

Uttar Pradesh Shines Bright A Paradigm Shift in Development

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Uttar Pradesh's remarkable growth trajectory is underpinned by four fundamental pillars: a steadfast commitment to zero tolerance towards crime, robust collaboration with the Central Government, boosting the nation's largest consumer base, and pioneering a thriving ancillary sector, particularly in the Micro, Small, and Medium Enterprises (MSME) domain. Shri Abhishek Prakash, IAS, Secretary, Infrastructure and Industrial Development Department, Government of Uttar Pradesh and Chief Executive Officer, Invest UP, emphasizes these crucial elements during an exclusive discussion with **Shikha Srivastava** of **India News Network (INN)**.

Can you elaborate on the initiatives Invest UP has undertaken to create a business-friendly ecosystem and how have these initiatives impacted the state's economic growth?



Uttar Pradesh's economy is on a growth trajectory. As the 2nd largest economy, UP's economic growth has been robust and its share in exports has also been increasing rapidly. The government has also increased its capital outlay, thereby driving growth. UP's growth may have been possible because of the 4 pillars of zero tolerance towards crime, effective collaboration with Central Government, being the highest consumer base in the country and having the top ancillary (MSME) base.

We have been continuously working on bolstering a wholesome infrastructure in the state – be it land, air, road, or water routes. We are the only state to have 5 international airports to cater to both cargo and passenger traffic. We are known as the Expressway Pradesh, as UP has the largest share of the entire country's expressways network. We have introduced single window portals, such as Naveen Matri, which offers more than 450 services and Naveen Sochati for signing of investment MoU and support through the lifecycle of projects. Further, all state government sectoral policies are integrated in it and investors can seamlessly navigate their way through them and also spread their grassroots on them. All these factors go a long way in impacting economic growth. These key enablers have led to UP becoming a LEADS adviser state. There are only 4 states in that category and UP is one of them. We are also ranked number 1 in the good governance index and number 2 in export preparativeness index (in landlocked states category). We are also an achiever state in ease of doing business (EOD).

What specific sectors or industries have emerged as primary drivers of growth in Uttar Pradesh, and how do you plan to sustain and diversify this momentum in the coming years?

In recent years, Uttar Pradesh has witnessed a significant surge in industrial growth, particularly highlighted during and post the Uttar Pradesh Global Investors Summit-23 (UPGIS-23). The summit resulted in a substantial influx of investment intents, with over 27,600 MoUs signed, amounting to a staggering 38 lakh Cr. This initiative is poised to create more than 11 million jobs, marking a transformative period for the state's economy.

Several sectors have emerged as primary drivers of this growth trajectory. Notably, Renewable Energy, Electronics Manufacturing, Industrial Parks, and Higher Education have assumed pivotal roles, collectively constituting nearly 50% of the total proposed investment in the state. Geographically, Western Uttar Pradesh has attracted the maximum intents, securing around 45%, while Eastern Uttar Pradesh follows closely with approximately 30% of the total investment intents.

The strategic development plans encompass various districts, with Gyaan Budhis Nagar leading the investment landscape with 27% of total intents, closely followed by Agra with nearly 8%. Looking ahead, the government is focused on expanding industrial infrastructure, exemplified by the planned Bundelkhand Industrial Development Authority (BIDA), spanning 14,000 hectares, akin to the Noida model.

Central to Uttar Pradesh's future economic landscape is the upcoming Noida International Airport, envisaged as a pivotal hub for multi-modal connectivity. Spanning approximately 7.38 hectares, the airport will boast six runways and host India's largest MRO facility alongside a logistics hub. Moreover, the airport's connectivity, including the proposed BATS link to Ghazabad and integration with freight corridors and industrial corridors, underscores its significance as a catalyst for growth.

The state government has also instituted various policy-driven reforms to foster a conducive environment for industrial development. With around 25 policies spanning sectors like IT/ITES, Data Centre, EODs, Defence & Aerospace, Electric Vehicle, Warehousing & Logistics, Tourism, Trade, and MSME, Uttar Pradesh aims to attract a diverse range of investments. The Industrial Investment & Employment Promotion Policy-2022 stands as a cornerstone, offering enticing benefits such as capital subsidies of up to 42%, 100% Net BODT refund, and Stamp Duty waivers to manufacturing units establishing operations in UP.

