Uttar Pradesh and Maharashtra Spearhead India's Post-Pandemic Growth: SBI Report

Why in News?

According to the latest findings from the **State Bank of India (SBI) Research**, out of the **235 basis point (bp) growth, Maharashtra and Uttar Pradesh emerged as frontrunners,** contributing 56 and 40 bps, while the remaining 90 bps stemmed from other states.

Key Points

- The Indian economy has demonstrated **resilience in the wake of the** Covid-19 pandemic, with the average real Gross Domestic Product (GDP) growth surging to 8.1%, a substantial increase from the 5.7% growth witnessed in the pre-pandemic period.
- According to the report:
  - On the **Gross State Domestic Product (GSDP)** front, **Gujarat** has notably doubled its economic output, marking a 2.2 times increase over the last decade.
  - Following closely behind are states such as **Karnataka, Assam, Andhra Pradesh, Odisha, Telangana, Sikkim, and Madhya Pradesh**, showcasing significant economic momentum and development.
  - While some states such as **Uttar Pradesh, Chhattisgarh, Bihar, and Madhya Pradesh have maintained stable per capita income growth** trajectories, others like **Jharkhand, Rajasthan, West Bengal, Maharashtra, Punjab, Delhi, and Goa have experienced deceleration** in this aspect.
  - The report highlights a significant reduction in state-wide inequality in terms of per capita **Net State Domestic Product (NSDP)** following the Covid-19 pandemic.
- The SBI Research team **emphasised the importance of continued policy support and targeted interventions** to sustain and **enhance economic growth momentum** across all states.
- It serves as a **resource for policymakers, economists, and stakeholders,** providing insights into the evolving dynamics of the Indian economy and guiding future development initiatives.

Basis Points

- These are a **unit of measure** used to describe the **percentage change in the value of financial instruments** or the **rate change in an index or other benchmark.**
- One basis point is **equivalent to 0.01%** (1/100th of a percent) or 0.0001 in decimal form.

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