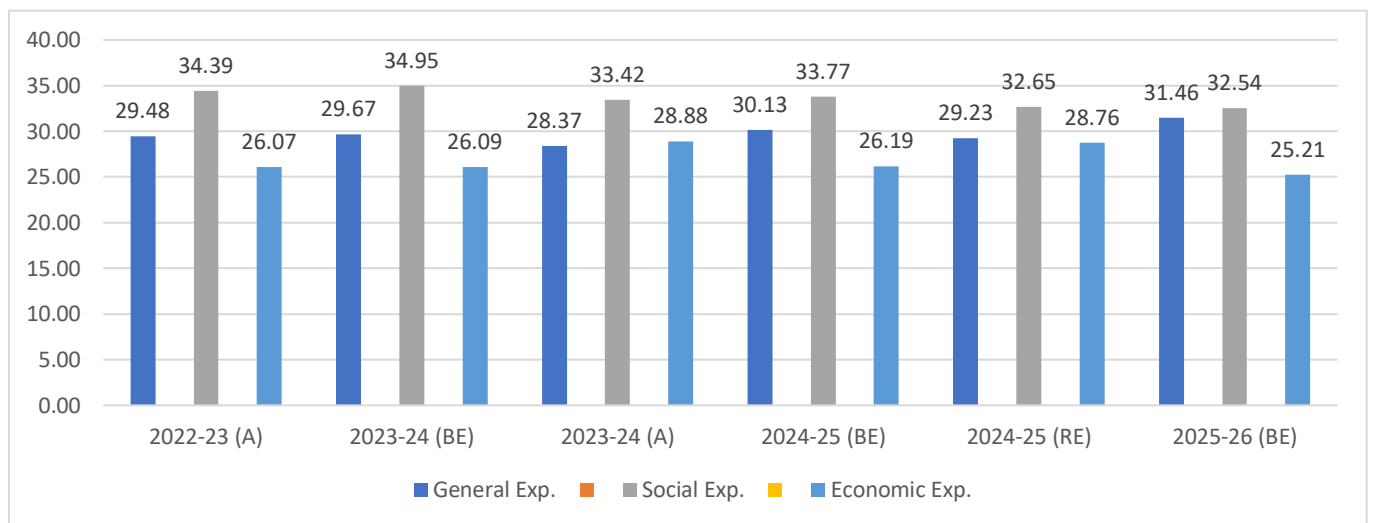


## Comprehensive Budget for Future Growth in Uttar Pradesh

In 2025-26 (BE), the total state expenditure combining revenue and capital, both, is Rs. 808,736.06 crores. So far, the biggest budget for the state and among the Indian state including Maharashtra. This is big leap forward to the dream of one trillion economies. The current budget is 9.81 percent increase over the 2024-25 budget estimate. The total increase in absolute amount is Rs. 72,298.35 crores.

Fig.1: **Service-wise Expenditure as percent of Total State Expenditure in UP**



Source: Annual Financial Statement of Various Years, Uttar Pradesh

For the purpose of common person, the spending in social sector is important as it has allocation for education, health, water & sanitation, nutrition, social security, food security, and rural development. It also covers skill development, sports and culture, tribal and minority affairs, and urban poverty alleviation. The above chart reflects the higher spending in the social sector as compared to the other two services. In 2022-23, the actual expenditure as percent of total state expenditure was 34.39, which is 32.54 percent in 2025-26 (BE). Despite the decline in the percent share, it is still higher than the General and Economic Services.

Focus on economic development has not put the societal concern into oblivion. The budget has been sensitive to the new demand in the state. For instance, government has been allocating a substantial amount for the 'Maintenance of Destitute Widow and Education for their children'. In 2025-26 (BE), a total of Rs. 2980 crore has been allocated. Similarly, to tackle the problem of abandon animal government has allocated Rs. 450 crores this year. Another example of concern can be seen in the allocation for the new scheme 'Establishment of Digital Library at the Gram Panchayat Level'. A total of Rs. 454 crores have been allocated under capital expenditure. This government has been giving special attention to promote the small enterprises through the schemes like Vishwakarma Shram Samman Yojna (VSSY); Mukhyamantri Yuva Udyami Vikas Abhiyan (CM YUVA Yojana), Mukhyamatri Yuva Swa-Rozgar Yojna (MYSRY) and ODOP. In 2022-23 (A), Rs. 104.16 crore was allocated under VSSY. The allocation has been jumped to Rs. 225 crores in 2025-26(BE). Under CM YUVA Yojana, Rs. 1000 crores have been allocated in 2025-26 (BE). During previous year i.e. 2024-25 (BE), Rs. 170 crores were allocated for MYSRY, which has been spiked to Rs. 225 crores in 2025-26 (BE). Under Department of Panchayati Raj, a new initiative 'Construction of Marriage House in Rural area of every Assembly' has taken place. This year Rs. 100 crores has been allocated.

Nevertheless, a slash in the social sector funding, as we have seen above, tend to impact the allocation for education, health, minorities etc. In fact, we compare the figure of 2024-25 (BE) and 2024-25 (RE), each department is facing cut in initial allocation. Similarly, a huge deepening of fund can be seen between 2023-24 (BE) and 2023-24 (A). For instance, in year 2023-24 (BE), total allocation, including allocation for School, Secondary and Higher education, was Rs. 95317.2 crores. However, in actual only Rs. 71761.5 crore was spent. Under Health department, including 6 grants, Rs. 42577.03 crore was allocated against which only Rs. 26432.04 crore was spent in actual. Agriculture department in 2023-24 (BE) had allocation of Rs. 8079.98 crore against which actual expenditure was Rs. 5631.27 crore only. Similar trend can be seen under Tribal, Minority and SCSP allocation. This will impact the gain the state has made in the social sector as reflected in NFHS-5 data. Hence, a sustainable financial support is need of the hour.

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