

# West Bengal Budget Analysis 2020-21

The Finance Minister, Dr. Amit Mitra, presented the Budget for West Bengal for the financial year 2020-21 on February 10, 2020.

## Budget Highlights

- The **Gross State Domestic Product (GSDP)** of West Bengal for 2020-21 (at current prices) is estimated to be Rs 14,44,174 crore.\* This is based on a GSDP growth rate of 11.3% expected over the previous year (2019-20). In 2019-20, GSDP is estimated to grow at a rate of 15% over the previous year.
- **Expenditure** for 2020-21 is estimated to be Rs 2,55,677 crore, a 3.1% increase over the revised estimate of 2019-20. The revised expenditure for 2019-20 is Rs 10,137 crore (4.3%) higher than the budgeted estimate.
- **Total receipts (excluding borrowings)** for 2020-21 are estimated to be Rs 1,79,905 crore, an increase of 9.9% as compared to the revised estimate of 2019-20. In 2019-20, total receipts (excluding borrowings) are estimated to fall short of the budgeted estimate by Rs 929 crore (0.6%).
- **Fiscal deficit** for the year 2020-21 is targeted at Rs 31,483 crore (2.18% of GSDP). In 2019-20, as per the revised figures, fiscal deficit is estimated to increase by Rs 6,862 crore to 2.63% of GSDP, as compared to the budgeted estimate of 2.1% of GSDP. The budget estimates a zero **revenue deficit** in 2020-21.
- Sectors such as Agriculture (66%), Irrigation and Flood Control (39%), and Welfare of SC, ST, OBC, and Minorities (38%) saw the highest increase in allocations. On the other hand, allocations to sectors such as Transport (21%), Social Welfare and Nutrition (19%), and Police (6%) saw the highest decrease.

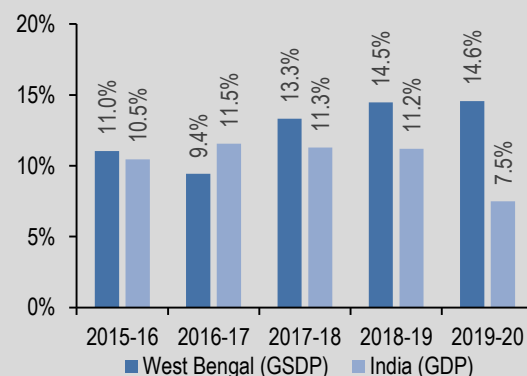
## Policy Highlights

- **Pension scheme for SCs and STs:** Persons belonging to the Scheduled Castes (SCs) and Scheduled Tribes (STs), who are more than 60 years of age and not covered under any pension scheme, will be provided a monthly pension of one thousand rupees. The new pension scheme is expected to benefit 25 lakh persons. An amount of Rs 3,000 crore has been allocated for the proposed scheme for 2020-21.
- **Karma Sathi Prakalpa:** A new scheme, Karma Sathi Prakalpa, has been proposed to provide assistance to unemployed youth to help them become self-reliant. Under the scheme, one lakh unemployed youth, for the next three years, will be provided soft loan and subsidy of up to two lakh rupees for taking up any new income generating project. Rs 500 crore has been allocated for the scheme for 2020-21.
- **Free electricity to poor:** A new scheme has been proposed to provide free electricity to poor domestic consumers. Under the scheme, no electricity charge will be levied on those poor domestic consumers whose quarterly consumption of electricity is up to 75 units (lifeline consumers). The scheme is expected to benefit 35 lakh poor families. Rs 200 crore has been allocated for the proposed scheme for 2020-21.

## West Bengal's Economy

- **GSDP:** West Bengal's GSDP (at current prices) is estimated to grow at a 14.6% rate in 2019-20, as compared to the 7.5% growth rate estimated for India's GDP. While the country's GDP growth declined from 11.2% in 2018-19 to 7.5% in 2019-20, GSDP growth of West Bengal is estimated to increase marginally to 14.6% in 2019-20.
- **Sectors:** In 2019-20, Agriculture, Manufacturing, and Services are estimated to contribute 21%, 20%, and 59%, respectively to the state's economy.
- **Unemployment:** According to the Periodic Labour Force Survey (2017-18), the unemployment rate in West Bengal is 4.6%, which is lower than the all-India unemployment rate of 6.1%.

