

# Uttar Pradesh State Profile

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## I. INTRODUCTION

Uttar Pradesh is the largest state of the country having 75 districts with population of 116.20 million peoples during 2001 and fifth largest area in the country. It is situated between 23°52' and 31° 28' north latitude and 77° 04' and 84° 38' east longitude. The reported area of the state is 24.2 million ha, out of which net area sown is 16.68 million hectare. The grass cropped area is 25.5 million ha. The cropping intensity in the state is 153 percent. Farming community is dominated by small and marginal farmers (91percent) Average size of holding is only 0.83 ha per farmer. However, the average size of holding of marginal farmers is 0.40 ha only. The state accounts for 11 percent India's net area sown and contributes more than 41.1 million tonnes of food grains which is about 30 percent of India's wheat, 20 percent of paddy, 21 percent of sugarcane, 34 percent of groundnut, 17.5 percent of rapeseed, 8 percent of fruits and 16 percent of vegetables. Uttar Pradesh is the largest milk producing state of the country with an annual milk production of 11.7 million kilo liters accounting for 16 percent of total milk production of the country. Keeping in view of vast potential, the state has major role to play in ushering in farm sector led economic growth of the country <sup>[1]</sup>.

Uttar Pradesh is primarily an agrarian economy with more than 60 percent of the population depends on agriculture for their livelihood. The state is the largest producer of food grain in India and offers a diverse agro climatic condition which is conducive for agricultural production. Uttar Pradesh is known for its highest contribution to nation's sugarcane basket. However, the state offers excellent investment opportunities for industrial development.

Uttar Pradesh, the most populous state of India is well known for its multi-hued culture, religion and variety of geographical land. It is endowed with natural wealth in abundance such as minerals, forests, flora and fauna. The state has to its credit the magnificent architectures and known for its rich arts and crafts. With a total area of 240928 sq km. Uttar Pradesh is landlocked by the state of Uttarakhand and Himachal Pradesh in the north, Haryana in the west, Madhya Pradesh in the south and Bihar in the east. After shading off thirteen northern districts of the Himalayan region to a newly formed Uttarakhand state, Uttar Pradesh can be divided into two distinct physiographic divisions: (1) the Ganga plain and (2) the southern uplands.

The Ganga plain by the geologically extends from Aravalli-Delhi ridge in the west to the Rajmahal hills in the east. The upper and middle parts of the Ganga plain fall in the state of Uttar Pradesh. The plain exposes fluvial sediments of quaternary period. The alluvium subsurface exploration reveals that a thick pile of alluvium rests over the Siwalik sequence of neogene early Pleistocene period. The Ganga plain is a part of Indo-Ganga foreland basin, developed during the upper tertiary period and is closely related to the birth and rise of the Himalayas.

## II. THE OBJECTIVE

The objective of the present study is to define such regions as uniform as possible in respect of physiography, climate, rainfall and seasons, demography patterns, economy of state given to briefly, power and communication and banking situation in the Uttar Pradesh.

## III. SOURCES AND LIMITATIONS OF DATA

For this study we have collated data on some key variables, Ministry of Home Affairs (Various Censuses), Government of India, Central statistical organization, National Accounts statistics (Various issues), Statistical Diary Uttar Pradesh Lucknow (Various issues) and CMIE June, 2010 (Basic Data), industrial sector, mostly we chose to take data from 1980-

81 to 2010-11 in time interval to 5 years and 10 years and have try to capture the structure of state income, growth of agricultural productivity, banking and industrial growth for the period after the advent of reforms in the state economy.

#### IV. CHANGES IN STRUCTURAL PARAMETERS

To carry forward our study we have chosen to all structural patterns that will reflect upon the development of Uttar Pradesh and India. All describe here-

##### **Climate, Rainfall and Seasons:**

Uttar Pradesh lies in the warm temperature zones but great variations in climate accrue at different altitudes. The entire state has a tropical monsoon climate except the Himalayan region, which is characterized by temperate climate. The climate is characterized by a rhythm of seasons caused by the southwest and northeast monsoons. The pressure reversal takes place twice in the course of year. At the time of northeast monsoon winds are of continental origin and blow mostly from west to east, while during the southwest monsoon they are oceanic in origin and blow mostly west to east. The southwest monsoon usually enters the state by the end of the month of June and the state gets most of its rainfall from it, while the western depressions bring few showers during the winter season.

The kharif and rabi agricultural seasons closely follow the dry and wet monsoons. The northeast monsoon extends from the month of November to middle June, while the southeast monsoons extend from mid-June to October and corresponds with rainy season. On the basis of temperature and rainfall, the entire year is divided into three distinct seasons: (i) The cold weather season (November to February), (ii) The hot weather season (March to mid-June), and (iii) The season of general rains (mid-June to October). These seasons are giving wide variations in the temperature in the January; the temperature varies from 12.5<sup>0C</sup> to 17.5<sup>0C</sup> and mid May- June from 27.5<sup>0C</sup> to 32.5<sup>0C</sup> with extremes of 45<sup>0C</sup> or more<sup>[2]</sup>.

The state is blessed with plenty of rainfall, about 80 per cent of which is received almost during the months of July to September. The state lies 625 km. away from the Bay of Bengal and 800 km. from the Arabian Sea. In plain areas the annual amount of rainfall is below 1200mm. It decreases from east to west to record in Varanasi and Gorakhpur receive 1113mm and 1274mm of annual rainfall respectively, where as Meerut and Agra receive only 830mm and 765mm respectively annual rain fall<sup>[3]</sup>. No part of the state receives less than 500mm of rainfall. The maximum rainfall in the state received during the month of July and August. The majority of the Himalayan region has snowfall from December to March.

