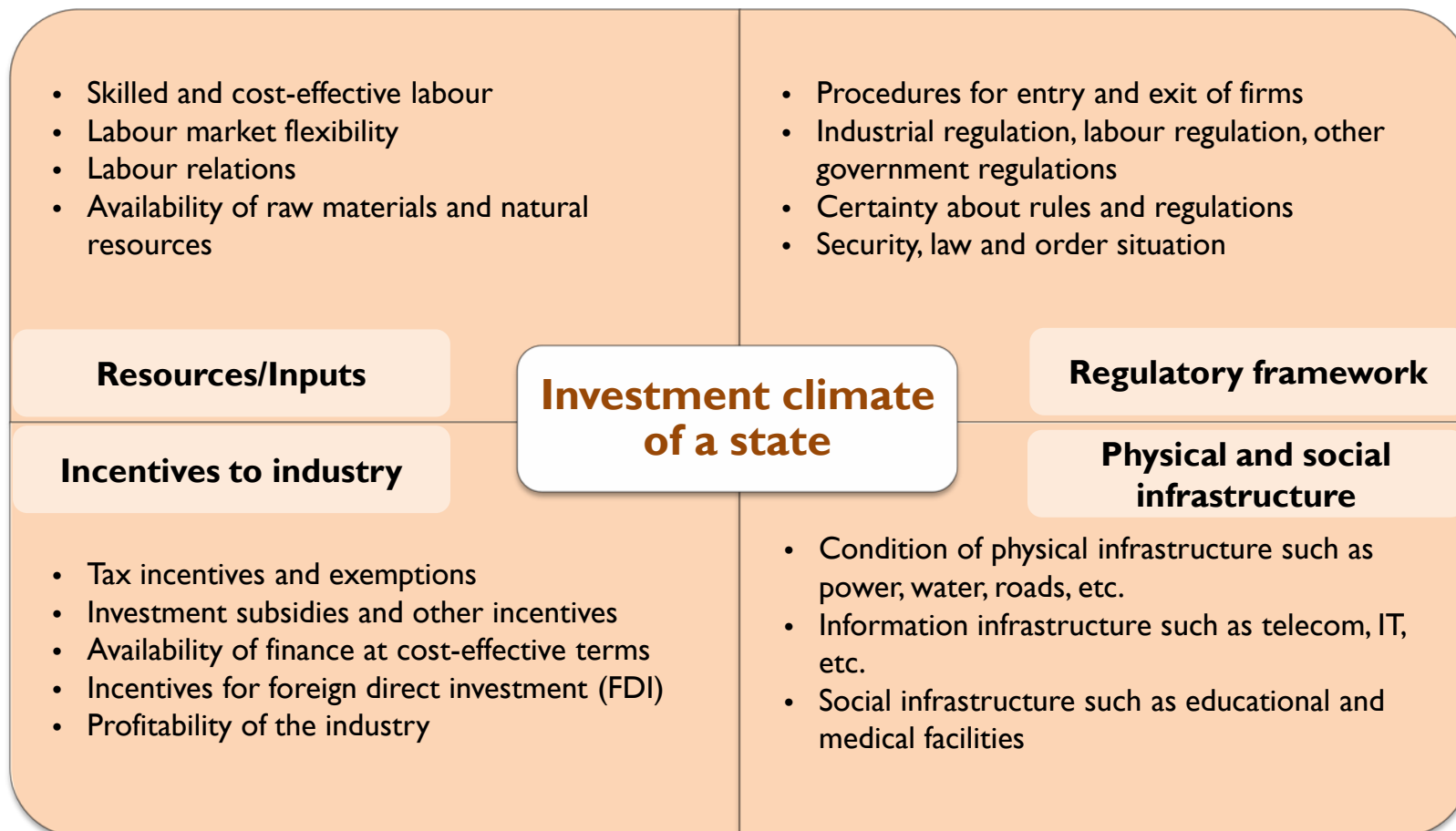


UTTAR PRADESH

April 2010



Investment climate of a state is determined by a mix of factors

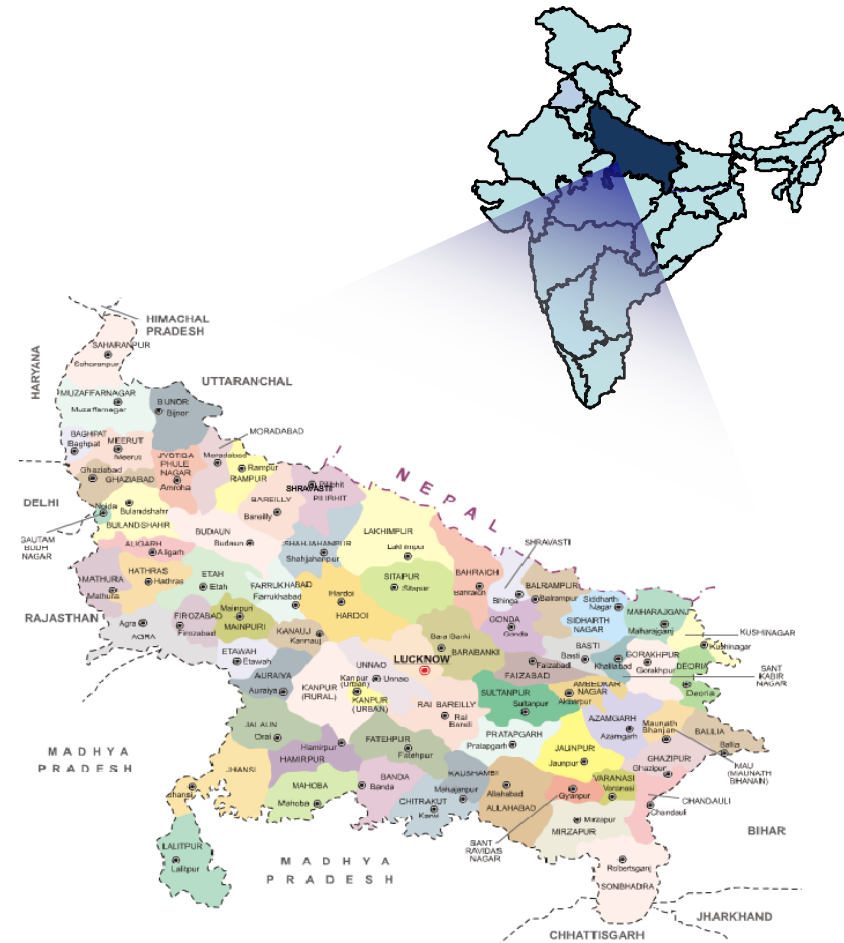


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- ❖ **Advantage Uttar Pradesh**
- ❖ State economy and socio-economic profile
- ❖ Infrastructure status
- ❖ State policies and incentives
- ❖ Business opportunities
- ❖ Doing business in Uttar Pradesh

Uttar Pradesh – State profile

- Covering an area of 240,928 sq km, Uttar Pradesh is the fifth-largest state in India and accounts for 7.2 per cent of the total land area. The state covers a large part of the highly fertile and densely populated upper Gangetic plain.
- Uttar Pradesh has two major rivers, viz., the Ganges, and the Yamuna. Other rivers in the state are the Gomti and the Ramganga.
- The state shares its border with Nepal to the North and the Indian states of Uttarakhand and Himachal Pradesh to the Northwest, Haryana, Delhi and Rajasthan in the West, Madhya Pradesh in the South, Chhattisgarh and Jharkhand in the Southeast and Bihar in the East.
- The state has three major seasons, viz., hot weather (March-June), rainy season (July-September) and cold weather (October-February).
- Lucknow is the state capital; the state has 70 administrative districts. Noida, Ghaziabad, Allahabad, Kanpur, Meerut and Saharanpur are the other key cities in the state.
- The most commonly spoken language of the state is Hindi. English and Urdu are the other languages used.



Source: Maps of India

Advantage Uttar Pradesh ... (1/2)

Hub for IT and ITeS industries

Uttar Pradesh has emerged as a key hub for IT and ITeS industries, including software, captive business process outsourcing (BPO) and electronics. It is also a leading agricultural state in the country and is amongst the top producers of major agricultural items including wheat, rice and sugarcane.

Policy and fiscal incentives

The state offers a wide range of subsidies, fiscal and policy incentives as well as assistance for businesses under the Industrial and Service Sector Investment Policy, 2003. Additionally, the state has well drafted sector-specific policies for IT, biotech and tourism.

Rich labour pool

The state has a large base of skilled labour, making it an ideal destination for knowledge-based sectors. The state also has a large pool of semi-skilled and un-skilled labour.



Source: Maps of India

Advantage Uttar Pradesh ... (2/2)



Source: Maps of India

Facilitating infrastructure

The state has a well-developed social, physical and industrial infrastructure. It also has good connectivity via four National Highways, six airports and rail links to all major cities.

High infrastructural growth

The state has witnessed high infrastructural growth in the past few years. Recently, there has been a considerable increase in the number of industrial clusters/hubs and public private partnerships in the infrastructural domain.

Stable political environment

There is political stability with a single-party government. The State Government has been committed towards creating a rich business climate through several policies and incentives.

Uttar Pradesh in figures ... (1/2)

Parameter	Uttar Pradesh	All-states	Source
Economy			
GSDP as a percentage of all states' GSDP	8.93	100.0	CMIE, 2007-08
Average GSDP growth rate (%)	11.84	7.5	CMIE, 2001-02 to 2008-09
Per capita GSDP (US\$)	450.7	998.1	CMIE, 2008-09
Physical infrastructure			
Installed power capacity (MW)	5,050.4	98,996.4	Central Electricity Authority, as of March 2009
GSM cellular subscribers (No)	44,638,033*	367,328,179	Cellular Operators Association of India, as of November 2009
Broadband subscribers (No)	238,791	4,981,976	As of October 2008
National Highway length (km)	6,774.0	70,548.0	Ministry of Road Transport & Highways, 2007-08
Major and minor ports (No)	-	12 + 187	Ministry of Shipping
Airports (No)	6	133	Airport Authority of India
Social indicators			
Literacy rate (%)	56.3	64.8	Census of India, 2001
Birth rate (per 1,000 population)	29.5	23.1	Central Bureau of Health Intelligence, 2007

*Includes Uttarakhand

Uttar Pradesh in figures ... (2/2)

