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Report of the Comptroller and Auditor General of India on Compliance of the Fiscal Responsibility and Budget Management Act, 2003 for the year 2024-25

Union Government
Department of Economic Affairs
(Ministry of Finance)

Report No. 29 of 2026

Report of the
Comptroller and Auditor General of India
on
Compliance of the Fiscal Responsibility and Budget Management Act, 2003
for the year 2024-25

Khalid Bin Jamal

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Union Government

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PREFACE

The Comptroller and Auditor General of India (C&AG) was, vide Rule 8 framed under Section 7A of the Fiscal Responsibility and Budget Management (FRBM) Act 2003, entrusted with the responsibility of an annual review of the compliance of the provisions of the FRBM Act 2003 and present such reviews before both Houses of Parliament beginning with the Financial Year 2014-15.

This is the Tenth report of the C&AG on compliance with the provisions of the Act and the Rules made thereunder, by the Central Government for the year ended March 2025. The report examines the achievements vis-à-vis FRBM targets and compares actuals with projections made in fiscal policy statements and adequacy of information in disclosure statements.

The Report contains findings arising from the review of compliance of the provisions of the Act and the Rules. The instances mentioned in this Report are those which came to notice during test audit for FY 2024-25. Matters pertaining to the period earlier than FY 2024-25, which have a bearing on fiscal indicators have also been included, wherever relevant.

Executive Summary

Executive Summary

The Fiscal Responsibility and Budget Management Act, 2003 was enacted with a view to provide a legislative framework for reduction of deficit and thereby debt, of the Central Government to a sustainable level over a medium term so as to ensure inter-generational equity in fiscal management and long term macro-economic stability.

The present Report is an annual review conducted by the Comptroller and Auditor General (C&AG) of India on the compliance of the provisions of the Fiscal Responsibility and Budget Management (FRBM) Act by the Central Government for the FY 2024-25. Analysis with reference to GDP in this Report has been limited to three financial years i.e., 2022-23 to 2024-25, based on the new base year 2022-23.

Through an amendment in 2018, the target for reduction in Central Government Debt and General Government Debt was set to be achieved over a period of seven years. The targets being limiting the General Government debt to 60 *per cent* of GDP and the Central Government debt to 40 *per cent* of GDP by the end of FY 2024-2025.

Our review showed that the Central Government debt as a percentage of GDP, though decreased over the last two years to 58.46 *per cent* by the end of FY 2024-25, the sunset target of 40 *per cent* could not be met. The Central Government Debt, in absolute terms, increased by ₹14.24 lakh crore or 8.29 *per cent* over the previous year, primarily due to increase of internal debt.

At the end of FY 2024-25, an amount of ₹38.40 lakh crore was reportedly raised as taxes but was yet to be realised (Statement D1 Tax raised but not realised). This unrealised amount registered an increase by ₹7.29 lakh crore over the previous year, of which ₹4.80 lakh crore was not under dispute. Some issues were noticed in D2 Statement (Arrears of interest), where the figures varied from those figures in the Union Government Finance Accounts. Also, the amount of financial assets (loan to Foreign Government and States & UTs) disclosed in D4 Statement, varied within the Receipt Budget. Finally, we found variations in Budget Estimate figures of various fiscal parameters used in Half Yearly Statements (H1, H2), and Medium-Term Fiscal Policy Statement with reference to the Annual Financial Statement 2024-25.

Chapter 1

Introduction

Chapter 1 Introduction

1.1 The FRBM Act

The Fiscal Responsibility and Budget Management (FRBM) Act of 2003 was passed on August 26, 2003. The Act and its Rules took force on July 5, 2004. Since 2003, the original Act has been amended four times during 2004, 2012, 2015, and 2018. **Annexure 1.1** summarizes the amendments made to the Principal Act and Rules since 2003.

The Act aims to promote long-term macroeconomic stability and inter-generational equity. The targets specified in the FRBM Act, 2003 and relevant for FY 2024-25 are as follows:

The Central Government shall ensure by the end of FY 2024-25 that:

- The General Government debt does not exceed 60 *per cent* of Gross Domestic Product (GDP).

  [Section 4(1)]

  "General Government debt" is defined as the sum total of the debt of the Central Government and the State Governments[1]*, excluding inter-Governmental liabilities*[2].

- The Central Government debt does not exceed 40 *per cent* of GDP.

  [Section 4(1)]

- Not give additional guarantees with respect to any loan on security of the Consolidated Fund of India in excess of one-half *per cent* of GDP, in any financial year.

  [Section 4(1)]

- The Finance Minister shall review, on half-yearly basis, the trends in receipts and expenditure in relation to the budget and place before both Houses of Parliament, the outcome of such reviews.

  [Section 7(1)]

- If the outcome of half yearly review (i.e. end of September) shows that (i) total non-debt receipts are less than 40 *per cent* of Budget Estimates (BE), and

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[1] Under Article 293(3) of the Constitution of India, "A State may not without the consent of the Government of India raise any loan if there is still outstanding any part of a loan which has been made to the State by the Government of India or by its predecessor Government or in respect of which a guarantee has been given by the Government of India or its predecessor Government". Accordingly, the Government of India sets annual ceiling for borrowings for each State Government based on set parameters.

[2] What Governments, State and Union owe each other.

(ii) Revenue Deficit (RD)[3] and Fiscal Deficit (FD)[4] are higher than 70 *per cent* of the BEs for the year, the Finance Minister shall make a statement in Parliament during the session immediately following the end of first half detailing the corrective measures taken.

[Rule 7]

For FY 2024-25, a mid-year (i.e., end of September) review was presented before both houses of the Parliament. The detailed outcome presented in H1 Statement is given in **Annexure 1.2**.

❖ The Central Government shall limit the fiscal deficit up to three *per cent* of GDP by 31 March 2021[5].

[Section 4(1)]

1.2 Other obligations prescribed under the FRBM Act and Rules

The Central Government shall lay before each House of Parliament:

❖ The Medium-Term Fiscal Policy cum Fiscal Policy Strategy (MTFP cum FPS) Statement (in Form F1):

This Statement contains a three-year rolling target for fiscal indicators viz. Revenue Deficit, Fiscal Deficit, Primary Deficit[6], Tax Revenue, Non-tax Revenue and Central Government Debt as a percentage to GDP.

❖ The Macroeconomic Framework Statement (in Form F2)-MEF Statement:

The Macro-economic Framework Statement shall contain an assessment of the growth prospects of the economy with specification of underlying assumptions.

❖ The Medium-Term Expenditure Framework (MTEF) Statement (in Form F3):

This Statement (in Form F3) provides a three-year rolling target for prescribed expenditure indicators along with the underlying assumptions and the risks. With the exception for FY 2018-19, the Government has not been presenting this Statement before the Parliament. In the Statement of deviation for not presenting MTEF Statement 2024, submitted in Parliament during Winter Session 2024, it was stated that continuing unprecedented global uncertainty impedes the ability to make reasonable

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3 "Revenue deficit" means the difference between revenue expenditure and revenue receipts.

4 "Fiscal deficit" means the excess of total disbursements, from the Consolidated Fund of India, over total receipts into the Fund during a financial year excluding the debt receipts and debt repayments.

5 In the absence of any further amendment to the Act, the Government has committed to pursue a broad path of fiscal consolidation to attain a level of Fiscal Deficit lower than 4.5 *per cent* of GDP by FY 2025-26, as laid out in the Budget Speech for FY 2021-22 and reiterated in Medium-Term Fiscal Policy (MTFP) Statements for FY 2023-24 and FY 2024-25 as well.

6 "Primary Deficit" means the fiscal deficit minus the interest payments.

assumptions/ projections on receipts/ expenditure over the short/ medium term. It was also stated that it was necessary for the Government to retain flexibility in conducting its fiscal policy to be able to respond to any fallout from adverse global events.

- ❖ The Central Government shall not borrow from the Reserve Bank except in certain[7] circumstances.

[Section 5(1)]

- ❖ The Central Government shall prepare a monthly statement of its accounts.

[Section 7(1A)]

- ❖ Five disclosure Forms (D-1 to D-5)[8] in respect of Tax Revenue, non-Tax revenue, Guarantee, Asset Register and Liability on Annuity projects have been prescribed in the rules to be laid in Parliament along with the Budget.

[Rule 6]

1.3 Audit Scope and mandate

As per Section 7A[9] of FRBM Act, 2003 read with Rule 8 of the FRBM Rules, 2004, the CAG of India is mandated to carry out an annual review of the compliance with the provisions of the Act and the rules made thereunder by the Central Government, beginning with the FY 2014-15. The review shall include:

- ❖ Analysis of achievement, compliance of targets and priorities set out in the Act and the rules made thereunder, Medium-Term Fiscal Policy cum Fiscal Policy Strategy Statement, Macro-economic Framework Statement and Medium-Term Expenditure Framework Statement.

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[7] The Central Government may borrow from the Reserve Bank by way of advances to meet temporary excess of cash disbursement over cash receipts during any financial year in accordance with the agreements which may be entered into by that Government with the Reserve Bank:
Provided that any advances made by the Reserve Bank to meet temporary excess cash disbursement over cash receipts in any financial year shall be repayable in accordance with the provisions contained in sub-section (5) of section 17 of the Reserve Bank of India Act, 1934 (2 of 1934).
The Reserve Bank may subscribe to the primary issues of Central Government Securities due to ground or grounds of national security, act of war, national calamity, collapse of agriculture severely affecting farm output and incomes, structural reforms in the economy with unanticipated fiscal implications, decline in real output growth of a quarter by at least three *per cent* points below its average of the previous four quarters.
The Reserve Bank may buy and sell the Central Government securities in the secondary market or convert Central Government Securities held by it with other Securities of the Central Government as mutually agreed between the Reserve Bank and the Central Government.

[8] Disclosure Forms (D1) – Tax Revenue raised but not realised, (D2) – Arrears of Non-tax Revenue, (D3) – Guarantee given by the Government, (D4) – Asset Register and (D5) – Liability on Annuity Projects. These disclosures provide data which is not captured in the Finance Accounts (being prepared on cash basis) except Guarantees but hold relevance to fiscal indicators.

[9] Laying of FRBM review reports – The Central Government may entrust the Comptroller and Auditor-General of India to review periodically as required, the compliance of the provisions of this Act and such reviews shall be laid on the table of both Houses of the Parliament.

- Analysis of trends in receipts, expenditure and macro-economic parameters in relation to the Act and the rules made thereunder.
- Comments related to classification of revenue, expenditure, assets or liabilities having a bearing on the achievement of targets set out in the Act and the rules made thereunder.
- Analysis of disclosures made by the Central Government to ensure greater transparency in its fiscal operations.

Accordingly, the CAG has prepared Nine (9) reports **(Table 1.1)** so far.

Table 1.1: CAG reports tabled in both houses of Parliament

Sl. No.	CAG Report	Financial year to which the report pertains
1	Report No. 27 of 2016	2014-15
2	Report No. 32 of 2017	2015-16
3	Report No. 20 of 2018	2016-17
4	Report No. 6 of 2021	2017-18 & 2018-19
5	Report No. 18 of 2022	2019-20
6	Report No. 32 of 2022	2020-21
7	Report No. 1 of 2024	2021-22
8	Report No. 3 of 2025	2022-23
9	Report No. 19 of 2025	2023-24

1.4 Audit Methodology

The review was undertaken primarily in the Department of Economic Affairs, Ministry of Finance which is the nodal Department for administration of the FRBM Act. The report is based on data derived from Union Government Finance Accounts (UGFA) 2024-25 and successive Budget documents for FY 2022-23 to FY 2026-27. In addition, certified annual accounts of the PSEs and GDP data released by National Statistics Office (NSO) for the concerned financial year have been used for analysis. Further, analysis of data with reference to GDP in the Report has been limited to three financial years i.e., 2022-23 to 2024-25, based on the new base year[10] 2022-23. However, the trend analysis with respect to other Macro Economic Parameters has been done for five financial years.

