

Uttar Pradesh

NOVEMBER
2011

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Uttar Pradesh

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- ❖ Uttar Pradesh – An Introduction
- ❖ Infrastructure Status
- ❖ Business Opportunities
- ❖ Doing Business in Uttar Pradesh
- ❖ State Acts & Policies



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Uttar Pradesh Factfile

- Noida, Ghaziabad, Allahabad, Kanpur, Meerut and Saharanpur are some of the key cities in the state.
- The state has three major seasons, viz., hot weather (March-June), rainy season (July-September) and cold weather (October-February).



Source: Maps of India

- Uttar Pradesh shares its border with Nepal in the North and the Indian states of Uttarakhand and Himachal Pradesh in 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 most commonly spoken language of the state is Hindi. English and Urdu are the other languages used.

Parameters	Uttar Pradesh
Capital	Lucknow
Geographical area (sq km)	240,928
Administrative districts (No)	71
Population density (persons per sq km)*	828
Total population (million)*	199.5
Male population (million)*	104.6
Female population (million)*	94.9
Sex ratio (females per 1,000 males)*	908
Literacy rate (%)*	69.7

Sources: State Horticulture Mission Uttar Pradesh Website, www.shm.up.nic.in, *Provisional Data – Census 2011

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

Parameter	Uttar Pradesh	All-States	Source
Economy			
GSDP as a percentage of all states' GSDP	9.0	100	CMIE, as of 2009-10, current prices
Average GSDP growth rate (%)*	14.9	15.5	CMIE, 2004-05 to 2009-10, current prices
Per capita GSDP (US\$)	559.9	1,302.4	CMIE, as of 2009-10, current prices
Physical Infrastructure			
Installed power capacity (MW)	10457.63	173,626.4	Central Electricity Authority, as of March 2011
GSM cellular subscribers (No)	86,780,699 [^]	618,284,322	Cellular Operators Association of India, as of September 2011
Broadband subscribers (No)	568,936 [^]	10,737,850	Ministry of Communications & Information Technology, as of November 2010
National Highway length (km)	6,774	70,934	Ministry of Road Transport & Highways, Annual Report 2010-11
Airports (No)	6	133	Airport Authority of India

*Calculated in Indian Rupee Terms

[^]Includes Uttarakhand

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

Parameter	Uttar Pradesh	All-States	Source
Social Indicators			
Literacy rate (%)	69.7	74.0	Provisional Data – Census 2011
Birth rate (per 1,000 population)	28.7	22.5	SRS Bulletin, 2009
Investments			
FDI equity inflows (US\$ billion)	0.2*	132.9	Department of Industrial Policy & Promotion, April 2000 to April 2011
Outstanding investments (US\$ billion)	293.0	7449.3	CMIE (2009-10)
Industrial Infrastructure			
PPP projects (No)	22	808	www.pppindiadatabase.com
SEZ (No)	21	380	Notified as of October 2011, www.sezindia.nic.in

PPP: Public Private Partnership, SEZ: Special Economic Zone, SRS: Sample Registration System,
*Including Uttarakhand

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, 2004. Additionally, the state has well drafted sector-specific policies for IT, and biotech.

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.

Advantage Uttar Pradesh ... (2/2)

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

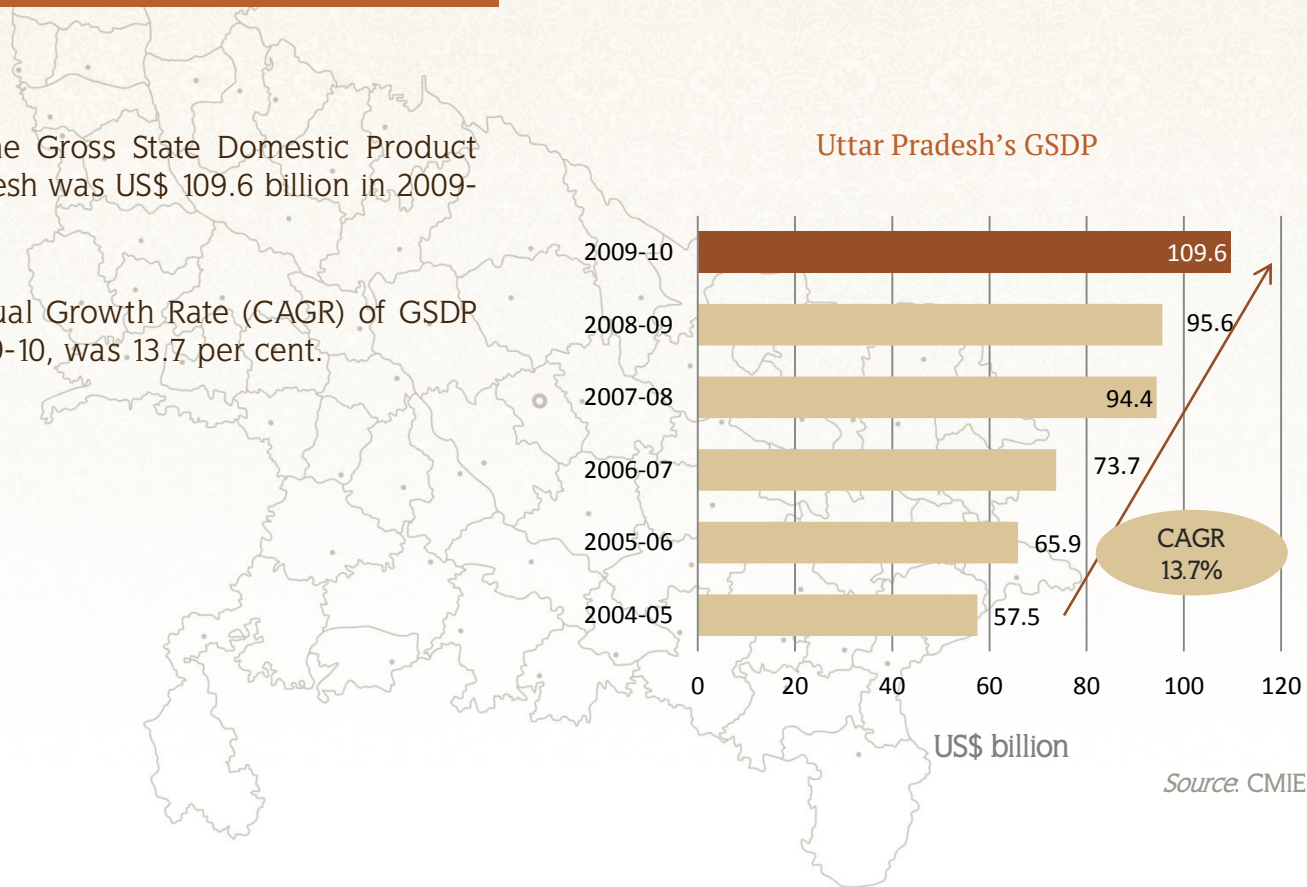
The state has witnessed high infrastructural growth in the past few years. There has been a considerable increase in the number of industrial clusters/hubs and public private partnerships in the infrastructural domain.

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.

Economic Snapshot – GSDP

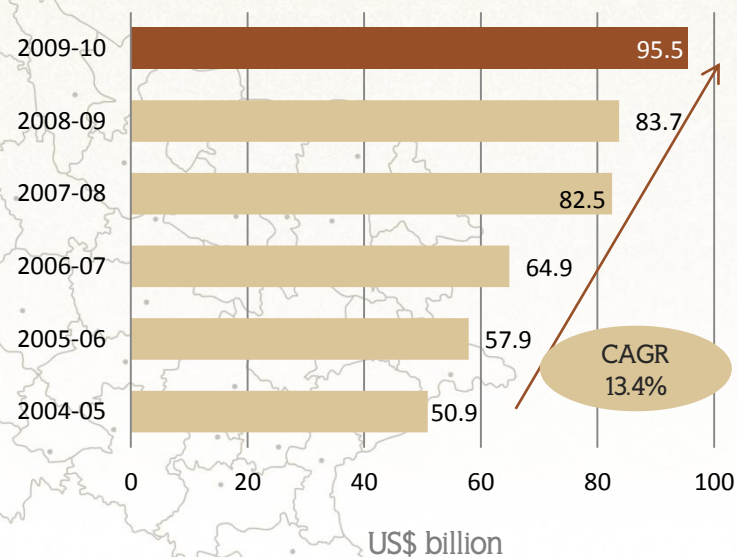
- At current prices, the Gross State Domestic Product (GSDP) of Uttar Pradesh was US\$ 109.6 billion in 2009-10.
- The Compound Annual Growth Rate (CAGR) of GSDP from 2004-05 to 2009-10, was 13.7 per cent.



Economic Snapshot – NSDP

- The Net State Domestic Product (NSDP) of Uttar Pradesh was US\$ 95.5 billion in 2009-10.
- The average annual NSDP growth rate was 13.4 per cent between 2004-05 and 2009-10.

