

Business Standard

Uttar Pradesh expected to get Rs 1.5 trillion investment in energy sector

Rapid industrialisation, urbanisation feeding power demand

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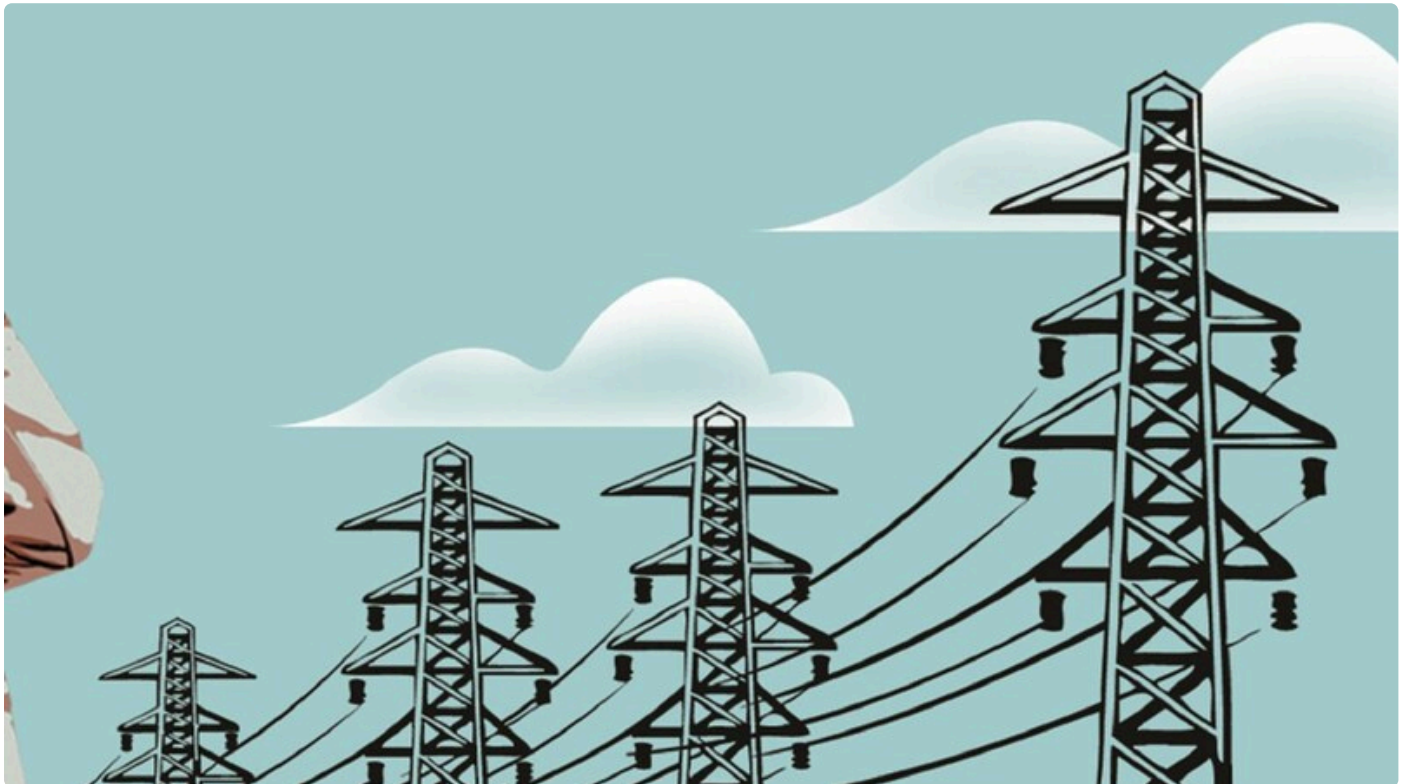


Illustration: Ajay Mohanty

With Uttar Pradesh's peak energy demand expected to top 53,000 megawatt (mw) by 2028, the state is expected to garner public and private sector investment of Rs 1.5 trillion in the next 4 to 5 years.

The estimated investment in the UP energy projects would span the entire value chain of generation, transmission and distribution encompassing both conventional and renewable energy domains.

Indian Electrical and Electronics Manufacturers' Association (IEEMA) President Sunil Singhvi said the energy landscape would play a vital role in propelling UP's \$1 trillion economy goal.

“While the public sector investment in the UP energy sector is expected to be Rs 90,000 crore, the private sector contribution would augment the state’s total investment kitty to nearly Rs 1.5 trillion in 4-5 years,” he added.

In 2024, UP’s peak power demand breached the 30,000 mw mark, owing to incremental demand, growing industrialisation, urbanisation and expanding charging infra for e-vehicles across the state.

Even as UP is targeting solar energy generation of 22,000 mw by 2027-28, the state is also ramping up thermal power generation to feed the proliferating demand for power from different quarters, including industry, commercial, residential and agriculture.

To attract investment, UP is offering a slew of incentives and sops to the private sector companies to set up power projects as well as manufacturing plants to cater the domestic and international markets.

The state’s total power consumption is estimated to grow at an annual rate of 16 per cent and touch 277,000 million units (MU) by 2028.

UP’s western region is expected to witness higher industrial power consumption compared to other parts of the state. The western region is predicted to consume 62 per cent of energy, because of a greater concentration of industries and commercial establishments.

Earlier, UP Chief Minister Yogi Adityanath directed energy department officials to expedite various power projects in the state.

Meanwhile, IEEMA has announced to host the world’s largest electrical show ‘Elecrama 2025’ from February 22 to 26 next year in Greater Noida to catalyse the domestic energy value chain.

IEEMA Director General Charu Mathur said top electrical manufacturers and power companies from across the world will participate in the mega event, which is aimed at giving a leg up to the Indian manufacturing industry.

Currently, the electrical equipment export from India is estimated at \$12 billion, and the domestic industry is aiming to boost shipments especially in the backdrop of the global major exploring destinations other than China to import goods.

IEEMA is also looking to promote energy sector startups and groom women business leaders in the segment.

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