

Comparative Analysis of Fiscal Performance of Uttar Pradesh and Uttarakhand

Ruchika Pandey^{1*}, Prof N. M. P. Verma²

¹Research Scholar, Department of Economics, Babasaheb Bhimrao Ambedkar University, Lucknow

²Hony. Senior Professor, Institute of Resource Management and Economic Development, Karkardooma, New Delhi-110092

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*Corresponding author: Ruchika Pandey

Research Scholar, Department of Economics, Babasaheb Bhimrao Ambedkar University, Lucknow

Abstract

The present paper endeavours to assess the fiscal performance of a major States, Uttar Pradesh and a minor state, Uttarakhand separated by Uttar Pradesh in November 2000. The paper highlights that while Uttar Pradesh's large economy and revenue generation capacity give it an advantage, its high debt burden, reduced social sector spending, and growing central dependence pose fiscal risks. Uttarakhand, despite its smaller size and limited industrial base, exhibits better fiscal discipline, prioritizes human development sectors like education and health, and shows positive signs of debt management. However, its over-reliance on central grants limits its financial independence. The study suggests that both states need to balance infrastructure spending with sustainable social sector investment to ensure long-term fiscal health and economic stability.

Keywords: Fiscal health, Revenue Budget, Expenditure Budget, Deficit Indicators, Gross State Domestic Product.

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INTRODUCTION

Uttarakhand is spread over an area of 53,483 sq. km out of which 46,035 sq km is hilly and 7,448 sq. km is plain. According to the 2011 Census of India, Uttarakhand has a population of 1.01 crore, making it the 20th most populous State in India. (India, 2023). Uttarakhand's real GSDP has grown at an average rate of 5.4 percent during the period from 2012-13 to 2021-22, which is marginally lower than the national average growth of 5.6 percent during the same period. The State has a small share of 1.2 percent in the country's GDP (2021-22). Its nominal per capita income is around forty percent higher than the national per capita income (2021-22). Out of all the major sectors, other services, Public Administration, Banking and Insurance and Trade, Hotels, and Restaurants have witnessed the higher growth during the period from 2012-13 to 2021-22. (Ayoga, March 2025). On other side, Uttar Pradesh is the most populous State with about 17 per cent of India's population and fourth largest State in terms of geographical area (2,40,928 sq. km.). In terms of Gross State Domestic Product, Uttar Pradesh was the fourth largest State economy in the country during 2022-23. Uttar Pradesh's real GSDP has grown at an average rate of 5.3 percent during the period from 2012-13 to 2021-22, which is lower than the national average growth of 5.6 percent. The State's share in the country's GDP has

decreased from 11.4 percent in 1990-91 to 8.4 percent by 2021-22. Its nominal per capita income is half of the national per capita income, as of 2021-22. During the last decade (2013-14 to 2022-23) these three sectors have grown by 4.1 percent, 6.1 percent, and 8.5 percent per annum, respectively. (NITI Ayoga, March 2025)

According to Fiscal health index 2025, Uttar Pradesh achieve score of 45.9 percent which place it seventh rank (front runner) among all the top performing states. Moreover, the rise in continuous expenditure as compared to receipts, most of states are unable to move on the path recommended by FRBM act, the dependence of the states for revenue on the central government after the implementation of GST and fiscal sustainability to deal with the shocks like Covid 19, there are various reasons to analyses the fiscal health of the states. The study has taken Uttar Pradesh and Uttarakhand as its child states specifically to analyse the fiscal scenario of both the states.

LITERATURE REVIEW

Srivastava (2005) found that Uttar Pradesh has experienced a growing fiscal imbalance, with rising interest payments and pension liabilities reducing available funds for essential sectors like health, education, and infrastructure The study emphasizes the

need for continuous monitoring of fiscal reforms, ensuring timely interventions to maintain progress toward fiscal targets.

Verma (2007) The study discusses that industrialization has not significantly increased employment opportunities in the Jagdishpur Industrial Region, particularly for Scheduled Caste (SC) households. While it helped in rising improved infrastructure improved infrastructure, including roads, electricity, and communication systems but failed to absorb the labour force, led to rise in migration and the banking sector also remained underdeveloped.

Raju 2011 Uttar Pradesh has shown substantial improvement in its fiscal deficit, reducing it from 4.0% of GSDP (2003-04 to 2005-06) to 0.7% (2004-05 to 2007-08). The state managed to lower its revenue deficit, indicating better financial management Uttar Pradesh improved its primary revenue balance, suggesting a stronger fiscal position. While efforts have been made to reduce outstanding liabilities, improving fiscal sustainability. Spending on education and healthcare has fluctuated, requiring better long-term planning.

Verma, (2013), this book discusses the market mechanism, short run business cycle fluctuations and how the appropriate policy measures further help in economic recovery. It covered the broad perspectives of recession occurred in the global economy. It also covered the US scenario and its implications on various emerging economies like India and China. Some chapters also focus on the problems and challenges faced by the banking and financial sector of India and further explained how the recessions in India and other countries effected their economies and the countries that integrated with each other due to globalization.

Verma (2017) The paper "Macroeconomic Instability in Indian Economy: A Contemporary Short Run Analysis" concludes that India's economy has been significantly disrupted by three major policy shifts: demonetization, the implementation of GST, and the Real Estate Regulation Act (RERA). These reforms have led to macroeconomic instability, characterized by declining growth rates, rising unemployment, reduced consumption, and shaken economic sustainability. The study emphasizes that both the money market (LM curve) and goods and services market (IS curve) are facing crises, suggesting that if these issues are not addressed, instability may persist in the long-run.

Nautiyal (2021) The study highlights significant disparities in financial inclusion between Uttar Pradesh (UP) and Uttarakhand. Literacy rate and urbanization

were found to be significant factors influencing financial inclusion, whereas population size had an insignificant impact. The IFI score for UP improved from 33.5 (2011) to 44.1 (2016), but still remained below average, whereas Uttarakhand's score increased from 50.5 to 69, placing it in the high financial inclusion category. The study concludes that Uttarakhand has a stronger financial inclusion framework compared to Uttar Pradesh, largely due to higher literacy rates, better banking infrastructure, and urbanization. The financial inclusion gap between the two states highlights the need for targeted policy interventions in UP to improve banking access and financial literacy.

The paper "Understanding the Evolution of Fiscal Performance of Indian States" by Vaseem Akram and Badri Narayan Rath (2021) provides insights into the fiscal performance of Uttar Pradesh and Uttarakhand. The study found that Uttar Pradesh has shown steady growth in its Gross State Domestic Product (GSDP), but its land revenue collection has declined over time. The share of VAT in own tax revenue has dropped significantly, while GST has become the dominant tax source. Spending on education has declined, while health expenditure has fluctuated. While Uttarakhand relies heavily on grants-in-aid, limiting its financial autonomy. The state's share in Union taxes has decreased, affecting revenue stability. The debt-to-GSDP ratio exceeded 30%, raising concerns about long-term fiscal risks.

Rawat *et al.*, (2024) found that Uttarakhand's Fiscal Health Index (FHI) declined significantly, indicating financial stress while in case of debt sustainability the state's debt-to-GSDP ratio exceeded 30%, showing long-term fiscal risks. The study also laid stress on the state's heavily reliance on central transfers, limiting financial autonomy Debt Management Strategies – The government has attempted to control debt levels, but sustainability remains a concern. Shift in Tax Composition – GST has become a dominant revenue source, replacing traditional taxes.

