

Gujarat Budget Analysis 2020-21

The Finance Minister, Mr. Nitin Patel, presented the Budget for Gujarat for the financial year 2020-21 on February 26, 2020.

Budget Highlights

- The **Gross State Domestic Product (GSDP)** of Gujarat for 2020-21 (at current prices) is estimated to be Rs 18,84,922 crore. This is a 13% increase from the revised estimate of 2019-20. In 2019-20, GSDP is estimated to grow at a rate of 11% over the previous year (at current prices).
- **Expenditure** for 2020-21 is estimated to be Rs 2,14,133 crore, a 10.5% increase over the revised estimate of 2019-20. Revised expenditure for 2019-20 is Rs 9,012 crore (4.4%) lower than the budgeted estimate.
- **Total receipts (excluding borrowings)** for 2020-21 are estimated to be Rs 1,62,712 crore, an increase of 8.4% 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 4,881 crore (3.1%).
- **Fiscal deficit** for the year 2020-21 is targeted at Rs 33,536 crore (1.78% of GSDP). In 2019-20, as per the revised figures, fiscal deficit is estimated to decrease by Rs 4,195 crore to 1.63% of GSDP, as compared to the budgeted 1.84% of GSDP. The budget estimates a Rs 789 crore **revenue surplus** (0.04% of GSDP) in 2020-21.
- Sectors such as Industry (30%), Rural Development (22%), and Police (17%) saw the highest increase in allocations. Allocation to the Social Welfare and Nutrition sector (18%) saw the highest decrease.

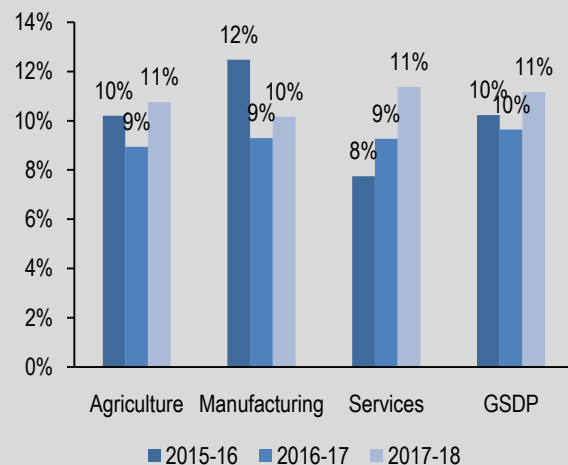
Policy Highlights

- **Tax proposals:** Electricity duty will be reduced: (i) on cold storages from 20% to 10%, (ii) on religious places from 25% to 7.5% in rural areas and to 15% in urban areas, and (iii) on residuary category (including trade and commerce category) from 25% to 20%. This will result in the estimated loss of Rs 330 crore of tax revenue for the state.
- **Mukhya Mantri Gramya Svanirbhar Yojana:** A new scheme has been launched to generate sustainable employment among women in rural area. Women self-help groups will be provided with interest subvention to purchase mills to grind grains. The scheme has been allocated Rs 193 crore.
- **Dinkar Yojana:** Rs 500 crore has been allocated to this scheme. Under this, the power transmission network will be strengthened and new substations installed to provide day time electricity to farmers.
- **Modernisation of Alang ship recycling yard** has been planned at the cost of Rs 715 crore. Under this project, 15 new ship recycling yards will be constructed and 70 will be upgraded.

Gujarat's Economy

- **GSDP:** The growth rate of Gujarat's GSDP (at constant prices) has increased from 10% in 2015-16 to 11% in 2017-18.
- **Sectors:** In 2017-18, agriculture, manufacturing, and services contributed 19%, 45%, and 36%, respectively, to the state's economy. In the same year, these sectors grew by 11%, 10%, and 11%, respectively.
- **Per capita income:** The per capita GSDP of Gujarat in 2017-18 (at current prices) was Rs 1,99,463. This is 12% higher than the per capita GSDP in 2016-17.
- **Unemployment:** According to the Periodic Labour Force Survey 2017-18, Gujarat has an unemployment rate of 4.8%, which is lower than the all-India unemployment rate of 6.1%.

Figure 1: Growth rate in GSDP and sectors in Gujarat at constant (2011-12) prices



Sources: Central Statistics Office, MOSPI; PRS.

