



GOVERNMENT OF NAGALAND

EXPLANATORY MEMORANDUM TO THE BUDGET FOR THE YEAR 2026-27

(As laid before the State Legislature)

EXPLANATORY MEMORANDUM

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SECTION - I

SUMMARY OF FINANCIAL POSITION

The general financial position of the State on the basis of the Accounts for the year 2024-25, Budget Estimates / Revised Estimates of the Year 2025-26 and the Budget Estimates for the Year 2026-27 is summarised below :

(Rupees in Lakh)

	Accounts 2024-25	Budget 2025-26	Revised 2025-26	Budget 2026-27
I. CONSOLIDATED FUND				
Revenue Receipts	1608652.84	1874425.65	1701712.86	1949512.14
Expenditure met from Revenue	1533380.81	1712652.66	1583513.57	1797270.08
Surplus/Deficit on Revenue Account	75272.03	161772.99	118199.29	152242.06
Capital Receipts	739813.78	610475.19	1068343.49	301197.85
Expenditure met from Capital including Loans and Advances (Net)	811962.29	757248.18	1189325.83	415463.28
Surplus/Deficit (-) on Capital Account	-72148.51	-146772.99	-120982.34	-114265.43
TOTAL : CONSOLIDATED FUND (Net)	3123.52	15000.00	-2783.05	37976.63
II. CONTINGENCY FUND (Net)	0.00	0.00	0.00	0.00
III. PUBLIC ACCOUNT (Net)	15697.67	-15000.00	-38000.00	-30500.00
TOTAL - NET TRANSACTION	18821.19	0.00	-40783.05	7476.63
Opening Balance	40745.00	-84320.58	-398.34	-41181.39
Closing Balance	59566.19	-84320.58	-41181.39	-33704.76

Note :-

The Opening balance of Rs. (-) 398.34 lakh, for 2025-26 represents the cash balance as per the accounts of the Reserve Bank of India for that year. This differs from the Accounts reflected in Finance Accounts for 2024-25, which is to be reconciled between the RBI and the Accountant General.

SECTION - II

DETAILED BREAK-UP OF CENTRAL GRANTS TO STATE

(Rupees in Lakh)

		Accounts 2024-25	Budget 2025-26	Revised 2025-26	Budget 2026-27
(i)	Statutory Grants under the award of Finance Commission	406800.00	364700.00	364700.00	0.00
(ii)	Grant for State Disaster Risk Management Fund	4800.00	6081.50	22906.00	8200.00
(iii)	Finance Commission Grant for Health Sector	1850.47	6608.00	6608.00	0.00
(iv)	Grants for CSS	199087.98	396265.04	227352.02	424628.25
(v)	FC Grants for Local Bodies	2496.92	153.00	15876.92	17600.00
(vi)	Reimbursement of Security Related Expenditure	6787.95	10000.00	8821.46	15000.00
(vii)	Modernisation of Fire Services	0.00	0.00	2523.15	0.00
(viii)	Grants for Externally Aided Projects	15719.57	34035.30	21437.66	28511.87
(ix)	Special Grant for Revenue Gap	0.00	0.00	0.00	450000.00
	TOTAL :	637542.89	817842.84	670225.21	943940.12

SECTION - III

DETAILED BREAK-UP OF RECEIPTS ON CAPITAL ACCOUNT

(Rs. in Lakh)

		Accounts 2024-25	Budget 2025-26	Revised 2025-26	Budget 2026-27
A	Internal Debt of the State Government	578607.56	606540.99	910598.00	297877.36
B	Loans and Advances from the Central Government	161285.06	3781.70	157592.99	3167.99
C	Repayment of Loans to the State Government	-98.84	152.50	152.50	152.50
	Total :	739793.78	610475.19	1068343.49	301197.85

