

CM SCRIPTING A NEW GROWTH STORY FOR UTTAR PRADESH

Dr KV Raju, economic advisor to the chief minister, has been closely associated with the UP government on economic issues. He shares key insights on the recently announced state budget

Under CM Yogi Adityanath, UP has undergone a major transformation. With the new budget, which is the biggest for the state so far, how does the UP government intend to leverage it to become a trillion-dollar economy?

- UP has an ambitious and a definite plan to become a trillion-dollar economy. We are confident that we are on the right path and made ample preparations to achieve that target. We are ready with a strategy and soon will have 'quarterly implementation plan'. UPGIS became a success only under the good governance and vision of CM Yogi Adityanath. The event evoked a huge



The sub-sectoral growth rate stands at:

- **Crop** - 20%
- **Livestock** – 9.5%
- **Manufacturing** – 21%. Here there is massive scope for job and income generation and is boosting our confidence.
- **Service** – 14%

Furthermore, revenue receipts have gone up to 11.5% which is highest in UP. This is also a clear indicator of UP's good governance and management across all verticals, including finance.

With 25 new sectoral policies and the success of UPGIS, UP has become the centrestage for the global investor fraternity. How will the new budget facilitate shaping the 19,000 plus MoUs signed, as a ground reality in UP?

- We were able to revise and introduce 25 new policies with the objective to foster groundbreaking activities for the investments received. We also have provisions for incentives in the form of tax exemptions, subsidies, fast-track clearances, etc. All this only culminates in boosting up investments in the state.

response from the people and investors – globally and in India. We were able to sign 19,000 plus MoUs and attract investment to the tune of more than Rs 34 lakh crore. The new budget builds a huge prospect of growth. UP's growth rate is already at 16.8% which is the highest in the history of UP. Our per capita income growth rate stands at 15.3% which is another historical achievement. Just these indicators make us believe that we are on the right path to achieve our 1 trillion-dollar vision.

How is the budget provisioning for new avenues of employment and income in the state?

- Ultimately, the end vision of the CM is to create new job opportunities for UP. The growth rate in UP's primary sector has been at 16.2%, in secondary sector 15% and in the tertiary sector the rate of growth has been 14%. This steady climb has only boosted the potential to generate more jobs across the state.



- In infrastructure, we will have 21 airports functional in the state in just a few years. 15 of them will become operational in 2 years. Jewar airport and Ayodhya airport will be operational by next year. Airports in major cities of UP like Kushinagar, Prayagraj, Lucknow, Jhansi etc. are already functional. Expressways, defence corridors, expressway link between Azamgarh and Gorakhpur, just to name a few, will become new growth hubs for UP. Development of new townships on a public-private partnership (PPP) model are on the anvil and will attract more investors. In healthcare, medi-cities will increase more diagnostic facilities in the state, provide added medical colleges, more doctors/nurses and paramedical staff. Through One District One Medical College on PPP model along with special education zones, will increase UP's gross enrollment rate in the higher education segment leading to more skilled manpower.

How will the budget help mitigate the impact of rising prices and inflation?

- Uttar Pradesh has maintained Fiscal Responsibility and Budget Monitoring (FRBM) within 3.5%. The state is already a high producer of fruits, sugar, food grains and potatoes. The implication here lies that we are not much of an importing state. We export our food and several other products like leather and agri-based food items. We also lead in the country in the manufacturing of phones. Overall, the takeaway is that Uttar Pradesh is a self-sufficient state on many fronts, which has played a key role in balancing out the effects of price rises.

What are the key takeaways from the budget for the people of UP?

- Easy access to food and food products, better access to medical and diagnostic facilities and education are just some of the key issues the budget addresses directly. With higher investment will come the demand for manpower leading to more jobs. UP is already a labour surplus state. Nearly 50% of the total investment will be executed within this year itself, as per the CM. 35% of the budget's focus is on skill training and increasing the gross enrollment rate in higher learning.

Uttar Pradesh is already a heritage hub. Tourism will play a vital part in creating new job avenues in sectors like transportation, hospitality, hotels, etc. Heritage cities will gain more infrastructure, which in turn will augment the region's commerce and trade.

What new changes the budget will bring with it in key sectors that it has put into focus - infra, manufacturing, tourism, social welfare, etc?



The Rs 6.9 lakh crore budget is set to open new avenues for UP

SECTORAL SHARE

Primary	28.4%
Secondary	24.6%
Tertiary	47.0%

SUB-SECTORS GROWTH

Crops	20.1%
Livestock	9.4%
Manufacturing	21.0%
Services	14.0%

PER CAPITA INCOME Rs 70,792

Growth rate 15.3%
(one of the highest)

REVENUE RECEIPTS GROWTH RATE

11.4%
(in 2019-20 over 2018-19)
(highest across states)

REVENUE BUOYANCY

9.40%
(highest across states)