



HIMACHAL ECONOMY A SNAPSHOT



**ECONOMIC & STATISTICS DEPARTMENT
HIMACHAL PRADESH**

Himachal Economy-A Snapshot

State's Economic Performance in 2022-23

- ❖ The State's Real GDP or GDP at Constant Prices will grow by over ₹8,143 crore during the current Financial Year 2022-23 as compared to the previous FY2021-22. This translates into growth in real GDP during Financial Year 2022-23 at 6.4 per cent as compared to 7.6 per cent in Financial Year 2021-22, according to first advance estimates of State Income.
- ❖ The State's Real Gross Domestic Product (GDP) or GDP at Constant Prices (2011-12) in Financial Year 2022-23 is estimated to attain a level of ₹1,34,576 crore, as against the provisional estimate of GDP for Financial Year 2021-22 of ₹1,26,433 crore.
- ❖ Nominal GDP or GDP at Current Prices in Financial Year 2022-23 is estimated to attain a level of ₹1,95,404 crore, as against the provisional estimate of GDP for Financial Year 2021-22 of ₹1,76,269 crore showing an absolute increase of ₹19,135 crore. The growth in Nominal GDP during Financial Year 2022-23 is estimated at 10.9 per cent as compared to 13.5 per cent in Financial Year 2021-22.
- ❖ As per advance estimates for Financial Year 2022-23, the Gross Value Added (GVA) from Primary Sector is likely to grow at a pace of 2.0 per cent at constant prices. During FY2022-23(AE) the GVA of Primary sector moved up to ₹16,717 crore as against ₹16,395 crore in Financial Year 2021-22 (FR) at constant prices.
- ❖ The Secondary sector broadly comprises manufacturing (organised and un-organised), electricity, gas and water supply and construction. As per advance estimates for Financial Year 2022-23 the GVA of the secondary sector is estimated at ₹60,444 crore against ₹56,408 crore for Financial Year 2021-22(FR) at constant (2011-12) prices, expected to register a growth rate of 7.2 per cent over the previous year.
- ❖ The Services sector has a significant and fast growing share in the State GVA. Service sector comprises of Trade, Hotels and Restaurants, Transport by Other Means and Storage, Supra Regional sectors (Railways, Communications and Banking and Insurance), Real Estate, Ownership of Dwellings & Professional Services, Public Administration and Other Services sectors. The advance estimates for the Financial Year 2022-23 at Constant (2011-12) prices for Services Sector is estimated at

₹49,527 crore as against ₹46,350 crore in Financial Year 2021-22 showing a growth rate of 6.9 per cent over last year.

Per Capita Income (PCI)

- ❖ According to advance estimates, the Per Capita Income at current prices for Financial Year 2022-23 is estimated at ₹2,22,227 against ₹2,01,271 in 2021-22 showing a growth rate of 10.4 per cent as against 13.1 per cent in 2021-22(FR).
- ❖ Per Capita Income of Himachal Pradesh is more than the estimated National Per Capita Income for 2022-23 by ₹ 51,607.

Sectoral Contribution

- ❖ The GDP of any State is measured in terms of the economic contributions made by three key sectors-Primary, Secondary and Tertiary. The tertiary sector has been the highest contributor to State's GVA, followed by the Secondary and Primary sectors.
- ❖ Based on the advance estimates of GVA for Financial Year 2022-23, the Tertiary Sector accounted for 43.6 per cent of State's GVA at current prices, followed by the Secondary Sector 42.7 per cent and the Primary Sector 13.7 per cent.

Agriculture and Allied Sectors

- ❖ The contribution of the Agriculture Sector to Gross State Value Added (GSVA) at Current Prices has increased 40 per cent from ₹17,767 crore in 2018-19 to ₹24,847 crore in 2022-23 (Advance Estimates (AE)). There is a marked improvement in GSVA of crops at current prices between 2018-19 to 2022-23 (from ₹10,286 crore in 2018-19 to ₹15,561 crore in 2022-23).
- ❖ As per the advance estimate, agriculture and allied sector GSVA is estimated at 2.0 per cent at constant prices in Financial Year 2022-23 against a growth rate of 4.9 per cent realised in 2021-22.
- ❖ Livestock rearing is an important sub-sector under agriculture and allied activities. It contributes 1.61 per cent of total Gross State Value Added (GSVA) and 12 per cent of agriculture and allied sector's GSVA in Financial Year 2022-23.

Trends in Industrial Sector

- ❖ The industry sector is crucial for boosting the state economy and generating lot of job possibilities in Himachal as well. Industry Sector (including Mining and Quarrying) at current prices as per Advance Estimates for the Financial Year 2022-23 is estimated at ₹79,284 crore.
- ❖ The contribution of industry sector (including Mining and Quarrying) at current prices to Gross State Value Added (GSVA) is 42.97 per cent in 2022-23 in which 30.83 per cent comes from manufacturing sector, 6.28 per cent from construction, 5.62 per cent in electricity, water supply and other utilities services and 0.24 per cent from mining and quarrying.
- ❖ As per the advance estimates, the Industry sector's GVA is expected to grow by 7.1 per cent during Financial Year 2022-23 and at the national level, the industry sector's GVA surged by 4.1 per cent in constant terms during the same time span.
- ❖ During Financial Year 2022-23, manufacturing sector is expected to grow at 6.7 per cent which is third highest growth rate in industry sector.
- ❖ Growth of construction sub-sector is critical for increasing income of organised as well as unorganised sector and also necessary for infrastructure development of the State. Construction sector anticipated highest growth rate during Financial Year 2022-23 which is 9.5 per cent.

Tourism

- ❖ Tourist arrival is one of the main indicators of the demand for tourism in a particular destination. After COVID-19 pandemic the domestic tourist arrivals have increased from 32.13 lakh in 2020 to 56.37 lakh in 2021 and further to 150.99 lakh in 2022 in absolute terms. It shows that, the tourist arrivals are reaching to the pre-pandemic levels.

Power

- ❖ The state's five perennial river basins have the potential to produce about 27,436 megawatts (MW) of hydroelectric electricity. Out of total hydroelectric potential of the state, 10,519 MW is harnessed so far of which 7.6 per cent is under the control of Himachal Pradesh Government while the rest is exploited by the Central Government.

Current Trends in Inflation

- ❖ From April through December of the current Financial Year 2022-23, the Wholesale Price Inflation (WPI) at the State level fell from 15.4 per cent to 5.0 per cent. The Consumer Price Index (CPI) fluctuated between 3.2 and 7.2 per cent. Himachal Pradesh has moderate inflation in the current financial year, with the CPI-C at 3.9 per cent in December-2022 (P).

Social Services

- ❖ The Health and Family Welfare Department in Himachal Pradesh is providing curative, preventive, and rehabilitative services through a network of 108 Civil Hospitals, 104 Community Health Centres, 580 Primary Health Centres, and 16 Civil Dispensaries.
- ❖ Himachal Pradesh is the "Front Runner" in SDG Progress measurement as per NITI Aayog SDG India Index and Dashboard 2020-21. Himachal Pradesh ranked 2nd in India in terms of Sustainable Development Goals (SDGs), after Kerala for 2020-21.
- ❖ With a score of 14.62 in the India Innovation Index 2021, Himachal Pradesh ranked 5th among the North Eastern and Hill States.
- ❖ As per Social Progress Index (SPI) 2022, Himachal Pradesh ranks 7th and has a score of 63.28, putting it in Tier 1 (Very High Social Progress).
- ❖ Himachal Pradesh ranked 2nd under Himalayan States category of Export Preparedness Index 2021 with a score of 40.43. Its overall ranking was 18th out of 36 States/UTs/Cities.

