



nota bene Update

WEST BENGAL BUDGET

2026-27





Index

INTRODUCTION	1
A. INFRASTRUCTURE	2
B. INDUSTRIES AND COMMERCE	4
C. REAL ESTATE.....	5
D. EASE OF DOING BUSINESS	6
E. TAX	7
F. TOURISM	8
G. EDUCATION AND RESEARCH	9
H. WOMEN AND CHILD WELFARE.....	10
I. SOCIAL WELFARE.....	11



INTRODUCTION

The West Bengal Budget 2026-27 (“**WB Budget**”) outlines the Government’s vision of fostering inclusive economic growth through a combination of regulatory reforms, infrastructure development, social welfare initiatives and investments in key sectors. The WB Budget adopts a holistic approach by balancing continued public welfare commitments with measures aimed at strengthening the State’s industrial, technological and investment ecosystem.

It is a policy manifesto aimed at transitioning West Bengal from a subsidy-reliant model to one defined by capital creation and infrastructure-led growth. The combination of governance reforms, strategic infrastructure investments and sector-focused policy interventions is expected to enhance the State’s competitiveness and strengthen its position as a preferred destination for businesses and long-term capital deployment.

In this *nota bene* update, we aim to explore key highlights of the WB Budget in terms of various proposals announced in a sector-wise manner as well as the legal and regulatory reforms proposed for improving ease of doing business in the State coupled with enhanced industrial growth and social reforms.



A. INFRASTRUCTURE

- (i) Preparation of a comprehensive development plan under the Purvodaya Scheme to transform West Bengal into a **key growth engine of eastern India** through industrial corridors, manufacturing hubs, and tourism development.
- (ii) Development of **Siliguri as logistics and trade hub** through development of integrated logistics parks, multimodal transport infrastructure, modern warehousing facilities, cold chain networks and improved road, rail and air connectivity.
- (iii) Development of a **deep-sea port** at Dandanpatrabarh in Purba Medinipur through the PPP model, which will have an integrated port estate for cargo handling facilities, storage and ancillary industries, multimodal dedicated road and rail connectivity.
- (iv) Growth of **aviation infrastructure** through development of new airports at Purulia, Balurghat and Malda under the UDAN Scheme, expansion of existing Cooch Behar Airport, and setting up of a new green field airport at Kalyani which will complement the existing Kolkata airport.
- (v) Focus on development of **energy sector** by building 2×800 MW thermal power plant at Santaldih under the PPP model and setting up a Mega Floating Solar Photovoltaic Project with Battery Energy Storage System (BESS) at Bakreshwar Dam.
- (vi) Proposal to develop **healthcare infrastructure** through establishment of an AIIMS hospital and cancer hospital in North Bengal, super speciality hospitals in Sundarbans, Purulia and Darjeeling, for which government will endeavour to attract private investment.
- (vii) Strengthening of **multimodal logistics** infrastructure through completion of critical freight connectivity projects, development of Dankuni as a multimodal logistics hub, support for the Eastern Dedicated Freight Corridor and state level facilitation of the proposed Dankuni-Surat Dedicated Freight Corridor.
- (viii) Focus on **development of infrastructure for tea industry** by setting up a Common Tea Processing Centre at Siliguri and dedicated tea processing zone at Syama Prasad Mookerjee Port which will house world class infrastructure for tea trade including processing centres, packaging units, auction houses, etc.
- (ix) Development of **marine infrastructure** by building Ro-Ro terminals at Shalimar and Garden Reach and creation of support infrastructure for minor ports including Kulpi. Additionally, strengthening of the Maritime Board for improvement of maritime infrastructure and coastal economies have also been proposed.



- (x) Boost to **sports infrastructure** by building international standard stadium and indoor stadium in North Bengal.
- (xi) Expansion of **road infrastructure** through construction of several major bridges, elevated corridors and road over bridges (ROBs) to improve connectivity, safety and mobility across the State.
- (xii) Undertaking **techno-economic feasibility studies** for metro connectivity between Durgapur-Asansol and Siliguri-Jalpaiguri to support future urban transit expansion.

Impact

Collectively, these announcements underscore the Government's continued emphasis on infrastructure-led growth as a catalyst for industrialisation, regional integration and private investment. The proposed expansion of road, rail, aviation, maritime and energy infrastructure is expected to holistically improve multimodal connectivity, reduce logistics costs and strengthen supply chain efficiencies across the State. Taken together, these initiatives are expected to reinforce West Bengal's position as a strategic gateway to Eastern and North-Eastern India as well as neighbouring SAARC countries and ASEAN region.