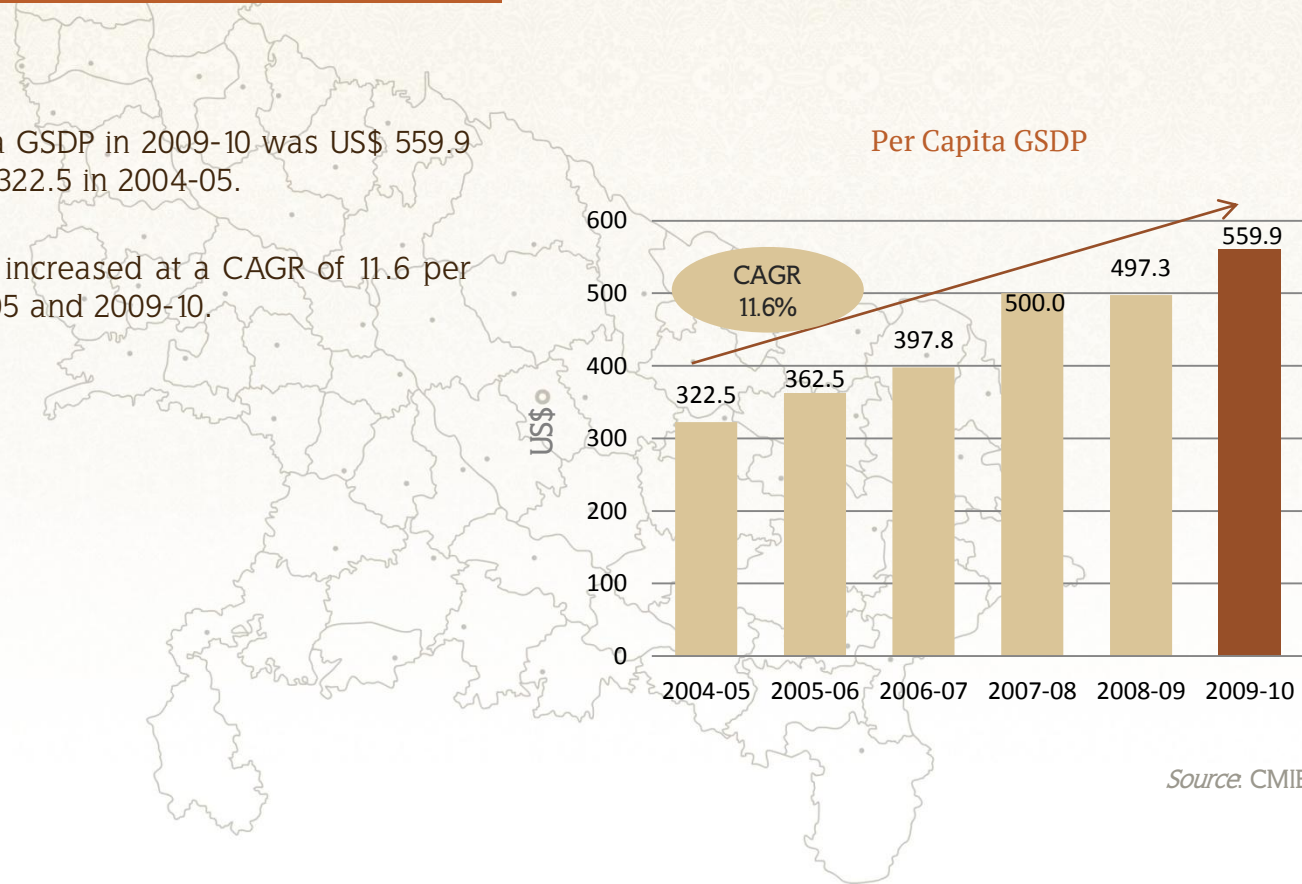
Uttar Pradesh's NSDP



Source: CMIE

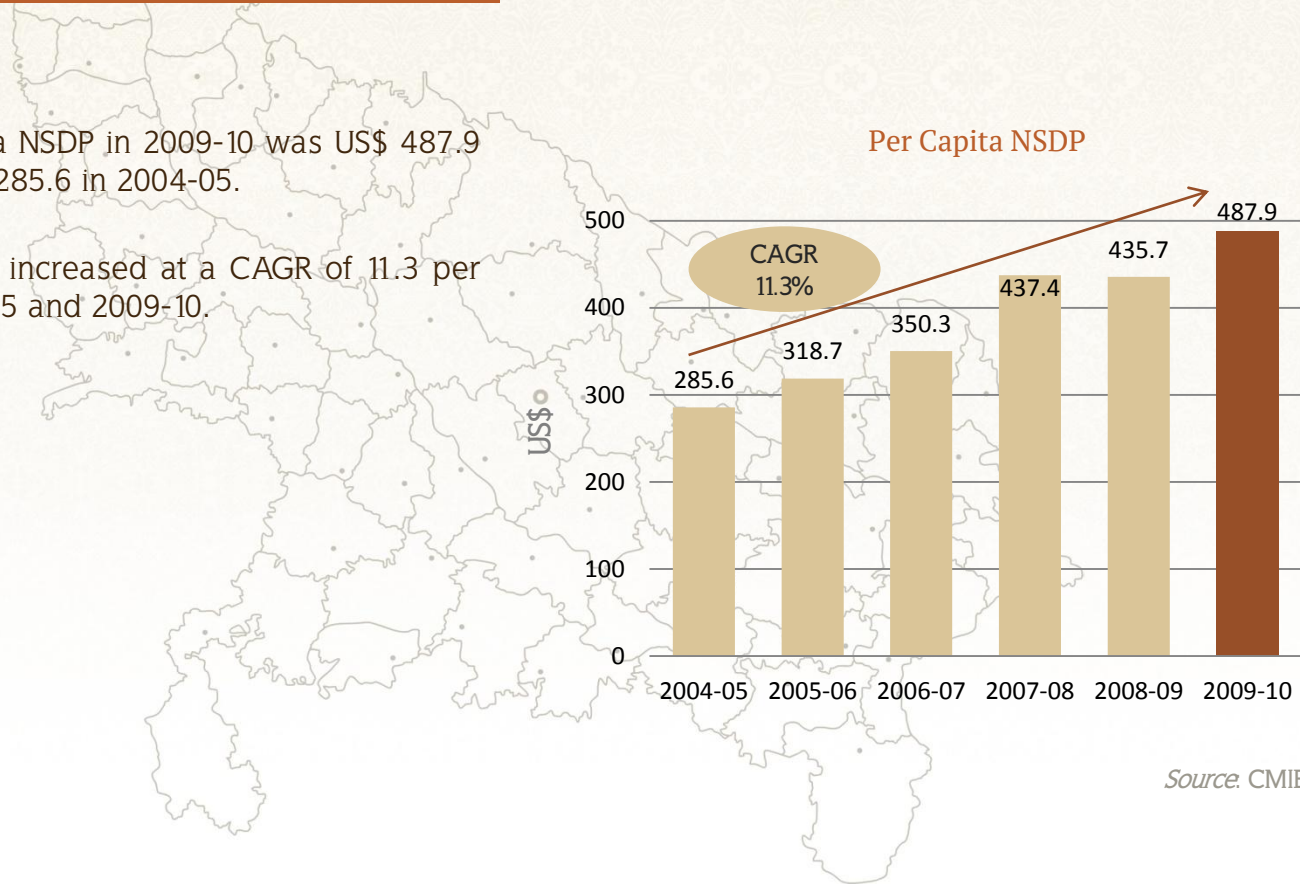
Economic Snapshot – Per Capita GSDP

- The state's per capita GSDP in 2009-10 was US\$ 559.9 as compared to US\$ 322.5 in 2004-05.
- Per capita GSDP has increased at a CAGR of 11.6 per cent between 2004-05 and 2009-10.



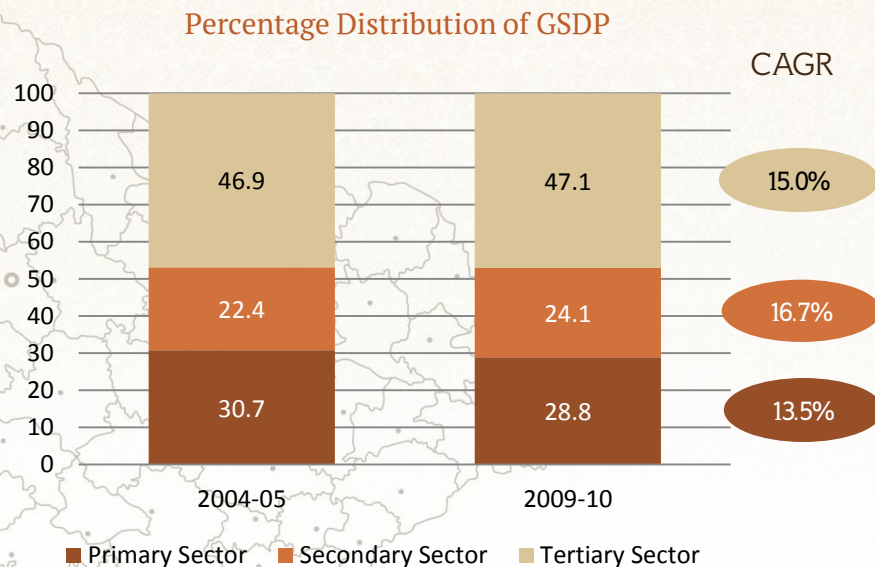
Economic Snapshot – Per Capita NSDP

- The state's per capita NSDP in 2009-10 was US\$ 487.9 as compared to US\$ 285.6 in 2004-05.
- The per capita NSDP increased at a CAGR of 11.3 per cent between 2004-05 and 2009-10.