An entry meeting was held with the Ministry on 06 April 2026, and field audit was conducted between 06 April 2026 and 15 May 2026. The draft report was issued to MoF on 05 June 2026 and replies thereon were received on 30 June 2026. An exit meeting was held on 25 June 2026.

[10] NSO Press release dated 27 February 2026

1.5 Acknowledgement

We acknowledge the cooperation of the Department of Economic Affairs in providing the records and facilitating the conduct of this audit.

1.6 Structure of the Report

The present Report is the annual review by the CAG of India as per Rule 8 of FRBM Rules 2004 to examine compliance with the provisions of the Act, by the Central Government, for the FY 2024-25, containing:

Chapter 1: Introduction and mandate drawn from FRBM Act and Rules.

Chapter 2: FRBM Targets and Achievements.

Chapter 3: Disclosures and Transparency.

Chapter 2

FRBM Targets and Achievements

Chapter 2 FRBM Targets and Achievements

2.1 Central Government Debt and General Government Debt

Section 2(aa) of FRBM Act,2003 defines Central Government Debt at any date, as follows:

Total outstanding liabilities on the security of the Consolidated Fund of India, including external debt valued at current exchange rate	+	Total outstanding liabilities in the Public Account of India[11]	+	The financial liabilities of any body corporate or other entity owned or controlled by the Central Government, which the Government is to repay or service from the Annual Financial Statement	-	Cash Balance at the end of that date

Similarly, Section 2(bb) defines General Government Debt as "the sum total of the debt of the Central Government and the State Governments, excluding inter-Governmental liabilities". The target laid down under FRBM Act is to limit the Central Government Debt to 40 *per cent* of GDP and the General Government Debt[12] to 60 *per cent* of GDP by FY 2024-25.

However, for achievement of the above targets, the requisite annual reduction targets were neither prescribed under the FRBM Rules nor in any policy document issued by the government for ensuring its timely achievement.

2.1.1 Outstanding Central Government Debt

(A) Central Government debt as a percentage of GDP has come down steadily from FY 2022-23. Analysis conducted over a three-year period from FY 2022-23 to FY 2024-25 (**Annexure 2.1**) showed that the Central Government debt as a percentage of GDP[13] was 59.78 *per cent* in FY 2022-23 and consistently declined thereafter reaching to 58.46 *per cent* of the GDP by March 2025. The Central Government debt in absolute

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11 Public Account holds all public money other than those credited in the Consolidated Fund of India, received by or on behalf of the Government of India as a trustee.

12 Status Paper on Government Debt for FY 2023-24 was published on 22 July 2025. However, Status Paper on Government Debt for FY 2024-25 is yet to be published (June 2026) which contains figures of General Government Debt.

13 GDP is the monetary value of all final goods and services, those that are bought by the final user, produced in a given period of time (say a quarter or a year) within the borders of a country. In essence, it conveys the size of the economy and is used as an appropriate base for measure of debt sustainability.

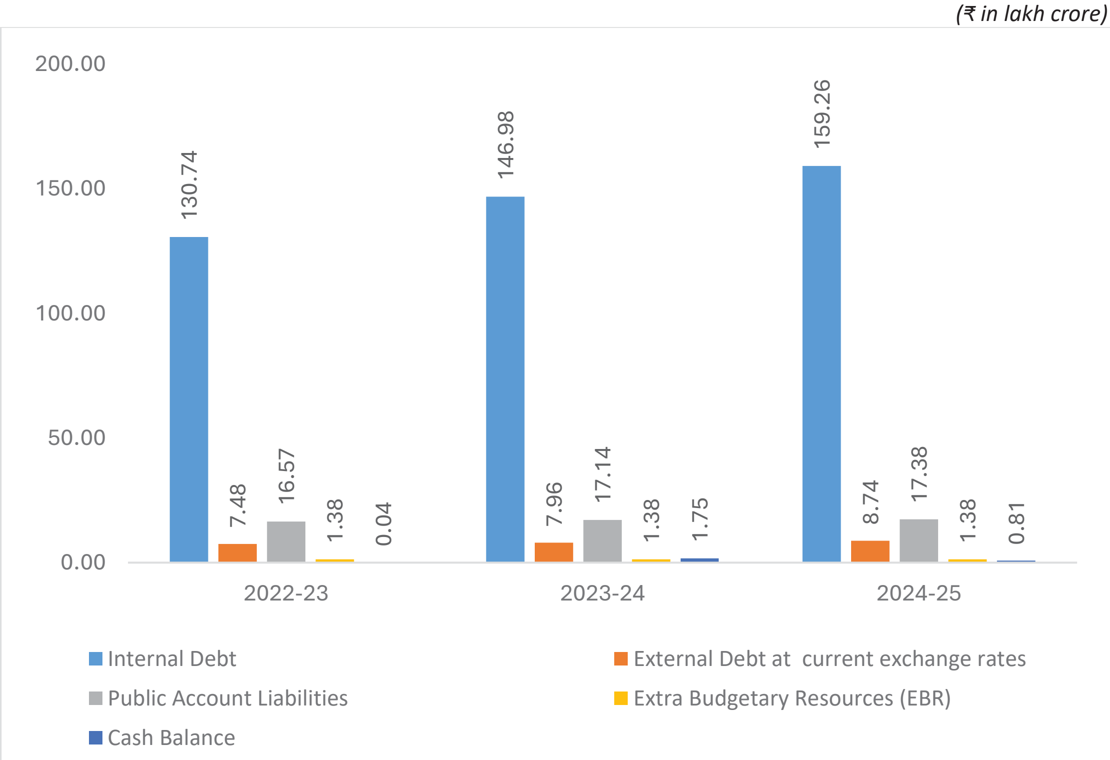
terms increased by ₹14.24 lakh crore in FY 2024-25 or 8.29 *per cent* over FY 2023-24. This was largely due to increase in internal debt of ₹12.28 lakh crore during this period.

The target to limit the Central Government Debt to 40 *per cent* of GDP by FY 2024-25 laid down under FRBM Act could not be met as Central Government Debt was 58.46 *per cent* of GDP for FY 2024-25. Government in MTFP 2024-25 while explaining the reasons for deviation from the fiscal targets mentioned in FRBM Act, 2003 stated that the path to achieve the targeted level of Debt to GDP ratio was being followed during the pre-covid era. However, the Covid-19 pandemic including global geo-political tensions, triggered unprecedented economic and fiscal crisis across the globe. It was also stated that the Budget for FY 2024-25 was presented at a time (July 2024) of relatively uncertain global economy. It was stated that with continued global uncertainty and potential new avenues of conflict still open, prudence demands that the Government retain fiscal flexibility to be able to effectively respond to the potential unforeseen challenges. Further, it was stated that in line with the commitment made in the Budget Speech for FY 2021- 22, the Government would pursue a broad path of fiscal consolidation to attain a level of Fiscal Deficit lower than 4.5 *per cent* of GDP by FY 2025-26 with resultant consolidation of Debt to GDP ratio.

The amount of Central Government Debt across FY 2022-23 to FY 2024-25, and the component wise break-up therein, is depicted in **Figure 2.1** below:

Figure 2.1: Components of the Central Government Debt

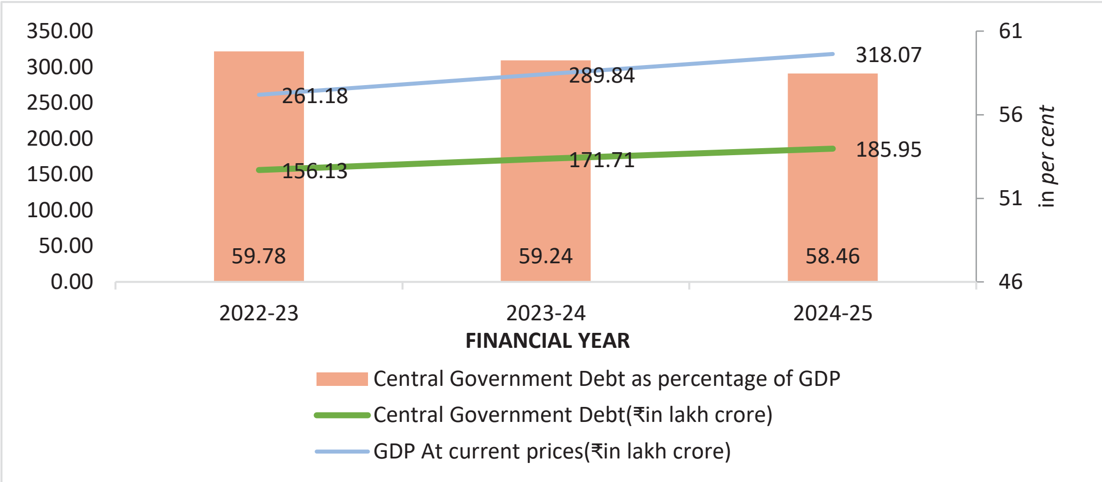
(₹ in lakh crore)



(B) Nominal GDP growth remained higher than the debt growth in FY 2023-24 and FY 2024-25. **Figure 2.2** below depicts the trend in Central Government Debt and the Gross Domestic Product during the period from FY 2022-23 to FY 2024-25. The pace of accumulation of Central Government Debt from FY 2022-23 to FY 2024-25 was less than the GDP expansion, which indicates that economy has grown to be able to absorb and service the accumulated debt.

Figure 2.2: Trends of GDP and Central Government Debt

(₹ in lakh crore)



(C) Disclosure of Central Government liabilities in Receipt Budget is not as per definition of Central Government Debt in FRBM Act. The Receipt Budget 2026-27 stated the total liabilities of the Central Government as ₹182.96 lakh crore at the end of FY 2024-25. Our computation of the Central Government Debt for FY 2024-25, based on the definition provided in the FRBM Act, 2003 was ₹185.95 lakh crore which is 58.46 *per cent* of the GDP. The difference is reconciled in **Table 2.3** below:

Table 2.3: Liabilities of the Central Government at the end of 2024-25 disclosed in Receipt Budget 2026-27 and computation by audit

(₹ in lakh crore)

Sl. No.	Particulars	As per Receipt Budget 2026-27	Computed in Audit as per the FRBM Act
1	Internal Debt	159.26	159.26
2	External Debt	6.32 (at Book Value)	8.74 (at current exchange rate)
3	Other Liability/ Public Account Liability	17.38	17.38
4	EBR	Not included	1.38
5	Cash Balance (-)	Not included	0.81
6	Central Government Debt	182.96	185.95

The Ministry replied (June 2026) that the FRBM document contains the figures as required under the FRBM Act.

Though Central Government Debt, as defined in FRBM Act, as percentage of GDP for FY 2024-25 has been shown in 'Trends in Debt (% of GDP)' of Budget at a Glance (February 2026), the constituents of the Debt and the GDP figure used to calculate this percentage have not been disclosed therein. Moreover, the figures of actual Central Government Debt for FY 2024-25, as defined in FRBM Act, have not been mentioned in any of the statements/disclosures mandated under the Act.

2.2 Debt Sustainability Analysis

Debt Sustainability Analysis (DSA) is a measure to assess the ability of the Government to service its debt-related financial obligations over a period of time. The cornerstone of the analysis is the debt-to-GDP ratio. The premise is that the rise of debt should be commensurate to growth in the economy (measured as Gross Domestic Product-GDP). A sustainable fiscal policy is one where the debt-to-GDP ratio is stable or declining over the long term.

A debt stabilization indicator is a useful indicator. The assumption is that if the rate of growth of economy exceeds the interest rate or cost of public borrowings, the debt-GDP ratio is likely to be stable, provided primary deficit is curtailed.

