage IT as a tool for the socio-economic development of the State.
Focus Areas:

UP IT Policy 2015 is formulated to facilitate all stages of IT/ITeS industry encompassing Startups/Entrepreneurs, MSME (Micro, Small, and Medium Enterprises) and large IT/ITeS Industry by providing best of the incentives with conducive policy framework.
3. Policy Implementation Strategy

UP IT Policy 2015 shall be implemented based on 4 points strategy.

1. IT Infrastructure Development
2. Human Capital/Skill Development
3. Incentives
4. Industry Facilitation

In order to further attract IT/ITeS industry in the state of Uttar Pradesh, UP IT Policy 2015 focuses on building IT related Infrastructure, providing better avenues for Human capital development, best of the fiscal/Non-fiscal incentives and on top of that Policy focuses on better governance for its implementation and monitoring.
3.1: IT Infrastructure Development

3.1.1: Promotion of IT Cities/IT Parks

- Creation and improvement of excellent IT Infrastructure development such as establishment of ‘state of the art’ IT Cities & IT Parks in order to provide thrust on ‘Ready to Move in’ infrastructure facilities for IT/ITeS units. The guidelines for the IT city & IT Parks (Four Models) have been released by the state government to facilitate the IT Units building base in the state.

- 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.

- An IT park is constructed with minimum floor area of approximately 15000 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 allocatable area. An IT park contains most of the technological infrastructure similar to an IT city like optic fibre 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

3.1.2: Public Private Partnership (PPP)

- The State shall leverage various PPP model for development of IT Cities/Parks.
- The Government shall also encourage investments in PPP projects for bringing world-class schools, hospitals and other facilities which can complement the efforts for attracting investments in IT sector.

3.1.3: Information Technology Investment Region (ITIR)

In order to promote investment in the IT/ITES/Electronic Hardware Manufacturing (EHM) industry, the Govt. of India notified the ITIR Policy 2008. State Government along with Central Government shall play a collaborative role in establishing ITIR in the state. Currently Government of Uttar Pradesh proposes to develop Information Technology Investment Region (ITIR) along Agra-Lucknow expressway.

3.1.4: Establishment of IT Corpus

- Each Department shall earmark a minimum of 2% or as per directions of Government of Uttar Pradesh from time to time of its Plan budget for IT applications. This fund shall be pooled together under a separate budget head to be administered by the Department of IT under guidance and control of an Empowered Committee to be set up under the chairmanship of the Chief Secretary, Government of Uttar Pradesh.
- The individual Departments shall retain funds for their requirements of Maintenance of IT systems and Consumables. The Departments shall also earmark additional funds for their envisaged needs.
• The Pool fund shall be utilized for developing replicable and reusable models of e-Governance, IT innovations in administration; IT supported resource optimization, MMPs, decision support systems, MIS, intranets and other departmental applications and enabling technologies. Priority shall be given to units located in the State for award of software and skill development work.

• The fund requirements for Brand Promotion of Uttar Pradesh shall also be made available from the IT Corpus.

3.1.5: e-Governance Initiatives & delivery of Citizen Centric Services

The state Government shall identify relevant e-Services to be developed.

- **Citizen Service Delivery:** Provision of e-Services would be made available through internet and Common Service Delivery outlets such as Jan Seva Kendra, Lokvani, e-Suvidha etc. with a sole objective to nurture an environment to facilitate the development of affordable e-Services.

- **MMPs:** Government of Uttar Pradesh will facilitate time bound implementation/operation of various MMP’s (Mission Mode Projects) like e-Districts, CCTNS (Crime and Criminal Tracking Network and Systems) and projects of Department of Panchayati Raj, Commercial taxes, Food & Civil Supplies and other departments.

- **Connectivity:** State Government will play a proactive role in improving the communication and connectivity across the state by leveraging National Optical Fiber Network (NOFN)/ Bharatnet in addition to National Knowledge Network (NKN) framework. Existing UPSWAN connectivity would be extended to Gram Panchayats through NOFN/BharatNet.