Economic Snapshot – Percentage Distribution of GSDP

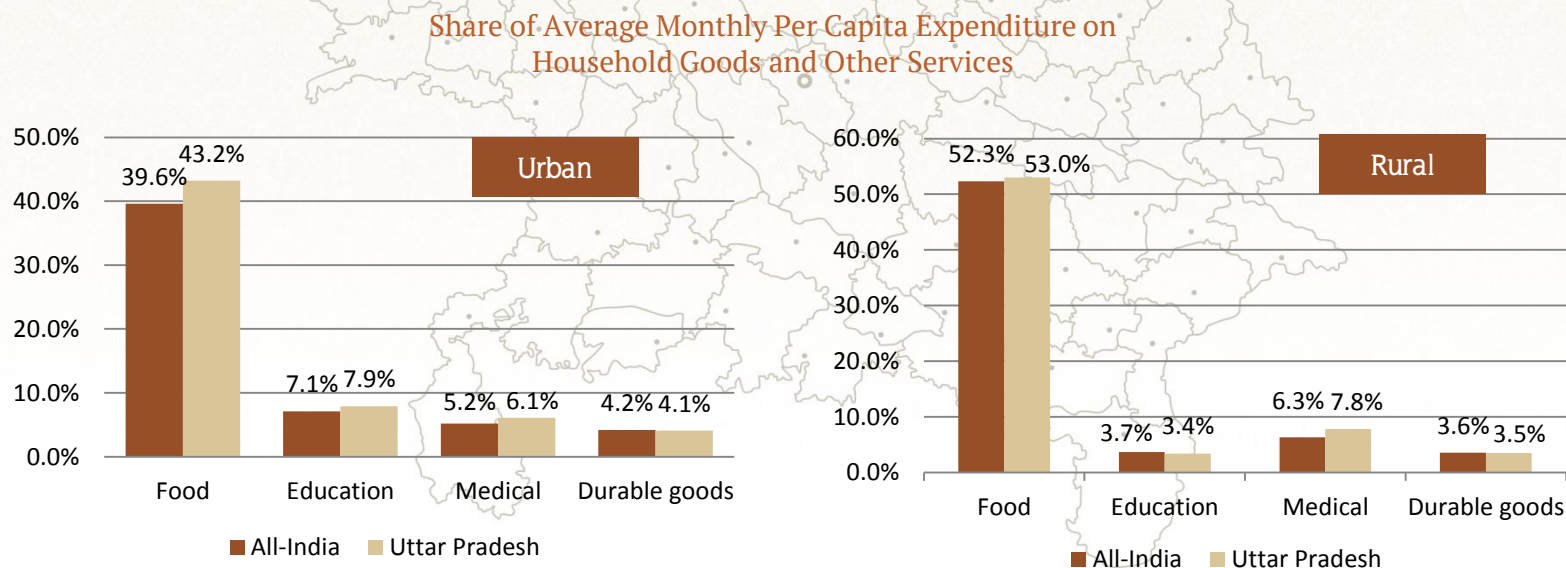
- In 2009-10, the tertiary sector contributed 47.1 per cent to the state's GSDP at current prices, followed by primary sector (28.8 per cent) and secondary sector (24.1 per cent).
- At a CAGR of 16.7 per cent, the secondary sector has been the fastest growing among the three sectors from 2004-05 to 2009-10. It was driven by manufacturing, construction and electricity, gas and water supply.
- The tertiary sector grew at a CAGR of 15 per cent between 2004-05 and 2009-10. The growth has been driven by trade, hotels, real estate, finance, insurance, transport, communications and other services.
- The primary sector grew at a CAGR of 13.5 per cent between 2004-05 and 2009-10.



Source: CMIE

Economic Snapshot – Consumer Expenditure on Household Goods and Services

- Uttar Pradesh is ahead as compared to all-India in share of per capita expenditure on food and medical.
- With regards to share of expenditure on education and durable goods, Uttar Pradesh is comparable to the all-India level.



Source: Household Consumer Expenditure in India, 2007-08 NSS 64th Round

Economic Snapshot – Agricultural Production

- 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 35.3 per cent to the country's total production in 2008-09.
- It is also the largest producer of food grains and sugarcane, with a share of 19.9 per cent and 38.2 per cent, respectively, in the country's total production in 2008-09.
- The major food grains produced in the state include rice, wheat, maize, *bajra* (millet), gram, pea and lentils.
- In 2009-10, mango production in state was around 3.5 million tonnes.

Crop	Annual Production in 2008-09 (million tonnes)
Sugarcane	109.0
Wheat	28.5
Potato*	13.4
Rice	13.1
Pulses	2.0
Bajra (millet)	1.3
Maize	1.2
Rape seed and Mustard	0.9
Total Food Grains	46.7

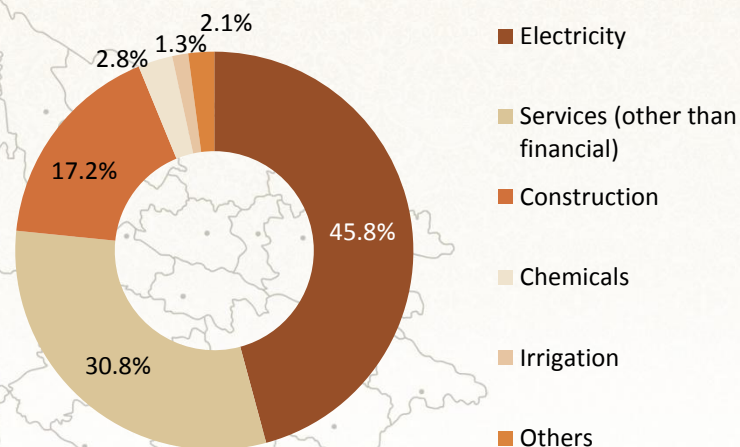
Sources: Department of Agriculture and Cooperation,
Government of India,
Indian Horticulture Database – 2010, National Horticulture Board
*As of 2009-10

Economic Snapshot – FDI Inflows & Investments

- According to the Department of Industrial Policy & Promotion, the cumulative FDI inflows from April 2000 to April 2011 amounted to US\$ 233 million*.
- In 2009-10, the outstanding investments in the state were US\$ 293 billion.
- Of the total outstanding investments, the electricity sector accounted for around 45.8 per cent followed by services (other than financial) sector at 30.8 per cent and construction sector at 17.2 per cent.

*Including Uttarakhand.

Break up of Outstanding Investments by Sector (2009-10)



Others include food & beverages, textiles, non-metallic mineral products, metal & metal products, machinery and mining.

Source: CMIE

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Physical Infrastructure – Roads

→ 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.



Source: Maps of India

- 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 9.5 per cent of the total National Highway (NH) network in India.

Road Type	Road Length (km)
National Highways	6,774
State Highways	9,097
District Roads	105,980

Sources: business.gov.in, Ministry of Road Transport & Highways, Annual Report 2010-11

Physical Infrastructure – Railways



- The railway network in Uttar Pradesh is the largest in the country.
- The state is well-connected to other parts of the country by a railway network spanning over 8,726 km.
- 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 17 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.
- Intra-state rail network is well-developed, connecting the towns and the district headquarters of Uttar Pradesh.

Source: Indian Railways

Physical Infrastructure – Airports



→ 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.

→ Lucknow Airport received 1.5 million passengers and Varanasi airport received 556,851 passengers during 2010-11.

→ New airports have been proposed at Gautam Buddha Nagar, Shrawasti and Kushinagar districts.

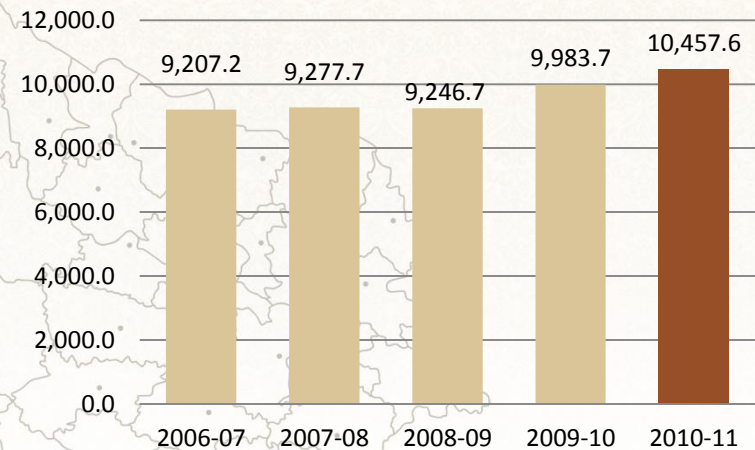
→ The Taj International Airport is the second international airport proposed to be built up in the Delhi-NCR region. The airport is proposed at Jewar village, Gautam Buddha Nagar district, in Uttar Pradesh.

NCR: National Capital Region

Physical Infrastructure – Power ... (1/2)

- As of March 2011, the state had an installed power capacity of 10,457.63 MW which consisted of 4,651.85 MW of central share, 4,619.40 MW of state share and 1,186.38 MW of private share.
- The installed power capacity in the state has increased from 9,207.2 MW in 2006-07 to 10,457.63 MW during 2010-11.
- 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.