- Debt stabilization indicator = Quantum Spread[14]+ Primary Deficit[15]
- Debt sustainability condition states that if:
  - ✓ Debt stabilization indicator = 0, Debt-GDP ratio would be constant, or debt would stabilize eventually.
  - ✓ Debt stabilization indicator is negative, Debt-GDP ratio would rise.
  - ✓ Debt stabilization indicator is positive, Debt-GDP ratio would eventually fall.

For FY 2024-25, the debt stabilization indicator is positive. (**Table 2.4**).

[14] Quantum Spread = Central Government debt (interest bearing) x Interest Spread/100.

[15] Primary Deficit = Fiscal Deficit – Interest payments.

Table 2.4: Trends in Central Government Debt Sustainability Indicators

(₹ in lakh crore)

S. No.	Particulars	2022-23	2023-24	2024-25
1 (i)	Central Government Debt	156.13	171.71	185.95
(ii)	Central Government Debt (only interest bearing)	153.38	168.31	181.03
2	Rate of growth of Central Government Debt (in *per cent)*	12.61	9.98	8.29
3	GDP at current prices	261.18	289.84	318.07
4	Rate of growth of GDP at current prices (in *per cent)*	-	10.97	9.74
5	Central Government Debt-GDP ratio (in *per cent)*	59.78	59.24	58.46
6	Interest Paid on Debt	9.59	11.03	11.64
7	Total Revenue Receipts	27.13	30.88	34.22
8	Average interest cost[16] (in *per cent)*	6.61	6.86	6.66
9	Interest payment on Debt to Revenue Receipt (in *per cent)*	35.35	35.72	34.02
10	Public Debt Repayment	72.00	74.62	85.01
11	Public Debt Receipt	88.65	91.60	97.92
12	Public Debt Repayment to Public Debt Receipt (in *per cent)*	81.22	81.46	86.82
13	Disbursements pertaining to Public Account liability[17]	24.92	33.43	37.85
14	Receipts pertaining to Public Account liability	25.05	34.10	38.12
15	Disbursements to Receipts pertaining to Public Account liability *(in per cent)*	99.48	98.04	99.29
16	Disbursements pertaining to Central Government Debt[18] *(10+13)*	96.92	108.05	122.86
17	Receipts pertaining to Central Government Debt *(11+14)*	113.70	125.70	136.04
18	Disbursements to Receipts pertaining to Central Government Debt (in *per cent)*	85.24	85.96	90.31
19	Interest Spread[19] (in *per cent)*	-	4.11	3.08
20	Quantum Spread	-	6.92	5.58
21	Primary Deficit (-)	7.97	4.99	3.06
22	Debt Stabilization indicator[20]	-	1.93	2.52

Source: UGFA of respective years. For GDP- NSO Press release dated 05 June 2026.

Further analysis of **Table 2.4** shows the following:

- **Public debt repayment to public debt receipts ratio** has increased from 81.22 *per cent* in FY 2022-23 to 86.82 *per cent* in FY 2024-25. This ratio for Public Account liabilities was 99.29 *per cent* in FY 2024-25. Adding up disbursements and receipts

[16] Average interest cost = Interest payments /average interest-bearing outstanding debt of previous financial year and current year x100.
[17] Disbursements lead to reduction in Public Account liability.
[18] There were no disbursements or receipts pertaining to EBR during FY 2024-25.
[19] Interest Spread = Rate of growth of GDP (current price) – Average interest cost.
[20] Debt Stabilisation indicator = Quantum Spread + Primary Deficit.

for Public Debt and Public Account liabilities[17], the ratio of disbursements to receipts pertaining to Central Government Debt has increased from 85.24 *per cent* in FY 2022-23 to 90.31 *per cent* in FY 2024-25. It is to be noted that these disbursements and receipts also include figures for Treasury Bills[21] which are debt instruments to manage short-term cash flow mismatches of the Union Government.

- **Interest payments on debt to revenue receipts ratio** is an important indicator of the Government's fiscal health. It is a measure of how much of the Government's revenue is used to pay interest on its debt. As can be seen in **Table 2.4**, this ratio stood at 35.35 *per cent* in FY 2022–23. It subsequently increased to 35.72 *per cent* in FY 2023–24, before declining to 34.02 *per cent* in FY 2024–25. Thus, as compared to previous year, a smaller part of the government's revenue receipts went towards servicing interest obligations in FY 2024-25.

2.3 Guarantees

As per Rule 276 of General Financial Rules (GFR) 2017, the Central Government extends guarantees to Government entities, primarily to lower their cost of borrowings on socio- economic projects or activities. Sovereign guarantee is also given where it is a precondition for bilateral/ multilateral assistance. Guarantees being contingent liabilities do not form part of debt, but in the eventuality of default, they may have an impact on the Government's liabilities.

The FRBM Act and the Rules made thereunder, stipulate that the Central Government shall not give additional guarantees with respect to any loan on security of the Consolidated Fund of India (CFI) in excess of one-half *per cent* of GDP, in any financial year.

During FY 2024-25, additional guarantees are within the limits prescribed under the FRBM Act. The additional guarantee during last three financial years also remained within the prescribed limit as detailed in **Annexure 2.2**.

2.4 Trends in Macro Economic Parameters

- Fiscal Deficit represents the excess of total disbursements, from the Consolidated Fund of India, over total receipts into the Fund during a financial year excluding the debt receipts and debt repayments.
- Revenue Deficit is the excess of revenue expenditure over revenue receipts.
- Primary Deficit means the fiscal deficit minus the interest payments.

[21] 14, 91, 182 and 364 days T-bills accounted for ₹72.79 lakh crore of receipts (53.51 *per cent* of total receipts pertaining to Central Government Debt) and ₹74.39 lakh crore of disbursements (60.55 *per cent* of total disbursements pertaining to Central Government Debt).

A (i). Fiscal Indicators-Rolling Targets

Fiscal projections for three-year rolling targets not included in MTFP statements

As per Sec 3(2) of FRBM Act, "The Medium-term Fiscal Policy Statement shall set forth a three-year rolling target for prescribed fiscal indicators with specification of underlying assumptions".

Beginning with the fiscal year 2021-22, Fiscal projections for three year (for the Y+1 and Y+2 years) rolling targets were not included in MTFP statements. Instead, the MTFP statement of the corresponding years carried a Statement explaining the reasons for deviation from the fiscal targets mentioned in Section 4 and in compliance with the obligations cast under Section 7(3)(b) of the Fiscal Responsibility and Budget Management (FRBM) Act, 2003.

A (ii). Projection vis-à-vis Actuals of Fiscal Indicators

The estimates regarding Fiscal indicators and their actuals for FY 2024-25 are depicted in **Table 2.5** below.

Table 2.5: Projection vis-à-vis Actuals

(As per cent of GDP)

Type of Projection Fiscal Indicator	MTFP 2024-25	MTFP 2025-26	UGFA 2024-25
	BE for 2024-25	RE for 2024-25	Actual for 2024-25
Fiscal Deficit	4.9	4.8	4.62
Revenue Deficit	1.8	1.9	1.78
Primary Deficit	1.4	1.3	0.96
Gross tax Revenue	11.8	11.9	11.93
Non-tax Revenue	1.7	1.6	2.87
Central Government Debt	56.8	57.1	58.46

Source: GDP Figures for Actual 2024-25, as per National Statistical Office (NSO) Press release dated 05 June 2026.

Table 2.5 shows that as a percentage of GDP, the actual collections for Gross Tax Revenue and Non-Tax revenue were higher than BE. The actuals for Revenue Deficit, Fiscal Deficit and Primary Deficit were less than their respective BE and RE. The Central Government Debt as a percentage of GDP, was higher than estimated at the BE stage.

B. Gross Domestic Product (GDP)

Macro-Economic Framework Statement 2024-25 (July 2024) cited that the Reserve Bank of India (RBI) has projected 7.2 *per cent* growth in India's real GDP for FY 2024 25.

In the 'fiscal outlook for FY 2024-25' portion of the Medium-Term Fiscal Policy Statement (MTFP) for FY 2024-25 (July 2024), it was mentioned that the nominal GDP (at Current Prices) in FY 2024-25 is projected to grow by 10.5 *per cent* over the Provisional Estimates of FY 2023-24.

Macro-Economic Framework Statement 2025-26 (February 2025) pegged India's real and nominal GDP growth rates at 6.4 *per cent* and 9.7 *per cent*, respectively, in FY 2024-25.

Table 2.6: Movement of GDP

(₹ in lakh crore)

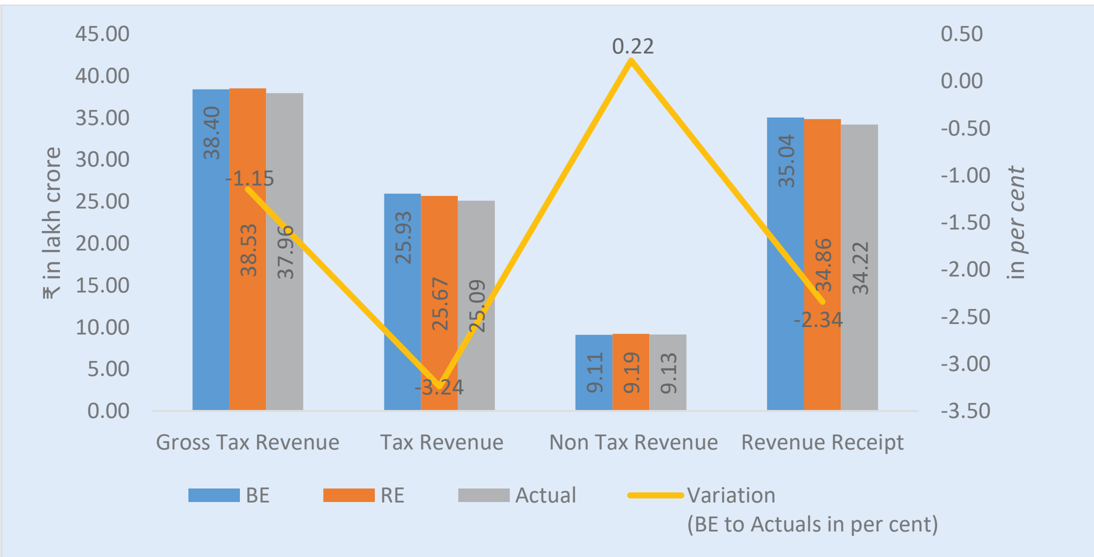
GDP	2022-23	2023-24	2024-25
At Constant Prices (Real GDP) (base year 2011-12)	161.65* (7.61)	176.51# (9.19)	187.97@ (6.49)
At Constant Prices (Real GDP) (base year 2022-23)	261.18	280.01 (7.21)	299.89# (7.10)
At Current Prices (Nominal GDP) (base year 2011-12)	268.90* (13.96)	301.23# (12.02)	330.68@ (9.78)
At Current Prices (Nominal GDP) (base year 2022-23)	261.18	289.84 (10.97)	318.07# (9.74)

**Final Estimates; #First Revised Estimates; @Provisional Estimates*
Percentage change over previous year has been shown in the brackets below the GDP figures.
Source: National Statistical Office (NSO) Press Releases dated 28 February 2025, 07 January 2026 and 05 June 2026.

In Budget 2025-26 (February 2025), the estimate of GDP for FY 2024-25 was projected at ₹324.11 lakh crore[22]. However, the Provisional Estimate of GDP for FY 2024-25 was ₹330.68 lakh crore[22] (NSO Press Release 07 January 2026), a growth of 9.78 *per cent* over the previous year.

