

Uttar Pradesh Budget (2021-22) Highlights: Uttar Pradesh government has presented the last full budget before the due elections in 2022. This year the major highlights of the budget includes development of Ayodhya, Aatmanirbhar Uttar Pradesh, construction of new highways and expressways etc. UP Budget 2021 notes are important for UP PCS Prelims 2021 and other upcoming exams like UPPSC RO/ARO, UP Police, Lower PCS and other exams.

Uttar Pradesh Budget (2021-22) Highlights

The Finance Minister of Uttar Pradesh Mr Suresh Kumar Khanna had presented the Budget for Uttar Pradesh for the financial year 2021-22. The 2021-22 budget amount is **Rs 5,50,270.78 crore** (more Rs 37,410 crore than the earlier year's spending size) which makes it the biggest budget in the history of Uttar Pradesh.

It is the first paperless Budget and also the fifth Budget of the present government.

Uttar Pradesh has recovered Rs. 23.36 lakh from persons accused of damaging public and private property in the violence during the protests against the Citizenship (Amendment) Act (CAA) in December 2019.

Constitutional Provision of Budget for State

- As per **Article 202** of the Constitution of India, the Governor of a State shall cause to be laid before the House or Houses of the Legislature of the State a statement of the estimated receipts and expenditure of the State for a financial year.
- This estimated statement of receipt and expenditure for a financial year named in the Constitution as the "**Annual Financial Statement**" is usually referred to as "Budget".

Key Terms Used in Budget

Revenue which includes:

- Revenue Receipt
- Revenue Expenditure

Revenue Receipt:

- The receipts received which can't be recovered by the government.
- It comprises income amassed by the Govt. through taxes and non-tax sources like dividends on investments and interest.

Revenue Expenditure:

- These are the expenditure incurred by the Union Government for purposes other than for the creation of physical or financial assets.
- It includes those expenditures incurred for the usual functioning of the government departments, grants given to state government includes

borrowings from the Reserve Bank of India and commercial banks and other financial institutions.

- It also consists of loans received from foreign governments and world organization and repayment of loans granted by the Union government.

Capital Expenditure

- It is the spending incurred by the government which results in the formation of physical or financial possessions of the Union government or decrease in financial liabilities of the Union Government.
- It will contain expenditure on procuring land, equipment, infrastructure, expenditure in shares.
- It also includes mortgages by the Union government to Public Sector Undertakings, state and union territories government and interest payments on the debt of the Union Government etc.

Capital which includes

- **Capital Receipt**
- **Capital Expenditure**

Capital Receipt: These are the receipts which generate liability or decrease the financial assets of the government which

Direct Tax: These are the taxes which are imposed directly on individual and company. It comprises

- Income tax
- Corporation tax

Indirect Tax: These are the axes that are imposed on goods and services. It comprises taxes like

- Service tax
- Excise taxes
- Customs duties

Fiscal Policy: Fiscal policy is the means by which a government adjusts its expenditure levels and tax rates to watch and influence a country's economy.

Revenue Deficit: It is the extra expenditure of the government over revenue receipts.

Fiscal Deficit: It is the difference between the total expenditure of the government and its total receipts, which is not including the borrowing.

Primary Deficit: Primary deficit refers to the difference between the present year's fiscal deficit and interest payment on previous borrowings.

Non-Tax Revenue: These are the government revenue not generated from taxes.

Gross Domestic Product (GDP):

- It is the price value of all finished goods and services made within a country during a specific period.
- It provides a snapshot of a country, used to estimate the size of an economy and growth rate.

Highlights of the Budget:

Gross State Domestic Product

- The fiscal deficit for FY22 is estimated at Rs 90,730 crore.
- It is 4.17% of the estimated Gross State Domestic Product (GSDP), while the state's debt liability is estimated to be 28.1% of GSDP.
- There is a modest increase of Rs 37,410 crore or 7.3% over FY21 Budget size

Expenditure

- Rs 3.95 lakh crore as revenue expenditure while Rs 1.55 lakh crore is capital account.

Total receipts

- The total receipts are estimated at Rs 5.06 lakh crore, which includes
 - Rs 4.18 lakh crore by way of revenue receipts and
 - Rs 87,841.40 crore by way of capital receipts.
 - Rs. 3.05 lakh crore for government's own tax revenue
 - Rs 1.19 lakh crore would be the state's share in central taxes.
 - Rs. 5,500 crore from receipts into Public Account.

