

Madhya Pradesh Budget Analysis 2026-27

The Deputy Chief Minister of Madhya Pradesh, Mr. Jagdish Devda, presented the Budget for the financial year 2026-27 on February 18, 2026.

Budget Highlights

- The **Gross State Domestic Product (GSDP)** of Madhya Pradesh for 2026-27 (at current prices) is projected to be Rs 18,48,274 crore, amounting to growth of 11% over the revised estimates for 2025-26.
- **Expenditure (excluding debt repayment)** in 2026-27 is estimated to be Rs 3,88,923 crore, an increase of 10% from the revised estimate for 2025-26. In addition, debt of Rs 34,437 crore will be repaid by the state.
- **Receipts (excluding borrowings)** for 2026-27 are estimated to be Rs 3,17,465 crore, an increase of 14% over the revised estimate for 2025-26.
- **Revenue surplus** in 2026-27 is estimated to be Rs 44 crore, marginally higher than the revised estimate for 2025-26 (seven crore rupees). In 2025-26, revenue surplus is estimated to be 99% lower than budgeted (Rs 618 crore).
- **Fiscal deficit** for 2026-27 is targeted at 3.9% of GSDP (Rs 71,458 crore). In 2025-26, as per the revised estimates, fiscal deficit is expected to be 4.5% of GSDP, lower than the budgeted (4.7% of GSDP).

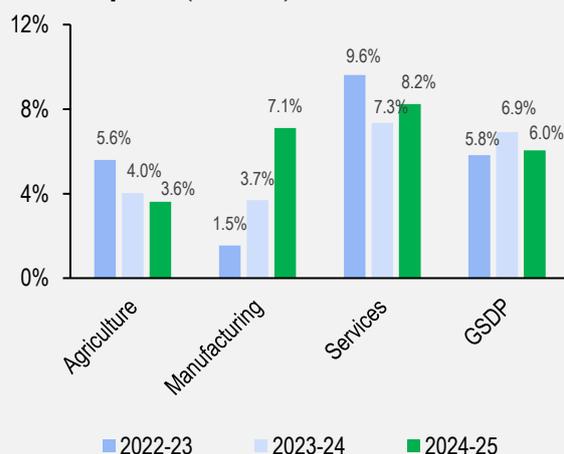
Policy Highlights

- **Promoting Industrialisation:** Industrial parks will be developed across the state. A telecom manufacturing zone is being established in Gwalior. The Indore-Pithampur Economic Corridor is being developed with an estimated cost of Rs 2,360 crore.
- **Infrastructure Development:** The Dwarka Scheme is being launched for infrastructure development in cities. The state government will spend Rs 5,000 crore on this scheme over the next three years.
- **Social Impact Bond:** The state's first Social Impact Bond is set to be listed on the National Stock Exchange. The state government seeks to encourage investment in the social sector through this initiative.
- **Space Technology:** The government aims to implement the Madhya Pradesh Space Tech Policy 2026 to lead the state into the space sector.

Madhya Pradesh's Economy

- **GSDP:** In 2024-25, Madhya Pradesh's GSDP (at constant prices) is estimated to grow by 6% over the previous year. In comparison, India's GDP is estimated to grow by 6.5% in 2024-25.
- **Sectors:** In 2024-25, agriculture, manufacturing, and services sectors are estimated to contribute 44%, 19%, and 37% of Madhya Pradesh's economy, respectively (at current prices).
- **Per capita GSDP:** In 2024-25, Madhya Pradesh's per capita GSDP (at current prices) is estimated to be Rs 1,70,430, an increase of 10% over 2023-24. In 2024-25, India's per capita GDP is estimated to be Rs 2,34,859, an increase of 9% over the previous year.

Figure 1: Growth in Madhya Pradesh's GSDP at constant prices (2011-12)



Note: These numbers are as per constant prices (2011-12) which implies that the growth rate is adjusted for inflation.
Sources: MoSPI; PRS.

Budget Estimates for 2026-27

- **Total expenditure (excluding debt repayment)** in 2026-27 is targeted at Rs 3,88,923 crore. This is an increase of 10% over the revised estimate for 2025-26. This expenditure is proposed to be met through **receipts (excluding borrowings)** of Rs 3,17,465 crore and net borrowings of Rs 71,753 crore. Total receipts for 2026-27 (other than borrowings) are expected to register an increase of 14% over the revised estimate of 2025-26.
- The state estimates a **revenue surplus** of Rs 44 crore in 2026-27, marginally higher than the revised estimate for 2025-26 (seven crore rupees). Revenue surplus in 2025-26 is estimated to be 99% lower than the budget estimate (Rs 618 crore).
- **Fiscal deficit** for 2026-27 is targeted at 3.9% of GSDP (Rs 71,458 crore), lower than the revised estimates for 2025-26 (4.5% of GSDP).