- **SDC 2.0:** State of the Art UP-SDC 1.0 (state data center) has been established as central data repository to which all state departments are linked for public domain information for 24x7 usage with full capacity utilization. The ISO 27001 certified State Data Centre of Uttar Pradesh Shall continue to provide shared infrastructure as well co-located hosting model to various State Departments to host their applications and services in a fully secured Government owned facility for efficient management, ensuring that adequate and optimal use of the resources. Virtualization and Cloud Computing would be used to ensure On-Demand Availability of IT Infrastructure and Common Applications. The State has a vision to develop a centralized green data centre (SDC 2.0) which is cloud ready from the day of inception where hosting of application and services will be based on “Pay as per Use” Model.

- **Building trust:** Affidavit and notary attestation shall be completely removed accommodating self-declaration and datasets shall be used instead of documents for service delivery.

- **Formation of virtual IT Cadre:** Availability of skilled IT manpower should be ensured to sustain various eGovernance initiatives. Virtual IT Cadre shall be set up in the state which would assist the Departments in conceptualizing, designing, monitoring and managing the IT initiatives across the State.

- **eTaal:** All eGovernance applications will be integrated with eTaal (Electronic Transaction Aggregation and Analysis Layer).

- **Mega Call Centre:** A Mega Call Centre shall be established in the State to get an independent feedback from the beneficiaries and other stakeholders related with various citizen centric schemes being run by different Government departments of
the State. The objective for establishment of Mega Call Centre should not only be to sensitize the citizens about different Government schemes being run for their benefits but also to remove bottlenecks.

- **Transformation from less paper to paperless:** For improving the operational efficiency, reduce turnaround time and to meet the demands of the citizens charter and enhance transparency and accountability of State Departments, e-Office is being implemented in the Departments. In the First Phase, this application shall be implemented for all intra-departmental functions/services like leave approvals etc. In the Second phase, this application shall be implemented for inter-departmental functions/services.

- **e-Village:** A Government to Citizen (G2C) service delivery initiative “e-Village” has been developed based on 2-I “Innovation & Improvement” Model to enable “Over the counter (OTC)” delivery system dispersal of various services/certificates. Efforts shall be made for Over the Counter Delivery of Government Services in the selected villages for faster and efficient delivery of services to the citizens.

- **Computer Education in Schools/IT Literacy:** The State Government shall be ensured that the children completing elementary education get an exposure to basic computer skills in school. Training shall be imparted to all school teachers on usage of computer/Information Technology in phase wise manner.

- **Wi-Fi:** The state government shall ensure that specified Public Places, Educational Institutes, Tourist Places, Business Hubs etc. be made Wi-Fi enabled in a phased manner across the State.

- **Center for e-Governance:** Centre for e-Governance (CeG)/State e-Governance Mission Team (SeMT) shall be the nodal body for the implementation of IT/e-Governance initiatives in State. CeG/SeMT in collaboration with the Project e-Governance Mission Team (PeMT) of the respective department shall take up the new initiatives in line with the vision of Government of Uttar Pradesh.

### 3.1.6: Digitization of Government information

All public domain information like official gazette notifications, Government Orders, acts, rules regulations, circulars, policies and programme documents would be digitized and made available for electronic access on the web in a phased and time bound manner.

### 3.1.7: Cyber Security

- Crimes and offences pertaining to confidentiality, integrity, data security and non-disclosure of agreements shall be viewed and scrutinized as per law.
- Government of UP would create awareness about online security.
- Government of UP would build joint collaboration with industry and other stakeholders for outreach campaign to promote awareness about cyber-crime.
- Critical Information Infrastructure shall be identified at by all the State Government departments/ organizations. The State level and each Department/ Organization level shall nominate/identify Chief Information Security Officer (CISO) for protection of Critical Information Infrastructure identified by the Departments. For this purpose, senior level officers having their involvement in policy designing and decision making shall be nominated.
3.1.8: Create Centers of Excellence (COE) for Innovation and R&D of IT Services-

Government of Uttar Pradesh shall encourage establishment of COE like Big Data, cloud Computing etc. across the state to promote R&D, Innovation and transfer of technology by prominent IT industry experts or in collaboration with leading institutions like IIM Lucknow, IIT Kanpur, IIIT Allahabad, IT-BHU and other reputed and prominent institutions. It would connect COEs to facilitate exchange of ideas and promote greater collaboration among IT experts.