Note: These numbers are as per constant prices, which implies that the growth rate is adjusted for inflation.

Budget Estimates for 2020-21

- Total expenditure in 2020-21 is targeted at Rs 2,14,133 crore, which is 10.5% higher than the revised estimate of 2019-20. This expenditure is proposed to be met through receipts (other than borrowings) of Rs 1,62,712 crore (78%) and borrowings of Rs 46,501 crore (12%). Total receipts (other than borrowings) in 2020-21 is expected to be 8.4% higher than the revised estimate of 2019-20. Borrowings are estimated to increase by 5.7% in 2020-21, as compared to the revised estimate of 2019-20.
- In 2019-20, as per the revised figures, expenditure is estimated to decrease by Rs 9,012 crore (4.4%) in comparison to the budgeted estimate, whereas receipts (other than borrowings) are estimated to fall short by Rs 4,881 crore (3.1%).

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
Total Expenditure	1,78,015	2,02,862	1,93,850	-4.4%	2,14,133	10.5%
A. Receipts (except borrowings)	1,36,218	1,55,018	1,50,137	-3.1%	1,62,712	8.4%
B. Borrowings	43,146	42,929	44,001	2.5%	46,501	5.7%
Total Receipts (A+B)	1,79,364	1,97,947	1,94,138	-1.9%	2,09,213	7.8%
Revenue Surplus	3,212	2,874	1,142	-60.3%	789	-30.9%
As % of GSDP	0.21%	0.17%	0.07%		0.04%	
Fiscal Deficit	26,365	31,253	27,058	-13.4%	33,536	23.9%
As % of GSDP	1.76%	1.84%	1.63%		1.78%	
Primary Deficit	6,182	9,744	4,495	-53.9%	9,665	115.0%
As % of GSDP	0.41%	0.57%	0.27%		0.51%	

Note: BE indicates Budget Estimate and RE indicates Revised Estimate.

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

Expenditure in 2020-21

- Capital expenditure** for 2020-21 is proposed to be Rs 52,475 crore, which is an increase of 16.2% 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 33,371 crore, which is 22.8% higher than the revised estimate of 2019-20. Sectors receiving the highest allocation for capital outlay in 2020-21 include irrigation and flood control (28% of the total capital outlay), water supply, sanitation, housing, and urban development (17%), and transport (13%).
- Revenue expenditure** for 2020-21 is proposed to be Rs 1,61,658 crore, which is 8.7% higher than the revised estimate of 2019-20. Revenue expenditure includes subsidies, and payment of salaries, pension, and interest.
- Revenue expenditure forms 75% of the total expenditure in 2020-21. Rest 25% of the total expenditure comprises of capital outlay (16%), and repayment and grant of loans (9%).

Subsidies: The state provides subsidies to the departments of agriculture and co-operation, energy and petrochemicals, food and civil supply, ports and transports, among others. In 2020-21, the state will provide subsidies of Rs 17,147 crore. This is 8% lower than the revised estimate of 2019-20, where Rs 18,560 crore was provided as subsidies.

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	45,225	51,004	45,164	-11.4%	52,475	16.2%
of which Capital Outlay	28,062	32,807	27,185	-17.1%	33,371	22.8%
Revenue Expenditure	1,32,790	1,51,858	1,48,686	-2.1%	1,61,658	8.7%
Total Expenditure	1,78,015	2,02,862	1,93,850	-4.4%	2,14,133	10.5%
A. Debt Repayment	15,432	16,591	16,655	0.4%	17,885	7.4%
B. Interest Payments	20,183	21,509	22,563	4.9%	23,871	5.8%
Debt Servicing (A+B)	35,615	38,100	39,218	2.9%	41,756	6.5%

Note: BE indicates Budget Estimate and RE indicates Revised Estimate.

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

Sector-wise Expenditure in 2020-21

The sectors listed below account for **66%** of the total expenditure towards all sectors in 2020-21. A comparison of Gujarat's expenditure on certain key sectors with that by the other states can be found in Annexure 1.