Table 1: Budget 2026-27 - Key figures (in Rs crore)

Items	2024-25 Actuals	2025-26 Budgeted	2025-26 Revised	% change from 2025-26 BE to 2025-26 RE	2026-27 Budgeted	% change from 2025-26 RE to 2026-27 BE
Total Expenditure	3,45,938	4,05,315	3,79,839	-6%	4,23,360	11%
(-) Repayment of debt	26,428	29,980	25,952	-13%	34,437	33%
Net Expenditure (E)	3,19,510	3,75,335	3,53,887	-6%	3,88,923	10%
Total Receipts	3,44,920	4,05,186	3,80,718	-6%	4,23,655	11%
(-) Borrowings	89,797	1,08,751	1,01,153	-7%	1,06,190	5%
of which central capex loans*	12,425	11,000	13,500	23%	16,200	20%
Net Receipts (R)	2,55,123	2,96,435	2,79,565	-6%	3,17,465	14%
Fiscal Deficit (E-R)	64,388	78,900	74,321	-6%	71,458	-4%
as % of GSDP	4.3%	4.7%	4.5%		3.9%	
Revenue Surplus	1,573	618	7	-99%	44	512%
as % of GSDP	0.1%	0.04%	0.0004%		0.002%	
Primary Deficit	38,500	50,264	43,537	-13%	37,724	-13%
as % of GSDP	2.6%	3.0%	2.6%		2.0%	
GSDP	15,02,428	16,94,477	16,69,750	-1%	18,48,274	11%

Note: BE is Budget Estimates; RE is Revised Estimates. *Central government has been providing 50-year interest-free loans to state governments for capital expenditure since 2020-21. These loans are excluded from the calculation of the state's borrowing ceiling.

Sources: Annual Financial Statement, Madhya Pradesh Budget Documents 2026-27; PRS.

Expenditure in 2026-27

- **Revenue expenditure** for 2026-27 is proposed to be Rs 3,08,659 crore, an increase of 11% over the revised estimate of 2025-26. This includes the expenditure on salaries, pension, interest, grants, and subsidies.
- **Capital outlay** for 2026-27 is proposed to be Rs 78,920 crore, an increase of 8% from the revised estimate of 2025-26. Capital outlay indicates the expenditure towards creation of assets. In 2025-26, capital outlay is expected to be 11% lower than budgeted. This is driven by a lower than budgeted spending on capital outlay in sectors such as water supply and sanitation (Rs 7,469 crore lower) and energy (Rs 5,414 crore lower).

Table 2: Expenditure budget 2026-27 (in Rs crore)

Items	2024-25 Actuals	2025-26 Budgeted	2025-26 Revised	% change from 2025-26 BE to 2025-26 RE	2026-27 Budgeted	% change from 2025-26 RE to 2026-27 BE
Revenue Expenditure	2,48,925	2,90,261	2,79,226	-4%	3,08,659	11%
Capital Outlay	67,441	82,513	73,232	-11%	78,920	8%
Loans given by the state	3,144	2,561	1,428	-44%	1,344	-6%
Net Expenditure	3,19,510	3,75,335	3,53,887	-6%	3,88,923	10%

Sources: Annual Financial Statement, Madhya Pradesh Budget Documents 2026-27; PRS.

Committed expenditure: Committed expenditure of a state typically includes expenditure on payment of salaries, pension, and interest. A larger proportion of the budget allocated for committed expenditure items limits the state's flexibility to decide on other expenditure priorities, such as scheme expenditure and capital outlay. In 2026-27, Madhya Pradesh is estimated to spend Rs 1,37,826 crore on committed expenditure, which is 45% of its estimated revenue receipts. This comprises spending on salaries (24.5% of revenue receipts), pension (9.2%), and interest payments (10.9%). In 2024-25, as per actual figures, 43% of revenue receipts were spent on committed expenditure items.

Table 3: Committed Expenditure in 2026-27 (in Rs crore)

Items	2024-25 Actuals	2025-26 Budgeted	2025-26 Revised	% change from 2025-26 BE to 2025-26 RE	2026-27 Budgeted	% change from 2025-26 RE to 2026-27 BE
Salaries	56,191	70,743	65,961	-7%	75,574	15%
Pension	26,201	28,961	28,759	-1%	28,518	-1%
Interest payment	25,888	28,636	30,784	7%	33,735	10%
Total	1,08,280	1,28,340	1,25,504	-2%	1,37,826	10%

Sources: Annual Financial Statement and Median Term Fiscal Policy Statement, Madhya Pradesh Budget Documents 2026-27; PRS.

