

SURESH KHANNA, FINANCE MINISTER, GOVERNMENT OF UTTAR PRADESH, HAS PRESENTED A PROGRESSIVE AND AMBITIOUS BUDGET, WHICH IS FOCUSED ON CREATING NEW JOBS AND INCOME FOR THE STATE. HE HIGHLIGHTS SOME KEY TAKEAWAYS FROM THE NEW BUDGET

The government is focused on making the people of Uttar Pradesh self-reliant



The new budget is ambitious and proposes immense growth prospects for UP. What key sectors are being focused upon?

• Undoubtedly the budget of 2023-24 is an ambitious budget. In this grand budget of Rs 6,90,242.23 crore, an amount of Rs 1,87,888.42 crore has been kept for capital expenditure, which is a little more than 27 percent of the total budget. This clearly indicates that the state government is laying special emphasis on infrastructure development and capital formation schemes in the state. Infrastructure development and capital formation are such activities which will have a positive impact on the state's economy. These include providing roads and bridges, expressways, electricity, irrigation, urban development as well as providing basic facilities like housing, clean drinking water, better health better education, infrastructure etc to the citizens.

Capital investment in all these areas will not only create physical assets but also develop human resources. Air services are being expanded unprecedentedly in the state by our government and tourist places are also being developed. The availability of quality infrastructure facilities will encourage the establishment of industries in the state, due to which ample employment opportunities will be created.

This is the first budget of 'Amrit Kal'. How is this fiscal plan different from those that have been presented in the past?

• The UP government is focused on making people the people of UP self-reliant and confident and provide them with new avenues of skill training and enhancement and jobs. As I have said that in the budget of 2023-24, more than 27% of the budget has been provisioned for capital expenditure in the total budget. Along with this, I would like to inform that in order to promote industrial development in the state, the budget for small scale industries and export promotion has been increased by 73%. The budget of handloom industry has been increased by 107% and that of heavy and medium industries by 77%.

The budget for bus transport has been increased

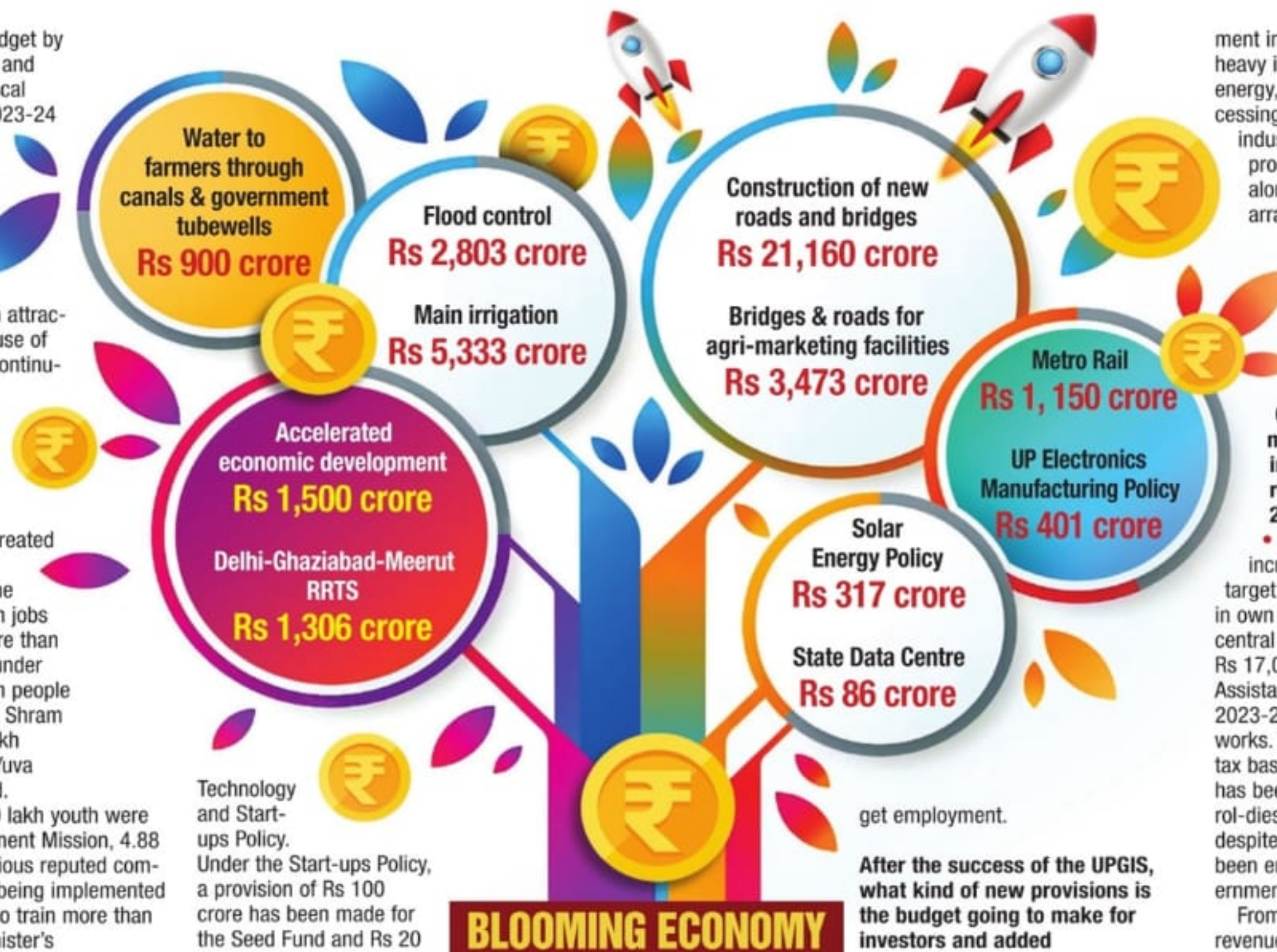
by 115%, tourism by 47%, road budget by 39%, vocational education by 82% and culture department by 25%. The fiscal deficit in the budget for the year 2023-24 is estimated at 3.48% of GSDP, which is less than the debt limit of 3.5% set for the year.

