







INFORMATION TECHNOLOGY DEVELOPMENT AGENCY GOVERNMENT OF UTTARAKHAND

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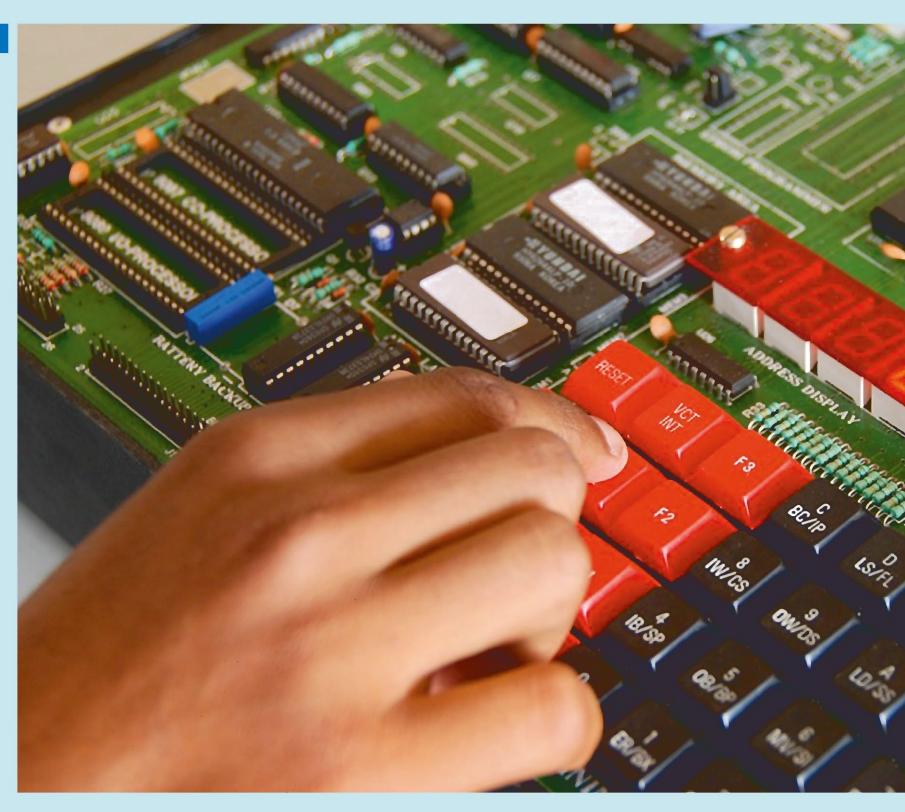


In Uttarakhand, we have been successful in creating an investor friendly environment. The State has immense potential and favourable conditions to attract investments in various sectors mainly Tourism & Wellness, Organic Farming, Food Processing, Horticulture, Electricity, Solar Energy, Automobile, Pharmaceutical & Sericulture sectors. Uttarakhand is also welcoming new ideas and innovations by creating appropriate ecosystem for nurturing Start-Ups. The state has done a commendable job in creating a symbiotic atmosphere of confidence and enterprise.

Uttarakhand beckons all investors to come, invest and excel.

Trivendra Singh Rawat Chief Minister, Uttarakhand





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Uttarakhand Overview (1/4)

- The State of Uttarakhand was formed on 9th November 2000 as the 27th State of India, when it was carved out of northern Uttar Pradesh
- The State is close to the National Capital Region (NCR) and has excellent connectivity with its neighbouring states
- With levels of literacy rate (78.80%) higher than the national average and the presence of institutes of international repute, the State has abundant availability of quality human resources
- GSDP of the state stood at INR 2,17,609 Million with a growth rate of 11.23% (FY 2017-18)
- The state offers a wide range of benefits in terms of interest incentives, financial assistance, subsidies and concessions
- The secondary sector in the state contributes around 50% to the Gross State Domestic Product (GSDP: 2017-18), much higher than the national average







POLICIES & INCENTIVES (2/6)

Central Government Incentives Electronics Manufacturing Cluster Scheme, MeitY



General Characteristics	Population ('000) 10086	Area (Sq. Km) 53,483	Water bodies Ganga, Yamuna, Bhagirathi and others
Economic Indicators	GSDP (Million INR) 2,17,609 (FY 2017-18)	GSDP Growth Rate11.23% (FY 2017-18)	Per Capita Income (INR) 1,77,356 (FY 2017-18)
Technical Institutes	Higher Education Institutes* 159	Industrial Training Institutes (ITI) 179	Population ('000) 10086







