

# West Bengal Budget Analysis 2026-27

The Finance Minister of West Bengal, Dr. Swapan Dasgupta, presented the Budget for the financial year 2026-27 on June 22, 2026.

## Budget Highlights

- The **Gross State Domestic Product (GSDP)** of West Bengal for 2026-27 (at current prices) is projected to be Rs 21,48,244 crore, amounting to growth of 8% over 2025-26.
- **Expenditure (excluding debt repayment)** in 2026-27 is estimated to be Rs 3,84,169 crore, an increase of 23% over the revised estimate of 2025-26. In addition, debt of Rs 54,607 crore will be repaid by the state.
- **Receipts (excluding borrowings)** for 2026-27 are estimated to be Rs 3,21,747 crore, an increase of 31% over the revised estimate of 2025-26.
- **Revenue deficit** in 2026-27 is estimated to be 1% of GSDP (Rs 21,984 crore), lower than the revised estimate for 2025-26 (2.1% of GSDP). In 2025-26, revenue deficit is expected to be higher than budgeted (1.7% of GSDP).
- **Fiscal deficit** for 2026-27 is targeted at 2.9% of GSDP (Rs 62,421 crore). In 2025-26, as per the revised estimates, fiscal deficit is expected to be 3.4% of GSDP, lower than the budgeted (3.6% of GSDP).

## Policy Highlights

- **Financial assistance to farmers:** In addition to Rs 6,000 per year provided by the central government under PM-KISAN, the state government will provide an extra Rs 3,000 per year to every farmer family.
- **Scholarship for girl students:** To reduce dropout rates, unmarried girl students enrolling in undergraduate courses at government or government-aided colleges will receive a one-time financial grant of Rs 50,000.
- **Sangrami Bhata:** The state government will provide an allowance for individuals who faced false and frivolous cases due to their political beliefs.
- **Startup Policy:** A new startup policy will be implemented by the state government. The policy includes an incubation fund of Rs 40 crore and a Rs 60 crore venture capital fund for 2026-27.
- **Profession tax:** The state government will increase the profession tax exemption thresholds for salaried employees from Rs 10,000 to Rs 20,000 per month. The annual gross income threshold for self-employed persons engaged in professions and trade will be increased from Rs 60,000 to Rs 2.5 lakhs.

## West Bengal's Economy

- **GSDP:** In 2025-26, West Bengal's GSDP (at constant prices) is estimated to grow by 7.6% 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 19%, 22%, and 59% of West Bengal's economy, respectively (at current prices).
- **Per capita GSDP:** In 2025-26, West Bengal's per capita GSDP (at current prices) is estimated to be Rs 1,98,451, an increase of 9% over 2024-25. In 2025-26, India's per capita GDP is estimated to be Rs 2,51,393, an increase of 7% over 2024-25.

**Figure 1: Growth in West Bengal'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 3,84,169 crore. This is an increase of 23% from the revised estimate of 2025-26. This expenditure is proposed to be met through **receipts (excluding borrowings)** of Rs 3,21,747 crore and net borrowings of Rs 50,781 crore. Total receipts for 2026-27 (other than borrowings) are expected to register an increase of 31% over the revised estimate of 2025-26.
- The state estimates a **revenue deficit** of 1% of GSDP (Rs 21,984 crore) in 2026-27, lower than the revised estimate for 2025-26 (2.1% of GSDP). In 2025-26, revenue deficit is expected to be higher than budgeted.
- **Fiscal deficit** for 2026-27 is targeted at 2.9% of GSDP (Rs 62,421 crore), lower than the revised estimate for 2025-26 (3.4% of GSDP). In 2025-26, fiscal deficit is estimated to be lower than budgeted (3.6% 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	3,07,216	3,89,194	3,56,692	-8%	4,38,775	23%
(-) Repayment of debt	31,465	47,732	43,795	-8%	54,607	25%
<b>Net Expenditure (E)</b>	<b>2,75,752</b>	<b>3,41,462</b>	<b>3,12,897</b>	<b>-8%</b>	<b>3,84,169</b>	<b>23%</b>
Total Receipts	3,04,482	3,79,056	3,48,967	-8%	4,27,135	22%
(-) Borrowings	90,655	1,10,772	1,03,844	-6%	1,05,388	1%
of which central capex loans*	10,305	7,500	8,000	7%	8,810	10%
<b>Net Receipts (R)</b>	<b>2,13,827</b>	<b>2,68,284</b>	<b>2,45,123</b>	<b>-9%</b>	<b>3,21,747</b>	<b>31%</b>
<b>Fiscal Deficit (E-R)</b>	<b>61,924</b>	<b>73,178</b>	<b>67,774</b>	<b>-7%</b>	<b>62,421</b>	<b>-8%</b>
as % of GSDP	3.4%	3.6%	3.4%		2.9%	
<b>Revenue Deficit</b>	<b>39,727</b>	<b>35,315</b>	<b>41,164</b>	<b>17%</b>	<b>21,984</b>	<b>-47%</b>
as % of GSDP	2.2%	1.7%	2.1%		1.0%	
<b>Primary Deficit</b>	<b>16,519</b>	<b>24,400</b>	<b>18,420</b>	<b>-25%</b>	<b>9,387</b>	<b>-49%</b>
as % of GSDP	0.9%	1.2%	0.9%		0.4%	
GSDP	18,12,372	20,31,805	19,90,896	-2%	21,48,244	8%

