

UP DATA CENTRE POLICY DRAFT 2026
Department of IT & Electronics, Government of Uttar Pradesh

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Draft

1 Introduction

The Government of India's initiatives like India AI Mission, National Quantum Mission, India Semiconductor Mission 2.0 form the backbone of India's digital transformation. They ensure secure, inclusive, and future-ready infrastructure for citizens and businesses alike. Under the Digital India vision, the country is undergoing a transformative phase marked by rapid digitization, expanding smartphone penetration, and the proliferation of digital services. India has emerged as one of the largest consumers of digital infrastructure globally, supported by flagship programs such as Aadhaar, UPI, DigiLocker, digital health, and digital education platforms. Uttar Pradesh has emerged as one of the leading destinations for global and domestic Data Center investments in the country. The Uttar Pradesh Data Center Policy 2026 adopts a forward-looking approach by emphasizing AI-ready, green, and sustainable Data Centers. This Policy builds upon a strong momentum established by the preceding policy which enabled the state's positioning as a top data center hub within the country, hosting some of the most prominent Data Centers Operators of global reputation.

2 Vision

To position Uttar Pradesh as a green, AI-ready, globally competitive Data Center hub, enabling sustainable digital infrastructure, fostering innovation, and supporting India's digital economy ambitions.

3 Mission

To create an enabling environment for Data Center development through balanced regional growth, integration with emerging technologies, and global connectivity, while promoting sustainability, resilience, and investor confidence.

4 Target

The policy aspires to achieve the following indicative outcomes over the policy timeframe:

- **Data Center Industry:** Encourage the Data Center Industry to achieve additional 2GW+ capacity in Uttar Pradesh under this Policy.
- **Investment Mobilization:** Encourage investments of more than ₹2 Lakh Crore to strengthen the state's digital infrastructure ecosystem.
- **Infrastructure Benchmarks:** Facilitate the establishment of Tier III and IV certified Data Centers and green-certified facilities or equivalent to set global standards for reliability and sustainability.
- **Renewable Energy Integration:** Encourage adoption of at least 50% renewable energy share in new Data Centers by 2030, supported by progressive adoption of green technologies.
- **AI & Deep Tech Ecosystem:** Promote AI research clusters, High Performance Computing (HPC) infrastructure, and incubators within Data Center corridors to position UP as a hub for advanced computing and innovation.

5 Data Center Entity Classification

Data Center: A Data Center is a dedicated secure space (building / centralized location) where computing and networking equipment is concentrated for the purpose of collecting, storing, processing, distributing, or allowing access to large amounts of data.

5.1 Data Center Park

A Data Center with a minimum 40 MW of total load capacity shall be considered under the definition of Data Center Park.

5.2 Data Center Unit

A Data Center with more than 2 MW and less than 40 MW of total load capacity shall be considered under the definition of Data Center Unit. Captive Data Center Units shall not be considered under this policy.

5.3 Edge Data Centers

A minimum of 10 Data Centers with an individual Data Center's minimum total load capacity as 50KW set up in UP and having a cumulative total load capacity of at least 2 MW under a single proposal shall be considered under the definition of Edge Data Centers. Edge data centers are established close to people, equipment/machines and processes that generate data for the purpose of minimizing processing latency. Captive Edge Data Centers shall not be considered under this policy.

6 Important Definitions

6.1 Operative Period of the Policy

This policy shall be in effect for a period of 5 years from the date of issue of official notification or until amended or repealed by the State Government. Once the "Uttar Pradesh Data Center Policy 2026" comes into effect, the "Uttar Pradesh Data Center Policy 2021(First Amendment 2022)" shall stand repealed. However, any entity to which a Letter of Comfort (LoC) has been issued under the Uttar Pradesh Data Centre Policy (First Amendment)-2021 and which has partially or fully availed incentives or concessions thereunder shall remain eligible to receive the admissible benefits under the said policy, subject to compliance with the prevailing Government Orders. In respect of entities that have been issued a Letter of Comfort (LoC) but have not yet fulfilled the minimum operationalization/commercialisation criteria, their cases for extension of time may be considered, subject to the decision of the State Government. Applications submitted by such units seeking time extension shall be decided in accordance with the Government Orders and provisions in force at the relevant time. Such extension, under no circumstances, shall exceed a period of three (3) years.