AIRPORTS
2 (Domestic)



INR 4.99* /kWh (2017-18)



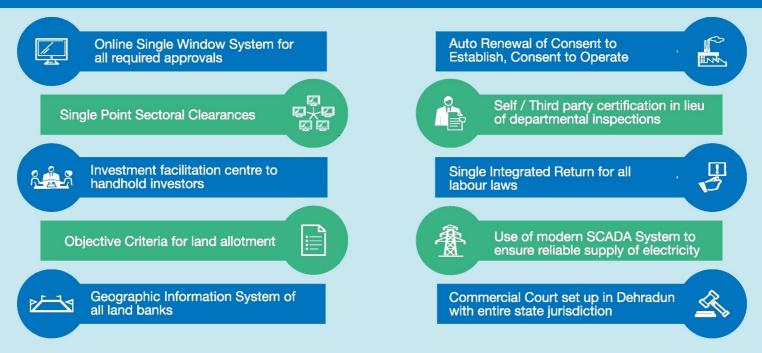
Uttarakhand Overview (3/4)

CONNECTIVITY - uttarakhand

Under the 'Ease of Doing Business' initiative, the State has implemented a web based Single Window Clearance System - www.investuttarakhand.com, allowing investors to avail the necessary State Government approvals to establish and start their business operations through a single platform without any physical touch point with the approving / licensing authority.



Hassle free setup and operations in the state





UTTARAKHAND OVERVIEW (3/4)

Ease of doing business

- The Government of Uttarakhand has laid huge emphasis on business facilitation by creating an enabling environment for industries to set up and start their operations in the State
- The State government houses a dedicated 'Investment Promotion & Facilitation Centre (IPFC)' which acts as a centralized onestop-shop for the investors / businesses and provides complete handholding support in a structured, focused and comprehensive manner. IFC will focus on investment promotion, facilitation, direct engagement and consultation with investors / Stakeholders and ensures investment realization and sustainable industrialization in the state
- 'Uttarakhand Right to Service Act, 2011' & 'The Uttarakhand Enterprises Single Window Facilitation and Clearance Act, 2012'
 were enacted to provide necessary time bound licenses, permissions and approvals for the setting up of commercial
 establishments in the state. The State has ensured robust legal resolution mechanisms to ensure time bound delivery of
 government services with more than 100 investor related services already notified under both the acts separately and is in the
 process of adding more such services of multiple sectors shortly

Credited by Industry Associations

Story of
'Make in Uttarakhand' which
started in 2003 is a classic
example of what
manufacturing can deliver
to a region's economy in
terms of both economic
growth and employment
generation

-CII Report `Making
Uttarakhand Competitive,
June 2016'

CII

NCAER Assessment based on "Perception of good business climate" ranks Uttarakhand as the Least Corrupt state in India

NCAER N-SIPI Index Survey;
Five states – Uttarakhand,
Gujarat, Assam, Andhra
Pradesh and Himachal
Pradesh – had more than 90%
respondents say they faced no
problem in getting land

NCAER

as the top state in the country in terms of growth in the industry and service sectors in the last ten years.

Uttarakhand has also figured as the second best performing state in terms of project implementation, improving investment scenario in the state

ASSOCHAM

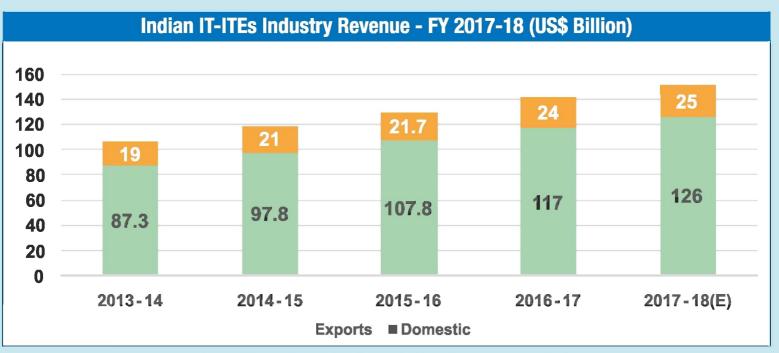




INFORMATION TECHNOLOGY - INDIA (1/3)