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, West Bengal Budget Documents 2026-27; PRS.

## Expenditure in 2026-27

- **Revenue expenditure** for 2026-27 is proposed to be Rs 3,42,469 crore, an increase of 20% 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 40,930 crore, an increase of 55% from the revised estimate of 2025-26. This increase is on account of higher outlay on sectors such as water supply and sanitation and social security and welfare. Capital outlay indicates the expenditure towards creation of assets.
- In 2025-26, capital outlay is estimated to be 33% lower than budgeted. Sectors with relatively higher cutback in capital outlay include water supply and sanitation (82% lower) and welfare of SC, ST, and minorities (64% lower).

### Expenditure on Annapurna Bhandar Scheme

The West Bengal government launched the Annapurna Bhandar Scheme from 2026-27. Under the scheme, monthly cash transfers of Rs 3,000 will be provided to eligible women in the state. The scheme replaced the earlier Lakshmi Bhandar Scheme under which Rs 1,500 to Rs 1,700 per month were provided to women.

In 2025-26, expenditure on Lakshmi Bhandar scheme was Rs 26,700 crore (10% of revenue receipts). The expenditure under the Annapurna Scheme in 2026-27 is budgeted to be Rs 36,000 crore, which is 11% of the estimated revenue receipts.

Source: West Bengal Budget Documents 2026-27; PRS.

**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	2,53,427	3,01,375	2,86,031	-5%	3,42,469	20%
Capital Outlay	21,621	39,338	26,439	-33%	40,930	55%
Loans given by the state	703	749	428	-43%	769	80%
<b>Net Expenditure</b>	<b>2,75,752</b>	<b>3,41,462</b>	<b>3,12,897</b>	<b>-8%</b>	<b>3,84,169</b>	<b>23%</b>

Sources: Annual Financial Statement, West Bengal 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, West Bengal is estimated to spend Rs 1,62,190 crore on committed expenditure, which is 51% of its estimated revenue receipts. This comprises spending on salaries (26% of revenue receipts), pension (8%), and interest payments (17%). In 2024-25, as per actual figures, 65% of revenue receipts were spent on committed expenditure.

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

Committed Expenditure	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	67,937	73,330	73,047	-0.4%	82,304	13%
Pension	25,859	25,905	26,064	1%	26,852	3%
Interest payment	45,406	48,778	49,354	1%	53,034	7%
<b>Total</b>	<b>1,39,202</b>	<b>1,48,013</b>	<b>1,48,465</b>	<b>0.3%</b>	<b>1,62,190</b>	<b>9%</b>

Sources: Annual Financial Statement and Budget at a Glance, West Bengal Budget Documents 2026-27; PRS.

**Sector-wise expenditure:** The sectors listed below account for 68% of the total expenditure on sectors by the state in 2026-27. A comparison of West Bengal's expenditure on key sectors with other states is shown in Annexure 1.