##### **Drainage System:**

Uttar Pradesh is a wonderful river system in the Ganga, flows through the state and another sacred river, the Yamuna joins it at Allahabad. These two rivers along with their numerous tributaries form a riverine alluvial land known as upper and middle Ganga plain. Other than these two important rivers the Ramganga, Son, Betwa, Gandak, Rapti, Gomti, Ghaghara, Rind etc. are the other prominent rivers. The entire state lies within one major basin known as the Ganga Basin, which is again divided into many sub-basins like the Yamuna, Gomti, Ramganga, Ghaghara, Gandak, Betwa, Son, Tons and Ken.

The drainage system in the state may be divided into three streams namely, the Ganga system, the Yamuna system and the Ghaghara system. The Ganga originates from Gangotri Glacier of Himalayas. Its main tributaries are the Yamuna, Ramganga and Gomti. The Yamuna systems originate at Yamunotry Glacier and run all most parallel to Ganga before joining it at Allahabad. The main tributaries of these rivers are the Chambal, Betwa and Ken and all these rivers are originating from the Deccan plateau and running from south to north. The entire north-eastern part of the state is covered by the Ghaghara system. The Ghaghara enters the state from Nepal border and runs parallel to the Ganga, joining beyond Ballia district. Its main tributaries are the Sharda, the Rapti and the Burhi Gandak.

##### **People, Culture, Religion and Language:**

The culture of Uttar Pradesh is a product of mixed heritage of Hindu and Muslim influences. The history of Uttar Pradesh dates back to 1500 B.C. when the Aryans who were Hindus, settled along the Indo-Gangetic plain. Their rule ended in the thirteenth century when the Mugals invaded the northern provinces of India. Although the arrival of the British brought western ideas of modernization especially in education, this western influence was not fall as strongly in Uttar Pradesh as

income other part of India. Most of the rural people in the stat therefore still have deep rooted traditional values and their way of thinking is governed more by religion and cultural norms.

The major language speaks of the people in Uttar Pradesh is Hindi that is also the official language of the state. Besides, Hindi a large parentage of the Muslim population speaks Urdu and traditionally, five distinct regions tend to be identified, which correspond to a particular dialect grouping. In western Uttar Pradesh, the region of Rohilkhand and the upper Doab is home to the speakers of Khari Boli. The lower Doab is referred to as Braj Bhumi, or the land of Braj, and is home to the speakers of Braj Bhasha. Further south, the Bundelkhand region is home to Bundelkhandi speakers. In central Uttar Pradesh is the region of Awadh, which is also home to the speakers of Awadhi. And final eastern Uttar Pradesh is home to Bhojpuri speakers. Often these dialects merged into each other, for example in Shahjahanpur, Khari boli merges into Awadhi.

**Demographic Feature of the State:**

Uttar Pradesh is the most populous state in India with a population of 199.8 million according to the 2011 census. A figure surpassed only by the largest and most populous countries of the world. The population of UP is more the countries of world excluding the population of China, United State of America, Indonesia, Brazil and Russian Republic. This population is distributed in 155317278 households living in the villages and reaming leaving in the towns. It supports and sustains a huge 16 percent to total population of India, which ranks first in the country. Current birth and death rate in UP are above the national average. The population of the state as per census data for 1981, 1991, 2001 and 2011.

As per details from Census 2011, Uttar Pradesh has population of 19.98 Crores, an increase from figure of 16.62 Crores in 2001 census. Total population of Uttar Pradesh as per 2011 census is 199812341 of which male and female are 104480510 and 95331831 respectively. In 2001, total population was 166197921 in which males were 87565369 while females were 7863255<sup>[4]</sup>.

**Table-1Demographics position of Uttar Pradesh**

Index (1)	Uttar Pradesh				India
	1981 (2)	1991 (3)	2001 (4)	2011 (5)	2011 (6)
Population	110862512	139112287	166052859	199812341	1210569573
Percentage of population growth	25.5	25.5	25.8	20.23	17.68
Density of population in Km.	377	473	690	829	382
Percentage of Urban Population	18.0	19.8	20.8	22.3	31.2
Sex ratio	885	879	898	912	943
Percentage of Literates Male	38.8	55.7	67.30	77.28	51.47
Percentage of Literates Female	14.0	25.3	43.00	57.18	48.53
Total Literacy	27.6	41.6	56.27	67.68	74.0
Percentage of SC	21.2	21.0	21.2	21.6	16.6
Percentage of ST	0.2	0.2	0.1	0.1	8.6
Crude Birth Rates (Per 1000)	39.6	36.2	32.1	20.23	21.8
Death Rates (Per 1000)	16.3	12.8	10.5	7.9	7.1
Exponential Growth rates	5.5	5.1	2.30	1.85	1.64

Sources: Office of Registrar General of India, Ministry of Home Affairs (Various Censuses); Uttar Pradesh, National Family Health Survey India 1998-99, P.2.

The total population growth in this decade was 20.23 percent while in previous decade it was 25.80 percent. The population of Uttar Pradesh forms 16.50 percent of India in 2011. In 2001, the figure was 16.16 percent.

**Education:**

Education plays very crucial role in the development process. It also improves the quality of human resource. According to census 2011, the literacy rate in Uttar Pradesh has seen upward trend and it is 67.68 percent during decade. Whereas male literacy stands at 77.28 percent while female literacy is at 51.36 percent. In 2001, literacy rate in Uttar Pradesh stood

at 56.27 percent of which male and female were 67.30 percent and 43.00 percent literate respectively. In actual numbers, total literates in Uttar Pradesh stands at 114397555 of which males were 68234964 and females were 46162591<sup>[5]</sup>.

**State Income and Capital income of the Uttar Pradesh:**

The most suitable composite indicator for economic development is the estimate of total and per capita State Domestic Production (SDP) commonly known as the state income and per capita income of state. Although this indicator does not throw light on the distribution of income but they are used for comparing level of development at various point of time. Therefore the study of the per capita income and the state income of the state would help in assessing the level of development in the state on the one hand and its comparison to the level of development at all India level on the other hand.