B. INDUSTRIES AND COMMERCE

- (i) Introduction of a **new West Bengal Investment Promotion Framework** which will include a new incentive policy.
- (ii) Implementation of a **startup policy** within 3 months which will include an incubation fund of INR 40 crore and venture capital fund of INR 60 crore for this financial year.
- (iii) Introduction of a **Global Capability Centre (GCC)** policy in consultation with the stakeholders.
- (iv) Intention to **revive traditional industrial** and **agro-processing clusters** with special emphasis on jute industry in Howrah and Hooghly and tea and agro-processing clusters at Siliguri and Darjeeling.
- (v) Key **policy boosts** will be provided to give impetus to industrial and commercial activities through multiple initiatives such as setting up of a textile park in Dakshin Dinajpur, developing of Siliguri IT Park, setting up a semiconductor unit at Durgapur, developing a defence manufacturing hub in the Gangajalghati Industrial Park
- (vi) A **national institute of design** will be set up in collaboration with Government of India to promote economic and cultural development by providing world class training in industrial, communication and textile design.
- (vii) Development of **Durgapur Industrial node** and **Dhubulia Industrial cluster** in Nadia will be undertaken as part of Bharat Audyogik Vikas Yojana (BHAVYA) scheme.
- (viii) Subsidy of 35% extended to **multi-purpose storage facilities** upto 100 MT up from limit of 25 MT.
- (ix) Proposal for private sector to set-up single commodity and multi-commodity industrial parks through incentives.
- (x) Launch of **Banglar Udyam Credit Card Scheme** to provide financial support of upto INR 10 lakh each, comprising of INR 5 lakh as a grant and INR 5 lakh as an interest free loan to encourage entrepreneurship to up to 2 lakh youth.

Impact

The strategic focus on capital expenditure over revenue grants in the industrial sector is expected to modernize the state's physical infrastructure, making it more attractive for large-scale private investment. By combining credit-linked schemes with cluster development and power subsidies, the government aims to revitalize the MSME sector, which is the state's largest employer after agriculture. This multi-pronged approach is designed to reverse industrial stagnation, boost the GVA (Gross Value Added) share of the industry beyond the current 29.77% and foster a self-sustaining ecosystem of "Samridhi" (Prosperity).



C. REAL ESTATE

- (i) **Urban Land (Ceiling and Regulation) Act, 1976 to be re-examined** with the objective of fully utilising the development potential of the urban lands and eliminating the impediments for large scale land acquisition.
- (ii) **Rationalization of land-use provisions** under the West Bengal Tea Tourism Policy by reducing the permissible usage of tea estate land for commercial purposes from 30% to 15% of the total tea estate land.
- (iii) Implementation of **consent based Aadhaar seeding** under the Digital India Land Records Modernization Programme (DILRMP) to enhance transparency, eliminate duplication across sectors, strengthen data integrity and facilitate seamless integration with the Agri Stack ecosystem.
- (iv) Commitment to **participate in the National Geospatial Knowledge-based Land Survey of Urban Habitations (NAKSHA)** initiative under DILRMP, supporting the modernization, digitization, and scientific mapping of urban land records across the State.
- (v) Launch of a **comprehensive Registration Reforms Programme** aimed at improving transparency, ease of registration and public service delivery through online document verification, online slot booking, biometric facial recognition, paperless refund mechanisms, digitized record preservation and modernization of public amenities at registration offices.
- (vi) Development of a **comprehensive land bank** by identifying and reclaiming industrial land lying unutilised with PSU and other government entities as well as unutilised plots allotted in industrial estates (with refund of lease premium, salami and other admissible charges without any interest).

Impact

The WB Budget signals a strong push toward land governance reforms, digital transformation of property administration, modernization of land records, and review of urban land ceiling regulations, through which the State seeks to improve transparency, reduce transaction inefficiencies, unlock land availability thereby creating a more investment friendly real estate ecosystem. Combined with significant allocations for urban development and housing, these measures are expected to strengthen real estate activity, enhance ease of doing business and support sustainable urban growth across West Bengal.