**Table 4: Sector-wise expenditure under West Bengal 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
Social Welfare and Nutrition	45,653	47,234	53,696	63,894	19%	<ul style="list-style-type: none"> <li>Rs 36,000 crore has been allocated to Annapurna Bhandar Scheme.</li> <li>Rs 8,151 crore has been allocated to old age pension under Jai Bangla.</li> </ul>
Education, Sports, Arts, and Culture	40,835	50,559	36,262	54,798	51%	<ul style="list-style-type: none"> <li>Rs 20,936 crore has been allocated as assistance to non-government secondary schools.</li> <li>Rs 10,699 crore has been allocated as assistance to non-government primary schools.</li> <li>Rs 3,000 crore has been allocated to Samagra Shiksha Abhiyan.</li> </ul>
Health and Family Welfare	19,042	21,939	20,835	25,530	23%	<ul style="list-style-type: none"> <li>Urban health services have been allocated Rs 9,025 crore.</li> <li>Rural health services have been allocated Rs 3,164 crore.</li> <li>Ayushman Bharat Scheme has been allocated Rs 3,100 crore.</li> </ul>
Rural Development	10,738	14,227	10,600	24,555	132%	<ul style="list-style-type: none"> <li>Rs 11,000 crore has been allocated for VB G RAM G.</li> </ul>
Agriculture and Allied Activities	18,444	23,283	19,823	19,900	0.4%	<ul style="list-style-type: none"> <li>Rs 11,000 crore has been allocated to Pradhan Mantri Krishi Sinchayee Yojana.</li> <li>Rs 4,625 crore has been allocated to Krishak Bandu.</li> </ul>
Transport	6,558	9,287	13,460	15,887	18%	<ul style="list-style-type: none"> <li>Rs 9,413 crore has been allocated for capital outlay for roads and bridges.</li> </ul>
Water Supply and Sanitation	7,050	13,772	6,053	15,402	154%	<ul style="list-style-type: none"> <li>Rs 8,703 crore has been allocated for capital outlay for water supply and sanitation.</li> </ul>
Police	11,214	12,281	11,919	14,278	20%	<ul style="list-style-type: none"> <li>District police have been allocated Rs 9,386 crore.</li> </ul>
Housing	7,666	22,810	21,075	13,522	-36%	<ul style="list-style-type: none"> <li>Rs 13,000 crore has been allocated to Pradhan Mantri Awas Yojana-Gramin.</li> </ul>
Urban Development	7,970	12,138	11,288	12,068	7%	<ul style="list-style-type: none"> <li>Rs 2,211 crore has been allocated to Pradhan Mantri Awas Yojana-Urban.</li> </ul>
<b>% of total expenditure on all sectors</b>	<b>64%</b>	<b>67%</b>	<b>66%</b>	<b>68%</b>		

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

## Receipts in 2026-27

- **Total revenue receipts** for 2026-27 are estimated to be Rs 3,20,485 crore, an increase of 31% over the revised estimate of 2025-26. Of this, Rs 1,38,972 crore (43%) will be raised by the state through its **own resources**, and Rs 1,81,512 crore (57%) will come **from the centre**. Resources from the centre will be in the form of state's share in central taxes (34% of revenue receipts) and grants (22% of revenue receipts).
- **Devolution:** In 2026-27, the state's share in central taxes is estimated at Rs 1,10,119 crore, an increase of 3% over the revised estimate of 2025-26. A muted increase in devolution is owing to a reduction in West Bengal's share in devolution, as per the recommendations of the 16<sup>th</sup> Finance Commission (see Page 7).
- **Grants from the centre** in 2026-27 are estimated at Rs 71,393 crore, an increase of 224% over the revised estimate for 2025-26. This is driven by a high increase anticipated in the assistance for centrally sponsored schemes. In 2026-27, the state government has budgeted to receive Rs 62,793 crore under this head, an increase of 354% over the revised estimate for 2025-26 (Rs 13,821 crore).
- The grants from centre in 2025-26 is estimated to be 41% lower than budgeted. This is due to lower estimated receipts for the centrally sponsored schemes such as Jal Jeevan Mission (81% lower), Samagra Shiksha (78% lower), and MGNREGA (72% lower).
- **State's own tax revenue:** West Bengal's total own tax revenue is estimated to be Rs 1,30,670 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 6.1% in 2026-27, higher than the revised estimates for 2025-26 (5.6%). As per the actual figures for 2024-25, own tax revenue as a percentage of GSDP was 5.4%.