The below Fig. 1 shows the compounded annual growth rate of GSDP of Uttar Pradesh and Uttarakhand for the period 2013-14 to 2023-24 at the current prices. The compounded annual growth rate of Uttar Pradesh has increased to Rs 25.62 lakh crore in 2023-24 from Rs 9.40 lakh crore in 2013-14 with a compounded annual growth rate of 10.0 percent per annum. The GSDP Of Uttarakhand has increased to 3.32 lakh crore in 2023-24 from 1.49 lakh crore in 2013-14 representing 7.0 percent compounded annual growth rate. The CAGR of GSDP at constant prices for Uttar Pradesh and Uttarakhand is 5 per cent and 3 per cent respectively.

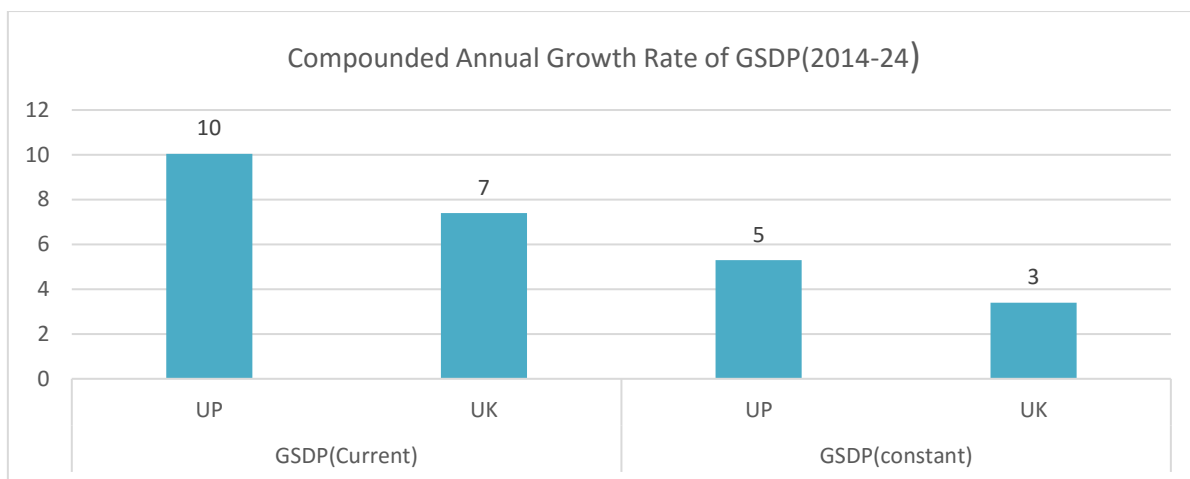


Fig. 1:
Source: MoSPI

The below Fig. 2 shows the compounded annual growth rate of Per Capita NSDP of Uttar Pradesh and Uttarakhand for the period 2013-14 to 2023-24 at the current prices. The compounded annual growth rate of Uttar Pradesh has increased to Rs 93.42 thousand crore in 2023-24 from Rs 40.12 thousand crore in 2013-14 with a compounded annual growth rate of 8.0 percent per

annum. The GSDP Of Uttarakhand has increased to Rs. 2.46 thousand crore in 2023-24 from 1.26 lakh crore in 2013-14 representing 6.0 percent compounded annual growth rate. The CAGR of per capita NSDP at constant prices for Uttar Pradesh and Uttarakhand is 3 per cent and 2 per cent respectively.

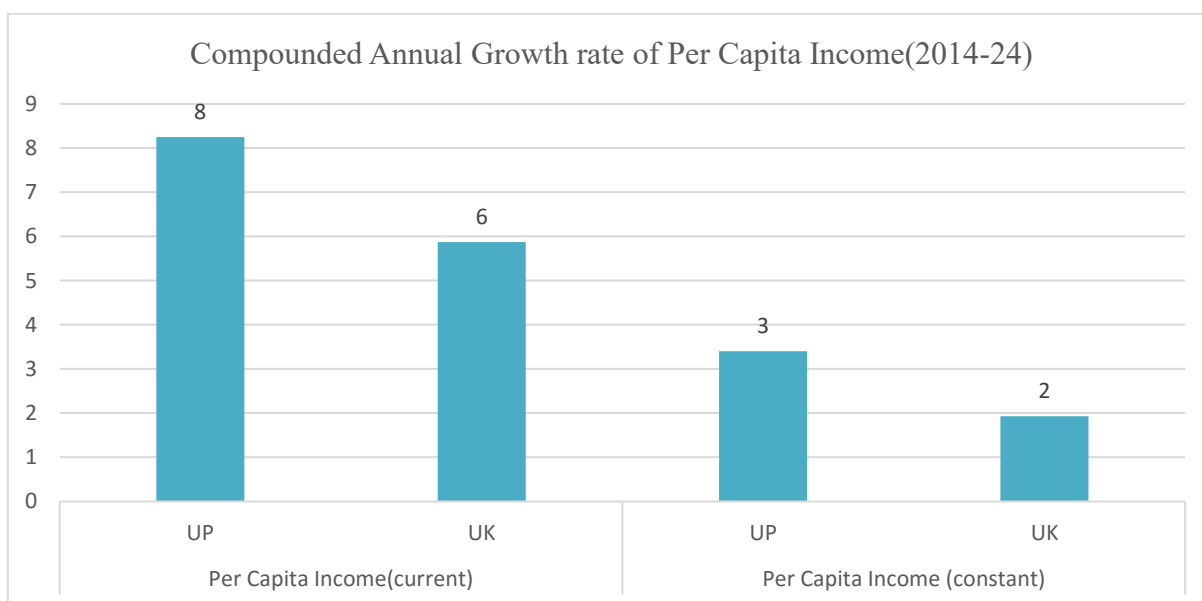


Fig. 2:
Source: MoSPI

Revenue Budget for Uttar Pradesh and Uttarakhand

The revenue receipts consist of both own tax revenue and non-tax revenue. The own tax revenue comprises GST, excise duty, tax on vehicles, tax on electricity, tax on VAT, stamp duty and land revenue. To assess whether the tax generation has increased or not in the period of eight years the figure below depicts the compounded annual growth rate of different taxes.

The share of own tax revenue has varied within the range of 37-39 percent with little fluctuations and share of grants in aid has increased to 30.61 percent in 2024-25 which was 25 percent in 2017-18. The state share initially declined from 26 percent in 2017-18 to 22 percent in 2022-23 thereafter it increased to 24.28 percent in 2024-25. The lowest share of revenue receipts is of non-tax revenue which accounts for 7-9 percent during the entire period.