**Figure 1: Comparison of the economic growth rate of West Bengal vis-à-vis India's GDP**



Sources: West Bengal Budget Documents (MTFP Statement); Central Statistics Office, MOSPI; PRS.

\* The GSDP figures have been calculated using the 'fiscal deficit as a percentage of GSDP' data given in the budget documents.

## Budget Estimates for 2020-21

- Total expenditure in 2020-21 is targeted at Rs 2,55,677 crore. This is 3.1% higher than the revised estimate of 2019-20. This expenditure is proposed to be met through receipts (other than borrowings) of Rs 1,79,905 crore (69%) and borrowings of Rs 79,465 crore (31%). Total receipts (other than borrowings) in 2020-21 is expected to be 9.9% higher than the revised estimate of 2019-20. Borrowings, on the other hand, are estimated to decrease by 2.6% in 2020-21, as compared to the revised estimate of 2019-20.
- In 2019-20, as per the revised figures, expenditure is estimated to increase by Rs 10,137 crore (4.3%) over the budgeted estimate. Receipts (other than borrowings) are estimated to be lower than the budgeted estimate by Rs 929 crore (0.6%), whereas borrowings are estimated to be higher by Rs 3,176 crore (4.1%).

**Table 1: Budget 2020-21 – Key figures (in Rs crore)**

Items	2018-19 Actuals	2019-20 Budgeted	2019-20 Revised	% change from BE 2019-20 to RE 2019-20	2020-21 Budgeted	% change from RE 2019-20 to BE 2020-21
<b>Total Expenditure</b>	<b>2,26,743</b>	<b>2,37,964</b>	<b>2,48,101</b>	<b>4.3%</b>	<b>2,55,677</b>	<b>3.1%</b>
A. Receipts (except borrowings)	1,47,471	1,64,678	1,63,749	-0.6%	1,79,905	9.9%
B. Borrowings	70,197	78,384	81,560	4.1%	79,465	-2.6%
<b>Total Receipts (A+B)</b>	<b>2,17,668</b>	<b>2,43,061</b>	<b>2,45,309</b>	<b>0.9%</b>	<b>2,59,370</b>	<b>5.7%</b>
<b>Revenue Deficit</b>	<b>10,399</b>	<b>-</b>	<b>6,171</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>
As % of GSDP	0.92%	0.00%	0.48%		0.00%	
<b>Fiscal Deficit</b>	<b>33,486</b>	<b>27,254</b>	<b>34,116</b>	<b>25.2%</b>	<b>31,483</b>	<b>-7.7%</b>
As % of GSDP	2.96%	2.10%	2.63%		2.18%	
<b>Primary Deficit*</b>	<b>4,574</b>	<b>-3,897</b>	<b>2,810</b>	<b>-172.1%</b>	<b>-1,275</b>	<b>-145.4%</b>
As % of GSDP	0.40%	-0.30%	0.22%		-0.09%	

Note: BE indicates Budget Estimate and RE indicates Revised Estimate. \*Negative ('-') sign against deficit indicates a surplus.

Sources: West Bengal Budget Documents 2020-21 (Annual Financial Statement, MTFP Statement); PRS.

## Expenditure in 2020-21

- Capital expenditure** for 2020-21 is proposed to be Rs 76,279 crore, which is a decrease of 3% over the revised estimate of 2019-20. Capital expenditure includes expenditure affecting the assets and liabilities of the state, such as: (i) capital outlay, i.e. expenditure which leads to creation of assets (such as bridges and hospitals), and (ii) repayment and grant of loans by the state government.
- In 2020-21, **capital outlay** is estimated to be Rs 31,047 crore, which is 15.5% higher than the revised estimate of 2019-20. Sectors receiving the highest allocation for capital outlay in 2020-21 include transport (15% of the total capital outlay), urban development (11%), irrigation (11%), and rural development (10%).
- Revenue expenditure** for 2020-21 is proposed to be Rs 1,79,398 crore, which is 5.9% higher than the revised estimate of 2019-20. Examples of revenue expenditure are subsidies, and payment of salaries, pension, and interest.
- Revenue expenditure forms 70% of the total expenditure in 2020-21. Rest 30% of the total expenditure comprises of capital outlay (12%), and repayment and grant of loans (18%).