Employment Scenario

- ❖ As per the Periodic Labour Force Survey (PLFS) 2021-22, Labour Force Participation Rate (LFPR) of all ages for Himachal Pradesh (58.1 per cent) is higher than Uttarakhand (40.8 per cent), Punjab (41.3 per cent), Haryana (35.4 per cent) and All India (41.3 per cent).
- ❖ Worker Population Ratio (WPR) for all ages (15+) for Himachal Pradesh in 2021-22 (55.8 per cent) is better than Uttarakhand (37.6 per cent), Punjab (38.6 per cent), Haryana (32.3 per cent) and all India (39.6 per cent).

- ❖ In Himachal Pradesh, more women (50.5 per cent) are actively participating in the economic activities than their counterparts, at all India level and among neighboring states.
- ❖ Unemployment under usual status (principal status+ subsidiary status) for persons of all ages in neighboring states and all of India shows that Himachal has the lowest unemployment rate of 4.0 per cent as against all India of 4.1 per cent, Uttarakhand 7.8 per cent, Punjab 6.4 per cent, Haryana 9.0 per cent.

Fig 1.1: Real Gross State Domestic Product (GSDP) Growth Rate

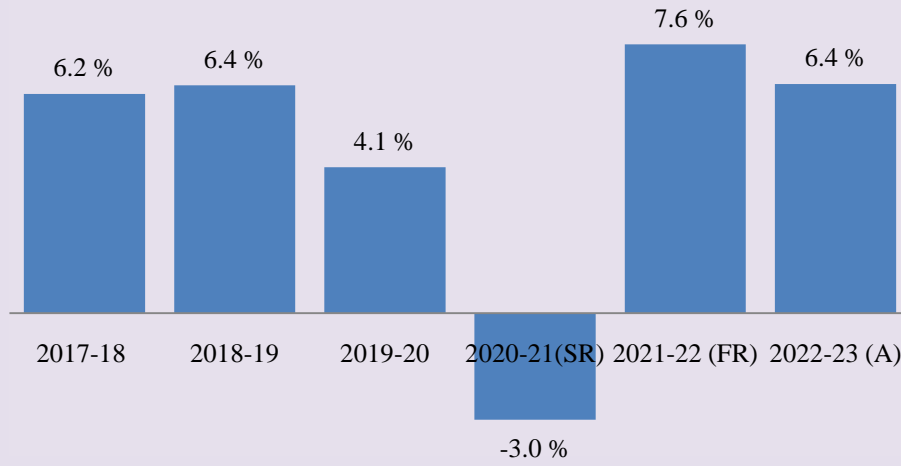


Fig 1.2: Nominal GSDP Growth Rate

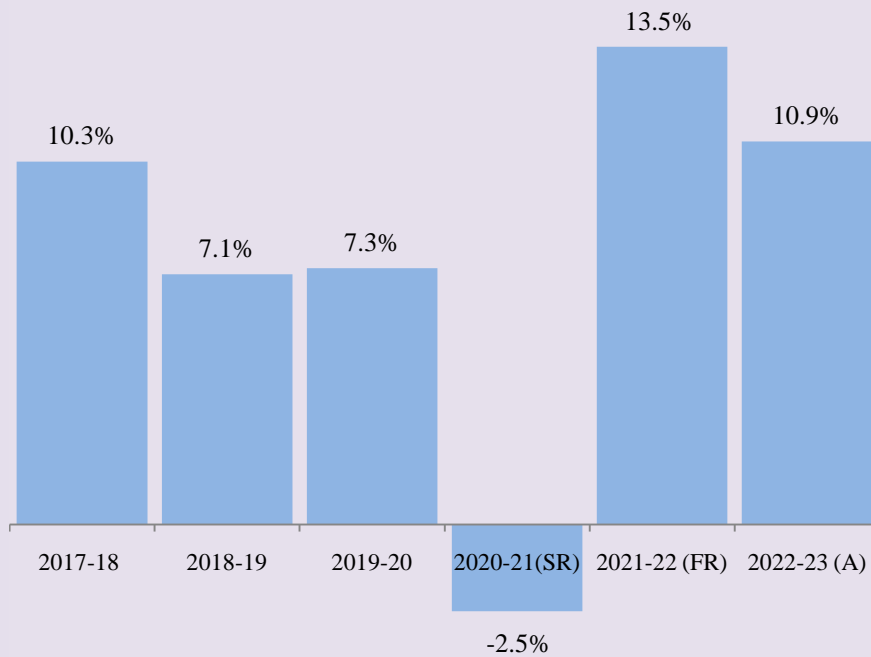


Fig 1.3: Gross Domestic Product at Current Prices (₹ crore)

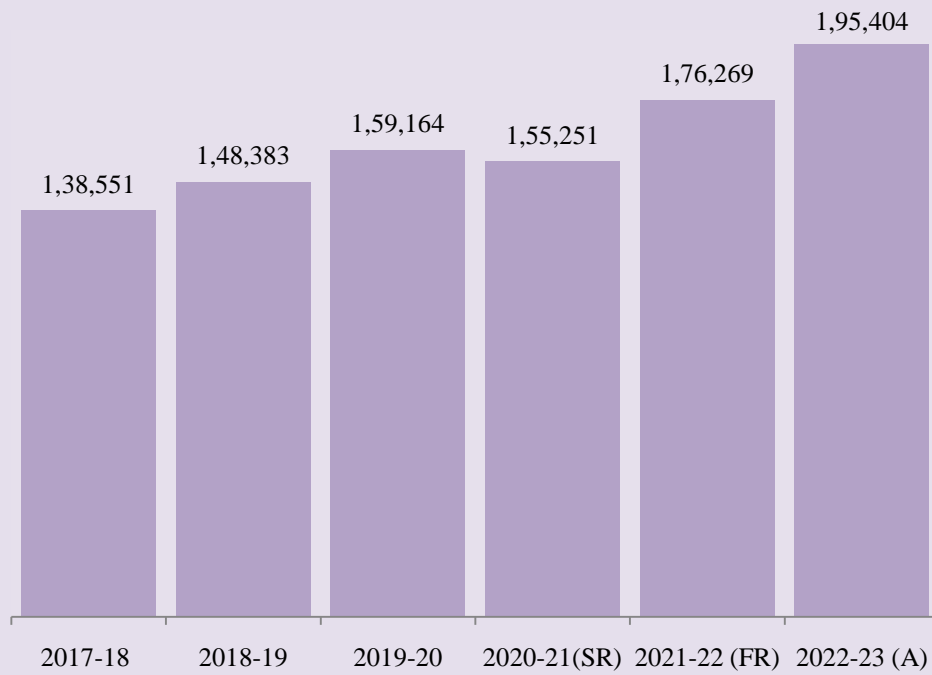


Fig 1.4: Gross Domestic Product at Constant Prices (₹ crore)