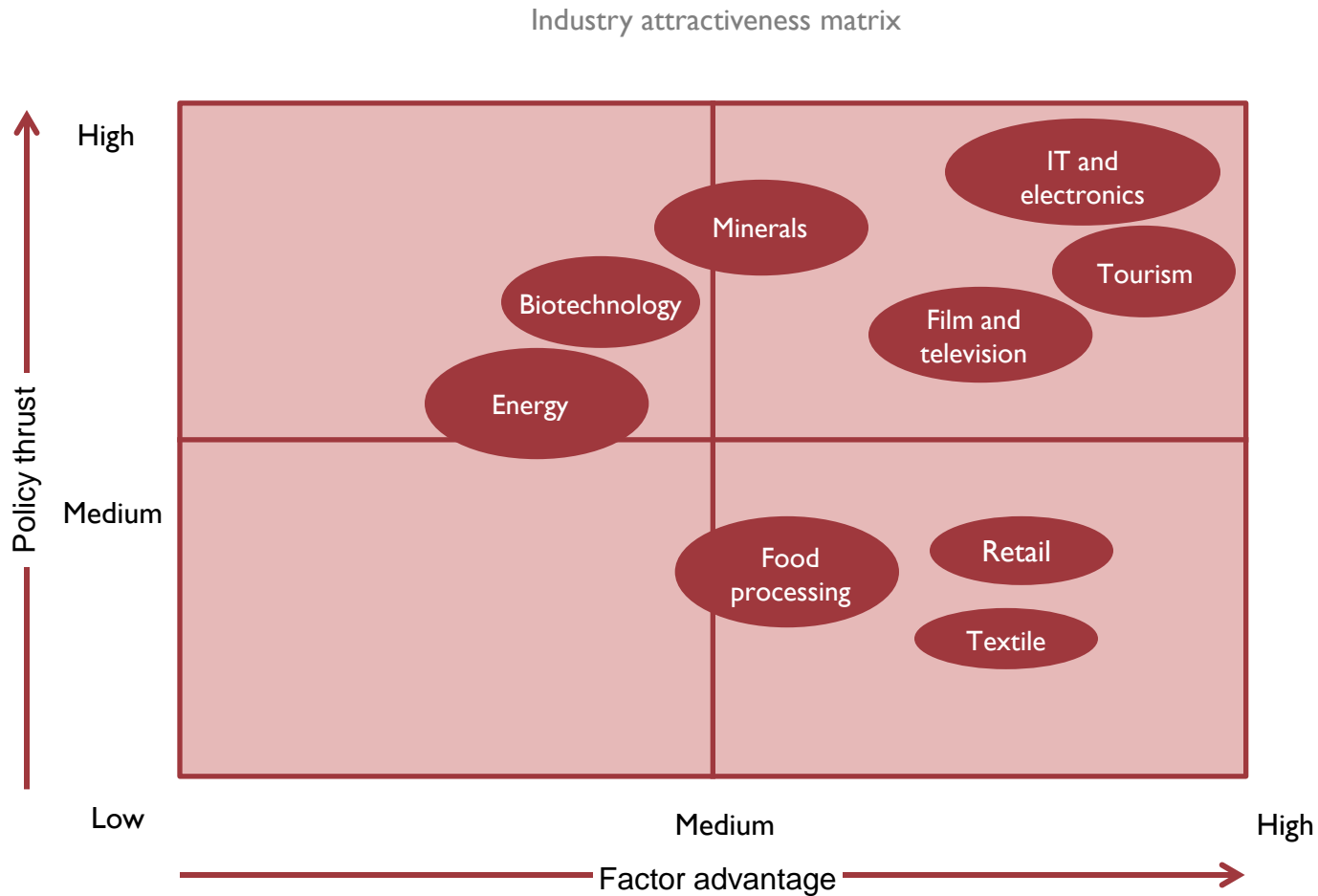
Parameter	Uttar Pradesh	All-states	Source
Ease of doing business			
FDI inflows (US\$ million)	46.7*	102.1	Department of Industry Policy & Promotion, April 2000 to October 2009
Outstanding investments (US\$ billion)	66.38	1709.7	CMIE, as of December 2008
Industrial infrastructure			
PPP projects (No)	8	460	www.pppindiadatabases.com
SEZ (No)	16	347	sezindia.nic.in, notified as of April 2009

PPP: public-private partnership, SEZ: special economic zone

*Includes Uttarakhand

Parameter	Uttar Pradesh Government
Policy support	
Sectors with specific policies	Industry overall, Biotechnology, IT, Energy and Tourism
Availability of labour	Adequate skilled and un-skilled labour available

Key industries with policy thrust and factor advantages



*Factor advantages include benefits due to geographical location and availability of factors such as talent pool, natural resources and capital

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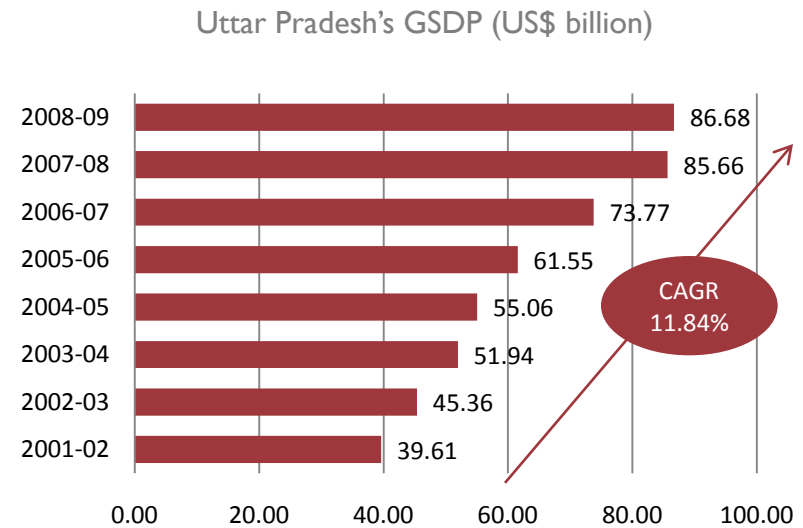
Socio-economic snapshot of Uttar Pradesh

Parameters	Uttar Pradesh
Capital	Lucknow
Geographical area (sq km)	240,928
Administrative districts (No)	70
Population density (persons per sq km)	689
Total population (million)	166.2
Male population (million)	87.6
Female population (million)	78.6
Sex ratio (females per 1,000 males)	898
Literacy rate (%)	56.3
Male (%)	68.8
Female (%)	42.2
Average life expectancy (years)	58.4

Sources: Census 2001, National Informatics Center, Registrar General of India, 2003

Uttar Pradesh's GSDP

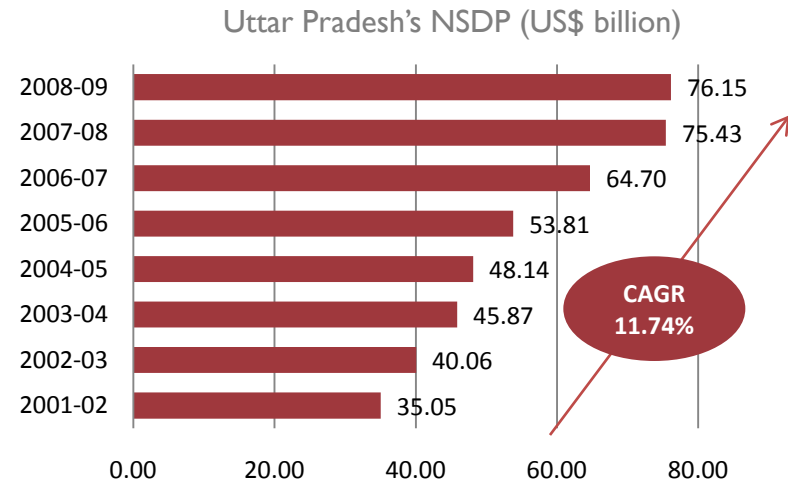
- At current prices, the Gross State Domestic Product (GSDP) of Uttar Pradesh was US\$ 86.68 billion in 2008-09.
- The compound annual growth rate (CAGR) of GSDP from 2001-02 to 2008-09, was 11.84 per cent.
- The GSDP growth in the state has been more capital intensive. The growth is primarily driven by the shift of the state's economy from primary to secondary and tertiary sectors.



Source: CMIE

Uttar Pradesh's NSDP

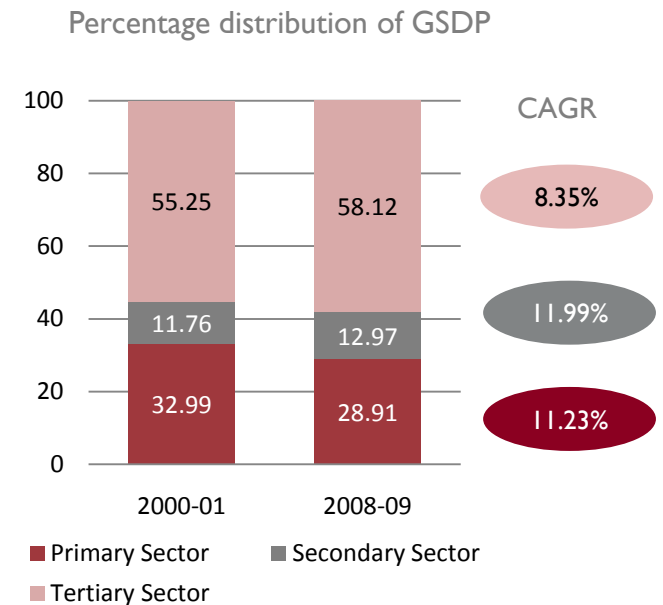
- The Net State Domestic Product (NSDP) of Uttar Pradesh was US\$ 76.15 billion in 2008-09.
- The average annual NSDP growth rate was 11.74 per cent, over the seven years from 2001-02 to 2008-09.



Source: CMIE

The tertiary sector has a significant share in Uttar Pradesh's economy

- The tertiary sector in Uttar Pradesh is driven mainly by IT, electronic services, printing and publishing.

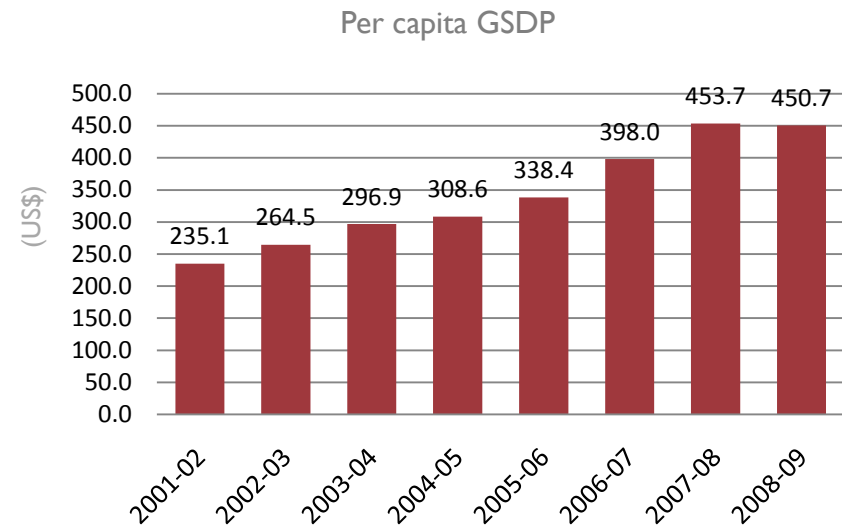


Source: CMIE

*2001-02 to 2008-09

Per capita GSDP

- In 2008-09, the state's per capita GSDP was US\$ 450.7.
- Per capita GSDP has increased at a CAGR of 9.74 per cent between 2001-02 and 2008-09.
- Low per capita GSDP is mainly attributed to the high population density of the state; Uttar Pradesh ranks fourth in terms of population density.

