

U.P. needs to multiply GSDP growth rate to achieve trillion-\$ target

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LUCKNOW: Uttar Pradesh will have to further multiply its efforts to attract investment and achieve a higher GSDP growth to achieve the objective of turning the state economy into a trillion-dollar one, those aware of the state's economic situation and the steps taken for U.P.'s development said.

Chief minister Yogi Adityanath had on Friday said in the state legislative assembly that Uttar Pradesh will become a trillion-dollar economy by 2029. While the chief minister may have had the roadmap worked out in 2022 in mind, achieving this objective in the next four years remains a big challenge, according to experts.

A scrutiny of Uttar Pradesh's budget analysis indicates that the state's GSDP will reach the level of Rs 27.50 lakh crore on March 31, 2025.

The GSDP would need to grow at a much faster rate to reach the level of one trillion dollars (Rs 86 lakh crore if conversion rate of Rs 86 to a USD is considered).

Minister for finance Suresh Khanna, while presenting the annual budget for 2025-2026 in the state legislative assembly, said the GSDP growth rate was 11.6% against India's GDP growth of 9.6% in 2023-2024.

He also said the GSDP was Rs 12.89 lakh crore in 2017-2018



and is estimated to be Rs 27.51 lakh crore in 2024-2025. This included the corona pandemic period that adversely affected the economy.

The state government has projected a growth rate of 11.85% to take the GSDP to the level of Rs 30.77 lakh crore. The state, however, needs to increase the GSDP growth by nearly 2.5 to three times to become a trillion-dollar economy by 2029.

"The projected growth rate of GSDP for 2025-26 is given as 11.85%. To achieve the target of a trillion-dollar economy by the year 2029, the rate of GSDP growth needs to be raised to 32.97% per annum at the prevailing exchange rate of Rs 86 to a dollar. The Yogi government's steadfast commitment to the goal of making U.P. a trillion-dollar economy and its vigorous efforts to mobilise investment and enlarge the size of GSDP are praiseworthy.

"However, the task of reaching the mark of a trillion-dollar GSDP, specially by the year 2029, remains a Herculean one," said Professor Yashvir Tyagi, former head of department, economics, Lucknow University.

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2022-2023, worked out a roadmap to become a trillion-dollar economy in five years.

The state government organised Global Investors Summit-2023 on February 10-12, 2023. Chief minister Yogi Adityanath said his government attracted investment of Rs 40 lakh crore at the GIS-2023.

The state government will have to hold more (at least two) such summits and implement the investment to achieve the trillion-dollar economy objective.

The state government organised Groundbreaking Ceremony (GBC 4.0) in Lucknow from February 19-21, 2024, to implement investment of Rs 10.11 lakh crore.

Khanna, in his budget address, said Rs 6.5 lakh crore of this investment has started commercial production. The state government needs to hold more such GBCs to bring more investment to the ground.