Installed Power Capacity (MW)



Source: Central Electricity Authority

Physical Infrastructure – Power ... (2/2)

- Uttar Pradesh has planned an investment 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

Physical Infrastructure – Telecom

- The Uttar Pradesh circle has good telecom infrastructure with all the major players providing services in the state.
- According to Department of Telecommunications, Government of India, Uttar Pradesh had nearly 97.8 million wireless subscribers and 2.0 million wire-line subscribers with tele-density of 49.9 per cent as of December 2010.
- 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 3,229# telephone exchanges as of December 2010.

#Includes UP(East), UP(West)

Telecom Infrastructure (December 2010)

GSM Cellular Subscribers [^]	86,780,699#
Broadband Subscribers	568,936*
Wireless Connections	97,805,423#
Wire-line Connections	2,088,375#
Post Offices	17,662**
Telephone Exchanges	3,229#

Sources: Cellular Operators Association of India, Department of Telecommunications, Annual Report 2010-11
 * As of November 2010, Includes Uttarakhand,
 #Includes UP(East) and UP(West),
[^]As of September 2011,
 **As of March 2009

Some of the Major Telecom Operators in Uttar Pradesh

Bharat Sanchar Nigam Limited (BSNL)

Bharti Airtel

Idea Cellular

Vodafone Essar

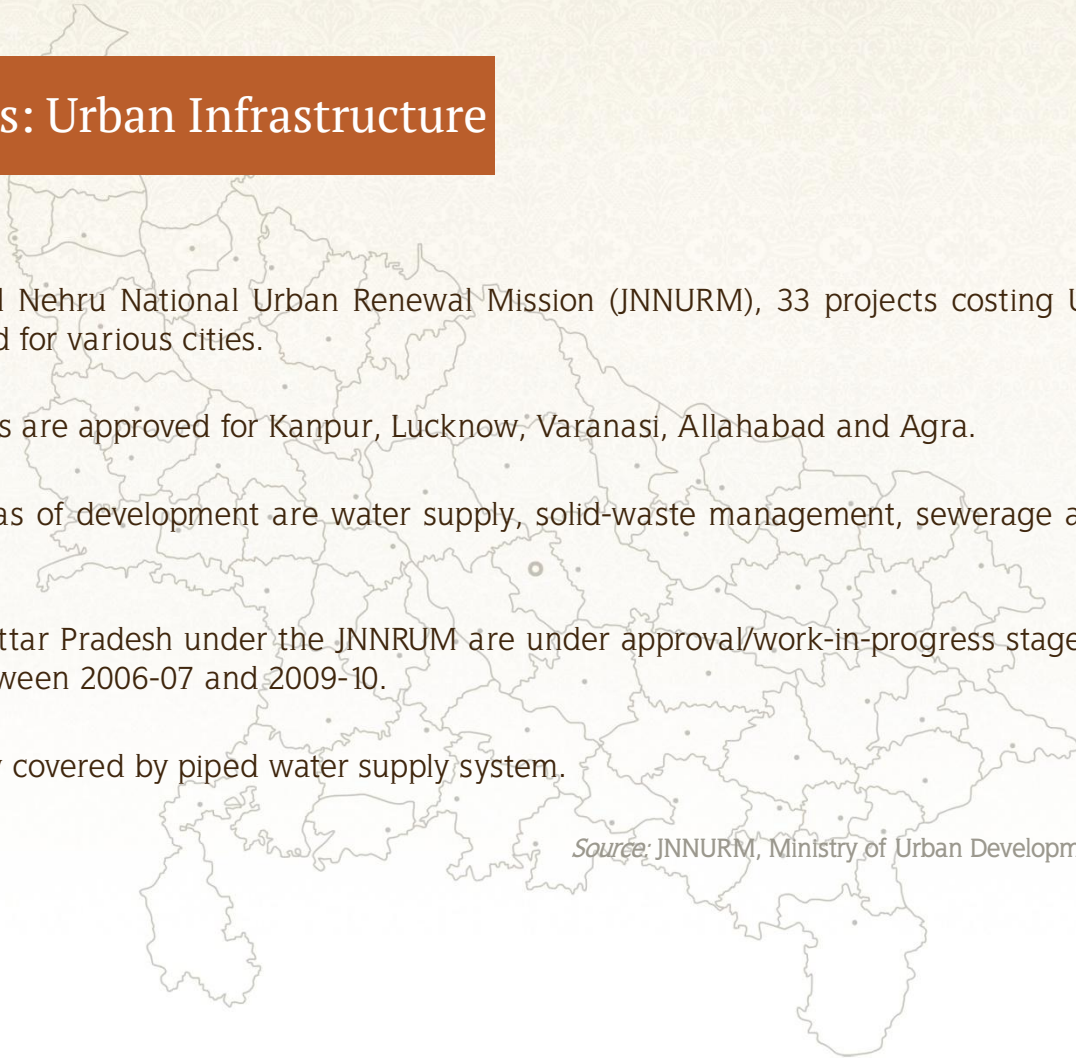
Aircel

Reliance Communications

Tata Teleservices

Source: Cellular Operators Association of India

Development Projects: Urban Infrastructure

- 
- Under the Jawaharlal Nehru National Urban Renewal Mission (JNNURM), 33 projects costing US\$ 1,222.3 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; the projects have been sanctioned between 2006-07 and 2009-10.
 - All the cities are fully covered by piped water supply system.

Source: JNNURM, Ministry of Urban Development, Government of India

Development Projects: Key Public Private Partnership Projects

Project Name	Sector	PPP Type	Project Cost (US\$ million)	Stage
Moradabad-Bareilly	Roads	BOT-Toll	267.2	Construction
Ghaziabad-Aligarh Road Project	Roads	BOT-Toll	240.7	Construction
Bareilly-Sitapur	Roads	BOT-Toll	220.7	Construction
Muzaffarnagar-Haridwar	Roads	BOT-Toll	159.1	Construction
Gorakhpur Bypass Project on NH-28	Roads	BOT-Annuity	141.1	Construction
Gwalior-Jhansi Road Project	Roads	BOT-Annuity	131.0	Construction
Bara to Orai	Roads	BOT-Annuity	101.2	Construction
Road Stretch (50 km) between Jhansi-Lalitpur on NH-25/26	Roads	BOT-Annuity	91.3	Construction
Merrut-Muzzaffarnagar Toll Project on NH-58	Roads	BOT-Toll	78.0	Construction
Lucknow-Sitapur Road	Roads	BOT-Toll	70.1	Construction
Jhansi-Lalitpur	Roads	BOT-Annuity	68.0	Construction
Agra to Bharatpur on NH-11	Roads	BOT-Toll	42.0	Construction

Source: pppindiadatabase.com
BOT: Build-Own-Transfer

Development Projects: SEZs ... (1/2)

Operational SEZs

Name/Developer	Area	Primary Industry
Noida Special Economic Zone	Noida	Multi-Product
HCL Technologies	Noida	IT/ITeS
Moser Baer SEZ	Greater Noida	Non-Conventional Energy
Wipro Limited	Greater Noida	IT/ITeS
Moradabad Special Economic Zone	Moradabad	Handicrafts
Seaview Developers Limited	Greater Noida	IT/ITeS

Source: sezindia.nic.in

Development Projects: SEZs ... (2/2)

Some of Notified SEZs

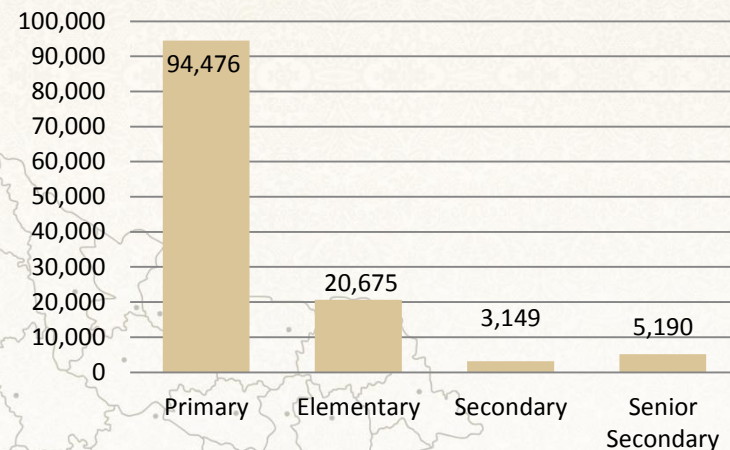
Name/Developer	Area	Primary Industry
Ansal IT City and Parks	Greater Noida	IT/ITeS
OSE Infrastructure Limited	Noida	IT/ITeS
NIIT Technologies	Greater Noida	IT/ITeS
Unitech Infracon Limited	Greater Noida	IT/ITeS
Aachvis Softech	Noida	IT/ITeS
Perfect IT SEZ	Noida	IT/ITeS
Unitech Hightech Projects Private 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

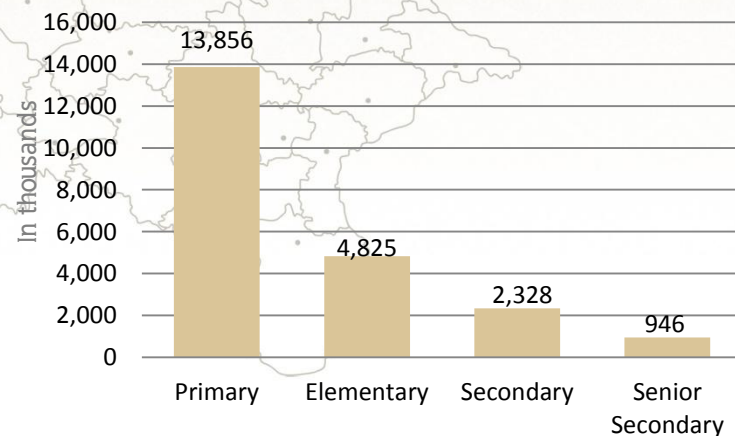
Social Infrastructure – Education ... (1/2)

- The state has 27 universities, five deemed universities, 34 medical colleges, 34 engineering colleges and 676 degree colleges.
- 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: State Institute of Educational Technology
Uttar Pradesh, www.diksha.nic.in

Social Infrastructure – Education ... (2/2)

→ Uttar Pradesh has a literacy rate of 69.7 per cent according to the provisional data of Census 2011; the male literacy rate is 79.2 per cent and the female literacy rate is 59.3 per cent.