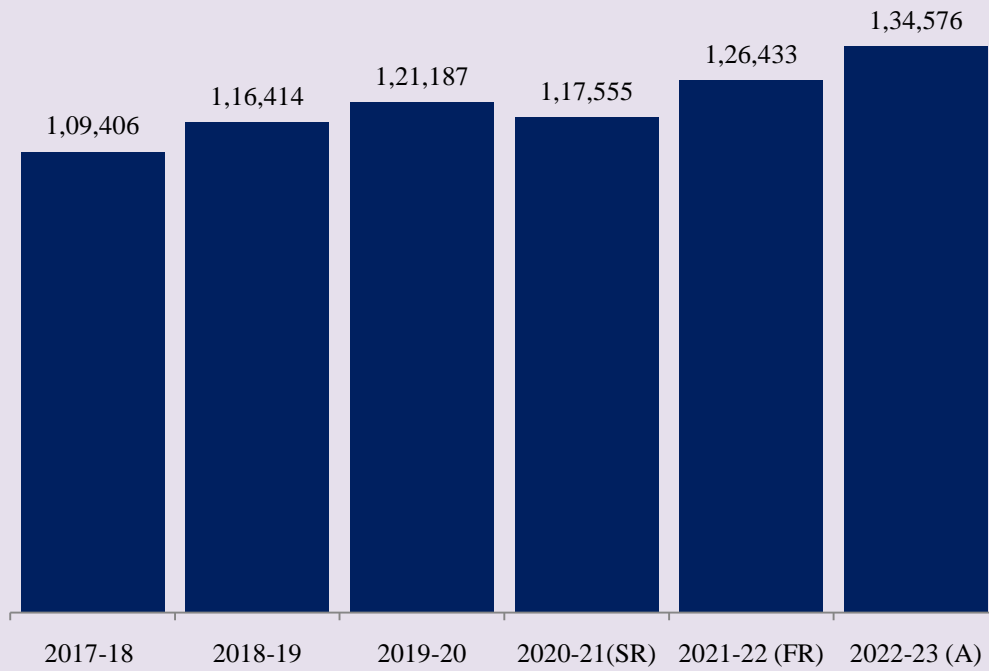


Fig 1.5: Per Capita Income (in Rs.)