3.2: Human Capital /Skill Development

3.2.1: Capacity building

- Capacity building programs shall be promoted through UP Skill development mission and similar schemes announced by the Government from time to time
- Government of Uttar Pradesh shall encourage existing skill development institutions like ITI’s and Polytechnic to collaborate with IT majors to enhance and leverage their facilities and expertise.

3.2.2: Establishment of Skill Development /Incubation Centres:

- The state shall establish Skill Development Centres on a PPP model in the state to encourage youth from UP to improve their capabilities and find employment in IT/ITeS domain. These centers will be established in collaboration with IT/ITeS Industries, Association, Educational institutions.
- To encourage startups, Government started ‘Plug n Play Model’ based Incubation centre facility in Ghaziabad & Lucknow with IT UPVAN initiative. In addition to this, rural incubation centres as e- SETU Centres are also being setup at 13 district level in association with leading IT/ITeS Companies to provide technical training, skill development & establish entrepreneurial support ecosystem in the state of Uttar Pradesh. The policy plan to scale up the above mentioned centres across the state.

3.2.3: Bridging the Digital Divide:

- It is acknowledged that different strata of the society and different locations of UP are on different level of IT development. To bridge this gap, the state Government is distributing laptops to meritorious students & empowering them with digital information.

3.2.4: Awards for e-Governance

- An Award Programme will be instituted to recognize excellence in areas such as Effective Public Service Delivery System, Business Process Re-engineering (BPR), Websites / Web Portals, m-Governance, Innovative Use of Social Media, Analytical and Decision Support System etc. Exemplary contribution of employees in e-Governance initiatives would also get due recognition.

3.2.5: Promotion of m-Governance

- Government shall promote m-Governance across government services through building mobile based applications and citizen services. Various mobile applications such as m-Sehat, m-Swasthya, UPOne, UP-BUS etc have been developed and implemented by the State Departments.
3.3: Incentives
The following incentives are admissible to IT/ITeS units across the state of Uttar Pradesh for period ending on 31st March 2020.

3.3.1: Fiscal Incentives

3.3.1.1: Interest Subsidy
- An interest subsidy of 5% per annum for a period of 7 years on the rate of interest paid on the loans obtained from Scheduled Banks/Financial Institutions shall be reimbursed subject to a maximum of Rs. 1 crore per annum per unit.

3.3.1.2: 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 3 years.

3.3.1.3: Exemption of Electricity Duty
- 100% exemption on Electricity duty for new IT/ITeS units for a period of 5 years post commencement of commercial operations.

3.3.1.4: Incentives for filling patents
- Reimbursement of up to 50% of actual filing costs subject to a maximum of INR 100,000 for domestic and INR 500,000 for international patents applicable for all IT/ITeS units of Uttar Pradesh.

3.3.1.5: Incentives for Quality Certifications
- Reimbursement of the cost incurred by an IT/ITeS Company operating in the State on successfully securing quality certification of Capability Maturity Model (CMM) level 2 upwards, ISO 27001 for security, ISO 20000 for service management terminology, COPC, eSCM certification subject to maximum limit of 15 lakhs per year. The similar certifications related to this sector shall be included from time to time.

3.3.1.6: 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 start of commercial operation, subject to the Maximum of INR 20 Lakhs per annum for 5 years for a unit.