→ Major educational institutes in Uttar Pradesh are:

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

Category	Literacy Rate (%)
Total	69.7
Male	79.2
Female	59.3

Source: Census 2011 (provisional data)

Social Infrastructure – Health

- The state has a three-tier public healthcare infrastructure, comprising Primary Health Centres (PHCs), Health Units, Community Health Centres (CHCs) and Sub-Centres.
- The state consist of 20,521 Sub centres, 3,692 PHCs, 515 CHCs, 191 District and Other Hospitals and 3 Super Specialty Hospital to provide a range of preventive and curative health services to the public.

Health Infrastructure as of March 2008	
Medical Colleges	16
District Hospitals	71
Primary Health Centres	3,692
Community Health Centres	515
Ayurvedic Hospitals	1,771
Unani Hospitals	210

Source: Ministry of Health and Family Welfare

- The per capita expenditure on health in the state is US\$ 6.36.

Health Indicators (2009)	
Parameter	Uttar Pradesh
Hospital Beds Per 100,000 Population	18 [^]
Birth Rate*	28.7
Death Rate*	8.2
Infant Mortality Rate**	63
Life Expectancy at Birth (year)	
Male (2002-06)	60.3
Female (2002-06)	59.5

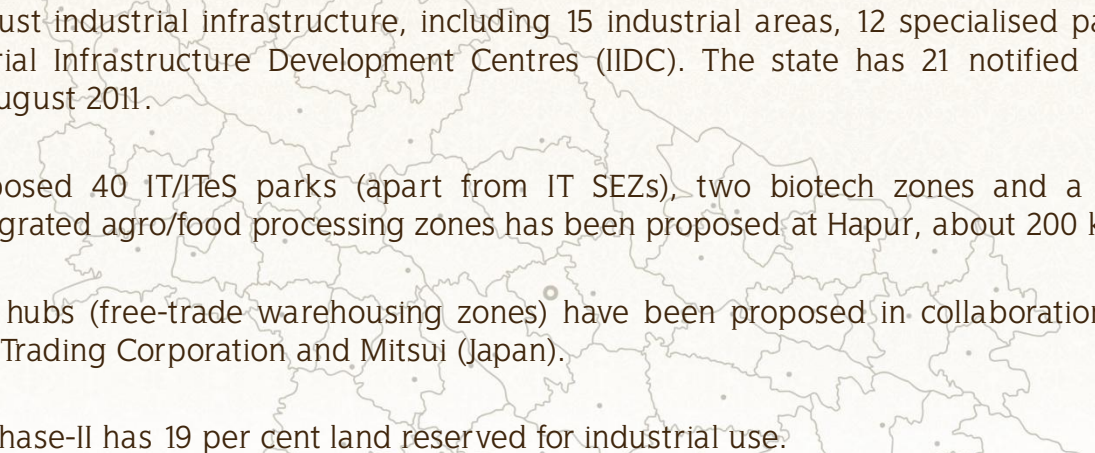
Sources: Press Information Bureau, Government Of India
Sample Registration System 2009
*Per thousand persons
**Per thousand live births
[^]As of 2008

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 Allahabd 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

Industrial Infrastructure ... (1/2)

- 
- The state has a robust industrial infrastructure, including 15 industrial areas, 12 specialised parks, four growth centres and Industrial Infrastructure Development Centres (IIDC). The state has 21 notified Special Economic Zones (SEZ), as of August 2011.
 - 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 Infrastructure ... (2/2)

Industrial Parks

Infrastructure (Type)	Location	Area (Acres)
Growth Centres	Bijoli, Jhansi	385
Growth Centres	Shajahanpur	311
Growth Centres	Dibiyapur	346
Growth Centres	Jainpur	357
Agro Parks	Barabanki	180
Agro Parks	Varanasi	261
Apparel Parks	Tronica City	145
Textile and Hosiery Parks	Kanpur	174
Leather Technology Parks	Banthal, Unnao	233
Export Promotion Industrial Parks	Greater Noida	200
Export Promotion Industrial Parks	Shastripuram, Agra	102
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

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Key Industries

- 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 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

Key Players



Key Industries – Manufacturing ... (1/2)

- 
- The driving factors of the 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 the industrial areas of Sahibabad and Noida, which enjoys the proximity to Delhi and excellent transportation network with the rest of the country.

Some of the Key Players

- Areva T&D India Ltd
- Atlas Cycles Ltd
- Bharat Heavy Electricals Ltd
- Eveready Industries India Ltd

Key Industries – Manufacturing ... (2/2)

Areva T&D India Ltd



- The company, a subsidiary of the French company, Areva, is a leading manufacturer of products and systems that transmit and distribute electricity.
- The company employs 4,200 people in India and is headquartered in Noida, with manufacturing facilities in Naini and Tamil Nadu. It had revenues of US\$ 882.1 million for the year ending December 2010.

Atlas Cycles Ltd



- 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\$ 142.8 million in 2009-10. The company has a manufacturing unit in Sahibabad, which also houses a modern paint application unit.

Bharat Heavy Electricals Ltd



- 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\$ 7.2 billion in 2009-10. BHEL manufactures power transformers and insulators at its plants in Uttar Pradesh, at Jagdishpur and Jhansi.

Eveready Industries India Ltd



- 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 forayed into the mosquito-repellent business. It had revenues of US\$ 219.9 million in 2010-11. The company has manufacturing units in Lucknow, Haridwar and Noida.

Key Industries – Consumer Goods ... (1/2)

- 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

- Dabur India Ltd
- ITC Ltd
- Godfrey Phillips India

Key Industries – Consumer Goods ... (2/2)

Dabur India Ltd



- 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\$ 716.3 million in 2010-11.
- The company has manufacturing facilities across the country, including one plant in Sahibabad, where it produces food and personal care products.

ITC Ltd



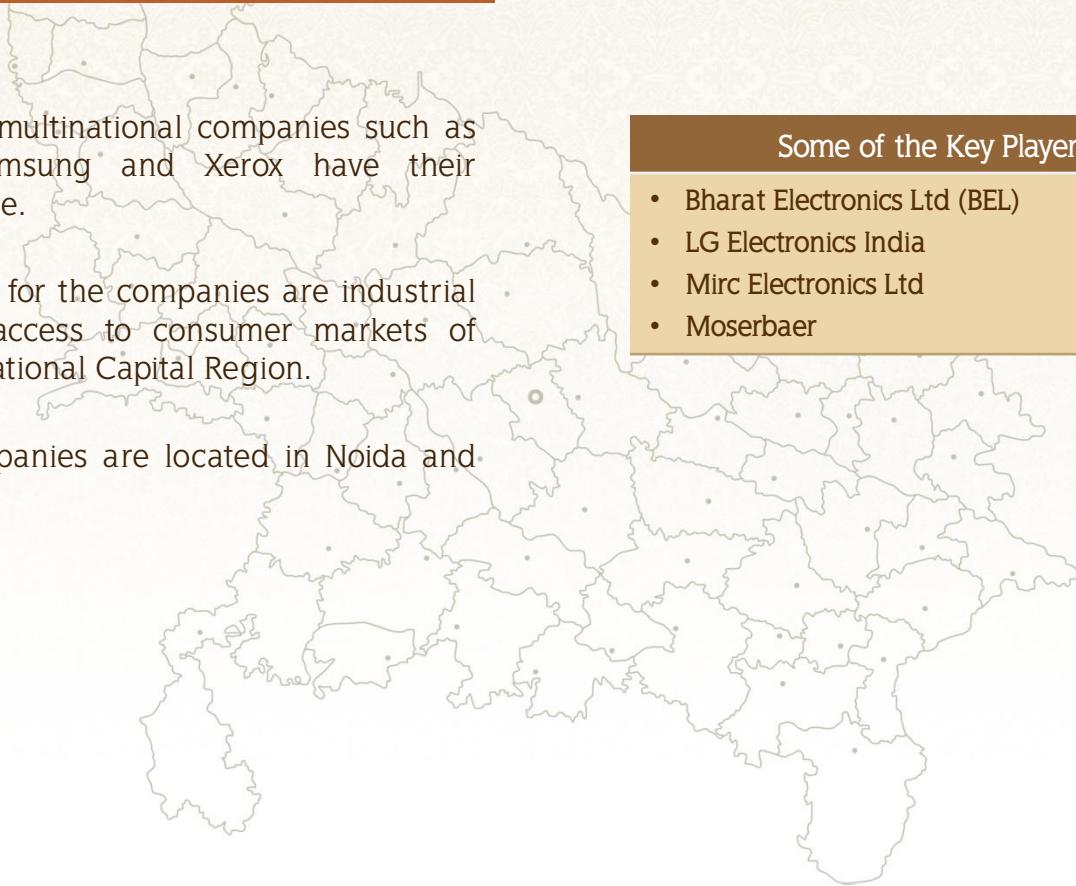
- ITC is one of India's foremost consumer goods companies, and is truly diversified with a product assortment ranging from cigarettes, apparel, personal-care products, and food products. The company is also one of the leading hoteliers in the country and is involved in agri-business. It had revenues of over US\$ 6.7 billion in 2010-11.
- ITC has a manufacturing unit in Saharanpur, where it produces cigarettes and smoking tobacco.