D. EASE OF DOING BUSINESS

- (i) Review of existing regulatory processes, approvals, inspections and compliance requirements which will include implant of a **single window system** for statutory clearances.
- (ii) Projects with proposed investment of INR 100 crore and above will be **exempted from obtaining separate NOCs** from Zilla Parishads and Panchayat Samitis, with all approvals processed through the State level Single Window System in a time bound manner.
- (iii) Introduction of **legislation to safeguard businesses from informal extortion** and “syndicate charges”, aimed at reducing the cost of doing business.
- (iv) Proposal to **review the West Bengal Shops and Establishment Act, 1963** to allow round the clock operation of shops, restaurants, offices, logistics services and hospitality establishments.
- (v) To make West Bengal as **preferred destination for AI oriented data centres and hyperscale cloud computing** infrastructure by providing eligible projects with incentives such as reimbursement of stamp duty, waiver of electricity duty, facilitation of dedicated high quality power supply, relaxation in floor area ratio and expedited approval through single window clearance.
- (vi) **Impetus to legal mining** by conducting e-auctions in a centralized manner for minor minerals as well as fast tracking of issuance of all clearances and approvals with clear timings.
- (vii) **Expert committee** comprising representatives from industry, professional institutions and relevant government departments will be constituted which will submit report within 4 months for examining overlap/ multiple statutory charges and/ or licensing fees.
- (viii) Proposal to support the revival of the **Calcutta Stock Exchange**.

Impact

The WB Budget marks a significant shift towards creating a more streamlined and business-friendly regulatory environment by placing ease of doing business at the centre of its policy agenda. The proposed review of existing approvals, inspections and compliance requirements, coupled with the focus on the single window system and time-bound clearances for large investment projects, is expected to simplify regulatory processes and reduce implementation timelines. Altogether, these proposed reforms showcase the government’s vision to position West Bengal as a competitive destination for industrial and commercial activities.



E. TAX

- (i) Expansion of the eAbgari platform will enable end-to-end digital tracking of liquor products and advance duty payment mechanisms, alongside stricter action against illicit liquor.
- (ii) **Agricultural Income Tax remains waived**, with **collections** limited to recovery of past arrears.
- (iii) The government plans to strengthen **GST collections** through greater use of **Artificial Intelligence (AI)** and **Data Analytics**, leveraging West Bengal's large consumption base.
- (iv) **Exemption from Professional Tax** has been provided to BSF personnel.

Impact

The proposed tax and revenue measures reflect a strategy of enhancing revenue collection through technology and compliance improvements rather than imposing additional tax burdens. Digitalization of excise administration and the use of AI-driven GST analytics are expected to reduce leakages, improve transparency, and strengthen the state's revenue base.



F. TOURISM

- (i) The WB Budget prioritizes the development of **new tourism attractions, infrastructure upgrades**, and incentives for private sector participation to enhance the state's tourism potential.
- (ii) Support for **homestays, religious sites, and heritage destinations** seeks to promote community-based tourism, preserve cultural assets, and strengthen pilgrimage tourism.
- (iii) The government plans extensive tourism promotion and branding initiatives while undertaking tourism projects in **Scheduled Caste (DAPSC) and Scheduled Tribe (DAPST)** areas to ensure balanced regional development.
- (iv) The government plans to establish **5 regional medical hubs** in partnership with the private sector to strengthen healthcare infrastructure and position West Bengal as a preferred destination for medical tourism, improving access to advanced treatment and attracting patients from outside the state and abroad.
- (v) The WB Budget focuses on improving **religious tourism** infrastructure, promoting Darjeeling as a heritage and adventure tourism hub, developing a sustainable tourism master plan for the Sundarbans, and expanding eco-tourism in the Jangal Mahal region to support conservation and local livelihoods.

Impact

The initiatives are expected to boost tourist arrivals, generate employment, attract investment, promote rural development, and strengthen the state's cultural and tourism economy.



G. EDUCATION AND RESEARCH

- (i) **One IIT** and **one IIM** will be established in North Bengal, along with setting up of a sports university and a tribal university.
- (ii) An **integrated forensic lab** with training facilities will be set up on 50 acres of land to provide a centralised hub to tackle rising cybercrimes, financial frauds and allied offences.
- (iii) **New medical colleges** will be set up in Alipurduar, Kalimpong, Dakshin Dinajpur and Paschim Bardhaman.
- (iv) A '**Swami Vivekananda Merit Scholarship**' will be launched to fully cover tuition fees and health insurance for students admitted to the top 100 universities globally (as per QS World University Ranking) for undergraduate or master's courses. Financial assistance will also be provided for admissions to national level institutions.
- (v) One girls' hostel will be set up in each district in PPP model.
- (vi) **Atal Tinkering Labs** will be set up in 1,000 schools to promote innovation, creativity and scientific thinking through hands on learning.
- (vii) University townships in the vicinity of major industrial corridors will be set up with support from the Government of India, creating a holistic higher education ecosystem in partnership with foreign universities and multilateral agencies.