C. Revenue Receipts

Figure 2.7: Analysis of Actuals vis-à-vis estimates for Revenue Receipt



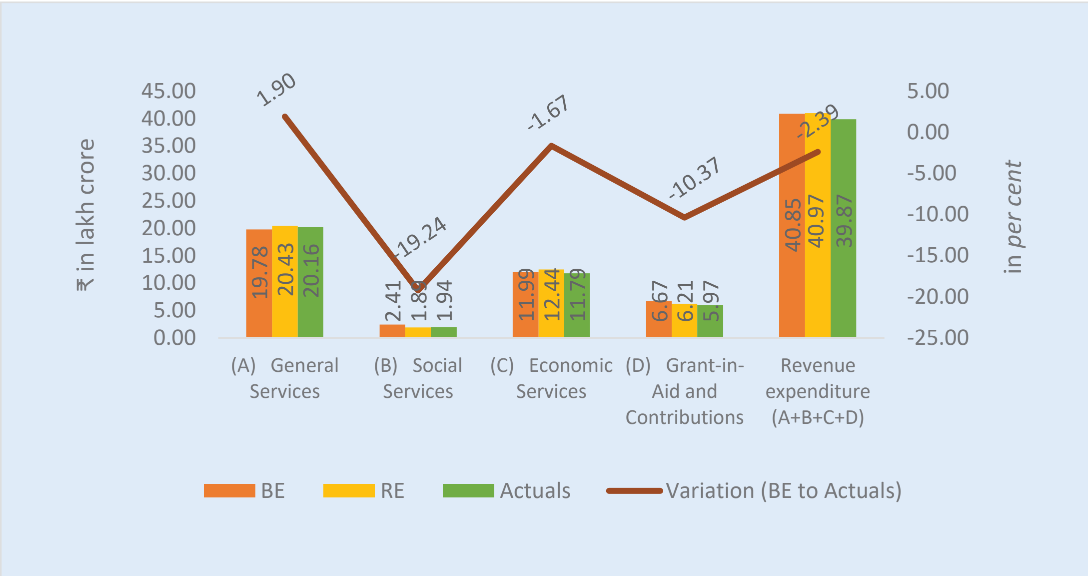
Source: For BE and RE - Annual Financial Statement 2025-26and for actuals - UGFA 2024-25.

[22] At Current Prices with Base Year 2011-12

For FY 2024-25, Gross Tax Revenue was lower while Non-Tax Revenue was higher than the BE. Gross Tax Revenue collection was ₹37.96 lakh crore i.e. 1.15 *per cent* lower than the amount estimated in the budget FY 2024-25. The overall revenue receipt collection was ₹34.22 lakh crore in FY 2024-25 against the budgeted ₹35.04 lakh crore. The moderate decrease in Actuals from BE was registered across all components of gross tax revenue except taxes on Property, Capital and other transactions which was 43.24 *per cent* higher over BE, majorly contributed by Securities Transaction Tax. Non-tax revenue[23] for FY 2024-25 was ₹9.13 lakh crore which was 0.22 *per cent* higher than BE **(Annexure 2.3**).

D. Revenue Expenditure

Figure 2.8: Analysis of Actuals vis-à-vis estimates for Revenue Expenditure



Source: For BE and RE AFS 2025-26 and for Actuals UGFA 2024-25

The revenue expenditure in FY 2024-25 was ₹39.87 lakh crore, 2.39 *per cent* lower than the BE (**Figure 2.8**). The Revenue expenditure on **General Services** (₹20.16 lakh crore) accounted for 50.56 *per cent* of the total revenue expenditure and was 1.90 *per cent* higher than the BE. Under General Services, major increase in actuals from BE was seen in Defence Services (3.94 *per cent* higher than BE) and Pension and Miscellaneous general services (15.84 *per cent* higher than BE). The Revenue expenditure towards **Social Services** (₹1.94 lakh crore) was lower than the BE (19.24 *per cent*) due to decreased spending in water supply, sanitation, housing & Urban Development[24] (56.25 *per cent* lower than BE) and labour and labour welfare (40.94 *per cent* lower than BE). Further, actuals of Revenue expenditure towards **Economic Services** (₹11.79 lakh crore) were lower than BE by 1.67 *per cent*. The detailed variation between Budget estimates and actuals are given in **Annexure 2.4**.

[23] Non-Tax Revenue includes Grants-in-aid and Contributions of ₹687 crore in FY 2024-25
[24] Majorly contributed by Water Supply and Sanitation (62.70 *per cent* lower than BE)

E. Expenditure on the key developmental sectors: Priority set out in MTFP 2024- 25

The Government in MTFP statement for FY 2024-25 stated that the broad goals of fiscal strategy included prioritisation of expenditure towards the key developmental sectors and social security viz., agriculture and farmers welfare, employment generation, skilling, rural and urban housing, drinking water and sanitation, green energy, health, education, agriculture, rural development etc. for welfare of the citizens. We analysed the expenditures of the Departments which have direct correlation with the stated key developmental sectors during FY 2022-23 to FY 2024-25 as given in **Table 2.9** below.

Table 2.9 Expenditure on the key developmental sectors: Priority Area

(₹ in crore)

Corresponding Department(s) to Key Development Sector		2022-23	2023-24	2024-25
i. Department of Agriculture and Farmers Welfare ii. Department of Agricultural Research and Education	Revenue	1,10,142.59	2,13,050.75	2,42,108.43
	Capital	8.10	43.97	78.34
	Total	1,10,150.69	2,13,094.72	2,42,186.77
Department of Drinking water and Sanitation	Revenue	59,790.44	76,824.18	26,257.16
	Capital	0	2.57	1.50
	Total	59,790.44	76,826.75	26,258.66
i. Department of School Education and Literacy ii. Department of Higher Education	Revenue	1,50,132.08	1,65,258.81	1,79,735.28
	Capital	2.94	7.77	5.09
	Total	1,50,135.02	1,65,266.58	1,79,740.37
i. Department of Health and Family Welfare ii. Department of Health Research	Revenue	98,366.99	96,391.93	1,07,107.46
	Capital	3,050.82	2,026.56	2,399.31
	Total	1,01,417.81	98,418.49	1,09,506.77
Department of Rural development	Revenue	3,31,820.80	2,65,374.35	2,70,044.85
	Capital	0	2.16	3.98
	Total	3,31,820.80	2,65,376.51	2,70,048.83
Total	Revenue	**7,50,252.90**	**8,16,900.02**	**8,25,253.18**
	Capital	**3,061.86**	**2,083.03**	**2,488.22**
	Total	**7,53,314.76**	**8,18,983.05**	**8,27,741.40**

Source: Summary of Demands for Grants for FY 2024-25, FY 2025-26 and 2026-27
The expenditure of the relevant Department as detailed in Summary of Demands for Grants was used as the targeted sectoral expenditure for the analysis.

We found that total expenditure on the above-listed key developmental sectors consistently increased over the last three years, although the overall capital expenditure on these sectors remained range-bound and fluctuating. The sector-wise spending showed consistent growth in the fields of Agriculture and Education from FY 2022-23 to FY 2024-25. Whereas spending in the field of Drinking Water and Sanitation rose in FY 2023–24 but declined in FY 2024–25. Also, Health and Rural Development exhibited mixed trends, with a dip in FY 2023–24 followed by recovery in FY 2024-25.

The actual expenditure for FY 2024-25 was higher than BE by 2.09 *per cent* in Agriculture. However, the actual expenditure was lower than BE by 5.99 *per cent*, 2.97 *per cent*, 66.07 *per cent* and 4.43 *per cent* in Education, Health, Drinking Water and Sanitation, and Rural Development respectively. Details are attached in **Annexure 2.5**.

Ministry replied (June 2026) that Government's commitment to capital formation in key development sectors extends beyond direct capital expenditure to include significant support through Grants-in-Aids (GiA) for the creation of capital assets which facilitates essential infrastructure development at the state level.

F. Capital receipts

Capital receipts comprise of debt receipts and non-debt capital receipts.

Debt receipts have two components: internal debt and external debt. Debt receipts for FY 2024-25 were estimated at ₹94,12,883 crore. The actual debt receipts (₹97,91,620 crore) were higher than the BE by 4.02 *per cent.*

The non-debt capital receipts (NDCR) have two major components viz. recovery of loans and advances and other receipts (comprising mostly disinvestment receipts, which is realised on sale of assets of public sector enterprises which are owned by the Government, besides sale of strategic assets). The Government in MTFP for FY 2024-25 stated that NDCR was estimated at ₹78,000 crore which includes the receipts under the recovery of loans and advances (₹28,000 crore) and other miscellaneous capital receipts (₹50,000 crore) at BE stage. It was also stated therein that the realisation of the other miscellaneous capital receipts depends on the prevailing market conditions. The estimates of NDCR were revised to ₹59,000 crore at RE stage.

The details of capital receipts during 2020-21 to 2024-25 is as per **Table 2.10** below:

Table 2.10: Trend of Capital Receipt

(₹ in crore)

Financial Year	Debt Receipts (A)	Non-Debt Capital Receipts			Capital Receipt (A + B)
		Miscellaneous Capital Receipts (b1)	Loans and advances (b2)	Total Non-Debt Capital Receipts (B = b1+b2)	
2020-21	81,62,910	37,897	29,923	67,820	82,30,730
2021-22	82,49,152	14,638	24,948	39,586	82,88,738
2022-23	88,64,893	46,035	36,273	82,308	89,47,201
2023-24	91,60,050	45,281	1,16,974#	1,62,255	93,22,305
2024-25	97,91,620	20,214	1,72,778#	1,92,992	99,84,612

Source: UGFA of respective years.

#Recovery of Loans and Advances also include amounts of ₹78,104 crore and ₹1,23,604 crore for FY 2023-24 and FY 2024-25 respectively in respect of repayment of back-to-back loans given to States/UTs with legislative assembly in lieu of GST Compensation shortfall (Refer Paras 2.6.1 of CAG Report No.16 of 2025 and No.6 of 2026)

The Actual recovery of loans and advances was ₹1.73 lakh crore which was higher than the BE for FY 2024-25.

Miscellaneous Capital Receipts decreased significantly from ₹45,281 crore (FY 2023-24) to ₹20,214 crore (FY 2024-25). The decrease was mainly due to significant reduction in receipts from Value of Bonus Shares (₹12,159 crore to ₹3,012 crore), Monetization of National Highways (₹15,968 crore to ₹6,661 crore) and Disinvestment of Public Sector and other Undertakings (₹13,582 crore to ₹7,760 crore).