**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	97,994	1,12,544	1,11,737	-1%	1,30,670	17%
State's Own Non-Tax	3,688	9,360	3,795	-59%	8,303	119%
Share in Central Taxes	96,812	1,06,999	1,07,266	0.2%	1,10,119	3%
Grants-in-aid from Centre	15,205	37,158	22,069	-41%	71,393	224%
<b>Revenue Receipts</b>	<b>2,13,700</b>	<b>2,66,060</b>	<b>2,44,867</b>	<b>-8%</b>	<b>3,20,485</b>	<b>31%</b>
Non-debt Capital Receipts	128	2,224	256	-88%	1,263	393%
<b>Net Receipts</b>	<b>2,13,827</b>	<b>2,68,284</b>	<b>2,45,123</b>	<b>-8.6%</b>	<b>3,21,747</b>	<b>31%</b>

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

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

- In 2026-27, **State GST** is estimated to be the largest source of own tax revenue (47% share). SGST revenue is estimated to increase by 14% over the revised estimate of 2025-26.
- Revenue from state excise in 2026-27 is estimated to be 12% higher than the revised estimate of 2025-26.
- Revenue from Sales tax/VAT in 2026-27 is expected to be 26% higher than the revised estimate of 2025-26.

### Trends in Own Revenue

A state's own revenue is categorised as tax and non-tax revenues. When measured as a percentage of GSDP, it indicates the extent to which a state is able to generate revenue from its own economy. RBI noted that West Bengal's own tax revenue in 2024-25 was 5.4% of GSDP, lower than the average own tax revenue of states (6.3% of GSDP). Similarly, West Bengal's own non-tax revenue was 0.20% of GSDP in 2024-25, significantly lower than the average own non-tax revenue of states (1% of GSDP). A study of state finances for the 16<sup>th</sup> Finance Commission identified some reasons for lower revenue mobilisation in West Bengal. These include: (i) low growth in the organised sector and (ii) inefficiencies in tax collection.

Sources: State Finances: A study of budgets 2025-26, RBI; Evaluation of state finances of West Bengal, 16<sup>th</sup> Finance Commission; PRS.

**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	45,224	49,772	53,829	8%	61,535	14%
State Excise	19,521	22,550	22,223	-1%	24,922	12%
Sales Tax/ VAT	12,346	13,905	13,021	-6%	16,421	26%
Stamps Duty and Registration Fees	8,511	10,100	9,002	-11%	11,110	23%
Taxes on Vehicles	4,033	5,824	4,549	-22%	5,081	12%
Land Revenue	3,526	5,012	3,861	-23%	4,928	28%
Taxes and Duties on Electricity	3,400	3,501	3,695	6%	4,786	30%

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

## Deficits, Debt, and FRBM Targets for 2026-27

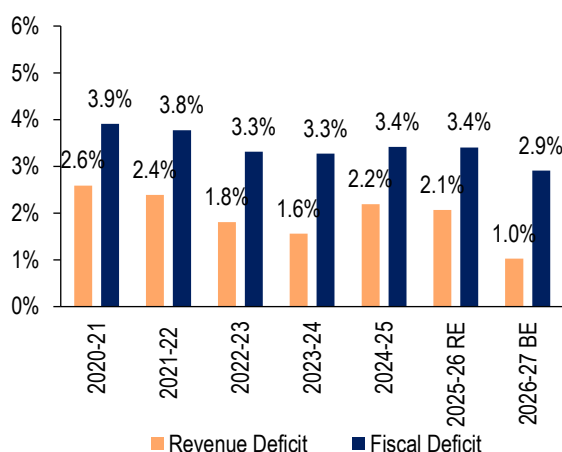
The West Bengal Fiscal Responsibility and Budget Management Act, 2010 provides annual targets to progressively reduce the outstanding debt, revenue deficit and fiscal deficit of the state government.