6.2 Letter of Comfort (LoC)

A Letter of Comfort is an official order issued by the Nodal Agency after approval of the investor's project by the competent authority. It specifies a short overview of the project,

proposed investment amount, applicable incentives, and the terms and conditions governing the project. The LoC shall not constitute a guarantee of incentives beyond those explicitly stated and will remain subject to compliance with all applicable laws, policy provisions, and timelines. Any breach of conditions or misrepresentation may lead to cancellation of the LoC and withdrawal of benefits.

6.3 Acknowledgement Letter

An Acknowledgement Letter is issued by the Nodal Agency within 30 days of receiving the recommendation from the Policy Management Unit (PMU), following deliberation on the Investment Proposal Report (IPR) as defined in Clause 6.9. This letter shall be deemed cancelled if the proposal does not receive final approval for issuance of the Letter of Comfort (LoC).

6.4 Special Purpose Vehicle (SPV) under the Policy

SPV is a separate legal entity incorporated under Companies Act 2013 by the Data Center Park approved under Data Center Policy to develop and/or operate Data Center Park.

6.5 Policy Effective Date

The effective date of Uttar Pradesh Data Center Policy-2026 shall be the date of official notification of the Policy by the state government.

6.6 Date Of Commencement of Commercial Operations (DCCO)

Date of Commencement of Commercial Operations (DCCO) refers to the date on which the first invoice is issued to an external customer against actual delivery of Data Center services such as colocation, hosting, cloud, or managed IT services. For the purpose of this policy, a valid invoice shall be an invoice raised under applicable tax laws.

6.7 Eligible Commercialization Period

Eligible commercialization period means three years from the date of issuance of the Letter of Comfort (LoC). If the LoC is issued within three years before the policy ends, the project shall still have three years from the LoC date to start commercial operations, even if this goes beyond the policy period.

For instance: *If the policy ends on 31st March 2030 and an LoC is issued on 1st January 2029, the project will have until 1 January 2032 to commence commercial operations.*

In case of proposals where 200 MW of Data Centre capacity is committed to be achieved, additional two years of extension will be provided.

6.8 Applicant Company

Applicant Company means a distinct legal entity incorporated and registered in India under applicable laws, including the Companies Act, 2013 that submits an investment proposal to avail incentives under this policy



6.9 Investment Proposal Report (IPR)

Investment Proposal Report (IPR) means an application submitted by the applicant through Nivesh Mitra Portal containing all mandatory details and supporting documents. The IPR shall include information on proposed capital expenditure, financial details of the project, estimated turnover, business plan, debt-equity ratio, detailed project report, direct and indirect employment projections, and any other information prescribed by the Nodal Agency. The IPR has to clearly specify the fiscal and non-fiscal incentives sought under this policy. Submission shall be deemed complete only upon furnishing all required documents and compliance with applicable guidelines.

6.10 Project Cost

Project Cost is the total capital outlay on assets created for the project and includes:

- i. **Land:** Cost of acquiring land for the Data Center, utilized for construction of the facility and associated infrastructure.
- ii. **Building and Civil Works:** This includes the cost of all new construction for the project. Key components are:
 - a. **Data Center Building:** Secure, purpose-built structures housing IT equipment and critical infrastructure.
 - b. **Administrative & Office Spaces:** Areas for operations, monitoring, and management staff.
 - c. **Supporting Facilities:** Storage for spare equipment, maintenance equipment, and network gear.
 - d. **Worker Amenities:** Limited provision for staff facilities within the premises.
- iii. **IT infrastructure:** This includes the cost incurred in purchasing:
 - a. Servers, storage systems, networking equipment, racks, and cabling.
 - b. Freight, installation, commissioning, and foundation works.
 - c. Testing equipment and R&D tools for performance optimization.
- iv. **MEP & Power Systems**
 - a. Mechanical, Electrical, and Plumbing systems.
 - b. UPS systems, switchgear, transformers, sub-stations.
 - c. Backup power generators and renewable energy systems for captive use.
 - d. Battery Energy Storage Systems (BESS) for power continuity.
- v. **Cooling & Environmental Systems**
 - a. HVAC units, chillers, precision cooling systems.
 - b. Liquid cooling or advanced cooling technologies for high-density computing.
 - c. Humidity control and air filtration systems.
- vi. **Safety & Security Systems**
 - a. Fire suppression systems, access control, CCTV, biometric security.
 - b. Physical security infrastructure and disaster recovery provisions.
- vii. **Monitoring & Management Tools**
 - a. Data Center Infrastructure Management (DCIM) software.
 - b. Environmental sensors and AI-based predictive maintenance tools.

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viii. **Utilities**

- a. Diesel generators, UPS, and other statutory utilities.
- b. Water treatment and recycling systems for cooling efficiency.