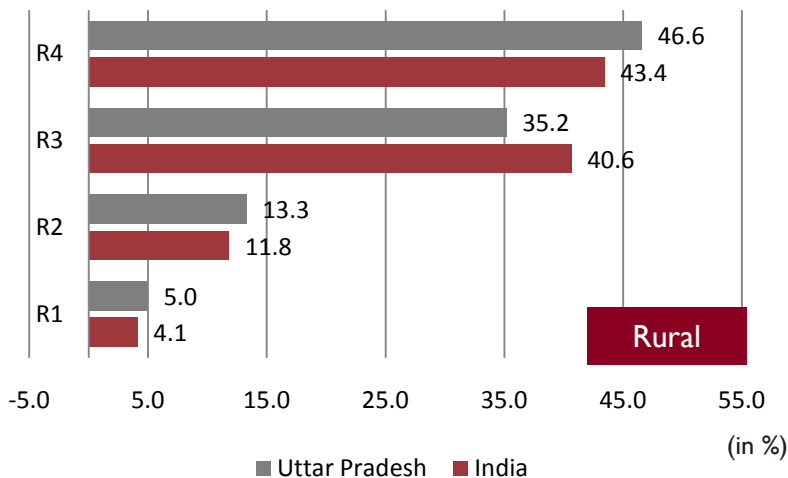


Source: CMIE

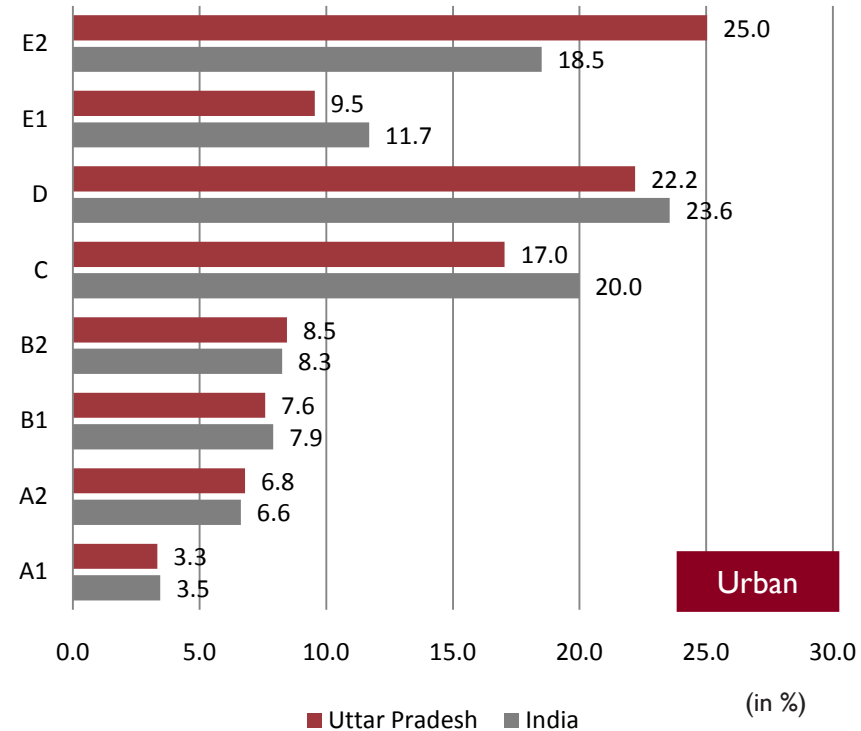
Distribution of households by socio-economic classification ... (1/2)

- The per capita income of Uttar Pradesh was US\$ 349 in 2006-07 as compared to an all-India average of US\$ 703.
- Distribution of households by socio-economic classification (SEC) shows that the share of households with entrepreneurs is high, and this segment has a higher consumption potential as compared to the all-India figure.

Percentage distribution of rural households by SEC*



Percentage distribution of urban households by SEC*

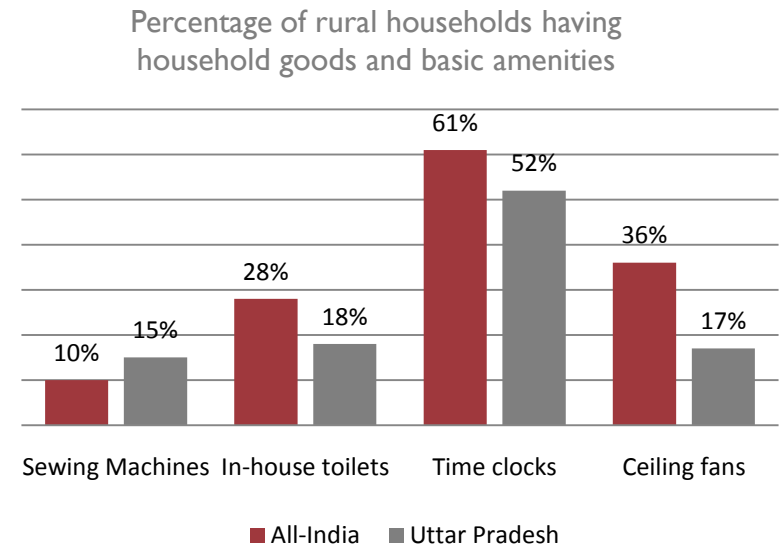


Source: BW Marketing Whitebook, 2009-2010

*Refer annexure for SEC classifications

Distribution of households by socio-economic classification ... (2/2)

- In ownership of assets and basic amenities, such as, in-house toilets, clocks and ceiling fans, rural Uttar Pradesh is behind the all-India levels.



Source: BW Marketing Whitebook, 2009-2010

Key industries in Uttar Pradesh

- The resources, policy incentives, infrastructure and climate in the state are ideally suited for investments in sectors, such as, IT, agro-based and food processing, light engineering goods, sports goods, textiles, leather-based, tourism and biotechnology.
- The Uttar Pradesh State Industrial Development Corporation (UPSIDC) and the Department of Infrastructure and Industrial Development are jointly responsible for the development of industrial infrastructure in the state.
- The State Government has set up the “Udyog Bandhu” to facilitate investment in industrial and service sectors. The organisation has a three-tier structure with its presence at district, divisional and state levels.
- The Government of Uttar Pradesh is promoting the development of several special economic zones (SEZ) across the state, such as, IT and ITeS, electronic hardware and software, handicrafts and agro-based industries.

Key industries in Uttar Pradesh

- IT
- Agro processing
- Tourism
- Mineral-based industries
- Textiles
- Handloom and handicrafts
- Food processing
- Leather-based industry
- Sports goods

Sugarcane, wheat and rice are the key agricultural products

- Uttar Pradesh ranks among the top states in terms of agricultural production in India.
- Uttar Pradesh is the largest producer of wheat in India, contributing 32.68 per cent to the country's total production.
- It is also the largest producer of food grains and sugarcane, with a share of 18.24 per cent and 35.81 per cent, respectively, in the country's total production.
- The major food grains produced in the state include rice, wheat, maize, *bajra*, gram, pea and lentils.

Crop	Annual production (million tonnes)
Potato	9.99
Rice	11.78
Sugarcane	124.67
Wheat	25.68
Maize	11.67
Bajra	13.36
Pulses	15.77
Total food grains	42.09
Rape seed and mustard	1.00

Source: Government of Uttar Pradesh
As of 2007-08

Mineral reserves of Uttar Pradesh

Mineral	District	Reserves (thousand tonnes)	Industry usage
Bauxite	Chitrakoot	9,422	Alluminium, refractory
China clay	Sonbhadra	16,500	Ceramics, refractory
Coal	Sonbhadra	722,000	Thermal power, cement, ceramics
Diaspore	Jhansi, Mahoba, Lalitpur	50	Refractory
Pyrophyllite	Jhansi, Mahoba, Lalitpur	1,217	Refractory, ceramics, talc, insecticides
Feldspar	Jhansi	100	Ceramics
Silica Sand	Allahabad, Chitrakoot	15,000	Glass and foundry
Granite*	Jhansi, Mahoba, Lalitpur, Banda, Sonbhadra	48,492	Polished slab and tiles
Dolomite	Sonbhadra	20,000	Iron and steel
Limestone	Sonbhadra	400,000	Cement and steel
Rock phosphate	Lalitpur	6,000	Fertiliser and elemental phosphorus
Sillimanite	Sonbhadra	3,200	Refractory

Source: Directorate of Geology & Mining, Uttar Pradesh

Assessed as of March 31, 2006

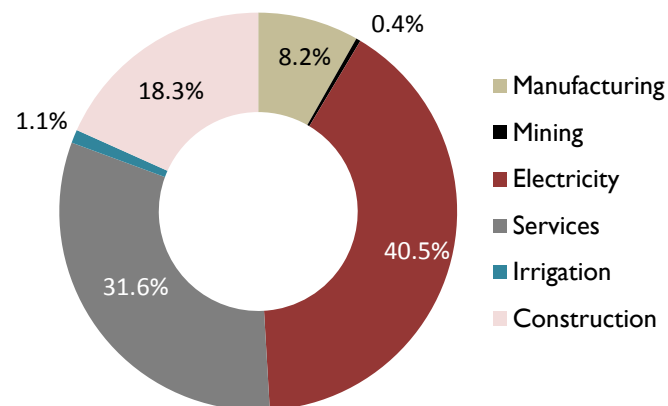
*Billion tonnes

Investments and FDI inflows

- Foreign direct investment (FDI) inflows from April 2000 to October 2009 amounted to US\$ 46.73* million.
- FDI inflows are majorly in pharmaceuticals, chemicals, mining and mineral sectors.
- The highest share of investments was in the electricity/energy sector, accounting for more than one-third (around 40.5 per cent) of the total outstanding investments in 2008. This was followed by 31.6 per cent in the services sector and 18.3 per cent in the construction sector.
- Manufacturing, mining and irrigation sectors accounted for less than 10 per cent of the total outstanding investments.

*Include Uttrakhand

Break up of investments by sector



Source: CMIE, as of December 2008

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Road network

- The state is well connected to its nine neighbouring states and other parts of India through 42 National Highways.
- The state's highways account for about 9.6 per cent of the total National Highway network in India.
- The Uttar Pradesh State Road Transport Corporation (UPSRTC) was established in 1972 to provide an economical, reliable and comfortable transport in the state of Uttar Pradesh with connecting services to adjoining states.
- The corporation has a fleet size of around 7,668 buses, operating over 2.5 million kilometers, catering to the travel needs of over 1.3 million people and earning a revenue of over US\$ 25 million per month.
- As of now September 2009, 29 projects of the National Highways Authority of India (NHAI) were under construction in Uttar Pradesh. The Central Government aims to construct on an average, around 20 km of road per day in the state.

Road type	Road length (km)
National Highways	6,774
State Highways	9,097
District roads	105,980

Sources: india.gov.in, UPSRTC website



Source: Maps of India

Airport

- The state has six domestic airports, located at Agra, Allahabad, Gorakhpur, Kanpur, Lucknow and Varanasi.
- International flights operate from Chaudhary Charan Singh International Airport, Lucknow and Lal Bahadur Shastri Airport, Varanasi.
- New airports have been proposed at Gautam Buddha Nagar, Shrawasti and Kushinagar districts.
- The Taj International Airport is the second international airport proposed to be built up in the Delhi-NCR region. The airport is proposed at Jewar village, Gautam Buddha Nagar district, in Uttar Pradesh.

Airport locations



NCR: National Capital Region



International airport

Domestic airport

Railway network

- The railway network in Uttar Pradesh is the largest in the country.
- The major sectors and industries serviced by the railways include agriculture, cement, fertiliser, coal and manufacturing.
- Various parts of the state are catered to by five of the 16 railway zones in India. These are Northern Railways, North Eastern Railways, East Central Railways, North Central Railways and West Central Railways.
- Lucknow is the main junction for the Northern and North Eastern Railways.
- The state is well-connected to other parts of the country by a railway network spanning over 8,890 km.
- Intra-state rail network is well-developed, connecting the towns and the district headquarters of Uttar Pradesh.

Railway map of Uttar Pradesh

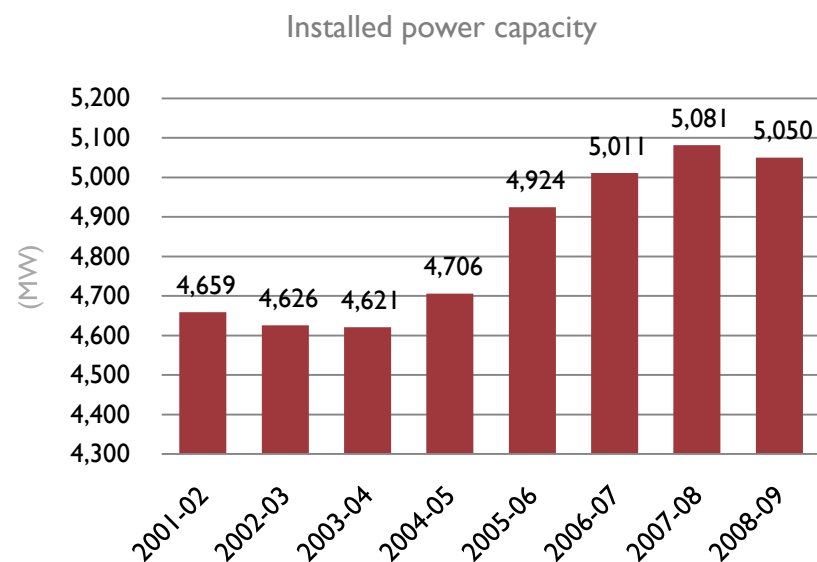


Source: Maps of India

Source: Indian Railways

Power ... (1/2)

- In 2008-09, the state had an installed power generation capacity of 5,050.4 MW.
- State-owned hydro and thermal power plants as well as renewable energy sources contributed 4,672.5 MW; independent power producers (IPPs) and non-conventional power generators contributed 377.9 MW.
- As of May 2009, the share of state's installed capacity from the central sector utilities was around 4,196.3 MW.
- The state is in the process of implementing and testing the public private partnership model in the power sector with an input-based franchisee system.
- Demand for power is driven by, both, the agricultural and industrial sectors. The per capita consumption of electricity in Uttar Pradesh was lowest, at 340 kWh as compared to the all-India number of 672 kWh.