In the table provide the deals with comparison of state income and per capita state income to national income and per capita national income. In the table present the Uttar Pradesh is one of the fastest developing states in India and has shown a healthy growth path during the last decade. The average real GSDP of the state has grown at around 6 percent during March, 2002-2011 and has increased more than twofold from Rs.182885 crores in March, 2002 to Rs. 391952 crores in March, 2011. However the per capita national income (at current prices1999-00) has increased from 2258884 crores to 6512271 crores (at current prices 2004-05) in the same period.

**Table-2 Estimates of Capital Formation in State Income and National Income**

Year	Estimate of National and State Income (at Current price) (Rs. In Crores)		Uttar Pradesh Percent to National income	Per Capita Income (at Current prices) (Rs.)	
	India	Uttar Pradesh		India	Uttar Pradesh
(1)	(2)	(3)	(4)	(5)	(6)
1970-71	42879	4256	9.9	778	486
1975-76	78506	7005	8.9	1272	721
1980-81	136358	13955	10.2	1976	1272
1985-86	260491	21090	8.2	3414	1764
1990-91	527972	40719	7.7	6000	3072
1995-96	1174528	102341	8.7	11432	6596
1999-00	1941566	164630	8.5	17871	9765
2005-06	3149407	274950	8.7	28920	14115
2009-10	6512271*	391952*	6.0	44345	23132

Sources: (1) Government of India, Central statistical organization, National Accounts statistics (Various issues); (2) Statistical diary of Uttar Pradesh, Lucknow (Various issues); (3) (Basic Data) CMIE June, 2010. \* New series (Base year: 2004-05)

The per-capita income of Uttar Pradesh stands at a modest level of Rs. 23132 (March, 2010) which is much below the national average<sup>[6]</sup> of Rs. 44345. However, the state has posted significant growth in terms of raising its per capita income level. It has augmented from Rs. 14115 in 2005-06 to Rs. 23132 in 2009-10 with a growth of more than 60percent. Uttar Pradesh has one of the lowest per capita incomes amongst the Indian states.

The analysis shows that the growth rate in total income as well as per capita income of the state of utter Pradesh has generally been lower than the corresponding growth rates in the country during 1970-71 to 2009-10. It also reveals the continuously declining contribution of the state in the national income. In other hand per capita income of the states like Goa, Delhi, Haryana, Maharashtra, Punjab, Tamil Nadu are comparatively better then Uttar Pradesh, however it is higher than Bihar.

**Structure of State Income:**

In respect to share of four main sectors of the economy, primary, secondary, tertiary and service sector explain the structure of the economy of an area. Agricultural (including animal husbandry) is the backbone of the primary sector and the economy of Uttar Pradesh is pre dominantly agrarian. The contribution of different sectors and their sub-heads in state economy are presented in table-3.

Table-3 reveals that the share of primary sector in the state income has however declined from 52.0 percent to 28 percent during the period from 1980-81 to 2009-10. As against the decline share of secondary sector has risen from 16.3 percent to 24.0 percent and tertiary sector from 31.7 percent to 49.0 percent during the same period the declining the share of primary sector was, thus compensated by increasing share of secondary and tertiary sectors.

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**Table-3 Structure of State Income and India**

	Uttar Pradesh				India
Sector	1980-81	1990-91	1999-00	2009-10	2009-10
(1)	(2)	(3)	(4)	(5)	(6)
<b>(1) Primary Sector</b>	52.0	41.5	38.0	28.0	14.64
<b>(2) Secondary Sector</b>	16.3	20.3	22.6	24.0	28.27
<b>(3) Tertiary Sector</b>	31.7	38.8	39.4	49.0	57.09
Total	100.0	100.0	100.0	100.0	100.0

Sources: Planning Department, Government of Uttar Pradesh, Department, Draft 8<sup>th</sup> Five Year Plan to 12<sup>th</sup> Five Year Plan & compiled from Economic survey of India 2010-11.

If we compare it with the structure of national economy in 2009-10, it was found out that the contribution of primary sector in total income of the state economy was 28.0 percent as against 14.64 percent at national level and for the secondary sector it was 24.0 percent as against 28.27 percent at national level and in tertiary sector it was 49.0 percent as against 57.09 percent at national level. It shows that there is slow diversification in the economy of state as well as of the country from agriculture to non agricultural.

**Agricultural Situation:**

Agriculture sector is the key mover of economic growth in Uttar Pradesh. A huge mass of the population in the state almost relies on agriculture for its occupation. As high as 65 percent of the total workforce in the state depends on agriculture most of whom are below poverty line.

The economy of Uttar Pradesh is primarily agrarian nature. Uttar Pradesh covers most fertile tracts in the world that is Gangetic plain. Uttar Pradesh can easily be called the country’s agricultural heartland and has plenty of rich alluvial soils and plentiful ground and surface water<sup>[7]</sup>. Agriculture is main occupation of the people of the state and over 70 percent of state’s working population is engaged in this sector. The contribution of agricultural sector is about 38 percent of total state income while the respective figure for the nation is 26 percent for the same period.

Agro –climatic conditions such as temperature rainfall, humidity, water holding capacity of land and erosion of land exercise considerable influence on the development of agriculture. Agricultural production depends on the availability of assured irrigation, fertilizer consumption and adopt of agricultural implements.

**Land Use Pattern in the State:**

Cropping strength represents intensification of land. In the state, only less than half of the net cropped area is cultivated more than once. It is better than the national average but lagged far behind than one of the neighboring states, Haryana.

Thus to visualize agricultural development in the state, a study of different factors of land utilization has become essential. The land utilization pattern in the state is presented in Table -4 given below.

**Table-4 Pattern of Land utilization in Uttar Pradesh (in 000 hectare)**

Items	1980-81	1990-91	2000-01	2010-11
(1)	(2)	(3)	(4)	(5)
Reported Area	29739	29798	25304	24170
Forest	5129	5162	1689	1658
Not available for Cultivation	2279	2447	3054	3321
Cultivated wastes	1148	1034	945	879
Permanent pasture & grazing land	296	308	295*	66
Land under trees & shrubs	639	545	516*	354
Current fallow	1169	1084	1041*	1215
Other fallow	716	884	760*	538
Net Area Sown	17221	17299	16825	16593
Area Sown more than once	7353	8181	8532*	8790

*Sources:* Statistical Diary Uttar Pradesh Lucknow (Various issues); (Basic Data) CMIE June, 2010. \* Data Related 1997-98.

