

Global capability centres policy set to boost investment, create employment

TIMES NEWS NETWORK

Lucknow: The state Cabinet on Tuesday approved the UP Global Capability Centres (GCC) Policy, under which the govt will provide subsidies and benefits to companies wishing to establish GCCs in Uttar Pradesh.

GCCs are centres through which a company supports its offshore operations using technology and data etc.

“The policy aims to position UP as a preferred destination for GCC investments due to its strategic advantages like a vast pool of skilled youth, digital infrastructure, rapidly improving physical connectivity, and competitive cost of operations. It will offer a comprehensive and targeted support framework designed to attract global enterprises across sectors such as IT/ITeS, healthcare, automotive, telecom, and next-generation

technologies,” principal secretary, infrastructure and industrial development, Alok Kumar said.

With the implementation of the policy, around 2 lakh jobs are expected to be generated in sectors like IT, analytics, HR, customer support and finance. It will also pave the way for more international investment in the state, which will help in the deve-

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lopment of both urban and rural areas, the official said.

Among the incentives offered is a 20% operational subsidy, up to Rs 40-80 crore annually, for a period of 5 years on operating expenses, including lease rentals, bandwidth expenses, power charges and data centre, cloud service costs etc. A payroll subsidy is also offered, under which reimbursement of salaries, up to Rs 1.8 lakh per employee with UP

domicile per year and up to Rs 1.2 lakh per employee per year for other employees, is provided, subject to a maximum of Rs 20 crore per year for a period of three years.

Investors can also receive a freshers' recruitment subsidy of Rs 20,000 per fresher employee who has UP domicile and graduated from UP-based colleges and institutions, for the annual recruitment of at least 30 such employees, for a period of five years. It also offers 100% reimbursement for EPF contributions for women, SC/ST, transgender, and Divyangjan employees, up to Rs 1 crore annually for three years.

Subsidies for internships of at least two months of up to 50%, subject to a maximum of Rs 5,000 per student per month, capped at a maximum of 50 interns in a year, for a period of three years, are also available.

A skill development sub-

sidy of Rs 50,000 per employee for course fees or 50% of the cost of conducting training programmes, for a maximum of 500 employees with a cap of Rs 50 lakh per annum for a period of three years, is also on offer.

Other deals include an R&D and innovation incentive, startup ideation incentive, subsidy for IPR, land subsidy of 30-50%, exemption on stamp duty, capital subsidy, SGST refund, and interest subsidy.

Kumar said there are around 1,700 GCCs functional in India at present, and their numbers are expected to grow. He noted that recently, Microsoft laid the foundation stone for a 10,000-seater development centre in Noida while MAQ set up a 3,000-seater engineering development centre. “In addition to NCR and Noida, we also have to ready cities like Varanasi, Kanpur and Prayagraj for GCCs,” he said.