

Rajasthan Budget Analysis 2026-27

The Deputy Chief Minister of Rajasthan, Ms. Diya Kumari, presented the Budget for the financial year 2026-27 on February 11, 2026.

Budget Highlights

- The **Gross State Domestic Product (GSDP)** of Rajasthan for 2026-27 (at current prices) is projected to be Rs 21,52,100 crore, amounting to a growth of 15% over revised estimates for 2025-26.
- **Expenditure (excluding debt repayment)** in 2026-27 is estimated to be Rs 4,05,632 crore, an increase of 13% over the revised estimate for 2025-26. In addition, debt of Rs 2,05,324 crore will be repaid by the state.
- **Receipts (excluding borrowings)** for 2026-27 are estimated to be Rs 3,26,140 crore, an increase of 14% over the revised estimate of 2025-26.
- **Revenue deficit** in 2026-27 is estimated to be 1.1% of GSDP (Rs 24,314 crore), lower than revised estimate for 2025-26 (1.8% of GSDP).
- **Fiscal deficit** for 2026-27 is targeted at 3.7% of GSDP (Rs 79,493 crore). In 2025-26, as per the revised estimates, fiscal deficit is expected to be 3.9% of GSDP, lower than the budget estimate (4.3% of GSDP).

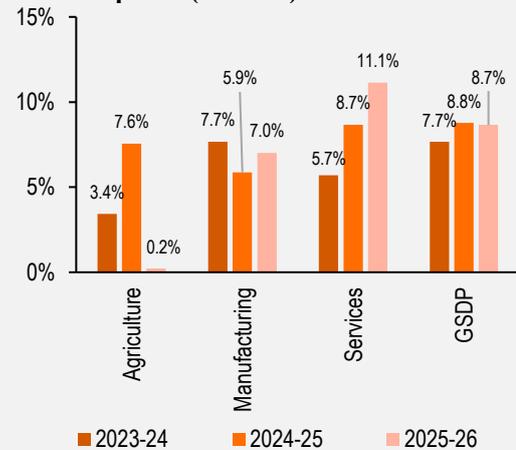
Policy Highlights

- **Self-employment for youth:** Mukhyamantri Yuva Swarajgar scheme will be launched to provide self-employment to nearly one lakh youths. Under the scheme, 100% interest subsidy on loans up to ten lakh rupees will be provided to eligible youth beneficiaries. Rs 1,000 crore has been allocated to the scheme.
- **Women empowerment:** The loan limit under the Lakhpati Didi scheme will be increased from one lakh rupees to Rs 1.5 lakh.
- **Farmers:** 100% interest waiver will be provided to farmers in colonisation areas who have outstanding dues and accumulated interest due on loans. They will be required to deposit outstanding loan amount between April 1, 2026 and September 30, 2026 to avail benefits under this scheme.
- **Animal husbandry:** The Rajasthan Cooperative Dairy Infrastructure Development fund will be increased from Rs 1,000 crore to Rs 2,000 crore.
- **Tax proposals:** Amnesty schemes will be introduced for VAT, agricultural marketing, land revenue, transport, and mining. Stamp duties and Registration fees on loans will be lowered. Green tax rates payable on polluting vehicles will be revised. Up to 50% rebate on motor vehicle tax will be given on non-transport vehicles brought from other states.

Rajasthan's Economy

- **GSDP:** In 2025-26, Rajasthan GSDP (at constant prices) is estimated to grow by 8.7% over the previous year. In comparison, India's GDP is estimated to grow by 7.4% in 2025-26.
- **Sectors:** In 2025-26, agriculture, manufacturing, and services sectors are estimated to contribute 25.7%, 26.5%, and 47.7% to Rajasthan's economy, respectively (at current prices).
- **Per capita GSDP:** In 2025-26, Rajasthan's per capita GSDP (at current prices) is estimated to be Rs 2,25,200, an increase of 9.1% over the previous year. In 2025-26, India's per capita GDP is estimated to be Rs 2,51,393, an increase of 7% over the previous year.