#### **Irrigations:**

Uttar Pradesh is gifted with rich water resources. The state is bestowed with a vast network of perennial and seasonal rivers. The state also receives plentiful rainfall for crop production and groundwater recharge. About 73 percent of all cropped area in the state was irrigated compared to about 39 percent in the country in the year 2000-01. Groundwater is the predominant source of irrigation.

The state possesses the large and rich alluvial tract in the Gangetic plain and also has large potential for irrigation. The Yamuna irrigates western part while the Ganga irrigates southern part of the state, Due to importance of irrigation in agriculture, high priority has been given from increasing irrigation potential by State Government and financial institutions.

**Table-5 Progresses of Irrigation of Uttar Pradesh**

Year	Net Irrigated Area (000) hectare	Net Area shown (000) hectare	Percent of Net Irrigated Area to Net Area shown
(1)	(2)	(3)	(4)
1980-81	9453	17221	54.89
1985-86	9854	17243	57.15
1990-91	10542	17249	60.94
1995-96	11584	17250	67.15
2000-01	12401	16825	73.71
2005-06	13078	16633	78.61
207-08	13085	16417	79.70

*Sources:* Statistical Diary Uttar Pradesh Lucknow (Various issues) (Basic Data) CMIE June, 2010.

In the Table-5 reveals that net area irrigated of different source in Uttar Pradesh has increased from 9453 thousand hectares in 1980-81 to 9854 thousand hectares in 1985-86 and from 10542 thousand hectares in 1990-91 to 11584 thousand hectares in 1995-96 and after separation of the Uttar Pradesh its increased from 12410 thousand hectares in 2000-01 to 13078 thousand hectares in the year 2005-06 and further it increased 13085 thousand hectares in 2007-08, revealing the results indicates good progress in irrigation facilities in Uttar Pradesh.

The net area irrigated as percent to net area shown in the state has increased from 54.49 percent in 1980-81 to 60.94 in 1990-91 and further it increased from 73.71 percent in 2000-01 to 79.70 percent in 2008-09. But the State is much lower irrigated area in comparison to Punjab and Haryana where it was very high.

### Fertilizers Consumption:

Fertilizer is one of the key elements of new agricultural technology. The central government extended a mammoth subsidy to promote fertilizer use in agriculture. The policy yielded desired results. In the year 2007-08, Uttar Pradesh consumed about 4034 thousand tonnes of fertilizer. This was about 16 percent of the country's total fertilizer consumption, which was more than 18 percent (2962 thousand tonnes) in the year 1999-00. A sizeable quantity of total fertilizer was in favor of nitrogenous fertilizer consumption (73 percent). Rice wheat, sugarcane and vegetables consumed a bulk of fertilizer in the state Historical evidence revealed that fertilizer played a key role in significantly raising productivity of different crops, hence contributed in augmenting farm income.

In term of hectare consumption of fertilizer, it is observed that fertilizer consumption per hectare of grass cropped area in Uttar Pradesh during 1970-71 was 17.7 Kg. only that has increased substantially to 45.6 Kg. in 1978-79 and further 66.34 Kg. in 1982-83 to 86.23 Kg. in 1992-93<sup>[8]</sup>. In spite of increasing trends at fertilizer consumption in the year 1999-00 was 118.18 Kg. per hectare and further it was high consumption in recent year it has been increased from 129.69 in 2004-05 to 150.70 Kg. in the year 2007-08.

The place of Uttar Pradesh was very low consumption in 1970-71 during the period consumption of fertilizer in comparisons to the states of Andhra Pradesh (20.4 Kg.), Kerala (19.3 Kg.), Punjab (37.5 Kg.), and Tamil Nadu (35.0 Kg.) But in 1980-81 this state not only forged to the lead of all India average but also most of the major states except Punjab (117.9 Kg.) per hectare, and Tamil Nadu (62.3 Kg.) per hectare<sup>[9]</sup>. The level of fertilizer consumption in the state also lower in comparisons to per hectare consumption of Punjab (215.73 Kg.), Andhra Pradesh (196.62 Kg.), Haryana (188.97 Kg.), and Tamil Nadu (184.98 Kg.). In the year 2007-08 the average used of fertilizer in Uttar Pradesh was 150.70 Kg. per hectare that is higher than the national average of 115.25 Kg. per hectare<sup>[10]</sup> and this has obtainable considerably boosted of agricultural production in the state.

### Agricultural Production:

Uttar Pradesh is at the top in respect of total cropped area (24.76 Million hectare) and food grain production (47.24 million tonnes) and contributes approximately 22 percent of the national food basket. The net cultivates area of the state is around 16.59 million hectares and the cropping intensity is well above that national average.

Previously to instruction of high yielding Variety seeds, irrigation and other inputs facilities, plusses, rice, wheat and barley were the most important crops of the state. After 1980-81, the low value coarse grain, especially jowar and bajara lost in term of their relative shaves while the higher value. Superior cereal wheat made and acceleration in its share.

Table-6 given below indicates the production of different crops during the period of 1980-81 to 1999-00. It is evident from the table that the production of food grains in the state has increased from 24948 thousand tonnes in 1980-81 to 45650 thousand tonnes in 1999-00 and further it increased to 47244 thousand tonnes in 2009-10 revealing approximately single increase during the span of 30 years from 1980-81 to 2009-10. In the year 2009-10 the total food grain production in India was 218108 thousand tonnes while in Uttar Pradesh it is 47244 thousand tonnes in the same year that is more than 21 percent of total food grain production in India and it is presents higher of national average food grain production.

