

# UP emerges as model of digital transformation and economic growth

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Representative Image

Uttar Pradesh has emerged as a leader in the digital revolution and economic progress from Direct Benefit Transfer (DBT) to digital transactions. With a remarkable rise in Gross State Domestic Product (GSDP), the state is setting an inspiring example for the nation.

NITI Aayog has recognized UP as a 'front-runner,' while a recent Reserve Bank of India (RBI) report highlights UP's tax share at 11.6 per cent for 2024-25, making it the second-highest in the country after Maharashtra, officials here on Thursday said.

This milestone firmly establishes Uttar Pradesh as a leader in economic growth and governance efficiency.

Uttar Pradesh has achieved the top position in the country for digital transactions, marking a significant milestone in the state's digital revolution.

Officials said that in 2017-18, digital transactions in the state stood at Rs 122.84 crore, whereas by 2024-25, this figure skyrocketed to Rs 1024.41 crore by December 2024, with Unified Payments Interface (UPI) contributing to more than half of these transactions.

This transformation has been driven by easy access to digital banking, widespread internet availability in villages, financial literacy initiatives, and enhanced infrastructure.

Uttar Pradesh now boasts 20,416 bank branches, 4,00,932 Bank Mitras and BC Sakhis, 18,747 ATMs, and 4,40,095 banking centres, reflecting its robust financial ecosystem.

Under the Direct Benefit Transfer (DBT) system, the Yogi government has successfully transferred ₹1,11,637 crore directly into the bank accounts of over 9 crore 8 lakh beneficiaries across 207 schemes from 11 government departments, including 113 central and 94 state schemes.

This transparent and efficient system has not only eliminated corruption but also led to savings of Rs 10,000 crore, ensuring that benefits reach only the intended recipients. Uttar Pradesh has firmly established itself as a leading example of digital transformation, demonstrating how technology can empower citizens and drive economic growth.

From 1950 to 2017, Uttar Pradesh's Gross State Domestic Product (GSDP) stood at Rs 12.75 lakh crore. However, with public trust in Prime Minister Narendra Modi's policies and the focused governance of the Yogi government since 2017, this figure is set to more than double within just eight years, reaching Rs 27.51 lakh crore in 2024-25.

With a 9.2 per cent contribution to the national GDP, Uttar Pradesh has emerged as the second-largest economic contributor in the country. While India's GDP growth rate stood at 9.6 per cent in 2023-24, UP outpaced the national average with an impressive growth rate of 11.6 per cent, showcasing its economic resilience and strength.

According to NITI Aayog's latest report, Uttar Pradesh has been declared a 'front runner' in terms of fiscal stability. The state's Fiscal Health Index has seen a remarkable improvement, increasing by 8.9 points between 2018-19 and 2022-23.

Capital expenditure has also grown significantly, rising from 14.8 per cent to 19.3 per cent of total expenditure, surpassing the national average of major states.

Additionally, RBI's 2024-25 report highlights that UP's own tax receipt ratio has reached 10 per cent, far exceeding the national average of 7.2 per cent. This strong fiscal performance underscores UP's robust economic policies, making it a model for sustainable growth and financial discipline.