Figure 1: Growth in Rajasthan'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: Rajasthan Economic Review 2025-26; PRS.

Budget Estimates for 2026-27

- **Total expenditure (excluding debt repayment)** in 2026-27 is targeted at Rs 4,05,632 crore. This is an increase of 13% from the revised estimate of 2025-26. This expenditure is proposed to be met through **receipts (excluding borrowings)** of Rs 3,26,140 crore and net borrowings of Rs 70,017 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 deficit** of 1.1% of GSDP (Rs 24,314 crore) in 2026-27, lower than the revised estimate for 2025-26 (1.8% of GSDP).
- **Fiscal deficit** for 2026-27 is targeted at 3.7% of GSDP (Rs 79,493 crore), lower than the revised estimates for 2025-26 (3.9% of GSDP). In 2025-26, fiscal deficit is expected to be lower than initial budget estimate (4.3% 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	4,53,066	5,37,069	5,58,596	4%	6,10,956	9%
(-) Repayment of debt	1,52,872	1,57,452	1,99,124	26%	2,05,324	3%
Net Expenditure (E)	3,00,194	3,79,617	3,59,472	-5%	4,05,632	13%
Total Receipts	4,39,745	5,28,461	5,49,522	4%	6,01,480	9%
(-) Borrowings	2,11,970	2,33,488	2,62,542	12%	2,75,340	5%
<i>of which central capex loans*</i>	9,139	15,000	9,500	-37%	15,000	58%
Net Receipts (R)	2,27,774	2,94,973	2,86,980	-3%	3,26,140	14%
Fiscal Deficit (E-R)	72,420	84,644	72,493	-4%	79,493	10%
<i>as % of GSDP</i>	4.3%	4.3%	3.9%		3.7%	
Revenue Deficit	41,950	31,009	32,983	6%	24,314	-26%
<i>as % of GSDP</i>	2.5%	1.6%	1.8%		1.1%	
Primary Deficit	34,075	44,585	29,532	-34%	35,817	21%
<i>as % of GSDP</i>	2.0%	2.2%	1.6%		1.7%	
GSDP	17,01,190	19,89,835	18,75,413	-6%	21,52,100	15%

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, Rajasthan Budget Documents 2026-27; PRS.

Expenditure in 2026-27

- **Revenue expenditure** for 2026-27 is proposed to be Rs 3,50,054 crore, an increase of 10% 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 53,978 crore, an increase of 37% from the revised estimate of 2025-26. Capital outlay indicates the expenditure towards creation of assets such as roads and buildings.
- In 2026-27, sectors with a higher increase in capital outlay include urban development (increase of Rs 6,658 crore) and water supply and sanitation (increase of Rs 3,231 crore).

Underspending on capital outlay

Rajasthan's actual capital outlay has consistently been lower than the budget estimates. In 2024-25, capital outlay was 31% lower than budgeted. In 2025-26, as per revised estimates, capital outlay is expected to be 27% lower than the budget estimate. On average, Rajasthan had underspent its capital outlay budget by 23% between 2015-16 and 2023-24.

To facilitate higher capital outlay by states, the central government introduced the Scheme for Special Assistance to States for Capital Investment (SASCI) in 2020-21. Under this, the central government provides 50-year interest-free loans to states for capital expenditure. In 2024-25, Rajasthan funded 30% of its capital outlay through SASCI loans. In 2026-27, Rajasthan is estimated to receive Rs 15,000 crore under the scheme (28% of its capital outlay budget).

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	2,69,200	3,25,546	3,18,516	-2%	3,50,054	10%
Capital Outlay	30,727	53,686	39,429	-27%	53,978	37%
Loans given by the state	267	384	1,527	297%	1,600	5%
Net Expenditure	3,00,194	3,79,617	3,59,472	-5%	4,05,632	13%

Sources: Annual Financial Statement, Rajasthan 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 capital outlay.