Subsidies and Transfers

The 16th Finance Commission observed that Madhya Pradesh had budgeted to spend 4.1% of GSDP on subsidies and transfers in 2025-26, which was higher than states on average (2.7% of GSDP). Spending on these items by Madhya Pradesh is estimated to increase at an annualised rate of 15% between 2018-19 and 2025-26. This is driven largely by power and agricultural subsidies, and cash transfers. A key cash transfer scheme is the Mukhya Mantri Ladli Behna Yojana, launched in January 2023. Initially, Rs 1,000 per month was given to women beneficiaries, which was later revised to Rs 1,250 per month. Currently, Rs 1,500 per month is given. 1.25 crore women have been registered under the scheme. In 2026-27, Rs 23,883 crore has been allocated towards this scheme.

Table 4: Expenditure on Subsidies and Transfers (in Rs crore)

Sector	2018-19 Actual		2025-26 BE	
	Amount	% of GSDP	Amount	% of GSDP
Total	26,825	3.23%	69,407	4.10%
<i>of which</i>				
Power	9,813	1.18%	25,142	1.48%
Cash Transfers	1,735	0.21%	20,821	1.23%
Agriculture	165	0.02%	7,211	0.43%
Social Security	508	0.06%	3,346	0.20%

Source: 16th Finance Commission Report Volume I; PRS.

Sector-wise expenditure: The sectors listed below account for **64%** of the total expenditure by the state in 2026-27. A comparison of Madhya Pradesh's expenditure on key sectors with that by other states is in Annexure 1.

Table 5: Sector-wise expenditure under Madhya Pradesh Budget 2026-27 (in Rs crore)

Sector	2024-25 Actuals	2025-26 Budgeted	2025-26 Revised	2026-27 Budgeted	% change from 2025-26 RE to 2026-27 BE	Budget Provisions 2026-27 BE
Education, Sports, Arts, and Culture	44,265	51,509	46,844	52,917	13%	Rs 5,649 crore has been allocated towards Samagra Shiksha Abhiyan.
Social Welfare and Nutrition	31,733	34,580	32,930	40,400	23%	Ladli Behna Yojana has been allocated Rs 23,883 crore.
Energy	32,620	34,130	28,834	31,843	10%	Rs 6,033 crore has been allocated towards Atal Griha Jyoti Scheme.
Health and Family Welfare	16,683	23,813	23,188	24,001	4%	Rs 4,600 crore has been allocated towards the National Health Mission.
Rural Development	11,646	15,166	14,050	23,579	68%	VB G-RAM-G has been allocated Rs 10,428 crore.
Agriculture and Allied Activities	16,239	23,822	21,785	23,576	8%	Pradhan Mantri Fasal Beema Yojana has been allocated Rs 1,299 crore.
Irrigation and Flood Control	20,595	17,214	19,087	13,934	-27%	Rs 11,546 crore has been allocated towards capital outlay on irrigation and flood control.
Urban Development	5,672	9,439	9,512	13,178	39%	PM Awas Yojana-Urban has been allocated Rs 2,301 crore.
Transport	11,313	12,941	13,013	13,103	1%	Rs 9,910 crore has been allocated to capital outlay on roads and bridges.
Police	9,097	12,197	11,502	12,720	11%	Rs 7,261 crore has been allocated towards district police.
% of total expenditure on all sectors	63%	63%	63%	64%		

Sources: Annual Financial Statement, Madhya Pradesh Budget Documents 2026-27; PRS.

Receipts in 2026-27

- **Total revenue receipts** for 2026-27 are estimated to be Rs 3,08,703 crore, an increase of 11% over the revised estimate of 2025-26. Of this, Rs 1,42,061 crore (46%) will be raised by the state through its **own resources**, and Rs 1,66,642 crore (54%) will come **from the centre**. Resources from the centre will be in the form of state's share in central taxes (36% of revenue receipts) and grants (18% of revenue receipts).
- **Devolution:** In 2026-27, the state's share in central taxes is estimated at Rs 1,12,137 crore, an increase of 3% over the revised estimate of 2025-26. A low increase is likely due to a decline in Madhya Pradesh's share in the divisible pool of central taxes (see Table 8 on page 7).
- **Grants from the centre** in 2026-27 are estimated at Rs 54,505 crore, an increase of 20% over the revised estimates for 2025-26. This is mainly driven by an increase anticipated in grants for centrally sponsored schemes (CSS). Grants for CSS are estimated to be Rs 40,120 crore in 2026-27, and Rs 32,791 crore in 2025-26. In 2024-25, as per actuals, grants for CSS were Rs 24,967 crore.
- **State's own tax revenue:** Madhya Pradesh's total own tax revenue is estimated to be Rs 1,17,667 crore in 2026-27, an increase of 18% over the revised estimate of 2025-26. Own tax revenue as a percentage of GSDP is estimated at 6.4% in 2026-27, higher than the revised estimates for 2025-26 (6%). As per the actual figures for 2024-25, own tax revenue as a percentage of GSDP was 6.3%.