Source: Central Electricity Authority, UP State Power Corporation Limited

Power ... (2/2)

- Uttar Pradesh has planned an investment to the tune of US\$ 14.2 billion in the Eleventh Five-Year Plan period; this would add 10,500 MW additional power capacity to the state, by 2012.

State-owned power companies	
Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited (UPRVUNL)	Power generation (thermal)
Uttar Pradesh Jal Vidyut Nigam Limited (UPJVNL)	Power generation (hydro)
Uttar Pradesh Power Corporation Limited (UPPCL)	Power transmission
Paschimanchal Vidyut Vitran Nigam Limited (PVVNL)	Power distribution
Purvanchal Vidyut Vitran Nigam Limited (Pu.VVNL)	Power distribution
Madhyanchal Vidyut Vitran Nigam Limited (MVVNL)	Power distribution
Dakshinanchal Vidyut Vitran Nigam Limited (DVVNL)	Power distribution

Telecom

- The Uttar Pradesh circle has good telecom infrastructure with all the major players providing services in the state.
- The tele-density in the state was 24.91 per cent, lower than the national average of 37 per cent, as on March 2009.
- As of March 2009, the state had a total of 48 million telephone connections, with 2.88 million connections in nearly 96,000 villages.
- The state has vast postal circle, divided into six regions namely Allahabad, Agra, Bareilly, Gorakhpur, Kanpur and Lucknow. The state has about 17,662 post offices.
- Uttar Pradesh has 3,273 telephone exchanges.

Telecom infrastructure

Cellular (GSM) subscribers: About 44.6 million

Internet/broadband subscribers: About 0.24 million

Post offices: 17,662

Telephone exchanges: 3,273

Telecom operators in Uttar Pradesh

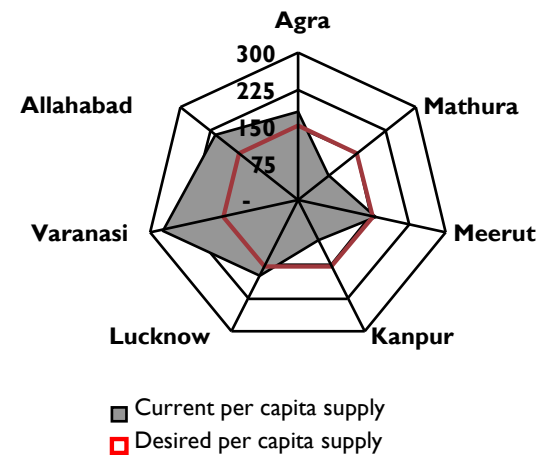
- BSNL
- Bharti Airtel
- Idea Cellular
- Vodafone Essar
- Aircel
- Reliance Communications
- Tata Teleservices Limited

Urban infrastructure ... (1/3)

Water supply

- Average per capita supply of water in the cities is 167 lpcd, higher than the desired supply of 150 lpcd.
- All the cities are fully covered by piped water supply system.

Per capita supply of water in various cities (lpcd)



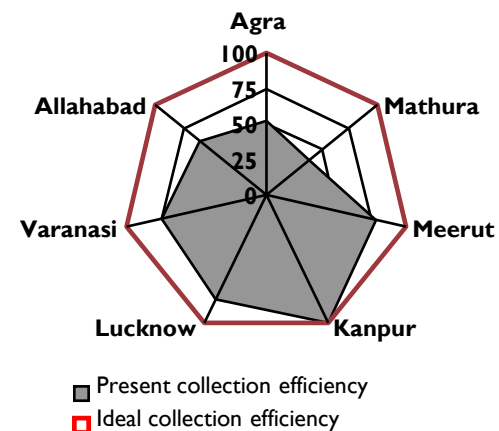
lpcd: litres per capita daily

Urban infrastructure ... (2/3)

Solid-waste management system

- Solid waste collection efficiency is 70 per cent, on an average, for all the cities, with Kanpur having 100 per cent efficiency.
- Medical waste is disposed scientifically in all the cities, except Meerut.

Percentage collection efficiency of solid waste



Urban infrastructure ... (3/3)

- Under the Jawaharlal Nehru National Urban Renewal Mission (JNNURM), projects costing US\$ 1,168.3 million have been sanctioned for various cities.
- Most of these projects are approved for Kanpur, Lucknow, Varanasi, Allahabad and Agra.
- Some of the key areas of development are water supply, solid waste management, sewerage and drainage/storm water drain.
- All the projects for Uttar Pradesh under the JNNURM are under approval/work-in-progress stage; most of the projects were approved during the period 2007-09.

Source: JNNURM project details, Ministry of Urban Development, www.urbanindia.nic.in

PPP projects

Project name	Sector	PPP type	Project cost (US\$ million)	Stage
Gorakhpur bypass project on NH-28	Roads	BOT-Annuity	141	Construction
Gwalior-Jhansi road project (NH)	Roads	BOT-Annuity	131	Construction
Bara to Orai	Roads	BOT-Annuity	101	Construction
Road stretch (50 km) between Jhansi-Lalitpur on NH-25/26	Roads	BOT-Annuity	91	Construction
Merrut-Muzzaffarnagar toll project on NH - 58	Roads	BOT-Toll	78	Construction
Lucknow-Sitapur road	Roads	BOT-Toll	70	Construction
Jhansi-Lalitpur	Roads	BOT-Annuity	68	Construction
Agra to Bharatpur on NH-I I	Roads	BOT-Toll	42	Construction

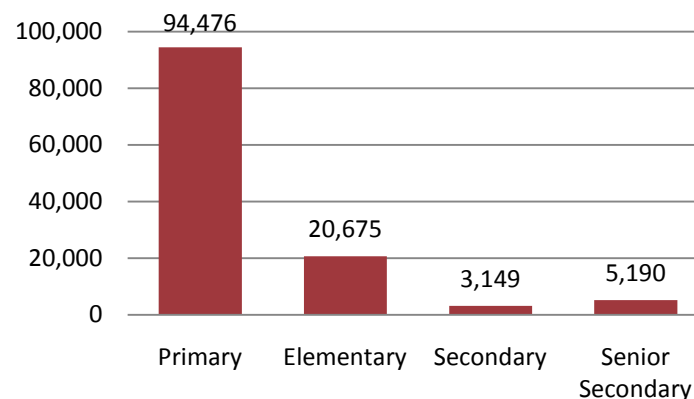
Source: www.pppindiadatabase.com

BOT: Build-operate-transfer

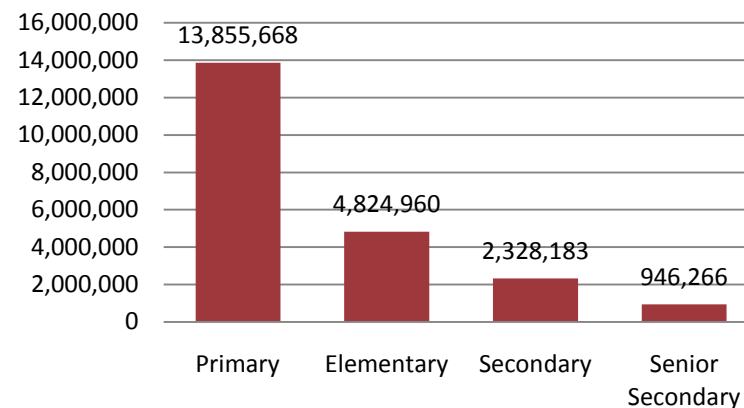
Education sector ... (1/2)

- The state has 27 universities, five deemed universities, 34 medical colleges, 34 engineering colleges and 676 degree colleges.
- Presently, a number of universities in the state have excellent departments of engineering. The Banaras Hindu University at Banaras, founded in 1916, is one of the oldest universities in the country.
- Ranked amongst the first few states to have successfully implemented “education for all” policy, the state has made investments towards enhancing the standard of education across different levels.
- The state has good presence of private players in the education sector. Amity University in Noida has emerged as one of the biggest private universities in India.

Category-wise number of schools



Enrolment in different type of schools



Source: National Informatics Centre

Education sector ... (2/2)

Major educational institutes in Uttar Pradesh are:

- Indian Institute of Technology Kanpur
- Indian Institute of Management, Lucknow
- Institute of Management and Technology, Ghaziabad
- National Institute of Technology, Allahabad
- Asian Academy of Film and Television, Noida
- Indian Veterinary Research Institute, Izatnagar

Category	Literacy rate (%)
Total	56.27
Male	68.82
Female	42.22

Source: Census 2001

Health infrastructure

- The state has a three-tier public healthcare infrastructure, comprising primary health centres, health units, community health centres and sub-centres.
- On an average, about 6,400 persons are served by a sub-center in Uttar Pradesh, as against the prescribed norm of 5,000. The state ranks eleventh among Indian states in terms of population per public health centres (PHC).
- The per capita expenditure on health in the state is US\$ 6.36 as compared to the national average of US\$ 10.93.

Health infrastructure	
Medical colleges	16
District hospitals	70
Primary health centres	3690
Community health centres	515
Ayurvedic hospitals	1,771
Unani hospitals	210

Source: Ministry of Health and Family Welfare, Government of India

Health indicators		
Hospital beds per 100,000 population	18	43
Birth rate (per thousand persons)	29.5	23.1
Death rate (per thousand persons)	8.5	7.4
Infant mortality rate (per thousand live births)	69.0	55.0
Life expectancy at birth* (years)		
Male	58.9	60.8
Female	57.7	62.5

Source: Registrar General of India, Government of India

As of 2007

*As of 2003

Cultural infrastructure

- Cricket and hockey are the prominent sports in the state. The state has a number of sports stadiums and clubs in Noida, Lucknow, Kanpur, Allahabad and Agra. Every district has sports infrastructure, which includes sports stadiums, multi-purpose halls, swimming pools, etc.
- The Department of Sports of Government of Uttar Pradesh has 51 stadiums, 38 multi-purpose halls and 21 swimming pools. Another eight stadiums, two multi-purpose halls and three swimming pools are under construction.
- The state also has District Sports Promotion Committees for improving the existing sports infrastructure.
- Taj Mahal and Fatehpur Sikri in Agra, Bada Imambara in Lucknow and Kumbh Mela in Allahabad are the major tourist attractions. Other places of interest include Varanasi, Mathura and Sarnath.

Sources: Department of Sports, Department of Tourism, Government of Uttar Pradesh



Source: Maps of India

Industrial infrastructure

- The state has a robust industrial infrastructure, including 15 industrial areas, 12 specialised parks, three growth centres and four industrial infrastructure development centres (IIDC). The state has 18 notified and functional special economic zones (SEZ).
- The state has proposed 40 IT/ITeS parks (apart from IT SEZs), two biotech zones and a knowledge park. Development of integrated agro/food processing zones has been proposed at Hapur, about 200 km from Delhi.
- Integrated logistics hubs (free-trade warehousing zones) have been proposed in collaboration between IL&FS, Mineral and Mining Trading Corporation and Mitsui (Japan).
- The Greater Noida Phase-II has 19 per cent land reserved for industrial use.