I.	Internal Debt of the State Government :				
	The details are :-				
1	Loans from Open Market	155000.00	249476.03	260000.00	291247.03
2	Loans from REC	5679.63	0.00	0.00	0.00
3	Loans from HUDCO	1003.76	789.80	790.00	962.04
4	Loans from NABARD	4462.94	4631.19	4934.00	5217.29
5	Ways and Means Advance from RBI	412188.00	350000.00	644779.00	1.00
6	Loans from Other Institutions:-				
	(i). PFC	273.23	0.00	0.00	0.00
	(ii). SIDBI	0.00	1643.97	95.00	0.00
	(iii). UIDF	0.00	0.00	0.00	450.00
	Total :	578607.56	606540.99	910598.00	297877.36

II.	Loans and Advances from the Central Government :				
	The details are :-				
1	Loans from Non-Lapsable Pool/NEC	0.00	0.00	0.00	0.00
2	Loans for Externally Aided Project	1311.77	3181.29	2381.99	3167.99
3	Loan for Special Assistance to State for Capital Investment	159973.27	0.00	155211.00	0.00
	Total :	161285.04	3181.29	157592.99	3167.99

SCHEDULE INDICATING THE TOTAL EXPENDITURE ON SALARIES AND ALLOWANCES

(Rs in Lakh)

Demand No. & Description		No. of Employees as on 31.10.2025	Accounts	B E	R E	B E
			2024-25	2025-26	2025-26	2026-27
1		2	3	4	5	6
1	State Legislature					
	Non-Development	374	3608.04	3617.67	3577.01	3574.72
2	Head of State.					
	Non-Development	96	696.89	809.03	681.68	795.69
3	Council of Ministers.					
	Non-Development	25	179.08	187.54	188.80	256.30
4	Administration of Justice.					
	Non-Development	554	4417.11	4432.99	4272.90	4448.10
5	Election.					
	Non-Development	199	1469.25	1512.04	1562.46	1556.38
6	Land Revenue.					
	Non-Development	12	89.75	106.04	105.21	103.18
7	State Excise.					
	Non-Development	404	2542.81	2674.50	2590.32	2736.83
8	Sales Tax.					
	Non-Development	271	1962.36	2114.73	2048.50	2158.41
9	Taxes on Vehicles.					
	Non-Development	231	1556.34	1700.08	1647.79	1723.28
10	Public Service Commission.					
	Non-Development	60	659.45	788.37	708.71	650.10
11	District Administration					
	Non-Development	3341	18649.91	19500.45	19229.60	19500.95
12	Treasury & Accounts Administration.					
	Non-Development	529	4204.01	6110.71	4326.32	6174.68
13	Village Guards.					
	Non-Development	9726	4671.65	4893.97	4869.66	4905.73
14	Jails.					
	Non-Development	1314	5667.17	6205.43	5977.74	6371.35
15	Lokayukta					
	Non-Development	117	950.43	1006.37	892.25	973.57
16	State Guest Houses					
	Non-Development	237	1261.59	1337.67	1292.76	1311.92

(Rs in Lakh)

Demand No. & Description		No. of Employees as on 31.10.2025	Accounts	B E	R E	B E
			2024-25	2025-26	2025-26	2026-27
1		2	3	4	5	6
17	State Lotteries					
	Non-Development	37	361.00	357.84	343.21	298.43
19	Rajya Sainik Board					
	Non-Development	31	282.75	291.96	292.23	180.31
22	Civil Supplies.					
	Non-Development	594	3573.89	3737.16	3652.84	3642.05
25	Land Records & Survey.					
	Non-Development	442	2597.75	2685.21	2711.03	2671.88
26	Civil Secretariat.					
	Non-Development	2193	19229.99	24733.34	20253.58	30309.26
27	Planning Machinery.					
	Non-Development	315	2031.80	2075.95	2010.78	2169.02
28	Civil Police.					
	Non-Development	22634	159803.80	174119.05	161910.43	186352.20
29	Stationery and Printing.					
	Non-Development	440	2842.63	3029.14	2861.11	3089.70
30	Administrative Training Institute.					
	Non-Development	71	608.29	625.44	648.06	698.44
31	School Education.					
	CPS/CSS etc.	4481	8098.77	8200.00	7383.14	7013.98
	Non-Development	16195	175126.75	186669.00	178510.04	197283.19
	Total	20676	183225.52	194869.00	185893.18	204297.17
32	Higher Education.					
	Non-Development	1425	17472.47	16325.96	18461.72	17167.56
33	Youth Resources & Sports.					
	Non-Development	443	2579.97	2769.66	2781.49	2724.01
34	Art and Culture & Gazetteers.					
	Non-Development	266	1724.31	1868.65	1823.25	1919.70
35	Medical, Public Health & Family Welfare.					
	CPS/CSS etc.	582	4526.18	3816.59	4668.76	5200.00
	Non-Development	8311	61868.25	66823.11	60479.59	66479.14
	Total	8893	66394.43	70639.70	65148.35	71679.14