Table 6: Break-up of the state government's receipts (in Rs crore)

Items	2024-25 Actuals	2025-26 Budgeted	2025-26 Revised	% change from 2025-26 BE to 2025-26 RE	2026-27 Budgeted	% change from 2025-26 RE to 2026-27 BE
State's Own Tax	94,408	1,09,157	1,00,020	-8%	1,17,667	18%
State's Own Non-Tax	22,392	21,399	24,280	13%	24,394	0%
Share in Central Taxes	1,01,020	1,11,662	1,09,351	-2%	1,12,137	3%
Grants-in-aid from Centre	32,678	48,661	45,582	-6%	54,505	20%
Revenue Receipts	2,50,498	2,90,879	2,79,234	-4%	3,08,703	11%
Non-debt Capital Receipts	4,624	5,556	332	-94%	8,761	2,540%
Net Receipts	2,55,123	2,96,435	2,79,565	-5.7%	3,17,465	14%

Note: BE is Budget Estimates; RE is Revised Estimates.

Sources: Annual Financial Statement, Madhya Pradesh Budget Documents, 2026-27; PRS.

- In 2026-27, **State GST** is estimated to be the largest source of own tax revenue (36% share). State GST revenue is estimated to increase by 19% over the revised estimate for 2025-26.
- Revenue from stamps duty and registration fees is estimated to register an increase of 37% in 2026-27 over the previous year.
- In 2025-26, as per revised estimates, revenue from SGST, sales tax/VAT, and taxes on vehicles are expected to be lower than budgeted.

State Public Sector Enterprises

As of March 2023, Madhya Pradesh had 73 State Public Sector Enterprises (SPSE). 66 of these SPSE had accounts in arrears. Arrears refer to financial statements that are not finalised within the statutory timeline. The 16th Finance Commission noted that the absence of finalised accounts places government investment in these enterprises outside the oversight of the state legislature.

Of the 32 entities that finalised accounts for 2022-23, 12 SPSEs reported a combined loss of Rs 1,941 crore. Three power sector discoms accounted for 91% of this loss.

Source: 16th Finance Commission Report Volume-I; Report No. 4 of 2025 for the year 2022-23, CAG; PRS.

Table 7: Major sources of state's own-tax revenue (in Rs crore)

Head	2024-25 Actuals	2025-26 Budgeted	2025-26 Revised	% change from 2025-26 BE to 2025-26 RE	2026-27 Budgeted	% change from 2025-26 RE to 2026-27 BE
State GST	35,837	42,140	35,560	-16%	42,311	19%
Sales Tax/ VAT	19,268	22,698	20,237	-11%	22,209	10%
State Excise	15,201	17,500	17,983	3%	20,279	13%
Stamps Duty and Registration Fees	11,357	13,920	13,920	0%	19,112	37%
Taxes on Vehicles	4,878	5,700	4,400	-23%	5,721	30%
Taxes and Duties on Electricity	5,278	5,000	5,500	10%	5,500	0%
Land Revenue	1,069	835	835	0%	877	5%

Sources: Annual Financial Statement, Madhya Pradesh Budget Documents, 2026-27; PRS.

Deficits and Debt in 2026-27

The Madhya Pradesh Fiscal Responsibility and Budget Management Act, 2005 provides annual targets to progressively reduce the outstanding liabilities, revenue deficit, and fiscal deficit of the state government.

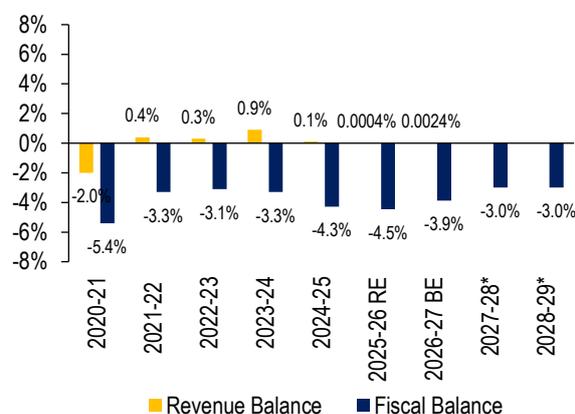
Revenue balance: It is the difference of revenue expenditure and revenue receipts. A revenue deficit implies that the government needs to borrow to finance those expenses which do not increase its assets or reduces its liabilities. The budget estimates a revenue surplus of Rs 44 crore (0.0024% of the GSDP) in 2026-27.