6.11 Eligible Fixed Capital Investment

Eligible Fixed Capital Investment means, the portion of project cost incurred on creating core infrastructure essential for Data Center operations. It includes:

- a. IT Infrastructure: Such as Servers, storage systems, networking equipment, racks, cabling, etc.
- b. MEP Systems: Mechanical, electrical, and plumbing systems, along with utilities within the Data Center building.
- c. Power & Cooling Infrastructure: Such as UPS systems, switchgear, transformers, power backup infrastructure, HVAC units, chillers, precision cooling, advanced cooling technologies, etc.
- d. Safety & Security Systems: Such as Fire suppression systems, access control, CCTV, biometric security, and disaster recovery provisions, etc.
- e. Monitoring & Management Tools: Such as Data Center Infrastructure Management (DCIM) software, environmental sensors, AI-based predictive maintenance tools, etc.
- f. Exclusions: Land and building value, land development costs, and trunk infrastructure such as roads, external utilities, sewerage, and stormwater drains.

6.12 Non-eligible Capital Investment

The following shall not be considered for calculating Eligible Fixed Capital Investment under this policy:

- a. Working capital and operational expenses.
- b. Royalties, technical information fees, and consultancy charges.
- c. Preliminary and pre-operating expenses, including capitalization of interest.
- d. Plant and machinery purchased in cash, not through traceable banking channels.
- e. Investments ear-marked for future scalability or expansion beyond the approved project scope.
- f. The following plants and machinery shall not qualify for incentives under the policy: -
 - i. Second hand or refurbished equipment, in respect to its condition or origin.
 - ii. Relocated plants and machinery from any other facility or state.
 - iii. Leased or rented equipment, even if it is installed at Data Center site.
 - iv. Any equipment not directly contributing to Data Center operations.
 - v. Non-core infrastructure which includes office furniture, administrative office setup and non-essential amenities.
 - vi. Generic software licenses not directly related to Data Center operations.
 - vii. Taxes and duties including GST, Custom Duty and other statutory levies.

6.13 Competent Authority

Competent Authority means the following:



- i. **For projects with project cost up to INR 200 Crore:** The Policy Implementation Unit, chaired by the Additional Chief Secretary/Principal Secretary, IT & Electronics, Government of Uttar Pradesh, shall be the competent authority.
- ii. **For projects with project cost above INR 200 Crore:** The State Cabinet shall be the competent authority, based on recommendations from the Policy Implementation Unit and subsequent recommendation by the Empowered Committee.

6.14 Eligible Banks/Financial Institutions

All scheduled banks and financial institutions regulated and approved by Reserve Bank of India will be allowed.

6.15 Power Usage Effectiveness (PUE)

PUE is the ratio of the total energy consumed by the Data Center facility to the energy consumed by IT equipment (servers, storage, and networking).

6.16 Tier/Rating III and IV Data Centers

Data Centers that are certified as Tier/Rating III and IV by prominent certification agencies like Uptime, TIA, etc.

6.17 AI Compute Unit

For the purpose of this policy, AI Compute Unit means an individual hardware compute device including GPU, AI accelerator, or equivalent high-performance compute processor that is installed within a Data Centre, is independently addressable, and is capable of executing Artificial Intelligence and/or High-Performance Computing (HPC) workloads.

6.18 State Agencies

For the purpose of this policy, the following bodies come under the purview of State Agencies:

- Industrial Development Authorities
- UP Housing & Development Board, Development/Special Area Development Authorities under Uttar Pradesh Housing and Urban Planning Department
- Other State Institutions notified by the Government

7 Financial Incentives

7.1 Data Center Park

7.1.1 Interest Subsidy

Reimbursement of the interest subsidy shall be 60% of the annual interest paid for the initial 7 years on a Term Loan from Eligible Banks/Financial Institution, with an annual cap of INR 10 Crore. The overall ceiling for the interest subsidy per Data Center Park

shall be INR 50 Crore. The interest subsidy will be calculated based on the interest paid on loans taken for the Eligible Fixed Capital Investment only.

7.1.2 Dual Grid Power Subsidy

Dual power grid network shall be provided to the DC Parks, wherein the cost of one grid (being the lower of the two) shall be reimbursed to the DC Park by the Department of IT & Electronics, while the cost of the other grid shall be borne by the DC Park.

This subsidy shall be limited to either of the below-mentioned targets getting achieved (whichever happens earlier) under this policy:

- i. First eight (8) Data Centre (DC) Parks established within the State from the date of notification of this Policy
- ii. Additional 2 GW of Data Centre capacity achieved from the date of notification of this Policy.

