



Uttar Pradesh's Priority Sector Jump

Why in News?

According to the **State Focus Paper 2024-25 for UP**, prepared by [the National Bank for Agriculture and Rural Development \(NABARD\)](#), **credit flow** into UP's priority sectors is estimated to touch **Rs 5.73 trillion in 2024-25**.

- **Agriculture, [Micro, Small and Medium Enterprises \(MSME\)](#)**, and services sector are identified as priority sectors by the government.

Key Points

- To achieve the **[USD1-trillion economy target](#)**, the state would need a **growth rate of 250% in agriculture, 300% in MSME, and 450% in services sectors**.
 - Underscoring the importance of credit as the catalyst for growth, the UP government has nudged bankers to improve the **state's credit deposit (CD) ratio**.
 - A state delegation is participating in the **[World Economic Forum \(WEF\)](#)** at Davos, Switzerland to **showcase UP as a leading investment destination**.
 - The state is also promoting **startups for job creation**. The **Associated Chambers of Commerce & Industry of India (ASSOCHAM) of UP** partnered with **Bharat Startup & Innovation Society (BSIS)**, a charitable society that works on nurturing and mentoring the next generation of entrepreneurs.
- The Chief General Manager of NABARD, UP, has **referred to the state as the "growth engine" of India**, with an estimated growth rate of 19.2%.
 - In terms of **[ease of doing business](#)**, the state has moved to the **2nd position from 14th in 2017**.
- The State Focus Paper **aggregates the credit potential** at the ground level for all the **75 districts**.
 - Based on the paper, the **annual credit plan for 2024-25 will be finalised by the state level bankers' committee (SLBC) in UP**.
- The state is taking steps to boost farm exports by improving the harvest quality.
- UP accounts for **20% of [total millet production of India](#)**, but the exports were only 1%.

The World Economic Forum (WEF)

- It is a **Swiss nonprofit foundation established in 1971**, based in Geneva, Switzerland.
- Recognized by the Swiss authorities as the **international institution for public-private cooperation**.
- **Committed to improving the state of the world** by engaging business, political, academic, and other leaders of society to shape global, regional, and industry agendas.

National Bank for Agriculture and Rural Development (NABARD)

- NABARD is a **development bank focussing primarily on the rural sector of the country**. It is the apex banking institution to provide finance for Agriculture and rural development.
 - Its **headquarter is located in Mumbai**, the country's financial capital.
- It is **responsible for the development of** the small industries, cottage industries, and any other

such village or rural projects.

- It is a statutory body established in 1982 under the Parliamentary act-**National Bank for Agriculture and Rural Development Act, 1981.**

PDF Refernece URL: <https://www.drishtias.com/printpdf/uttar-pradesh-s-priority-sector-jump>