**Subsidies:** In 2020-21, the subsidies provided by the state are estimated to be Rs 7,082 crore, a 22% decrease over the revised estimate of 2019-20. However, the revised estimate for 2019-20 increased by 34% to Rs 9,104 crore, from Rs 6,808 crore estimated at the budgeted stage. Rs 10,016 crore was spent in 2018-19.

**Table 2: Expenditure budget 2020-21 (in Rs crore)**

Items	2018-19 Actuals	2019-20 Budgeted	2019-20 Revised	% change from BE 2019-20 to RE 2019-20	2020-21 Budgeted	% change from RE 2019-20 to BE 2020-21
Capital Expenditure	70,369	73,636	78,671	6.8%	76,279	-3.0%
of which Capital Outlay	23,717	26,667	26,870	0.8%	31,047	15.5%
Revenue Expenditure	1,56,374	1,64,328	1,69,430	3.1%	1,79,398	5.9%
<b>Total Expenditure</b>	<b>2,26,743</b>	<b>2,37,964</b>	<b>2,48,101</b>	<b>4.3%</b>	<b>2,55,677</b>	<b>3.1%</b>
A. Debt Repayment	45,786	46,032	50,236	9.1%	44,289	-11.8%
B. Interest Payments	28,911	31,151	31,306	0.5%	32,758	4.6%
<b>Debt Servicing (A+B)</b>	<b>74,697</b>	<b>77,183</b>	<b>81,542</b>	<b>5.6%</b>	<b>77,047</b>	<b>-5.5%</b>

Sources: West Bengal Budget Documents 2020-21 (Annual Financial Statement); PRS.

## Sector-wise Expenditure in 2020-21

The sectors listed below account for **59%** of the total expenditure towards all sectors in 2020-21. A comparison of West Bengal's expenditure on certain key sectors with that by the other states can be found in Annexure 1.

**Table 3: Sector-wise expenditure in West Bengal Budget 2020-21 (in Rs crore)**

Sector	2018-19 Actuals	2019-20 Budgeted	2019-20 Revised	2020-21 Budgeted	% change from RE 2019-20 to BE 2020-21	Budget provisions for 2020-21
Education	29,362	34,965	33,012	37,059	12.3%	<ul style="list-style-type: none"> <li>Rs 3,963 crore has been allocated for the Samagra Shiksha Abhiyan and Rs 2,313 crore for the Mid-Day Meal scheme.</li> <li>Rs 4,566 crore has been allocated to the Department of Higher Education.</li> </ul>
Rural Development	17,877	19,288	19,028	21,371	12.3%	<ul style="list-style-type: none"> <li>Rs 4,424 crore has been allocated for the PM Awas Yojna (Rural) and Rs 3,834 crore for the PM Gram Sadak Yojna.</li> <li>Rs 3,622 crore has been allocated for the National Rural Employment Guarantee Scheme (NREGS).</li> </ul>
Social Welfare and Nutrition	21,678	18,755	24,491	19,744	-19.4%	<ul style="list-style-type: none"> <li>Rs 8,189 crore has been allocated for providing subsidised food under PDS and Rs 1,701 crore for the Integrated Child Development Services (ICDS) scheme.</li> </ul>
Health and Family Welfare	9,678	9,727	10,565	11,280	6.8%	<ul style="list-style-type: none"> <li>Rs 4,084 crore and Rs 2,415 crore have been allocated for urban and rural health services, respectively.</li> <li>Rs 1,516 crore has been allocated for the National Health Mission.</li> </ul>
Agriculture and allied activities	8,539	9,764	6,419	10,648	65.9%	<ul style="list-style-type: none"> <li>Rs 2,714 crore has been allocated for the Krishak Bandhu scheme for providing farmers assistance of Rs 5,000 per acre.</li> </ul>
Urban Development	8,358	9,476	9,589	10,571	10.2%	<ul style="list-style-type: none"> <li>Rs 2,426 crore has been provided as grants to urban local bodies from Union and State Finance Commissions.</li> </ul>
Police	6,363	7,606	8,726	8,167	-6.4%	<ul style="list-style-type: none"> <li>Rs 5,036 crore has been provided for expenditure on district police forces.</li> </ul>
Transport	7,042	5,716	7,720	6,082	-21.2%	<ul style="list-style-type: none"> <li>Rs 2,092 crore has been provided for development of state highways and Rs 1,820 crore for district and other roads.</li> </ul>
% of total expenditure	60%	60%	61%	59%		

Sources: West Bengal Budget Documents 2020-21 (Annual Financial Statement, Detailed Demands for Grants); PRS.