Godfrey Phillips India



- 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\$ 563.7 million in 2009-10.
- The company has manufacturing facilities in Ghaziabad.

Key Industries – Electronics ... (1/2)

- 
- 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.

Some of the Key Players

- Bharat Electronics Ltd (BEL)
- LG Electronics India
- Mirc Electronics Ltd
- Moserbaer

Key Industries – Electronics ... (2/2)

Bharat Electronics Ltd (BEL)



- Bharat Electronics Limited, a multi-product, multi-unit, multi-technology company was incorporated in 1954. BEL had revenues of about US\$ 1.2 billion in 2010-11. 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.

LG Electronics India



- LG is one of the leading consumer electronics companies. The company has a turnover of US\$ 2.8 billion in 2009. 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.

Mirc Electronics Ltd



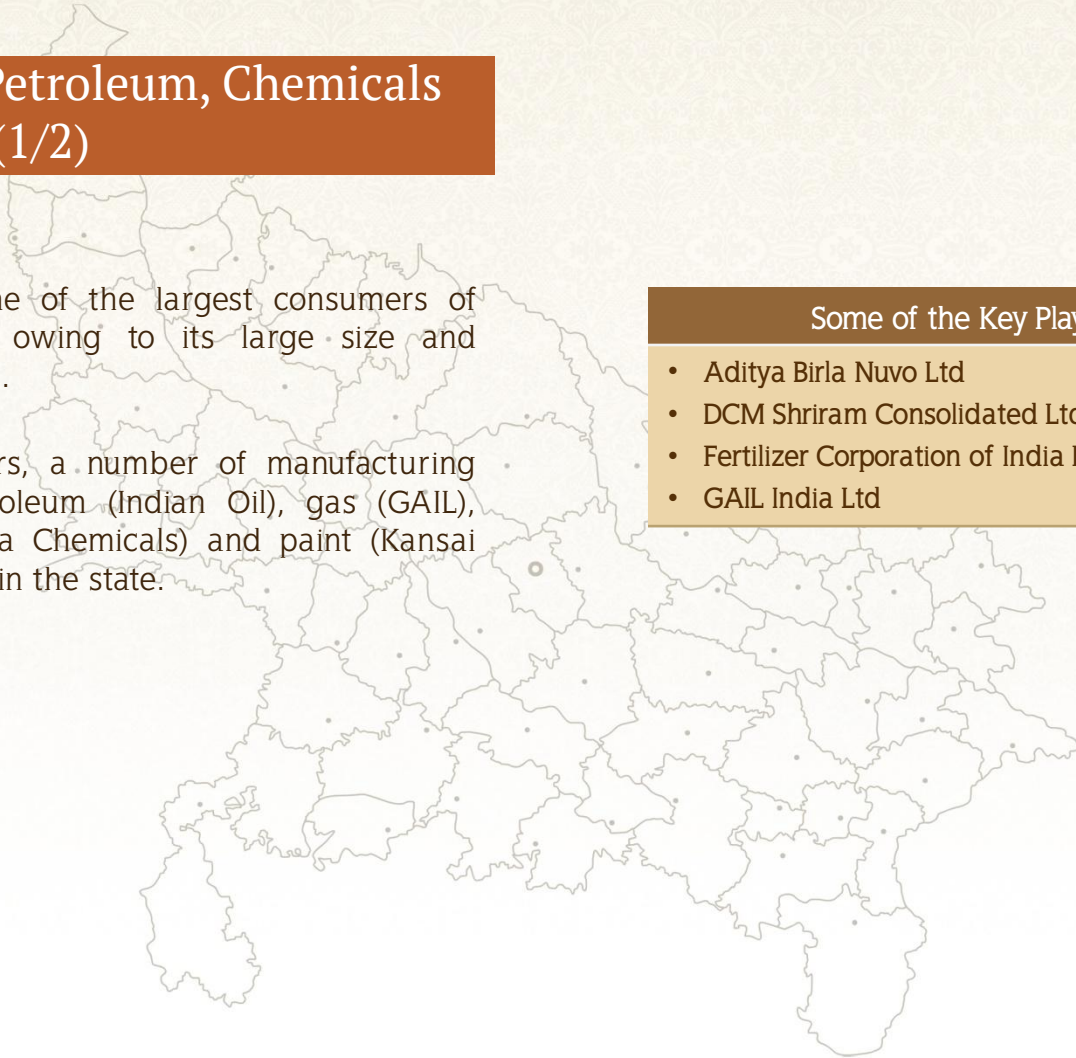
- Onida is a prominent electronics brand, owned by the company Mirc Electronics. The company manufactures televisions, home theatre systems, air conditioners, washing machines, microwave ovens and mobile phones. The company had revenues of US\$ 438 million in 2010-11. Mirc has a manufacturing unit in Noida, which produces televisions, washing machines and air conditioners.

Moserbaer



- 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 6,000 people. It had revenues of US\$ 421.5 million in 2009-10. The company has four plants, one of which is located in Noida.

Key Industries – Petroleum, Chemicals and Fertilisers ... (1/2)

- 
- Uttar Pradesh is one of the largest consumers of fertilisers in India, owing to its large size and agricultural activities.
 - 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.

Some of the Key Players

- Aditya Birla Nuvo Ltd
- DCM Shriram Consolidated Ltd
- Fertilizer Corporation of India Ltd
- GAIL India Ltd

Key Industries – Petroleum, Chemicals and Fertilisers ... (2/2)

Aditya Birla Nuvo Ltd



- Aditya Birla Nuvo Ltd 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\$ 500 million in 2009-10. 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.

DCM Shriram Consolidated Ltd



- DCM Shriram Consolidated is focused in agribusiness, chemicals, and textiles. The company had revenues of US\$ 927 million in 2010-11. 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 Hariawan and Loni plants manufacture sugar.

Fertilizer Corp of India Ltd (FCIL)



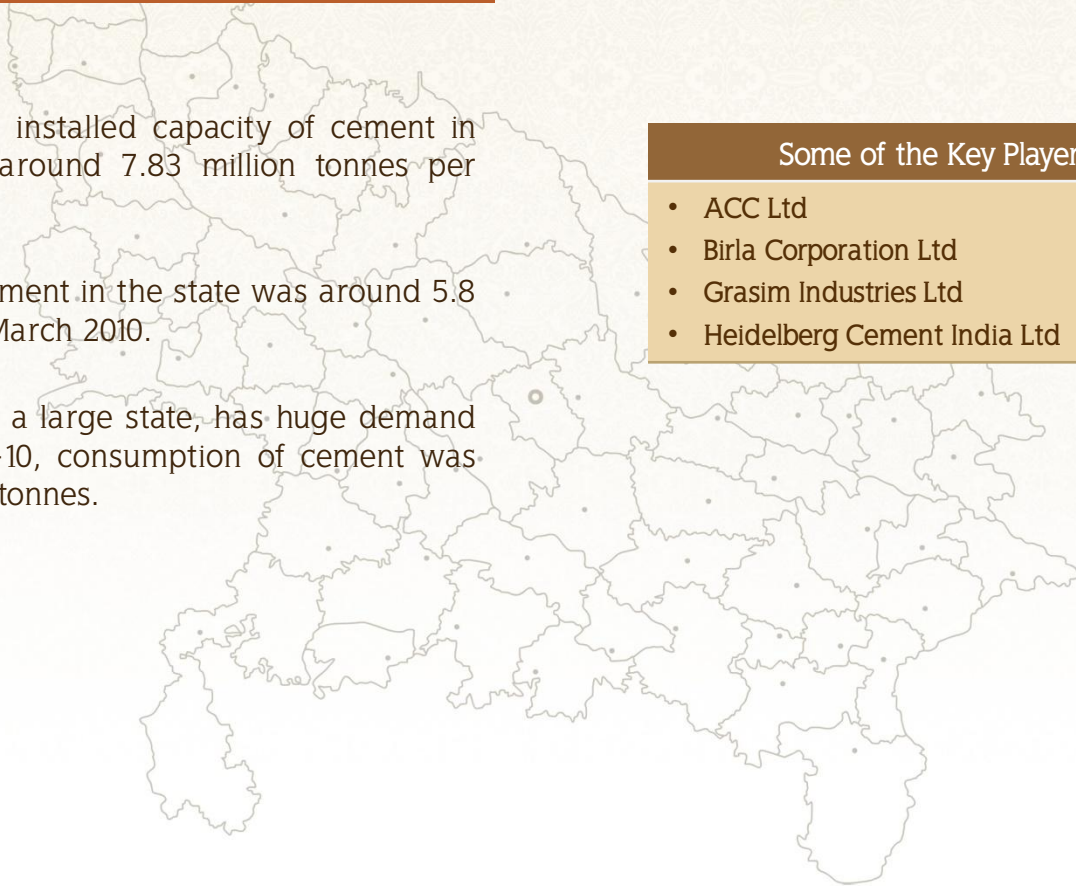
- FCIL is a Public Sector Undertaking (PSU), which was established in 1978. It produces ammonia, urea, ammonium nitrate, nitric acid and gypsum.
- The company has four plants in India, one of which is located in Gorakhpur. The Gorakhpur plant manufactures argon and urea.