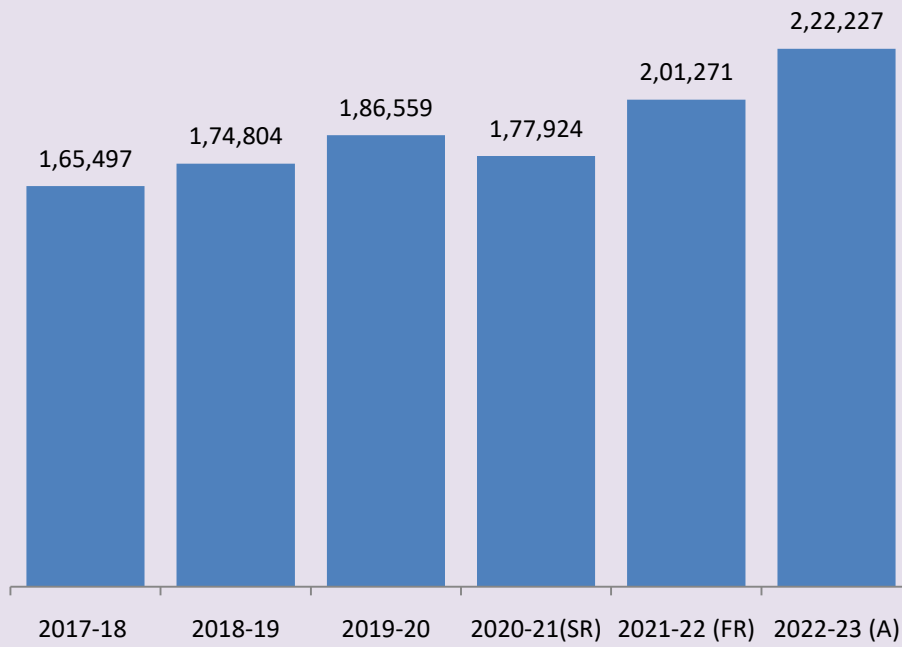


Fig 1.6: Per Capita Income Growth

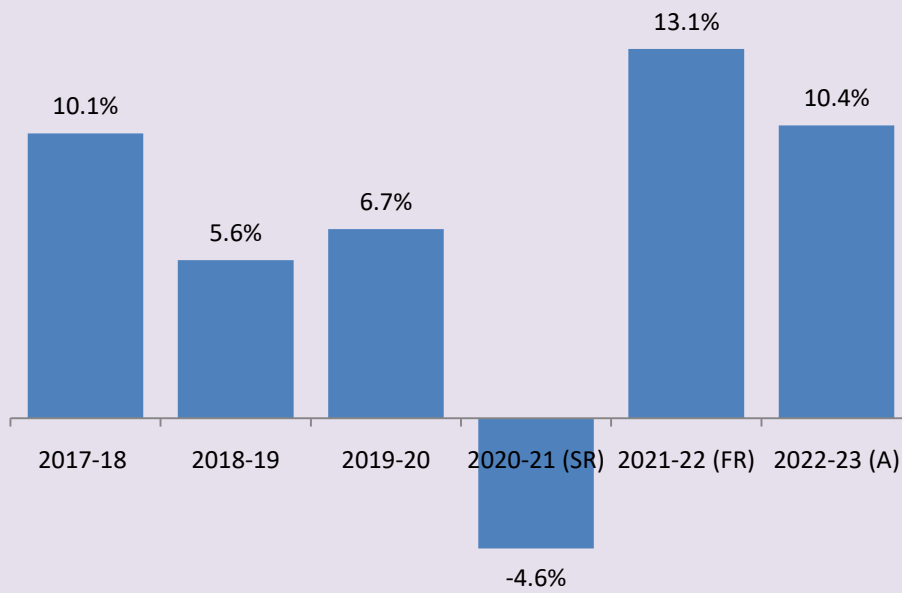


Fig 1.7: Primary Sector

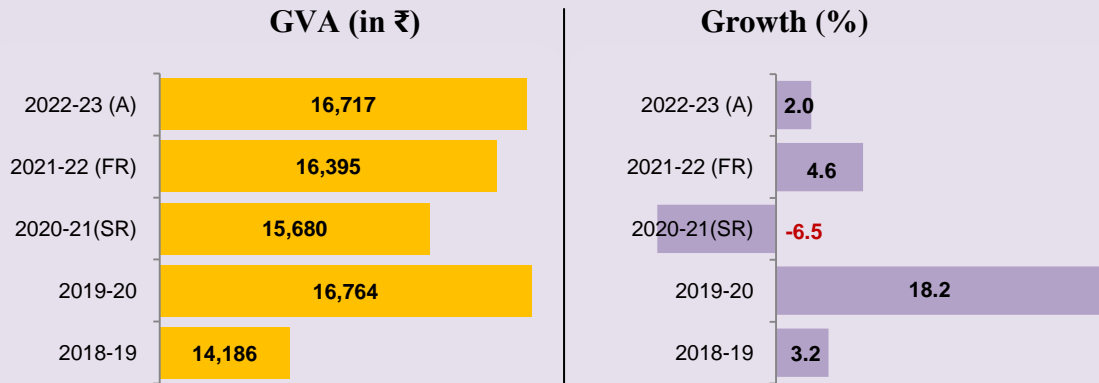


Fig 1.8: Secondary Sector

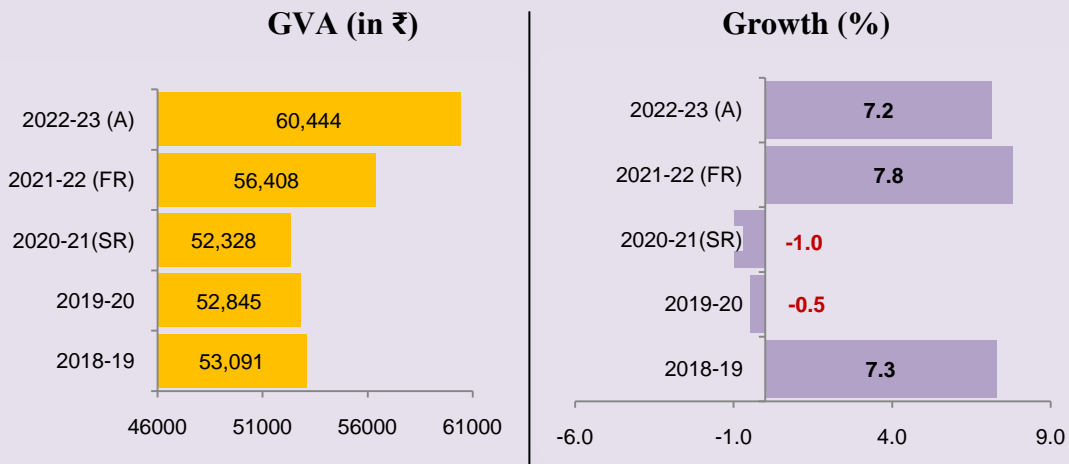


Fig 1.9: Tertiary Sector

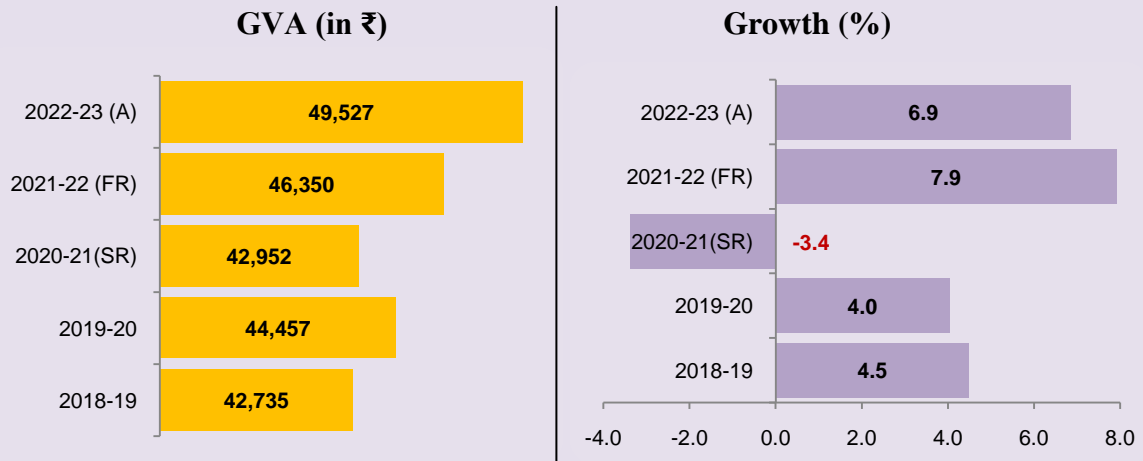


Fig 1.10: Sectoral Composition of GSVA at Current Prices (2018-19 to 2022-23)

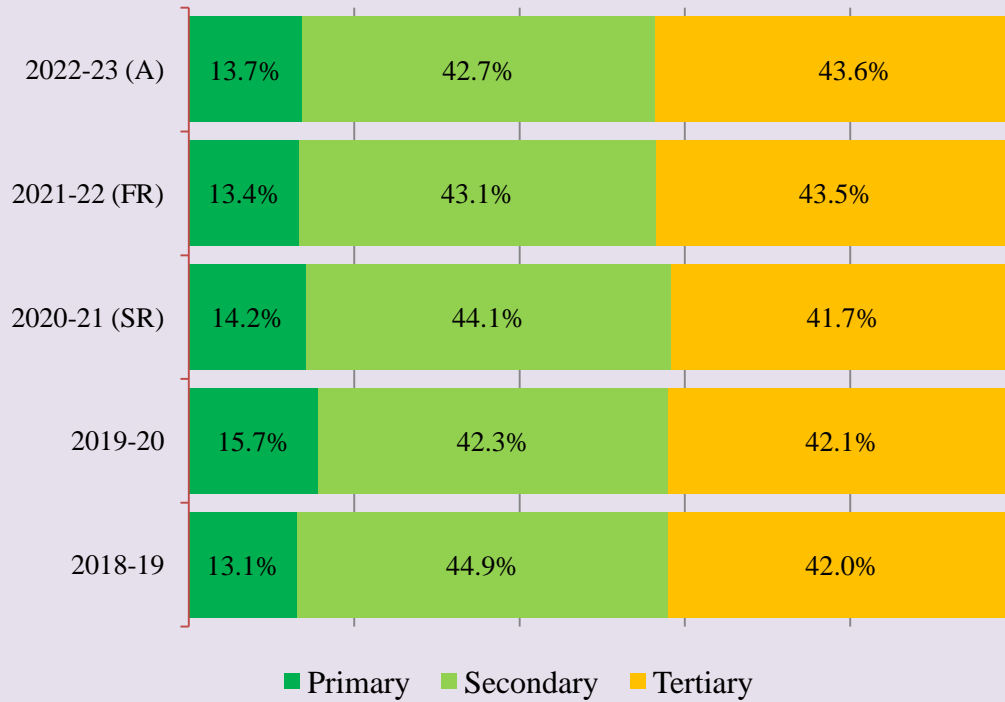


Fig 1.11: Sector-wise composition of GVA (2022-23) and employment (2021-22)