In 2026-27, Rajasthan is estimated to spend Rs 1,68,403 crore on committed expenditure, which is 52% of its estimated revenue receipts. This comprises spending on salaries (27% of revenue receipts), pension (12%), and interest payments (13%). In 2024-25, as per actuals, 61% of revenue receipts were spent on committed expenditure.

Subsidies

As per CAG, Rajasthan spent Rs 28,402 crore on subsidies in 2023-24, which amounted to 14% of its revenue receipts. This was higher than the average spending by states on subsidies (9% of their revenue receipts).

In 2026-27, Rajasthan has estimated to spend Rs 42,191 crore on agricultural subsidies including subsidy for power to farmers.

Sources: Report No. 2 of 2025, State Finances Audit Report for the year 2023-24, CAG; PRS.

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	70,791	83,775	79,689	-5%	86,906	9%
Pension	29,318	33,882	35,174	4%	37,821	8%
Interest payment	38,345	40,058	42,961	7%	43,675	2%
Total	1,38,454	1,57,715	1,57,824	0%	1,68,403	7%

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

Sector-wise expenditure: The sectors listed below account for 70% of the total expenditure on sectors by the state in 2026-27. A comparison of Rajasthan's expenditure on key sectors with that by other states is shown in Annexure 1.

Table 4: Sector-wise expenditure under Rajasthan Budget 2026-27 (in Rs crore)

Sectors	2024-25 Actuals	2025-26 BE	2025-26 RE	2026-27 BE	% change from 2025-26 RE to 2026-27 BE	Budget Provisions 2026-27 BE
Education, Sports, Arts, and Culture	54,844	68,369	65,260	68,989	6%	<ul style="list-style-type: none"> Rs 13,768 crore has been allocated towards the Samagra Shiksha Abhiyan. Rs 2,092 crore has been allocated towards mid-day meal schemes.
Energy	32,744	40,198	34,373	42,752	24%	<ul style="list-style-type: none"> Rs 29,432 crore has been allocated as grants for non-revision of electricity tariffs.
Rural Development	15,167	24,587	26,501	32,948	24%	<ul style="list-style-type: none"> Rs 7,481 crore has been allocated under rural employment guarantee scheme.
Health and Family Welfare	25,678	31,888	30,168	32,526	8%	<ul style="list-style-type: none"> Rs 4,854 crore has been allocated towards the National Rural Health Mission. Rs 3,817 crore has been allocated towards Rajasthan Government Health Scheme 2021.
Social Welfare and Nutrition	21,452	26,639	24,034	26,495	10%	<ul style="list-style-type: none"> Rs 10,411 crore has been allocated from state fund for the Chief Minister Old Age Samman Pension Yojana.
Urban Development	9,863	16,811	12,769	20,184	58%	<ul style="list-style-type: none"> Rs 6,766 crore has been allocated towards AMRUT Mission 2.0.
Agriculture and Allied Activities	11,586	16,558	16,521	18,212	10%	<ul style="list-style-type: none"> Rs 5,988 crore has been allocated towards agricultural insurance (crop, cattle, etc.).
Transport	13,538	18,909	14,707	16,639	13%	<ul style="list-style-type: none"> Rs 12,038 crore has been allocated towards capital outlay on roads and bridges.
Water Supply and Sanitation	10,530	13,558	10,638	14,288	34%	<ul style="list-style-type: none"> Rs 5,747 crore has been allocated for rural water supply. Rs 3,934 crore has been allocated for urban water supply.
Police	9,168	11,125	10,697	11,729	10%	<ul style="list-style-type: none"> Rs 8,526 crore has been allocated to district police.
% of total expenditure on all sectors	68%	71%	69%	70%	-	

