

'UP has won investors' trust, it is time to reap benefits'

Uttar Pradesh govt has worked in an organised manner to attract investors and industry leaders to promote industrial growth in the state, according to Infrastructure & Industrial Development Commissioner **Manoj Kumar Singh**. In an interview with **Shailvee Sharda**, he says that huge investment figures projected for the Ground Breaking Ceremony shows that UP has earned the trust of investors. Excerpts:



Intents are translating into actual investments of Rs 10 lakh crore and creating around 34 lakh jobs. What is the biggest takeaway in these numbers?

■ Numbers speak for the fact that UP has earned the trust of investors. It is time to reap the benefits of this trust. The fact that these 14,000 projects include some 6,000 non-MoU investments gives weight to the fact that perception about UP has changed. Those getting jobs are the direct beneficiaries, but when an industry comes, the volume of indirect benefits is much higher. Considering the proverb 'money attracts money', the investment that has come will bring in more players in the wave of change.

Over 48% of the projects are in uncharted regions of the state. What do you read in this?

■ The pattern of investment is a reason to smile as it indicates that businessmen are moving out of the comfort zones of Gautam Budh Nagar and Ghaziabad to make investments in far off districts. Though western UP accounts for about half of the total investments, other regions have also got their due to some extent. I am especially happy for Bundelkhand where about 6% of the investment has come. Now, considering that the region accounts for 7% of the state's population, we can say that a kind of parity has been achieved. When seen with the formation of Bundelkhand Industrial Development Authority (BIDA), it will turn out to be a game changer for the people and the state in years to come.

How will this investment help the state govt vis-à-vis its target of making UP a trillion dollar economy?

■ Achieving the goal largely depends on increasing manufacturing in the state and taking it to about 50%. As of now, the share of the manufacturing sector in the state's gross domestic product (SGDP) is 25% (another 50%

comes from the service sector while the remaining comes from agriculture). GBC investments have 21% manufacturing sector projects which will boost our attempt towards the goal.

Data shows that to achieve the trillion dollar goal, UP's growth rate must be around 33%. Where does UP stand?

■ It is true that the growth rate of 33% is huge but high benchmarks do catalyse efforts. UP is on track on this count and one piece of statistics proves this – the state grew at a rate of 14% last year which is almost twice the national average of 7%. There was a time when UP trailed the national average but now we are not only ahead but also way forward.

What all led to this change?

■ The state has worked in a very organised way to attract industry. We have eliminated our weaknesses and built new strong points. For instance, political leadership and focus on law and order situations helped in negating UP's adverse image. To attract the attention of investors, we came up with sector specific policies, attractive incentives and subsidies. People can also see continuity of these efforts.

What will lead to the next big leap?

■ State's effort to attract Fortune 500 foreign and Indian companies will usher in the next leap (UP ranks 11 in FDI as of now). We have prepared the ground for it through a policy framework and addressed the biggest roadblock which was the cost of land. In UP, the cost of a hectare of land can go up to Rs 4 crore which is several times higher than what it is in Gujarat and Maharashtra. To counter this, Uttar Pradesh is offering a front end 75% land subsidy. This change has helped in bringing foreign direct investment from Japanese company Fuji Silvertech which is setting up a plant in western UP. The other incentives include 25% capital subsidy and State GST reimbursement and also incentives to the company if they employ domiciles. Investment from Fortune 500 companies has many benefits such as new technology, work culture, and skill development opportunities. Not to forget that if a foreign company likes the place, faster and bigger expansions follow.