Fiscal deficit: It is the excess of total expenditure over total receipts. This gap is filled by borrowings and leads to an increase in total liabilities. In 2026-27, the fiscal deficit is estimated to be 3.9% of GSDP (Rs 71,458 crore). The 16th Finance Commission has recommended the annual fiscal deficit limit for states to be 3% of GSDP for the 2026-31 period. 50-year interest free loans for capital expenditure given by the central government will be excluded to arrive at the borrowing ceiling.

As per the revised estimates, in 2025-26, the fiscal deficit of the state is expected to be 4.5% of GSDP. This is lower than the budget estimate (4.7% of GSDP).

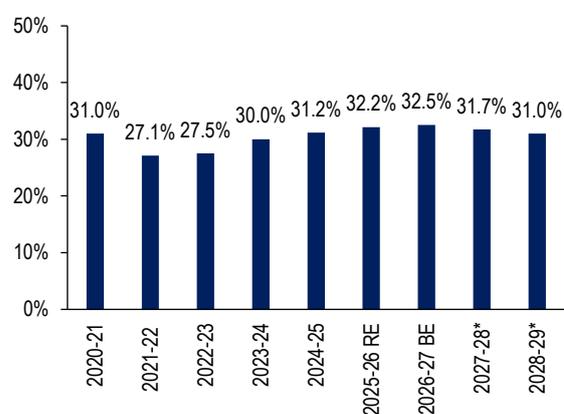
Outstanding liabilities: Outstanding liabilities is the accumulation of total borrowings at the end of a financial year. It also includes any liabilities on public accounts such as provident funds. At the end of 2026-27, outstanding liabilities is estimated to be 32.5% of GSDP, higher than the revised estimate for 2025-26 (32.2% of GSDP).

Figure 2: Revenue and Fiscal Balance (% of GSDP)



Note: *Figures from 2027-28 onwards are projections. RE is Revised Estimates; BE is Budget Estimates. (+) indicates a surplus and (-) indicates a deficit. Projections for revenue balance as % of GSDP for 2027-28 and 2028-29 are not available.
Sources: Medium Term Fiscal Policy, Madhya Pradesh Budget Documents 2026-27; PRS.

Figure 3: Outstanding liabilities (as % of GSDP)



Note: *Figures from 2027-28 onwards are projections. RE is Revised Estimates; BE is Budget Estimates.
Sources: Medium Term Fiscal Policy, Madhya Pradesh Budget Documents 2026-27; PRS.

Outstanding Government Guarantees: Outstanding liabilities of states do not include a few other liabilities that are contingent in nature, which states may have to honour in certain cases. State governments guarantee the borrowings of State Public Sector Enterprises (SPSEs) from financial institutions. As of December 31, 2025, the state’s outstanding guarantee is estimated to be Rs 48,430 crore (3% of GSDP).

Delay in submission of utilisation certificates

State Departments are required to submit Utilisation certificates (UCs) to the Accountant General. CAG (2025) has reported that 19,897 Utilisation Certificates (UCs) were pending as of March 2024. These relate to grants worth Rs 22,049 crore. Of these, UCs for grants amounting to Rs 13,607 crore (62%) have been pending for more than nine years. The highest share of pending UCs was related to panchayati raj development, rural development, and urban development departments. CAG noted that high pendency is a matter of concern as there is no assurance that the intended objectives of providing these funds have been achieved. It further noted that in the absence of accountability for expenditure relating to funds provided as far back as nine years or more, the possibility of misappropriation of these funds cannot be ruled out. It observed that the delay in submission of UCs may also affect receipt of performance-linked grants from the central government.