**Committed expenditure:** Committed expenditure of a state typically includes expenditure towards 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 its other expenditure priorities such as capital investment. In 2020-21, West Bengal is estimated to spend Rs 1,06,507 crore on committed expenditure, i.e. payment of salaries, pension, and interest. This is 8% higher than the revised estimate of 2019-20 (Rs 98,588 crore).

In 2020-21, West Bengal is estimated to spend 59% of its revenue receipts on committed expenditure items (29% of revenue receipts on salaries, 12% on pension, and 18% on interest). This implies that the state has 41% of its revenue receipts remaining for all other kinds of expenditure. Any additional expenditure will be met through borrowings. On average, 50% of the revenue receipts of a state is spent on committed expenditure.

**Table 4: Committed expenditure for West Bengal in 2020-21 (in Rs crore)**

Item	2018-19 Actuals	2019-20 Budgeted	2019-20 Revised	% change from BE 2019-20 to RE 2019-20	2020-21 Budgeted	% change from RE 2019-20 to BE 2020-21
Salaries	41,543	46,608	48,958	5.0%	52,905	8.1%
Pension	16,063	15,907	18,325	15.2%	20,844	13.7%
Interest	28,911	31,151	31,306	0.5%	32,758	4.6%
<b>Committed Expenditure</b>	<b>86,517</b>	<b>93,666</b>	<b>98,588</b>	<b>5.3%</b>	<b>1,06,507</b>	<b>8.0%</b>

Sources: West Bengal Budget Documents 2020-21 (Annual Financial Statement, Budget at a Glance); PRS.

## Receipts in 2020-21

- The **total revenue receipts** for 2020-21 are estimated to be Rs 1,79,398 crore, an increase of 9.9% over the revised estimate of 2019-20. Of this, Rs 75,073 crore (42% of the revenue receipts) will be raised through state's **own resources**, and Rs 1,04,325 crore (58% of the revenue receipts) will be in the form of **central transfers**, i.e. state's share in central taxes and grants-in-aid from the central government.
- **Devolution:** In 2020-21, receipts from the state's share in central taxes is estimated to increase by 11.1% over the 2019-20 revised estimate. However, in 2019-20, devolution is estimated to decrease by 5% to Rs 59,261 crore as compared to the budgeted estimate. This may be due to a 19% cut in the union budget for devolution to states, from Rs 8,09,133 crore at the budgeted stage to Rs 6,56,046 crore at the revised stage. Annexure 2 outlines the major recommendations of the 15<sup>th</sup> Finance Commission for the year 2020-21, particularly the revised share of West Bengal and the other states in central government's tax revenue.

**Table 5: Break up of state government receipts (in Rs crore)**

Items	2018-19 Actuals	2019-20 Budgeted	2019-20 Revised	% change from BE 2019-20 to RE 2019-20	2020-21 Budgeted	% change from RE 2019-20 to BE 2020-21
State's Own Tax	60,732	65,546	65,806	0.4%	70,807	7.6%
State's Own Non-Tax	3,658	3,987	4,018	0.8%	4,266	6.2%
Share in Central Taxes	55,776	62,396	59,261	-5.0%	65,835	11.1%
Grants from Centre	25,810	32,398	34,174	5.5%	38,490	12.6%
<b>Revenue Receipts</b>	<b>1,45,975</b>	<b>1,64,328</b>	<b>1,63,259</b>	<b>-0.7%</b>	<b>1,79,398</b>	<b>9.9%</b>
Borrowings	70,197	78,384	81,560	4.1%	79,465	-2.6%
Other receipts	1,496	350	490	40.0%	507	3.5%
<b>Capital Receipts</b>	<b>71,693</b>	<b>78,734</b>	<b>82,050</b>	<b>4.2%</b>	<b>79,972</b>	<b>-2.5%</b>
<b>Total Receipts</b>	<b>2,17,668</b>	<b>2,43,061</b>	<b>2,45,309</b>	<b>0.9%</b>	<b>2,59,370</b>	<b>5.7%</b>

Sources: West Bengal Budget Documents 2020-21 (Annual Financial Statement, Detailed Receipts); PRS.