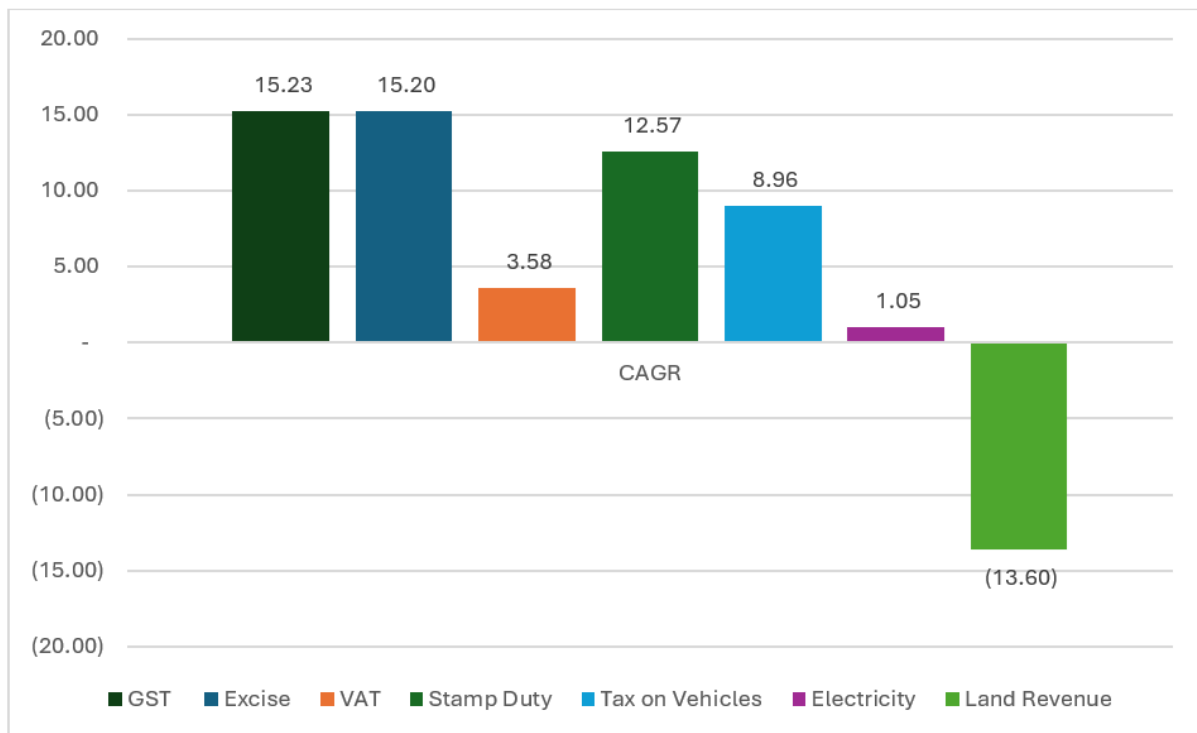
Table 1: Components of revenue receipts of Uttarakhand (as percentages of total)

| Year | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---------------------------------------|------|------|------|------|------|------|-------|-------|
| Own Tax Revenue | 37 | 39 | 37 | 31 | 33 | 35 | 38.02 | 37.36 |
| Non-Tax Revenue | 7 | 10 | 13 | 11 | 6 | 9 | 8.72 | 7.72 |
| State share of Union taxes and duties | 26 | 26 | 22 | 17 | 23 | 22 | 24.94 | 24.28 |
| Grants in aid | 25 | 25 | 27 | 41 | 38 | 35 | 28.29 | 30.61 |

Own Tax Revenue of Uttar Pradesh and Uttarakhand

The below figure shows the Compound Annual Growth Rate (CAGR) of various tax collections in Uttar Pradesh from 2018 to 2025. The major collection in Own Tax Revenue, although lower than the MTFRP 2022 projections, was under (i) receipts under State GST and (ii) Taxes on Sales, Trade, etc. CAGR indicates the average annual growth rate of revenue over the period, accounting for compounding. This 15.23 percent rise in growth rate of GST indicates strong growth, reflecting expanding consumption and formalization and the high

growth likely driven by increased alcohol/tobacco consumption or duty hikes leads to rise in 15.20 percent CAGR per annum during the period 2018-25. The tax collection in case of stamp duty and tax vehicle shows moderate growth with 12.57 percent and 8.96 percent respectively. The tax collection in case of VAT shows slow growth with 3.58 percent and very slow growth rate of tax collection on electricity 1.05 percent CAGR per annum respectively. However, the land revenue has registered negative growth during the entire period.

**Fig. 3: CAGR of Own tax revenue of Uttar Pradesh (2018-25)**

Source: Uttar Pradesh, PRS Budget Analysis, various years

As the Fig 3. Shows that among all the taxes, the highest CAGR has been experienced for *GST* with 20.4 percent per annum due to expansion of the GST base and better collection efficiency with e invoicing and e waybill. The tax collection in case of Stamp Duty is the second highest as the CAGR during the same period is 18.56 percent due to boom in real estate especially in

hilly areas. The CAGR growth rate shows moderate rise with 9.19 percent and tax on vehicles has raised with 8.94 percent. Moreover, the land revenue has registered negative growth during the entire period. The CAGR for overall own tax revenue is 11.42 percent driven largely by GST and Stamp.

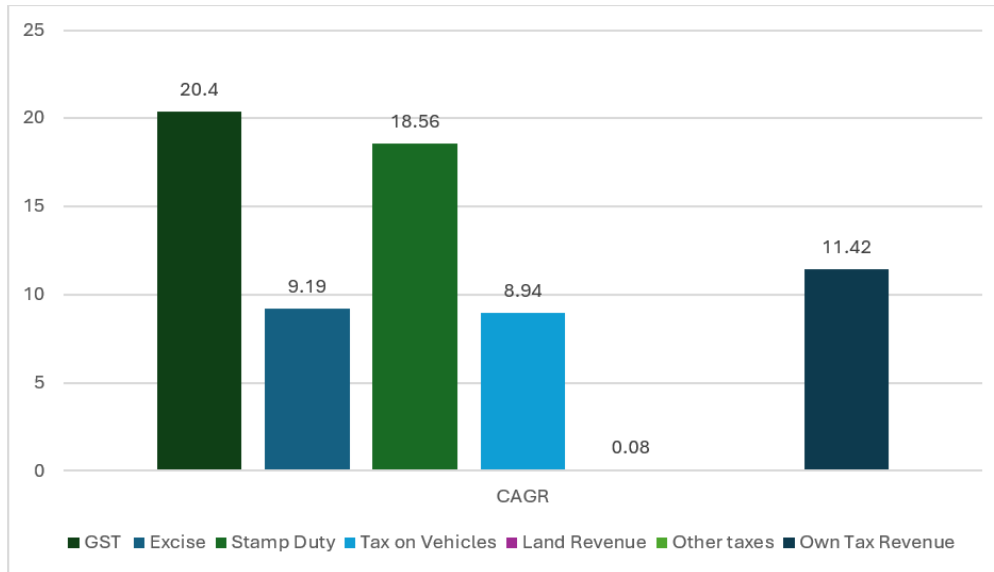


Fig. 4: CAGR of Own- Tax Revenue of Uttarakhand (2018-25)

Source: Uttarakhand, PRS Budget Analysis, various years

Composition of Tax Revenue of Uttar Pradesh

As the figure below suggests, the changing composition of own tax revenue during the period 2018-25. The share of GST in own tax revenue has increased from 26 percent in 2017-18 to 39.80 percent in 2024-25. The share of excise duty has also significantly raised from 18 percent in 2017-18 to 23.4 percent in 2024-25 and the share of VAT has reduced approximately half i.e.

from 32 percent in 2017-18 to 15.07 percent in 2024-25 as most of the taxes came under GST. The share of tax on vehicles has remained within the range of 5- 6 percent and share for the stamp duty has slightly fluctuated within the band of 13-14 percent. In the case of electricity, the share has been varied in the range of 1-2 percent and 0.13 to 1 percent for land revenue.