Industrial clusters

Infrastructure Type	Location	Area (acres)	Manufacturing units		Investments (US\$ million)	
			Current	Future	Utilised	Future
Growth centres	Bijoli, Jhansi	385.04	15	6	0.024	41.1
	Shajahanpur	311	29	1	-	-
	Dibiyapur	346	-	-	125	-
	Jainpur	357	458 plots	4 plots	7.49	20.62
Agro parks	Barabanki	180	7	12	3.11	3.73
	Varanasi	261	2	2	3.63	5.44
Apparel parks	Tronica City	145	35	102	12.23 (total)	
Textile and hosiery parks	Kanpur	174	5	37	6	
Leather technology parks	Banther, Unnao	233	24	31	5.51	
Export promotion industrial parks	Greater Noida	200	14	11	4.59	
	Shastripuram, Agra	102	-	-	4.82	
Software Technology Parks of India (STPI)	13,000 sq ft, of which 9,296 sq ft of area is being utilised by 15 units. The park is fully operational.					

Sources: Annual Plan 2008-09 (Planning Commission of Uttar Pradesh), UP State Industrial Development Corporation, www.upsidc.com

SEZs

Functional SEZs

Name/developer	Area	Primary industry
Noida Special Economic Zone	Noida	Multi-product
HCL Technologies	Noida	IT/ITeS
Moser Baer SEZ	Grater Noida	Non-conventional energy
Wipro Limited	Greater Noida	IT/ITeS
Moradabad Special Economic Zone	Moradabad	Handicrafts
Seaview Developers Limited	Greater Noida	IT/ITeS

Other notified SEZs

Name/developer	Area	Primary industry
Ansal IT City and Parks	Grater Noida	IT/ITeS
OSE Infrastructure Limited	Noida	IT/ITeS
NIIT Technologies	Greater Noida	IT/ITeS
Unitech Infracon Limited	Greater Noida	IT/ITeS
Aachvis Softech	Noida	IT/ITeS
Perfect IT SEZ	Noida	IT/ITeS
Unitech Hightech Projects Private Limited	Noida	IT/ITeS
Gallant Infrastructure Private Limited	Greater Noida	IT/ITeS
Jubilant Infracon Private Limited	Noida	IT/ITeS
Sarv Mangal Realtech Private Limited	Noida	Electronic hardware and software
IVR Prime IT SEZ Private Limited	Noida	IT/ITeS
Golden Tower Infratech Private Limited	Noida	IT/ITeS

Source: sezindia.nic.in

Infrastructure investments

- As of December 2008, the total investments in projects under implementation amounted to US\$ 21.36 billion.
- The key sectors by investments are electricity generation, roads, petroleum, railways, recreational services, cement, coal and lignite, sugar, electricity distribution and hotel and tourism.
- The other projects include health services, electronics, ferrous metals, organic chemicals, soaps and detergents, communication, readymade garments, ceramic tiles, electrical machinery, paper and paper products, plastic products, minerals, leather products, dairy products and pharmaceuticals.

Sector	Investments (US\$ million)
Electricity generation	15,468.4
Road transport	2,015.1
Petroleum	1,537.6
Railway	635.7
Recreational services	376.0
Cement	269.3
Coal and lignite	238.5
Sugar	156.0
Electricity distribution	153.9
Hotel and tourism	124.8
Others	387.9
Total	21,363.3

Source: CMIE

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Sector-specific policies ... (1/9)

Biotech Policy, 2004

Aim: To develop a knowledge-based economy, assure benefits of biotechnology to all sections and promote entrepreneurship in biotechnology related industries.

Key focus areas:

- To establish pre-eminent position of the state in the field of biotechnology.
- To create awareness about the entrepreneurial and job opportunities in the field of biotechnology.
- To attract biotechnology-based industrial investment.
- To develop and conserve bio-resource for sustainable commercial use.
- To harness existing R&D capabilities for industrial/commercial development in the state and to promote corporate funding and developing such knowledge.
- To develop adequate institutional and related infrastructure for development, acquisition and dissemination of biotechnology throughout the state.
- To promote research and development and to establish centers of excellence in the area of biotechnology.

Sector-specific policies ... (2/9)

Biotech Policy, 2004 (continued)

Key incentives and initiatives:

- Single-window facility and constitution of Biotechnology Development Board.
- Relaxation of taxes on biotechnology-based products
- Relaxation on land for establishment of biotechnological units.
- Relaxation on entry tax, zonal regulations, and captive generation.
- Uninterrupted power supply.
- Regulation in stamp duty and registration fee.
- Relaxation on mega-projects.
- Simplified labour law.
- Provision of cluster development fund/venture capital.
- Financing and access to capital.
- Encouragement for commercialisation of R&D findings.
- Establishment of biotech parks.
- Privatisation in infrastructure development.

Sector-specific policies ... (3/9)

Information Technology Policy, 2004

Aim: To use IT as a vehicle for economic development and to create a high-tech society, with a high quality of life in Uttar Pradesh.

Key strategy: The strategy of the policy is to achieve economic growth through development of nationally and globally competitive industry by facilitation and providing confidence, dedication, purpose and a fertile ground in which investments would flourish.

Key focus areas:

- Bringing IT to masses.
- Accelerating the use of IT in schools, colleges and educational institutions.
- Spurring the domestic demand for software, hardware and services.
- Making software, electronics/IT hardware and IT/ITeS sectors globally competitive and, thereby, increasing export earnings.
- Facilitating the industry for addressing global markets.
- Facilitating value addition for growth of the industry.
- Facilitating the businesses to realise full potential in creating wealth.

Sector-specific policies ... (4/9)

Industrial and Service Sector Investment Policy, 2004

Aim: To achieve all round development of the state and to accelerate the pace of growth of industry, commerce, trade and services.

Key strategic initiatives:

- Promotion of private participation in industrial development.
- Balanced development of tiny, small and heavy sectors.
- Promotion of exports.
- Promoting non-resident Indian (NRI) and FDI investments.
- Assured security of life and property.
- Creation of sensitive administrative body for industrial development.
- Recognition of the role of service sector.
- Formulation of industry specific tailor-made package.
- Review of tax structure.
- Revitalisation of existing investments to make them productive.

Key financial grants and rebates:

- Rationalisation of stamp duty, registration fee, land use change charges and land transfer charges.
- Special incentives on establishment of pioneer units.
- Rationalisation of interest rates on financial assistance.

Sector-specific policies ... (5/9)

Energy Policy, 2009

Objective: The policy is structured with consumers as the focal point and aims to fulfil the overall need for universal access and for providing reliable, quality and affordable power.

Key thrust areas:

- To ensure access to electricity to all households, in next five years; power demand to be fully met by 2014.
- To overcome energy and peaking shortages and ensure availability of adequate spinning reserve.
- To supply reliable and quality power, of specified standards, in an efficient manner and at reasonable rates. Per capita availability of electricity to be increased to over 1,000 units, by 2017.
- Financial turnaround and commercial viability of electricity sector, thereby, reducing the financing burden on the state over a period of time while recognising the fact that during the initial transition period, state support would be a key determinant for the success of entire exercise.
- To increase the availability of power by encouraging augmentation of environment-friendly generating capacity; sourcing competitive and reliable bulk power from sources both, within and outside the state; encouraging developers to enter into memorandum of understanding (MoU) for generation and supply of power to the state.
- To optimise the generation of existing plants by putting up additional units, through renovation and modernisation or by changing configuration of machines in case of plants under commissioning or by allowing alternative fuel for seasonal generating units, particularly, those based on bagasse or biomass.
- To augment the transmission and distribution capacity and refurbish the existing capacity to improve efficiency, reliability and quality of supply and, reduce losses.

Sector-specific policies ... (6/9)

Energy Policy, 2009 (continued)

- To encourage efficient usage of electricity and facilitate energy conservation measures including demand side management.
- To aim at building up a sophisticated and skilled trading entity to utilise the significant opportunities offered by the Electricity Act, 2003.
- To encourage private sector participation in all areas viz. generation, transmission, distribution, trading, renovation and modernisation.
- To strive towards expeditious electrification and supply of electricity to all villages and households in the state.
- To support the Uttar Pradesh Electricity Regulatory Commission (UPERC) with policy and other administrative measures to ensure a rationalised tariff framework with efficient distribution of subsidies.

Sector-specific policies ... (7/9)

Policy for promotion of private investment in the development of hi-tech townships in Uttar Pradesh, 2005

Aim: To promote the development of hi-tech townships, with facilities comparable to international standards, in cities including Lucknow, Kanpur, Agra, Varanasi, Allahabad and Ghaziabad.

Key thrust areas:

- Producing competitive, hi-tech, marketable estates with an attractive environment for high quality life, work and recreation.
- Encouraging high technology, knowledge-based industries and tourism.
- Providing facilities for business organisations engaged in modern technologies.
- Facilitating and creating an enabling environment for attracting maximum private investment in housing and infrastructure development.
- Supporting and enabling private investment in various sectors of the state economy.

Sector-specific policies ... (8/9)

SEZ Policy, 2006

Aim: To foster industrial and economic development and create conducive environment for the development of SEZ.

Key thrust areas:

- Development of integrated areas with world-class infrastructure through establishment of SEZ.
- Creation of new avenues for employment generation.
- Boosting exports and attracting domestic investments, FDI and modern technology.
- Provisions for exemption from taxes related to labour, environment, electricity, etc.

Key financial incentives:

- Exemption from state-level taxes, levies of the Government of Uttar Pradesh or any other local authority.
- Exemption from taxes levied by local bodies.
- Exemption from stamp duty and registration fee on first transaction, to developers and co-developers of SEZ's and the units.
- Exemption from electricity duty and taxes on generated or purchased electricity for use in SEZ processing area, for initial 10 years.

Other initiatives:

- Rationalisation of labour laws.
- Single-window clearance system.
- Rationalisation of environmental procedure.

Sector-specific policies ... (9/9)

Film Industry Policy, 2009

Aim: To encourage capital investments in order to improve the economic status of the people and provide alternative avenues of employment. The policy promotes the creation of required infrastructure in the private and joint sectors.

Key incentives:

- Relaxation for setting up multiplexes.
- Film production and cinema halls to be accorded industry status.
- Relaxation in entertainment tax and trade tax for production and development of films.
- State-level film development council constituted for long term development of film industry.
- 'Film Nidhi' created for financing various schemes for development of film related infrastructural facilities.
- Ultra-modern film city to be set up, with the help of private sector.
- Bhartendu Natya Academy to be developed as State Film and Television Institute.
- State film festivals to be organised every year.
- Annual film awards instituted for mainstream, regional, television and documentary films.
- Incentive package for renovating and upgrading of halls.
- Equipment to be made available on lease.
- Subsidy for film processing in state labs situated in U.P.
- Land at residential rates for cinema hall construction.

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Manufacturing

- The driving factors of manufacturing industry in Uttar Pradesh are industrial infrastructure, which includes growth centres and industrial parks, extensive railway and road network, availability of work force and incentives offered by the State Government.
- A number of manufacturing units have been set up in industrial areas of Shahibabad and Noida, which enjoys proximity to Delhi and excellent transportation network with the rest of the country.





