

Lucknow’s leap into the future of technology; Rise of AI city after aerocity push

Lucknow is set to become a major technology and investment hub with the launch of an Artificial Intelligence (AI) City, backed by a Rs 5 crore allocation in the Finance Bill 2025-26. Spread across 70 acres, the AI City aims to attract tech firms, startups, and research institutions, complementing the state's broader push for economic growth through projects like Aerocity and the Uttar Pradesh State Capital Region. These initiatives position Uttar Pradesh as a key player in innovation, industry, and global competitiveness

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Lucknow to get first AI city

Lucknow is set to witness a major transformation with the announcement of an Artificial Intelligence (AI) City, an ambitious project of the Yogi Adityanath government. Following the push for Aerocity, the Uttar Pradesh government has taken another significant step towards making the state capital a technology and investment hub. Finance Minister Suresh Khanna, in the Finance Bill 2025-26, allocated Rs 5 crore for the AI City, which will be developed on a 70-acre land parcel.

The AI City is envisioned to position Lucknow on par with the country’s leading IT hubs. This initiative is expected to attract tech firms, startups, and research institutions focusing on artificial intelligence, machine learning, and data analytics. Rajeshwar Singh, BJP MLA from Sarojini Nagar, emphasized that the AI City will act as a catalyst for future IT projects in the city, fostering innovation and economic growth. The project aligns with the Uttar Pradesh government’s broader digital transformation agenda, including the promotion of digital governance, smart city initiatives, and IT-enabled services.

The AI City project follows last year’s push for Aerocity, a massive 1,500-acre development designed to house commercial offices, seven-star hotels, parks, and a convention center. The Aerocity project, proposed by Rajeshwar Singh, was assigned to the Lucknow Development Authority (LDA) for land identification and implementation. Together, these projects aim to make Uttar Pradesh an attractive destination for investors, driving economic activity and employment opportunities.

Additionally, the Uttar Pradesh government has been focusing on the state’s digital infrastructure, with Lucknow emerging as a key player in the IT and innovation sector. The AI City is expected to complement initiatives like the Uttar Pradesh Startup Policy, which provides funding, incubation support, and mentorship to budding entrepreneurs. The government is also working on partnerships with academic institutions and global tech firms to enhance research and development in AI and related fields.

To further boost the state’s IT ecosystem, the government is planning to establish dedicated AI research centers, skill development programs, and AI-focused incubation hubs in collaboration with top institutions such as IIT Kanpur and IIM Lucknow. Special economic zones (SEZs) for AI-based industries are also under consideration to provide world-class infrastructure to businesses and startups.

In addition to the AI City, the Finance Minister allocated Rs 10 crore for the Uttar Pradesh Defence & Aerospace Units project. This is part of the state’s broader strategy to boost employment and industrial growth through the UP Aerospace and Defence Unit Employment Promotion Policy, 2024. With the upcoming DefExpo events and increasing investments in the defence sector, the state aims to position itself as a manufacturing and innovation hub for defence technology, further strengthening its industrial base.

Recognizing the need for planned urban expansion, the state government has introduced the Uttar Pradesh State Capital Region (UPSCR) framework, akin to the National Capital Region (NCR). The newly enacted UP State Capital Region and Other Region Development Authority Act, 2024, will guide the region’s systematic development. The UPSCR will encompass six districts – Lucknow, Hardoi, Sitapur, Unnao, Rae Bareli, and Barabanki – spanning a total area of 27,826 sq km.

To ensure seamless urban development, the government has allocated additional funds for the expansion of metro rail services in Lucknow and surrounding cities, the construction of expressways, and the modernization of key infrastructure. The UP government is also actively promoting smart city initiatives, including AI-based traffic management systems, digital governance platforms, and sustainable urban planning measures.

With these large-scale initiatives, Lucknow is poised to become a leading destination for technology, aerospace, and investment. The AI City, along with Aerocity and the UPSCR framework, represents a bold step towards economic modernization and global competitiveness. As the state government continues to push for strategic infrastructural and policy developments, Uttar Pradesh is well on its way to establishing itself as a powerhouse of innovation and industrial growth in India.