G. Revenue and Capital Expenditure

Table 2.11: Trend Analysis of Revenue and Capital Expenditure

(₹ in lakh crore)

Financial Year	Revenue Expenditure	Capital Expenditure	Loans and advances disbursed	Total Expenditure
2020-21	33.15	3.43	2.50	39.08
	84.83 *per cent*	8.78 *per cent*	6.39 *per cent*	
2021-22	34.68	5.38	2.32	42.39
	81.83 *per cent*	12.69 *per cent*	5.48 *per cent*	
2022-23	37.84	6.25	1.42	45.51
	83.15 *per cent*	13.73 *per cent*	3.12 *per cent*	
2023-24	38.54	8.07	1.91	48.52
	79.43 *per cent*	16.63 *per cent*	3.94 *per cent*	
2024-25	39.87	8.58	2.40	50.85
	78.41 *per cent*	16.87 *per cent*	4.72 *per cent*	

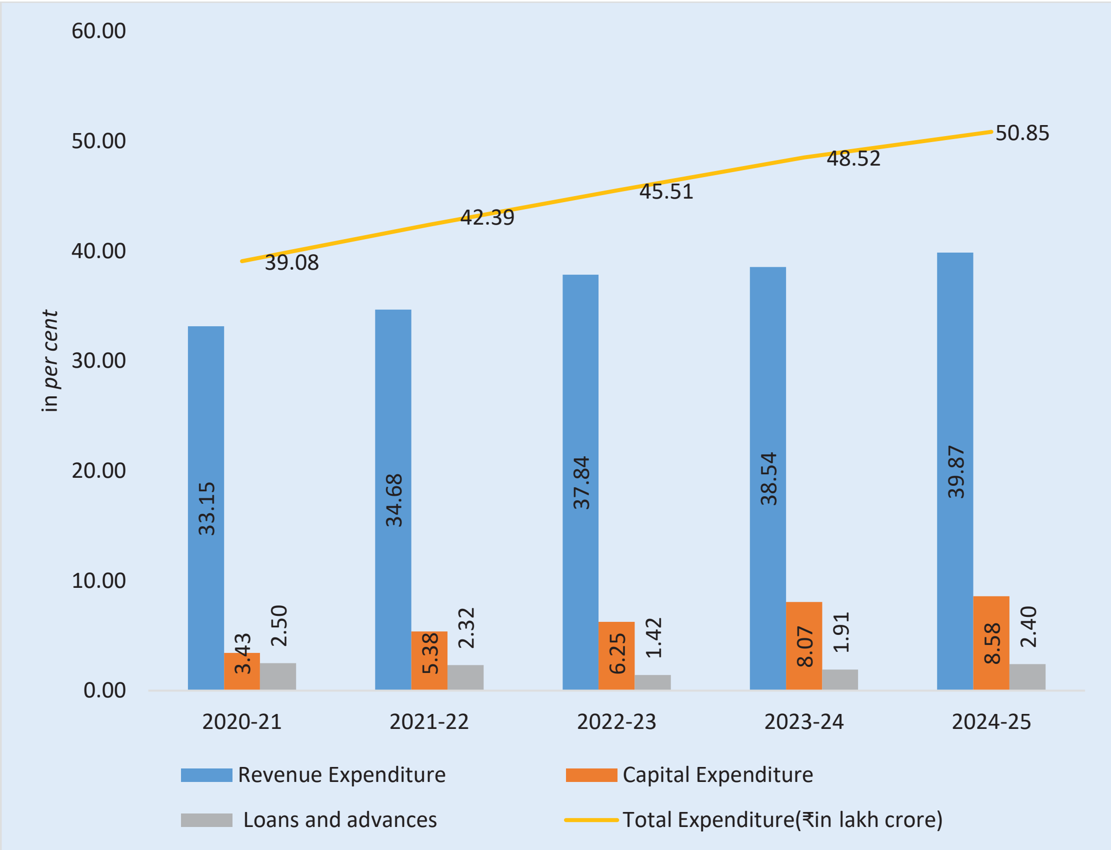
Source: UGFA of respective years. Figures in percentage are shown as a proportion of total expenditure for that year.

Total Expenditure of the Government in absolute terms increased by ₹2.33 lakh crore majorly due to an increase in revenue expenditure (by ₹1.33 lakh crore) coupled with increased spending of ₹0.51 lakh crore on capital expenditure and of ₹0.49 lakh crore on loans and advances during FY 2024-25.

The Government in MTFP statement for FY 2024-25 stated that the broad goals of fiscal strategy included resource allocation towards capital spending to sustain infrastructure development momentum.

Capital expenditure in absolute terms has been increasing consistently with the expanding total expenditures since FY 2021-22 to FY 2024-25. Moreover, capital expenditure as a proportion of total expenditure increased at a lower rate in FY 2024-25 when compared to the increase in FY 2023-24.

Figure 2.12: Trend of Revenue Expenditure, Capital Expenditure and loans and advances as proportion of Total Expenditure

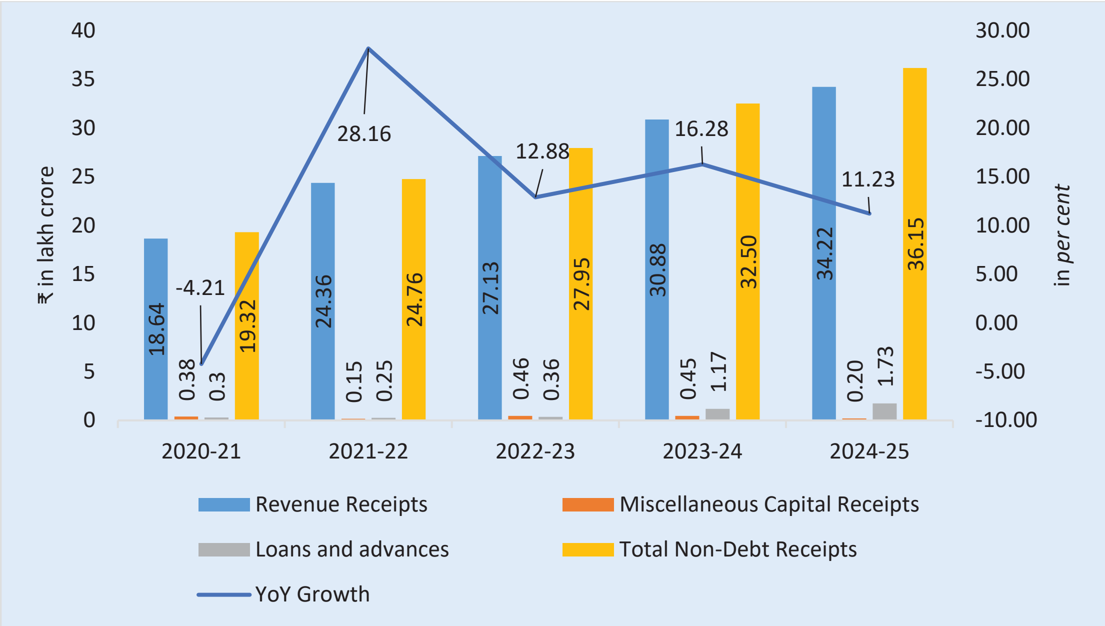


Source: UGFA of respective years.

During FY 2022-23, the actual capital expenditure was higher than the BE. During FY 2023-24 and FY 2024-25, the actual capital expenditure was lower than the BE by 3.69 *per cent* and 6.68 *per cent*, respectively. (Details in **Annexure 2.6**).

H. Non-Debt Receipts

Figure 2.13: Trend of Non-Debt Receipts



Source: UGFA of respective years.

The growth rate in FY 2021–22 was 28.16 *per cent* on account of the low base of the previous year (a dip in FY 2020-21 due to Covid 19). Subsequently, the growth rate moderated at 12.88 *per cent* in FY 2022–23 and improved further to 16.28 *per cent* in FY 2023–24. In FY 2024–25, the growth rate of non-debt receipts was 11.23 *per cent.*

I. Total Expenditure financed from Non-Debt Receipts

Total expenditure met from non-debt resources since FY 2020-21 is detailed in **Table 2.14** below.

Table: 2.14 Year wise collection of non-debt receipts and Total Expenditure

Financial Year	Total Expenditure (₹ in lakh crore)	YoY increase in Total Expenditure (in *per cent*)	Non-debt Receipts* (₹ in lakh crore)	YoY increase in non-debt receipts (in *per cent*)	Total expenditure financed by Non-Debt Receipts (in *per cent*)
2020-21	39.08	28.22	19.32	-4.21	49.44
2021-22	42.39	8.47	24.76	28.16	58.41
2022-23	45.51	7.36	27.95	12.88	61.42
2023-24	48.52	6.61	32.50	16.28	66.98
2024-25	50.85	4.80	36.15	11.23	71.09

Source: UGFA of respective years.
**Non-debt Receipts comprise – Revenue Receipt, Miscellaneous Capital Receipts and Recovery of Loans & Advances.*

The YoY increase in Non-Debt Receipts for FY 2024-25 (over FY 2023-24) was 11.23 *per cent*. The percentage of total expenditure financed by own sources (non-debt receipts) has increased consistently from FY 2021-22 to FY 2024-25 which is a positive sign.

2.5 Fiscal Deficit (FD)

Section 2(a) of the Fiscal Responsibility and Budget Management Act, 2003 defines "fiscal deficit" as the excess of total disbursements, from the Consolidated Fund of India, excluding repayment of debt, over total receipts into the Fund (excluding the debt receipts), during a financial year. Similarly, Rule 2(ca) of the FRBM Rules, 2004 defines "revenue deficit" as the difference between revenue expenditure and revenue receipts.

As per Section 4 of FRBM Act, 2003, the Central Government had to limit the fiscal deficit up to three *per cent* of GDP by 31st March 2021. However, in the absence of any further amendment to the Act, the Government has committed to pursue a broad path of fiscal consolidation to attain a level of Fiscal Deficit lower than 4.5 *per cent* of GDP by FY 2025-26, as laid out in the Budget Speech for FY 2021-22 and reiterated in Medium-Term Fiscal Policy (MTFP) Statements for FY 2023-24 and FY 2024-25 as well.

Table 2.15 below calculates the Revenue Deficit and Fiscal Deficit based on the information contained in Statement No. 1 of UGFA 2024-25:

Table 2.15: Revenue and Fiscal Deficit for FY 2024-25

(₹ in lakh crore)

Expenditure	Amount	Fiscal Parameters	Receipt	Amount
Revenue Expenditure	39.87	**Revenue Deficit 5.65**	Revenue Receipts	34.22
Capital Expenditure	8.58		Miscellaneous Capital Receipts	0.20
Loans and Advances	2.40		Recoveries of Loans and Advances	1.73
Total Expenditure	50.85	**Fiscal Deficit 14.70**	Total Non-Debt Receipts	36.15

Source: UGFA of FY 2024-25.

The figures in Budget at a Glance (BAG) 2026-27 for the fiscal deficit (₹15,74,431 crore) and the revenue deficit (₹5,64,296 crore) were however at variance from the figures calculated as above from the UGFA 2024-25.

In the previous CAG Report No. 1 of 2024, audit had recommended that a general disclosure in the BAG should be given along with an explanation about the basis for exclusion of certain transactions from the calculation of Fiscal Deficit.

Ministry replied (June 2026) that a reconciliation statement for the key fiscal indicators is provided in Annex-3 of the Receipt Budget and Statement 17 of the Expenditure Profile. Also stated that transactions that are non-cash in nature and no net cash outgo etc., are excluded from the calculation of Fiscal Deficit.

Although a general disclosure has been inserted from BAG 2023-24 (February 2023) onwards, explanation, in detail, may be provided in the Budget Documents.

Internal debt is the major source of financing Fiscal Deficit

The Fiscal Deficit is financed either by additional Public Debt (internal or external) or by using surplus funds from the Public Account. We identified these sources as detailed in **Table 2.16** below.

Table 2.16: Sources of financing of Fiscal Deficit

(₹ in lakh crore)

Period	Internal debt (Net)		External debt (Net)		Public Account (Net)		Cash draw down		Fiscal Deficit
	Amount	*Per cent*	Amount	*Per cent*	Amount	*Per cent*	Amount	*Per cent*	Amount
2020-21	18.89	95.65	0.89	4.51	0.04	0.20	-0.07	-0.36	19.75
2021-22	15.53	88.09	0.51	2.89	1.56	8.85	0.03	0.17	17.63
2022-23	16.12	91.80	0.54	3.07	0.92	5.24	-0.02	-0.11	17.56
2023-24	16.24	101.37	0.73	4.56	-0.96	-5.99	0.01	0.06	16.02
2024-25	12.25	83.33	0.66	4.49	1.78	12.11	0.01	0.07	14.70

Source: UGFAs of the respective years.

The fiscal deficit for FY 2024-25 was financed mainly from net internal debt (about 83.33 *per cent* share), while the share of external debt decreased slightly from 4.56 *per cent* in FY 2023-24 to 4.49 *per cent* in FY 2024-25. The components of fiscal deficit are shown in **Table 2.17**.

Table 2.17: Components of the Fiscal Deficit

(₹ in lakh crore)

Period	Revenue Deficit		Net Capital Expenditure		Net loans and advances		Fiscal Deficit
	Amount	*Per cent*	Amount	*Per cent*	Amount	*Per cent*	Amount
2020-21	14.50	73.42	3.05	15.44	2.20	11.14	19.75
2021-22	10.32	58.54	5.24	29.72	2.07	11.74	17.63
2022-23	10.71	60.99	5.79	32.97	1.06	6.04	17.56
2023-24	7.66	47.82	7.62	47.57	0.74	4.61	16.02
2024-25	5.65	38.43	8.38	57.01	0.67	4.56	14.70

Source: UGFAs of the respective years.