Indian Information & Technology Industry

- India is the world's largest sourcing destination for the global information technology ("IT") industry with significant share of 55%
- During 2017-18, the global IT-ITeS market grew to US\$ 1.3 trillion (excluding hardware) and global sourcing market increased by 1.4 times to reach US\$ 185-190 billion
- The Indian IT-ITeS industry revenue is estimated at USD 151.0 billion in FY2017-18 as compared to USD 141.0 billion in FY2016-17, registering a growth of around 7.0%
- In the last decade, the industry has grown fivefold in terms of revenue, and relative share to India's GDP in the FY 2017-18 has increased to more than 7.9 percent
- Indian global sourcing market growth continues to outperform IT-BPM industry growth. The overall industrial growth of this sector over the last five years is shown below:



Source: Ministry of Electronics & Information Technology, Government of India

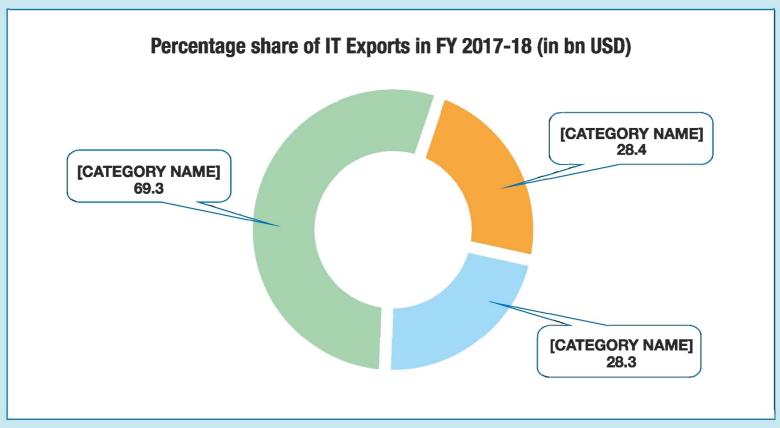
- India's cost competitiveness in providing IT services, is approximately 3-4 times cheaper than the US, continues to be the mainstay of its Unique Selling Proposition in the global sourcing market
- Emerging technologies now offer an entire new gamut of opportunities for top IT firms in India as India emerges as the hub for "Digital Skills"
- With more than 462 mn internet subscribers, second highest after China, India is transforming into a digital economy



INFORMATION TECHNOLOGY - INDIA (2/3)

Indian Information & Technology Industry

- India is often referred to as the 'Global Talent Powerhouse' with the sector being the largest employer within the private sector. IT
 industry continues to be a net hirer, adding 105,000 people in FY 2018. The industry strength today stands at 3.97 million
- As the world's third largest tech-start-up hub, India boasts of over 8,625 start-ups as on FY 2017-18
- Additionally, India has over 600 offshore development centres of over 78 countries. Global industry giants from France, Germany, USA and Japan presently operate in the country
- Information Technology sector is the largest exporter in India with USD 126 bn exports and close to USD 25 bn in domestic share in FY2017-18. Exports of USD 126 bn is further segmented as:



Source: Invest India, Department of Industrial Policy and Promotion

- Indian IT's core competencies and strengths have attracted significant investments from major countries
- The sector ranks 3rd in India's total FDI share. The computer software and hardware sector in India attracted cumulative Foreign Direct Investment (FDI) inflows of US\$ 29.825 billion from April 2000 to December 2017

- Fact Sheet of IT & BPM Industry, MEITY, Government of India
- https://www.investindia.gov.in/sector/it-and-bpm, Invest India, DIPP





INFORMATION TECHNOLOGY - INDIA (3/3)

Indian Information & Technology Industry

FDI regulations:

- Government of India has allowed FDI up to 100% under automatic route in data processing, software development and computer
 consultancy services; software supply services; business and management consultancy services, market research services,
 technical testing and analysis services.
- 100% FDI is permitted in B2B E-commerce, however no FDI is permitted in B2C e-commerce. As per these new guidelines on FDI in e-commerce, 100% FDI under automatic route is permitted in marketplace model of e-commerce, while FDI is not permitted in inventory based model of e-commerce





COMPETITIVE ADVANTAGE - INFORMATION TECHNOLOGY (1/3)