3.3.2: Other Incentives

3.3.2.1: Provision for Land
- Rebate of 25% on the prevailing sector rates shall be provided to IT/ITeS units on purchase of land from state Agencies.
- Floor Area Ratio (FAR): Min FAR 3 applicable to IT/ITeS/BPM units including IT City and IT Park.
- IT/BPO units which employ a minimum of 20 people and a maximum of 50 people shall be allowed to establish anywhere irrespective of the master plan or Land use classification barring specified land usage.

3.3.2.2: Incentives on Case to Case Basis
- IT/ITeS Mega Unit investments projects with the proposed investment of more than INR 200 Crores shall be considered for special incentives.
- In order to promote ‘Ready to Move In’ facility for IT/ITeS companies in the state, IT Infrastructure Private developers with IT
Infrastructure development experience of more than 10 acres or investment of more than INR 200 Cr. in last 5 years may be considered for incentives on case to case basis for establishing more than 5 acres IT Park in Tier-II & Tier-III Cities in the state. The incentives shall be made available to the developer on the condition of 75% utilization of IT facility for 10 years from the date of commercial operation.

- The above mentioned incentives shall be provided with due approval from the Empowered committee.

3.3.3: Non-Fiscal Incentives

- 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.
- Exemption for IT/ITES Industry from inspections under the following acts and rules framed there under, barring inspections arising out of specific complaints.
- The IT/ITES industry are permitted to file self certifications, in the prescribed formats for:
  
  I. The Factories Act
  II. The Maternity Benefit Act
  III. The Shops & Establishments Act
  IV. The Contract Labour (Regulations & Abolition) Act
  V. The Payment of Wages Act
  VI. The Minimum Wages Act
  VII. The Employment Exchanges (Compulsory Notification of Vacancies) Act

3.3.3.1: Uninterrupted Power Supply

- IT units setup in IT Cities / IT Parks on Independent Feeder shall be provided uninterrupted power supply from State Utility. The cost of provision of separate Feeder and separate Transmission Line will be borne by the developer.

3.3.3.2: 24x7 Operations

- Permission to IT and ITES companies to have 24x7 operations (to run in three shifts) and employment of women in all three shifts

3.3.4: Additional Incentives available to MSME IT/ITES units

3.3.4.1: Rebate on Lease/Rental Space—

Reimbursement up to 25% of lease /rental charges for the space for MSME IT/ITES units established in the state operating from leased / rented space in IT cities/IT Parks or any notified location, will be eligible with maximum limit of INR 10 lakhs, for a period of 3 years from the date of commencement of commercial operations.

3.3.4.2: Power subsidy / Applicability of Industrial Tariff

- MSME IT/ITES units shall be eligible for 25% subsidy on power bills for a period of 3 years from the date of commencement of commercial operations or INR 30 lakhs whichever is earlier.
- Industrial Power tariff will be applicable to all New IT/ITES units from the effective date of this policy.
3.3.5: ‘Start in Uttar Pradesh’ (START-UP) to promote startups culture & entrepreneurship in Uttar Pradesh

The state Government shall promote the startup culture using INFUSE model (INcubators – FUnd of Funds – StartuP Entrepreneurs). The Financial support from the government shall be provided to Incubators, Startups & Venture Capitalist funding the startups

- The Government of Uttar Pradesh shall establish an initial Corpus (Seed fund) of INR 100 Crores in phases to promote Incubators and mobilize startups in the state of Uttar Pradesh. The additional funding by the Government shall be done based on the requirement & scalability as decided by the empowered committee.

- The fund shall be in the form of fund of funds. In this model, the fund shall not be invested directly into start-up companies, rather, it shall participate in SEBI-approved Venture Capital funds. The state government shall match 25% of the money invested by the VC subject to the condition that the funding shall be done only to the startups based in Uttar Pradesh. The fund would be professionally managed like a PE/Venture fund with industry leaders in the committee along with support from private players and GoUP.

- The proportionate return from the startups in terms of Debt/Equity shall be contributed back to the corpus.

- A permanent fund Manager shall be nominated/appointed to manage the corpus & fund of funds granted by the state Government.