Out of the fiscal deficit of ₹14.70 lakh crore during FY 2024-25, ₹5.65 lakh crore (38 *per cent*) was towards funding deficit on revenue account. This percentage has decreased significantly in last two FYs which is a positive sign. The net capital expenditure attributable to the fiscal deficit during FY 2024-25 also showed positive signs of expansion.

Chapter 3

Disclosures and Transparency

Chapter 3 Disclosures and Transparency

3.1 Disclosure statements

Section 6 (1) of the FRBM Act, 2003 states that "The Central Government shall take suitable measures to ensure greater transparency in its fiscal operations in public interest and minimize as far as practicable, secrecy in the preparation of the Annual Financial Statement and Demand for Grants". Rule 6 of the FRBM Rules, 2004 also mandates that the Central Government shall at the time of presenting the Annual Financial Statement and Demands for Grants, make disclosures (D-1 to D-5) in the format prescribed. Also, any significant change in accounting standards, policies and practices affecting or likely to affect the computation of prescribed fiscal indicators is also required to be disclosed under the FRBM Rules.

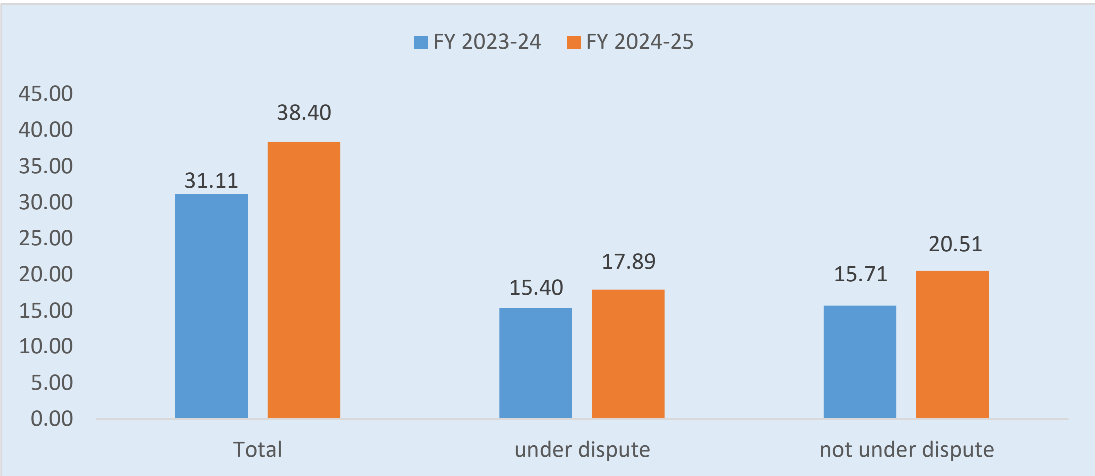
Table 3.1: Disclosure Statements as per FRBM Act

Title of the disclosure statement	
D1	Tax Revenue raised but not realised
D2	Arrears of Non-Tax Revenue
D3	Guarantee given by the Government
D4	Asset Register
D5	Liability on Annuity Projects

3.1.1 Disclosure Statement 1 (D1) on Tax Revenue raised but not realised

Figure 3.2: Trend of tax revenue raised but not realized

(₹ in lakh crore)



Source: For actuals of FY 2023-24 and FY 2024-25, Receipt Budget 2025-26 and 2026-27, respectively.

Disclosure Statement 1 (D1) provides details of tax revenue raised but not realised, i.e. amount of tax revenues, still to be collected as at the year-end. These amounts are further classified into separate categories of 'amounts under dispute' and 'amounts not under dispute' **(Annexure 3.1)**. As per D1, at the end of FY 2024-25, an amount of ₹38.40 lakh crore was raised but yet to be realized, which is 101.16 *per cent* of the gross tax collected during the year. This was 89.76 *per cent* for FY 2023-24.

The duration of pendency of tax revenue raised but not realized is given in **Table 3.3** below:

Table 3.3: Tax Revenue Raised but not realised

(₹ in lakh crore)

Duration	FY 2023-24		FY 2024-25	
	Amounts under Dispute	Amounts not under dispute	Amounts under Dispute	Amounts not under dispute
Over 1 year but less than 2 years	4.28	4.70	6.09	7.77
Over 2 years but less than 5 years	7.63	5.65	7.07	6.29
Over 5 years but less than 10 years	3.05	2.92	4.00	4.08
Over 10 years	0.44	2.44	0.73	2.37
Total	**15.40**	**15.71**	**17.89**	**20.51**
Grand Total	**31.11**		**38.40**	

Source: Disclosure statement D1 – Tax Revenue raised but not realised contained in receipt budget 2025-26 and 2026-27 for FY 2023-24 and FY 2024-25 respectively.

We observed that the unrealized amount increased by ₹7.29 lakh crore (from ₹31.11 lakh crore in FY 2023-24 to ₹38.40 lakh crore in FY 2024-25). Amounts not under dispute increased by ₹4.80 lakh crore (from ₹15.71 lakh crore in FY 2023-24 to ₹20.51 lakh crore in FY 2024-25) and amounts under dispute increased by ₹2.49 lakh crore (from ₹15.40 lakh crore in FY 2023-24 to ₹17.89 lakh crore in FY 2024-25).

The disclosure statement attributed "pending write off, no assets or inadequate assets for recovery (to the extent of inadequacy), Assessee not traceable, protective demand, companies in liquidation, cases before settlement commission, demand stayed by Courts/ITAT/IT authorities etc." as the reasons for tax revenue raised but not realized.

The Ministry replied (June 2026) that the citizens/corporates against whom tax demands have been raised have the right to approach the appropriate judicial forum.

While acknowledging the due process, timely collection of this tax revenue, particularly under 'not under dispute' category, would have reduced borrowings to that extent.

3.1.2 Inconsistencies in Disclosure Statement 2: Arrears of Non-Tax Revenue and Disclosure Statement 4: Asset Register

As per the disclosure required under Rule 6 of FRBM Rules, the details of arrears of non-tax revenue (NTR) are provided in the Receipt Budget. Past CAG reports[25] have pointed out differences between the figures disclosed as arrears in interest receipts[26] in Statement D-2 vis-à-vis figures disclosed in Union Government Finance Account (Statement 3 & 15) for that year. The differences persist in FY 2024-25 as well and are shown in **Table 3.4** below:

Table 3.4: Inconsistency in arrears of interest receipts

(₹ in crore)

Arrears of Interest						
Loanee entity	As in D2 (Receipt Budget)		As in Statement 3 of UGFA		Variation from UGFA	
	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25
State/ Union Territory Government	1,627.85	5,317.79	4,935.61	5,302.30	3,307.76	15.49
Public Sector and other Undertakings	51,835.19	61,895.91	54,870.74	61,980.99	3,035.45	85.08

Source: Receipt Budget 2026-27 and 2025-26; Union Government Finance Accounts for FY 2024-25 and FY 2023-24.

[25] Report No. 6 of 2021 (for FY 2017-19), Report No. 18 of 2022 (for FY 2019-20) and Report No. 32 of 2022 (for FY 2020-21), Report No.1 of 2024 (for FY 2021-22), Report No.3 of 2025 (for FY 2022-23) and Report No. 19 of 2025 (for FY 2023-24).

[26] Arrears in interest receipts from State/Union territory Government, Department Commercial Undertakings and Public Sector Undertakings.

As can be seen from above table, variations have reduced significantly as compared to FY 2023-24.

Likewise, the amount of financial assets (Loans outstanding from Foreign Government, States and Union territories) disclosed in Statement D4 - Asset Register, varied from that contained in Statement No. 1(ii) of Receipt Budget 2026-27.

Table 3.5: Inconsistent figures of financial assets (loans and advances)

(₹ in crore)

Items	As in D-4 (Assets Register) in the Receipt Budget 2026-27	As in UGFA for FY 2024-25 and Statement No.1(ii) of Receipt Budget 2026-27	Difference
Loans to Foreign Governments	17,529.95	17,216.32	-313.63
Loans to State and Unions Territories	5,100.53	6,63,984.75	6,58,884.22

Source: Receipt Budget 2026-27 and Union Government Finance Accounts for FY2024-25.

This inconsistency in figures has been pointed out regularly in previous CAG Reports[27]. This persisted during FY 2024-25 although both the statements are part of the same document (Receipt Budget).

The Ministry stated (June 2026) that the observations have been noted and strict instructions will be issued to the Ministries to ensure the correctness of the data.

3.1.3 Inconsistencies in Disclosure Statement 3: Guarantees given by the Government

Disclosure Statement in Form D-3, prescribed under the FRBM Rule 6, discloses the particulars of guarantees given by the Central Government, classified into six different classes as detailed below:

[27] CAG Report Nos. 18 of 2022, 32 of 2022 and 1 of 2024, 3 of 2025 and 19 of 2025 for FY 2019-20, FY 2020-21, FY 2021-22, FY 2022-23 and FY 2023-24 respectively.

I. Guarantees given to the RBI, other banks and industrial and financial institutions for repayment of principal and payment of interest, cash credit facility, financing seasonal agricultural operations and/or providing working capital to companies, corporations, cooperative societies and banks.

II. Guarantees given for repayment of share capital, payment of minimum annual dividend and repayment of bonds or loans, debentures issued or raised by the statutory corporations and central public sector undertakings.

III. Guarantees given in pursuance of agreements entered into by the Government of India with international financial institutions, foreign lending agencies, foreign governments, contractors, suppliers, consultants etc., towards repayment of principal, interest and/or commitment charges on loans etc., and/or for payment against supplies of material and equipment.

IV. Counter-Guarantees to banks in consideration of the banks having issued letters of credit or authority to foreign suppliers for supplies made or services rendered.

V. Guarantees given to Railways for due and punctual payment of dues by Central Government companies or corporations.

VI. Other guarantees not covered under above five classes.

This information is identical to that contained in Statement 4 of the Union Government Finance Accounts (UGFA). However, during scrutiny of Receipt Budget 2026-27 (Form D-3) with corresponding figures in UGFA 2024-25, variance was noticed as shown below in **Table 3.6**:

Table 3.6: Guarantees given by the Government (Statement D-3 and UGFA)

(₹ in crore)

Name of Ministry/ Department	as per UGFA for FY 2024-25	as per Receipt Budget 2026-27	Difference
Class I Guarantee:			
Ministry of Finance, Department of Financial Services:			
Outstanding at the beginning of the year	10835.42 (11)	10,970.57 (7)	135.15
Addition during the year	778.76	643.61	-135.15
Class III Guarantees:			
(i) Ministry of Finance, Department of Financial Services:			
Outstanding at the beginning of the year	73,951.33 (268)	75,157.46 (291)	1,206.13
Addition during the year	8,533.20 (42)	7,327.07 (15)	-1,206.13
(ii) Ministry of External Affairs:			
Outstanding at the beginning of the year	14,627.48 (7)	18,423.59 (9)	3,796.11
Addition during the year	6,887.52 (4)	3,091.41 (2)	-3,796.11

Figures in bracket represent the number of guarantees.

As the UGFA 2024-25 was tabled in Parliament in December 2025, any deviation therefrom in the Receipt Budget 2026-27 placed in Parliament in February 2026 and prepared in January 2026, merits proper reconciliation and mention of the differential amounts in the Receipt budget with appropriate explanations.

The Ministry stated (June 2026) that observation has been taken on record and efforts will be made to incorporate the footnotes for bringing out clarity in the Guarantee Statement in subsequent years.