GAIL India Ltd



- GAIL, a Public Sector Undertaking (PSU), is India's flagship natural gas company and was established in 1984. It had a turnover of US\$ 5.3 billion in 2009-10. The company has two plants in Uttar Pradesh, one in Auraiya and the other in Gandhar, where liquefied petroleum gas is produced.

Key Industries – Cement ... (1/2)

- 
- In 2009-10, the total installed capacity of cement in Uttar Pradesh was around 7.83 million tonnes per annum.
 - The production of cement in the state was around 5.8 million tonnes as of March 2010.
 - Uttar Pradesh, being a large state, has huge demand for cement. In 2009-10, consumption of cement was around 16.85 million tonnes.

Some of the Key Players

- ACC Ltd
- Birla Corporation Ltd
- Grasim Industries Ltd
- Heidelberg Cement India Ltd

Key Industries – Cement ... (2/2)

ACC Ltd



- ACC Limited is one of the largest cement manufacturers in India with 16 cement plants, more than 40 ready-mix concrete plants, 21 sales offices and over 9,000 dealers.
- The plant of ACC is located at Tikaria in Uttar Pradesh.

Birla Corporation Ltd



- 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 over 6 million tonnes. The company has a cement plant in Raebareli.

Grasim Industries Ltd



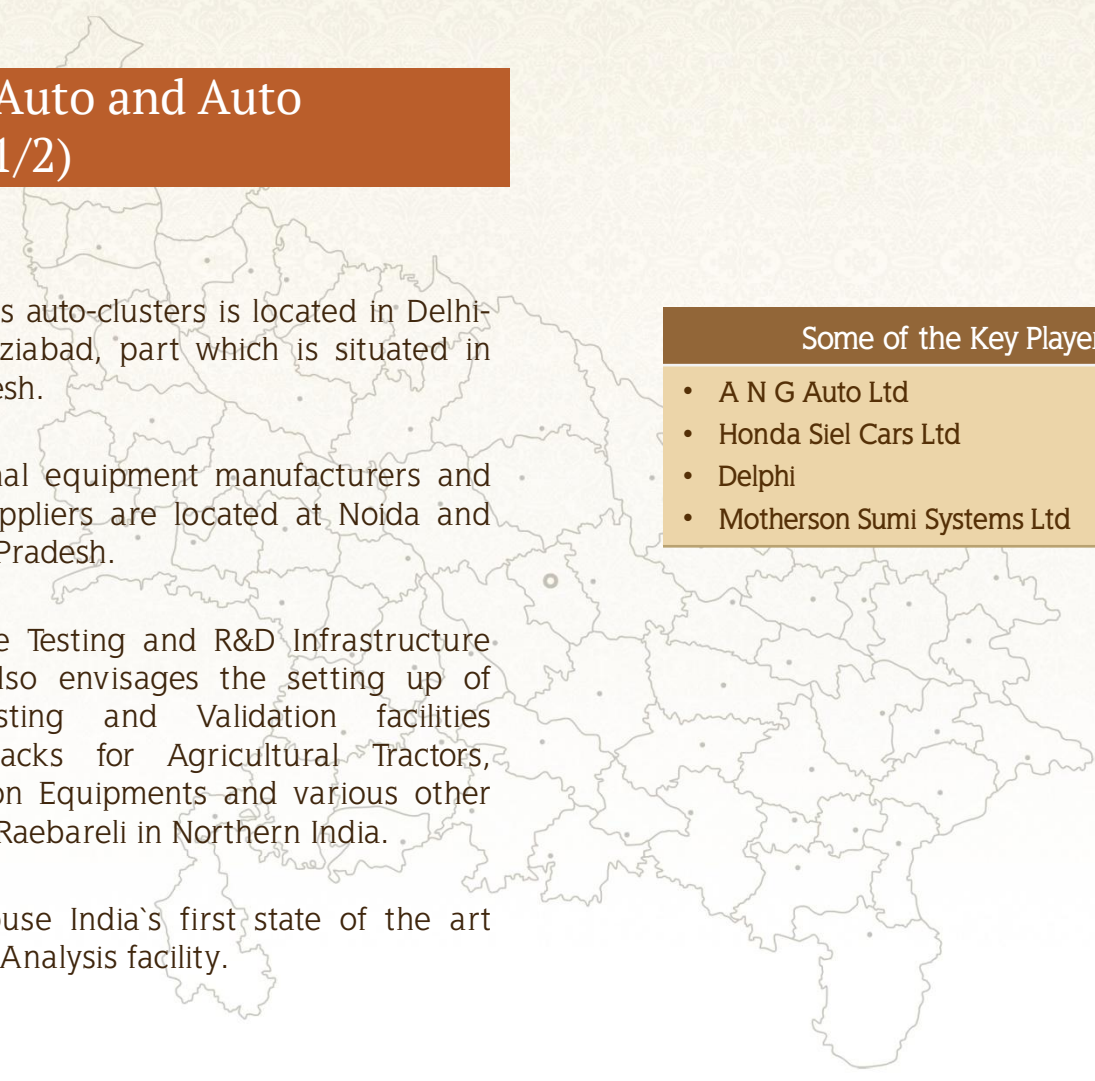
- Cement division of Grasim Industries has 11 composite plants, 11 split grinding units, five bulk terminals, and 74 ready-mix concrete plants across the country. Grasim is also the largest producer of white cement in India with installed capacity of 560,000 tonnes per annum. The company has a cement grinding unit in Dadri with 1.3 million tonnes capacity.

Heidelberg Cement India Ltd

HEIDELBERGCEMENT

- Heidelberg Cement India Limited is a subsidiary of Heidelberg Cement Group, which is one of the largest cement manufacturers in the world. The company is planning to commission new facilities in Damoh and Jhansi plants in the first quarter of 2012.

Key Industries – Auto and Auto Components ... (1/2)

- 
- One of the country's auto-clusters is located in Delhi-Gurgaon-Noida-Ghaziabad, part which is situated in Western Uttar Pradesh.
 - A number of original equipment manufacturers and auto component suppliers are located at Noida and Ghaziabad in Uttar Pradesh.
 - National Automotive Testing and R&D Infrastructure Project (NATRIP) also envisages the setting up of comprehensive Testing and Validation facilities including Field Tracks for Agricultural Tractors, Trailers, Construction Equipments and various other off-road vehicles at Raebareli in Northern India.
 - This centre will house India's first state of the art Road Accident Data Analysis facility.

Some of the Key Players

- A N G Auto Ltd
- Honda Siel Cars Ltd
- Delphi
- Motherson Sumi Systems Ltd

Key Industries – Auto and Auto Components ... (2/2)

A N G Auto Ltd



- ANG Auto Ltd 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.

Honda Siel Cars India Ltd



- Honda Siel Cars India Ltd has its state-of-the-art manufacturing plant at Greater Noida in Uttar Pradesh, which was set up in 1997. 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.

Delphi



- 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 at Greater Noida where it produces shock absorbers, struts and HVAC (Heating, Ventilating, and Air Conditioning) systems.

Motherson Sumi Systems Ltd



- Motherson Sumi Systems Ltd is the largest producer of wiring harnesses in India and serves automotive, material handling, earth moving and farm equipment manufacturers.
- One of the manufacturing unit of the company is located at Noida.

Key Industries – Sugar ... (1/2)

- Uttar Pradesh is one of the largest producers of sugarcane in India.
- In 2008-09, 2.08 million hectare of area in the state was under sugarcane cultivation and total production was around 109 million tonnes.
- In 2009-10, the total crushing capacity of 132 sugar mills in the state was 767,000 tonnes per day and the production of sugar was 5.1 million tonnes.
- As per Annual Plan 2010-11, the state plans to produce 123.9 million tonnes of sugarcane, to produce 0.76 million tonnes of sugar.
- Bajaj Hindusthan Limited, one of the largest sugar producers in the country has its plants in Uttar Pradesh.

Some of the Key Players

- Bajaj Hindusthan Ltd
- Balrampur Chini Mills Ltd
- Dhampur Sugar Mills Ltd
- Oudh Sugar Mills Ltd

Key Industries – Sugar ... (2/2)

Bajaj Hindusthan Ltd



- Bajaj Hindusthan Ltd, a Bajaj Group company is one of the largest sugar and ethanol manufacturers in India. The company has over 10 plants 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.

Balrampur Chini Mills Ltd



- Balrampur Chini Mills Ltd (BCML) was incorporated in 1975. BCML is one of the largest integrated sugar manufacturing companies in India with a crushing capacity of 76,500 tonnes per day.
- The company has nine sugar mills located in Eastern Uttar Pradesh.