Any extension of this subsidy beyond the aforesaid limits shall be subject to approval by the State Cabinet and may be granted on such terms and conditions as may be decided at that time.

7.1.3 Land Subsidy

- a. 25% Land Subsidy on prevailing sector rates shall be provided on purchase/lease of land from State Agencies in Madhyanchal and Paschimanchal regions.
- b. 50% Land subsidy on prevailing sector rates shall be provided on purchase/lease of land from State Agencies in Bundelkhand and Purvanchal regions.
- c. The subsidy shall be disbursed by the State Government to the concerned State Agency post commercialization of the project in proportion to the area of the land utilized in phases within the policy period. The State Agency shall adjust the subsidy in payment plans of the enterprise.
- d. The proposed land subsidy will be applicable to captive solar power plants established along with Data Centers, provided that no land subsidy is availed under any central or state policy.
- e. Proportionate Land used for part of captive solar power plants installed to support future scalability and expansions shall not be eligible for the subsidy under the Uttar Pradesh Data Center Policy 2026.
- f. Moreover, it is highly recommended for Data Centers to adopt green practices and avail the benefits offered under the prevailing Uttar Pradesh Solar Policy.

7.1.4 Stamp Duty Exemption

- a. 100% exemption of stamp duty on purchase/lease from the government Authority/ government entity and 50% exemption on second transaction (DC Park to DC Units) shall be available for purchase/lease of land and build-up area



to Data Centers.

- b. The approved Stamp duty exemption shall be given against Bank Guarantee of equivalent exempted amount, which will be released upon commencement of commercial operation.

7.1.5 Transmission and Wheeling Charges

- a. Exemption of 50% on wheeling charges/transmission charges on Intrastate purchase of power shall be provided for the period of 25 years from the date of commissioning of the project.
- b. In case of power sourced from Renewable Energy within the state, exemption of 75% on wheeling charges/transmission charges on Intrastate purchase of power shall be provided for a period of 25 years from the date of commissioning of the project.
- c. Wheeling charges/Transmission charges will be exempted 100% for Intrastate Transmission system on Interstate purchase for the period of 25 years from the date of commissioning of the project.

This subsidy shall be limited to either of the below-mentioned targets getting achieved (whichever happens earlier) under this policy:

- i. First eight (8) Data Centre (DC) Parks established within the State from the date of notification of this Policy
- ii. Additional 2 GW of Data Centre capacity achieved from the date of notification of this Policy.

Any extension of this subsidy beyond the aforesaid limits shall be subject to approval by the State Cabinet and may be granted on such terms and conditions as may be decided at that time.

7.1.6 Tier/Rating III and IV Booster Incentive

Data Center Parks shall be eligible for a one-time reimbursement of 25% of their charges incurred for any one among certification issuance and renewal within the policy period for Tier/Rating III grade certification by agencies like Uptime, TIA, or any other equivalent agency approved by the designated State-level committee from time to time and notified by the Government. Data Center Parks shall also be eligible for a one-time reimbursement of 50% of their charges incurred for any one among certification upgrade, issuance and renewal within the Policy period for Tier/Rating IV grade.

7.1.7 AI Compute Booster Incentive

A Data Centre Park that procures and installs a minimum of 700 units of FP64 grade (double precision), within its facility, shall be eligible for an additional enhancement of ₹10 crore in the Overall Interest Subsidy Ceiling and ₹2 Cr in Annual Interest Subsidy Ceiling as defined in section 7.1.1.



Eligibility under the above provision shall be established through documentary and technical evidence, including purchase invoices and payment records, installation and commissioning certificates issued by the OEM or system integrator, and system-generated inventories confirming FP64 (double-precision) compute capability and quantity. The Data Centre shall additionally submit an auditor-certified asset and installation statement, confirming that the minimum qualifying AI Compute Units are installed, powered, and operational within a single building or floor of the declared facility.

7.1.8 Booster Incentives for Green & Sustainable Operations

Data Center Parks, that secure top two level Green Data Center certification from recognized institutions such as LEED, GBI, GRIHA, IGBC or any other equivalent institution as approved by the designated State-level committee from time to time and notified by the Government shall qualify for additional benefits as per the criteria given in the table below.