Competitive Advantage

- The Government of Uttarakhand is making various efforts in order to project Uttarakhand as a finest place for IT and ITeS companies to set up their business
- The IT sector has been accorded industry status by the state government
- With the establishment of the Software Technology Parks of India (STPI) earth station at Dehradun, Uttarakhand now offers ultra high – speed connectivity
- To promote IT sector in the state, the State Infrastructure & Industrial Development Corporation of Uttarakhand Limited (SIIDCUL) has developed a state-of-the-art Software Technology Park on more than 60 acres at Dehradun, the State Capital with Hi-tech Buildings. The IT Park in Dehradun offers following facilities to the units established:
 - Developed plots of varying sizes
 - Academic zone for educational and research organizations to STPI Incubation center to promote local entrepreneurs
 - ▶ Large tracts of land have been devoted to green areas and open spaces
 - Conference hall & Training Centres
 - Guest house
 - Forex Service and Banks & ATM's
 - Multi- Cuisine Food Court
 - ▶ Health Club with Gym & Medical Centre
 - Serviced apartments
 - Library and information bureau
 - Indoor and Outdoor sport facilities like squash, tennis, badminton courts, billiards etc





COMPETITIVE ADVANTAGE - INFORMATION TECHNOLOGY (2/3)

Major players have set up their units in Uttarakhand due to congenial business environment here. Some of these factors include:

- The Industrial electricity tariff in Uttarakhand is one of the lowest across the States in India with ample availability of land, providing enabling environment for doing business in the State
- The State is known for its law & order. Uttarakhand is proud of having a history of industrial harmony, with one of the lowest mandays lost due to industrial strife in India
- Uttarakhand houses educational institutes of repute which address the issue of skilled manpower availability in the state
- Apart from that, the state has also created Uttarakhand Skill Development Mission which provides skill development training to students across sectors including Information Technology
- Uttarakhand is under the process of developing its IT base houses reputed IT firms like HCL Infosystems, Wipro Infotech, HP.
 These players have introduced state-of-the-art operating practices and have developed an ecosystem in the statec route is permitted in marketplace model of e-commerce, while FDI is not permitted in inventory based model of e-commerce

Uttarakhand IT Export Units and Manpower Statistics (FY 2017-18)

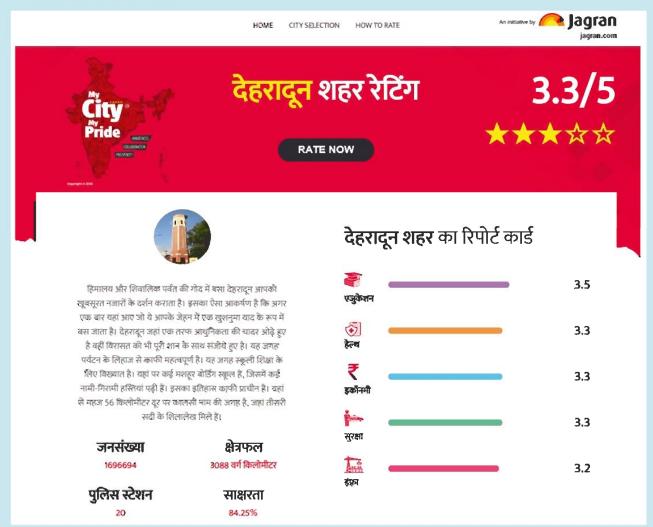
Sr. No	Particular	Quantum
1	Total Export Units	10 Units
2	Total Exports	126.68 Cr
3	Total Manpower of Export oriented units	1977 Males 548 Females
4	Top Exporters	 MPS Ltd. Evon Technologies Ramtech Software Solutions Pvt Ltd. RMSI Pvt Ltd. Global Content Transformation Pvt Ltd. Smart Data Enterprises Ltd.