(Rs in Lakh)

Demand No. & Description		No. of Employees as on 31.10.2025	Accounts	B E	R E	B E
			2024-25	2025-26	2025-26	2026-27
1	2	3	4	5	6	
36	Urban Development.					
	Non-Development	225	1828.86	1851.79	1654.88	1702.39
37	Municipal Administration					
	Non-Development	72	506.30	558.46	525.49	563.16
38	Information & Public Relations.					
	Non-Development	618	3672.46	3525.32	3740.53	4098.49
39	Tourism					
	Non-Development	151	1031.84	1185.20	1129.78	1199.64
40	Employment & Craftsmen Training					
	Non-Development	421	2603.82	2913.43	2720.58	2893.15
41	Labour					
	Non-Development	226	860.94	905.58	903.10	1002.18
42	Rural Development					
	Non-Development	1239	9012.46	9644.22	9415.65	9646.39
43	Social Security and Welfare.					
	CPS/CSS etc.	8498	2717.30	5300.00	3302.10	3401.17
	Non-Development	184	3008.52	6736.72	3406.14	3447.97
	Total	8682	5725.82	12036.72	6708.24	6849.14
44	Evaluation					
	Non-Development	121	873.89	989.84	1056.02	840.13
45	Co-operation.					
	Non-Development	295	2093.72	2253.51	2241.36	2279.08
46	Statistics.					
	Non-Development	623	4811.95	5158.10	5026.84	5289.99
47	Legal Meterology & Consumer Protection.					
	Non-Development	182	1017.65	1043.17	1054.87	976.47
48	Agriculture.					
	Non-Development	1319	9029.70	9453.43	9484.20	9991.55
49	Soil and Water Conservation.					
	Non-Development	818	5065.87	4995.87	5101.30	5491.64
50	Animal Husbandry & Dairy Development.					
	Non-Development	1561	11019.51	11210.31	11065.09	11436.72
51	Fisheries.					
	Non-Development	327	2220.02	2292.65	2350.83	2118.91

(Rs in Lakh)

Demand No. & Description		No. of Employees as on 31.10.2025	Accounts	B E	R E	B E
			2024-25	2025-26	2025-26	2026-27
1	2	3	4	5	6	
52	Forest Ecology, Environment and Wildlife.					
	Non-Development	1261	9023.80	9336.49	9093.45	9412.23
53	Industries.					
	Non-Development	873	5673.81	5841.73	5795.60	6111.95
54	Mineral Development.					
	Non-Development	401	2717.75	2808.87	2835.82	2946.43
55	Power					
	Non-Development	2655	18403.27	17366.53	18460.95	18118.37
56	Road Transport.					
	Non-Development	1115	7380.31	7447.51	7227.92	7272.54
58	Roads and Bridges.					
	Non-Development	5540	38774.93	39388.24	41394.63	41491.05
59	Irrigation & Flood Control.					
	CPS/CSS etc.	6	80.00	140.57	78.39	85.39
	Non-Development	580	3647.81	3840.07	3453.39	3647.10
	Total	586	3727.81	3980.64	3531.78	3732.49
60	Water Supply					
	Non-Development	1463	13020.66	10303.54	13368.05	10205.48
62	Civil Administration Works.					
	Non-Development	81	578.08	369.27	680.29	514.77
63	Science, Technology, Ecology & Environment.					
	Non-Development	23	176.32	173.84	172.23	189.33
64	Housing.					
	Non-Development	2472	17880.88	16985.54	17337.60	18054.45
65	SCERT.					
	CPS/CSS etc.	287	1842.28	2706.85	2011.50	2045.74
	Non-Development	103	3668.96	3837.89	2272.90	4116.86
	Total	390	5511.24	6544.74	4284.40	6162.60
66	Sericulture.					
	Non-Development	542	2002.30	1977.75	1980.93	2044.57
67	Home Guards.					
	Non-Development	1211	3364.84	3453.48	3593.32	3485.59
68	Police Engineering Project.					
	Non-Development	266	2255.94	2035.67	2263.04	2099.96