Key players

- Areva T&D India
- Atlas Cycles Limited
- Bharat Heavy Electricals Limited
- Eveready Industries India Limited
- Havell's India Limited
- Hero Cycles Limited
- Nilkamal Limited
- Paharpur Cooling Towers Limited
- RPG Cables Limited
- Tractors India Limited
- Triveni Engineering and Industries Limited





Manufacturing – company profiles ... (1/3)

<p>Areva T&D India</p> 	<p>The company, a subsidiary of the French company, Areva, is a leading manufacturer of products and systems that transmit and distribute electricity. The company currently employs 4,200 people in India and is headquartered in Noida, with manufacturing facilities in Naini and in Tamil Nadu. It had revenues of US\$ 779 million for the year ending December 2009.</p>
<p>Atlas Cycles Limited</p> 	<p>Atlas Cycles, established in 1951, is one of the leading bicycle manufacturers in the country. It manufactures bicycles of all kinds, from those for children to mountain bikes, suspension bikes, city bikes and sports bikes. The company also exports bicycles to several countries in North America, Central and South America and Africa. It had revenues of US\$ 140.8 million in 2008-09. The company has a manufacturing unit in Sahibabad, which also houses a modern paint application unit.</p>
<p>Bharat Heavy Electricals Limited</p> 	<p>Incorporated in 1964, Bharat Heavy Electricals Limited (BHEL) is a Central Government undertaking. It is the largest engineering and manufacturing enterprise in India in the power and industrial machinery segment. The company had revenues of around US\$ 6.08 billion in 2008-09. BHEL manufactures power transformers and insulators at its plants in Uttar Pradesh, at Jagdishpur and at Jhansi.</p>

Manufacturing – company profiles ... (2/3)

<p>Eveready Industries India Limited</p> 	<p>Eveready is one of the country's leading producers of batteries (carbon zinc, alkaline and rechargeable). It also produces compact fluorescent lamps, packet tea, and has recently forayed into the mosquito-repellent business. It had revenues of US\$ 201.1 million in 2008-09. The company has manufacturing units in Lucknow, Haridwar and Noida.</p>
<p>Havell's India Limited</p> 	<p>Havell's is a prominent electrical and power distribution equipment manufacturer in India. It owns prestigious brands such as Crabtree, Sylvania, and Concord. The company had revenues of US\$ 508 million in 2008-09. It has eight manufacturing units in the country, three of which are located in Uttar Pradesh, in Haridwar, Noida, and Sahibabad.</p>
<p>Hero Cycles Limited</p> 	<p>Hero Cycles belongs to the Hero Group, which includes a host of other companies, such as Hero Honda Motors, Majestic Auto, and Sunbeam Auto, to name a few. The group had revenues of US\$ 2.4 billion in 2008-09. The company has a manufacturing unit in Sahibabad, where it manufactures auto rims, bicycles, and steel tubes.</p>
<p>Nilkamal Limited</p> 	<p>Nilkamal is one of the largest manufacturers of moulded plastic furniture and material handling products, such as plastic crates, industrial pallets, waste bins, and insulated crates. It had revenues of US\$ 224 million in 2008-09. The company has manufacturing facilities across the country. One of its plants is located in Greater Noida, with an annual installed capacity of 11,500 tonnes.</p>




Manufacturing – company profiles ... (3/3)

<p>Paharpur Cooling Towers Limited</p> 	<p>The company is a manufacturer of cooling towers for a variety of industries, such as electricity generation, chemical processing, air conditioning and refrigeration, and steel. The company has a manufacturing facility located at Sahibabad.</p>
<p>RPG Cables Limited</p> 	<p>RPG Cables, a part of the RPG Group, specialises in the production of power and control cables, jelly-filled telephone cables, optical-fibre cables and house-wiring cables. The company had revenues of US\$ 83.7 million in 2008-09. It has four manufacturing locations across the country, one of which is located in Rae Bareli. The Rae Bareli plant manufactures underground telephone cables with solid polythene, cellular and foam skin polythene insulation.</p>
<p>Tractors India Limited (TIL)</p> 	<p>TIL is a prominent player in the production of technology-intensive equipment for infrastructure development. It operates through three strategic business groups - materials handling solutions, construction and mining solutions, and power systems solutions. The company had revenues of US\$ 187 million in 2008-09. TIL has a manufacturing unit in Sahibabad, which produces diesel generating sets.</p>
<p>Triveni Engineering and Industries Limited</p> 	<p>The company is primarily engaged in sugar, turbines, gears and gearboxes and water and water treatment. It had revenues of US\$ 427.6 million in 2008-09. Head office of the company along with offices of sugar and water treatment businesses are located in Uttar Pradesh.</p>

Consumer goods

- The key incentives for consumer goods companies to set up manufacturing unit in the state are access to large consumer markets and proximity to raw material sources.
- The consumer goods companies that have their manufacturing facilities in the state are Dabur, ITC and Godfrey Phillips India.

Key players
<ul style="list-style-type: none"> • Dabur • ITC Limited • Godfrey Phillips India

<p>Dabur</p> 	<p>Dabur is one of the country's largest consumer goods companies. The company produces a variety of products, ranging from personal care to food, health care and home care. Dabur had revenues of US\$ 600 million in 2008-09. The company has manufacturing facilities across the country, including one plant in Sahibabad, where it produces food and personal care products.</p>
<p>ITC Limited</p> 	<p>ITC is one of India's foremost consumer goods companies, and is truly diversified with a product assortment ranging from cigarettes, apparel, personal-care products, and food products. The company is also one of the leading hoteliers in the country and is involved in agri-business. It had revenues of over US\$ 5 billion in 2008-09. ITC has a manufacturing unit in Saharanpur, where it produces cigarettes and smoking tobacco.</p>
<p>Godfrey Phillips India</p> 	<p>The company is a significant player in the Indian tobacco industry and manufactures well established brands such as Red and White, Jaisalmer, and Four Square. Godfrey Phillips had revenues of US\$ 495 million in 2008-09. The company has manufacturing facilities in Ghaziabad.</p>

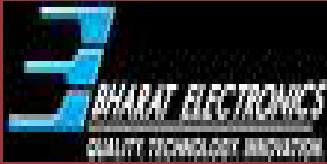



Electronics

- A number of major multinational companies such as LG Electronics, Samsung and Xerox have their operations in the state.
- The major incentives for the companies are industrial infrastructure and access to consumer markets of Uttar Pradesh and National Capital Region.
- Majority of the companies are located in Noida and Ghaziabad.

Key players

- Bharat Electronics Limited (BEL)
- LG Electronics India
- Mirc Electronics Limited
- Moserbaer
- Samsung India
- Xerox India Limited
- HCL Infosystems
- Spice Global
- ST Microelectronics

Electronics – company profiles ... (1/2)

<p>Bharat Electronics Limited (BEL)</p> 	<p>Bharat Electronics Limited, a multi-product, multi-unit, multi-technology company was incorporated in 1954. BEL had revenues of about US\$ 1.03 billion in 2008-09. The products manufactured by BEL are mainly categorised as defence and non-defence products. Its manufacturing plants are located in different parts of the country, with a unit in Ghaziabad, which manufactures radars, antennae, microwave components and defence equipment.</p>
<p>LG Electronics India</p> 	<p>LG is one of the leading consumer electronics companies. The company had global revenues of US\$ 174.2 billion in 2007-08, of which India contributes about US\$ 2.8 billion. Its Indian subsidiary was set up in 1997 and has manufacturing facilities in Noida and Pune. The Noida manufacturing unit was set up in 1998 and produces televisions, washing machines, air conditioners, refrigerators, personal computer monitors and microwave ovens.</p>
<p>Mirc Electronics Limited</p> 	<p>Onida is a prominent electronics brand, owned by the company Mirc Electronics. The company manufactures televisions, home theatre systems, air conditioners, washing machines, microwave ovens and mobile phones. The company had revenues of US\$ 330 million in 2008-09. Mirc has a manufacturing unit in Noida, which produces televisions, washing machines and air conditioners.</p>
<p>Moserbaer</p> 	<p>Moserbaer is a leading Indian company, which manufactures optical storage media such as compact discs (CDs) and digital video discs (DVDs). The company is headquartered in India and employs over 7,000 people. It had revenues of US\$ 474 million in 2008-09. The company has four plants, one of which is located in Noida.</p>

Electronics – company profiles ... (2/2)

<p>Samsung India</p> 	<p>Samsung is one of the most successful consumer electronics companies in the world. Headquartered in Seoul, the company has its Indian headquarters in Noida. It manufactures mobile phones, televisions, home theatre systems, personal computers. The company had global revenues of US\$ 174.2 billion in 2007-08.</p>
<p>Xerox India Limited</p> 	<p>Established in 1983, the company is a part of the US-based Xerox Corporation. It has over 130,000 employees worldwide and revenues of approximately US\$ 22 billion. The company has multiple locations throughout the country, with a manufacturing plant in Modipuram.</p>
<p>HCL Infosystems</p> 	<p>HCL Infosystems is one of the pioneering information-enabling company in India and offers IT products, solutions and related services which include personal computers, servers, networking products, broadcasting and communication solutions, education and training among others. The company has four manufacturing plants and the corporate office is located in Noida, Uttar Pradesh.</p>
<p>Spice Global</p> 	<p>Spice Global, the first company to launch cellular telephone service in India, has business interest in finance, entertainment and tele-ventures. Some of the major businesses of the company are mobile, business process outsourcing, retail and entertainment. Registered office of the company is located in Noida, Uttar Pradesh.</p>
<p>ST Microelectronics</p> 	<p>ST Microelectronics is a Geneva-based global semi-conductor company with US\$ 8.5 billion of sales (2009), 13 production centres, 16 research and development centres and around 50,000 employees. In India, the company has a design centre and a sales office in Noida, Uttar Pradesh.</p>



Petroleum, chemicals and fertilisers

- Uttar Pradesh is one of the largest consumers of fertilisers in India, owing to its large size and agricultural activities, with a total consumption of 3.75 million tonnes in 2008.
- Apart from fertilisers, a number of manufacturing units spanning petroleum (Indian Oil), gas (GAIL), basic chemicals (Tata Chemicals) and paint (Kansai Nerolac) are located in the state.





Key players

- Aditya Birla Nuvo
- Asian Fertilizers Limited
- DCM Shriram Consolidated Limited
- Fertilizer Corporation of India Limited
- GAIL India Limited
- Indian Farmers Fertiliser Cooperative Limited
- Indian Oil Corporation
- Kanoria Chemicals and Industries Limited
- Kansai Nerolac Paints Limited
- Khaitan Chemicals and Fertilisers Limited
- Oswal Chemicals and Fertilisers Limited
- Tata Chemicals Limited




Petroleum, chemicals and fertilisers – company profiles ... (1/4)

<p>Aditya Birla Nuvo</p> 	<p>Aditya Birla Nuvo is a part of the Aditya Birla Group. The company is engaged in various businesses, ranging from textiles to chemicals, life insurance and IT services. The company has a strong presence in the area of chemicals, producing carbon black, urea and liquid argon. Its chemicals business alone recorded revenue of approximately US\$ 498 million in 2008-09. The company has two plants in Uttar Pradesh, one in Jagadishpur, which manufactures urea and liquid argon and another in Renukoot, which manufactures carbon black.</p>
<p>Asian Fertilizers Limited</p>	<p>The company was established in 1996 and specialises in the production of single super phosphate fertiliser, both, in powder and granulated form. It had revenues of US\$ 12.4 million in 2008-09. The company has manufacturing facilities in Gorakhpur, with annual installed capacities of 66 thousand tonnes of single super phosphate powder and granules, each.</p>
<p>DCM Shriram Consolidated Limited</p> 	<p>DCM Shriram Consolidated is focused in agribusiness, chemicals, and textiles. The company had revenues of US\$ 776.4 million in 2008-09. The company has plants in Uttar Pradesh; the Ajbapur and Rupapur plants manufacture chemicals such as calcium carbide, caustic soda, PVC compounds, resins, among others, while the Hariwan and Loni plants manufacture sugar.</p>



Petroleum, chemicals and fertilisers – company profiles ... (2/4)