Metric	Criteria	Increment in Overall Interest Subsidy Ceiling (in INR Cr)	Increment in Annual Interest Subsidy Ceiling (in INR Cr)
Certification	Among top two levels of the Certification received from recognized global or national institutes	2	0.4
Power Usage Effectiveness (PUE)	$PUE \leq 1.35$	4	0.8
Power Usage Effectiveness (PUE)	$1.35 < PUE \leq 1.45$	2	0.6
Power Usage Effectiveness (PUE)	$1.45 < PUE \leq 1.60$	1	0.4
Renewable Energy as % of Total Facility Energy Consumption (RE)	$RE > 70$	4	0.8
Renewable Energy as % of Total Facility Energy Consumption (RE)	$50 < RE \leq 70$	2	0.6
Renewable Energy as % of Total Facility Energy Consumption (RE)	$20 < RE \leq 50$	1	0.6

As per the table above the investor can avail a maximum of ₹ 10 Cr increment in overall ceiling and ₹ 2 Cr increment in annual ceiling for Interest Subsidy as defined in section 7.1.1

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7.2 Data Center Unit

7.2.1 Capital Subsidy

Eligible to get 7% capital subsidy on Eligible Fixed Capital Investment (EFICI) excluding land and building cost. The subsidy shall be limited up to a total ceiling of ₹ 20 Crore. The same shall be disbursed within 10 years with an annual ceiling of ₹ 2 Crore.

7.2.2 Electricity Duty Exemption

100% exemption on Electricity Duty for a period of 10 years post commencement of commercial operation shall be provided.

7.2.3 Land Subsidy

Same as the provision 7.1.3 under Data Center Park.

7.2.4 Stamp Duty Exemption

Same as the provision 7.1.4 under Data Center Park.

7.2.5 Transmission and Wheeling Charges

Same as the provision 7.1.5 under Data Center Park.

7.2.6 Tier/Rating III and IV Booster Incentives

Same as the provision 7.1.6 under Data Center Park.

7.2.7 AI Compute Booster Incentive

A Data Centre Unit that procures and installs a minimum of 350 AI Compute Units of FP64 grade (double precision), within its facility, shall be eligible for an additional enhancement of ₹5 crore in the total Capital Subsidy and ₹0.5 crore in annual ceiling as defined in section 7.2.1.

Eligibility under the above provision shall be established through documentary and technical evidence, including purchase invoices and payment records, installation and commissioning certificates issued by the OEM or system integrator, and system-generated inventories confirming FP64 (double-precision) compute capability and quantity. The Data Centre shall additionally submit an auditor-certified asset and installation statement, confirming that the minimum qualifying AI Compute Units are installed, powered, and operational within a single building or floor of the declared facility.

7.2.8 Booster Incentives for Green & Sustainable Operations

Data Center Units, that secure top two level Green Data Center certification from recognized institutions such as LEED, GBI, GRIHA, IGBC or any other equivalent institution as approved by the designated State-level committee from time to time and notified by the Government shall qualify for additional benefits as per the criteria given in the table below.

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Metric	Criteria	Increment in Overall Capital Subsidy Ceiling (in INR Cr)	Increment in Annual Capital Subsidy Ceiling (in INR Cr)
Certification	Among top two levels of the Certification received from recognized global or national institutes	1	0.1
Power Usage Effectiveness (PUE)	$PUE \leq 1.35$	2	0.2
Power Usage Effectiveness (PUE)	$1.35 < PUE \leq 1.45$	1	0.1
Power Usage Effectiveness (PUE)	$1.45 < PUE \leq 1.60$	0.5	0.05
Renewable Energy as % of Total Facility Energy Consumption (RE)	$RE > 70$	2	0.2
Renewable Energy as % of Total Facility Energy Consumption (RE)	$50 < RE \leq 70$	1	0.1
Renewable Energy as % of Total Facility Energy Consumption (RE)	$20 < RE \leq 50$	0.5	0.05

As per the table above the investor can avail a maximum of : ₹ 5 Cr increment in overall ceiling and ₹ 0.5 Cr increment in annual ceiling for Capital Subsidy as defined in section 7.2.1

7.3 Edge Data Centers

All incentives under Data Center Unit except the Booster Incentives for Green & Sustainable Operations are applicable to Edge Data Centers. Additionally, Edge Data Centers are exclusively eligible to the incentive stated below:

7.3.1 Internet Cost Subsidy

Edge Data Centers shall be eligible for a 25% reimbursement on internet bandwidth/ leased line/fiber connectivity charges, subject to a maximum of INR 2.5 lakh per year per Edge Data center unit, for the first 3 years of commercial operation. This will be reimbursed against actual bills/utilizations by the Data Center.