3.2 Variation in disclosure of BE Figures of Key Fiscal Indicators in Statements mandated under the FRBM Act

A) As per Section 7(1) of FRBM Act, "the Minister-in-charge of the Ministry of Finance shall review, on half-yearly basis, the trends in receipts and expenditure in relation to the budget and place before both Houses of Parliament the outcome of such reviews". Thus, the assumption of correct budget figures is a crucial factor in determining whether the requisite compliance was achieved.

While reviewing the Statement on Half yearly review (of the trends in receipts and expenditure) at the end of the first half of the FY 2024-25 it was found that the figures of

Key Fiscal Indicators for BE 2024-25 depicted in Table 1 of the statement, were at variance from that stated in Annual Financial Statement for the FY 2024-25. The variations observed are tabulated in **Table 3.7**.

Table 3.7: Variation in BE figures of key Fiscal Indicators used in H1/H2 statements and the AFS

Sl. No.	Particulars	Budget Estimate (BE) (₹ in crore)	
		As per H1 and H2 for FY 2024-25	As per AFS for FY 2024-25
1	Revenue Receipts (2+3)	31,29,200	35,04,334.53
2	Tax Revenue	25,83,499	25,92,959.12
3	Non-Tax Revenue	5,45,701	9,11,375.41
4	Capital Receipts (5+6+7)	16,91,312	15,00,536.29
	Non-Debt Capital Receipts (5+6)	78,000	1,28,250.00
5	Recovery of Loans	28,000	78,250.00
6	Other Receipts	50,000	50,000.00
7	Borrowing and other liabilities	16,13,312	16,36,442.99
8	***Total Receipts (1+4)***	48,20,512	50,04,870.82
9	Revenue Expenditure	37,09,401	40,85,175.38
10	Interest payment	11,62,940	11,92,940.29
11	Grants for creation of Capital Assets	3,90,778	
12	Capital Expenditure	11,11,111	11,83,852.14
13	***Total Expenditure (9+12)***	48,20,512	52,69,027.52
14	Revenue Deficit (9-1)	5,80,201	5,80,840.85
15	***Effective Revenue Deficit (14-11)***	1,89,423	-
16	***Fiscal Deficit {13-(1+5+6)}***	16,13,312	16,36,442.99
17	***Primary Deficit (16-10)***	4,50,372	4,43,502.70

Source: H1 and H2 for FY 2024-25 and AFS for FY 2024-25

As the H1 and H2 statement is required to be placed in Parliament in accordance with section 7(1) of FRBM Act, 2003, the figures (BE) of Key Fiscal Indicators depicted in Table 1 of H1 and H2 should match with that in AFS which in turn is prepared in accordance with Article 112 of the Constitution of India as the section 7(1) of FRBM Act uses the word budget which means AFS.

Ministry replied (June 2026) that a reconciliation statement for the key fiscal indicators is provided in Annex-3 of the Receipt Budget and Statement 17 of the Expenditure Profile.

However, a disclosure in this regard in H1 and H2 statements may strengthen the transparency in these statements.

B) As per Section 3(1) of the FRBM Act, 2003 the Central Government shall lay in each financial year before both Houses of Parliament the Medium-term Fiscal Policy cum Fiscal Policy Strategy Statement along with the Annual Financial Statement and Demand for Grants. The format of the MTFP has been prescribed under Rule 4(a) and Rule 5, that require targets of prescribed fiscal indicators to be given in Form F-1.

While reviewing the MTFP statement placed during Budget 2024-25, it was found that the BE figures of Key Fiscal Indicators referred to in MTFP Statement were at variance from that stated in Annual Financial Statement for the FY 2024-25. The variations observed are given in **Table 3.8** below.

Table 3.8: Variation in BE figures of Key Fiscal Indicators used in MTFP statement and the AFS

(₹ in lakh crore)

Sl. No.	Particulars	Budget Estimates (BE)	
		as per MTFP for FY 2024-25	as per AFS for FY 2024-25
1	Fiscal Deficit	16.13	16.36
2	Revenue Deficit	5.80	5.81
3	Primary Deficit	4.50	4.44
4	Non-Tax Revenue	5.46	9.11

Source: MTFP and AFS statements for FY 2024-25.

The Ministry replied (June 2026) that the purpose of different statements is different and that a reconciliation statement for the key fiscal indicators is provided in Annex-3 of the Receipt Budget and Statement 17 of the Expenditure Profile.

As the MTFP statement (prepared in accordance with Rule 4 and 5 of FRBM Rules 2004), and the AFS statement (prescribed under Article 112 of the Constitution) are both contained in the same Budget Document, the figures of Budget Estimates depicted in MTFP were expected to match with that in Annual Financial Statement.

Further, in the absence of an item-wise reconciliation of the figures (BE) of Key Fiscal Indicators, the requisite transparency in fiscal operations of the Central Government and conducting of fiscal policy in a medium-term framework seems to be affected.

Moreover, consistency in figures across government documents would be ideal and gross figures may be considered to be used as per the FRBM Act (as in AFS) otherwise a detailed note be given in these statements for clarity.

New Delhi
Dated: 27 July 2026

(KHALID BIN JAMAL)
Director General of Audit
Finance & Communication

Countersigned

New Delhi
Dated: 29 July 2026

(K. SANJAY MURTHY)
Comptroller and Auditor General of India

Annexures

Annexure 1.1
(Refer to Para 1.1)
A brief highlight of the provisions of FRBM Act and Rules with subsequent amendments

(Figures as percentage of GDP)

Fiscal Indicators		Target detail	Principal Act/ Rules	1st Amendment (in 2004)	2nd Amendment (in 2012)	3rd Amendment (in 2015)	4th Amendment (in 2018)
1	**Revenue Deficit**	Target	Zero	Zero	2	2	No target
		Annual reduction	0.5	0.5	0.6	0.4	
		Beginning with financial year	2004-05	2004-05	2013-14	2015-16	
		Target valid upto	31.03.08	31.03.09	31.03.15	31.03.18	
2	**Fiscal Deficit**	Target	3	3	3	3	3
		Annual reduction	0.3	0.3	0.5	0.4	0.1
		Beginning with financial year	2004-05	2004-05	2013-14	2015-16	2018-19
		Target valid upto	31.03.08	31.03.09	31.03.17	31.03.18	31.03.21
3	**Guarantee**	Aggregate guarantee in any financial year not to exceed 0.5 *per cent* of GDP, beginning with FY 2004-05					No additional guarantee for any loan on security of CFI, in excess of one-half *per cent* of GDP, in any financial year
4	**Liability/ Debt**	Not to assume additional liabilities (including external debt at current exchange rate) in excess of 9 *per cent* of GDP for 2004-05 and progressively reduce the limit of 9 *per cent* of GDP by at least one *percentage* point of GDP in each subsequent financial year.					General Government debt and Central Government debt not to exceed 60 *per cent* and 40 *per cent* of GDP respectively by the end of the FY 2024-25.

Annexure 1.2
(Refer to Para 1.1)
Outcome of Mid-Year Review by Ministry of Finance

(₹ in lakh crore)

Parameter	Target for April-Sept (H1) of FY 2024-25	Actuals for April-Sept (H1) during FY 2024-25
Non-Debt Receipt		
Non-Debt Receipt (BE: 32.07)	12.83	16.37
Mid-year Benchmark (as *per cent* of BE)	Not less than 40 *per cent*	51.04 *per cent* (no adverse variation)
Revenue Deficit		
Revenue Deficit (BE: 5.80)	4.06	0.74
Mid-year Benchmark (as *per cent* of BE)	Not more than 70 *per cent*	12.76 *per cent* (no adverse variation)
Fiscal Deficit		
Fiscal Deficit (BE: 16.13)	11.30	4.74
Mid-year Benchmark (as *per cent* of BE)	Not more than 70 *per cent*	29.38 *per cent* (no adverse variation)

Source: H1 Statement for the FY 2024-25.

Annexure 2.1
(Refer to Para 2.1.1)
Outstanding Central Government Debt

(₹ in lakh crore)

FY	Internal Debt	External Debt at current exchange rate	Public Account Liability	Extra Budgetary Resource	Cash Balance[28]	Central Government Debt	GDP at Current prices	Central Government Debt as percentage of GDP
	1	2	3	4	5	6 (1+2+3+4-5)	7	8 (6/7x100)
2022-23	130.74	7.48	16.57	1.38	0.04	156.13	261.18	59.78
2023-24	146.98	7.96	17.14	1.38	1.75	171.71	289.84	59.24
2024-25	159.26	8.74	17.38	1.38	0.81	185.95	318.07	58.46

Source: For Internal debt, External debt, and Public Account liabilities refer to UGFA of the respective years. The Extra Budgetary Resources (gross) are as per Statement 27 of Expenditure Profile in Budget Documents for FY 2024-25 to FY 2026-27. For GDP data refer to National Statistical Office (NSO) Press release dated 05 June 2026.

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[28] The figure for Cash Balance for FY 2022-23 to FY 2024-25 includes MH-8673 (Cash Balance Investment Account) and MH-8999 (Cash Balance) of the Union Government Finance Accounts.

Annexure 2.2
(Refer to Para 2.3)
Details of Guarantee

(₹ in lakh crore)

Sr. No.	Components	2022-23	2023-24	2024-25
1	Maximum amount guaranteed during the year	5.80	3.59	3.74
2	Outstanding at the beginning of the year	5.20	3.18	3.31
3	Addition during the year	0.61	0.41	0.44
4	Deletions (other than invoked)	2.61	0.25	0.36
5	Invoked during the year	0.05	0.04	0.05
6	Aggregate Guarantee [3-(4+5)]	-2.05	0.12	0.03
7	Outstanding at the end of the year	3.14	3.31	3.33
8	GDP	261.18	289.84	318.07
9	Maximum amount of Guarantee during the year as percentage of GDP	2.22	1.24	1.18
10	Additional Guarantee as percentage of GDP	0.23	0.14	0.14
11	Outstanding at the end of the year as percentage of GDP	1.20	1.14	1.05

Source: D3 of the respective years. For GDP- NSO Press release dated 05 June 2026.

Annexure 2.3
(Refer to Para 2.4 C)
Analysis of Actuals vis-à-vis estimates for Revenue Receipt

(₹ in lakh crore)

Item	BE	RE	Actuals	Variation (BE to Actuals) (in *per cent*)
Gross tax revenues	38.40	38.53	37.96	**-1.15**
Goods and Services Tax (GST)	10.67	10.67	10.32	**-3.26**
Taxes on income and expenditure	21.70	21.82	21.70	**0.00**
Taxes on Property, Capital and Other Transactions	0.37	0.55	0.53	**43.24**
Taxes on Commodities and Services other than Goods and Services Tax	5.62	5.45	5.41	**-3.71**
(A) Tax Revenue	25.93	25.67	25.09	**-3.24**
(B) Non-tax revenues	9.11	9.19	9.13	**0.22**
(A+B) Revenue receipts	**35.04**	**34.86**	**34.22**	**-2.34**

Source: Annual Financial Statement 2025-26 for BE and RE and UGFA for FY 2024-25 for actuals.

