

Fourth budget of Yogi 2.0 today, focus on infrastructure push likely

All eyes on schemes for welfare of youth, women, farmers and boost to spiritual tourism

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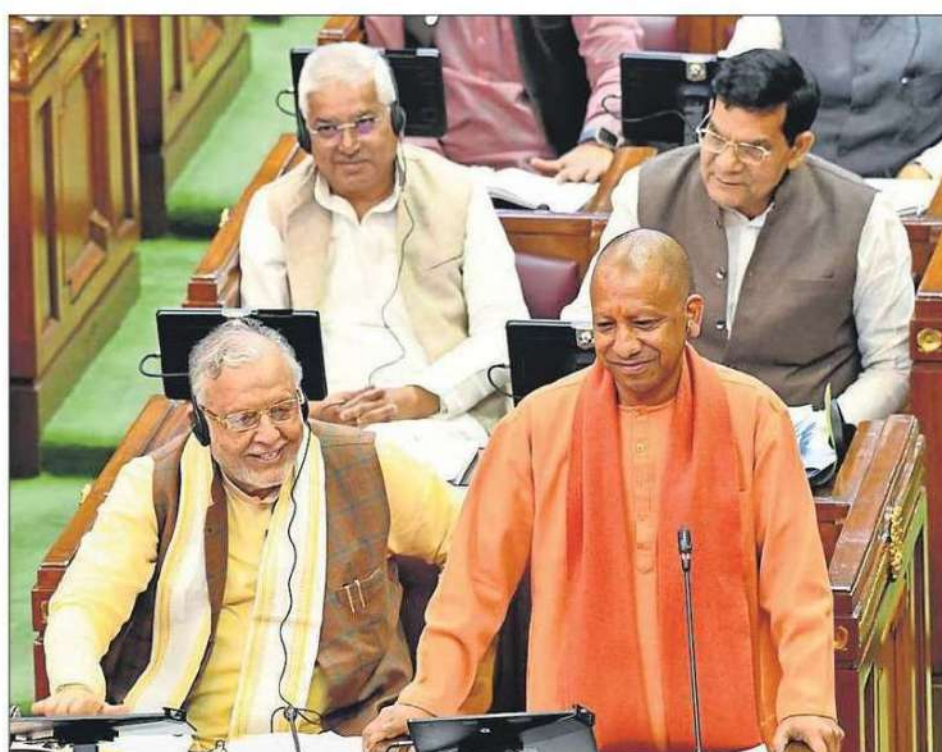
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LUCKNOW: As the Yogi government 2.0 presents its fourth annual budget (2025-2026) of an estimated size of ₹8.5 lakh crore, it faces the task of announcing more welfare measures and giving a further push to development to achieve the objective of making Uttar Pradesh a trillion-dollar economy.

Finance minister Suresh Khanna is set to present the budget in the state legislative assembly at 11am in the presence of chief minister Yogi Adityanath.

This will be the second-last budget of the Yogi 2.0 government (before the state goes to polls in early 2027). With consistent improvement in the state's financial position, more allocations are likely for the development of infrastructure, construction of roads and expressways, that has been in focus in the previous budgets.

However, the state government stares at challenges of making allocations for schemes for welfare of youth, women and farmers. It also faces the task of enforcing financial discipline to keep fiscal deficit and debt to GSDP ratio within permissible



CM Yogi Adityanath addresses the Assembly in Lucknow on Wednesday, as finance minister Suresh Khanna, who will present the state budget on Thursday, looks on.

DEEPAK GUPTA/HT

limits. Besides, the state government will have to ensure that the gap between the budgetary allocation and actual expenditure is narrowed down. UP's debt to GSDP ratio increased from 23% in 2019-2020 to 26% in 2023-2024. The gap between budgetary estimates and actual revenue expenditure was 18% while that of capital expenditure was 29% in 2023-2024.

As UP government has been making efforts to draw investments, funds are likely to be earmarked for incentives to investors. A large turnout at the Mahakumbh 2025 indicates that the development of religious tourism will further give a boost to tourism. So, allocations for development of spiritual and religious places will be in focus.

"UP's financial situation is

good and improving consistently. The Mahakumbh has shown that the state government's efforts to boost spiritual and religious tourism are yielding good results. So, besides strengthening the infrastructure development sector, the budget may focus on allocation of funds for development of spiritual and religious tourism. There will also be focus on youth, employment

and farmers," said prof Yashvir Tyagi, former head of department, economics at Lucknow University.

Those aware of the development said there are likely to be additional allocations for local bodies keeping in view the forthcoming panchayat elections and the second phase of Lucknow Metro and other such projects. Besides the Ganga Expressway and the Gorakhpur Link Expressway, the state government may earmark funds for construction of Chitrakoot Link Expressway, the link expressway connecting the Agra-Lucknow Expressway to the Purvanchal Expressway, the link expressway connecting Bundelkhand Expressway and Agra-Lucknow Expressway to Ganga Expressway via Farrukhabad and the Jewar Airport Link Expressway.

The government also needs funds for the Vindhyachal Expressway-Prayagraj-Mirzapur-Varanasi-Chandauli-Sonbhadra (320 km), Purvanchal Link Expressway from Chandauli to Ghazipur, link expressway to connect Bundelkhand Expressway to Rewa via Chitrakoot and Prayagraj and link expressway to connect Ganga Expressway from Meerut to Haridwar.

The state government had presented an annual budget worth Rs 7.36 lakh crore in 2024-2025. Later, it presented two supplementary budgets of Rs 17,865.72 crore and Rs 12,209.93 crore and there is likely to be a 10-15% increase in the size of this year's budget.