

Statement 2B

STATEMENT OF MAJOR VARIATIONS OF EXPENDITURE BETWEEN RE 2025-26 AND BE 2026-27

Budget Estimates of Expenditure for 2026-27 show an increase of ₹ 3,82,473 crore over the Revised Estimates 2025-26. The major items of expenditure where variations have occurred are indicated below:

(in ₹ crores)					
	Revised 2025-2026	Budget 2026-2027	Variation Decrease (-) /Increase (+)		
1 Interest Payment and Servicing of Debt	1268628	1399972	(+)	131344	
2 Grants to State Governments	93252	208796	(+)	115544	
3 Special Assistance as Loan to States/UTs (with Legislature) for Capital Investment	150000	200000	(+)	50000	
4 Capital Outlay on Defence Services	186454	219306	(+)	32852	
5 Capital Outlay on Other Communication Services	23235	45138	(+)	21903	
6 Capital Outlay on Indian Railways	251944	277697	(+)	25753	
7 Capital Outlay on Roads and Bridges	252533	275772	(+)	23239	
8 Labour, Employment and Skill Development	10775	28715	(+)	17940	
9 Customs	31877	18946	(-)	12931	
10 Fertilizers	186569	170890	(-)	15679	
11 Other Expenditure	2509575	2502083	(-)	7492	
Total Expenditure	4964842	5347315	(+)	382473	

Due to

- 1 increase in payment of interest on market loans, cash management bills, treasury bills, external loans, small savings and provident funds.
- 2 allocations for Jal Jeevan Mission (JJM), Urban Local Bodies (under Finance Commission Grants), Pradhan Mantri Awas Yojna (PMAY), Urban Challenge Fund, etc.
- 3 higher provision for Special assistance to States and Union Territories (with legislature) for capital intensive expenditure.
- 4 higher requirement for capital expenditure of Armed Forces.
- 5 higher provision for compensation to Service Providers for creation and augmentation of telecom infrastructure (Universal Service Obligation Fund), Bharatnet project, and capital infusion in BSNL towards creation of telecom infrastructure.
- 6 higher requirements for schemes financed from National Investment Fund, doubling of railway track, construction of new lines, and for payments for capital component of leased assets, etc.
- 7 higher provision for development of National Highways, including projects relating to expressways, road connectivity in Left wing extremism affected areas and for providing last mile connectivity.
- 8 increased allocation to formalize workforce, incentivize job creation and strengthen social security, with benefits available for jobs under Pradhan Mantri Viksit Bharat Rozgar Yojana.
- 9 reduced requirement projected for Remission of Duties and Taxes on Exported Products and Rebate on State and Central Taxes and Levies.
- 10 reduced requirement for imported Urea and P&K fertilizers leading to balanced use of fertilizer nutrients for better soil health and productivity.