Moreover, in a pioneering move, the government introduced a dedicated policy to incentivize FDI and attract Fortune Global 500 & Fortune India 500 companies to invest in Uttar Pradesh. This initiative underscores the state's commitment to fostering a conducive investment climate and ensuring sustainable growth in the years to come. Through a combination of strategic infrastructure development, policy reforms, and sectoral diversification, Uttar Pradesh aims to consolidate its position as a leading destination for investment and economic prosperity.

Uttar Pradesh has become a major investment destination, reportedly attracting around Rs 4.12 lakh crore of investment between 2017 and 2022. How do you plan to sustain and further enhance the state's appeal to investors in the coming years?

In Uttar Pradesh, the beriscope for investment is promising, driven by a multitude of upcoming growth centers that captivate investor interest and bolster economic activity. To facilitate this momentum, the state has strategically formulated key sectoral policies. These encompass a broad spectrum, including but not limited to, FDI policy, Defence and Aerospace, Warehousing & Logistics, Agri & Food Processing, Aviation, Leather, Pharma & Chemicals. One of the pivotal strategies involves the establishment of dedicated parks tailored to specific sectors. Robust, significant land banks are under development across various industrial authority areas, with a spotlight on the Bundelkhand Industrial Development Authority, slated to become one of the largest authorities in terms of area coverage.

Moreover, Uttar Pradesh is spearheading initiatives to develop sector-specific parks, marking a significant stride in industrial infrastructure. For instance, the inauguration of the State's maiden Medical Device Park along the Varanasi Expressway underscores this commitment. Similarly, plans are underway for the creation of a Film City, Toy Park, Apparel Park, Handcraft Park, and Logistics Hub along the same corridor, promising diversified opportunities for investors. Additional ventures such as the establishment of IT ODC in Greater Noida, a Mega Food Park in Bareilly, Theme Parks City in Jhansi, Plama Park in Gorakhpur, and Garment Park in Gorakhpur further accentuate the state's expansive development agenda.

In alignment with fostering a conducive investment climate, Uttar Pradesh aims to efficiently manage current investments while exploring untapped markets for future collaborations. A portfolio of over 25 policies, fortified by attractive incentives, underscores the state's commitment to sustaining and augmenting its appeal to investors. Notably, the Industrial Investment & Employment Promotion Policy-2022 serves as an overarching framework, extending enticing benefits to manufacturing units venturing into UP.

Furthermore, the Government of Uttar Pradesh has introduced a dedicated policy aimed at incentivizing FDI, Fortune Global 500 & Fortune India 500 companies to invest in the state. This strategic approach reflects a concerted effort to fortify UP's position as a premier investment destination, poised for sustained growth and economic prosperity.

Ease of doing business is crucial for attracting long-term investments. How does Invest UP work with the state government and other stakeholders to streamline processes and create an investor-friendly environment in Uttar Pradesh?

The state of Uttar Pradesh has made remarkable progress in enhancing investor facilitation, recognizing the importance of translating the ease of doing business into the pressure of doing business. Over recent years, the industrial landscape of the state has undergone a significant transformation, marked by proactive measures to address issues related to law and order, power supply, and bureaucratic hurdles.

Notably, the state government has ensured a balanced distribution of investment across various districts, aiming for holistic growth and development benefiting all citizens. In prognostic surveys like LEADS-2022 and 2023, Uttar Pradesh has consistently earned recognition as a top achiever, underscoring its commitment to fostering a conducive business environment. Key reforms, including the implementation of the pioneering digital single-window portal Naveen Matri, offering over 450 online services, have streamlined processes and integrated seamlessly with the National Single Window platform.

Additionally, initiatives like the Naveen Sochati online Investor Relationship Management Portal and the appointment of 100 dedicated Industry PRAs have provided crucial support to investors, symbolizing a paradigm shift in investor engagement. The state government's proactive approach is further evidenced by the formulation of 25 policies across sectors such as IT, IT/ITES, tourism, and MSMEs, aimed at attracting investment and fostering industrial growth. Centralized systems like the Online Investment Management System under Naveen Matri have streamlined incentive processes, promoting transparency and efficiency. The success of these endeavors was evident in the grand Global Investors' Summit of February 2023, where the state received investment intents exceeding Rs 35 lakh crore. These accomplishments underscore Uttar Pradesh's commitment to creating a conducive environment for investment and economic growth, setting a precedent for inclusive development and prosperity.