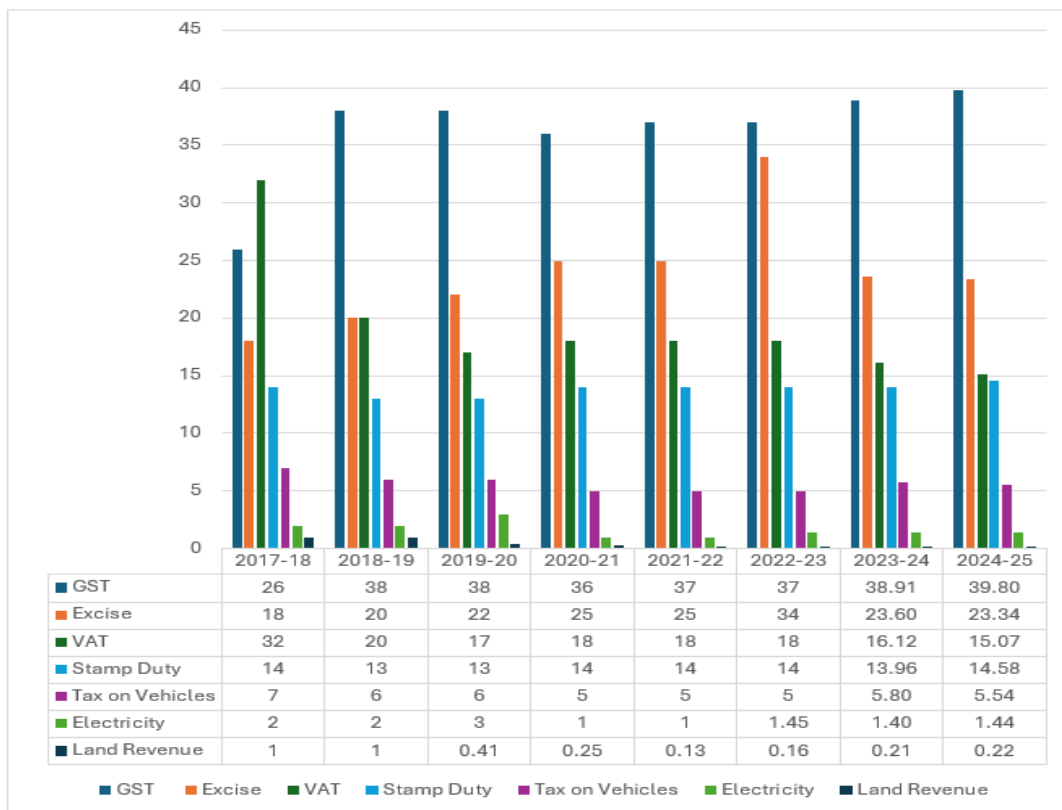


Fig. 5: Composition of Tax Revenue of Uttar Pradesh (2018-25)

Source: State Finances Audit Report 2023, PRS legislative Assembly Uttar Pradesh

The share of GST has increased from 19 percent in 2017-18 to 46.07 percent in 2024-24 while the share of excise duty has increased first from 22 percent in 2017-18 to 25 percent in 2020-21 but in the later years it

is reduced to 20.99 percent in 2023-24. The share of stamp duty has increased from 9 percent in 2017-18 to 12.11 percent in 2024-25 while the share of VAT has reduced due to the inclusion of various taxes in GST.

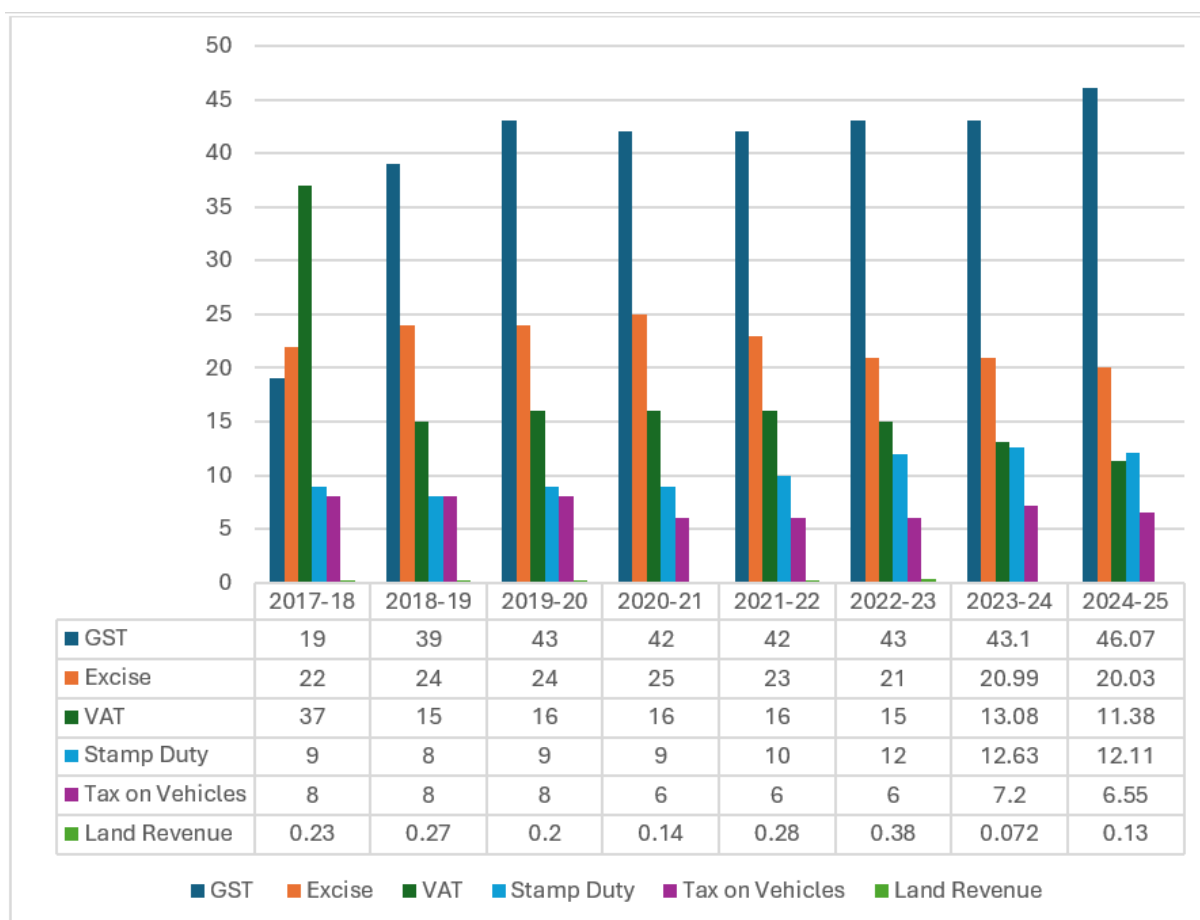


Fig. 6: Composition of Own Tax Revenue of Uttarakhand (2018-25)

Source: State Finances Report Uttarakhand 2024, PRS legislative research Uttarakhand Budget Analysis 2025-26

Expenditure Budget

The share of expenditure on education as percentage of total has reduced from 17.7 percent in 2016-17 to 13.4 percent in 2024-25 while the expenditure on health has increased from 5.2 percent in 2016-17 to 7.1 percent in 2022-23 but later it reduced to 5.4 percent in 2023-24 and 5.7 percent in 2024-24. The expenditure on rural development was 5.3 percent in 2017-18 and it further reduced to 5.2 percent in 2024-25 after the rise of 6.6 percent till 2020-21. The state spends a little portion of its expenditure on agriculture with a mere 3.1 percent to 3.2 percent in the whole period.