7.4 Center of Excellence (CoE)

Policy envisages to create world class infrastructure in the form of Center of Excellence (CoE) to promote research, innovation and entrepreneurship and startup culture in the Data Center industry. Policy aims to establish a Center of Excellence in collaboration with reputed academic institutions and/ or industry associations/ industry or any other Govt./ Private entity engaged in R&D in this field. Up to 50% of the total CoE project

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cost (subject to a maximum of 10 Cr.) will be borne by Government of UP. The Empowered Committee shall be competent to grant sanction for setting up of the CoE.

8 Non-Financial Incentives

8.1 Mission Critical Infrastructure

The Data Center Industry in the state has been classified under Essential Services and Maintenance Act (ESMA) as an essential service provider.

8.2 Water Supply

For projects in the area of any State Agency, it shall be ensured that adequate water availability is assessed prior to allocation of land. Based on such assessment, the State Agency shall ensure provision of 24×7 uninterrupted water supply at applicable charges to the Data Center Units/Parks before issuance of the Letter of Comfort (LoC). Installation of water treatment plants shall be undertaken by Data Center Parks as part of common infrastructure to ensure that the quality of water meets the requirements of Data Center Units. Before undertaking any use of water, prior permission and/or a No Objection Certificate (NOC), as required, shall be obtained from the relevant Authority/State Agency in compliance with prevailing rules and regulations. Data Centre players shall adopt water-efficient cooling solutions, closed-loop systems, and treated wastewater reuse to reduce freshwater dependency.

8.3 Special provisions in building norms

- i. Data Centers shall be required to comply with the standard limits of electromagnetic field (EMF) emissions as prescribed by internationally recognized institutions like IEEE, ICNIRP, WHO etc.
- ii. **Sub-leasing:** Data Centers shall be allowed to sublease the land/ buildings to Data Centers/SPV without any sublease or transfer charges by the concerned State Agency. No financial assistance in this regard shall be passed on by the Government to the State Agency.
- iii. **Floor Area Ratio:** Data Centers shall be allowed higher purchasable Floor Area Ratio. Land purchased/leased by Data Center during the policy period may avail the base Floor Area Ratio (FAR) 3.0 on non-chargeable basis, with an additional FAR 1.0 on a chargeable basis. The maximum permissible FAR (MFAR) beyond base FAR shall be as per prevailing local building regulations. No financial assistance in this regard shall be passed on by the Government to the State Agency. Additionally, for all the Data Centers for which land is purchased/ leased during or prior to the policy period, basement Parking, storage and space used for DG sets installation will not be considered as part of FAR. The limit of service FAR provided in building bye laws over and above the permissible FAR shall stand extended to 40% to provide for extra space required for installation of DG sets.

Further, any additional FAR, beyond the provisions stated above, may be permitted in accordance with the prevailing building bye-laws and regulations of the concerned State Agency, as amended from time to time.

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- iv. **Floor to ceiling height (One floor):** There will be no restriction on floor to ceiling height subject to there being no mezzanine floor, and compliance with overall height regulations and suitable structural and fire safety regulations.
- v. **Installation of chillers on the rooftop:** Chillers on the roof can be installed without inclusion in FAR, subject to structural safety and statutory clearances, if any.
- vi. **Boundary Wall:** Data Center Parks/Units shall be permitted to build up to 3.6m height boundary wall and 600mm height for 'Y' fencing.
- vii. **Multi-level DG stacking:** Installation of DG sets including multi-level DG stacking shall be allowed subject to NOC from Fire Safety Department.
- viii. **Ground coverage:** Up to 60% or as per prevailing byelaws (whichever is higher) shall be allowed to the Data Centers adhering the statutory clearances, if any.
- ix. **Infrastructure at the door of DC Park:** Required infrastructure (electricity, water, sewer, road) shall be provided to Data Center Parks being set up in the state by respective State Agencies.

8.4 Electricity Supply

- i. **Open Access:** Open access shall be permitted for Data Center Units operating outside the Data Center Park to purchase power at most competitive rates in the open market.
- ii. **Cross Subsidy Surcharge (CSS) Visibility:** The Cross Subsidy Surcharge (CSS) applicable to a Data Center Unit commencing commercial operations shall be determined in accordance with the regulations notified by the Uttar Pradesh Electricity Regulatory Commission (UPERC) from time to time.
- iii. **Distribution License:** Data Center Park shall be eligible for seeking license for power distribution and consumption within the Data Center Park as notified by UPERC in this regard from time to time
- iv. **Deemed Franchisee Status:** Data Center Units will have the option to obtain Deemed Franchisee Status stipulations of the UPERC Regulations. This will facilitate sub-metering to ensure quality power supply to in-house customers.
- v. **24X7 Power Supply** shall be provided to Data Center Parks and Data Center Units, subject to requirement of two dedicated power supply feeder being arranged by Park/Unit.
- vi. **Banking Charges:** Banking of energy in every financial year shall be permitted, subject to verification by the officials of the concerned State Distribution Company as per banking provisions of UPERC Regulations. Regulations in force at the time of commissioning of a Data Center will be applicable throughout the policy period.
- vii. **Augmentation of Power Supply:** UPPCL and its DISCOMs depending upon the technical conditions of the distribution system on best-effort-basis may allow augmentation of supply of power to Data Center Parks/ Units above the permissible/ contracted load for that voltage level as prescribed in supply code.