Table 3: Sector-wise expenditure in Gujarat 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, Sports, Arts and Culture	24,988	26,518	26,535	27,932	5.3%	Rs 1,415 crore has been allocated to Samagra Shiksha Abhiyan.
Water Supply, Sanitation, Housing and Urban Development	15,827	20,103	18,639	20,175	8.2%	Rs 4,544 crore has been allocated to Swarnim Jayanti Mukhya Mantri Shaheri Vikas Yojana.
Energy	10,528	12,854	12,855	12,660	-1.5%	Rs 7,385 crore has been allocated to provide power at subsidised rate for agriculture.
Health and Family Welfare	9,984	10,754	10,761	11,225	4.3%	Rs 1,105 crore has been allocated to the Mukhya Mantri Amrutam Ma and Ma Vatsalya Scheme.
Irrigation and Flood Control	11,422	11,715	10,151	10,922	7.6%	Rs 3,128 crore has been allocated to the Narmada Project Group IV.
Transport	8,538	9,606	9,079	9,302	2.5%	Rs 3,303 crore has been allocated to state highways and Rs 175 crore to national highways.
Agriculture and allied activities	9,212	8,394	8,599	8,914	3.7%	Rs 1,000 crore has been allocated for providing loans to farmers at 0% interest. Rs 1,190 crore has been allocated for the payment of crop insurance premium.
Industry	4,655	5,131	5,538	7,189	29.8%	Rs 950 crore has been allocated for assistance to large industries and Rs 100 crore for rehabilitation of sick industries.
Rural Development	4,783	6,212	5,731	6,986	21.9%	Rs 1,110 crore has been allocated to the 'Saune Awas' scheme.
Social Welfare and Nutrition	4,400	6,529	8,068	6,609	-18.1%	Rs 460 crore has been allocated to the Indira Gandhi National Old Age Pension Scheme.
Police	5,040	5,499	5,378	6,286	16.9%	Rs 5,088 crore has been allocated to district police forces.
% of total expenditure	68%	67%	69%	66%		

Sources: Gujarat Budget Documents 2020-21 (Annual Financial Statement, Detailed Demands for Grants, Budget Speech); 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, Gujarat is estimated to spend Rs 77,413 crore on committed expenditure, i.e. payment of salaries, pension, and interest (equivalent to 48% of the state's revenue receipts). This implies that the state has 52% 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.

Typically, committed expenditure is inflexible in nature with a limited scope for any change during the year. However, the state's expenditure on pension and interest has seen an increase from the budgeted stage to the final stage. In 2019-20, as per the revised figures, the expenditure on pension is estimated to increase by Rs 959 crore (6.2%), and the expenditure on interest payment is estimated to increase by Rs 1,054 crore (4.9%).

Table 4: Committed expenditure for Gujarat 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	30,572	34,026	34,011	0.0%	37,428	10.0%
Pension	18,295	15,423	16,383	6.2%	16,114	-1.6%
Interest	20,183	21,509	22,563	4.9%	23,871	5.8%
Committed Expenditure	69,051	70,958	72,956	2.8%	77,413	6.1%

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

Receipts in 2020-21

- The **total revenue receipts** for 2020-21 are estimated to be Rs 1,62,447 crore, an increase of 8.4% over the revised estimate of 2019-20. Of this, Rs 1,19,694 crore (74% of the revenue receipts) will be raised through state's **own resources**, and Rs 42,754 crore (26% 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 31.7% over the revised estimate of 2019-20. However, in 2019-20, devolution is estimated to decrease by 22.2% to Rs 20,245 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 15th Finance Commission for the year 2020-21, particularly the revised share of Gujarat 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*	80,103	99,063	97,258	-1.8%	1,05,094	8.1%
State's Own Non-Tax	13,417	13,980	16,582	18.6%	14,600	-12.0%
Share in Central Taxes	23,489	26,048	20,245	-22.2%	26,660	31.7%
Grants from Centre*	18,992	15,642	15,742	0.6%	16,094	2.2%
Revenue Receipts	1,36,002	1,54,732	1,49,827	-3.2%	1,62,447	8.4%
Borrowings	43,146	42,929	44,001	2.5%	46,501	5.7%
Other receipts	216	286	310	8.4%	265	-14.5%
Capital Receipts	43,362	43,215	44,311	2.5%	46,766	5.5%
Total Receipts	1,79,364	1,97,947	1,94,138	-1.9%	2,09,213	7.8%

Note: *State's Own Tax and Grants from Centre figures have been adjusted to account for GST compensation grants as Grants from Centre.
Sources: Gujarat Budget Documents 2020-21 (Annual Financial Statement, Detailed Receipts); PRS.