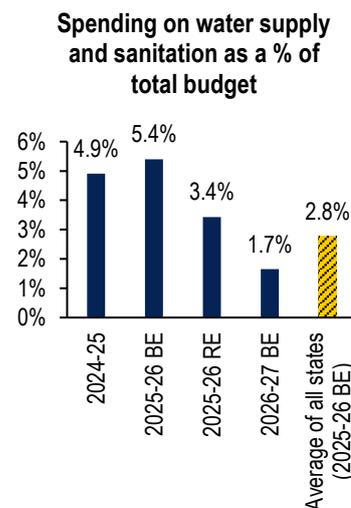
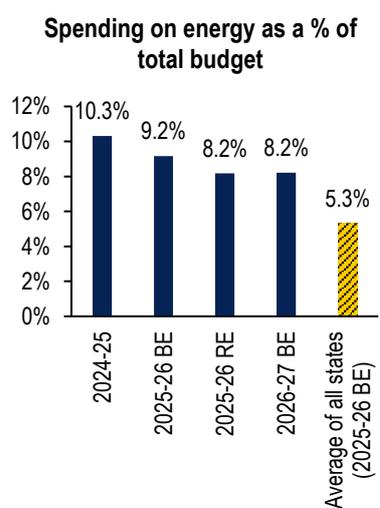
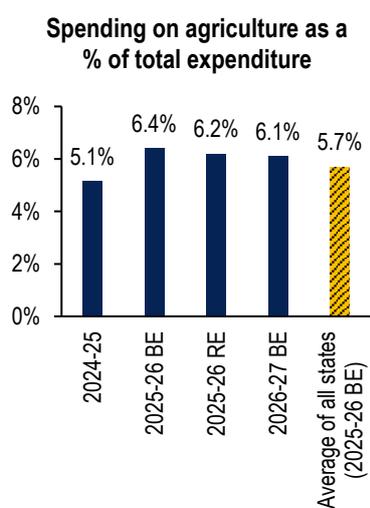
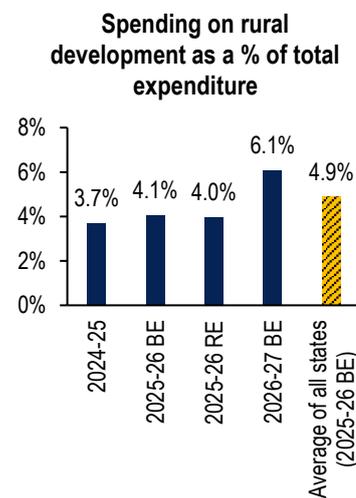
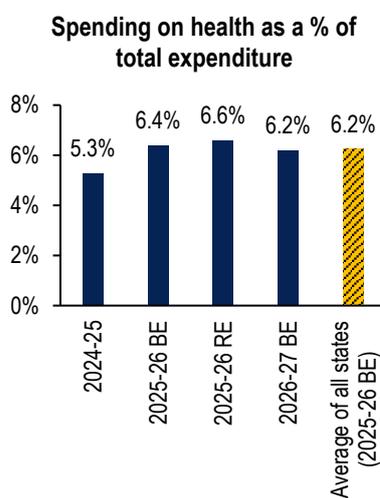
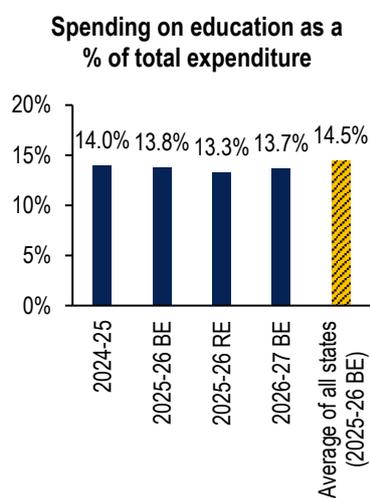
Source: Report No. 1 of 2025, State Finance Audit Report for the year 2023-24, CAG; PRS.

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Annexure 1: Comparison of states' expenditure on key sectors

The graphs below compare Madhya Pradesh's expenditure in 2026-27 on six key sectors as a proportion of its total expenditure on all sectors. The average for a sector indicates the average expenditure in that sector by 31 states (including Madhya Pradesh) as per their budget estimates of 2025-26.¹

- **Education:** Madhya Pradesh has allocated 13.7% of its expenditure on education in 2026-27. This is lower than the average allocation for education by states in 2025-26 (14.5%).
- **Health:** Madhya Pradesh has allocated 6.2% of its expenditure on health in 2026-27. This is similar to the average allocation for health by states in 2025-26 (6.2%).
- **Rural development:** Madhya Pradesh has allocated 6.1% of its expenditure on rural development in 2026-27. This is higher than the average allocation for rural development by states in 2025-26 (4.9%).
- **Agriculture:** Madhya Pradesh has allocated 6.1% of its expenditure on agriculture in 2026-27. This is higher than the average allocation for agriculture by states in 2025-26 (5.7%).
- **Energy:** Madhya Pradesh has allocated 8.2% of its expenditure on energy in 2026-27. This is higher than the average allocation for energy by states in 2025-26 (5.3%).
- **Water supply and sanitation:** Madhya Pradesh has allocated 1.7% of its expenditure on water supply and sanitation in 2026-27. This is lower than the average allocation on water supply and sanitation by states in 2025-26 (2.8%).



Note: 2024-25, 2025-26 (BE), 2025-26 (RE), and 2026-27 (BE) figures are for Madhya Pradesh.

Sources: Annual Financial Statement, Madhya Pradesh Budget Documents 2026-27; various state budgets; PRS.

¹ The 31 states include the Union Territories of Delhi, Jammu and Kashmir, and Puducherry.