**Revenue deficit:** 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 21,984 crore (1% of GSDP) in 2026-27.

**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 2.9% of GSDP. The 16<sup>th</sup> 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 will be excluded to arrive at the annual borrowing ceiling. As per the revised estimates, in 2025-26, the fiscal deficit of the state is expected to be 3.4% of GSDP. This is lower than the budget estimate (3.6% of GSDP). In both 2025-26 and 2026-27, central capex loans are estimated to be 0.4% 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, the outstanding liabilities is estimated to be 38% of GSDP, marginally lower than the revised estimate for 2025-26 (38.3% of GSDP).

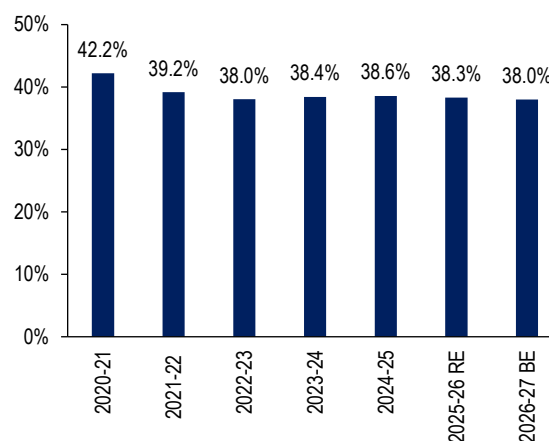
**Figure 2: Revenue and Fiscal Deficit (% of GSDP)**



Note: RE is Revised Estimates; BE is budget estimates.

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

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



Note: BE is budget estimates. RE is Revised Estimates

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

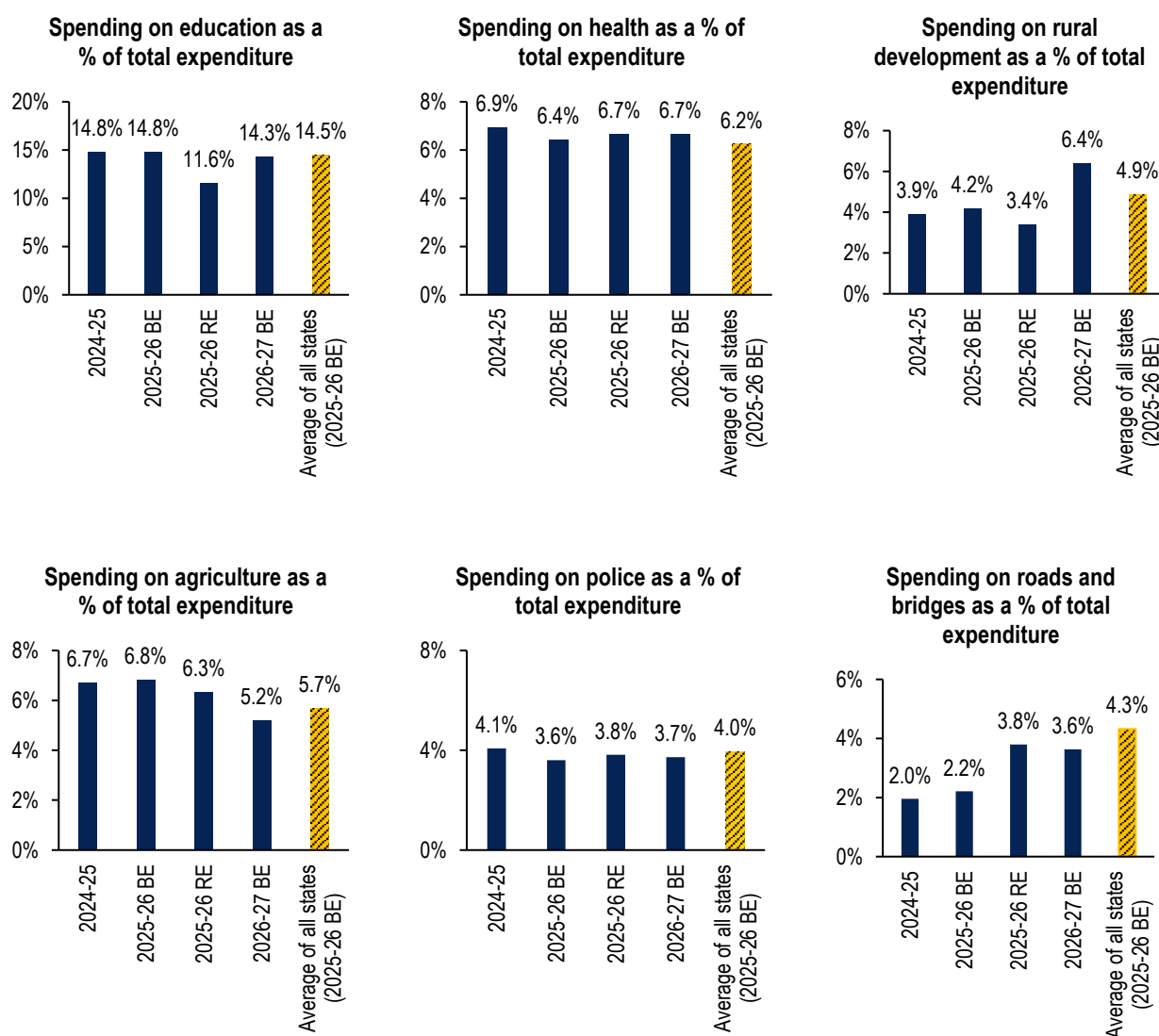
**Outstanding Government Guarantees:** Outstanding liabilities of states do not include a few other liabilities that are contingent in nature, which states may have to honour in certain cases. State governments guarantee the borrowings of State Public Sector Enterprises (SPSEs) from financial institutions. At the end of 2025-26, the state's outstanding guarantee is estimated to be Rs 16,202 crore, which is 1% of GSDP.

