Uttar Pradesh Powers Ahead in Its Quest for $1 Trillion Economy with Dynamic Policies & Initiatives

Uttar Pradesh is rapidly emerging as a significant player in the IT and Electronics sector, driven by the efforts of UP Electronics Corporation Limited (UPLC). The state's strategic initiatives, including the establishment of EMCs, EMZs, and SEZs, coupled with policies like the Semiconductor Policy 2024 and Startup Policy 2020, are creating a favourable environment for both innovation and growth. **Shri Ravi Ranjan (IAS), Managing Director, UPLC** in an exclusive interview with **Nitika Srivastava of Etela News Network (ENN)** discussed the department's comprehensive policy framework and initiatives that are guiding the state towards a promising future. Edited excerpts:

What specific initiatives have been undertaken by UP Electronics Corporation to promote the IT and electronics industry in Uttar Pradesh?

UP Electronics Corporation has undertaken several key initiatives to promote the IT and electronics industry in the state. Firstly, we've established multiple Electronics Manufacturing Clusters (EMCs), Electronics Manufacturing Zones, industrial clusters, and special economic zones (SEZs) across Uttar Pradesh. These provide state-of-the-art infrastructure and facilities to attract both domestic and international companies. Our flagship EMCs in Noida and Greater Noida have been particularly successful in drawing major electronics manufacturers.

Secondly, we've implemented a robust policy framework under the UP Electronics Manufacturing Policy 2020 (1st Amendment 2022). This includes various incentives and support measures designed to create a favourable ecosystem for electronics manufacturing and IT services. To realise this vision, UP Semiconductor Policy 2024 has been formulated and implemented, aligning with the vision and objectives of the India Semiconductor Mission and aimed at attracting global semiconductor investors through a range of fiscal and non-fiscal incentives.

Thirdly, we're focusing heavily on skill development to support the growing industry. We've partnered with leading institutions like IIT Kanpur and IIM Lucknow to set up Centers of Excellence (CoEs) for electronics design and manufacturing, ensuring a steady supply of skilled workforce. The first such CoE has been established at Centre for Development of Advanced Computing (C-DAC) Noida to work on Lithium-ion battery technology. The second CoE in the field of medical electronics has been set up at Sanjay Gandhi Post Graduate Institute of Medical Sciences (SGPGI) Lucknow with the help of Software Technology Parks of India. Third CoE in Artificial Intelligence has been set up at IIT Kanpur (Mobile) campus.

We have launched initiatives to promote innovation and startups in the electronics sector, resulting in over 200 successful companies from the Electronics System Design and Manufacturing (ESDM) sector operating in Uttar Pradesh. These efforts have positioned UP as a leading hub for electronics manufacturing in India, contributing 50% of the country's mobile phone production. We have also attracted anchor companies and renowned component suppliers, with Vivo, Oppo, Samsung, Lava, Flex, and LG, alongside suppliers like Holitech, Transsion, Jahwa, Technexia, and Dongkuang, establishing units in UP.

We actively promote UP as an investment destination through roadshows, investor summits, and targeted outreach to global electronics companies. The UP Global Investors Summit 2023 resulted in numerous MoUs in the IT and electronics sectors.

The Government of Uttar Pradesh aims to achieve a USD 1 trillion economy within the next five years. Identifying IT and ITeS as core sectors for growth. The IT and ITeS sector has been officially recognised as "industry," enabling companies to acquire land at industrial rates from development authorities, making UP more attractive to global tech giants. Additionally, IT/ITES units consuming at least 100 kW of electricity are benefit from industrial power tariffs.

The Department of IT & Electronics provides a business-friendly ecosystem and competitive incentives under the Uttar Pradesh IT and ITeS Policy 2020. New units with a minimum Fixed Capital Investment (FCI) of INR 2 Cr are eligible for capital and operational incentives, along with rebates on land, interest subsidies, and MPF reimbursements. Special incentives may also be granted for large IT/ITeS projects based on capital investment or employment creation. Major companies such as TCS, HCL, Microsoft, NIIT, Adobe, Wipro, Infosys, and PayTm have already established a presence in the state.

The IT and electronics sectors are major drivers of employment. How is UP Electronics Corporation contributing to job creation in the state, particularly for the youth, and what are your targets in this area?

Job creation, especially for our youth, is indeed a top priority for UP Electronics Corporation. We're contributing to employment generation through several targeted initiatives. The expansion of the electronics manufacturing sector in Uttar Pradesh has created nearly 3.5 lakh direct and indirect jobs. Notably, the IT sector has generated more than 50,000 jobs in the state. This goes beyond numbers; it's about creating meaningful employment that drives socio-economic development in our state.

Our efforts to attract investments in electronics manufacturing have led to the establishment of numerous production units across the state. These units, ranging from mobile phone assembly to semiconductor fabrication, have created substantial employment opportunities. Our IT Parks and Software Technology Parks are nurturing a thriving IT services ecosystem. This has led to significant job creation in software development, BPO, and related services. Companies like Microsoft, TCS, HCL, and Wipro have a strong presence in UP, creating high-value IT jobs. In 2023-24, the total software export from STPI-registered ITeS/IT units and SEZ-based IT units from UP has been ~INR 72,000 Cr.