Annexure 2: Recommendations of the 16th Finance Commission for 2026-31

The Report of the 16th Finance Commission (Chair: Dr. Arvind Panagariya) was tabled in Parliament on February 1, 2026. The recommendations will apply for the five-year period between 2026-27 and 2030-31. The 16th Finance Commission (FC) has recommended the share of states in the divisible pool of central taxes at 41%. The share remains unchanged from the 15th Finance Commission award period (2020-26). Divisible pool is arrived at after excluding cost of collection and cesses and surcharges from the gross tax revenue collected by the central government. The 16th FC has proposed a revised criteria to determine the share of individual states. See [here](#) for a PRS summary of the 16th Finance Commission Report. Based on the recommendations of the 16th FC, Madhya Pradesh will have a 7.35% share in the divisible pool of central taxes for the 2026-31 period.

The 16th FC has recommended grants worth Rs 9.47 lakh crore over the five-year period. These comprise grants for: (i) urban and rural local bodies, and (ii) disaster management. It has discontinued the following grants recommended by the 15th FC: (i) revenue deficit grants, (ii) sector-specific grants, and (iii) state-specific grants. Grants recommended for Madhya Pradesh over the 2026-31 period include: (i) Rs 16,016 crore for urban local bodies, (ii) Rs 32,033 crore for rural local bodies, and (iii) Rs 11,697 crore as disaster management grants. In addition, Indore and Bhopal will be eligible for a special infrastructure grant for development of wastewater (up to Rs 5,000 crore each). States will also receive a one-time grant for merger of peri-urban villages into adjoining larger urban local body with population of one lakh or above.

Table 8: Individual share of states in the taxes devolved by the centre (out of 100)

State	14 th FC (2015-2020)	15 th FC (2021-26)	16 th FC (2026-31)
Andhra Pradesh	4.31	4.05	4.22
Arunachal Pradesh	1.37	1.76	1.35
Assam	3.31	3.13	3.26
Bihar	9.67	10.06	9.95
Chhattisgarh	3.08	3.41	3.30
Goa	0.38	0.39	0.37
Gujarat	3.08	3.48	3.76
Haryana	1.08	1.09	1.36
Himachal Pradesh	0.71	0.83	0.91
Jammu and Kashmir	1.85	-	-
Jharkhand	3.14	3.31	3.36
Karnataka	4.71	3.65	4.13
Kerala	2.50	1.93	2.38
Madhya Pradesh	7.55	7.85	7.35
Maharashtra	5.52	6.32	6.44
Manipur	0.62	0.72	0.63
Meghalaya	0.64	0.77	0.63
Mizoram	0.46	0.50	0.56
Nagaland	0.50	0.57	0.48
Odisha	4.64	4.53	4.42
Punjab	1.58	1.81	2.00
Rajasthan	5.50	6.03	5.93
Sikkim	0.37	0.39	0.34
Tamil Nadu	4.02	4.08	4.10
Telangana	2.44	2.10	2.17
Tripura	0.64	0.71	0.64
Uttar Pradesh	17.96	17.94	17.62
Uttarakhand	1.05	1.12	1.14
West Bengal	7.32	7.52	7.22

Table 9: State-wise details of grants-in-aid for 2026-31 (in Rs crore)

State	Rural Local Bodies	Urban Local Bodies	Disaster Management
Andhra Pradesh	16,627	12,158	6,125
Arunachal Pradesh	1,698	233	616
Assam	14,580	3,249	5,243
Bihar	51,923	9,169	13,615
Chhattisgarh	11,664	4,990	2,481
Goa	174	726	112
Gujarat	18,802	23,764	8,459
Haryana	8,270	7,834	2,922
Himachal Pradesh	3,744	435	2,682
Jharkhand	14,231	6,093	2,806
Karnataka	18,889	18,483	6,419
Kerala	3,308	16,683	1,935
Madhya Pradesh	32,033	16,016	11,697
Maharashtra	32,817	46,803	29,619
Manipur	1,262	609	259
Meghalaya	1,479	377	437
Mizoram	567	377	284
Nagaland	697	667	408
Odisha	18,715	5,078	8,900
Punjab	8,486	7,834	2,477
Rajasthan	31,467	12,680	9,211
Sikkim	218	203	455
Tamil Nadu	16,930	25,069	8,486
Telangana	9,968	11,548	2,774
Tripura	1,176	1,016	356
Uttar Pradesh	83,261	33,543	15,321
Uttarakhand	4,047	2,497	4,954
West Bengal	28,203	22,023	6,869

Sources: Reports of the 14th, 15th, and 16th Finance Commission; PRS.