<p>Fertilizer Corporation of India Limited (FCIL)</p> 	<p>FCIL is a public sector undertaking (PSU), which was established in 1978. It produces ammonia, urea, ammonium nitrate, nitric acid and gypsum. The company has four plants in India, one of which is located in Gorakhpur. The Gorakhpur plant manufactures argon and urea.</p>
<p>GAIL India Limited</p> 	<p>GAIL, a public sector undertaking (PSU), is India's flagship natural gas company and was established in 1984. It had a turnover of US\$ 5.2 billion in 2008-09. The company has two plants in Uttar Pradesh, one in Auraiya and the other in Gandhar, where liquefied petroleum gas is produced.</p>
<p>Indian Farmers Fertiliser Cooperative Limited (IFFCO)</p> 	<p>IFFCO is a multi-unit cooperative society, whose primary activity is production and distribution of fertilisers. It is one of the largest fertiliser producers in the country. The company has two manufacturing units at Aonla.</p>
<p>Indian Oil Corporation</p> 	<p>Indian Oil Corporation is the flagship oil company of India with a turnover of around US\$ 62 billion and is listed in prestigious Fortune Global 500 list. The company has a refinery at Mathura, in Uttar Pradesh with refining capacity of 8.0 million tonnes per annum. It receives crude oil through 1,870 km long Salaya Mathura pipeline.</p>

Petroleum, chemicals and fertilisers – company profiles ... (3/4)

<p>Kanoria Chemicals and Industries Limited (KCI)</p> 	<p>KCI is a prominent player in the chemicals industry and specialises in chlor-alkali and alco-chemical products. It had revenues of US\$ 119 million in 2008-09. The company has a plant in Renukoot, where it manufactures chlor-alkalis, chlorine derivatives and water treatment chemicals.</p>
<p>Kansai Nerolac Paints Limited</p> 	<p>Established in 1920, the company is one of the largest paint manufacturers in the country. It specialises in both industrial paints, such as automotive coatings, industrial coatings and high performance coatings, as well as decorative paints for walls, woods and metals. Nerolac had revenues of US\$ 341 million in 2008-09. It has a plant in Kanpur Dehat, which manufactures paints, varnishes, enamel and synthetic resins.</p>
<p>Khaitan Chemicals and Fertilisers Limited</p> 	<p>Khaitan is a chemicals and fertilisers company, which specialises in the manufacture of single super phosphate (SSP), sulphuric acid and soya oil. It began its operations in 1987 in Madhya Pradesh. The company had revenues of US\$ 77.5 million in 2008-09 and has two plants in Uttar Pradesh, one in Jhansi and the other in Fatehpur. The annual production capacity at the Jhansi plant is 132 thousand tonnes of SSP and 56 thousand tonnes of sulphuric acid, whereas that of the Fatehpur plant is 115 thousand tonnes of SSP and 49 thousand tonnes of sulphuric acid.</p>

Petroleum, chemicals and fertilisers – company profiles ... (4/4)

<p>Oswal Chemicals and Fertilisers Limited</p> 	<p>Established in 1981, the Oswal Group is a leading manufacturer of agro-based products, petrochemicals, alcohol chemicals and nitrogenous fertilisers. The company posted revenues of US\$ 139 million in 2007-08. The company has a urea plant at Shahjahanpur.</p>
<p>Tata Chemicals Limited</p> 	<p>Established in 1939, Tata Chemicals is a part of the Tata Group and specialises in chemicals, crop nutrition and consumer products, such as iodised salt. It is the second-largest producer of soda ash, globally. The company had an annual turnover of US\$ 1.86 billion in 2008-09. Tata Chemicals has a urea plant in Babrala, with a manufacturing capacity of 864 thousand tonnes of urea per year and 1,520 tonnes of Ammonia per day.</p>






Cement

- In 2009, the total installed capacity of cement in Uttar Pradesh was around 8.3 million tonnes per annum.
- The production of cement in the state was around six million tonnes in 2009, which has grown at around 7.3 per cent per annum over the last three years.
- Uttar Pradesh, being a large state, has huge demand for cement. In 2009, demand for cement was around 18 million tonnes, which has grown at 7.9 per cent per annum.

Key players

- ACC Limited
- Birla Corporation Limited
- Grasim Industries Limited
- Heidelberg Cement India Limited
- Jaypee Group

Cement – company profiles

<p>ACC Limited</p> 	<p>ACC Limited (ACC) is one of the largest cement manufacturers in India with 16 cement plants, more than 40 ready mix concrete plants, 20 sales offices and over 9,000 dealers. The plant of ACC is located at Tikaria in Uttar Pradesh.</p>
<p>Birla Corporation Limited</p> 	<p>Birla Corporation Limited is the flagship company of the M P Birla group with business interests in cement, jute, PVC, floor covering and auto trims. The company has four plants with total installed capacity of 5.78 million tonnes. The company has a cement plant in Raebareli.</p>
<p>Grasim Industries Limited</p> 	<p>Cement division of Grasim Industries has 11 composite plants, 11 split grinding units, four bulk terminals, and 64 ready mix concrete plants across the country. Grasim is also the largest producer of white cement in India with installed capacity of 560,000 tonnes per annum. The company has a cement grinding unit in Dadri with 1.3 million tonnes capacity.</p>
<p>Heidelberg Cement India Limited</p> 	<p>Heidelberg Cement India Limited is a subsidiary of Heidelberg Cement Group, which is one of the largest cement manufacturers in the world. The company has a cement plant in Jhansi with 0.5 million tonnes capacity.</p>
<p>Jaypee Group</p> 	<p>Jaypee group has eight cement plants in North India with total installed capacity of about 10 million tonnes. In 2008-09, the company produced around 8 million tonnes of cement. The company has five cement plants in the state – Sadva Khurd, Tanda, Churk, Dalla and Chunar.</p>





Auto and auto components

- One of the country's auto-clusters is located in Delhi-Gurgaon-Noida-Ghaziabad, part of which belongs to the Western Uttar Pradesh.
- A number of original equipment manufacturers and auto component suppliers are located at Noida and Ghaziabad in Uttar Pradesh.
- Under National Automotive Testing and R&D Infrastructure Project (NATRIP), a centre is being set up at Rae Bareilly in Uttar Pradesh, which will provide complete homologation service to agri-tractors, off-road vehicles, diesel generation sets, as per Indian and global standard and, a driver training centre.
- The centre will also have a centre for excellence for accident data analysis.

Key players

- A N G Auto Limited
- Denso India Limited
- Honda Siel Cars
- Delphi
- Motherson Sumi Systems
- Tata Motors Limited
- Wheels India Limited
- India Yamaha Motor

Auto and auto components – company profiles ... (1/2)

<p>A N G Auto Limited</p> 	<p>A N G Auto Limited manufactures automotive components for specialised applications. Exports account for over 55 per cent of the company's revenues. The company's manufacturing plants are located at Noida, Greater Noida and SEZ, Noida. The company produces automatic slack adjusters in its SEZ Noida plant and plans to open another plant for manufacturing machined components.</p>
<p>Denso India Limited</p> 	<p>Denso is a leading manufacturer of automotive components in the world with operations in 32 countries and sales of US\$ 32 billion in 2009. Denso India Limited was established in 1984 at Gautam Buddha Nagar in UP. The plant manufactures electrical automotive components, fans, ventilators, magnetos and motors for windshield wiper and, employs 991 personnel.</p>
<p>Honda Siel Cars India Limited</p> 	<p>Honda Siel Cars India Limited has its state-of-the-art manufacturing plant at Greater Noida in Uttar Pradesh, which was set up in 1997 with an investment of around US\$ 125 million. The plant is spread across 150 acres of land and has capacity to produce 100,000 cars per year. The plant produces some of the popular models such as city, civic, accord and jazz.</p>
<p>Delphi</p> 	<p>Delphi started its operations in India in 1995 and has three manufacturing units to produce individual components and systems for automotive and other industries. One of the plants of the company is located in Greater Noida where it produces shock absorbers, struts and HVAC systems.</p>

Auto and auto components – company profiles ... (2/2)

<p>Motherson Sumi Systems Limited</p> 	<p>Motherson Sumi Systems Limited is the largest producer of wiring harnesses in India and serves automotive, material handling, earth moving and farm equipment manufacturers. One of the five manufacturing units of the company is located in Noida.</p>
<p>Tata Motors Limited</p> 	<p>Tata Motors Limited is the largest automobile company in India with consolidated revenue of US\$ 14 billion. In 2004, the company acquired commercial vehicle business of Daewoo and in 2008, it acquired prestigious Jaguar Land Rover. The Lucknow plant of Tata Motors was established in 1992 to manufacture commercial vehicles. The plant manufactures low floor, ultra-low floor, CNG buses. The company has an engineering research centre in Lucknow and, has plans to expand some functions of the plant in near future.</p>
<p>Wheels India Limited</p> 	<p>Wheels India was promoted by the TVS Group to manufacture automobile wheels. The company has six manufacturing plants with total capacity of 10 million wheels per annum. The company earns 18 per cent of its revenue from exports. The company has a manufacturing plant at Rampur in Uttar Pradesh, which is spread over 14 acres. The plant manufactures wheels for agricultural tractors and farm equipments.</p>
<p>India Yamaha Motor Private Limited</p> 	<p>India Yamaha Motor Private Limited has two manufacturing units in India, at Surajpur in Uttar Pradesh and at Faridabad in Haryana, which manufacture motor cycles for domestic market and exports. The company employs around 2,000 personnel and has a pan India network of 400 dealers.</p>





Sugar

- Uttar Pradesh is one of the largest producers of sugarcane in India.
- In 2008-09, 2.14 million hectare of area in the state was under sugarcane cultivation and total preproduction was 115 million tonnes.
- In 2008-09, the total crushing capacity of 131 sugar mills in the state was 764,000 tonnes per day and the production of sugar was pegged at 6.2 million tonnes.
- As per annual plan 2009-10, the state plans to produce 140 million tonnes of sugarcane and increase crushing capacity to 775,000 tonnes per day, to produce 7.6 million tonnes of sugar.
- Bajaj Hindustan Limited, one of the largest sugar producers in the country has its plants in Uttar Pradesh.




Key players

- Bajaj Hindusthan Limited
- Balrampur Chini Mills Limited
- Dhampur Sugar Mills Limited
- Oudh Sugar Mills Limited
- Saraya Sugar Mills Limited
- Triveni Engineering and Industries Limited
- Simbhaoli Sugar Mills
- SBEC Sugar

Sugar – company profiles ... (1/2)

<p>Bajaj Hindusthan Limited</p> 	<p>Bajaj Hindustan Limited, a Bajaj Group company is one of the largest sugar and ethanol manufacturers in India. All 10 plants of the company are located in Uttar Pradesh. The total crushing capacity of these plants is 96,000 tonnes per day (tpd). A subsidiary of the company has four plants in the state with crushing capacity of 40,000 tpd. The company also produces 38 million litre of ethanol and 430 MW of power from bagasse.</p>
<p>Balrampur Chini Mills Limited</p> 	<p>Balrampur Chini Mills Limited (BCML) was incorporated in 1975. BCML is one of the large integrated sugar manufacturing companies in India with a crushing capacity of 12,000 tonnes per day. The company has nine sugar mills located in Eastern Uttar Pradesh.</p>
<p>Dhampur Sugar Mills Limited</p> 	<p>Dhampur Sugar Mills Limited has four sugar mills in Uttar Pradesh, at Dharampur, Asmoli, Mansupur and Rajpura. Besides, the company produces 125 MW of co-generation power and 140 kilo litre of alcochem per day.</p>
<p>Oudh Sugar Mills Limited</p> 	<p>Oudh Sugar Mills Limited (OSML) belongs to the K.K. Birla Group of Companies, which has diverse business interests in chemicals, engineering, textiles, etc. The company has four sugar mills of which three are located in Uttar Pradesh, at Sitapur, Shahjahanpur and Kushinagar. The company also has distillery in Sitapur and co-generation power plant in Sitapur and Kushinagar.</p>

Sugar – company profiles ... (2/2)

<p>Saraya Industries Limited</p> 	<p>Saraya Industries Limited has business interests in sugar and liquor, aviation and organics and, employs around 1,500 personnel. The company has a plant in Gorakhpur with a capacity of 6,000 tpd, which sources sugarcane from 64,000 hectare of cultivable land. It has a distillery in Gorakhpur with a capacity of 49,500 kilo litre per annum.</p>
<p>Triveni Engineering and Industries Limited</p> 	<p>Triveni's presence is primarily in the areas of sugar, turbines, gears and gearboxes, and water and water treatment. It had revenues of US\$ 427.6 million in 2008-09. The company has sugar manufacturing facilities in Khatauli and Deoband, with cogeneration plants as well. Khatauli has a crushing capacity of 16,000 tonnes per day.</p>
<p>Simbhaoli Sugars Limited</p> 	<p>Simbhaoli Sugars Limited has been into sugar manufacturing for around 75 years. The company has three sugar mills – Simbhaoli, Brijnathpur and Chilwaria in Uttar Pradesh with combined crushing capacity of 20,100 tonnes per day. The sugar plants also have a bio-manure production capacity of 44,000 tonnes per year.</p>
<p>SBEC Sugar</p>	<p>SBEC Sugar belongs to U K Modi group. The company has two sugar plants at Baraut in Uttar Pradesh with a total capacity of 10,000 tonnes per day. The annual production of the company is around 140,000 tonnes.</p>





IT and ITeS

- The driving factors of IT and ITeS industry in the state are industrial infrastructure in areas such as Noida and Greater Noida, proximity to Delhi, international connectivity and talent pool.
- There are three operational SEZ in Noida and Greater Noida, which are primarily dedicated for IT/ITeS industries.
- Eleven more SEZs have been notified in the area for IT/ITeS industries.