COMPETITIVE ADVANTAGE - INFORMATION TECHNOLOGY (3/3)

Competitive Advantage

- Major players have set up their units in Uttarakhand due to congenial business environment here. Some of these factors include:
- Dehradun is rated 3.31 out of 5 under the Safety Parameter as per the "My City, My Pride" livability survey report 2018
- 'My City, My Pride' is a survey undertaken by Dainik Jagaran which measures cities on 5 key pillars Healthcare, Infrastructure,
 Education, Safety and Economy
- The survey is conducted to measure development of cities and to quantify the liveability of emerging cities in an interactive way
 through public participation, which will help raise citizen awareness and generate ideas of change through collaboration leading to
 an actionable plan for development of cities





KEY PLAYERS - INFORMATION TECHNOLOGY

Key Players

















Wipro Infotech

- It is a division of Wipro Limited
- It provides enterprise customers with high-value IT products, software services, solutions and consulting services in India and the Middle East
- It has a unit at Kotdwar in Uttarakhand. The unit is spread over 5.8 acres of land with a built-up area of 75,000 sq ft.
- It has fully-automated production lines designed on lean manufacturing practices and houses product engineering and R&D labs for continuous innovation in products and processes



Hewlett-Packard



- HP is a multinational Information Technology Company which deals in developing hardware components as well as software and related services to Small and Medium Industries and large enterprises
- HP has one of its manufacturing unit in Rudrapur, Udham Singh Nagar district. This unit deals in manufacturing personal computers, laptops & servers



KEY PLAYERS - INFORMATION TECHNOLOGY

HCL Infosystems

- Among the largest vertically integrated IT manufacturing companies of India
- It is the largest hardware, system integration, networking solutions and distribution company in India
- It has its manufacturing facility at Rudrapur in the SIDCUL industrial Estate, which has an overall capacity of 2 million personal computers per annum



Investible Projects







- Development of Electronics Manufacturing Cluster (EMC)
- 2 Setting up of Startup Incubation Centre (T-Hub) in IT Park with facilities such as Animation, Visual effects, Gaming and Comics (AVGC) and IoT Labs
- 3 Establishment of Rural Business Process Outsourcing (BPO) Units



REGULATORY MECHANISM (1/2)

S No.	Name of Service	Authority/ Agency/ Office/ Department	Type of Requirement
1	Land allotment in departmental Industrial estates	Directorate of Industries	Setting up of Business
2	Application for Land / Plot Allotment	SIIDCUL	Setting up of Business
3	Application for new connection LT / HT line - non domestic / Industrial	Uttarakhand Power Corporation Limited	Setting up of Business
4	Application for Water Connection	State Infrastructure and Industrial Development Corporation of Uttarakhand Limited	Setting up of Business
5	Application for Water Connection	Uttarakhand Jal Sansthan	Setting up of Business
6	Application for building plan approval	State Industrial Development Authority	Setting up of Business
7	Application for Completion cum Occupancy Certificate	State Industrial Development Authority	Setting up of Business
8	Consent to Establish under Water (Prevention and Control of Pollution) Act, 1974	Uttarakhand Environment Protection and Pollution Control Board	Setting up of Business
9	Consent to Establish under Air (Prevention and Control of Pollution) Act, 1981	Uttarakhand Environment Protection and Pollution Control Board	Setting up of Business



REGULATORY MECHANISM (2/2)

S No.	Name of Service	Authority/ Agency/ Office/ Department	Type of Requirement
10	Consolidated Consent & Authorization under Water Act, 1974, Alr Act, 1981 & Authorization under The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016	Uttarakhand Environment Protection and Pollution Control Board	Starting Operations
11	Application for Pre-Establishment Fire NOC (National Building Code, 2005)	Uttarakhand Fire and Emergency Services	Setting up of Business
12	Application for Pre-Operational Fire NOC (National Building Code, 2005)	Uttarakhand Fire and Emergency Services	Starting Operations
13	Registration under Uttarakhand Dookan Aur Vanijya Adhisthan Adhiniyam, 1962	Department of Labour	Starting Operations
14	Registration under GST (Uttarakhand Goods and Services Tax Rules, 2017)	Department of Commercial Tax	Starting Operations







POLICIES & INCENTIVES (1/6)

Central Government Incentives Modified Special Incentive Package Scheme (M-SIPS), MeitY

Objective

• To transform India into a global hub for Electronic System Design and Manufacturing (ESDM) and to expand the manufacturing base of electronic products in India

Eligibility

- Companies engaged in electronic manufacturing, including telecom, electronics, automotive electronics, consumer electronics
- players, looking to:
 - Investment in ESDM units being set up within notified areas (EMC)
 - Expansion of existing ESDM units set up within notified areas (EMC)