Fiscal deficit

- The fiscal deficit for FY22 is estimated at Rs 90,730 crore, which is 4.17% of the estimated Gross State Domestic Product (GSDP), while the state's debt liability is estimated to be 28.1% of GSDP.

Revenue Savings

- It is estimated to be Rs. 23,210.09 crore.

Consolidated Fund

- After Revenue deduction there is an estimation of Rs. 44,088.94 crore in total deficit.

New Scheme / Policy in Budget 2021-2022

- **Mukhyamantri Pravasi Shramik Udyamita Vikas Yojana**
 - The major aim of the scheme is to provide employment and self-employment to the migrant workers who had come from other states.
 - Around 40 lakh were transported to their native districts during the lockdown.

- Rs. 100 crores has been allocated for this scheme.
- Rs. 12 crores will be spent under the **Mukhyamantri Durghatna Kalyan Yojana**.
- **Aatmanirbhar Uttar Pradesh**
 - This scheme is equivalent of Aatmanirbhar Bharat scheme.
 - Under this scheme, the state government will emphasize upon social welfare, public health, women security, employment generation etc.

Sector-wise expenditure

Agriculture and allied activities

- **Agriculture and Allied Activities (in 2021-22):** Rs. 100 crore also proposed in the budget for doubling the farmers' income by 2022 under the **Atma Nirbhar Krishak Samanvit Vikas Yojana**.
- Rs. 600 crores are proposed for the **Mukhyamantri Krishak Durghatna Yojana**.
- Rs. 700 crores have been allocated for supplying free water to the farmers.
- Rs. 400 crores are passed to give away easy loans to the farmers at subsidized rates.
- Under **PM-KISAN Samman Nidhi Scheme**, 27, 123 crore rupees has been transferred to state farmers through DBT.
- Uttar Pradesh has been declared as the Best Inland State on the occasion of World Fisheries Day 2020.

Medical and Health Infrastructure

- The Uttar Pradesh government has made a provision of Rs 12,242 crore for strengthening medical and health infrastructure in the state.
- Rs 5,085 crore have been provided for the construction of medical colleges in as many as 39 districts and creating diagnostic infrastructure for primary healthcare facilities.
- Rs 7,157 crore has been allocated for various health schemes like
 - Rs 5,395 crore for Rashtriya Gramin Swasthya Mission,
 - Rs 1,300 crore for Ayushman Bharat Yojana,
 - Rs 142 crore for Ayushman Bharat Mukhyamantri Jan Arogya Yojana and
 - Rs 320 crore made for Pradhanmantri Matritva Vandana Yojana.

Education

- Rs. 1,950 crores has been allocated for the construction of new medical colleges in 13 districts – Bijnor, Kushinagar, Sultanpur, Gonda Lalitpur, Lakhimpur-Kheri, Chandauli, Bulandshahar, Sonbhadra, Pilibhit, Auraiya, Kanpur Dehat, and Kaushambi.
- Rs. 100 crores are passed to build the Atal Bihari Vajpayee Medical University, Lucknow.
- Rs. 48 crores have been allocated to build medical colleges of 16 unserved districts of the state to make them operational in PPP mode.
- Rs. 23 crores are given to spend under National Digital Health Mission.

- Rs. 960 crores are passed to build medical colleges in Etah, Hardoi, Pratapgarh, Fatehpur, Siddharthnagar, Deoria, Ghazipur, and Mirzapur.
- Rs. 175 crores are proposed to be spent to build new medical colleges in Amethi and Balrampur.
- National Law University will be established in Prayagraj.

Transport

- The Uttar Pradesh Budget 2021-22 has made provision of Rs 10,650 crore for various expressways.
- Rs 3,450 crore has been allocated for the three under-construction expressways in the state.
 - Rs 1,492 crore for the 296-km long Bundelkhand Expressway,
 - Rs 1,107 crore for the 340-km long Purvanchal Expressway and
 - Rs 870 crore for the 91-km long Gorakhpur Link Expressway,
- Rs 7,200 crore has been allocated for the land acquisition of the 594-km long Ganga Expressway project and Rs 489 crore for its construction work.

Infrastructure

- The government has allocated over Rs 2,100 crore for airports in the state.
- Rs 2,000 crore has been allocated for the international airport in Jewar.
- Rs 101 crore has been provisioned for the expansion of the airport in Ayodhya.
- The state government has allocated Rs. 140 crore for the development of Ayodhya.
- Other Allocations-
 - Rs 597 crore for Kanpur Metro Rail Project,
 - Rs 478 crore for Agra Metro Rail project and
 - Rs 1,326 crore for the Delhi-Ghaziabad-Meerut RRTS corridor.
 - Rs. 100 crore has been proposed for the metro rail project in Varanasi and Gorakhpur.
- Uttar Pradesh Police and Forensic Science Institute will be established in Lucknow.