The figure below shows that UP's education expenditure as a percentage of total has shown a general

downward trend over the years. The expenditure accounts for 15.4% share in 2017-18 which further declined steadily to reach its lowest at 11.9% in 2022-23. The slight recovery to 13.5% in 2023-24 and 13.4% for 2024-25, but still lower than initial years. For Uttarakhand, the state has consistently allocated more to education than UP across all years. The expenditure peaked at 20.6% in 2019-20 with slight decline to 17.5% share in 2024-25, but the expenditure remains consistently higher than UP. Fluctuations are minor, showing steady prioritization of education. The figure shows that Uttarakhand maintains a high, stable commitment to education funding compared to UP.

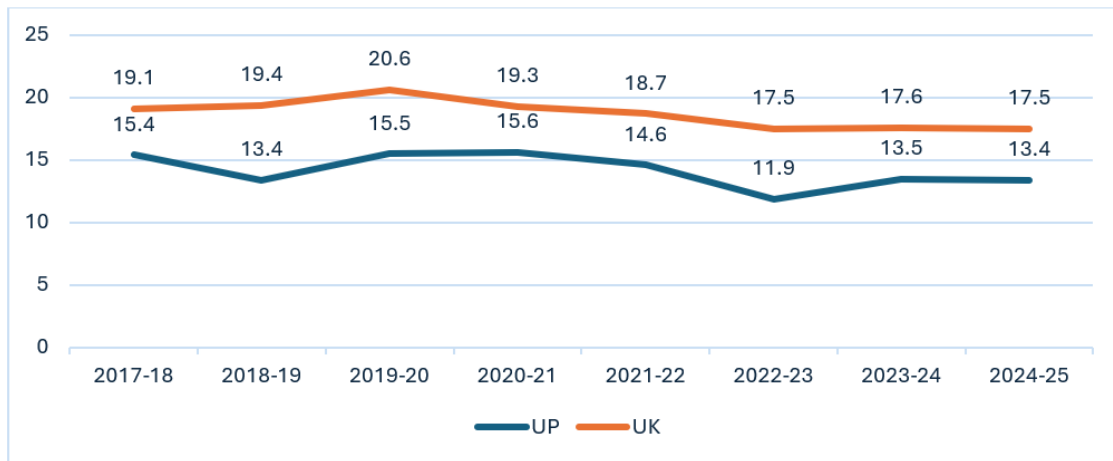


Fig. 7: Education Expenditure of UP and Uttarakhand (% of Total Expenditure)

Source: State Finances Report of UP and Uttarakhand 2024, PRS legislative research UP and Uttarakhand Budget Analysis 2025-26

The figure below represents the share of health expenditure as a percentage of total. Health expenditure of Uttar Pradesh has remained within a narrow band of 4.6% to 7.1% across these years. It rose steadily from 4.6% (2017-18) to 6.1% (2020-21) likely due to increased focus during COVID-19. In the Post-Pandemic Dip, slight fall after 2022-23 to 5.4% in 2023-24, with a minor recovery to 5.7% in 2024-25. Relatively stable with moderate fluctuations, showing consistent, if unspectacular, priority to health sector.

The health expenditure of Uttarakhand was 5.5% (2017-18) but surged to 8.4% in 2019-20 —

probably pandemic preparedness. Dropped to 5.7% in 2020-21, then rose again to a peak of 8% in 2022-23, indicating crisis-driven increases, possibly COVID-related. The share declined to 6.4% in 2024-25, but still above UP's corresponding figure. Uttarakhand's health expenditure is more variable, suggesting responsiveness to health crises (e.g., COVID-19), but less steady long-term investment. Uttar Pradesh maintains steady and stable health spending, with moderate increases around the pandemic but without extreme fluctuations. UK consistently spends a higher proportion in recent years (post-2019) compared to UP — reflecting greater perceived health infrastructure needs in hilly regions.

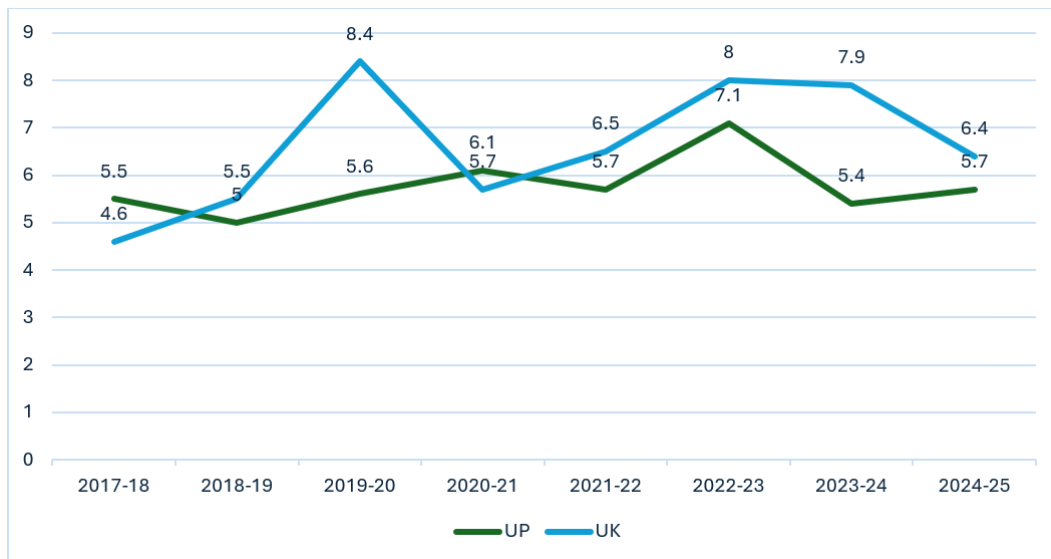


Fig. 8: Health Expenditure of UP and Uttarakhand (% of Total Expenditure)

Source: State Finances Report of UP and Uttarakhand 2024, PRS legislative research UP and Uttarakhand Budget Analysis 2025-26

In Uttar Pradesh, the share of agriculture was 9.5% in 2017-18 which declined to just 1.7% in 2020-21 — a major drop suggesting reduced priority or shift in expenditure towards other sectors. With slight recovery, a little rise to 4.3% in 2021-22, followed by a decline to

2.8% in 2022-23 and minor increase to 3.2% in 2024-25. UP has sharply reduced its relative agriculture spending, possibly diverting funds to industrial or infrastructure sectors.