Dhampur Sugar Mills Ltd



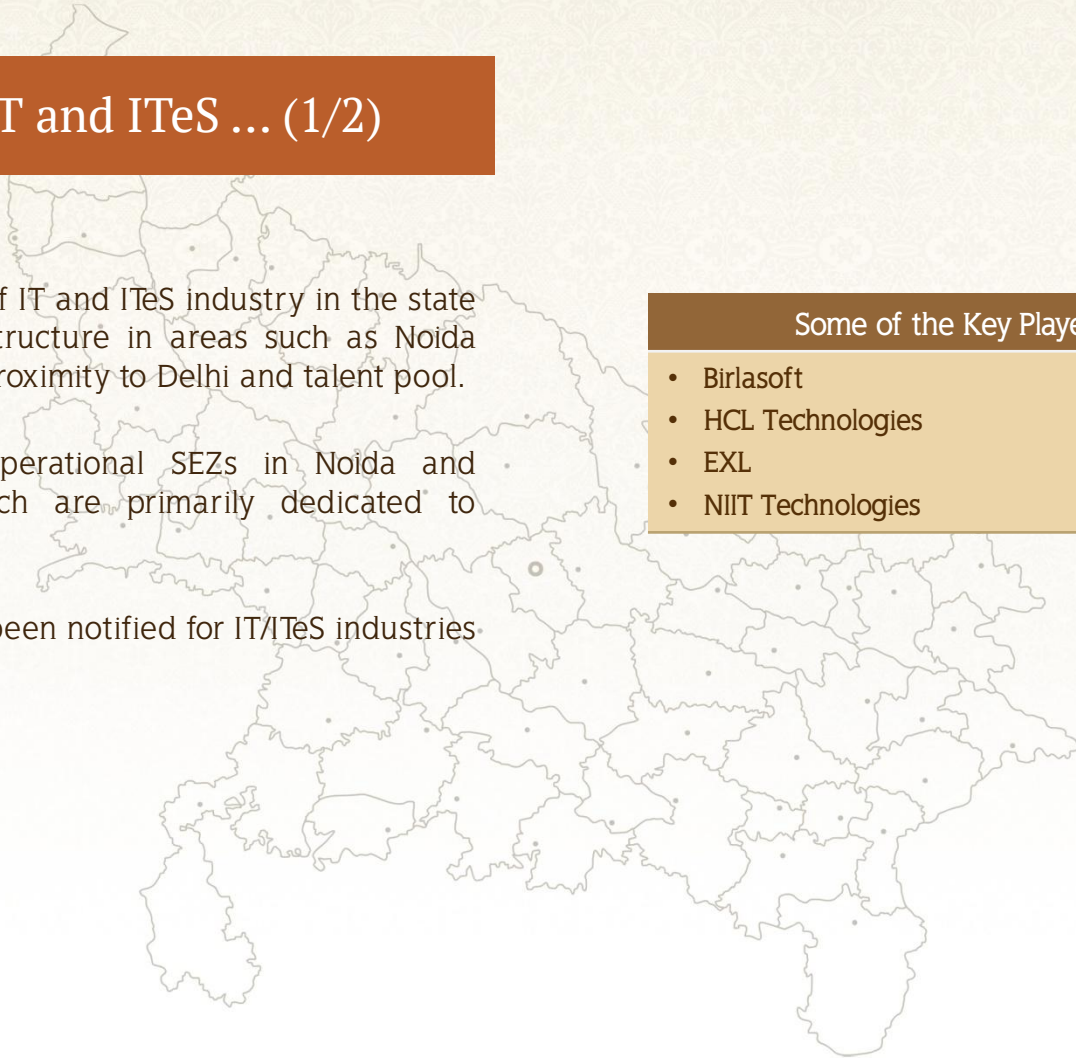
- Dhampur Sugar Mills Ltd has four sugar mills in Uttar Pradesh, at Dhampur, Asmoli, Mansupur and Rajpura. Besides, the company produces 145 MW of co-generation power and 200 kilo litre of ethanol per day.

Oudh Sugar Mills Ltd



- Oudh Sugar Mills Ltd (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.

Key Industries – IT and ITeS ... (1/2)

- 
- 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 and talent pool.
 - There are three operational SEZs in Noida and Greater Noida, which are primarily dedicated to IT/ITeS industries.
 - Eighteen SEZs have been notified for IT/ITeS industries in the state.

Some of the Key Players

- Birlasoft
- HCL Technologies
- EXL
- NIIT Technologies

Key Industries – IT and ITeS ... (2/2)

Birlasoft



- Birlasoft was promoted by 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 the US, India, Europe, Australia and Singapore. Its corporate office and two other offices are located at Noida.

HCL Technologies



- HCL Technologies is one of the pioneers in the Indian IT space. It reported revenues of US\$ 3.3 billion in March 2011. The company delivers IT solutions across applications and infrastructure. The company has network of offices in 26 countries and serves a wide range of industries. Ten offices of the company and the global headquarter are located at Noida in Uttar Pradesh.

EXL



- EXL, incorporated in the US in 1999, is a leading provider of transformation and outsourcing services to global 1,000 companies, across industries. It operates 20 state-of-the-art delivery centres and three sales offices across the globe. Corporate office of the company is located at Noida in Uttar Pradesh.

NIIT Technologies



- 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.

Uttar Pradesh

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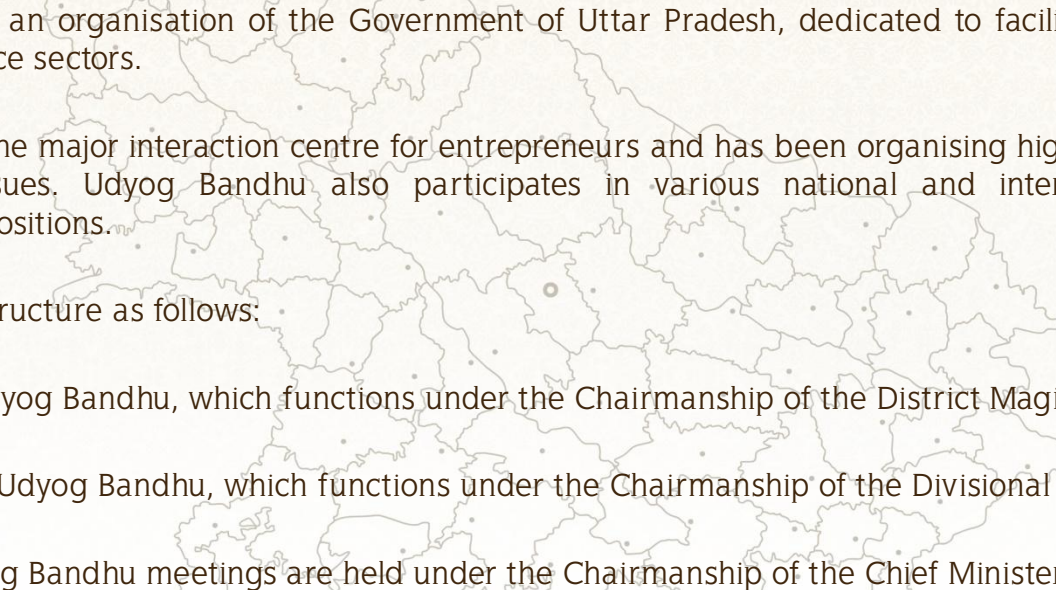
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Udyog Bandhu – Three-Tier Industrial Development Agency

- 
- “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 status of the applications, etc.

Key Investment Promotion Offices

Agency	Description
Directorate of Industries	<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.
UP State Industrial Development Corporation (UPSIDC)	<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.
Department of Infrastructure and Industrial Development	<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

Agency	Contact Information
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
Department of Infrastructure & Industrial Development, Government of Uttar Pradesh	4th Floor, Shri Lal Bahadur Shastri Bhavan Sarojini Naidu Marg Lucknow-226001 Phone: 91-522-2238283/2239530 Fax:91-522-2238255 E-mail: idc@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

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	Uttar Pradesh Pollution Control Board
Approval for Construction Activity and Building Plan	Uttar Pradesh Urban Development Authority
NOC	Fire Department, Uttar Pradesh
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	Uttar Pradesh Pollution Control Board
NOC	Fire Department, Uttar Pradesh
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 Cost (per kwh)	Commercial: US 4.5 cents to US 9.8 cents Industrial: US 7.5 cents to US 9.8 cents
Labour Cost (minimum wages per day)	Unskilled: US\$ 2.19 to US\$ 3.51 Semi-skilled: US\$ 2.76 to US\$ 3.92 Skilled: US\$ 2.85 to US\$ 4.05

Sources: Industry Sources, Central Electricity Authority, Ministry of Labour and Employment, Government of India

*Government Land in Key Industrial Areas of Noida and Greater Noida.

^Agricultural Land

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State Acts & Policies ... (1/2)

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.

[Read more](#)

UP SEZ (Revised) Policy-2007 (Part-A)

Objective

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

[Read more](#)

Biotech Policy 2004

Objective

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

[Read more](#)

State Acts & Policies ... (2/2)

Information Technology Policy 2004

Objective

- 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.

[Read more](#)

Industrial and Service Sector Investment Policy 2004

Objective

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

[Read more](#)

Annexure

Exchange Rates

Year	INR equivalent of one US\$
2004-05	44.95
2005-06	44.28
2006-07	45.28
2007-08	40.24
2008-09	45.91
2009-10	47.41
2010-11	45.57

Average for the year

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