



# UP betting big on manufacturing to achieve trillion-dollar economy target

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Uttar Pradesh is betting big on the manufacturing sector to achieve the goal of becoming a trillion-dollar economy by 2027.

At present, the state's gross state domestic product (GSDP) is estimated at \$230 billion, while the contribution of the manufacturing sector is pegged at about 14 per cent, which the government is looking to boost by threefold to 45 per cent. To achieve the target, the government is laying greater emphasis on setting up and expanding new industries.

Seven thrust manufacturing verticals identified by the state include leather, textile, toys and games, defence, electronics, machinery, and electric vehicles. Recently, Chief Minister Yogi Adityanath presided over a high-level meeting with the top echelons of the industrial development department to sketch a broader action plan in this regard.

“The state is making efforts to increase the manufacturing sector contribution to GSDP by more than three times in the next five years,” he underlined. Likewise, the state needs its annual growth rate to surge by 30-35 per cent to reach the trillion-dollar milestone by 2027.

Besides, the government has estimated that the quantum of fresh investment in the economy needs to be ramped up from the current level of 42 per cent to 47 per cent of the GSDP as

well.

UP is among India's top producers and exporters of toys, leather goods, and textiles in the country.

According to the state's projections, UP's exports could reach \$246 billion by 2027 if the state could capture just 5 percent of the global export market of leather, textile, toys & games, defence, and electronic products.

Moreover, the state could achieve an economy of \$14 billion by catering just 10 percent of the global electric vehicles export market.

At present, China exports up to 29 per cent of the world's textiles/clothes compared to India's 3 per cent; whereas UP exports up to 23 per cent of India's textile exports.

Similarly, China accounts for 32 per cent of the global leather exports compared to India's 2 percent; whereas UP's contribution to India's leather exports is 43 per cent.

China exports 58 per cent of the global toys and sporting products, whereas India only exports 0.4 per cent, while the contribution of UP in the national export basket is about 32 per cent.

In fact, the state is eyeing to position the UP export basket in the key markets that China caters to in the Asian, African, and Latin American markets.