The productivity of food grains production in the state is much lower in comparison to the Punjab and Haryana. The per capita production of food grains (1990-91) in the state was 253 Kg. That was higher than the national average of 206 Kg. but considerably lower in comparison to Punjab (963Kg.) and Haryana (601 Kg.)<sup>[11]</sup>.

In the term of food grain crop, the productivity of rice is also increased from 5898 thousand tonnes in 1980-81 to 12014 thousand tonnes in 2009-10. That is more than 2 fold increase during the 30 years. The production of rice in the state was more than 25 percent of total food grain production and it was more than 13 percent of total production of rice in India but the productivity of rice in state is still lower that is evident from the fact that the state ranks eight among 14 major states of the country in the admiration.

**Table-6 Agricultural Production Pattern in Uttar Pradesh (000 tonnes)**

Year	Rice	Wheat	Coarse cereals	Pulses	Food grain	Oilseeds	Sugarcane	Cottons	Raw Jute & Mesta
1980-81	5898	12749	3775	2526	24948	1564	64205	5	13
1985-86	8315	16559	3720	2832	31426	1504	73037	5	15
1990-91	10260	18600	4039	2772	35671	1343	103562	16	7
1995-96	10363	21816	4000	2189	38368	1379	119830	15	0.4
1999-00	13231	25976	3843	2599	45650	1287	115419	4.8	---
2005-06	11134	24073	2971	2232	40410	1067	125470	5.2	---
2009-10	12014	30001	3217	2012	47244	911	120555	50	---
<b>India</b>									
2009-10	89093	80804	33559	14662	218108	24882	292301	24022	11820

Sources: (1) Directorate of Economics and Statistics, Ministry of Agriculture, 2009-10.

(2) Statistical hand book of Indian Economy, 2000.

(3) Statistical diary of Uttar Pradesh Lucknow (Various issues).

The production of wheat moved up from 12749 thousand tonnes in 1980-81 to 30001 thousand tonnes in 2009-10 and it has increased more than 2 times during the period from 1980-81 to 2009-10. The total production of wheat in India is 80804 thousand tonnes in 2009-10 and the share of Uttar Pradesh in total wheat production was 37 percent, it obtain first position over the country.

In spite of coarse grains in which jowar and bajara are included, the production has increased from 3775 thousand tonnes in 1980-81 to 4039 thousand tonnes in 1990-91 but after that it has decreasing trend and it become 3217 thousand tonnes in 2009-10 it was 10 percent of the total coarse production in India.

In the table reveal that the production of pulses has increased slightly from 2526 thousand tonnes in 1980-81 to 2772 thousand tonnes in 1990-91 but it has been decreased continuously and become 2012 thousand tonnes in the year 2009-10 whereas the total production of pluses in India was 14662 thousand tonnes and production of pulses in Uttar Pradesh was approximately 14 percent to the total production in India during the same period.

Oil seeds, potato and Sugarcane are the major commercial crops in the state. The production of oil seeds has decreased from 1564 thousand tonnes in 1980-81 to 911 thousand tonnes in 2009-10 and the production of oil seeds is 24882 thousand tonnes over the country in same period. The production of sugarcane has gone up from 64205 thousand tonnes in 1980-81 to 120555 thousand tonnes in 2009-10 indicating approximately two times increase. The production of sugarcane in Uttar Pradesh was more than 41 percent of all India production of sugarcane during the period from 1980-81 to 2009-10. Uttar Pradesh is known for its highest contribution to nation's sugarcane basket. The state's sugarcane production has increased from around 107 million tonnes in March, 2001 to around 121 million tonnes in March, 2011.

Over the last decade, Uttar Pradesh has been able to maintain its steady contribution to India's total sugarcane production with a share of more than 35 percent, except March, 2003<sup>[12]</sup>.

In Uttar Pradesh a huge amount improvement is not seen in production of cotton jute and Mesta. In respect of cotton it was only 0.21 percent of total production of cotton in India it has been fluctuating during the total period from 1980-81 to 2009-10 whereas the production of jute in this state has been declining.

In spite of improvement in quantity of agricultural production the productivity is low in comparison to many other states. Due to poor physical and financial resources the segment of cultivators having holdings below one hectare is unable to



make use of improved agricultural inputs like chemical fertilizers, improved seeds and machinery to increase the productivity of their crops.

### Industrial Production:

Industrialization plays a significant role in the economic development. The availability of consumer goods and even agricultural goods such as chemical fertilizers, agricultural equipment, electronic goods etc. depends upon the growth of industries. Employment can be provided to the surplus of labour force of agricultural sector through industries. Accordingly, the Industrial and Service Sector Investment Policy (ISSIP) 2004 give aims at making the state a very attractive destination for the investors and to provide benefits to all the sectors of the state. The policy endeavors to develop small scale and tiny units, handloom industry, khadi & village industry, IT industry, bio-technology, food processing industry and tourism industry. The state encourages and promotes private participation in industrial and social development and provides a friendly environment for industrial investment and business and offers enormous possibilities for progress and growth coupled with readily available labour assets and investor friendly policy<sup>[13]</sup>.

Uttar Pradesh State Industrial Development Corporation (UPSIDC) and the Department of Infrastructure & Industrial Development are nodal agencies for the development of industrial infrastructure in the state. Udyog Bandhu is an industrial development agency which facilitates investment, operation and establishment of industrial undertakings in the state. With the various fiscal incentives such as exemptions from stamp duty, electricity duty, interest free loan and speedy online clearances through “Nivesh Mitra” are provided to facilitate in setting up of industries. In the Table-8 present the growth of industries in terms of total number of working factories, employed persons and production.

**Table-7 Industrial Growth of Uttar Pradesh**

Year	Working Factories	Estimated average Daily number of Workers Employed (In 000)	Total Production (In Crores)
1970-71	3882	362	NA
1980-81	5540	608	3749
1990-91	7686	600	16025
1999-00	6983	1496	31394
2009-10	679703	2743	126930

*Sources:* Statistical diary of Uttar Pradesh Lucknow (Various issues) State Annual Document; Planning Department, Government of Uttar Pradesh March, 2010.