Table 10: Taxes devolved to states as per Union Budget 2026-27 (in Rs crore)

State	2024-25 Actuals	2025-26 Revised	2026-27 Budgeted
Andhra Pradesh	51,564	56,374	64,362
Arunachal Pradesh	22,386	24,475	20,665
Assam	39,855	43,572	49,725
Bihar	1,28,151	1,40,105	1,51,832
Chhattisgarh	43,409	47,459	50,427
Goa	4,918	5,377	5,571
Gujarat	44,314	48,448	57,311
Haryana	13,926	15,225	20,772
Himachal Pradesh	10,575	11,562	13,950
Jharkhand	42,135	46,066	51,236
Karnataka	46,467	50,802	63,050
Kerala	24,527	26,815	36,355
Madhya Pradesh	1,00,019	1,09,348	1,12,134
Maharashtra	80,486	87,994	98,306
Manipur	9,123	9,974	9,554
Meghalaya	9,773	10,684	9,631
Mizoram	6,371	6,965	8,608
Nagaland	7,250	7,926	7,341
Odisha	57,692	63,074	67,460
Punjab	23,023	25,171	30,464
Rajasthan	76,779	83,940	90,446
Sikkim	4,944	5,405	5,113
Tamil Nadu	51,971	56,819	62,531
Telangana	26,782	29,280	33,181
Tripura	9,021	9,862	9,783
Uttar Pradesh	2,28,565	2,49,885	2,68,911
Uttarakhand	14,245	15,573	17,415
West Bengal	95,852	1,04,793	1,10,119
Total	12,74,121	13,92,971	15,26,255

Note: Actuals for 2024-25 and Revised Estimates for 2025-26 have been reported in the Union Budget after adjusting for excess or less devolution in previous years.
Sources: Union Budget Documents 2026-27; PRS.

Annexure 3: Comparison of 2024-25 Budget Estimates and Actuals

The following tables compare the actuals of 2024-25 with budget estimates for that year.

Table 11: Overview of Receipts and Expenditure (in Rs crore)

Particular	2024-25 BE	2024-25 Actuals	% change from BE to Actuals
Net Receipts (1+2)	2,63,818	2,55,123	-3%
1. Revenue Receipts (a+b+c+d)	2,63,344	2,50,498	-5%
a. Own Tax Revenue	1,02,097	94,408	-8%
b. Own Non-Tax Revenue	20,603	22,392	9%
c. Share in central taxes	95,753	1,01,020	6%
d. Grants-in-aid from the Centre	44,892	32,678	-27%
2. Non-Debt Capital Receipts	474	4,624	876%
3. Borrowings	94,431	89,797	-5%
Of which central capex loans	9,500	12,425	31%
Net Expenditure (4+5+6)	3,26,381	3,19,510	-2%
4. Revenue Expenditure	2,61,644	2,48,925	-5%
5. Capital Outlay	61,633	67,441	9%
6. Loans and Advances	3,103	3,144	1%
7. Debt Repayment	29,697	26,428	-11%
Revenue Surplus	1,701	1,573	-7%
Revenue Surplus (as % of GSDP)	0.11%	0.10%	
Fiscal Deficit	62,562	64,388	3%
Fiscal Deficit (as % of GSDP)	4.1%	4.3%	

Source: Madhya Pradesh Budget Documents of various years; PRS.

Table 12: Key Components of State's Own Tax Revenue

Head	2024-25 BE	2024-25 Actuals	% change from BE to Actuals
Taxes on Vehicles	5,500	4,878	-11%
State GST	40,000	35,837	-10%
Stamps Duty and Registration Fees	12,500	11,357	-9%
Sales Tax/ VAT	21,000	19,268	-8%
State Excise	16,000	15,201	-5%
Taxes and Duties on Electricity	5,000	5,278	6%
Land Revenue	701	1,069	53%

Source: Madhya Pradesh Budget Documents of various years; PRS.

Table 13: Allocation towards Key Sectors

Sector	2024-25 BE	2024-25 Actuals	% change from BE to Actuals
Urban Development	8,608	5,672	-34%
Rural Development	16,350	11,646	-29%
Agriculture and Allied Activities	22,193	16,239	-27%
Welfare of SC, ST, OBC, and Minorities	8,730	6,639	-24%
Health and Family Welfare	21,714	16,683	-23%
Police	10,663	9,097	-15%
Education, Sports, Arts, and Culture	48,087	44,265	-8%
Social Welfare and Nutrition	34,049	31,733	-7%
Transport	9,386	11,313	21%
of which Roads and Bridges	9,043	11,193	24%
Housing	5,715	7,219	26%
Energy	24,891	32,620	31%
Irrigation and Flood Control	12,998	20,595	58%
Water Supply and Sanitation	9,832	15,522	58%

Source: Madhya Pradesh Budget Documents of various years; PRS.