



# COMPANIES SHOW CONFIDENCE IN UTTAR PRADESH ECONOMY

STATE REMAINS ATTRACTIVE DESTINATION TO INVEST

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Uttar Pradesh has rapidly emerged as a hotbed for investment, attracting investors from various industries such as information technology, food processing, electronics manufacturing, tourism, renewable energy and textiles. The state's strategic location and conducive business environment have made it a top choice for investors looking to expand operations.

In recent years, Uttar Pradesh has significantly improved its infrastructure, further bolstering its attractiveness as an investment destination. With well-developed roads, rail, waterway and air connectivity, the state provides easy access to major markets nationwide.

Moreover, the state government's proactive approach towards creating an investor-friendly ecosystem has been crucial in attracting investors. The government has introduced several initiatives to ease the process of setting up businesses, such as single-window clearances and online platforms for obtaining licenses and permits.

All these factors have contributed to a surge in investment figures like never before, putting Uttar Pradesh firmly on not only the Indian but also the global map as a promising investment destination. With its unparalleled opportunities for growth and development, the state has played a crucial role in shaping the vision of a new India. It has implemented over 28+ sector-specific policies designed to attract investment across every industry. Policymakers have facilitated the balanced development of India's fourth largest state, which is equivalent in size to the United Kingdom, by attracting a diverse range of industries in different parts of the state.

Uttar Pradesh, a landlocked state, has been able to harness its resources effectively, making it the second-largest economy in the country. This state contributes nearly 9.2 percent to the national GDP. With one-fifth of India's consumer base - a population of 24 crore - Uttar Pradesh has emerged as the second-largest economy in the country. Growing manufacturing base in the state has ensured that the small and medium scale industries grow in tandem with the big-ticket investments.

Notably, the state has been categorised as 'achiever' in the 'Ease of Doing Business' rankings.



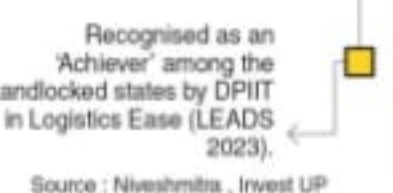
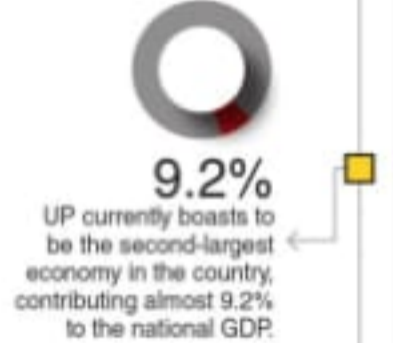
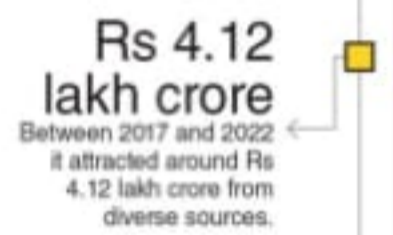
The government's proactive initiatives and investment-friendly policies have created a favourable investment climate, positioning the state as an emerging leader in India's investment landscape.

Under the State Government, Invest UP offers a range of investment promotion and facilitation services, including assistance with investment intent filing, CSR assistance, Gold Card Scheme. The organisation ensures single-window clearance via the Nivesh Mitra Portal and provides complete assistance to the business community. With a focus on offering a high-quality investment climate that meets the needs of businesses across various sectors, Uttar Pradesh is poised to continue attracting significant investment in the future.

## INFORMATION TECHNOLOGY

In recent times, the Noida-Greater Noida Expressway has emerged as a promising tech hub, providing stiff competition to traditional IT hotspots like Gurgaon, Bengaluru, Hyderabad, and Pune. These cities have been grappling with problems like overburdened infrastructure and soaring costs, leading many IT giants and technology-focused companies to seek investments around the Noida-Greater Noida Expressway.

With the upcoming Noida International Airport, India's tech-driven future will witness a significant transformation thanks to the excellent infrastructure, accessibility, and growth opportunities that it will offer. The state has received substantial investments from top-tier companies like Infosys, HCL, Tata Consultancy Services, IBM, Microsoft, Tech Mahindra, and others. More than 6 STPI IT parks and 20+ SEZ IT&ITES have already been established, with plans underway to establish 10 Smart Cities. Following its progressive IT&ITES Policy 2017-22, Uttar Pradesh has attracted investment proposals worth



Rs 6,300 crores, creating over 53,000 jobs. The state consistently focuses on developing infrastructure, human capital development, and effective policy implementation to create a conducive environment for the IT-BPM industry. Another key factor contributing to the state's growth is the allowance of 100% FDI through the automatic route for data processing, software development, market research services, and more.