Department of IT & Electronics shall nominate its nodal agency to promote Incubators, IT/ITeS startups, Accelerators & encourage Host Institutions in the state. Host Institutions seeking grant for setting up of Incubators from the state Government shall has to be registered with the Nodal Agency. The selection of Host Institutions expressing intent to establish Incubators shall be decided by the Empowered Committee.

The start-up focus shall focus on following domains such as:

1) Mobile and Information Technology
2) Internet of things, e-Commerce
3) Social Media, Mobility, Analytics & Cloud computing (SMAC)
4) IT Animation
5) Any innovative ideas/technologies in IT & BPM sector

3.3.5.1: Promotion of Incubators:

- State government shall promote establishment of new incubators, which shall be run within the State Government/Semi-Government institutes/ agency/ organisations, along with existing incubators which are approved by DST/GOI.

- In the first phase, State government shall encourage Government/semi-Government Host Institutes like Technical, Management and R&D institutes (IITs/ NITs / IIMs / ITIs/ Government Engineering Colleges/ any Govt. agency) of the state to set up new Incubators or Accelerators to enable startup ecosystem in the state.

- Host Institutes shall be provided capital grant of max 50% for IT infrastructure setup, subject to maximum of INR 25 lakhs. The same limit shall be granted for strengthening existing Incubators in case of expansion subject to the capacity utilization of the existing Incubator for 2 years.
• The selected Incubators shall be required to appoint minimum 2 mentors (each from Academia from reputed institute & prominent Industry person) to be paid on honorary basis up to INR 2 Lacs per Annum.
• The selected incubators shall get the financial support up to the tune of 5 Lakhs per year for a period of 5 years covering the deficit of the operational expenditure of Incubators.

The selected incubator shall be responsible to support startups by providing
• office space and shared administrative services
• services such as training or High-speed Internet access
• Networking activities and Marketing assistance
• Links to higher education resources

3.3.5.2: Establishment of Fund Management Committee to manage fund corpus:

The Fund Corpus Management committee shall be established

• To select the start-ups that would be eligible for the fund
• To decide the amount of fund to be allotted to each selected start-ups shall be in below manner:
  I. **At Idea/Prototype stage:**
     Startups shall be provided sustenance allowance of INR 15,000 per month for a period of 1 year whose project is recommended by Nodal agency & approved by the committee.
  II. **At Pilot stage:**
     Upon securing of min funding of 25% from a known and registered angel/venture funds/ reputed incubators by startup, a marketing/ commercialization assistance of 25% of actual cost or INR 10 Lakhs whichever is lower, shall be provided to startups in 3 phases to launch its product/services in the market subject to the bi-annual review of the progress.

• To monitor the selected start-up’s performance and fund usage
• To provide MIS to the empowered committee about the status of the corpus on quarterly basis.

**Fund Corpus Management committee:**

The Fund corpus management committee chaired by the nominee of IT & Electronics Department, GoUP shall be professionally managed.

The suggestive composition shall be as follows:
• Representative from Dept. of IT & E, GoUP
• Representative from Dept. of Finance, GoUP
• Head of Host institute/Technology Business Incubator
• A banker/VC
• Domain expert(s)- academia
• Domain expert(s)- Industry
• One successful entrepreneur
• Fund Manager

**Note:** The accepted Startups, Incubators or its Host Institute & Accelerators shall not be entitled to receive Fiscal incentives mentioned in section 3.3.1, section 3.3.2, section 3.3.3 & section 3.3.4 of this policy.
3.3.6: Branding & Business promotion support-
- Government of UP shall free of cost promote IT/ITeS units having presence in the state of Uttar Pradesh in case state Government participate in national and international events/conferences/exhibitions organized by leading industry & industry associations.
- Dept. of IT & Electronics, Govt. of Uttar Pradesh shall also issue a certificate to each IT/ITeS companies having its presence in Uttar Pradesh while getting registered with the Dept. of IT & Electronics Uttar Pradesh.