Annexure 2.4
(Refer to Para 2.4 D)
Analysis of Actuals vis-à-vis estimates for Revenue Disbursements (2024-25)

(₹ in crore)

Item	BE	RE	Actuals	Variation (in *per cent*) (BE to Actuals)	Variation (in *per cent*) (RE to Actuals)
(A) General Services	**19,78,475.69**	**20,42,886.10**	**20,16,115.55**	**1.90**	**-1.31**
(a) Organ of State	13,541.44	14,107.08	14,735.98	8.82	4.46
Parliament/State/Union Territory Legislature	1,208.51	1,215.35	1,069.40	-11.51	-12.01
President, Vice President/Governor, Administrator of Union Territories	121.19	132.78	136.52	12.65	2.82
Council of Ministers	1,148.93	676.30	639.25	-44.36	-5.48
Administration of Justice	2,552.57	2,265.34	2,353.99	-7.78	3.91
Elections	2,724.26	3,732.03	4,491.75	64.88	20.36
Audit	5,785.98	6,085.28	6,045.07	4.48	-0.66
(b) Fiscal Services	53,227.32	53,017.48	51,603.47	-3.05	-2.67
(c) Interest Payments and servicing of debt	11,92,940.29	11,85,170.92	11,64,270.63	-2.40	-1.76
(d) Administrative services	1,54,290.61	1,64,840.58	1,66,065.75	7.63	0.74
(e) Pensions and miscellaneous general services	2,74,929.89	3,20,886.63	3,18,482.30	15.84	-0.75
(f) Defence Services	2,89,546.14	3,04,863.41	3,00,957.42	3.94	-1.28
(B) Social Services	**2,40,608.79**	**1,88,817.46**	**1,94,315.66**	**-19.24**	**2.91**
(a) Education, sports, Art and Culture	65,534.21	64,249.73	70,339.49	7.33	9.48
(b) Health and Family Welfare	41,651.59	42,499.30	47,410.45	13.83	11.56
(c) Water Supply, Sanitation, Housing and Urban Development	78,333.91	32,121.96	34,274.26	-56.25	6.70
(i) Water Supply and Sanitation	64,302.85	21,260.01	23,986.14	-62.70	12.82
(ii) Housing	11,703.42	8,689.88	7,114.66	-39.21	-18.13
(iii) Urban Development	2,327.64	2,172.07	3,173.46	36.34	46.10
(d) Information and Broadcasting	4,049.17	4,314.26	4,129.06	1.97	-4.29
(e) Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	10,198.67	7,090.94	6,121.03	-39.98	-13.68
(f) Labour and Labour Welfare	22,471.94	18,479.59	13,270.93	-40.94	-28.19

Item	BE	RE	Actuals	Variation (in *per cent*) (BE to Actuals)	Variation (in *per cent*) (RE to Actuals)
(g) Social Welfare and Nutrition	5,122.79	4,709.09	16,231.76	216.85	244.69
(h) Others	13,246.51	15,352.59	2,538.68	-80.84	-83.46
(C) Economic Services	**11,99,465.21**	**12,44,137.71**	**11,79,476.16**	**-1.67**	**-5.20**
(a) Agriculture and Allied Activities	3,68,855.25	3,76,903.41	3,90,552.31	5.88	3.62
(b) Rural Development	89,795.90	89,653.20	90,712.55	1.02	1.18
(c) Special Areas Programmes	79,170.84	67,188.45	3,806.94	-95.19	-94.33
(d) Irrigation and Flood Control	10,864.04	6,585.91	8,299.28	-23.61	26.02
(e) Energy	54,898.82	54,698.71	63,205.52	15.13	15.55
(f) Industry and Minerals	1,81,643.90	1,81,345.16	1,71,596.00	-5.53	-5.38
(g) Transport	2,89,972.31	3,09,201.27	2,98,126.61	2.81	-3.58
(h) Communication	44,785.15	65,543.34	65,227.03	45.64	-0.48
(i) Science Technology and Environment	38,276.97	35,924.28	33,619.29	-12.17	-6.42
(j) General Economic Services	41,202.03	57,093.98	54,330.63	31.86	-4.84
(D) Grant-in-Aid and Contributions	**6,66,625.69**	**6,20,765.80**	**5,97,466.34**	**-10.37**	**-3.75**
Revenue expenditure (A+B+C+D)	**40,85,175.38**	**40,96,607.07**	**39,87,373.71**	**-2.39**	**-2.67**

Source: Annual Financial Statement 2025-26 for BE and RE 2024-25 and UGFA for FY 2024-25 for actuals.

Annexure 2.5
(Refer to Para 2.4 E)
Analysis of Actuals vis-à-vis estimates for expenditure on Key Development Sectors (FY 2024-25)

(₹ in crore)

Corresponding Departments to Key Development Sectors		BE	RE	Actuals	Variation (BE to Actuals) (in *per cent)*
1. Department of Agriculture and Farmers Welfare 2. Department of Agricultural Research and Education	Revenue	2,37,120.72	2,49,193.11	2,42,108.43	2.10
	Capital	102.14	122.45	78.34	-23.30
	Total	2,37,222.86	2,49,315.56	2,42,186.77	2.09
1. Department of School Education and Literacy 2. Department of Higher Education	Revenue	1,91,183.54	1,84,541.91	1,79,735.28	-5.99
	Capital	11.82	8.83	5.09	-56.94
	Total	1,91,195.36	1,84,550.74	1,79,740.37	-5.99
1. Department of Health and Family Welfare 2. Department of Health Research	Revenue	1,09,239.94	1,08,943.69	1,07,107.46	-1.95
	Capital	3,613.15	2,550.75	2,399.31	-33.60
	Total	1,12,853.09	1,11,494.44	1,09,506.77	-2.97
Department of Drinking water and Sanitation	Revenue	77,389.18	29,915.18	26,257.16	-66.07
	Capital	1.50	1.50	1.50	0.00
	Total	77,390.68	29,916.68	26,258.66	-66.07
Department of Rural development	Revenue	2,82,562.05	2,71,907.83	2,70,044.85	-4.43
	Capital	4.14	4.28	3.98	-3.86
	Total	2,82,566.19	2,71,912.11	2,70,048.83	-4.43

Source: Summary of Demands for Grants 2025-26 for BE and RE 2024-25, Summary of Demands for Grants 2026-27 for Actuals 2024-25.

Annexure 2.6
(Refer to Para 2.4 G)
Year wise analysis of actuals vis-à-vis BE and RE for expenditure on Capital and Revenue Segment

(₹ in crore)

Year	Expenditure	BE	RE	Actuals	Variance of Actuals (in per cent)	
					From BE	From RE
2022-23	Revenue	35,08,291.18	37,91,422.93	37,83,698.48	7.85	-0.20
	Capital	6,11,189.01	6,20,204.05	6,24,757.22	2.22	0.73
	Loans and Advances	1,70,812.38	1,38,488.14	1,42,058.24	-16.83	2.58
	Total	42,90,292.57	45,50,115.12	45,50,513.94	6.07	0.01
2023-24	Revenue	38,50,443.72	39,00,203.96	38,54,082.21	0.09	-1.18
	Capital	8,38,127.09	8,26,132.83	8,07,180.34	-3.69	-2.29
	Loans and Advances	2,06,252.57	1,87,938.77	1,91,309.65	-7.24	1.79
	Total	48,94,823.38	49,14,275.56	48,52,572.20	-0.86	-1.26
2024-25	Revenue	40,85,175.38	40,96,607.07	39,87,373.71	-2.39	-2.67
	Capital	9,19,695.44	8,51,881.22	8,58,256.01	-6.68	0.75
	Loans and Advances	2,64,156.70	2,40,977.05	2,39,459.68	-9.35	-0.63
	Total	52,69,027.52	51,89,465.34	50,85,089.40	-3.49	-2.01

Source: Annual Financial Statement for BE and RE and UGFA for actuals.

Annexure 3.1
(Refer to Para 3.1.1)
Tax Revenue Raised but not realised.

(₹ in lakh crore)

		FY 2023-24	FY 2024-25	Difference
Gross Tax Revenue		34.66	37.96	
Tax revenue raised but not realised	Total	31.11	38.40	7.29
	'under dispute'	15.40	17.89	2.49
	'not under dispute'	15.71	20.51	4.80
Tax revenue raised but not realised as a percentage of total tax collected for that year.		89.76 per cent	101.16 per cent	

Source: Disclosure statement D1 – Tax Revenue raised but not realised contained in receipt budget 2025-26 and 2026-27 for FY 2023-24 and FY 2024-25 respectively.

Glossary

Glossary

Annual Financial Statements (Budget)	In terms of Article 112 of the Constitution the President shall in respect of every financial year cause to be laid before both the Houses of Parliament a statement of the estimated receipts and expenditure of the Government of India for that year, referred to as the "Annual Financial Statement''. Receipt and disbursements are shown under three parts in which Government accounts are kept, viz. (i) Consolidated Fund, (ii) Contingency Fund, and (iii) Public Account.
Budget at A Glance	This document shows in brief, receipts and disbursements along with broad details of tax revenues, other receipts and details of resources transferred by the Central Government to State and Union Territory Governments. This document also shows deficits of the Government.
Consolidated Fund of India	All revenues received by the Government of India, all loans raised by issue of treasury bills, internal and external loans and all moneys received by the Government in repayment of loans shall form one consolidated fund titled the "Consolidated Fund of India" established under Article 266 (1) of the Constitution.
Public Account	All other public moneys than those credited in the Consolidated Fund, received by or on behalf of the Government of India, are credited to the Public Account of India in terms of Article 266 (2) of the Constitution. These are the moneys in respect of which the Government acts more as a banker.
Finance Accounts	The Finance Accounts presents the accounts of receipts and disbursements together with the financial results disclosed by the revenue and capital accounts, the accounts of the public debt and the liabilities and assets as worked out from the balances recorded in the accounts.
Fiscal Policy	The fiscal policy of a Government is concerned with the raising of Government revenue and the incurring of Government expenditure, to ensure how well the financial and resource management responsibilities have been discharged.
Gross Domestic Product	Gross Domestic Product (GDP) is the monetary value of all finished goods and services produced within a country's borders in specific time period, generally calculated on an annual basis. It includes all private and public consumption, Government's outlays, investments and exports less imports that occur within a defined territory. GDP is worked out at constant prices with reference to specified base year and also at current prices (which includes changes in prices due to inflation or a rise in the overall price level).
Guarantees	Article 292 of the Constitution extends the executive power of the Union to giving of guarantees on the security of the Consolidated Fund of India within such limits, if any, as may be fixed by the Parliament.
Revenue Deficit	Excess of revenue expenditure over revenue receipts.
Revenue Expenditure	Charges on maintenance, repair, upkeep and working expenses, which are required to maintain the assets in a running order and also all other expenses incurred for the day to day running of the organisation, including establishment and administrative expenses are classified as revenue expenditure. Grants given to State/UT Government and other entities are also treated as revenue expenditure, even if some of the grants may be meant for creating capital assets.

Revenue Receipts	These include proceeds of taxes and duties levied by the Government, interest and dividend on investments made by the Government, fees and other receipts for services rendered by the Government.
Effective Revenue Deficit	Effective Revenue Deficit is the difference between revenue deficit and grants for creation of capital assets. It can be interpreted as the difference between the Government's current expenditure (on revenue account) and revenue receipts less grants for creation of capital assets which is recorded as revenue expenditure.
Capital Expenditure	Expenditure of a capital nature is broadly defined as expenditure incurred with the object of either increasing concrete assets of a material and permanent character or of reducing recurring liabilities.
Capital Receipt	Capital receipt comprises of loans raised by the Government, borrowing from the Reserve Bank of India and loans taken from foreign Governments/institutions. It also embraces recoveries of loans advanced by the Government and sale proceeds of Government assets, including those realised from divestment of Government equity in PSUs.
Fiscal Deficit	Excess of total disbursements from the Consolidated Fund of India, excluding repayment of debt over total receipts in the Fund, excluding the debt receipts, during a financial year.
External Debt	Bilateral and multilateral debt contracted by the Government from foreign Governments and financial institutions abroad, mostly in foreign currency.
Internal Debt	Internal Debt comprises loans raised in India. It is confined to loans raised and credited into the Consolidated Fund of India.
Loans and Advances	This includes loans and advances given by the Union Government to the State and UT Governments, Foreign Governments, Public Sector Undertakings, Government Servants, etc.
Public Debt	Government debt from internal and external sources contracted in the Consolidated Fund of India is defined as Public Debt.

https://cag.gov.in/pt/delhi/en/page-pt-delhi-union-reports