



# Uttar Pradesh to Enter USD 1 Trillion Club

## Why in News?

According to Uttar Pradesh Chief Minister Yogi Adityanath, **Uttar Pradesh has emerged as the second largest economy in the country** and the state was **on course to achieve the USD 1 trillion economy target**.

## Key Points

- Due to the planned efforts of the last six and a half years, UP's economy is in the best condition today.
- The **state's total Gross State Domestic Product**, which stood at **₹16.45 lakh crore in 2021-22**, has **now surged to over ₹22.58 lakh crore in 2022-23**.
  - With a **9.2% contribution to the national income**, UP has emerged as the second-largest economy in the country, playing a pivotal role as the growth engine of the country.
  - **UP's growth rate** in current and constant prices **in 2021-22** was **20.1% and 9.8%** against the **country's growth rate of 18.4% and 9.1%** respectively.
  - Similarly, in **2022-23**, the **national growth rate** of constant prices was recorded at **7.2%**, against the **state's growth rate of 9.8%** while the **state's growth rate** of current prices was recorded at **14.3%** during the period.
- **Digital technology** has been incorporated to improve the primary segment of the economy, with initiatives such as digital crop surveys being successfully implemented.
  - The area of cultivation and **production of sugarcane increased by 26.8%** in **2021-22**, while **horticultural crop production** saw a substantial **rise of 31.9%**.
  - **State-sponsored schemes aimed at achieving self-sufficiency in pulses and oilseeds** in UP are yielding favorable results. However, there is a need to further enhance crop diversification and improve supply chain management.
- The state has secured the **top position in milk production**. Additionally, it **ranks third** in terms of progress **in egg production achieving an annual growth rate of 12.80%**.
- UP achieved **rapid growth in the tertiary sector** with growth in the hotels/restaurants, transport, communication, real estate, professional services, public services, defense, and other services. There has been an unprecedented development in services related to the **tourism sector**.
  - According to the **Government of India report in 2023**, UP got the distinction of having the **highest number of tourist arrivals in 2022**. In the financial year 2022-23, the state welcomed over 31.8 crore tourists, with **Varanasi, Mathura, and Ayodhya emerging as major centers**.
    - In addition to catering to domestic tourists, it is imperative to develop a **comprehensive action plan to attract foreign tourists** and for this, potential countries need to be identified and proper policies formulated.
- The principal secretary, planning department and representatives from the **financial consulting company Deloitte presented** detailed information about the **current economic environment of the state**. They elaborated on the present situation and **potential future outcomes**, industry expectations, and other **relevant details sector-wise**.
- To reach the **USD 1 trillion target by 2027** it is imperative that **all departments escalate their efforts**. Enhanced planning and coordination are essential.

## Note

- In recent years, the top five states in terms of **Gross State Domestic Product (GSDP)**, or the five largest state economies of the country, have set their own targets to contribute to India's ambitious economic growth plan. Though UP has been the first to announce its mission, **Maharashtra, Tamil Nadu, Karnataka and Gujarat** also aim to double or triple their economies to meet their respective GSDP goals with their own deadlines.

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## THE ROADMAP

State	GSDP at current prices (₹ crore)			Target date	EY estimate	Key focus sectors
	FY23 (\$ billion)	FY24 (\$ billion)**	Target			
<b>Maharashtra</b>	424	466	\$1 trillion	FY29	FY34	Metals, capital goods, petroleum products, renewable energy, defence equipment
<b>Tamil Nadu</b>	282	340	\$1 trillion	FY31	FY37	Semiconductors, fabs & circuit boards, pharmaceuticals, aerospace, defence
<b>Karnataka</b>	269	309	\$1 trillion	FY33	FY37	IT, biotechnology, artificial intelligence, machine learning, startups
<b>Gujarat</b>	**271	308	\$500 billion	FY27	FY29	Smart manufacturing, green manufacturing, fintech, tourism, IT
<b>Uttar Pradesh</b>	*271	293	\$1 trillion	FY28	FY37	Manufacturing, agriculture, tourism, electronics, IT services

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