

Why Uttar Pradesh is the next growth engine for India?

With its vast resources, burgeoning population, and strategic location, Uttar Pradesh emerges as the next growth engine propelling India's economic trajectory. Home to diverse industries, rich cultural heritage, and a burgeoning consumer market, the State's potential for development is vast.

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Uttar Pradesh accounts for 16 per cent of India's population, whereas its contribution to India's GDP is around 8 per cent. The current GDP of Uttar Pradesh (FY 2023-24) is in the region of 290 billion dollars. Uttar Pradesh aspires to reach the target of 1 trillion dollars by 2027.

There are a lot of things that are going for Uttar Pradesh. It is a vast State with fertile land suitable for agriculture. It has a young population that is the largest in the country, it has some of the biggest religious tourist centres like Varanasi, Prayagraj, Shravasti, Chitrakoot, Mathura, Ayodhya etc. that draw people from all over the country and even outside, it has a very large base of micro, small and medium enterprises (MSME) that specialise in a number of products, being showcases under one district one product initiative of CM Yogi Adityanath. Proximity to the national capital of Delhi gives an additional advantage to such areas of Uttar Pradesh that border Delhi (e.g. Noida and Ghaziabad). The State has pre-eminent educational institutions in the form of IIT Kanpur, IIM Lucknow, and Benaras Hindu University and also benefits from other excellent institutions like Delhi University and JNU, IIT Delhi and Roorkee etc., located in its neighbouring States. These positive factors present immense potential for Uttar Pradesh to achieve the target of a 1 trillion dollar economy by 2027. Though a challenging task, it is realisable, requiring considerable efforts of the Government of UP and some radical out-of-the-box thinking. One thing is crystal clear, however. In order to do well economically overall, Uttar Pradesh will have to do exceptionally well in the areas of infrastructure development, manufacturing and services.

Competitive federalism that is being witnessed in India augurs well for the Indian economy. It also means that States that are slow in decision-making or who do not understand the requirements of industries, be they in the services or the manufacturing sector, will lose out to more nimble and smart states in attracting investment and talent. Uttar Pradesh will have to identify frontier areas of growth like AI, robotics, civilian application of defence and space technologies, chip manufacturing, data centres, etc. before other States map their physical and human resources to these upcoming sectors and present attractive proposals to important global as well as domestic players in these segments.

Noida, which is a part of Gautam Buddha Nagar district, with its centralised geographical location, has all the potential to emerge as a catalyst for Uttar Pradesh's economic growth. Adequate land for industrial purposes is available here on a long-term lease, though the cost is becoming prohibitive. Sufficient power, water and other resources are also available. It is one of the most prominent urban centres in the country, attracting significant attention and interest worldwide. It is well-connected to cities like Faridabad, Gurgaon, Ghaziabad, Sonapat, Agra, Merrut, Dehradoon, Kanpur and even Lkhnow. By some estimates, the Noida region contributes 10 per cent to the GDP of Uttar Pradesh. If the State intends to quadruple its GDP in the next five years, then Noida and its adjacent regions will play an important and decisive role.

Gautam Buddha Nagar has a large manufacturing base and a vibrant IT and ITES sector. Uttar Pradesh has a very attractive policy for setting up Data Centres in the State, and a number of data centres have already been set up in Gautam Buddh Nagar. Noida is also a centre of the apparel industry and caters to the export market. Automotive and auto ancillary industries are well established here, and electronics and mobile manufacturing are coming up in a big way. Noida is also set to emerge as a transport and logistics hub because the two dedicated freight corridors would meet at Dadri, and a multi-mode transport corridor is being set up. One of the Defence corridors passes through this region. Ongoing projects like the Jewar International Airport and the Film City will drive its growth in the coming years. It is also a hub of higher education. The future growth areas for Noida can be its emergence as an international financial centre and a centre for international arbitration and mediation in India. Noida had the potential to emerge as the design capital of India.

One of the drags on the growth of this region has been its real estate sector. Around the year 2010, a number of real estate projects were announced to develop residential projects on such lands. However, most of those projects could not be completed due to multiple factors. If the issue of real estate projects is resolved, the region of Noida and Greater Noida will see a huge revival in the real estate sector, generating employment and demand in the economy. Also, it will fulfil the middle class's dream of owning a house of their own. The need of the hour is also to re-imagine the working of Noida and Greater Noida authorities as industrial development authorities.

Gautam Buddh Nagar has excellent surface transport infrastructure: Noida-Greater Noida Expressway, Taj Expressway that now extends to Lucknow and would soon be connected to the Purvanchal Expressway. It is connected to the Meerut Expressway and the Delhi- Mumbai Expressway through the eastern and western peripheral roads, which are also expressways. Noida is served by two metro lines of DMRC and boasts of a metro network of its own. A new rapid rail connectivity between the upcoming airport at Jewar and the existing IGI Airport is being planned, and the alignment of connecting Jewar airport to the Delhi- Mumbai expressway has been finalised. With such existing and planned infrastructure, Noida can emerge as the global centre of services and manufacturing in a very short span of time.

Noida is home to some of the best schools in the NCR region and has a number of higher educational institutions in the private sector as well. Gautam Buddh Nagar University is a single-campus university with a huge infrastructure. It has immense potential to be developed as a leading centre of higher learning in the country. Noida is also developing its soft infrastructure to become more attractive for high managerial personnel to live here and work. If we look at Noida, we find that all the factors of production- be it land, labour or capital can be easily accessed. With the right vision of business, finance, economic acumen and political will, the dream of a centre of excellence as a propeller of growth for the State is achievable as Hyderabad and Bengaluru have done for their respective States of Andhra Pradesh and Karnataka.

The road to \$5 trillion Indian economy passes through Uttar Pradesh and the road to \$1 trillion UP economy passes through Noida. The Hon'ble Chief Minister has shown his commitment to the region by making several visits, ignoring the silly advice of political pundits. This can be taken to the next level by having the right team committed to realising the dream of our Hon'ble Chief Minister Yogi Adityanath and contributing to the vision of our Hon'ble Prime Minister Narendra Modi of Viksit Bharat.