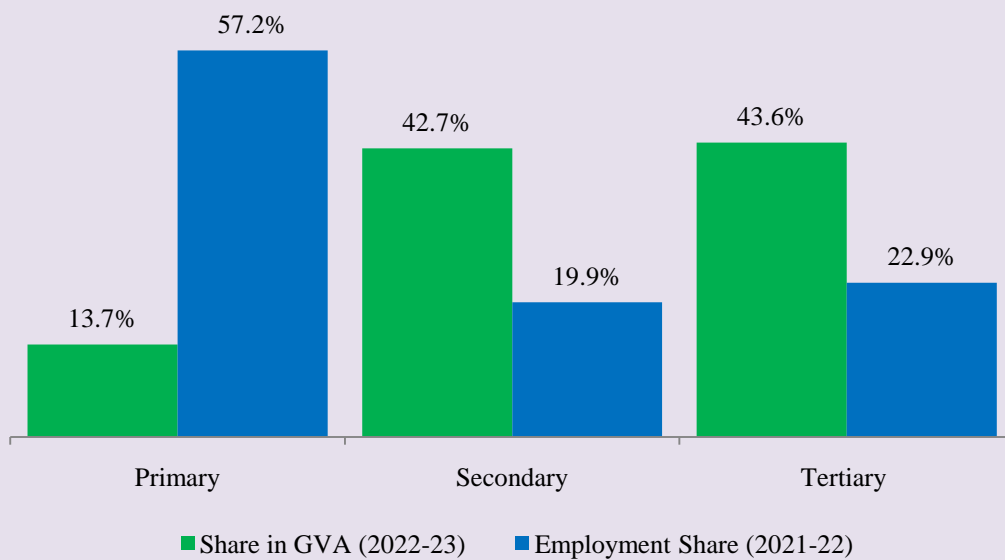


Fig 1.12: Agriculture and allied Sectors GSVA Growth (%)

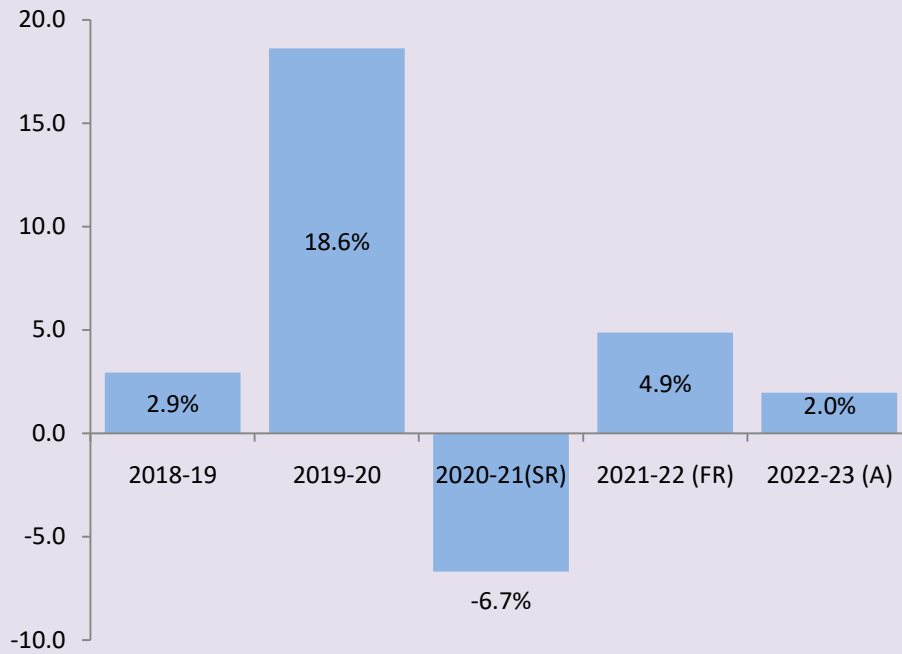


Fig 1.13: Manufacturing GSVA Growth (%)

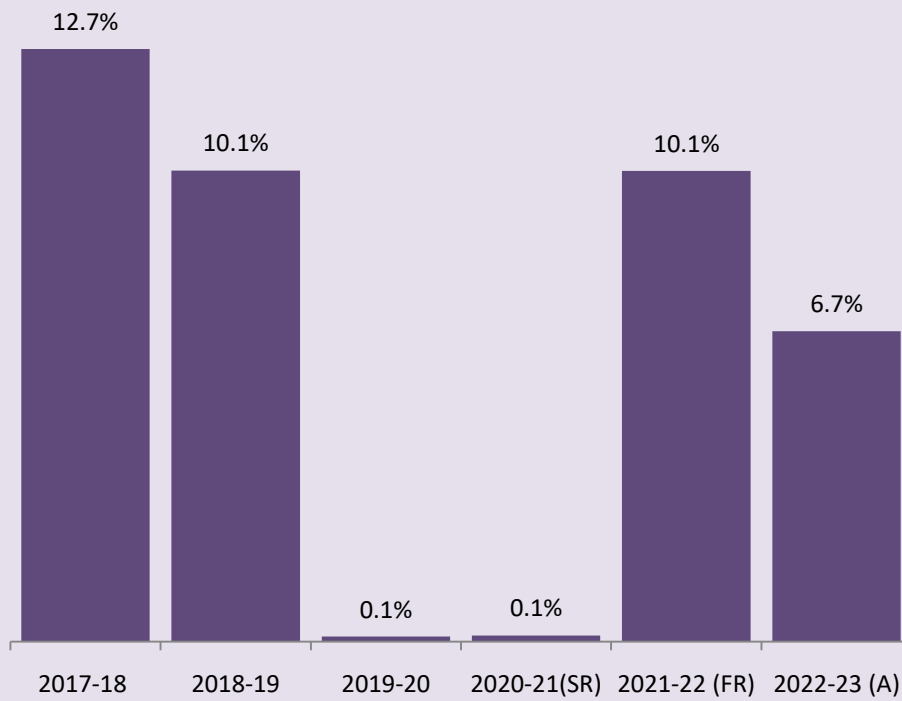


Fig 1.16: District Level Cropping Intensity Index for 2020-21

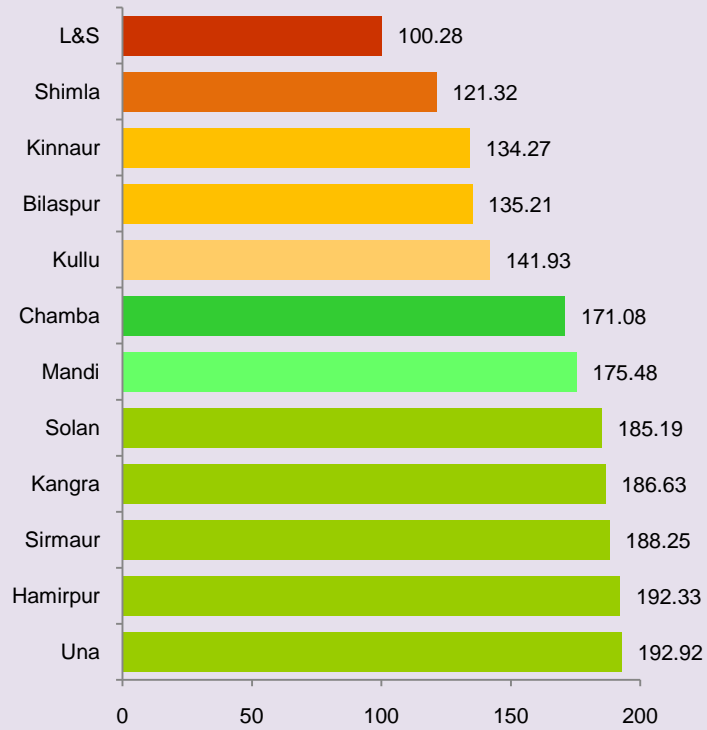


Fig 1.17: Productivity per Hectare (MT)