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

The graphs below compare West Bengal'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 West Bengal) as per their budget estimates of 2025-26.<sup>1</sup>

- **Education:** West Bengal has allocated 14.3% of its expenditure on education in 2026-27. This is marginally lower than the average allocation for education by states in 2025-26 (14.5%).
- **Health:** West Bengal has allocated 6.7% 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:** West Bengal has allocated 6.4% 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:** West Bengal has allocated 5.2% of its expenditure on agriculture in 2026-27. This is lower than the average allocation for agriculture by states in 2025-26 (5.7%).
- **Police:** West Bengal has allocated 3.7% of its expenditure on police in 2026-27. This is lower than the average allocation for police by states in 2025-26 (4%).
- **Roads and bridges:** West Bengal has allocated 3.6% of its expenditure on Roads and bridges in 2026-27. This is lower than the average allocation for Roads and bridges by states in 2025-26 (4.3%).



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

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

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

## Annexure 2: Recommendations of the 16<sup>th</sup> Finance Commission for 2026-31

The Report of the 16<sup>th</sup> 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 16<sup>th</sup> Commission (FC) has recommended the share of states in the divisible pool of central taxes at 41%. The share remains unchanged from the 15<sup>th</sup> 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 16<sup>th</sup> FC has proposed a revised criteria to determine the share of individual states. See [here](#) for a PRS summary of the 16<sup>th</sup> Finance Commission Report. Based on the recommendations of the 16<sup>th</sup> FC, West Bengal will have a 7.22% share in the divisible pool of central taxes for the 2026-31 period.

The 16<sup>th</sup> 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 15<sup>th</sup> FC: (i) revenue deficit grants, (ii) sector-specific grants, and (iii) state-specific grants. Grants recommended for West Bengal over the 2026-31 period include: (i) Rs 22,023 crore for urban local bodies, (ii) Rs 28,203 crore for rural local bodies, and (iii) Rs 6,869 crore as disaster management grants. In addition, Howrah will be eligible for a special infrastructure grant for development of wastewater management system (up to Rs 5,000 crore). 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 7: Individual share of states in the taxes devolved by the centre (out of 100)**