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

Receipts in 2026-27

- **Total revenue receipts** for 2026-27 are estimated to be Rs 3,25,740 crore, an increase of 14% over the revised estimate of 2025-26. Of this, Rs 1,91,103 crore (59%) will be raised by the state through its **own resources**, and Rs 1,34,637 crore (41%) will come **from the centre**. Resources from the centre will be in the form of state's share in central taxes (28% of revenue receipts) and grants (14% of revenue receipts).
- **Devolution:** In 2026-27, the state's share in central taxes is estimated at Rs 90,446 crore, an increase of 8% over the revised estimate for 2025-26.
- **Grants from the centre** in 2026-27 are estimated at Rs 44,191 crore, an increase of 17% over the revised estimates for 2025-26.
- **State's own tax revenue:** Rajasthan's total own tax revenue is estimated to be Rs 1,62,668 crore in 2026-27, an increase of 17% over the revised estimate of 2025-26. Own tax revenue as a percentage of GSDP is estimated at 7.6% in 2026-27, higher than the revised estimates for 2025-26 (7.4% of GSDP). As per the actual figures for 2024-25, own tax revenue as a percentage of GSDP was 6.1%.

Table 5: 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	1,03,310	1,42,743	1,38,539	-3%	1,62,668	17%
State's Own Non-Tax	23,503	26,883	25,143	-6%	28,435	13%
Share in Central Taxes	77,548	85,716	83,940	-2%	90,446	8%
Grants-in-aid from Centre	22,890	39,193	37,910	-3%	44,191	17%
Revenue Receipts	2,27,250	2,94,535	2,85,533	-3%	3,25,740	14%
Non-debt Capital Receipts	524	436	1,446	231%	400	-73%
Net Receipts	2,27,774	2,94,973	2,86,980	-2.7%	3,26,140	14%

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

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

- In 2026-27, **State GST** is estimated to be the largest source of own tax revenue (45% share). State GST revenue is estimated to increase by 18% over the revised estimates of 2025-26.
- Revenue from Sales tax/ VAT in 2026-27 is expected to register an increase of 21% over the revised estimate for 2025-26.
- Revenue from state excise is estimated to increase by 11% in 2026-27 over the revised estimate of 2025-26.
- In 2025-26, as per revised estimates, land revenue is estimated to be almost twice the budget estimate.

Table 6: 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	42,518	63,600	61,700	-3%	72,500	18%
Sales Tax/ VAT	23,369	30,780	28,000	-9%	33,800	21%
State Excise	15,104	19,720	19,000	-4%	21,000	11%
Stamps Duty and Registration Fees	10,542	14,350	15,000	5%	18,750	25%
Taxes on Vehicles	7,574	9,860	9,600	-3%	11,000	15%
Taxes and Duties on Electricity	3,280	3,500	3,425	-2%	3,785	11%
Land Revenue	869	881	1,761	100%	1,781	1%

Sources: Annual Financial Statement, Revenue Budget, Rajasthan Budget Documents 2026-27; PRS.

Deficits and Debt in 2026-27

The Rajasthan Fiscal Responsibility and Budget Management Act, 2005 provides annual targets to progressively reduce the outstanding debt, 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 deficit of Rs 24,314 crore in 2026-27 (1.1% of GSDP), lower than 2025-26 (1.8% of GSDP).

Fiscal deficit: It is the excess of total expenditure over total receipts. This gap is filled by borrowings by the government and leads to an increase in total liabilities. In 2026-27, the fiscal deficit is estimated to be 3.7% of GSDP. 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 3.9% of GSDP. This is lower than the budget estimate (4.3% of GSDP).

Off-budget borrowings

Off budget borrowings are borrowings which are not directly made by the government, but where the principal and/or interest are serviced from the government budget. As of March 2024, total off-budget borrowings in Rajasthan were Rs 8,043 crore. 87% of these were off-budget borrowings for the Rajasthan Water Supply and Sewage Corporation (RWSSC) for water supply projects. In 2023-24, the state government provided assistance worth Rs 703 crore for repayment and servicing of these off-budget borrowings.