Tourism

- Rs. 200 crore has been allocated for the **Mukhyamantri Tourist Places Development Scheme**.
- Rs. 100 will be spent on the beautification of Varanasi and Ayodhya respectively.

Culture

- The provision of Rs. 15 crore for **Chauri-Chaura Shatabdi Mahotsav**.
- Uttar Pradesh Tribal Museum will be established in Lucknow.

Rural and Urban Development

- Rs 10,029 crore has been allocated for Pradhan Mantri Awas Yojana (urban).
- Rs. 2031 crore will be spent on Swachh Bharat Yojana (Gramin).

- Rs. 1400 crore will be spend on Swachh Bharat Yojana (Gramin)
- Rs 2,200 crore for AMRUT Yojana.
- Rs 2,000 crore for Smart City scheme in 10 cities.
- Rs 1,000 crore for Mukhya Mantri Samagra Sampada Vikas Yojana.
- Rs 7,000 crore for PM Awas (rural) and Rs 5,000 crore for PM Sadak Yojana.
- Jal Mission (urban) will be initiated from FY 2021-22 with the budget allocation of Rs. 2000 crore.

MSME Sector

- Rs. 250 crore has been allocated for One District-One Product Scheme.
- Rs. 100 crore for **Mukhyamantri Yuva Swarajgar Scheme**.
- Rs. Rs. 30 crore for **Vishwakarma Shram Samman Yojana**.

Health and Family Welfare

- The government has allocated 5.5% of its expenditure on health in 2020-21, which is marginally higher than the average allocation for health by other states (5.3%).
- The National Rural Health Mission: Rs 3,845 crores allocated.
- Rs. 100 crore has been allocated for Mukhyamanti Jan Aarogya Yojana.

Social Security and Welfare

- A total expenditure of Rs 3,578 crore is planned from the State Disaster Response Fund.
- Police Quarters in every district will be renamed after the great revolutionary Thakur Roshan Singh.
- Rs. 25 crore has been allocated under Palanhar Yojana for disabled persons.
- Rs. 250 crore for Mukhyamantri Samuhik Vivah Yojana.
- Rs. 400 crore for Social Forestry Scheme.

Labour

- Rs. 100 crore has been allocated for Mukhyamantri Pravasi Kshramik Udhyamita Vikas Yojana.
- Rs. 12 crore will be spent on Mukhyamantri Durghatna Bima Yojana.

Youth Empowerment

- Mukhyamantri Abhyudaya Yojana has been started from 2021-22 to help the students compete in various competitive exams, along with eligible candidates will be given free tablets.
- Rs. 8.55 crores has been allocated for the Yuva Khel Vikas Aur Protsahan Yojana.
- Rs. 25 crores are proposed to build up the rural stadium and open gym.
- Rs. 20 crores are passed allocated to build a new sports university at Meerut.
- Rs. 10 crores have been allocated to buy books and magazines among the youth of UP.

Women Empowerment

- Rs. 32 crores will be spent on the establishment of Mahila Shakti Kendras.
- Rs. 1,200 crores has been allocated for the development of Mukhyamantri Kanya Sumangala Yojana.
- Rs. 200 crores are to be spent under the Mahila Samarthya Yojana for the financial year 2021-22.
- Rs. 100 crores have been allocated under the Mukhyamantri Saksham Suposhan Yojana.
- Pushtahar Programme has been allocated Rs. 4094 crore and National Nutrition Scheme has been allocated Rs. 415 crore.

Panchayati Raj

- Rs. 25 crore has been allocated for Mukhyamantri Panchayat Protsahan Yojana.
- Dr. Ram Manohar Lohia Panchayat Empowerment Scheme to spread e-governance in rural areas.
- Rs. 653 crore has been allocated for National Rural Empowerment Scheme.

Some Important Questions

1. How many times the Present Government of Uttar Pradesh has presented the Budget?

Ans. 5 times

2. In which district of Uttar Pradesh the National Law University will be established?

Ans. Prayagraj

3. What is the budget allocation for Mukhymantri Krishak Durghatna Yojana?

Ans. Rs. 600 crores

4. As per the Uttar Pradesh Budget the fiscal deficit for FY22 will be

Ans. Rs. 90, 730 crore

5. The budget allocation for Atma Nirbhar Krishak Samanvit Vikas Yojana is

Ans. Rs. 100 crores