

Macro Insights

30th April 2025

Highlights:

Fiscal deficit stands at 100.5% of RE in FY 2025 against 95.4% in FY 2024

The government's fiscal deficit in FY 2025 came in at ₹15.77 lakh crore amounting to 100.5% of the Revised estimates (RE) vis-à-vis 95.4% of RE reached during FY 2024.

- ☞ Total expenditure stood at ₹46.55 lakh crore reaching 98.7% of the RE during FY 2025. This is 30 bps higher than the expenditure FY 2024 (99.0%).
- ☞ Capital expenditure amounting to ₹10.52 lakh crore during FY 2025 reached to 103.3% of the Revised Estimate compared to 99.9% during FY 2024.
- ☞ Total receipts of ₹30.78 lakh crore accounted for 97.8% of the BE, down from 101.2% in FY 2024.
- ☞ Revenue deficit stood at ₹5.67 lakh crore while Primary deficit stood at ₹4.61 lakh crore in FY 2025.

Government of India Accounts (FY'2025)

	Revised Estimates 2024-2025* (₹Crore)	Provisional 2024-2025 (₹Crore)	% of Actuals to Budget Estimates	
			Current	Corresponding Period Previous Year
Revenue Receipts	3087960	3036429	98.3%	101.1%
Net Tax Revenue	2556960	2498885	97.7%	100.1%
Non-Tax Revenue	531000	537544	101.2%	106.9%
Total Receipts	3146960	3078247	97.8%	101.2%
Revenue Expenditure	3698058	3603510	97.4%	98.7%
Interest Payments	1137940	1116343	98.1%	100.8%
Capital Expenditure	1018429	1052007	103.3%	99.9%
Total Expenditure	4716487	4655517	98.7%	99.0%
Fiscal Deficit	1569527	1577270	100.5%	95.4%
Revenue Deficit	610098	567081	92.9%	91.0%
Primary Deficit	431587	460927	106.8%	87.0%

Source: CGA

Views and Outlook:

- ☞ Gross tax collections rose by 10.82 per cent in FY 2025, driven by a growth of 13.14 per cent growth in income tax and 10.41 per cent growth in corporate tax collections. While, Non-tax revenue stood at 106.9 per cent of revised estimates showing 33.75 per cent YoY growth. Net tax collection reached ₹24.99 lakh crore, making up 97.7 per cent of revised estimates. This is lower than 100.1 per cent of FY 2024.
- ☞ IN FY 2025, Capital expenditure reached 103.3 per cent of RE vis-a-vis 99.9 per cent recorded in last fiscal year. Capital expenditure increased to ₹10.52 lakh crore (10.91% YoY) in FY 2025 from ₹ 9.48 Lakh crore in FY 2024.
- ☞ Revenue Expenditure of the government increased to ₹36.03 lakh crore in FY 2025 compared to ₹34.94 lakh crore in FY 2024. There was a Revenue deficit of ₹5.67 lakh crore in FY 2025. Revenue deficit has considerably reduced from ₹7.65 lakh crore in FY 2024.
- ☞ Government's domestic financing from securities against small savings reached only 39 per cent of RE as against 96 per cent in FY 2024. Government only raised ₹1.62 lakh crore while it had estimated ₹4.12 lakh crore.
- ☞ Subsidies on major items such as food, nutrient based fertilizer subsidy and urea subsidy declined in FY 2025 as compared to FY 2024 while subsidy on petroleum increased.
- ☞ The government achieved its target for fiscal deficit of 4.8% of GDP revised lower in the budget from 4.9%. The government has estimated its fiscal deficit target to 4.4% of GDP aiming to maintain fiscal prudence in FY26 in line with its earlier commitment of bringing fiscal deficit down below 4.5% by FY26.

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