8.5 Other Support

- i. **Non-Disturbance Provision:** In order to provide assured business continuity, once the Data Center Park has completed investment and obtained completion certificate from the respective Authority and has fully paid complete lease rent, approval of the Board of Authority will be a prerequisite for cancellation of the

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lease deed in case of any violation by such Data Centers of the Authority norms/ bylaws.

- ii. **Preference in Public Procurement:** Data Centers registered under this policy shall be eligible to get preference in public procurement of cloud storage by Government Departments and its agencies at most competitive rates.
- iii. **Three Shift Operations:** Data Centers shall be permitted to have 24x7 operations and employment of women in all three shifts, subject to the Data Centers taking necessary precautions with respect to safety and security of women employees.
- iv. **Self-Certifications:** Data Centers will have the provision for Self-Certification under the following Acts: -
 - The Factories Act
 - The Maternity Benefit Act
 - The Shops & Establishments Act
 - The Contract Labour (Regulation & Abolition) Act
 - The Payment of Wages Act
 - The Minimum Wages Act
 - The Employment Exchanges (Compulsory Notification of Vacancies) Act

9 Special Package on Case-to-Case Basis

For Data Center projects with capacity greater than 500 MW, the Government may extend a customized package of fiscal and non-fiscal incentives on a case-to-case basis. Such package shall be determined considering project parameters, pioneering nature of the project, regional significance, and employment generation potential. All such customized incentive packages shall be subject to approval by the State Cabinet.

10 Governance

10.1 Empowered Committee

A state level Empowered Committee set up under the chairmanship of Chief Secretary shall monitor the effective implementation of the Policy. The charter of the committee shall be pertaining to the effective implementation of the policy and inter-departmental coordination with respect to timely resolution of investor issues at all levels. Projects worth more than INR 200 Cr will be subject to approval from the state cabinet on the recommendations of Empowered Committee.

10.2 Policy Implementation Unit (PIU)

A PIU set up under the chairmanship of Principal Secretary, Department of IT & Electronics shall oversee the work of the Nodal Agency. PIU shall be responsible for effective implementation of the Policy including the approval of investment proposals, disbursement of incentives, making recommendations to Empowered Committee etc. Other responsibilities of PIU include coordination with government functionaries, engagement with industry associations, stakeholders, corporates, promotion of the policy etc.

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10.3 Nodal Agency

UP Electronics Corporation Limited. (UPLC), a Public Sector Undertaking under the Department of Information Technology & Electronics, Government of Uttar Pradesh shall be the nodal agency for implementing this policy under the supervision of the Policy Implementation Unit (PIU).

10.4 Policy Management Unit (PMU)

A dedicated Policy Management Unit (PMU) comprising subject matter experts (SME) / consultants shall be constituted under the Nodal Agency. The PMU shall support the Nodal Agency in implementation and promotion of the policy.

11 Terms and Conditions

- i. Data centres that have commenced commercial operations but have not been issued a Letter of Comfort under the Uttar Pradesh Data Center Policy 2021 as on the date of notification of this Policy shall be eligible to avail non-financial incentives under this Policy, subject to submission of an application and issuance of an Acknowledgement Letter in accordance with the provisions of this Policy.
- ii. Financial incentives and benefits under the policy shall be applicable post release of Letter of Comfort. However, non-financial incentives shall be applicable post release of Acknowledgement Letter.
- iii. Any doubts regarding the interpretation of any provision or term under this Policy shall be referred to the Department of Information Technology and Electronics, Government of Uttar Pradesh, for clarification/resolution. The Department shall, in consultation with the concerned administrative departments from which such phrase/term or reference has originated, submit its recommendations to the State Government. The decision of the State Government thereon shall be final and binding on all.
- iv. Data Centers have been recognized by the Government of India as infrastructure under the Communication sub-sector in the Harmonized Master List. Investors may consult the Ministry of Finance's Viability Gap Funding (VGF) Scheme for detailed provisions and eligibility criteria.
- v. The Investor may avail incentives from both Central and State Government, provided they are for different eligible components and the total incentives do not exceed 100% of the entity's fixed capital investment.
- vi. Data Center Parks, Data Center Units, and Edge Data Centers may be developed in multiple phases. However, the applicant shall disclose all proposed phases in the Investment Proposal Report (IPR) at the time of submission.
- vii. The Investor will be allowed to apply for disbursement of incentives only when they have commercialized operation of 40MW in case of Data Center Park, more than 2 MW in case of Data Center Unit and a cumulative of 2 MW across at least 10 units in case of Edge Data Centers. In a scenario where an investor is qualifying for more than one specified Data Center categories, they will be eligible to avail policy benefits exclusively under a single category only.