- **Own tax revenue:** Total own tax revenue of West Bengal is estimated to be Rs 70,807 crore in 2020-21 (39% of the revenue receipts). This is 7.6% higher than the revised estimate of 2019-20. The tax to GSDP ratio is targeted at 4.9% in 2020-21, which is lower than the revised estimate of 5.1% in 2019-20. This implies that growth in the collection of own taxes is lower than the growth rate of the state economy.

**Table 6: Major sources of state's own-tax revenue (in Rs crore)**

Items	2018-19 Actuals	2019-20 Budgeted	2019-20 Revised	% change from BE 19-20 to RE 19-20	2020-21 Budgeted	% change from RE 19-20 to BE 20-21	% of revenue receipts in 2020-21
State GST	27,067	29,891	30,348	1.5%	33,153	9.2%	18.5%
Sales Tax/ VAT	7,813	7,516	7,477	-0.5%	7,538	0.8%	4.2%
State Excise	10,622	11,874	11,627	-2.1%	12,732	9.5%	7.1%
Stamp Duty and Registration Fees	5,620	6,250	6,247	0.0%	6,872	10.0%	3.8%
Land Revenue	2,847	3,549	2,989	-15.8%	3,139	5.0%	1.7%
GST Compensation Grants	1,977	2,000	2,544	27.2%	4,928	93.7%	2.7%

Sources: West Bengal Budget Documents 2020-21 (Annual Financial Statement, Detailed Receipts); PRS.

- State Goods and Services Tax (SGST) is the largest component of tax revenue of the state. It is expected to generate Rs 33,153 crore in 2020-21. This is an increase of 9.2% from the revised estimate of 2019-20. SGST comprises 18.5% of revenue receipts budgeted for the year 2020-21.
- In 2020-21 the state is expected to generate Rs 12,732 crore from state excise. This is a 9.5% increase over the revised estimate of 2019-20.
- In 2020-21, West Bengal is expected to generate Rs 7,538 crore through sales tax/ VAT (on items such as petroleum products). This is a 0.8% increase over the revised estimate of 2019-20.

**GST Compensation:** The GST (Compensation to States) Act, 2017 guarantees states compensation for five years (till 2022) for any revenue loss arising due to GST implementation. The Act guarantees states a 14% annual growth on their revenue which was subsumed under GST. If the GST revenue of a state does not match the guaranteed growth, compensation grants are provided to meet the shortfall.

West Bengal has estimated GST compensation grants of Rs 4,928 crore for 2020-21, which is an increase of 93.7% over the revised estimate of 2019-20. In 2019-20, compensation grants are estimated to increase from Rs 2,000 crore at the budgeted stage to Rs 2,544 crore at the revised stage. An increase in the compensation requirement of the state reflects a further decrease in the GST revenue growth rate, as compared to the 14% growth proposed under the Act.

## Deficits, Debt, and FRBM Targets for 2020-21

The West Bengal Fiscal Responsibility and Budget Management (FRBM) Act, 2010 provides annual targets to progressively reduce the outstanding debt, fiscal deficit, and revenue deficit of the state government.

**Revenue deficit:** It is the excess of revenue expenditure over revenue receipts. A revenue deficit implies that the government needs to borrow in order to finance its expenses which do not create capital assets. Once the revenue deficit is accounted for, only then the borrowings can be used for capital investments.

The budget estimates a zero revenue deficit in 2020-21. This implies that revenue receipts are expected to be the same as revenue expenditure. The 14<sup>th</sup> Finance Commission had recommended that states should eliminate revenue deficit. Note that as per the 15<sup>th</sup> Finance Commission's recommendations, in 2020-21, West Bengal will receive grants of Rs 5,013 crore in order to eliminate revenue deficit.

**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 debt. In 2020-21, fiscal deficit is estimated to be Rs 31,483 crore, which is 2.18% of GSDP. The estimate is within the 3% limit recommended by the 14<sup>th</sup> Finance Commission. In 2019-20, as per the revised figures, fiscal deficit is estimated to increase by Rs 6,862 crore to 2.63% of GSDP, as compared to the budgeted estimate of 2.1% of GSDP.

**Outstanding debt:** Outstanding debt is the accumulation of borrowings taken by the state government over the years. In 2020-21, the state's outstanding debt is expected to be 32.9% of the GSDP. This is much higher than the limit of 20% of GDP suggested by the FRBM Review Committee (2017) for the cumulative debt of all states.

