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Ram Rajya vision: Yogi 2.0 unveils Budget to become \$1 trn economy

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Virendra Singh Rawat | Lucknow



Photo: PTI

Aiming to bolster its \$1 trillion economy goal, the Uttar Pradesh (UP) government led by Yogi Adityanath 2.0 presented its annual Budget 2024-25 (FY25) on Monday, exceeding Rs 7.36 trillion in the state legislature.

The budget size increased by nearly 6.66 per cent compared to the state Budget 2023-24 of about Rs 6.9 trillion presented in February 2023.

Chief Minister (CM) Adityanath stated that the latest Budget was themed around Lord Ram's ideals, focusing on composite socioeconomic development and advancing the welfare state agenda. He also emphasised the potential of spiritual tourism to reshape the economic ecosystem in the state going forward.

Samajwadi Party chief Akhilesh Yadav on Monday questioned if there was anything in the UP Budget for "90 per cent" of the population, the people he referred to as PDA — an acronym for Pichde, Dalit, Alpsankhyak.

In a post on X, he said it did not matter if the Budget was of "Rs 7 trillion or Rs 8 trillion". "The question remains what is there in it for 90 per cent of the people," Yadav said in a post on X, reacting to the Rs 7.36 trillion Budget presented in the state Assembly on Monday.

The Budget allocates almost Rs 25,000 crore for new development schemes, especially targeted for the uplift of youth, women, farmers, and the underprivileged.

"The Budget allocates more than Rs 2.3 trillion for capital expenditure to enhance infrastructure, catalyse economic development, and generate jobs for the youth," the CM said during a news conference after UP Finance Minister Suresh Khanna had presented the Budget in the Vidhan Sabha.

He noted that the gross state domestic product (GSDP) had more than doubled from around Rs 12.5 trillion in 2016-17 to Rs 25 trillion, as estimated in the state annual Budget FY25 documents.

"UP was the sixth-largest economy in India when we came to power. Now, the state is the country's second-largest economy with robust tax collections," he added.

Adityanath asserted that his government had made UP a revenue surplus state without raising taxes but by skilfully plugging revenue and tax leakages.

Meanwhile, UP has limited fiscal deficit to 3.46 per cent of GSDP, within the ceiling of the Reserve Bank of India-mandated 3.5 per cent under the Fiscal Responsibility and Budget Management parameters.

The Budget provides generous grants to job and self-employment schemes for the youth, especially promoting startups, innovation, and micro-enterprises.

The state Budget has projected receipts of more than Rs 7.21 trillion, including revenue and capital receipts of nearly Rs 6.06 trillion and Rs 1.15 trillion, respectively.

Similarly, the expenditure of Rs 7.36 trillion comprises Rs 5.32 trillion and Rs 2.04 trillion in revenue and capital heads, respectively.

The presentation of the state Budget comes within a week of the Union Budget tabled in Parliament on February 1, in the run-up to the crucial 2024 Lok Sabha elections due in the next couple of months.

Reiterating the harmony between the two Budgets, Adityanath said the UP Budget would provide further impetus to the vision of Prime Minister Narendra Modi to make the state an economic powerhouse.

Since UP accounts for the maximum number of 8 million Lok Sabha seats, the state forms the most important cog in the political road map of all parties, especially in election years.

“The UP Budget is pink in nature since it identifies focus areas to promote women’s empowerment and welfare,” the CM said, adding that it gives wings to the aspirations and hopes of the people.

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