Key players

- Birlasoft
- HCL Technologies
- EXL
- NIIT Technologies
- Computer Sciences Corporation
- Adobe Systems India
- Tech Mahindra
- Tata Consultancy Services
- Steria Limited
- RMSI
- DELL Perot Systems




IT and ITeS – company profiles ... (1/3)

<p>Birlasoft</p> 	<p>Birlasoft was promoted by US\$ 1.7 billion GP-CK Birla Group and later on GE Capital joined as strategic investor. The company has service offerings spanning asset and service management, consulting, enterprise solution, IT services and managed IT services. The company has presence in USA, India, Europe, Australia and Singapore. Its corporate office and two other offices are located in Noida.</p>
<p>HCL Technologies</p> 	<p>HCL Technologies is one of the pioneers in the Indian IT space with consolidated revenues of US\$ 2.0 billion. The company delivers IT solutions across applications and infrastructure. The company has network of offices in 20 countries and serves a wide range of industries. Nine offices of the company and the global head quarter are located at Noida in Uttar Pradesh.</p>
<p>EXL</p> 	<p>EXL, incorporated in the USA in 1999, is a leading provider of transformation and outsourcing services to Global 1,000 companies, across industries. It operates 14 state-of-the-art delivery centres and two sales offices across the globe. Corporate office of the company is located at Noida in Uttar Pradesh.</p>
<p>NIIT Technologies</p> 	<p>NIIT Technologies in one of the top 20 IT solution providers in India with presence in North America, Europe, Asia and Australia. The company serves industries such as banking and financial, insurance, manufacturing, retail and logistics. The company has two offices in Noida.</p>

IT and ITeS – company profiles ... (2/3)

<p>Computer Sciences Corporation (CSC)</p> 	<p>CSC is a Virginia, US-based US\$ 16 billion company in IT space, which started India operations in 1991. The service offerings include financial software, IT infrastructure, business process outsourcing and application services. One of the seven offices of CSC in India is located at Noida in Uttar Pradesh.</p>
<p>Adobe Systems India Private Limited</p> 	<p>The company commenced its operations in the country in 1998 and has its headquarters in Noida. The company has added a new location in Noida to expand operations. The business units located in Noida are creative solutions, print and classic publishing, enterprise and developer solution, knowledge worker solution and core technology.</p>
<p>Tech Mahindra</p> 	<p>Tech Mahindra is a global systems integrator and business transformation consulting firm, focused on the communications industry. In 2008-09 the total revenue of the company was around US\$ 0.95 billion. The company has 11 development centres and 13 sales offices spread across 14 countries. The company has recently taken over Satyam, one of the large IT company in India. One of its offices in India is located in Noida.</p>
<p>Tata Consultancy Services (TCS)</p> 	<p>TCS is one of the largest IT companies in India with US\$ 6 billion of revenue, 143,000 employees and, presence in 42 countries. It provides IT services, business solutions and outsourcing services. The company has three offices at Noida in Uttar Pradesh.</p>

IT and ITeS – company profiles ... (3/3)

<p>Steria Limited</p> 	<p>Steria Limited is a Hertfordshire, UK-based company, which provides complete portfolio of ITeS. In October 2007, the company took over Xansa along with its India operations. Apart from registered office, it has two more offices at Noida, Uttar Pradesh.</p>
<p>RMSI</p> 	<p>RMSI is a CMMi level-5 company, which develops solutions to integrate geographic information with niche business applications for a wide range of industries. The company has one of its offices at Noida, Uttar Pradesh.</p>
<p>DELL Perot Systems</p> 	<p>DELL Perot System is a US\$ 2.6 billion (2007) company, which has a wide range of service offerings, including interrelated consulting, business process, application and infrastructure services. The representative office of the company for the entire Asia-Pacific region is at Noida in Uttar Pradesh.</p>

Contents

- ❖ Advantage Uttar Pradesh
- ❖ State economy and socio-economic profile
- ❖ Infrastructure status
- ❖ State policies and incentives
- ❖ Business opportunities
- ❖ **Doing business in Uttar Pradesh**

Key approvals required

Approvals and clearances required	Departments to be consulted
Prior to setting up the unit	
Registration	Industries Department
Allotment of land/shed	Industrial Development Authority
Permission for land use	District authorities
No objection certificate (NOC) under the Water and Air Act	Pollution Control Board
Approval for construction activity and building plan	Development authority
NOC	Fire department
Provisional trade tax registrations	Central and state excise departments
Registration under Central Sales Tax (CST) Act	
Before commencement of production	
NOC under the Water and Air Act	Pollution Control Board
NOC	Fire department
Permanent trade tax registration under UP Trade Tax Act, 1948	Central and state excise departments
Registration under CST Act	
After commencement of production/activity	
Registration	Industries Department

Cost of doing business in Uttar Pradesh

Cost parameter	Cost estimate
Industrial land (per sq m)	US\$ 2,000 to US\$ 2,575* US\$ 3 to US\$ 25^
Office space rent (per sq m per month)	US\$ 1 to US\$ 1.5
Power (per kWh)	Commercial: US 4.5 cents to US 9.8 cents Industrial: US 7.5 cents to US 9.8 cents
Labour (per day)	Unskilled: US\$ 2.17 to US\$ 2.81 Semi-skilled: US\$ 2.28 to US\$ 3.21 Skilled: US\$ 2.39 to US\$ 3.56

Sources: Industry sources, Central Electricity Authority, Labour Department, Uttar Pradesh

*Government land in key industrial areas of Noida and Greater Noida.

^Agricultural land

Udyog Bandhu – three-tier industrial development agency

“Udyog Bandhu” is an organisation of the Government of Uttar Pradesh, dedicated to facilitate investment in the industrial and service sectors.

It has emerged as the major interaction centre for entrepreneurs and has been organising high-level conferences on industry-related issues. Udyog Bandhu also participates in various national and international conferences, exhibitions and expositions.

It has a three-tier structure as follows:

- District-level Udyog Bandhu, which functions under the chairmanship of the District Magistrate.
- Divisional-level Udyog Bandhu, which functions under the chairmanship of the Divisional Commissioner.
- State-level Udyog Bandhu meetings are held under the Chairmanship of the Chief Minister.

Single-table clearance system

This is a web-based single table system for the entrepreneurs who want to invest and set up industries in the state. The main objective of the system is to facilitate the entrepreneurs to access, fill-up and print the required forms from the website and submit these along with enclosures and required fee, etc. in respective district industries centres/state Udyog Bandhu.

The following are the key highlights of the single table system:

- Timely issuance of sanctions, approvals, NOCs, registration, licences and certificates by the concerned departments. Single table system, available at website, could be examined and processed irrespective of the location of officials or the entrepreneur.
- Nodal officers issuing approval and NOC at the district-level as well as their superior officers, such as, Head of Department, Principal Secretary, Secretary, etc., are able to monitor the progress and analyse the status of concerned applications, online.
- The system provides single resource for registration, progress appraisal/review of the current status of the applications, etc.

Key nodal agencies in Uttar Pradesh

<p>Directorate of Industries</p>	<ul style="list-style-type: none"> • Executive arm of the Industries Department, engaged in implementation of government policies for all-round development of industries in the state. • Responsible for implementation of various state policies. • Registers various units (small scale industries, biotech units, IT parks, etc.) • Grants licences/permissions to various entities.
<p>UP State Industrial Development Corporation (UPSIDC)</p>	<ul style="list-style-type: none"> • Responsible for development of industrial areas. • Identifies and promotes infrastructure-related and industry-specific projects. • Executes civil construction works for government and public sector organisations on deposit basis. • Responsible for acquisition of land on demand for large projects. • Responsible for development of integrated infrastructure industrial townships.
<p>Department of Infrastructure and Industrial Development</p>	<ul style="list-style-type: none"> • Focusses on the development of industrial infrastructure in the state. • Responsible for promotion of various grants, assistance for industrial and infrastructure development in the state.

Contact list

UP State Industrial Development Corporation (UPSIDC)	UPSIDC Complex A-1/4, Lakhanpur Kanpur-208204 Phone: 91-512-2582851/52/53 Fax: 91-0512-2580797 E-mail: feedback@upsidc.com
Infrastructure & Industrial Development Department, Government of Uttar Pradesh	4 th Floor, Shri Lal Bahadur Shastri Bhavan Sarojini Naidu Marg Lucknow-226001 Phone: 91-522-2238283/2239530 Fax: 91-522-2238255 E-mail: fdc@up.nic.in
Directorate of Industries	G.T. Road, Kanpur Uttar Pradesh Phone: 91-512-2218401/2234956/2219166 Fax: 91-512-2297481 E-mail: dikanpur@up.nic.in

Annexure

Socio-economic classification (SEC) of urban and rural households: urban grid

Education/Occupation	Illiterate	School up to four years/ literate, but no formal schooling	School up to five to nine years	SSC/HSC	Certificate course, but not graduate	Graduate/post graduate general	Graduate/post graduate professional
Unskilled workers	E2	E2	E1	D	D	D	D
Skilled workers	E2	E1	D	C	C	B2	B2
Petty traders	E2	D	D	C	C	B2	B2
Shop owners	D	D	C	B2	B1	A2	A2
Entrepreneurs: employee none	D	C	B2	B1	A2	A2	A1
Entrepreneurs: employee < 10	C	B2	B2	B1	A2	A1	A1
Entrepreneurs: employee > 10	B1	B1	A2	A2	A1	A1	A1
Self-employed professionals	D	D	D	B2	B1	A2	A1
Clerical/salesman	D	D	D	C	B2	B1	B1
Supervisory level	D	D	C	C	B2	B1	A2
Officers/executives: junior	C	C	C	B2	B1	A2	A2
Officer/executive: middle/senior	B1	B1	B1	B1	A2	A1	A1

Source: Market Research Society of India

Annexure

Socio-economic classification (SEC) of urban and rural households: rural grid

Education	Type of house		
	<i>Pucca</i>	Semi - <i>pucca</i>	Kuccha
Illiterate	R4	R4	R4
Literate but no formal school	R3	R4	R4
Up to fourth standard	R3	R3	R4
Fifth to ninth standard	R3	R3	R4
SSC/HSC	R2	R3	R3
Some college but not graduate	R1	R2	R3
Graduate / post graduate (general)	R1	R2	R3
Graduate / post graduate (professional)	R1	R2	R3

Source: Market Research Society of India

Annexure

Exchange rate

Year	INR equivalent of one US\$
2000	46.6
2001	48.3
2002	48.0
2003	45.6
2004	43.7
2005	45.2
2006	45.0
2007	42.0
2008	40.2
2009	46.0

Average for the year

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