

'UP new business destination'

Uttar Pradesh's chief minister Yogi Adityanath spoke to Sunita Aron about the state's rise in the ease of business rankings, steps being taken to attract investments, and development areas that still need work, among other things.

Edited excerpts:

After a leap from 12th to second spot in the national ease of business rankings, are you aiming for the first position next year?

Why not?. We should make every effort to get the top position. The state has the potential, and we know how to work hard. Our ranking stood at 16th in 2016. We have reached the second position, and we will strive for the top position next year. UP has displayed that it is the new destination for business. The government of India has already provided a list of total 301 reforms to be implemented before the end of this year, and we are working on them. I have already conducted a review meeting with all departments concerned and have given clear directions. For this year, our target is to 100% implement all the prescribed reforms vis-à-vis constantly reaching out to the beneficiaries from time to time. We plan to establish a dedicated feedback call centre at Invest UP level which shall reach out to our entrepreneurs.

Some states are still raising questions on the methodology adopted this year in the rankings.

The Business Reform Action Plan (Brp) had listed 187 reforms and we, in one year, implemented 186 of them, spread across multiple areas such as labour, land allotment, registration, environment clearances etc. However, our online single window portal, Nivesh Mitra, became a game-changer. From submission of applications and fee, the entrepreneur could download digitally signed approvals/NOCs {no objection certificates} and licences. It also helped in ensuring transparent licencing system. Moreover, in 65 of the 75 districts, widespread



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reforms took place. The satisfaction level of entrepreneurs was also 75%. A lot of groundwork has been done in the past three years to transform the investment climate in the state.

But this is not the first time we are hearing about a single window system. Successful governments had announced this. How is it different?

We worked on ground implementation of the reforms, with focus on Brap 19. The evaluation has also been done on user feedback. We received 2.3 lakh NOC applications out of which 2.2 lakh were efficiently disposed of. This was possible as about 20 departments were integrated with the online single window portal. This is how 186 key reforms across 20 departments were done in a year.

What about the poor law-and-order, and the bureaucratic red-tapism that UP is infamous for?

Where is the red-tapism now? No one is complaining. Besides reforms, we are improving air connectivity, constructing expressways and ensuring time-bound disposal of complaints and grievances. The number of sanctions too have been reduced from 55 to 35 as compared to 38 in Andhra Pradesh and 49 in Telangana, the states that won first

and third position, respectively. The entrepreneurs often faced problems in environmental clearances and labour. These issues, too, have been addressed. As for law-and-order, the government has taken several steps for its overall improvement. The police response has drastically improved. The data shows that majority of the crime cases that are happening are because of personal enmity or family feuds. I can only say that the entrepreneurs never felt as secure as they do today.

The opposition parties are still critical of the government. They dub it as just branding and marketing.

The Opposition is not aware about the ground realities, and they do not want to accept the fact that UP has done it. But the reality cannot be disputed as the [Brp] ranking has been done on the basis of independent feedback. While some investors have experienced the post-reforms efficiency of the system, it has raised the curiosity of others. After investment summits, ground breaking ceremony and defence expo, entrepreneurs have now understood the state's potential.

Which regulations were changed that made the environment conducive for business?

We gave clear timelines through the Public Service Delivery Guarantee Act for approval of complete application. We have done away with the practice of inspection prior to registration under the Shops and Establishment Act. The registration is granted within one day from the date of application. Such instructions were also given for labour, land and other clearances.

You have been meeting entrepreneurs, big and small. Are they satisfied with the reforms undertaken by the state government?

We have great feedback. Their confidence is high as my officers are in regular contact with the investors. We have created a dedicated help desk to handhold the investment leads generated, particularly those relocating from foreign countries. As a result, we have more than 50 investment intents that have been received from around 10 countries, including Japan, US, UK, Canada, Germany, South Korea, etc. These include Ikea, Yazaki, Miyachi Corp, AB Maurie, Britannia, etc.

Often MoUs get signed at investment summits; they rarely start rolling.

Out of 1,045 MoUs signed during the UP Investors' Summit, 152 MoUs (with investment intent of ₹49,147 crore) have started commercial operations and 175 MoUs (with investment intent of ₹55,055 crore) are at various phases of active implementation. Four hundred and sixty-one MoUs (with investment intent of ₹93,474 crore) have been in active follow-up position at various UP departments.

You think the government still needs to be more proactive in ensuring time-bound clearances?

Time bound delivery of licences/NOCs is the most critical step for ease of doing business. Understanding this criticality, we have taken several initiatives in this regard, including clearly telling departments to raise only one-time query on submitted applications from entrepreneurs within seven days of application received.

You want to make Uttar Pradesh a trillion-dollar

economy in the next five years. How do you propose to go about it?

The state government is emphasising on Industry 4.0 and rejuvenating its investment promotion strategy. For this, over and above the traditional sectors such as food processing, dairy, textile, ESDM & IT {electronics system design & manufacturing and information technology}, the state has identified new focus sectors such as pharma, with renewed focus on bulk drug and medical device manufacturing, electric vehicle mobility to push EV demand in the state, warehousing & logistics, defence and aerospace manufacturing, data centre, etc. Also, rapid extension of world-class infrastructure through expressways - Poorvanchal/ Bundelkhand, new industrial parks are on the anvil.

According to you, which are the weak areas that demand attention and focus?

The major challenges for rapid industrialisation are creation of land bank and adapting to modern techniques for good governance. All the available industrial land of all industrial authorities have been updated on the GIS {Geographic Information System} portal and is available on the single window portal Nivesh Mitra.

Other reforms include FAR {floor area ratio} increased up to 3.5 for industrial use, which is one of the highest in India, allowing agricultural land leasing for solar energy projects, fast track land allotment within 15 days for mega investments, allowing mixed land use for development of Integrated Industrial Townships etc. Through Invest UP, now we are prepared to provide complete investment life cycle support to the investors.

Covid-19 has had adverse impact on the state's finances. What is your action plan to mobilise funds to take the state back to the path of development?

Since, the state has resorted to generate fresh leads post Covid-19, not only the scope of investment facilitation has broadened, but also the focus on faster investment implementation has gained importance. The government is now promoting rapid investment implementation in the state.