(Rs in Lakh)

Demand No. & Description		No. of Employees as on 31.10.2025	Accounts	B E	R E	B E
			2024-25	2025-26	2025-26	2026-27
1	2	3	4	5	6	
69	Fire Services.					
	Non-Development	786	4224.04	4670.11	4524.11	4888.79
70	Horticulture.					
	Non-Development	418	2257.95	2359.13	2367.31	2292.12
72	Land Resources Development					
	Non-Development	226	1125.89	1248.37	1218.81	1225.81
73	State Institute of Rural Development					
	Non-Development	98	536.34	505.64	540.28	552.02
74	Mechanical Engineering.					
	Non-Development	833	5325.60	5382.05	5507.85	5718.98
76	Women Welfare					
	Non-Development	106	849.21	832.72	778.13	757.16
77	Development of Under Developed Areas					
	Non-Development	78	604.82	675.38	654.98	683.52
78	Technical Education					
	Non-Development	335	2660.79	2885.90	2913.48	3081.25
79	Border Affairs					
	Non-Development	19	135.30	151.45	152.91	157.05
80	Nagaland Information Commission					
	Non-Development	23	239.91	249.98	252.58	254.53
81	Information Technology and Communication					
	Non-Development	42	343.85	386.50	378.57	425.40
82	New and Renewable Energy					
	Non-Development	65	542.91	575.17	608.78	617.31
TOTAL : CPS/CSS Etc.		13854	17264.53	20164.01	17443.89	17746.28
TOTAL : NON- DEVELOPMENT		100884	708763.27	752915.48	721415.64	785568.56
GRAND TOTAL :		114738	726027.80	773079.49	738859.53	803314.84

ANNEXURE - I
Statement indicating Transfer of Funds to Local Bodies

(Rs in Lakh)

Sl. No.	Demand No and Description	Head of Account	Amount provided in the Budget 2025-26		Classification	Amount received from GOI 2025-26 (RE)	Amount allocated to Local Bodies 2025-26 (RE)
			(BE)	(RE)			
1	2	3	4	5	6	7	8
1	42- Rural Development	2515-Other Rural Dev. Prog. 00-102-Community Development 03-Grant to Rural Local Bodies 09-Grant-in-Aid	99.00	9900.00	6	2880.00	2880.00
		04-Health Grants 01- Block level Public Health Units 09- Grant in Aid	1724.00	1770.10	6	0.00	46.10
		04-Health Grants 02- Conversion of Rural PHCs & Sub Centres 09-Grant in Aid	949.00	949.00	6	0.00	0.00
		04-Health Grants 03- Building-less Sub Centres PHCs & CHCs '09- Grant in Aid	119.00	119.00	6	0.00	0.00
		TOTAL:	2891.00	12738.10	24.00	2880.00	2926.10
2	35 - Medical Public Health & Family Welfare	4210- Capital Outlay on Medical & Public Health, 04- Public Health, 200- Other Programmes 10- Diagnostic Infrastructure to the PHC Facilities					
		01- Sub Centres 13-Major Works	369.00	369.00	6	0.00	0.00
		02- PHCs 13- Major Works	710.00	710.00	6	0.00	0.00
		03- Urban PHCs 13- Major Works	119.00	119.00	6	0.00	0.00
		TOTAL:	1198.00	1198.00	2	0.00	0.00
3	37 -Municipal Administration	2217-80-191: 01- Urban Bodies Grants Basic Grants	0.00	7.29	2	0.00	7.29
		Basic Grants	54.00	5976.92	6	323.08	323.08
		02- Health Grants 9 - Grant-in-Aid	2618.00	2618.00	6	0.00	0.00
		TOTAL:	2672.00	8602.21		323.08	330.37
		GRAND TOTAL :	6761.00	22538.31		3203.08	3256.47