The Table indicates that total number of working factories increased from 3882 in 1970-71 to 5540 in 1980-81 and further it increased from 6983 in 1999-00 to 679703 in the year 2009-10 which is reveals 175 fold increases during the period from 197071 to 2009-10.

Employment in these factories increased from 362 thousand in 1970-71 to 608 thousand in 1980-81 after that it decreased to 600 thousand in 1990-91 But in 1999-00 it increased and become 1496 thousand persons and further it increase to 2743 thousand in the year 2009-10. The total industrial production has moved up from Rs. 3749 crores in 1980-81 to 126930 crores in the year 2009-10.

Although the important increase in industrial production during the Plan period, the State still lacks the requisite level of industrialization. Industrial growth rate which was recorded at 8.6 per cent during the late eighties declined to 3 per cent during the early nineties. Growth rate of industries was 6.5 per cent per annum during the Tenth Plan. The state is attracting investment in the industrial sector by domestic and foreign entrepreneurs on a large scale indicating the potential of industrial growth in the State. Total investment under IEMs in the State till 2005-06 exceeded Rs.92000 crores. However, the rate of implementation has been rather sluggish and needs to be pushed up<sup>[14]</sup>.

The potential of agro based industry in the state is large. The state is a leading agricultural producer in the country. It is the leading producer in wheat, sugarcane and potato. It contributes about 19.7 percent to the country’s total food grain

production (2010-11) and 34.5 percent to the country's total sugarcane production. It accounts for about 40 percent of the potato production of the country.

The sugarcane is produced in 44 districts of the state and of these districts, 28 districts are the major sugarcane producing districts. There are 125 operational sugar mills running in the state. Similarly, the state ranks second and third in vegetable and fruit production, respectively. Major fruits grown in the state include mango (leading state in India in terms of production), guava (ranked fourth in India), banana and litchi. The overall productivity of fruits in the state is 12.1 tonnes/hectares against national average of 11.9 tonnes/hectares <sup>[15]</sup>.

The state is the largest milk producer in India with a total production of 19.5 million tonnes. It accounts for more than 18 percent of the total milk production in the country. It has the highest buffalo population and second highest cattle population in India <sup>[16]</sup>. The large livestock population provides raw material for the leather industry in the state.

The industrial surroundings of the state are dominated by MSMEs. Some of the most important MSME clusters in the state include Moradabad which is the largest brass & silver handicrafts manufacturing & export centre of India, ceramic cluster at Khurja, leather goods cluster at Kanpur, sports goods cluster at Meerut, carpet cluster at Bhadohi, silk cluster at Varanasi; foundry, leather footwear and mechanical engineering equipment clusters at Agra; brass & gun metal statue and locks clusters at Aligarh, glass products cluster at Firozabad and woodwork cluster at Saharanpur.

A division of the Delhi-Gurgaon-Noida-Ghaziabad auto-clusters is located in Western Uttar Pradesh. Resultantly, a number of innovative tools manufacturers and auto component suppliers have setup their base at Noida and Ghaziabad in Uttar Pradesh. Noida has also emerged as a center for electronic goods, toys, electrical equipment and clothes.

Cement is an additional significant sector in the state, producing about 7 million tonnes per annum. Uttar Pradesh ranks 9th in the country in terms of cement production.<sup>16</sup> Due to large scale availability of sugar, the state is the largest producer of sugar in India. Majority of the IT/ITeS companies in Uttar Pradesh are located in Noida and Greater Noida, due to the proximity to Delhi and availability of talent pool. There are 5 operational SEZs in Noida and Greater Noida, of which 3 are primarily, dedicated to IT/ITeS industries <sup>[17]</sup> SEZs have been notified for IT/ITeS industries in the state.

Tourism is another important sector for the state. One of the chief attractions is the "Taj Mahal" located in Agra and counted among the Seven Wonders of the World. The other prominent tourist and historical destinations are Varanasi, Piprahwa, Kaushambi, Shravasti, Kushi Nagar, Agra, Lucknow, Chitrakoot, Jhansi, Allahabad, Vrindavan and Meerut. The state received 155.4 million domestic tourists (18.3 percent of all domestic tourists) and 1.9 million foreign tourists (9.7 percent of all foreign tourists visiting India) during the year 2011<sup>[18]</sup>. In terms of foreign tourists arrival, the state was ranked at 4th place and in terms of domestic tourists ranked 1st among all the states.

In recent years there has been a sharp increase in the small scale industries (SSIs) constitute an important segment of the state economy in terms of employment creation, source of foreign exchange income and exports. The favorable government policies coupled with availability of large pool of human resource makes the state one of the best location for setting up SSI units within the state. The state has set up 679703 units, which has generated employment for 2742766 persons and has attracted investment of more than Rs. 12000 crores. The state has proposed to set up 33000 units in the annual budget of March, 2011-12 which would create employment opportunities for 1.3 lakhs persons of the state.

Uttar Pradesh has initiated several schemes for the development of SSIs, such as Transport Assistance Scheme, Technology Up-gradation Scheme and has introduced Single Table System for providing prompt and quick solutions to the entrepreneurs in the state. In addition to this, the state has also implemented Market Development Assistance Scheme to facilitate marketing of products of Khadi and Village industries.

New Okhala Industrial Development Authority (NOIDA) was created in 1976 for rapid industrial development. It is planned to develop 102 sectors by the year 2000 and the authority includes industrial sectors, housing sectors groups housing sectors, residential buildings, and commercial assets and institution sectors. Uttar Pradesh government has taken steps to develop other industrial areas in the state on the pattern of NOIDA the state should plan to create one or two large scale industrial complexes consisting of related industries in Mathura, Agra, and Aligarh region in the west and Varanasi, Mirzapur, Allahabad region in the east. NRIs and outside Industrialists should be attracted to invest in these industrial

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complexes. For speedy industrial development infrastructure initiative fund and industrial corridors have been created. A software technology partly has been set up in Kanpur for promotion of software export <sup>[19]</sup>.