Impact

These comprehensive education and research initiatives will significantly enhance human capital development across West Bengal. By expanding access to quality higher education, setting up of new universities and centres of excellence, supporting meritorious students through scholarships and establishing new medical colleges, the Government aims to bridge educational gaps particularly in underserved regions. The aim is to generate a future ready workforce and drive long term economic and social progress for the State.



H. WOMEN AND CHILD WELFARE

- (i) Introduction of 33% reservation for women in the additional 1 lakh State Government jobs to be created, leading to **increased female workforce participation** and economic empowerment.
- (ii) Promotion of **women-led economic empowerment** through 100 Cloud Kitchens run by SHGs and Cooperative Societies, supported by a Women Employment Platform and improved access to credit, aimed at generating sustainable livelihoods and integrating women into the digital economy.
- (iii) The WB Budget strengthens **gender-responsive governance** through initiatives such as **Annapurna Yojana**, which provides direct financial assistance to women, alongside continued support for schemes promoting women's economic security and social protection.
- (iv) Women will benefit from **free travel on state-run buses**, improving access to employment and education. Safety measures are reinforced through the **181 Women Helpline** and One Stop Centres. The WB Budget also emphasizes maternal and preventive healthcare through support for pregnant women and cancer screening initiatives.
- (v) The government continues to focus on child nutrition and protection through **Saksham Anganwadi, POSHAN 2.0, and Mission Vatsalya**. Educational support is strengthened through **Kanyashree, PM-SHRI school upgrades**, and the **Sabooj Sathi** bicycle scheme.

Impact

The measures aim to improve women's financial independence, health, safety, and mobility while ensuring better nutrition, protection, and educational opportunities for children, fostering inclusive social development.



I. SOCIAL WELFARE

- (i) Social Welfare and Nutrition remain the largest expenditure head, with an allocation of INR 63,894.03 crore, reflecting the state's continued focus on social protection and inclusive welfare.
- (ii) Over 1 Lakh Government Jobs are targeted to be filled with 33% reservation for women. The WB Budget also announces an enhancement in **Dearness Allowance (DA)** from 18% to 38% w.e.f. 01.10.2026 for state government employees and INR3,000/month financial assistance for unemployed youth under **Bhorsa Karmasathi Scheme**
- (iii) The newly introduced **Annapurna Yojana** receives INR9,568.33 crore, strengthening food security and nutritional support for vulnerable households.
- (iv) Expansion in welfare coverage for gig workers, transport workers, and unorganized sector labour **through** dedicated social security and welfare board initiatives.
- (v) Under the **Jai Bangla** mission, allocations for old-age pensions, widow pensions, and for disability pensions have been provided.
- (vi) The **Viksit Bharat-Guarantee for Rozgar and Ajeevika Mission (Gramin)** has been supported with substantial funding to strengthen rural employment and livelihood security.

Impact

The 2026-27 welfare roadmap aims to transition West Bengal toward a “Leakage-Free Welfare State”. By integrating central schemes like Viksit Bharat and Annapurna Yojana with established state programs, the government is creating a more comprehensive safety net that extends to previously underserved groups like gig workers. The scale of these allocations, particularly in pensions and food security, is designed to enhance the purchasing power of the rural and urban poor, thereby stimulating local demand and contributing to the state's overall economic recovery while ensuring that social stability is maintained during the transition toward an industry-led growth model.



Let's get in touch



KOLKATA

9, Old Post Office Street, 8th and 3rd Floor, Kolkata 700 001



MUMBAI

Raheja Center, 6th Floor, Office No. 602, Nariman Point, Mumbai 400 021.



NEW DELHI

Mercantile House, 15 Kasturba Gandhi Marg, 401-403, 408, 410-412, 4th Floor, New Delhi 110 001.



BHUBANESWAR

DCB 825, 8th Floor, DLF Cyber City, Chandaka Industrial Estate, Patia, Bhubaneswar, Odisha 751024.

This Update has been prepared by Soumya Banerjee, Tanya Sumana Das, Subarna Saha, Rakesh Goel, Dimple Jogani and Oindrila Mondal. This Update is only for informational purposes and is not intended for solicitation of any work. Nothing in this Update constitutes legal advice and should not be acted upon in any circumstance.