How does the budget intend to generate new avenues of jobs and growth in the state?

• Uttar Pradesh has emerged as an attractive destination for industries because of better infrastructure facilities and continuous improvement in 'Ease of Doing Business' in the state. MOUs have been signed for investment of more than Rs 34 lakh crore in the UP Global Investors Summit held in February. With this, about 93 lakh employment opportunities will be created in the state.

Till November 24, 2022, under the MSME sector, more than 25.64 lakh jobs have been created in the state. More than 1.35 lakh people got employment under ODOP scheme, more than 1.93 lakh people have benefited under Vishwakarma Shram Samman Yojana, more than 1.37 lakh employment under Mukhyamantri Yuva Swarozgar Yojana has been created.

Similarly, out of more than 12.50 lakh youth were trained under the UP Skill Development Mission, 4.88 lakh youth have been placed in various reputed companies. Many similar schemes are being implemented in the state. A target has been set to train more than 31,000 people under the 'Chief Minister's Apprenticeship Promotion Scheme'. There is a target of creating 40,000 jobs in the textile sector. Schemes are being implemented to encourage start-ups, such as – under the UP Start-ups Policy, there is a target of creating a fund of Rs 1000 crore. An arrangement of Rs 60 crore has been made for the UP-Information



Technology and Start-ups Policy.

Under the Start-ups Policy, a provision of Rs 100 crore has been made for the Seed Fund and Rs 20 crore for the 'Agriculture Accelerator Fund' to encourage agri-tech start-ups for rural youth entrepreneurs. A new tourism policy has been brought by our government, under which an investment of Rs 10 lakh crore will be made in the next five years and 20,000 people are expected to

get employment.

After the success of the UPGIS, what kind of new provisions is the budget going to make for investors and added investments?

• Most of the MOUs in UP Global Investors Summit have been done in renewable energy (16%), electronics (12%), industrial park (11%), education (9%) and logistics (9%) sectors. About 25 policies are being promulgated and implemented by the state govern-

ment in various sectors. These policies are in MSME, heavy industry, handloom, IT & electronics, renewable energy, tourism, vocational education and food processing sectors. Apart from this, programmes like industrial park, logistic park, land bank, defence production, development of industrial corridor along the expressway are also being run. Proper arrangements have been made for all these programmes in the budget of the concerned departments.

Strategic integration across the spectrum has been done through the budget to ensure a more aligned and all-inclusive growth framework.

Good financial governance has been a major factor for the UP government to improve its revenue receipts. What new reforms and innovations can we see in 2023-24 in this direction?

• In the year 2023-24, we have estimated an increase of 14.4% in revenue receipts, in which a target has been set for a significant increase of 19% in own tax revenue and 25% in the state's share in central taxes. Apart from this, we are expecting about Rs 17,000 crore for the state under the 'Special Assistance to States for Capital Investment Scheme 2023-24' by the Government of India for capital works. We have prevented tax evasion, increased the tax base through efficient tax administration. Relief has been given to the public by keeping VAT on petrol-diesel less as compared to other states and despite this a significant increase in tax revenue has been ensured. The fiscal administration of the government has been sound.

From 2017-18 to 2021-22, UP has been making revenue surplus. In the financial year 2020-21, due to reduced economic activities due to Covid-19, there was a revenue deficit of Rs 2367 crore, but in 2021-22 the state again built revenue surplus. From 2017-18 uptil now, the state's fiscal deficit has been continuously under the debt limit prescribed under the FRBM Act.