Uttarakhand maintained agriculture spending above 8% of total expenditure in 2017-18 and 2018-19. But thereafter the share has continuously dropped from 7.8 percent in 2021-22 to 4.53% in 2023-24 but the share rose again to 5.46% in 2024. Uttarakhand maintains a more stable and higher agricultural focus, reflecting the

importance of agriculture in its hill economy and limited industrial base. UP's sudden fall post-2017-18 is unusually steep and warrants policy explanation could relate to loan waivers, crop insurance, or new priorities like MSMEs or urban development.

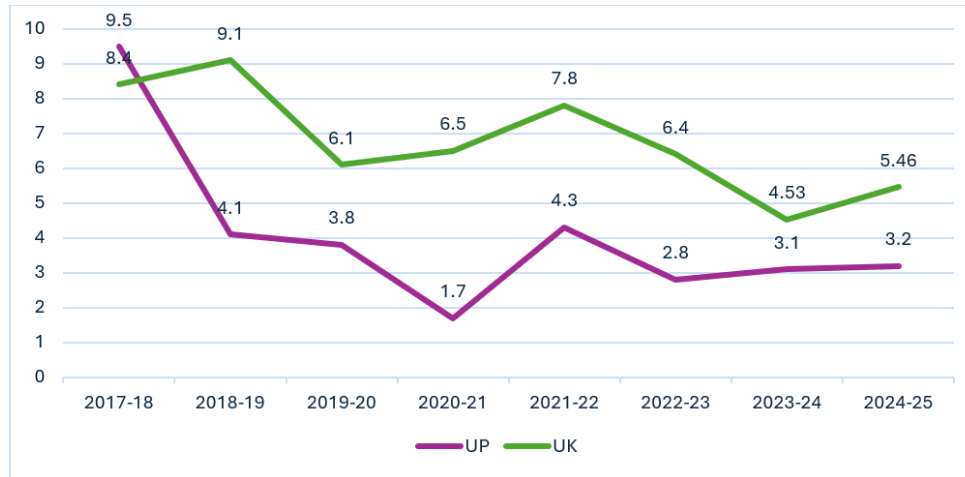


Fig. 9: Agriculture Expenditure of UP and Uttarakhand (% of Total Expenditure)

Source: State Finances Report of UP and Uttarakhand 2024, PRS legislative research UP and Uttarakhand Budget Analysis 2025-26

The revenue expenditure of Uttarakhand grown steadily from ₹29,083 crore in 2017–18 to ₹56,383 crore in 2024–25 with the CAGR of 9.29 percent. It shows increasing administrative and welfare commitments and, it indicates the government’s effort to maintain continuity of services but leaves less room for development spending. The capital outlay accounts for ₹5,914 crore in 2017–18 which has further increased to ₹11,768 crore in 2024–25 indicating 11.4 percent compounded annual growth rate. The growth rate of capital outlay is higher than revenue expenditure, which is fiscally sound. It indicates a positive shift toward asset creation and economic capacity building. However, its share in total expenditure (17–20%) is still relatively

low, so capital investment could be enhanced further. The amount of loans given by the state is though the smaller, it shows volatility (e.g., ₹38 crore in 2020–21, ₹347 crore in 2021–22, ₹635 crore in 2024–25). High CAGR due to a low base and irregular large disbursements. Likely related to financial support or bailout packages, especially post-COVID or for capital-starved bodies. The CAGR of growth rate of overall expenditure is 9.69 percent. The compounded annual growth rate of both capital outlay and loans given by the states is higher for Uttar Pradesh as compared to Uttarakhand while the growth rate of revenue expenditure is low as compared to Uttarakhand.

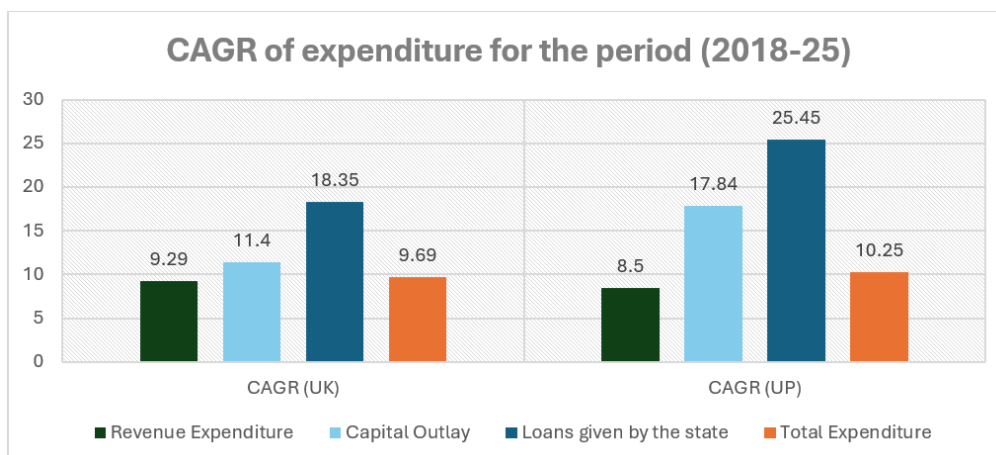


Fig. 10: Compounded Annual Growth Rate of Various Expenditure of Uttar Pradesh and Uttarakhand

Source: State Finances Report of UP and Uttarakhand 2024, PRS legislative research UP and Uttarakhand Budget Analysis 2025-26

Deficit indicators of Uttar Pradesh

As the various indicators shows the fiscal health of state such as fiscal deficit, revenue deficit and primary deficit as percent of GSDP. The below figure shows the trend of fiscal deficit, revenue deficit and primary deficit. Fiscal deficit remained below 3% until 2022-23 but increased sharply to 3.2% in 2023-24 and 3.4 percent in 2024-25 respectively, reflecting higher spending and reduced revenues due to COVID-19. Consistently positive from FY 2017-18 to FY 2024-25, indicating that Uttar Pradesh’s revenue receipts exceeded revenue expenditures. Peaked in 2019-20 at 4%, showing the strongest surplus in this period. Dropped sharply in 2020-21 to -0.12% due to pandemic-induced revenue

stress. Recovered steadily post-pandemic, with a surplus of 2.1% in 2024-25 (BE), showing strong fiscal consolidation efforts. The primary deficit stayed low and even negative (i.e., primary surplus) in 2017-18, 2018-19, and 2021-22, showing sound fiscal health. It surged in 2019-20 (2.72%) and 2022-23 (2.86%)—likely due to debt servicing needs and pandemic response. Remains moderate at 1.5% in 2024-25 (BE), indicating attempts at fiscal restraint. The outstanding liabilities as percent of GSDP has increased first from 32.49 percent in 2016-17 to 33.4 percent in 2021-22 and then started to decline with 30.5 percent and 30.8 percent in 2023-24 and 2024-25 respectively.