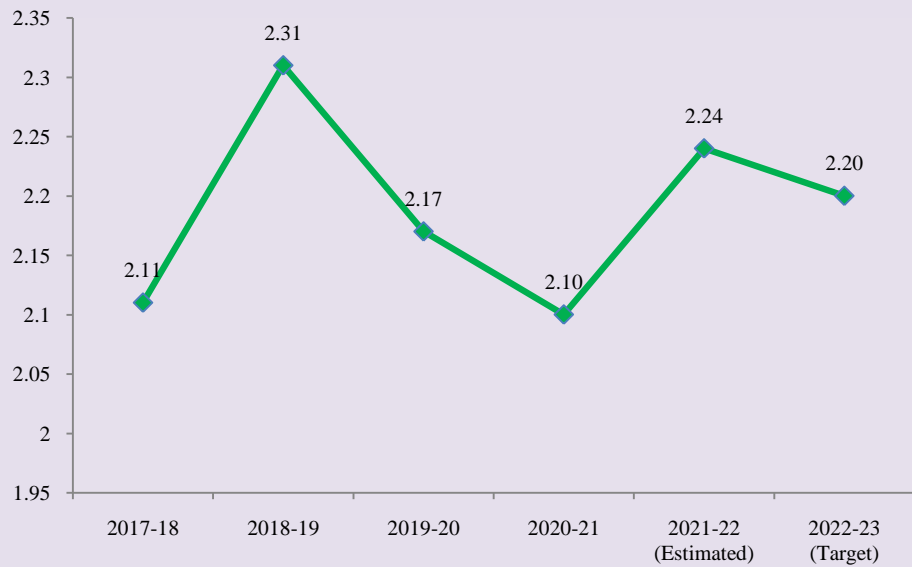


Fig 1.18: Fruit Wise Contribution to Horticulture crops (2021-22)

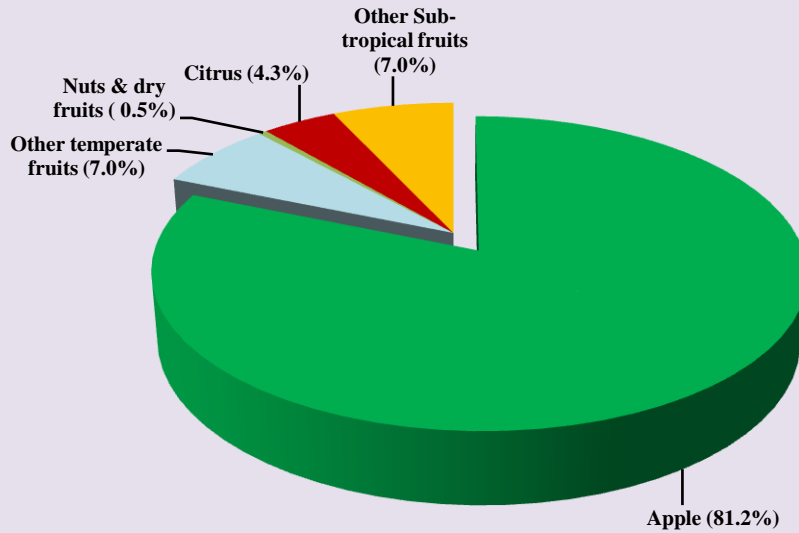


Fig 1.19: Species wise share of Milk Production to Total Milk Production (in %)

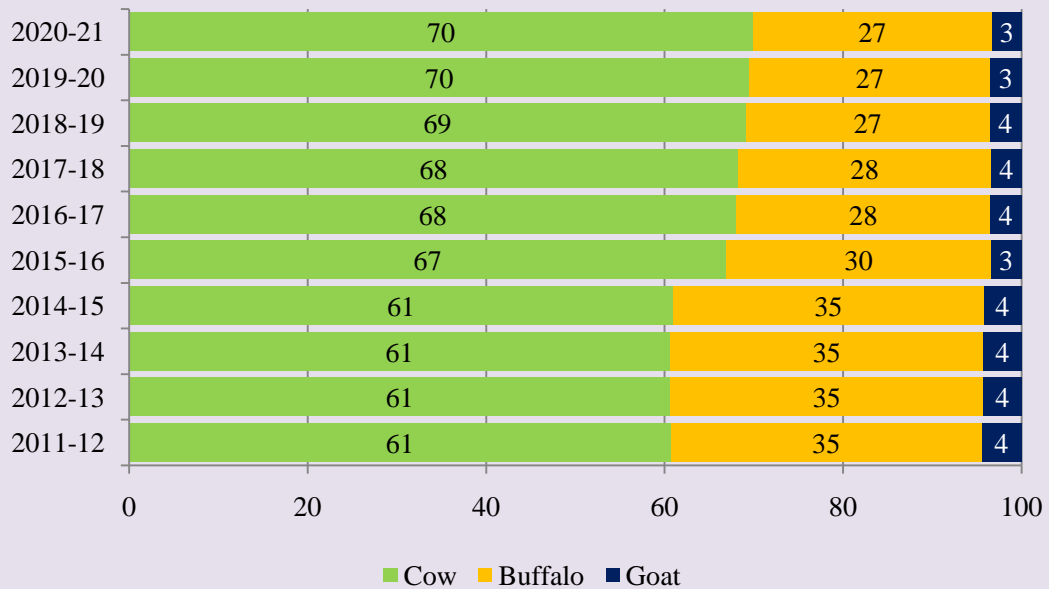


Fig 1.20: % share of species in total livestock population

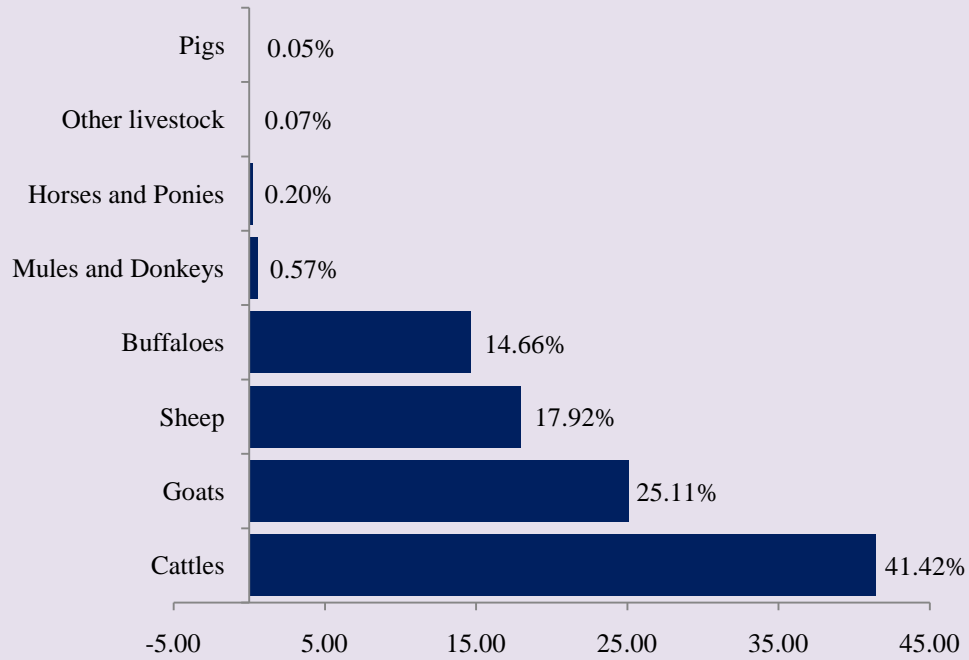


Fig 1.21: Breakup of Livestock GVO in Himachal Pradesh (2022-23)

