



UP: Second Fastest Growing Economy | Uttar Pradesh | 13 Aug 2025

Why in News?

As per data of Ministry of Statistics and Programme Implementation, **Uttar Pradesh (UP)** has emerged as the **second fastest-growing state** in India in terms of **Gross State Domestic Product (GSDP)**, with its growth rate accelerating from **5.5% to 8.9%**.

- **Tamil Nadu** holds the **top position** with a GSDP growth rate of **11.19%**. Small states like Arunachal Pradesh and Meghalaya have also posted significant growth rates of 9.66%.

Key Points About Economic State of UP

- Uttar Pradesh ranks as **India's third-largest economy** after Maharashtra and Tamil Nadu ([NITI Aayog](#)).
 - UP has set an **ambitious goal of becoming a \$1 trillion economy by 2029**.
 - It has **identified 10 key sectors critical to achieving this target**, with a focus on law and order, agriculture, infrastructure, industrial development, social security, and more.
- In **FY 2023-24, Uttar Pradesh's GSDP stood at ₹25.48 lakh crore**, up from ₹22.58 lakh crore in the previous fiscal year.
- The state experienced a **23% increase in per capita income** from FY 2016-17 to FY 2019-20.
- The **agriculture sector's contribution** to GSDP increased from 13.7% to **16.8% in FY 2023-24**.
 - Meanwhile, the **secondary sector** accounts for **23% of the GSDP**, while the **tertiary sector contributes 45%**.
- Uttar Pradesh **contributes 8% to India's national GDP**.

UP's MSME Industrial Estate Management Policy 2025 | Uttar Pradesh | 13 Aug 2025

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The Uttar Pradesh government has given its approval for the [Micro, Small, and Medium Enterprises \(MSME\) Industrial Estate Management Policy \(2025\)](#), designed to promote industrial growth by **simplifying land allocation and improving** facilities for businesses.

- The new policy is set to replace 19 outdated government orders issued since 1978.

Key Features of the Policy

- **Land Allocation:** Land, sheds, and plots in industrial estates will be allocated via lease/rent

through auction or e-auction modes.

- Successful bidders will pay 10% of the reserved price as earnest money, with the remaining balance payable in lump sum or installments over one to three years. Immediate payments will be eligible for a 2% discount.
- **Reservation for SC/ST Entrepreneurs: 10% of all plots and sheds** will be reserved **for SC/ST entrepreneurs**.
 - If no eligible applicant comes forward, the plots may be reallocated to other categories to ensure continuous development.
- **Price Structure:** The policy introduces fixed reserved prices for industrial plots in various regions for FY 2025-26, including Madhyanchal, Pashchimanchal, Bundelkhand and Purvanchal.
 - The rates will increase by 5% annually, starting from 1st April each year.
- **Preferential Rates for Anchor Units:** Special rates may be offered to anchor units expected to drive significant MSME growth in the estates.
- **Infrastructure Facilities:** Industrial estates will be equipped with essential amenities, including common facility centers, power substations, fire stations, women's hostels, dormitories, crèches, eco-friendly parks, training institutes, and health services.
- **Standard Operating Procedures (SOPs):** The **Commissioner and Director of Industries will oversee the implementation of SOPs** for land allocation, property transfer, revitalization, subletting, and surrender.

Classification	Micro	Small	Medium
Manufacturing and Services Enterprises	Investment: Not more than Rs. 2.5 crore	Investment: Not more than Rs. 25 crore	Investment: Not more than Rs. 125 crore
	Annual Turnover: not more than Rs. 10 crore	Annual Turnover: Not more than Rs. 100 crore	Annual Turnover: Not more than Rs. 500 crore

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