Fund allocation to Rural Local Bodies i.e. Village Councils under the following Districts :-

			RE 2025-26
1. Kohima	7. Dimapur	13.Chümoukedima	
2. Mokokchung	8. Peren	14.Shamator	
3. Tuensang	9. Longleng	15.Tseminyu	
4. Mon	10. Kiphire	16.Niuland	
5. Zunheboto	11. Phek		
6. Wokha	12. Noklak		

3 - Municipal Councils (MC) & 36 - Town Councils (TC) under the following Districts :-

1. Kohima	7. Dimapur	13.Chümoukedima	
2. Mokokchung	8. Peren	14.Shamator	
3. Tuensang	9. Longleng	15.Tseminyu	
4. Mon	10. Kiphire	16.Niuland	
5. Zunheboto	11. Phek		
6. Wokha	12. Noklak		

ANNEXURE -II
FISCAL INDICATORS

(Rs. in Crore)

Sl. No.	Items/Years	Accounts	Budget Estimate	Revised Estimate	Budget Estimate
		2024-25	2025-26	2025-26	2026-27
1	2	3	4	5	6
A	Revenue Account				
	(i). Own Tax Revenue	1709.53	1878.42	1835.93	2076.17
	(ii). Non-Tax Revenue	679.18	593.71	552.92	638.27
	(iii). Transfer from Centre	13697.82	16272.13	14628.28	16780.68
	a. Revenue Receipts (i+ii+iii)	16086.53	18744.26	17017.13	19495.12
	b.Total Revenue Expenditure	15333.81	17126.53	15835.14	17972.70
	of which :				
	(i). Salary & Wages	7048.68	7529.10	7214.16	7855.69
	(ii). Interest Payment	1273.69	1326.83	1264.54	1443.29
	(iii). Pensions	3199.58	3871.71	3446.68	3928.39
	(iv). Others Revenue Expenditure [E - (i+ii+iii)]	3811.86	4398.89	3909.76	4745.33
	of which:				
	(a) Social Sector:	1382.98	583.51	1153.76	1536.22
	(I). Education(2202+2203+2204+2205)	522.52	76.39	321.52	277.17
	(II). Health Sector (2210+2211)	273.85	36.88	329.95	60.26
	(III). Other Social Services [(a)-Education & Health Expdr.]	586.61	470.24	502.29	1198.79
	(b) Economic Services:	1697.33	864.43	3783.62	2364.15
	(I). Transport (3053+3054+3055)	41.44	63.02	424.35	480.36
	(II). Other Economic Services	1655.89	801.41	3359.27	1883.79
	(c) Revenue Surplus/Deficit (a-b)	752.72	1617.73	1181.99	1522.42
B	Capital Account				
	(i). Recovery of Loans and Advances	-0.99	1.53	1.53	1.53
	(ii). Capital Outlay	3524.31	2968.69	4176.21	2978.38
	(iii). Disbursement of Loans and Advances	0.35	0.57	0.80	0.80
C	Fiscal Deficit	2772.93	1350.00	2993.49	1455.23
D	Primary Surplus/Deficit (C - Interest)	1499.24	23.17	1728.95	11.94
E	Debt & Liabilities of which:-	20702.59	21524.16	23498.92	25027.97
	SASCI	3577.10	3577.10	5129.21	5129.21
F	GSDP	40369.00	45020.00	44442.00	48500.00
G	Debt as Liabilities as % of GSDP (excluding SASCI)	42.42%	43.70%	41.33%	41.03%
H	Fiscal Deficit as % of GSDP (excluding SASCI)	2.91%	3.00%	3.25%	3.00%