- **Own tax revenue:** Total own tax revenue of Gujarat is estimated to be Rs 1,05,094 crore in 2020-21 (65% of the revenue receipts). This is 8.1% higher than the revised estimate of 2019-20. The own tax to GSDP ratio is targeted at 5.6% in 2020-21, which is marginally lower than the revised estimate of 5.8% in 2019-20. This implies that growth in state's tax collections is expected to be marginally lower than the growth in GSDP.

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 2019-20 to RE 2019-20	2020-21 Budgeted	% change from RE 2019-20 to BE 2020-21
State GST*	34,889	48,735	48,735	0.0%	55,560	14.0%
Sales Tax/ VAT	22,414	24,840	22,725	-9.0%	23,230	2.2%
Stamp Duty and Registration Fees	7,781	8,972	8,500	-5.0%	8,700	2.4%
Electricity Tax and Duty	7,348	7,900	8,700	10.0%	8,700	0.0%
Taxes on vehicles	4,119	4,500	4,550	1.1%	4,558	0.2%
GST Compensation Grants	6,149	-	-	0.0%	-	0.0%

Note: *State GST figures have been adjusted to account for GST compensation grants as grants from centre (and not state GST revenue).
Sources: Gujarat 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 55,560 crore in 2020-21. This is a 14% increase over the revised estimate of 2019-20. SGST comprises 34% of the revenue receipts estimated for 2020-21.
- In 2020-21, the state is expected to generate Rs 23,230 from sales tax and VAT (on items such as petroleum products). This is a 2.2% increase from the revised estimate of 2019-20.
- In 2020-21, the state is expected to generate Rs 8,700 crore each from stamp duty and registration fees (2.4% increase from the revised estimate of 2019-20), and electricity tax and duty (same as 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.

Gujarat received GST compensation grants of Rs 6,149 in 2018-19. No grants are estimated for subsequent years. This suggests that Gujarat's GST revenue has increased by at least 14% and the state did not face any loss of revenue due to GST implementation.

Deficits, Debt, and FRBM Targets for 2020-21

The Gujarat Fiscal Responsibility Act, 2005 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. A revenue surplus, on the other hand, implies that revenue receipts are expected to be higher than revenue expenditure. It provides surplus funds to the state which can be used for capital investments or repayment of loans. Note that revenue surplus over a long-term period may also indicate inadequate revenue expenditure by the state.

The budget estimates a revenue surplus of Rs 789 crore in 2020-21, which is 0.04% of GSDP. This is lower than the Rs 1,142 crore revenue surplus in 2019-20 (revised estimate), which is 0.07% of GSDP. This implies that the state has met the 14th Finance Commission's recommendation of eliminating revenue deficit. The 15th Finance Commission has not suggested any revenue deficit grants for the state since it has been consistently witnessing a revenue surplus.

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 33,536 crore, which is 1.78% of GSDP. The estimate is within the 3% limit recommended by the 14th Finance Commission. In 2019-20, fiscal deficit is estimated to be Rs 27,058 crore (1.63% of GSDP), which is 3% lower than the fiscal deficit of Rs 26,365 crore in 2018-19 (1.76% of GSDP).

Outstanding debt: Outstanding debt is the accumulation of borrowings taken by the state government over the years. At the end of the year 2020-21, the state's outstanding debt is expected to be 15.7% of GSDP. This is lower 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, Gujarat is expected to spend Rs 41,756 crore on servicing its debt. This is 6.5% higher than the revised estimate for 2019-20. This includes Rs 17,885 crore towards repayment of loans, and Rs 23,871 crore towards interest payments.