Noida SEZ enjoys a good flow of investment from domestic as well as international players such as Coca-cola, Pepsi, Glaxo, Moser Baer and BPO centres. Lucknow is growing as another hub of IT & ITES and BPO industry.

All the above study present that the state is characterized by low investment in industries, inadequate growth in number of factories, poor absorption of work force and low productivity.

**Power Sector:**

Electricity is the most important and basic infrastructural facility for economic and social development. Adequate electricity is essential for multi-dimensional development as well as for uplifting the standard of living. Since increase in production of agriculture as well as industrial goods depends considerably upon availability of electricity power, so the State government has paid attention towards development of electricity power. The Uttar Pradesh State Electric Board (UPSEB) since its inception on 1<sup>st</sup> April 1959 has been carrying out the work of generation, transmission and distribution of electricity through at the state.

**Table-8 Performance of Electricity in Uttar Pradesh**

Year	Installed Capacity (MW)	Power Generation (Rs. In Crores)	Number of Electrified Village
1970-71	1351	573	20719
1980-81	3612	1019	42372
1990-91	5527	1961	82602
1999-00	6169	2379	89117
2009-10	9984	4739	97813

*Sources:* Central Water and Power Commission, New Delhi; Statistical diary of Uttar Pradesh (Various issues). Report No.4 of 2009-10 (Commercial). Report of village electrification as on 31-08-2014 as per census 2011.

In the Table-8 reveals that the total installed capacity including thermal, nuclear and hydro was 1351 MW in 1970-71 that has increased to 3612 MW in 1980-81 and further it increased to 9984 MW in the year 2009-10 revealing more than 7 fold increase installed capacity during the period from 1970-71 to 2009-10. During the year the state had an installed power capacity of 9,983.7 MW which consisted of 4,621.2 MW of state share, 862.6 MW of private share and 4,499.9 MW of central share.

Power occupies a critical place in economic infrastructure. Per capita consumption of power in U.P. in 2009-10 was only 340 kWh as against the all India average of 672 kWh. The State occupies 15th position among the 18 major States in the country in terms of per capita power consumption. Moreover, 69.43 per cent of villages in the State are electrified as compared to the national average of 75.93 per cent. Only 20 per cent of rural households in the State are electrified as against 44 per cent at the national level. The coverage of electrification in the urban households of the State is 80 per cent as against 88 per cent for the country as a whole.

The power sector in the State, as in the country as a whole, has been facing a serious crisis due to poor financial health of the State power corporation. After the bifurcation of the State, the major hydro plants have gone to Uttrakhand. The power sector of Uttar Pradesh has been incurring burgeoning power deficit on account of supply bottlenecks and rigidities. The creation of installed capacity has lagged behind the rapidly growing demand for power. Presently the State is importing more than half of its power requirement. The transmission losses are also extremely high.

**Transport and Communication:**

Transport and communication are the most important basic infrastructure for developmental activities. An adequate and efficient transport and communication network is essential for a state's economic growth, particularly in rural dominated

economy like that of Uttar Pradesh where the isolation of transport and communication facilities. This has also been one of the main causes of poverty and backwardness.

An adequate and efficient road transport system is perhaps the most essential component of infrastructure. Roads are said to be harbingers of all social, political and economic advancement in the country. No programme for better health, education, recreation and other social services can be succeeded without the existence of roads. According to information of Planning Department, Government of Uttar Pradesh the national highway in the state is 7818 km which accounts for 10.2 percent of the total national highways. All district headquarters to connect by four lane roads<sup>[20]</sup>. The Uttar Pradesh State Road Transport Corporation (UPSRTC) was established in 1972 to provide an economical, reliable and comfortable transport in the state of Uttar Pradesh with connecting services to neighboring states.

The railway network in Uttar Pradesh is the largest in the country. The state has 8763 km of railway network which is the largest in the country. The Delhi Metro Rail links Noida and Ghaziabad with Delhi. There are further plans to increase the connectivity in a phase-wise manner, for which the Ghaziabad Development Authority has signed a MoU with the Delhi Metro Rail Corporation<sup>[21]</sup>.

Rail connectivity is vital for industrialization, so that without difficulty available and cheap transport is available to the industries. It is of still superior importance for goods to be exported through sea-ports. At the national level, Central Government has commenced the Delhi Mumbai Industrial Corridor (DMIC) project in the year 2007 with the economic and technical co-operation from Japan. The expanse of this project is proposed from national capital, Delhi to Mumbai. Six states, viz. Uttar Pradesh, Delhi, Haryana, Rajasthan, Gujarat and Maharashtra will be covered under this project. DMIC will make longer from Dadri in Ghaziabad to Jawaharlal Nehru Port at Mumbai. Vast industrial areas and zones will be developed, to a breadth of 250 km on both sides along this corridor, to boost export and import. In this corridor, an Investment Region in Dadri-Noida-Ghaziabad area and an Engineering and Manufacturing Industrial Area near Meerut-Muzaffarnagar have been identified. This project will generate huge industrial opportunities in the State.

The state has 6 domestic airports, located at Agra, Allahabad, Gorakhpur, Kanpur, Lucknow and Varanasi. International flights operate from Chaudhary Charan Singh International Airport, Lucknow and Lal Bahadur Shastri Airport, Varanasi. During 2011-12, Varanasi airport received 747811 passengers and Lucknow airport received 2 million passengers<sup>[22]</sup>. Government of Uttar Pradesh has proposed a new airport at Shrawasti in Kushinagar district.

It is extremely important to further strengthen telecommunication system in the state. This sector has been identified as priority for the state, so that its benefits are available to the rural and urban areas in addition to industries.

At the present time telephones have become very good medium of communication. In the state number of working telecom connection has 130.8 million whereas wireless subscribers is 128.7 million and Wire line subscribers is 2.1 million<sup>[23]</sup>. The wireless and wire line service providers in the state include Bharti Airtel, Aircel, Reliance Communication, Vodafone, Tata Teleservices and Bharat Sanchar Nigam Limited.