Table 7: Outstanding off-budget borrowings (in Rs crore, as of March 31, 2024)

Entity	Amount
RWSSC from HUDCO and Bank of Maharashtra	7,000
RWSSC from LIC	2
Zila Parishads from HUDCO	1,041
Total	8,043

Note: HUDCO refers to Housing and Urban Development Corporation. LIC refers to Life Insurance Corporation.

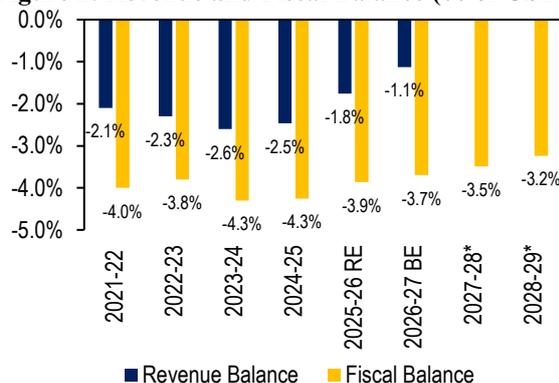
According to the budget documents, outstanding liabilities of Rajasthan was 37.3% of GSDP at the end of 2023-24. Accounting for the off-budget borrowings, the outstanding liabilities at the end of 2023-24 would be 37.9%.

The 16th Finance Commission recommended that off-budget borrowings must be discontinued. It recommended that the definition of fiscal deficit and debt must also include all off-budget borrowings.

Sources: Report No. 2 of 2025, State Finances Audit Report for the year 2023-24, CAG; Report of the 16th Finance Commission Volume-I; PRS.

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, the outstanding liabilities is estimated to be 36.8% of GSDP, lower than the revised estimate for 2025-26 (38% of GSDP).

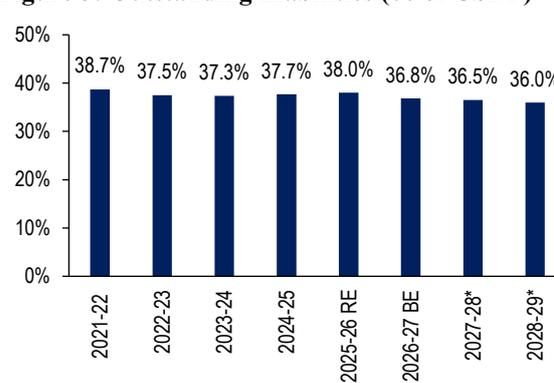
Figure 2: Revenue and Fiscal Balance (% of GSDP)



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, Rajasthan Budget Documents 2026-27; PRS.

Figure 3: Outstanding Liabilities (% of GSDP)



Note: *Figures from 2027-28 onwards are projections. BE is budget estimates.

Sources: Medium Term Fiscal Policy, Rajasthan Budget Documents 2026-27; PRS.

