

5-fold hike for textiles in UP 2026-27 Budget

LUCKNOW, FEB. 11—

The Uttar Pradesh government has proposed Rs 27,103 crore for infrastructure and industrial development, 13 per cent higher than last year, and over Rs 5,041 crore for handloom and textiles, marking a more than five-fold increase, in the 2026-27 Budget tabled in the Assembly on Wednesday.

According to an official statement issued after Finance Minister Suresh Khanna presented what is being seen as the last full-fledged budget of the

Yogi Adityanath government ahead of the 2027 Assembly elections, the outlay reflects a push towards industrial expansion, MSME growth and employment generation.

An allocation of Rs 5,000 crore has been proposed for the Chief Minister Industrial Area Expansion and New Industrial Area Promotion Scheme. Rs 2,374 crore has been earmarked under the Swami Vivekananda Yuva Sashaktikaran Yojana for distribution of tablets and smartphones, while Rs 2,000 crore

has been proposed under the Atal Infrastructure Mission.

Another Rs 1,000 crore has been set aside to implement the 2023 incentive policy to attract foreign direct investment and Fortune 500 companies.

The statement said MoUs have been signed for setting up 200 defence units under the Defence Industrial Corridor, involving proposed investment of Rs 35,280 crore and estimated direct employment for 53,263 people.

For the MSME sector, Rs

3,822 crore has been proposed, 19 per cent higher than 2025-26, it stated.

A new Sardar Vallabhbhai Patel Employment and Industrial Zone scheme has been proposed with an outlay of Rs 575 crore. Rs 1,000 crore has been earmarked for the Mukhyamantri Yuva Udyami Vikas Abhiyan, targeting one lakh micro enterprises annually, and Rs 225 crore for the Mukhyamantri Yuva Swarozgar Yojana.

A new "One District One
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Cuisine" scheme has been proposed with Rs 75 crore allocation. In textiles, the government has set a target of generating 30,000 jobs in 2026-27, according to the statement.

In the Budget, Rs 4,423 crore has been proposed under the Atal Bihari Vajpayee Powerloom Weavers Flat Rate Electricity Scheme and Rs 150 crore under the UP Textile and Garmenting Policy-2022. A mega textile park is being developed under the PM MITRA scheme to create a garment hub.

Under khadi and village industries, the Mukhyamantri Gramodyog Rozgar Yojana aims to establish 800 units through Rs 40 crore in bank loans, generating employment for 16,000 people. An allocation of Rs 10 crore has been proposed for interest subsidy under the Pt Deendayal Gramodyog Rozgar Yojana.

The government has also proposed Rs 7.5 crore for modernisation of the blanket production centre in Khajni, Gorakhpur, and Rs 13 crore for the integrated development of traditional potters under the UP Mati Kala Board, the statement said.