**Debt Servicing:** In 2020-21, West Bengal is expected to spend Rs 77,047 crore on servicing its debt. This is 5.5% lower than the revised estimate of 2019-20. This includes Rs 44,289 crore towards repaying loans, and Rs 32,758 crore towards interest payments.

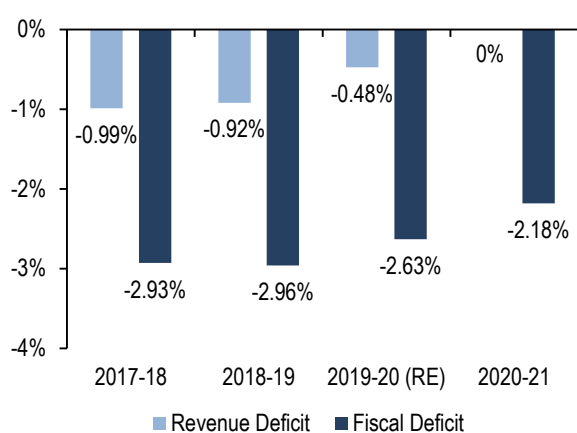
**Table 7: Budget targets for deficits for West Bengal in 2020-21 (% of GSDP)**

Year	Revenue Deficit (-)/Surplus (+)	Fiscal Deficit (-)/Surplus (+)	Outstanding Liabilities
2017-18	-0.99%	-2.93%	36.5%
2018-19	-0.92%	-2.96%	34.8%
2019-20 (BE)	0.00%	-2.10%	32.9%
2019-20 (RE)	-0.48%	-2.63%	33.3%
2020-21 (BE)	0.00%	-2.18%	32.9%

Sources: West Bengal Budget Documents 2020-21 (MTFP Statement); PRS.

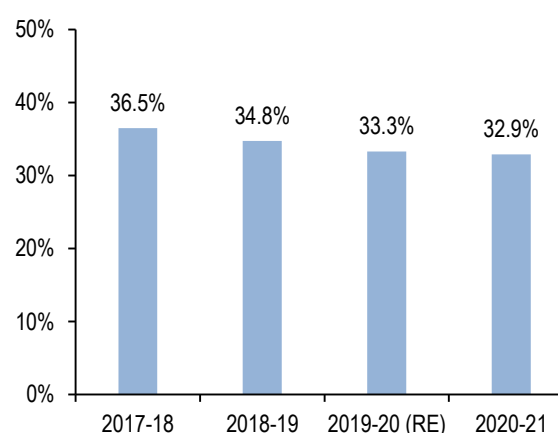
Figures 2 and 3 show the trend in deficits and outstanding debt of the state from 2017-18 to 2020-21.

**Figure 2: Revenue and fiscal deficit (as % of GSDP)**



Sources: West Bengal Budget Documents 2020-21; PRS.