We're also promoting entrepreneurship through our initiatives to support startups and innovation in the electronics sector. By fostering a culture of innovation, we're not only creating jobs directly but also building an ecosystem for future job creation.

In terms of targets, our goal under the UP Electronics Manufacturing Policy 2020 (1st Amendment 2022) is to generate 4 lakh employment and INR 40,000 Crore-mark investments in electronics manufacturing. Uttar Pradesh's ambitious startup policy aims to position the state among Indian top 3 in both States Startup Ranking. Key targets include establishing 100 incubation centers all districts, developing 1 million square feet of incubation space, fostering 10,000 startups, and creating 8 Centers of Excellence. The policy also envisions India's largest incubator in Lucknow, highlighting the state's commitment to becoming a major startup hub and driving innovation and economic growth.

With the rise of smart cities and the increasing focus on digital governance, what role is UP Electronics Corporation playing in the development of smart city initiatives in Uttar Pradesh, and how are you ensuring that the latest technologies are integrated into governance systems?

UP Electronics Corporation is playing a pivotal role in driving smart city initiatives and digital governance across Uttar Pradesh. We're working closely with urban local bodies and various government departments to leverage technology for improved service delivery and urban management.

Our efforts align closely with the state government's vision of embracing digital transformation and pushing forward the Prime Minister's vision of a "Digital India". We believe that a government fostering a broader change in the relationship between the government and its stakeholders, reduces the cost of government operations, and improves transparency and accountability.

In terms of smart city development, we're involved in several key areas:

- **Integrated Command and Control Centres:** We've helped establish these centres in cities across UP. These centres act as the 'brains' of smart cities, integrating various urban services.
- **Smart Urban Infrastructure:** We're implementing IoT-based solutions for smart lighting, waste management, and environmental monitoring across cities.
- **Digital Connectivity:** We're working on expanding public Wi-Fi networks and improving last-mile connectivity to support smart city applications.
- **Intelligent Traffic Management Systems:** We've deployed advanced traffic management solutions in major cities to reduce congestion and improve road safety.

For digital governance, our focus is on leveraging technology to enhance transparency, efficiency, and citizen engagement:

- **E-Government Services:** We've developed and deployed numerous citizen-centric e-services portals. For instance, our e District project, operational in all 75 districts, currently offers 523 Government to Citizen (G2C) services from 47 departments. To date, more than 11.51 crore applications have been processed through e District.
- **DigiLocker Integration:** UP comes as the first state in India for the highest number of integrated documents on DigiLocker. We've integrated 140 document types with the platform, significantly improving citizen access to authentic digital documents.
- **Nivesh Mitra:** We've implemented one of India's largest digital single-window portals 'Nivesh Mitra', offering 487 online services from 42 departments for setting up and running businesses in UP.
- **E-Office:** We've implemented e-office in 729 directorate offices, 118 state government departments, 186 districts, etc., enhancing administrative efficiency.
- **Blockchain for Land Records:** We're piloting blockchain technology for secure and transparent land record management.
- **AI in Public Services:** We're exploring AI applications in various domains of governance. We see AI as a catalyst for change, capable of revolutionizing industries and enhancing governance with efficiency, precision, and unprecedented insights. AI is expected to add USD 967 billion to their value economy by 2035 and USD 450-500 billion to India's GDP by 2025, accounting for 10% of the country's USD 5 trillion GDP target.

To ensure the integration of the latest technologies, we follow a multi-pronged approach including technology partnerships, innovation challenges, capacity building for government officials, and proof-of-concept trials for new technologies.

Through these efforts, UP Electronics Corporation is ensuring that Uttar Pradesh stays at the forefront of smart city development and digital governance, leveraging the latest technologies to improve the quality of life for our citizens and enhance the efficiency of our governance systems.

Uttar Pradesh has been attracting investments in electronics manufacturing. What steps has UP Electronics Corporation taken to make the state a preferred destination for electronics manufacturing, and what incentives are being offered to attract domestic and international investors?

UP Electronics Corporation has taken several strategic steps to position Uttar Pradesh as a preferred destination for electronics manufacturing:

- **Infrastructure Development:** We've established dedicated Electronics Manufacturing Clusters (EMCs), Electronics Manufacturing Zones, Industrial clusters, and Special Economic Zones (SEZs) with world-class infrastructure. These offer plug-and-play facilities for manufacturers.
- **Policy Framework:** We've implemented the UP Electronics Manufacturing Policy 2020 (1st Amendment 2022), which provides a comprehensive framework to support the industry. This policy is designed to create a favourable ecosystem for electronics manufacturing.
- **Skill Development and Centre of Excellence:** We've set up Electronics Skill Development Centres in partnership with industry leaders and academia to ensure a steady supply of skilled workforce for the manufacturing sector.
- **Single Window Clearance:** We've streamlined the approval process through our Nivesh Mitra portal, significantly reducing the time and effort required to set up manufacturing units. This portal offers 487 online services from 42 departments.
- **Supply Chain Development:** We're actively promoting the development of a robust component manufacturing ecosystem to support major electronics manufacturers.
- **Global Outreach:** We're conducting international roadshows and participating in global electronics events to showcase UP's potential as a manufacturing hub.

