

Macro Insights

03 October, 2022

Highlights – Fiscal Deficit (April-August 2022)

- The fiscal deficit for the five months through August touched 5.42 trillion Indian rupees (\$66.56 billion) or 32.6% of annual estimates, government data showed.
- The fiscal deficit for April-August 2021 had accounted for 31.1% of the FY22 target.



India's Fiscal Deficit stood at 32.6% of annual estimates



Marginally on higher side as compared to April-August 2021.



Robust tax collections will help keep the fiscal deficit within targeted range.

PARAMETERS (Amount in Rs. Crore)	Budget Estimate 2022-23	Actuals@ upto August 2022	% of Actuals to Budget Estimates (as against estimated 41.6%)
Fiscal Deficit	1661196	541601	32.6
Revenue Receipts	2204422	816898	37.1
Tax Revenue (Net)	1934771	700094	36.2
Non-Tax Revenue	269651	116804	43.3
Non-Debt Capital Receipts	79291	31527	39.8
Total Receipts	2283713	848425	37.2
Revenue Expenditure	3195257	1137698	35.6
Capital Expenditure	749652	252328	33.7
Total Expenditure	3944909	1390026	35.2

Way Forward

- ✓ There are several upside risks to achieve the fiscal deficit target of 6.4% of GDP for FY23 due to given the high subsidy bill and lower excise duty collection.
- ✓ However, with robust tax revenues taking care of the additional expenditure on account of increased subsidy pay-outs.

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