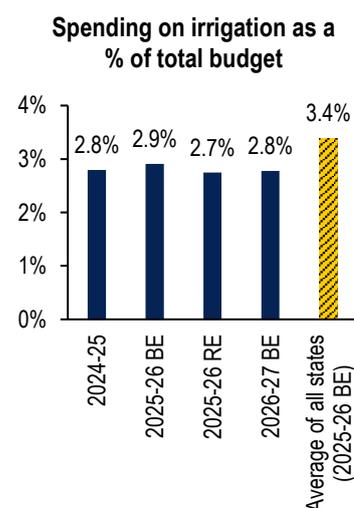
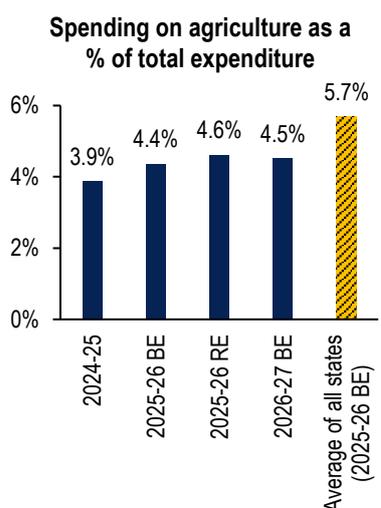
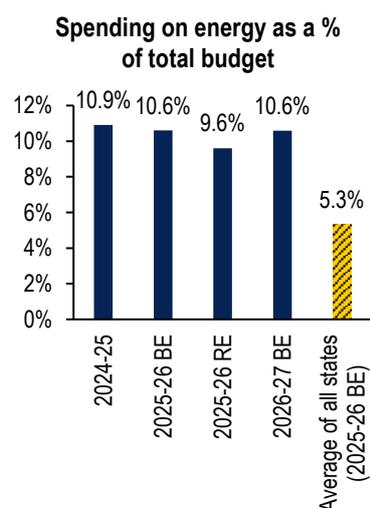
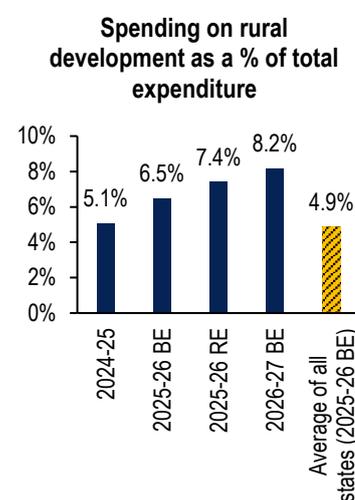
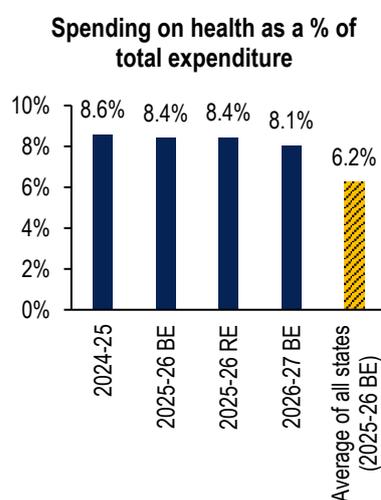
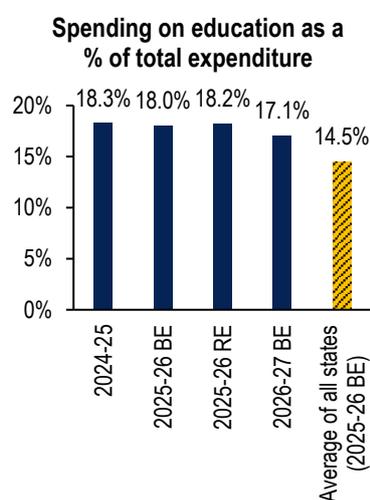
Outstanding Government Guarantees: Outstanding liabilities of states do not include a few other liabilities that are contingent in nature, which states may have to honour in certain cases. State governments guarantee the borrowings of State Public Sector Enterprises (SPSEs) from financial institutions. As of December 31, 2025, the state's outstanding guarantee is estimated to be Rs 1,27,210 crore (6.8% of 2025-26 GSDP).

DISCLAIMER: This document is being furnished to you for your information. You may choose to reproduce or redistribute this report for non-commercial purposes in part or in full to any other person with due acknowledgement of PRS Legislative Research ("PRS"). The opinions expressed herein are entirely those of the author(s). PRS makes every effort to use reliable and comprehensive information, but PRS does not represent that the contents of the report are accurate or complete. PRS is an independent, not-for-profit group. This document has been prepared without regard to the objectives or opinions of those who may receive it.