State government shall promptly provide necessary administrative assistance to agencies related to the development of broadband, high speed communication and data connectivity, 4-G and similar new technologies for transfer of information and data at high speed.

All the above observation shows that the position of Uttar Pradesh is satisfactory in respect of transport and communication in the recent year but its contribution in total transport and communication is higher than the national average.

### **Banking:**

Institutional finance has provided by banks is the life-blood of modern economic system without which no system can survive. In modern economy, finance may be defined as the provision of funds at the time of require. Institutional finance is essentially needed for agricultural development. Modernization of agriculture is important to increase the agricultural production, adequate institutional credit is considered to be the most important factor that is suitably provided will go long way to put the economy of the farmers especially the small and marginal farmers and a sound footing.

The first organized step for institutional finance was taken by the passing co-operative credit societies Act in 1904. During the period of seventies and eighties banking has undergone radical and remarkable changes. In the Post-nationalization era, along with the growth of public sector banking, the overall banking policy has also changed.

**Table-9 Performance of Credit Institution in Uttar Pradesh**

Credit Institution (1)	Year			
	1980-81 (2)	1990-91 (3)	1999-00 (4)	2009-10 (5)
Number of PACSs	8618	8599	8384	8929
Total loans Disbursement of PACSs (Crores)	188.9	380.0	794.9	15833.0
Per member loans Disbursement of PACSs (Rupees)	214.0	313.0	515.0	5761
Number of Branches of Land Development Banks	247	276	321	342
Total loans Disbursement of LDBs (Crores)	52.6	152.3	580.1	2419
Per member loans Disbursement of LDBs (Rupees)	463	679.0	1508.0	NA
Number of Branches of Scheduled Commercial Banks	3730	8405	8905	7742*
Total loans Disbursement of SCBs (Crores)	NA	8539.7	15737.0	NA
Per member loans Disbursement of SCBs (Rupees)	125.0	672.0	1337.0	7417

*Source:* Branch Banking Statistics, vols-2 and 4, Reserve Bank of India (2002 and 2009), website ([http://www.rbi.org.in/scripts/AnnualPublications.aspx?head=Branch Banking Statistics](http://www.rbi.org.in/scripts/AnnualPublications.aspx?head=Branch%20Banking%20Statistics), accessed on 6 September 2013);\* Provisional.

Uttar Pradesh is pre-dominantly an agricultural state and often Green Revolution high quantum of credit is needed for the adoption of new technology in agriculture. The progress of different credit institutions are given in Table-9 below.

The Table-10 reveals that the total number of primary agriculture credit societies increased from 8618 in 1980-81 to 8929 in 2009-10, which provided short and medium –term loans has increased from Rs.188.9 crores to Rs.15833 crores respectively in the same time and per member loans disburse from Rs. 214.0 to Rs. 5761 during the period from 1980-81 to 2009-10.

In the table number of branches of Land Development Banks (LDBs) has increased from 247 in 1980-81 to 342 in 2009-10 which provide long –term loans and it increased from Rs. 52.6 crores to Rs. 2419 crores in the same period. In the case of per member loans disbursement by LDBs has increased significantly from Rs. 463 to Rs. 1506 during the period from 1980-81 to 1999-00.

In the respect of Scheduled Commercial Banks (SCBs), they have extended their branches in rural areas after nationalization. The number of branches has increased extremely from 3730 in 1980-81 to 7742 in the year 2009-10 and it's were providing loans disbursement from Rs. 8539.7 crores in 1990-91 to Rs.15737.0 crores in 1999-00. The per capita loan disbursement this bank has moved from Rs.125 in 1980-81 to Rs. 7417 in the year 2009-10.

## V. CONCLUSION

Uttar Pradesh is the first population state in India, because it constitutes more than 16 percent of total population of India. It is also one of the major states in the country. In respect of fastest growing states in India and has shown a healthy growth path during the recent years. The state is gifted with potentially fertile soils and has tropical monsoon climate. So the agriculture is the main occupation of the people in the state and the economy of state has grown at an average growth of around 6 percent during the last decade (2000s). Presently the tertiary sector contributes a significant share of around 49 percent in the GSDP followed by primary and secondary sectors at around 28 percent and 24 percent respectively. The state is making considerable efforts for promoting industrial growth by offering gamut of attractive package of incentives and is on its way to rapid industrialization.

It is therefore; in abundance clear that agriculture has been chief occupation for the vast bulk of people in the state with more than 64 percent of the workforce of the state dependent on it for their livelihood. The state is the largest producer of food grain in India and offers a diverse agro climatic condition which is conducive for agricultural production. The major

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crops grown in the state are paddy, wheat, sugarcane, potato, mustard, groundnut, gram, pea and lentil. However, it has been observed that the share of primary sector in GSDP is witnessing a declining trend. Therefore, state government should promote diversification in farm sector, crop rotation, organic farming and easy access to farm credit. In addition to this, cost effective rain water harvesting projects such as check dams should be developed in dry areas so to increase the ground water tables. The farmers should be made aware of latest technology so to increase the efficiency and productivity of land. In addition to this, application of biotechnology would also help in enhancing the agricultural productivity. With large agricultural base, the state carries immense potential to undertake profitable agricultural business in the state. Thus, improvement in supply chain scenario, providing good infrastructure and warehousing facilities, strong market linkages, up-gradation and modernization of technology and availability of cheap credit can help in stepping up of more establishment of agro business in the state and thereby would augment the agricultural exports from the state. So far as the agricultural development is concerned primary remedy is to provide adequate funds needed. The short and medium – terms credit are provided by the co-operative banks, commercial banks and regional rural banks. For seasonal credit investment, commercial banks and regional rural banks are considered as an unsuitable credit agencies due to composition of their funds going on through share, deposit generally payable on demand them to ask the borrowers requiring for seasonal operation to approach the primary agriculture credit societies.

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