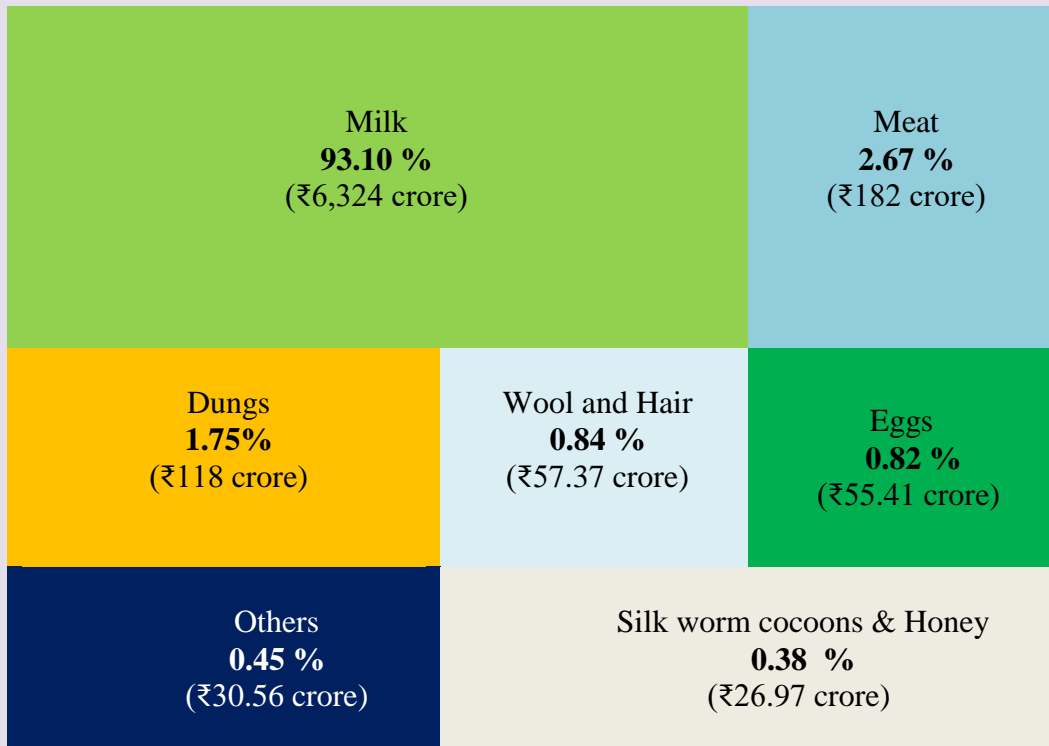


Fig 1.22: Inflation in Himachal Pradesh

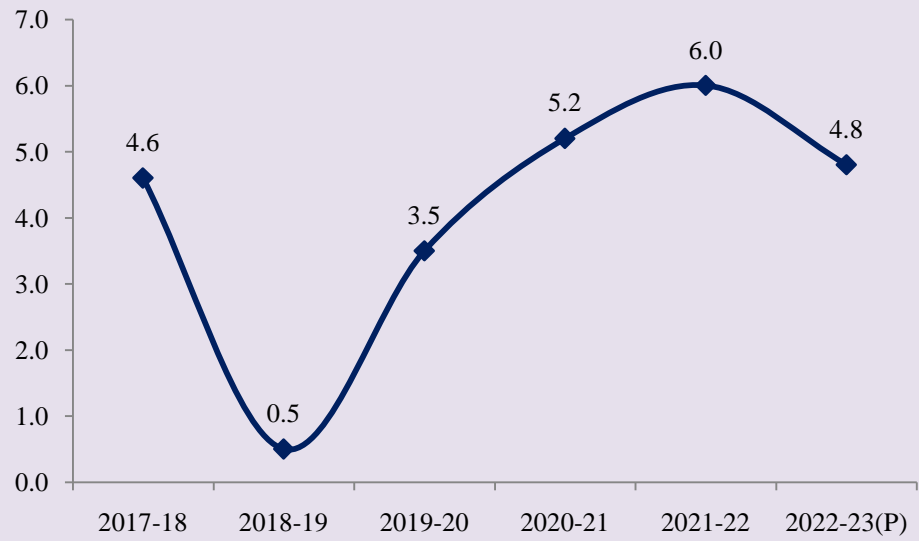


Fig 1.23: Rural and Urban Inflation

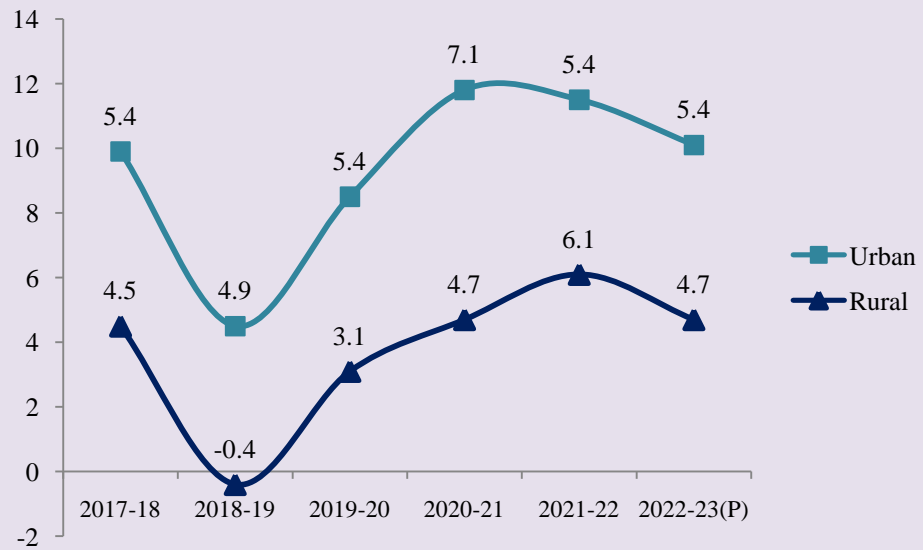


Fig 1.24: Employment Growth

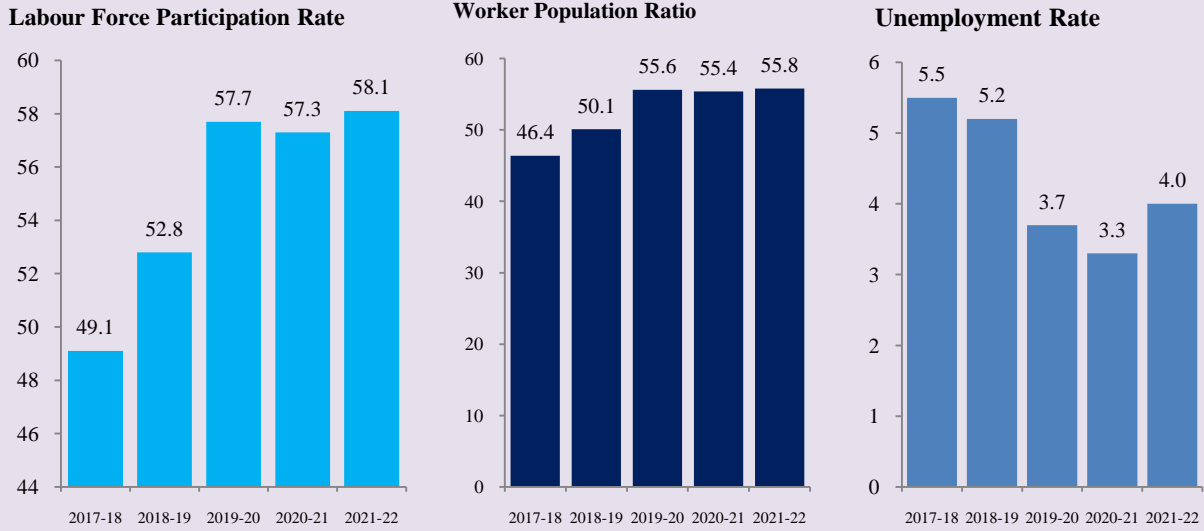


Fig 1.25: Rural Employment through MGNREGA



Fig 1.26: Power Consumption (2022-23 Dec)

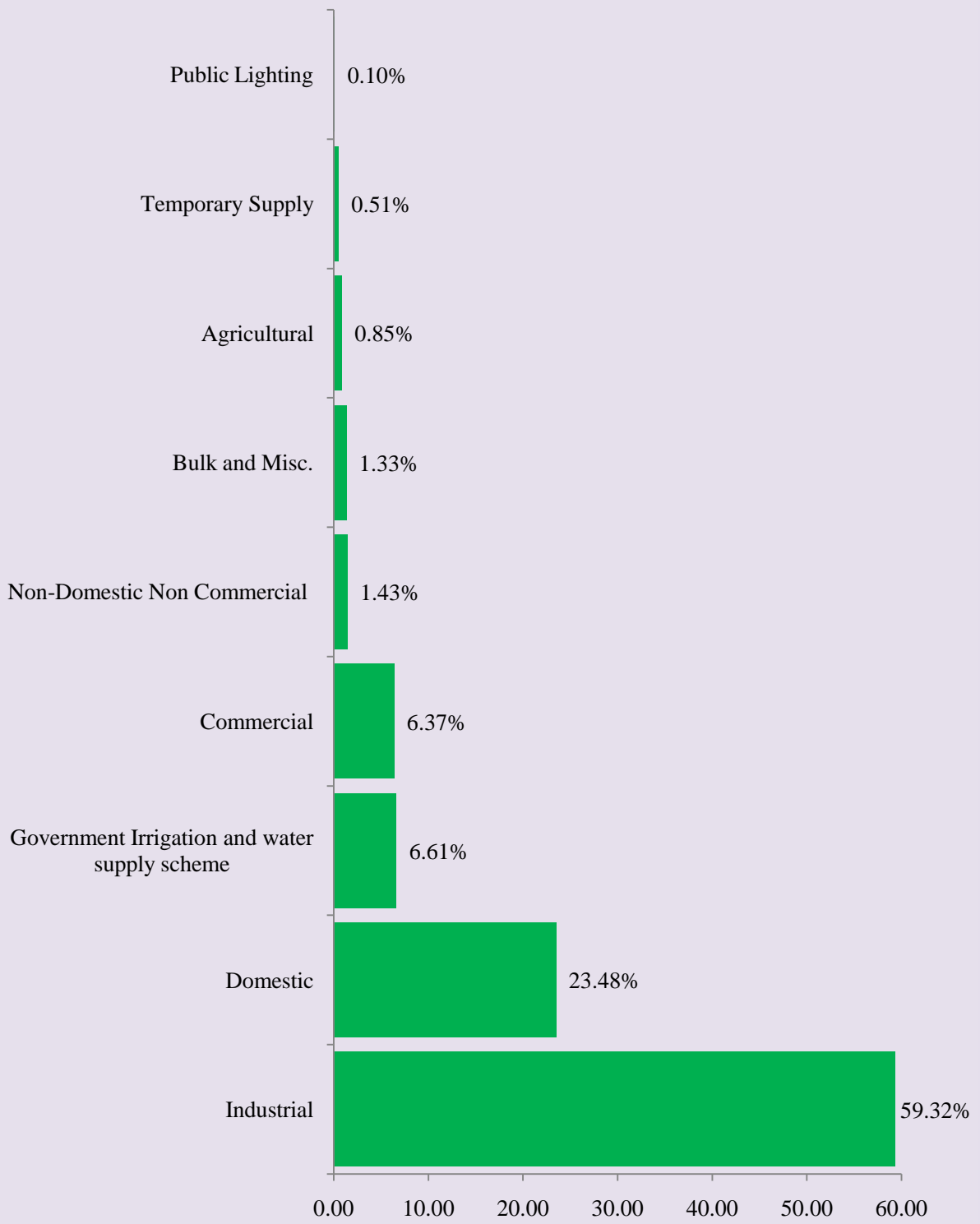


Fig 1.27: YoY Growth Rate of Tourist Inflow