Annexure 1: Comparison of states' expenditure on key sectors

The graphs below compare Rajasthan'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 Rajasthan) as per their budget estimates of 2025-26.¹

- **Education:** Rajasthan has allocated 17.1% of its expenditure on education in 2026-27. This is higher than the average allocation for education by states in 2025-26 (14.5%).
- **Health:** Rajasthan has allocated 8.1% of its expenditure on health in 2026-27. This is higher than the average allocation for health by states in 2025-26 (6.2%).
- **Rural development:** Rajasthan has allocated 8.2% 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%).
- **Energy:** Rajasthan has allocated 10.6% of its expenditure on energy in 2026-27. This is higher than the average allocation for energy by states in 2025-26 (5.3%).
- **Agriculture:** Rajasthan has allocated 4.5% of its expenditure on agriculture in 2026-27. This is lower than the average allocation for agriculture by states in 2025-26 (5.7%).
- **Irrigation:** Rajasthan has allocated 2.8% of its expenditure on irrigation in 2026-27. This is lower than the average allocation for irrigation by states in 2025-26 (3.4%).



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

Sources: Annual Financial Statement, Rajasthan 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 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, Rajasthan will have a 5.93% share in the divisible pool of central taxes during 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 Rajasthan over the 2026-31 period include: (i) Rs 12,680 crore for urban local bodies, (ii) Rs 31,467 crore for rural local bodies, and (iii) Rs 9,211 crore as disaster management grants. In addition, Jaipur and Jodhpur will be eligible for a special infrastructure grant for development of wastewater management system (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 Reports; 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 Budget
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)	2,64,787	2,27,774	-14%
1. Revenue Receipts (a+b+c+d)	2,64,461	2,27,250	-14%
a. Own Tax Revenue	1,25,525	1,03,310	-18%
b. Own Non-Tax Revenue	22,665	23,503	4%
c. Share in central taxes	79,587	77,548	-3%
d. Grants-in-aid from the Centre	36,684	22,890	-38%
2. Non-Debt Capital Receipts	326	524	61%
3. Borrowings	2,22,019	2,11,970	-5%
Of which central capex loans	7,800	9,139	17%
Net Expenditure (4+5+6)	3,34,795	3,00,194	-10%
4. Revenue Expenditure	2,90,219	2,69,200	-7%
5. Capital Outlay	44,216	30,727	-31%
6. Loans and Advances	360	267	-26%
7. Debt Repayment	1,60,671	1,52,872	-5%
Revenue Deficit	25,758	41,950	63%
Revenue Deficit (as % of GSDP)	1.5%	2.5%	
Fiscal Deficit	70,008	72,420	3%
Fiscal Deficit (as % of GSDP)	3.9%	4.3%	
GSDP	17,81,078	17,01,190	-4%

Source: Rajasthan 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
State GST	55,800	42,518	-24%
Sales Tax/ VAT	29,000	23,369	-19%
State Excise	17,100	15,104	-12%
Taxes on Vehicles	8,100	7,574	-6%
Taxes and Duties on Electricity	3,500	3,280	-6%
Stamps Duty and Registration Fees	11,000	10,542	-4%
Land Revenue	721	869	21%

Source: Rajasthan 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	16,918	9,863	-42%
Rural Development	20,494	15,167	-26%
Agriculture and Allied Activities	14,544	11,586	-20%
Education, Sports, Arts, and Culture	65,073	54,844	-16%
Social Welfare and Nutrition	24,060	21,452	-11%
Police	10,203	9,168	-10%
Health and Family Welfare	27,660	25,678	-7%
Water Supply and Sanitation	11,270	10,530	-7%
Energy	30,729	32,744	7%
Transport	13,436	13,538	1%
<i>of which Roads and Bridges</i>	<i>12,238</i>	<i>12,842</i>	<i>5%</i>

Source: Rajasthan Budget Documents of various years; PRS.