12 The list of districts falling under each region (Bundelkhand, Purvanchal, Madhyanchal and Paschimanchal)

Purvanchal Region	Madhyanchal (Central Region)	Bundelkhand Region	Paschimanchal
Ayodhya Mandal	Kanpur Mandal	Jhansi Mandal	Agra Mandal
1. Ayodhya	1. Kanpur Nagar	1. Jhansi	
2. Ambedkar Nagar	2. Kanpur Dehat	2. Jalaun	1. Agra
3. Barabanki	3. Etawah	3. Lalitpur	2. Firozabad
4. Sultanpur	4. Auraiya	Chitrakoot Mandal	3. Mainpuri
5. Amethi	5. Farrukhabad	4. Banda	4. Mathura
Gorakhpur Mandal	6. Kannauj	5. Chitrakoot	Aligarh Mandal
6. Gorakhpur	Lucknow Mandal	6. Hamirpur	5. Aligarh
7. Deoria	7. Lucknow	7. Mahoba	6. Hathras
8. Maharajganj	8. Hardoi		7. Kasganj
9. Kushinagar	9. Lakhimpur Kheri		8. Etah
Prayagraj Mandal	10. Raebareli		Moradabad Mandal
10. Prayagraj	11. Sitapur		9. Moradabad
11. Kaushambi	12. Unnao		10. Bijnor
12. Fatehpur			11. Sambhal
13. Pratapgarh			12. Rampur
Varanasi Mandal			13. Amroha
14. Varanasi			Meerut Mandal
15. Chandauli			14. Meerut
16. Jaunpur			15. Gautam Bhddha Nagar
17. Ghazipur			16. Bulandshahr
			17. Hapur
Mirzapur Mandal			18. Baghpat
18. Mirzapur			19. Ghaziabad
19. Sant Ravidas Nagar			Saharanpur Mandal
20. Sonbhadra			20. Muzaffarnagar
Azamgarh Mandal			21. Shamli
21. Azamgarh			22. Saharanpur
22. Mau			Bareilly Mandal
23. Ballia			23. Bareilly
Devi Patan Mandal			24. Badayun
24. Gonda			25. Pilibhit
25. Bahraich			26. Shahjahanpur
26. Balrampur			
27. Shrawasti			
Basti Mandal			

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28. Basti
29. Sant Kabir Nagar
30. Siddharth Nagar

13 Abbreviations

		Cross Subsidy Surcharge
2.	DC	Data Center
3.	DG	Diesel Generator
4.	EC	Empowered Committee
5.	EDC	Edge Data Center
6.	ESMA	Essential Services and Maintenance Act
7.	FAR	Floor Area Ratio
8.	FCI	Fixed Capital Investment
9.	GoI	Government of India
10.	GoUP	Government of Uttar Pradesh
11.	INR	Indian National Rupee
12.	MSME	Micro, Small, and Medium Enterprises
13.	MW	Megawatt
14.	PMU	Project Management Unit
15.	PIU	Policy Implementation Unit
16.	SPV	Special Purpose Vehicle
17.	UPERC	Uttar Pradesh Electricity Regulatory Commission
18.	PUE	Power Utilization Efficiency
19.	WUE	Water Utilization Efficiency
20.	HPC	High Performance Compute
21.	TPU	Tensor Processing Unit
22.	GPU	Graphic Processing Unit
23.	NOC	No Objection Certificate
24.	LOC	Letter of Comfort
25.	IPR	Investment Proposal Report
26.	LEED	Leadership in Energy and Environment Design
27.	GRIHA	Green Rating for Integrated Habitat Assessment
28.	GBI	Green Building Index
29.	IGBC	Indian Green Building Council

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