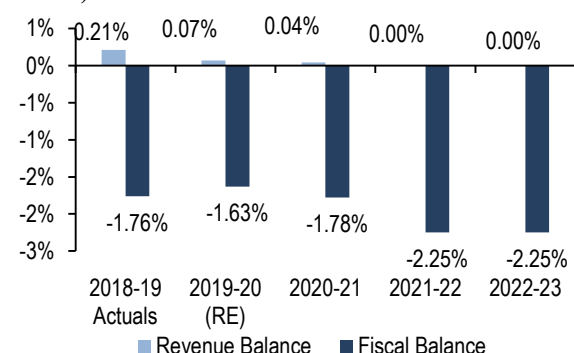
Table 7: Budget targets for deficits for Gujarat in 2020-21 (% of GSDP)

Year	Revenue	Fiscal	Outstanding Debt
	Deficit (-)/Surplus (+)	Deficit (-)/Surplus (+)	
2018-19 (Actuals)	0.21%	-1.76%	16.0%
2019-20 (RE)	0.07%	-1.63%	16.1%
2020-21	0.04%	-1.78%	15.7%
2021-22	0.00%	-2.25%	15.7%
2022-23	0.00%	-2.25%	15.4%

Note: Figures for 2020-21, 2021-22, and 2022-23 are budget targets.
Sources: Gujarat Budget Documents 2020-21 (MTFP Statement); PRS.

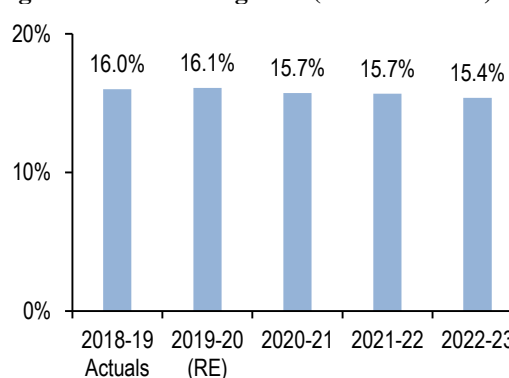
Figures 2 and 3 show the trend in deficits and outstanding debt of the state from 2018-19 to 2022-23.

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



Note: Figures for 2020-21, 2021-22, and 2022-23 are budget targets.
Sources: Gujarat Budget Documents 2020-21; PRS.

Figure 3: Outstanding debt (as % of GSDP)



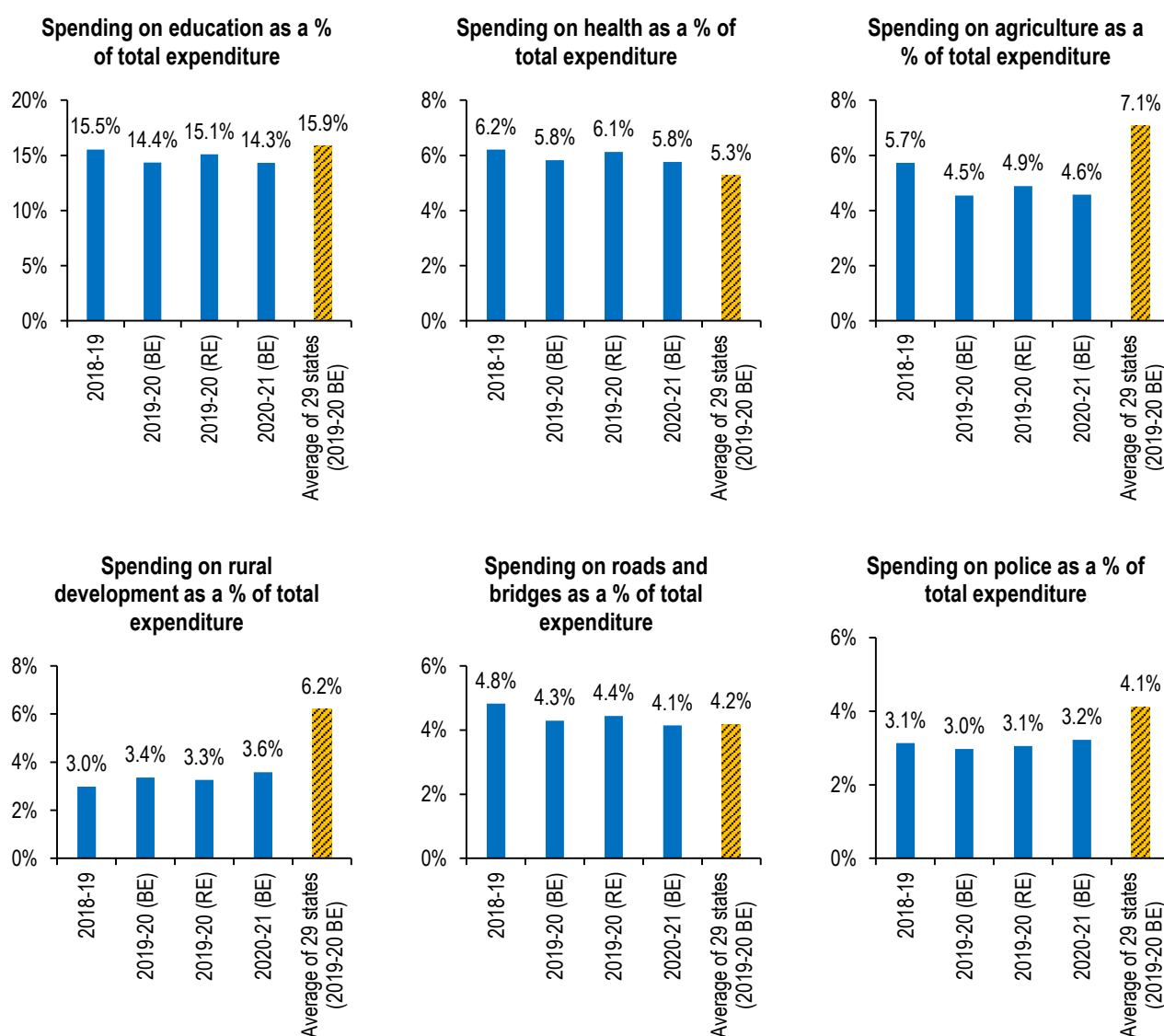
Note: Figures for 2020-21, 2021-22, and 2022-23 are budget targets.
Sources: Gujarat Budget Documents 2020-21; PRS.