State	14 <sup>th</sup> FC (2015-2020)	15 <sup>th</sup> FC (2021-26)	16 <sup>th</sup> 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	2.5	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	0.5	0.56
Nagaland	0.5	0.57	0.48
Odisha	4.64	4.53	4.42
Punjab	1.58	1.81	2.00
Rajasthan	5.5	6.03	5.93
Sikkim	0.37	0.39	0.34
Tamil Nadu	4.02	4.08	4.10
Telangana	2.44	2.1	2.17
Tripura	0.64	0.71	0.64
Uttar Pradesh	17.96	17.94	17.62
Uttarakhand	1.05	1.12	1.14
<b>West Bengal</b>	<b>7.32</b>	<b>7.52</b>	<b>7.22</b>

**Table 8: State-wise details of grants-in-aid for 2026-31 (in Rs crore)**

State	Rural Local Body Grants	Urban Local Body Grants	Disaster Management Grants
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
<b>West Bengal</b>	<b>28,203</b>	<b>22,023</b>	<b>6,869</b>

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

**Table 9: 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
<b>West Bengal</b>	<b>95,852</b>	<b>1,04,793</b>	<b>1,10,119</b>
<b>Total</b>	<b>12,74,121</b>	<b>13,92,971</b>	<b>15,26,255</b>

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 10: Overview of Receipts and Expenditure (in Rs crore)**

Particular	2024-25 BE	2024-25 Actuals	% change from BE to Actuals
<b>Net Receipts (1+2)</b>	<b>2,36,438</b>	<b>2,13,827</b>	<b>-11%</b>
1. Revenue Receipts (a+b+c+d)	2,36,250	2,13,700	-10%
a. Own Tax Revenue	1,02,349	97,994	-4%
b. Own Non-Tax Revenue	6,317	3,688	-42%
c. Share in central taxes	92,900	96,812	4%
d. Grants-in-aid from the Centre	34,684	15,205	-56%
2. Non-Debt Capital Receipts	187	128	-32%
3. Borrowings	1,21,689	90,655	-26%
Of which central capex loans	6,220	10,305	66%
<b>Net Expenditure (4+5+6)</b>	<b>3,04,689</b>	<b>2,75,752</b>	<b>-9%</b>
4. Revenue Expenditure	2,68,203	2,53,427	-6%
5. Capital Outlay	35,866	21,621	-40%
6. Loans and Advances	620	703	13%
7. Debt Repayment	61,427	31,465	-49%
<b>Revenue Deficit</b>	<b>31,953</b>	<b>39,727</b>	<b>24%</b>
Revenue Deficit (as % of GSDP)	1.7%	2.2%	-
<b>Fiscal Deficit</b>	<b>68,252</b>	<b>61,924</b>	<b>-9%</b>
Fiscal Deficit (as % of GSDP)	3.6%	3.4%	-

Source: West Bengal Budget Documents of various years; PRS.

**Table 11: Key Components of State's Own Tax Revenue**

Tax Source/Head	2024-25 BE	2024-25 Actuals	% change from BE to Actuals
State Excise	21,846	19,521	-11%
Sales Tax/ VAT	13,228	12,346	-7%
State GST	47,337	45,224	-4%
Taxes on Vehicles	4,093	4,033	-1%
Land Revenue	3,470	3,526	2%
Taxes and Duties on Electricity	3,286	3,400	3%
Stamps Duty and Registration Fees	7,300	8,511	17%

Source: West Bengal Budget Documents of various years; PRS.

**Table 12: Allocation towards Key Sectors**

Sector	2024-25 BE	2024-25 Actuals	% change from BE to Actuals
Irrigation and Flood Control	5,657	3,171	-44%
Rural Development	18,892	10,738	-43%
Urban Development	12,198	7,970	-35%
Welfare of SC, ST, OBC, and Minorities	7,809	5,418	-31%
Agriculture and Allied Activities	22,620	18,444	-18%
Education, Sports, Arts, and Culture	47,470	40,835	-14%
Transport	7,437	6,558	-12%
of which Roads and Bridges	5,714	5,368	-6%
Health and Family Welfare	20,053	19,042	-5%
Social Welfare and Nutrition	45,007	45,653	1%
Police	10,984	11,214	2%
Housing	7,333	7,666	5%
Water Supply and Sanitation	5,052	7,050	40%
Energy	3,765	5,413	44%

Source: West Bengal Budget Documents of various years; PRS.