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In terms of incentives, we offer a highly attractive package for both domestic and international investors:

- **Capital Subsidy:** We provide a capital subsidy of up to 20 per cent on fixed capital investment, with additional benefit for units in specific regions.
- **Interest Subsidy:** Manufacturers can avail of interest subsidy up to 7 crores on loans taken for plant and machinery.
- **Stamp Duty Exemption:** We offer a 100 per cent stamp duty exemption on purchase or lease of land for electronics manufacturing.
- **Electricity Duty exemption:** New units can avail of a 100 per cent exemption of electricity duty for a period of 10 years.
- **Patent Filing Reimbursement:** We reimburse a portion of the cost incurred on filing patents.
- **Land Subsidy:** We offer land at subsidized rates in state-promoted EMCs, Private ESDM Parks and IT Parks.

These measures have greatly boosted UP's appeal for electronics manufacturing, attracting significant domestic and international investments, with efforts ongoing to bring in more.

As the MD of UP Electronics Corporation Ltd., what is your vision for the role of the organization in accelerating the digital transformation of Uttar Pradesh, particularly in the context of Digital India and the state's economic growth?

As the Managing Director of UP Electronics Corporation Ltd., my vision is to position our organization as the key enabler and catalyst for Uttar Pradesh's digital transformation, aligning closely with the Digital India initiative and contributing significantly to our state's ambitious goal of achieving a USD 1 trillion economy within the next 5 years.

Here are the key aspects of this vision:

- **Digital Infrastructure:** We aim to build robust digital infrastructure across UP, including high-speed internet, data centres, and cloud services, forming the backbone of the state's digital ecosystem for both government and private sector innovation. To enhance digital learning, the government is introducing smart classes in over 16,000 schools, equipped with 75 inch touchscreens, webcams, digital content, and internet access. This initiative aims to revolutionize teaching, boost student engagement, and improve educational monitoring. Additionally, tablets are being distributed to teachers, and Information and Communication Technology (ICT) labs are being established to promote digital literacy and create a world-class education system.
- **E-Governance:** We envision UP Electronics Corporation as the nodal agency for implementing e-governance initiatives across all government departments. Our goal is to digitize all government services, making them accessible, efficient, and transparent for citizens. We've already made significant progress with initiatives like e-District, which now offers 523 G2C services from 47 departments across all 75 districts.
- **Skill Development:** We aim to bridge the digital divide by focusing on digital literacy and advanced IT skills. Our vision includes establishing Centers of Excellence for emerging technologies like AI, IoT, and blockchain, preparing our workforce for the jobs of the future.
- **Vibrant Startup Ecosystem:** We want to transform UP into a hub for technological innovation. This involves nurturing startups, promoting R&D, and facilitating industry-academia partnerships in the IT and electronics sectors.
- **Smart Cities:** We envision playing a central role in the development of smart cities across UP, integrating cutting-edge technologies to improve urban living and governance.
- **Manufacturing Ecosystem:** Our vision includes cementing UP's position as India's electronics manufacturing powerhouse. We've already achieved significant milestones, with 50% of all mobile phones in India manufactured in UP. We aim to further expand this, attracting more global players and nurturing local manufacturers across the electronics value chain.
- **Semiconductor Design Manufacturing Hub:** Uttar Pradesh has become a major hub for a thriving fabless ecosystem, with a dedicated pool of chip design and development. Global semiconductor fabless companies such as Cerebras, Cadence, NXP, Qualcomm, Mentor Graphics, and ARM have recognized this potential and established R&D Design centres in the State.
- **Data Driven Governance:** We envision creating a robust data analytics ecosystem that will enable data-driven decision-making across government departments, enhancing the efficiency and effectiveness of governance.
- **Global Positioning:** We aim to position UP as a global destination for IT services and electronics manufacturing, attracting international investments and partnerships.
- **AI Integration:** We see Artificial Intelligence as a key growth driver. Our vision is to foster a culture of AI innovation, nurturing talent, ensuring ethical AI governance, and promoting inclusive AI development that benefit all sections of our society.

This vision aligns with the Digital India initiative, aiming to transform UP into a digitally empowered society and knowledge economy. It supports the state's economic growth by creating high-value jobs, attracting investments, and boosting productivity through digital technologies.

As we pursue this, UP Electronics Corporation will adapt to new technologies and challenges, collaborating with the government, private sector, academia, and citizens to ensure UP leads Indian digital revolution and becomes a model for digital transformation, contributing to the state's ambitious economic goal.