## AGRO AND FOOD PROCESSING INDUSTRY

Uttar Pradesh has become a hub for India's agro and food processing industry. Some of the top companies, such as ITC Limited, Parle Agro, Godrej Agrovet, Dabur, Amul, and Pepsico, have invested in this sector, recognising the state's potential. The state boasts of

UP has the potential to become a major electronics manufacturing destination. The state's strategic initiatives and conducive policies have significantly propelled the sector, attracted investments, and fostered a thriving ecosystem. UP is also working on a dedicated policy for the semiconductor and display manufacturing sector, which will help the state to take a lead in semiconductor manufacturing

**Pankaj Mohindroo**  
Chairman, India Cellular & Electronics Association (ICEA)

Govt's announcement to provide industry status to tourism sector is a very encouraging initiative. To harness the true potential of the sector, Govt must focus on professional development of lesser-known destinations in the state. The Buddhist, Ramayana and pilgrimage circuits need investments to provide better connectivity by road, rail and civil aviation; besides better accommodation infrastructure

**M.P.Bezbaruah**  
Secretary General Hotel Association of India

The multi-billion infrastructure investment in Uttar Pradesh would lead to a transformational impact in the state; its GDP would see a multiplier impact in years to come. Sectors like tourism, education, retail and manufacturing are set to witness a major uptick. Additionally, with several iconic cities getting an uplift with massive urban infrastructure, inflow of investment will be visible in all related sectors

**Deepak Sood**  
Secretary General, ASSOCHAM



being the largest producer of food grains, sugarcane, potato, peas, and guava, making it a significant contributor to the nation's food industry. It is also the country's largest milk producer, further highlighting the state's role in the dairy industry. The state's food processing industry is not limited to just production but also extends to exports. It is India's largest exporter of processed frozen meat, making it a major player in the international market. The Blue Revolution Scheme has further boosted the state's potential by increasing its water spread area for fish culture by 30 percent. With 15 agro and food processing parks and four agricultural export zones, the state has created an environment that attracts investment in the sector. There are over 250 regulated markets, 1909 cold chains, and 576 farmer's producer's organisations (FPOs) with approximately 2.15 lakh farmers, providing a solid foundation for the sector. The Uttar Pradesh government aims to establish 1,000 FPOs, further strengthening the state's position as a hub for the agro and food processing industry.

## ELECTRONICS MANUFACTURING HUB

Uttar Pradesh is currently the largest exporter of consumer electronics in the country, with over 196 electronics system design and manufacturing (ESDM) companies operating there. Among the major electronics companies that have established their base in India are LG Electronics, Samsung India Electronics, Vivo, Haier, HoliTech India, and OPPO. As a result, the state also produces 40 percent of the mobile handsets manufactured in the country, while 60 percent of India's total mobile component manufacturing units operate here.

To further encourage the growth of this industry, various electronic

manufacturing clusters have been established in different parts of the state, including Noida, Greater Noida, Sahibabad, Lucknow, Kanpur, and Allahabad. Noida, in particular, is fast becoming India's foremost electronics export hub.

To support the industry's growth, the state government plans to create a Rs 10,000 crore fund over five years to invest in deep research, intellectual property generation, and building a specialised workforce with focused centers of excellence, grants, R&D laboratories, and manufacturing facilities. The state is also blessed with ample skilled labour available at competitive costs, premier institutes such as IIT Prayagraj, IIT Kanpur and IIT BHU, and key policy support in interest subsidy, capital subsidy, land rebate, and ESDM park incentives.

## BOOMING TOURISM SECTOR

Uttar Pradesh has received investment proposals worth an impressive Rs 40 lakh crore in the Global Investors Summit-2023, with the hospitality and tourism sector securing investments worth Rs. 35,000 crore. The state's new tourism policy is aimed to increase domestic visitor inflow by 15 percent and foreign tourists by 10 percent, generating income avenues by developing new tourist circuits and infrastructure using a PPP model. The policy is expected to garner an annual investment of Rs 5,000 crore and generate employment for almost five lakh people in the next five years. In 2022, the state witnessed a staggering 190% increase in tourism, with 31.85 crore visitors, and by June 2023, it had already welcomed a whopping 14.58 crore tourists. Uttar Pradesh has allotted an impressive Rs. 2,500 crore in the 2023-24 budget to promote Kumbh and spiritual tourism and is planning to initiate and complete

several projects, including hotels, resorts, wellness hubs, ecotourism, entertainment zones, and theme parks. With more than Rs 465 crore infrastructure projects being approved in Ayodhya, the region is expected to be a significant attraction. The tourism department envisions a three-fold increase in footfall over the next decade, with over 6.8 crore people expected to visit Ayodhya by 2030. Additionally, implementing the Civil Aviation Promotion Policy is expected to bolster the tourism industry by establishing Noida and Kushinagar International airports.

## TEXTILES AND HANDLOOM

Several companies worldwide have signed Memorandums of Understanding (MoUs) to invest in Uttar Pradesh's textile and handloom sector. Uttar Pradesh is known for its rich textile production heritage and is India's third-highest fabric-producing state. It produces over 13 percent of the national production, making it an essential contributor to the industry. The state is home to several regions known for their textile production, such as Varanasi, famous for its Banarasi silk saris, and Lucknow, known for its Chikankari embroidery. Other areas like Mau and Bhadohi are also known for their textile production, with Mau being a significant center for textile printing and Bhadohi being known for its carpet weaving. The region produces approximately 47 percent of India's handloom woven carpets, rugs, and mats. Uttar Pradesh is the largest market for textiles and handlooms, with a consumer base of over 240 million people, providing vast opportunities for spinning, weaving, apparel designing, and manufacturing. To boost the textile industry further, the Uttar Pradesh government has announced several initiatives. It will provide a 25 percent subsidy on land purchase and up to 100 percent exemption on stamp duty for setting up textile units in the state. These incentives aim to attract a Rs 10,000 crore investment for the textile sector and turn the state into a global textile hub.

The government also plans to set up 'PM Mitra Mega Textile Park' worth Rs 1,200 crore to be built on 1,000 acres between Lucknow-Hardoi. This project is expected to create three lakh employment opportunities, making it a significant boost for the economy.



Uttar Pradesh's first data centre park in Greater Noida