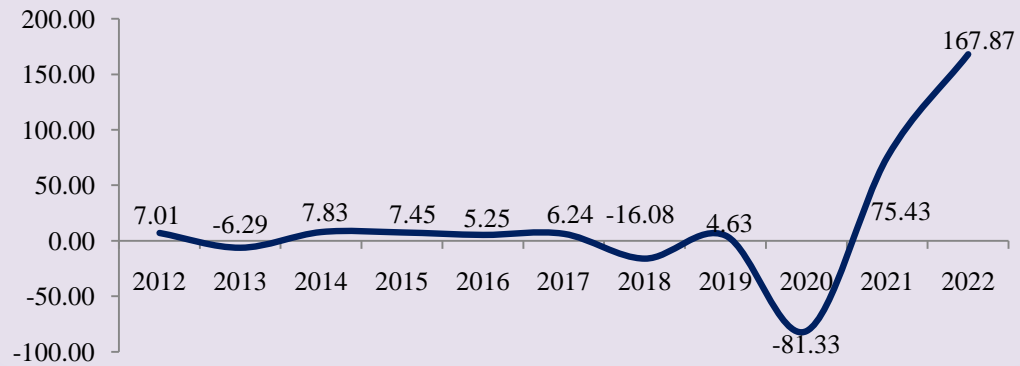


Fig 1.28: Tourist Arrivals (in Lakh)

Year	Indian	Foreigner	Total
2012	156.46	5.00	161.46
2013	147.16	4.14	151.30
2014	159.25	3.90	163.15
2015	171.25	4.06	175.31
2016	179.98	4.53	184.51
2017	191.31	4.71	196.09
2018	160.94	3.56	164.50
2019	168.29	3.83	172.12
2020	31.70	0.43	32.13
2021	56.32	0.05	56.37
2022 (Up to Dec)	150.70	0.29	150.99

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