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Annexure 1: Comparison of states' expenditure on key sectors

The graphs below compare Gujarat's expenditure on six key sectors as a proportion of its total spending on all sectors. The average for a sector indicates the average expenditure in that sector by 29 states as per their budget estimates of 2019-20.*

- **Education:** Gujarat has allocated 14.3% of its expenditure for education in 2020-21. This is lower than the average expenditure (15.9%) allocated for education by states (using 2019-20 BE).
- **Health:** Gujarat has allocated 5.8% 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 4.6% of its expenditure towards agriculture and allied activities in 2020-21. This is significantly lower than the average allocation by states (7.1%).
- **Rural development:** Gujarat has allocated 3.6% of its expenditure for rural development in 2020-21. This is significantly lower than the average allocation for rural development by states (6.2%).
- **Roads and bridges:** Gujarat has allocated 4.1% of its expenditure for roads and bridges in 2020-21, which is similar to the average allocation for roads and bridges by states (4.2%).
- **Police:** Gujarat has allocated 3.2% of its expenditure for police in 2020-21, which is lower than the average allocation for police by states (4.1%).



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

* 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: 15th Finance Commission's recommendations for 2020-21

The 15th Finance Commission's (15th FC) report for the financial year 2020-21 was tabled in Parliament on February 1, 2020. The 15th 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 14th 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 15th 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[†], as per the recommendations of the 14th FC for 2015-20 and the 15th FC for 2020-21. The 15th FC has recommended a 1.39% share for the state in the centre's tax revenue for 2020-21 (7% higher than the share recommended by the 14th FC for 2015-20). This implies that out of every Rs 100 of centre's tax revenue in 2020-21, Gujarat will receive Rs 1.39. 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 14th and 15th Finance Commissions (2020-21)

State	Share of states in centre's tax revenue			Devolution to states by the centre		
	14 th FC (2015-20)	15 th 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%
West Bengal	3.08	3.08	0%	48,048	58,963	23%
Total	42	41	-2%	6,56,046	7,84,181	20%

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

In addition, the 15th 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 Gujarat will receive none, and (ii) Rs 90,000 crore as grants to local bodies, of which Gujarat will receive Rs 4,733 crore (this consists of Rs 3,195 crore for rural local bodies and Rs 1,538 crore for urban local bodies).

[†] 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.