

UP govt to accord industry status to IT sector: Yogi



Lucknow: In a major relief to players in information technology, Chief Minister Yogi Adityanath has announced that Uttar Pradesh govt will accord industry status to the IT sector which is currently grouped under the service sector.

Speaking at the inaugural session of Semicon India 2024 in Greater Noida on Wednesday, the CM said that in the past seven years, the state govt took several measures to attract investments.

"In yet another step, we will now grant industry status to the IT sector. With this, development authorities will be able to give industrial land to IT companies. IT units having power connection of 150 kilowatts will be provided electricity at industrial rates," Yogi said.

"Treading on the path shown by Prime Minister Narendra Modi, the govt is working towards making UP the hub of IT, semiconductor, electronics manufacturing, and data centres. Efforts made in the past seven and a half years are now bearing fruits," he said.

Citing statistics, the CM said that 55% of mobile manufacturing and 50% of mobile component manufacturing was being done in UP, Yogi said that the state was fast emerging as the hub of global semiconductors design engineers.

Leading companies like MediaTek, Qualcomm, NXP, and Synopsis already have a footprint in UP.

The industry status to IT and ITeS aims to boost the IT sector in areas beyond NCR, create more jobs, and make the most of the ongoing trend of IT companies looking to set up bases in tier-2 and tier-3 cities. It is also a crucial move to accelerate UP's journey towards the one trillion-dollar economy goal.

"This has been a long-pending demand of the IT companies. A delegation from NASSCOM, a not-for-profit industry association of IT and business process management players, had officially voiced this demand before the state govt recently," an insider said.

An official associated with industry status in UP said the decision would allow units to procure electricity at industrial rates, which was about 20-30% cheaper than the commercial rate. This would be a hefty amount considering its high-power-intensive nature.

Insiders revealed that a proposal in this regard had been approved in a cabinet by circulation activity.