Fiscal Incentives

- Capex Subsidy 25% In non-SEZ/20% in SEZ
- Reimbursement of CVD/excise on capital equipment for non-SEZ units
- Reimbursement of central taxes and duties for 10 years in select high-tech units such as fabs, semiconductor logic and memory chips, LCD fabrication
- Subsidy/Incentive will be released after the end of the financial year in which the investment exceeds the minimum prescribed threshold
- Incentives available for 10 years from the date of approval of the project by MEITY
- State government incentives provided in addition to the mentioned incentives







POLICIES & INCENTIVES (2/6)

Central Government Incentives Electronics Manufacturing Cluster Scheme, MeitY

Objective

 To transform India into a global hub for Electronic System Design and Manufacturing (ESDM) and to expand the manufacturing base of electronic products in India

Eligibility

- Developers looking to set up/upgrade cluster/ area in any part of the country
 - Greenfield EMC for setting up EMCs in the notified areas
 - Brownfield EMC for upgrading existing EMCs in the notified areas

Fiscal Incentives

- Financial assistance to SPV in the form of grant-in-aid and not as equity
- Greenfield EMC grant-in-aid of 50% of project cost subject to INR50 crore
- Brownfield EMC Grant-in-aid of 75% of project cost subject to INR50 crore
- Disbursement mechanism:
- First instalment: 20% of grant-in-aid released in advance of the post final approval
- Second instalment: 30% of grant-in-aid after the utilization of 80% of the first instalment
- Third instalment: 30% of grant-in-aid the after utilization of 80% of the second instalment
- Final instalment: 20% of grant-in-aid after successful completion of the project



POLICIES & INCENTIVES (3/6)

Central Government Incentives Electronics Manufacturing Cluster Scheme, MeitY

Objective

• To transform India into a global hub for Electronic System Design and Manufacturing (ESDM) and to expand the manufacturing base of electronic products in India

Eligibility

- Developers looking to set up/upgrade cluster/ area in any part of the country
 - Greenfield EMC for setting up EMCs in the notified areas
 - Brownfield EMC for upgrading existing EMCs in the notified areas

Fiscal Incentives

- Financial assistance to SPV in the form of grant-in-aid and not as equity
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- Third instalment: 30% of grant-in-aid the after utilization of 80% of the second instalment
- Final instalment: 20% of grant-in-aid after successful completion of the project



POLICIES & INCENTIVES (4/6)

State Government Schemes and Policies Information and Communication Technology & Electronics Policy 2016-25

Incentive Type	Quantum of Incentives	
Subsidy for Rural BPO's	BPOs that receive incentives under IBPS (India BPO Promotion scheme-MietY) scheme would be eligible to receive an additional one time incentive of up to INR 50,000 per BPO	
Investment Subsidy	Investment Subsidy of 10% on the Fixed Capital with a maximum limit of INR 10 Lac per unit (Additional incentives available to IT Units established by Women Entrepreneurs)	
Patent Filing Cost	100% of actual filing costs on awarded patents, subject to a maximum of INR 2 lac for domestic patents and INR 5 lac for international patents as one time Incentive. (Only for Companies having their HQs in Uttarakhand)	
Subsidy for BPO with Woman Employees	BPOs that receive incentives under IBPS (India BPO Promotion scheme-MietY) in addition to above incentive the BPO is eligible to get an incentive as reimbursement on lease rentals up to Rs 50% of the total seat employed by women for the given year with maximum limit of INR 50,000 for Category A&B and INR 30,000 for Category C&D on continuous basis for first 3 years only	
Incentives for Startup	One time sustenance allowance of INR 120,000	
Rebate on Lease/ Rental Space	Reimbursement up to 25% of lease /rental charges for the space for MSME IT/ITeS units and incubators established in the state operating from leased / rented space in IT cities/IT Parks or any notified location, will be eligible with maximum limit of INR 10 lakhs per year for Cat A&B and INR 5 lakhs for Cat C&D, for a period of 3 years for MSME IT/ITeS units and for a period of 5 years for incubators from the date of commencement of commercial operations	



POLICIES & INCENTIVES (4/6)

MSME Policy

Under MSME Policy 2015, the State has been divided into following five categories for the purpose of quantum of incentives/subsidies:

Category A

 Whole Districts of Pithoragrah, Uttarkashi, Chamoli, Champawat, Rudraprayag and Bageshwar