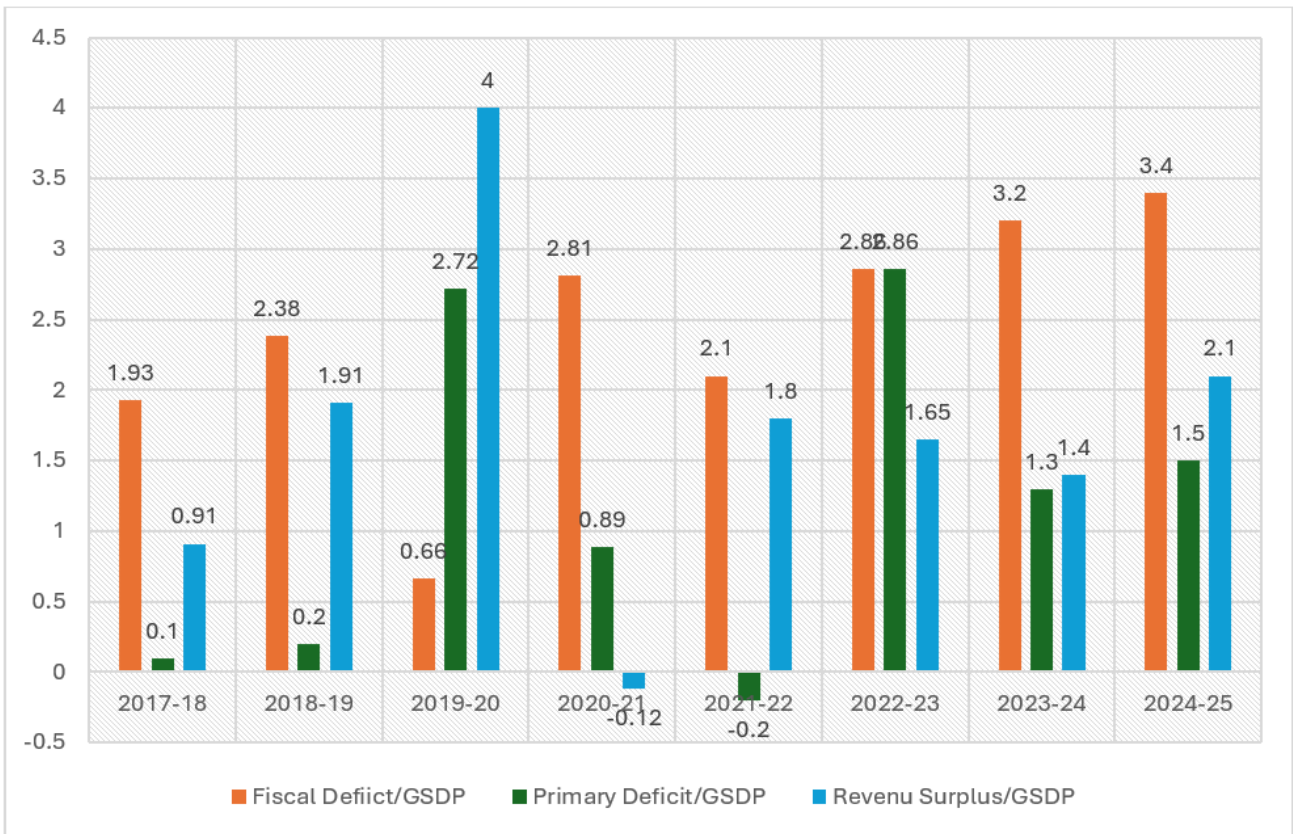


Fig. 11: Deficit Indicators of Uttar Pradesh (as % of GSDP)

The outstanding liabilities of Uttar Pradesh have surged to 31.4 percent in 2020-21 from 24.1 percent in 2017-18. However, the ratio has reduced continuously to 25.8 percent in 2023-24 and 24.9 percent in 2024-25 respectively showing signs of fiscal consolidation. Fiscal Deficit (gap between total expenditure and total revenue) started at 3.6% in 2017-18, gradually declining to 1% in 2022-23, showing improved budgetary management. However, a mild increase is seen in the projections for 2023-24 (2.3%) and

2024-25 (2.5%), indicating fresh capital expenditure or revenue shortfall pressures. The primary deficit (fiscal deficit minus interest payments) remained positive till 2020-21, meaning the government borrowed not only to cover interest but also other expenses. 2022-23 shows a primary surplus (-0.7%), indicating the state generated enough revenue to meet all expenses except interest obligations — a positive fiscal sign. However, projected to return to marginal primary deficits (0.8%) in 2023-24 and 2024-25 implying renewed borrowing requirements.

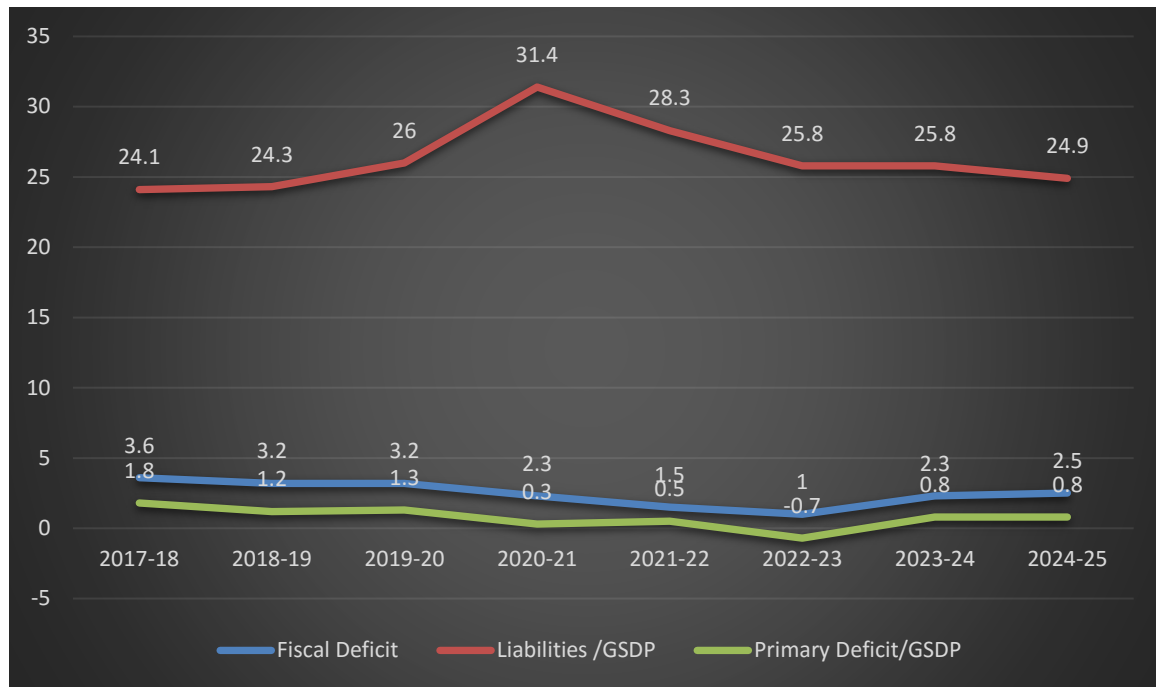


Fig. 12: Deficit and Debt indicators (% of GSDP) of Uttarakhand

Source: State Finances Report Uttarakhand 2024, PRS legislative research Uttarakhand Budget Analysis 2025-26

CONCLUSION

The most populated states like Uttar Pradesh experienced rising interest payments and pension liabilities have reduced available funds for crucial sectors like health, education, and infrastructure. Despite overall GSDP growth, land revenue collection has consistently declined, showing inefficiencies in property tax and land-related revenue source. VAT's share in own tax revenue has dropped significantly due to GST implementation, reducing direct state tax collection. Education spending has decreased, while health expenditure has fluctuated, affecting long-term human development indicators.