**Figure 3: Outstanding debt (as % of GSDP)**



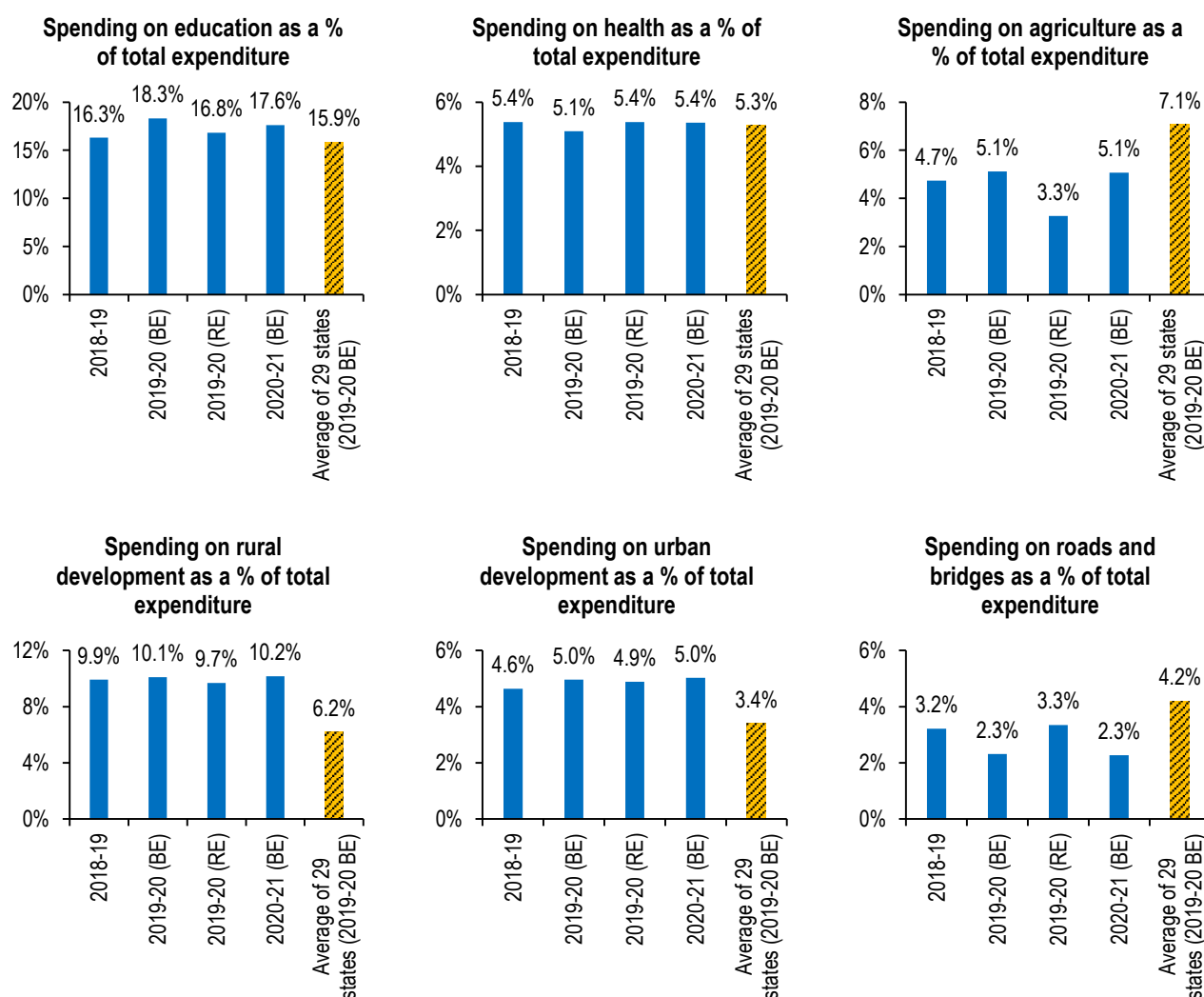
Sources: West Bengal Budget Documents 2020-21; PRS.

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## Annexure 1: Comparison of states' expenditure on key sectors

The graphs below compare West Bengal's expenditure 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 29 states.<sup>†</sup>

- **Education:** West Bengal has allocated 17.6% of its expenditure for education in 2020-21. This is higher than the average expenditure (15.9%) allocated for education by states (using 2019-20 BE).
- **Health:** West Bengal has allocated 5.4% of its expenditure for health in 2020-21, which is marginally higher than the average allocation for health by states (5.3%).
- **Agriculture and allied activities:** The state has allocated 5.1% of its expenditure towards agriculture and allied activities in 2020-21. This is much lower than the average allocation by states (7.1%).
- **Rural development:** West Bengal has allocated 10.2% of its expenditure for rural development in 2020-21. This is significantly higher than the average allocation for rural development by states (6.2%).
- **Urban development:** West Bengal has allocated 5% of its expenditure for urban development in 2020-21, which is higher than the average allocation for urban development by states (3.4%).
- **Roads and bridges:** West Bengal has allocated 2.3% of its expenditure for roads and bridges in 2020-21, which is much lower than the average allocation for roads and bridges by states (4.2%).



Sources: State Budget Documents 2019-20 and 2020-21 (Annual Financial Statement); PRS.

<sup>†</sup> 29 states include all states except Manipur. It also includes the Union Territory of Delhi and the erstwhile state of Jammu and Kashmir.

## Annexure 2: 15<sup>th</sup> Finance Commission's recommendations for 2020-21

The 15<sup>th</sup> Finance Commission's (15<sup>th</sup> FC) report for the financial year 2020-21 was tabled in Parliament on February 1, 2020. The 15<sup>th</sup> FC recommended a 41% share for states in the central government's tax revenue in 2020-21, a 1% decrease from the 42% share recommended by the 14<sup>th</sup> FC (2015-20). The 1% decrease is to provide funds to the newly formed union territories of Jammu and Kashmir, and Ladakh from the share of the central government. The 15<sup>th</sup> FC also proposed revised criteria for determining the share of individual states.