Category B

- Whole District of Almora
- All hilly development blocks of District Pauri Garhwal, Tehri Garhwal (Excluding regions under category B+)
- All hilly development blocks of District Nainital and Dehradun (Excluding regions under category B+)

Category B+

- Kotdwar, Sigaddi and adjoining plain regions of Dugadda development block of district Pauri Garhwal
- Dhalwala, Muni Ki Reti, Tapovan and adjoining plain regions of Fakot development block of District Tehri Garhwal
- Kotabagh development block of District Nalnital
- Plain regions of Kalsi development block of District Dehradun

Category C

- Regions located above 650 mtrs from sea level in Raipur, Sahaspur, Vikasnagar and Doiwala development blocks of District Dehradun
- Ramnagar and Haldwani development blocks of District Nainital

Category D

- Whole Districts of Haridwar and UdhamSingh Nagar
- Remaining area of District Dehradun and Nainital (which are not included in category 'B', 'B+' and 'C')



POLICIES & INCENTIVES (5/6)

MSME Policy

Incentive Type	Quantum of Incentives
State Capital Subsidy	15-40% Maximum up to INR 15-40 lakhs depending upon the category
Rebate of Stamp Duty	50-100% Concession depending upon the category
Interest Subsidy	5-10% maximum up to INR 3-8 lakhs depending upon the category
SGST Concession	100% for the first 5 yrs and 75-90% thereafter depending upon the category
Power Rebate	Sanctioned Load upto 100 KVA: 100% for 5 yrs and 60-75% thereafter; If Load>100 KVA: 50-60% depending upon the category
Transport Subsidy	5-7% of Annual Turnover (Per year/ unit) depending upon the category or Inbound/ Outbound Logistics Cost whichever is less
Internet Charges	50% Reimbursement on internet usage charges for all categories
Quality Certification	Reimbursement of cost incurred for carrying out standardization and quality certification of products by accredited institutions at national and international level by means of ISI marking, registration of copyright, trade marking etc 75% (maximum Rs. 1 lacs)







POLICIES & INCENTIVES (6/6)

Mega Industrial and Investment Policy

The project will also be eligible for incentives under Mega Industrial and Investment Policy 2015

Incentive	Type Quantum of Incentives	
Interest Subsidy	7% for 5 years Investment - Interest 50-75 Cr - 25L Max 75-200 Cr - 35L Max >200 Cr - 50L Max	
SGST Concession	Large: 30% Mega / Ultra Mega: 50%	
Stamp Duty	50% Exemption	
Power Assistance	Rebate of 1/- per unit on the power bill and 100% rebate on electric duty for 7 years	
Land Rates Rebate	Rebate of 15%, 25% and 30% on SIIDCUL prevailing land rate for Large, Mega and Ultra Mega Projects respectively	
Land Registration Fees	Land registration fee @1/- per 1000/-	
ETP Subsidy	30% (up to 50 lacs)	
Extra Employment Subsidy	@ 500 P.M. per Male @700 P.M. per Female for a period of 10 years	

Heavy Industry Investment and Employment Promotion Policy 2018		
Interest Subsidy	Interest subsidy @ 5% to a maximum of upto INR 3 lakhs will be applicable for term loans availed from scheduled commercial bank or financial institutions	
Stamp Duty Exemption	50% exemption on Stamp duty	
ETP Subsidy	30% upto a maximum of INR 20 Lakhs	
Non Fiscal Incentives		
Payment provision for land obtained from SIIDCUL:	 50% at the time of allotment and balance 50% within 2 years in two equal instalments 100% at the time of allotment will be eligible for 5 % rebate 	

KEY CONTACTS

Investment Facilitation Centre

Address: Directorate of Industries

Industrial Area, Patel Nagar, Dehradun, Uttarakhand

Website: www.investuttarakhand.com

Email ID: ifc.uttarakhand@gmail.com

Toll Free: 18002701213

Phone : +91-135-2559898, 2559987

Information Technology Development Agency (ITDA)

Address: Information Technology Development Agency (ITDA)

IT Bhawan, Plot No. IT-07,IT Park, Sahasthradhara Road, Dehradun, Uttarakhand

Website: http://www.itda.uk.gov.in

Toll Free: 0135-3051503

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