Uttar Pradesh has experienced with higher revenue growth, but suffers from high debt levels, reduced spending on social sectors (education, agriculture), and rising central dependence. Fiscal sustainability risks remain despite capital investment focus. The Himalayan state, Uttarakhand smaller economy but better per capita income and social spending priorities (health and education). Lower debt burden, stronger fiscal consolidation, but high reliance on central transfers limits autonomy.

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APPENDIX**Own tax revenue of Uttarakhand in Rs crore**

| Year | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|-----------------|-------|-------|-------|-------|-------|-------|-------|-------|
| GST | 1972 | 4802 | 4931 | 5053 | 5973 | 7341 | 8297 | 10199 |
| Excise | 2262 | 2871 | 2727 | 2966 | 3258 | 3526 | 4041 | 4499 |
| VAT | 3703 | 1883 | 1811 | 1858 | 2302 | 2555 | 2519 | 2521 |
| Stamp Duty | 882 | 1015 | 1072 | 1107 | 1488 | 1987 | 2432 | 2682 |
| Tax on Vehicles | 816 | 909 | 908 | 741 | 889 | 1211 | 1390 | 1451 |
| Land Revenue | 24 | 34 | 24 | 17 | 40 | 65 | 14 | 29 |
| Other taxes | 506 | 674 | 40 | 196 | 226 | 417 | 334 | 525 |
| Own Tax Revenue | 10165 | 12188 | 11513 | 11938 | 14176 | 17102 | 19245 | 22134 |

Source: State Finances Report of UP and Uttarakhand 2024, PRS legislative research UP and Uttarakhand Budget Analysis 2025-26

Own Tax Revenue of Uttar Pradesh in Rs crore

| Year | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|-----------------|----------|--------|--------|--------|--------|--------|--------|---------|
| GST | 25374 | 46,108 | 47,232 | 42,860 | 54,594 | 64,141 | 75,147 | 83,175 |
| Excise | 17320.26 | 23,927 | 27,325 | 30,061 | 36,320 | 41,253 | 45,571 | 48,771 |
| VAT | 31112.52 | 23,798 | 20,517 | 22,127 | 27,058 | 31,979 | 31,126 | 31,500 |
| Stamp Duty | 13398 | 15,733 | 16,070 | 16,475 | 20,048 | 24,844 | 26,961 | 30,462 |
| Tax on Vehicles | 6403.6 | 6,929 | 7,715 | 6,483 | 7,776 | 9,059 | 11,205 | 11,573 |
| Electricity | 2124.12 | 2,978 | 3,453 | 1,587 | 1,366 | 2,519 | 2,712 | 3,012.0 |
| Land Revenue | 1336.46 | 631 | 504 | 297 | 193 | 285 | 405 | 464.0 |

Source: State Finances Report of UP and Uttarakhand 2024, PRS legislative research UP and Uttarakhand Budget Analysis 2025-26

Total Expenditure of Uttarakhand and Uttar Pradesh in Rs crore (2018-25)

| Year | Uttarakhand | | | | Uttar Pradesh | | | |
|------|-------------|-------|-------|-------|---------------|--------|-------|--------|
| | RE | CO | Loans | TE | RE | CO | Loans | TE |
| 2018 | 29083 | 5914 | 77 | 35074 | 266224 | 39088 | 1509 | 306821 |
| 2019 | 32196 | 6184 | 183 | 38563 | 301728 | 62463 | 6303 | 370494 |
| 2020 | 32859 | 5414 | 126 | 38399 | 298833 | 59998 | 2120 | 360951 |
| 2021 | 37091 | 6538 | 38 | 43667 | 298543 | 52237 | 1153 | 351933 |
| 2022 | 38929 | 7534 | 347 | 46810 | 337581 | 71443 | 1613 | 411237 |
| 2023 | 43773 | 8195 | 94 | 52062 | 379978 | 93028 | 10209 | 483215 |
| 2024 | 47274 | 10982 | 124 | 58380 | 429788 | 110555 | 8015 | 548358 |
| 2025 | 56383 | 11768 | 635 | 68786 | 488598 | 147719 | 9393 | 645710 |
| CAGR | 9.29 | 11.4 | 18.35 | 9.69 | 8.5 | 17.84 | 25.45 | 10.25 |

Source: State Finances Report of UP and Uttarakhand 2024, PRS legislative research UP and Uttarakhand Budget Analysis 2025-26

*RE- Revenue Expenditure, CO- Capital Outlay, TE- Total Expenditure

Percentage of expenditure as percentage of total expenditure

| Expenditure | Education | | Health | | Agriculture | |
|-------------|-----------|-------------|--------|-------------|-------------|-------------|
| | UP | Uttarakhand | UP | Uttarakhand | UP | Uttarakhand |
| 2018 | 15.4 | 19.1 | 5.5 | 4.6 | 9.5 | 8.4 |
| 2019 | 13.4 | 19.4 | 5 | 5.5 | 4.1 | 9.1 |
| 2020 | 15.5 | 20.6 | 5.6 | 8.4 | 3.8 | 6.1 |
| 2021 | 15.6 | 19.3 | 6.1 | 5.7 | 1.7 | 6.5 |
| 2022 | 14.6 | 18.7 | 5.7 | 6.5 | 4.3 | 7.8 |
| 2023 | 11.9 | 17.5 | 7.1 | 8 | 2.8 | 6.4 |
| 2024 | 13.5 | 17.6 | 5.4 | 7.9 | 3.1 | 4.53 |
| 2025 | 13.4 | 17.5 | 5.7 | 6.4 | 3.2 | 5.46 |

Source: State Finances Report of UP and Uttarakhand 2024, PRS legislative research UP and Uttarakhand Budget Analysis 2025-26

Deficit Indicators of Uttar Pradesh and Uttarakhand

| Year | FD | | RD | | PD | | OL | |
|-------|------|-------------|-------|-------------|------|-------------|-------|-------------|
| | UP | Uttarakhand | UP | Uttarakhand | UP | Uttarakhand | UP | Uttarakhand |
| 2018 | 1.93 | 3.6 | 0.91 | 1.8 | 0.1 | 1.8 | 29.6 | 24.1 |
| 2019 | 2.38 | 3.2 | 1.91 | 1.2 | 0.2 | 1.2 | 29.55 | 24.3 |
| 2020 | 0.66 | 3.2 | 4 | 1.3 | 2.72 | 1.3 | 27.9 | 26 |
| 2021 | 2.81 | 2.3 | -0.12 | 0.3 | 0.89 | 0.3 | 33.1 | 31.4 |
| 2022 | 2.1 | 1.5 | 1.8 | 0.5 | -0.2 | 0.5 | 33.4 | 28.3 |
| 2023 | 2.86 | 1 | 1.65 | -0.7 | 2.86 | -0.7 | 29.7 | 25.8 |
| 2024 | 3.2 | 2.3 | 1.4 | 0.8 | 1.3 | 0.8 | 30.5 | 25.8 |
| 20225 | 3.4 | 2.5 | 2.1 | 0.8 | 1.5 | 0.8 | 30.8 | 24.9 |

Source: State Finances Report of UP and Uttarakhand 2024, PRS legislative research UP and Uttarakhand Budget Analysis 2025-26

*FD-Fiscal Deficit, RD- Revenue Deficit PD- Primary Deficit OL- Outstanding Liabilities