Table 8 shows the share of states in the central government's tax revenue<sup>‡</sup>, as per the recommendations of the 14<sup>th</sup> FC for 2015-20 and the 15<sup>th</sup> FC for 2020-21. The 15<sup>th</sup> FC has recommended a 3.08% share for West Bengal in the centre's tax revenue for 2020-21 (same as the share recommended by the 14<sup>th</sup> FC for 2015-20). This implies that out of every Rs 100 of centre's tax revenue in 2020-21, West Bengal will receive Rs 3.08. Table 8 also shows the estimated devolution to states by the centre for 2019-20 and 2020-21 (in Rs crore).

**Table 8: Share of states in centre's tax revenue under the 14<sup>th</sup> and 15<sup>th</sup> Finance Commissions (2020-21)**

State	Share of states in centre's tax revenue			Devolution to states by the centre		
	14 <sup>th</sup> FC (2015-20)	15 <sup>th</sup> FC (2020-21)	% change	2019-20 RE	2020-21 BE	% change
Andhra Pradesh	1.81	1.69	-7%	28,242	32,238	14%
Arunachal Pradesh	0.58	0.72	24%	8,988	13,802	54%
Assam	1.39	1.28	-8%	21,721	24,553	13%
Bihar	4.06	4.13	2%	63,406	78,896	24%
Chhattisgarh	1.29	1.4	9%	20,206	26,803	33%
Goa	0.16	0.16	0%	2,480	3,027	22%
Gujarat	1.3	1.39	7%	20,232	26,646	32%
Haryana	0.46	0.44	-4%	7,112	8,485	19%
Himachal Pradesh	0.3	0.33	10%	4,678	6,266	34%
Jammu and Kashmir	0.78	-	-	12,171	-	-
Jharkhand	1.32	1.36	3%	20,593	25,980	26%
Karnataka	1.98	1.49	-25%	30,919	28,591	-8%
Kerala	1.05	0.8	-24%	16,401	15,237	-7%
Madhya Pradesh	3.17	3.23	2%	49,518	61,841	25%
Maharashtra	2.32	2.52	9%	36,220	48,109	33%
Manipur	0.26	0.29	12%	4,048	5,630	39%
Meghalaya	0.27	0.31	15%	4,212	5,999	42%
Mizoram	0.19	0.21	11%	3,018	3,968	31%
Nagaland	0.21	0.23	10%	3,267	4,493	38%
Odisha	1.95	1.9	-3%	30,453	36,300	19%
Punjab	0.66	0.73	11%	10,346	14,021	36%
Rajasthan	2.31	2.45	6%	36,049	46,886	30%
Sikkim	0.15	0.16	7%	2,408	3,043	26%
Tamil Nadu	1.69	1.72	2%	26,392	32,849	24%
Telangana	1.02	0.87	-15%	15,988	16,727	5%
Tripura	0.27	0.29	7%	4,212	5,560	32%
Uttar Pradesh	7.54	7.35	-3%	1,17,818	1,40,611	19%
Uttarakhand	0.44	0.45	2%	6,902	8,657	25%
<b>West Bengal</b>	<b>3.08</b>	<b>3.08</b>	<b>0%</b>	<b>48,048</b>	<b>58,963</b>	<b>23%</b>
<b>Total</b>	<b>42</b>	<b>41</b>	<b>-2%</b>	<b>6,56,046</b>	<b>7,84,181</b>	<b>20%</b>

Sources: Reports of 14<sup>th</sup> and 15<sup>th</sup> Finance Commissions (2020-21); Union Budget Documents 2020-21; PRS.

In addition, the 15<sup>th</sup> FC has also recommended certain grants-in-aid for various purposes for the year 2020-21. These include: (i) Rs 74,341 crore as grants to states for eliminating revenue deficit, of which West Bengal will receive Rs 5,013 crore, (ii) Rs 90,000 crore as grants to local bodies, of which West Bengal will receive Rs 6,536 crore (this consists of Rs 4,412 crore for rural local bodies and Rs 2,124 crore for urban local bodies).

<sup>‡</sup> This excludes the cess and surcharge revenue of the central government as it is outside the divisible pool and not shared with states. As per the 2019-20 union budget, cess and surcharge revenue account for 15% of the estimated gross tax revenue of the central government.