Note: The financial incentives to be allowed to any of the unit from all the resources shall not be more than 100% of the fixed capital investment of the unit.

3.4: Industry Facilitation

3.4.1: Policy Implementation Unit-
In the State, a PIU which will be established by the UPLC and comprise Consultants appointed on an outsourcing basis to support, monitor and provide feedback to the Empowered Committee on the Implementation of IT Policy for a period of 5 years. UPLC shall provide Administrative and Manpower support to the PIU.

Key Activities of PIU shall be:
- Escort services to potential investors
- Consultation
- Single point of Contact for all IT investments/proposals and project proponents
- Marketing of IT Policy
- Liaison with Government functionaries
- Implementation of Single Window Clearances
- Assist in Policy Implementation Plan
- Engagement with Industries and Industry Associations
- Develop dashboard reporting for the Empowered Committee
- Decisions on outsourcing/deputation of functions as and when required

3.4.2: Single Window Clearance -
A Government body (Policy Implementation Unit) under the chairmanship of Principal Secretary IT, Government of Uttar Pradesh, shall be formed to efficiently and smoothly assist the entrepreneurs and other IT units to facilitate statutory clearances in time bound manner.

The PIU (Policy Implementation Unit) shall also be responsible for clearing roadblocks in a time bound manner. In case timely clearance or removal of a roadblock, within the time frame does not take place, the issue shall automatically escalate to the Principal Secretary/ Secretary I.T. and thereafter (after a defined time interval) to the Empowered Committee. Periodic review at the level of Chief Secretary for clearances will be held.

3.4.3: Empowered Committee -
A State Level Empowered Committee under the chairmanship of the Chief Secretary shall oversee the development of I.T. industry in the state. The Empowered Committee will at State level monitor the implementation of this Policy. This committee shall among others comprise APC, IIDC, and Principal Secretaries of Information Technology, Finance, Planning, Small Industries, Commercial Tax, Energy, Transport, Revenue, Housing and other departments as members.

The Charter of the Empowered Committee shall be:
Monitor and ensure timely release of relevant orders/notifications and amendments required.

Approve the IT city/IT Parks/Mega Investment

Units to be setup under the policy.

Approve the Projects, framework/modalities of implementation, and funding from central pool for projects proposed by the Departments.

Bring about inter-Departmental coordination in respect of matters related to this Policy.

Evaluation of IT Policy implementation on the basis of data on key indicators and resolve implementation issues at all levels.

This Policy is valid for a period of 5 years from the date of its notification and supersedes the UP IT Policy 2012.

4. Glossary

1. “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 and Gaming and other Knowledge Industry units.

2. Software services include:
   - Application software
   - Operating system
   - Middleware/Firmware
   - Any component level development of the above software.
   - Design and Quality assurance work for these software.
   - System integration work/components for software.
   - Any localization and SCM work in the software.
   - Extension development (modules outside the main software).

3. “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 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 Centre activities

4. “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:
- 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 and designing systems
- Call centers:
  - Voice- Both inbound and outbound
  - Data- Both inbound and outbound
- Software Extension development
- IT Facilities management (including provided remotely)

5. Classification of Cities
- Tier I – Noida, Greater Noida
- Tier II - Lucknow, Agra, Kanpur, Allahabad, Meerut, Varanasi and other cities having population more than 20 lacs including Yamuna Expressway region in particular.
- Tier III - cities having population less than 20 lacs.

6. Mega Projects: The IT/ITES projects having investment above INR 200 Crores would be considered as Mega units.

7. MSME- Micro, Small & Medium Enterprises
 IT/ITES units with an annual turnover of up to INR 25 Cr.

8. State Agencies
- Development Authorities
- Housing Boards
- Lucknow Industrial Development Authority (LIDA)
- UPSIDC
- Other State Institutions notified by the Government
Department of Information Technology and Electronics, Government of Uttar Pradesh

with

UP Electronics Corporation as Policy Implementation Unit

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