CHAPTER 4

PUBLIC FINANCE

1. As per the provision of Government of NCT of Delhi Act, 1991, a Consolidated Fund, separate from that of the Government of India had been constituted with effect from December,1993. All Revenue and Capital Receipts of Delhi Government are credited in to this Fund and all the Govt. expenditure is met out of this Fund. In the Current Financial Year 2025-26, with the approval of Ministry of Home Affairs, Govt. of India, a separate Public Account of GNCTD has been established w.e.f. 09.01.2026, empowering GNCTD to Borrow from Market through Reserve Bank of India.

2. The Expenditure Budget of Government of NCT of Delhi is mainly financed from its own tax revenue (68.7% of Expenditure Budget in 2025-26 BE), which includes revenue collection from GST, VAT, Excise, Stamp Duty and Motor Vehicle Tax. In addition, there is non-tax revenue and transfers from Government of India in the form of loan and grant under various items. It is important to highlight here that 71.3% of total Tax Revenue in 2025-26 (BE) will be from GST (including other taxes) & VAT, 10.2% from Excise, 13.1% from Stamp Duty and 5.4% from MVT.

3. Besides the tax revenue, there are transfers of Grants-in-Aid / Other receipts from the Centre, which mainly includes (i) Grants in lieu of Share in Central Taxes and duties*(now it has been clubbed with "Normal Central Assistance" from BE 2023-24 onwards)*, (ii) Compensation for implementation of GST *from Government of India,* (iii) Grant in Aid for Centrally Sponsored Schemes (iv) Normal Central Assistance (v) Contribution to Union Territory Disaster Response Fund (vi) Loan for Externally Aided Projects - WTP at Chandrawal (vii) Enhanced compensation to 1984 riot victims.

4. Similarly, Delhi Government's Capital Receipts mainly cover recovery of loans and advances from Local Bodies/Undertakings/Government Servants etc. and Small Savings Loan from National Small Savings Fund (NSSF).

5. The expenditure out of the Consolidated Fund of Delhi is broadly maintained under the Heads of Establishment and Scheme/Programme/Projects including Centrally Sponsored Scheme (CSS).Further, both Establishment and Scheme/Programme/Projects expenditure is maintained under the Heads of Revenue and Capital Account. The classification of expenditure into Plan and Non Plan was dispensed from financial year 2017-18 and now there is only Revenue and Capital Classification.

6. The Establishment Revenue expenditure of Delhi Government mainly covers the items like salary and office expenses, interest payment to Government of India, devolution of funds to Local Bodies, Grant-in-Aid to various Public Sector Enterprises (PSEs)/Institutions, Subsidies, if any, being provided by the Government to defray the cost of some items/ services under Revenue Establishment head etc. On the other hand, the Establishment Capital expenditure of the Delhi Government covers the repayment of loan to the Government of India, loans/advances to the Local Bodies/Government Servants, Public Sector Enterprises etc.

7. The Revenue Expenditure under scheme/programme/projects mainly covers cost of equipment's, grant-in-aid, and reimbursement of Service charges etc. On the other hand, the Capital expenditure under scheme/programme/ projects covers the Capital Outlay for various infrastructure projects being implemented by the Government Departments including Equity capital to the Public Sector Enterprises etc. and loans & advances being provided for remunerative schemes/projects of Local Bodies/PSEs, etc.

8. Delhi Legislative Assembly passed the State Goods and Services Act on 31st May 2017 and thus GST rolled out in Delhi w.e.f. 01-07-2017. As a result, erstwhile VAT (excluding items like petroleum, liquor etc)& other taxes viz. Entertainment tax, Luxury Tax and Cable TV tax subsumed in GST. Trade & Taxes Department, GNCTD made all efforts for smooth migration of all existing VAT dealers in new regime of Goods &Services Tax. Dissemination of related information through printed brochures, deployment of Sahayata Vahans, one to one contact, organizing camps in major markets, setting up of GST support committees in markets etc were such important steps taken by the Trade & Taxes Department.

9. Tax Collection of Delhi Government is budgeted in 2025-26 for a growth of 15.54% over 2024-25(Prov.). Stamps and Registration Tax (including land Revenue) has estimated growth of 17.63% in 2025-26. GST (including VAT and other taxes of Luxury and Entertainment etc.) budget for a growth of 14.31%. Tax collections under State Excise has a budgeted growth of 22.78%. Motor Vehicles Tax is proposed to increase at a rate of 14.16%.

10. On the other hand, as per Constitutional requirement, the Government of NCT of Delhi is making devolution of funds to its Local Bodies based on the recommendations of Delhi Finance Commission being set up from time to time. The formula for devolution of funds to Local Bodies in Delhi based on the recommendations of the Fifth Delhi Finance Commission.

11. Delhi has maintained its consistent Revenue Surplus; it recorded ₹12247.03 crore during 2024-25(Prov.) as compared to ₹ 6462.30 crore in 2023-24. The

budgeted revenue surplus for 2025-26(BE) is ₹ 9661.31 crore which is 0.73% of GSDP.

12. Delhi's outstanding debt at the end of March, 2025 was ₹30556.54 crore including the non-plan loan received during 2013-14 from Government of India for meeting the outstanding liabilities of DVB/DESU amount of ₹ 3326.39 crore and Chandrawal Water Treatment Plant (Delhi Water Supply Improvement Project Aided by JICA) amount of ₹ 447 crore. Thus, the outstanding debt of Delhi Government constitutes 2.30%of GSDP during 2025-26.

13. The flow of funds received from Govt. of India to GNCTD increased to the tune of ₹1864.03 crore in 2024-25 (Prov.) compared to ₹2093.14 crore in 2023-24.Grants under CSS has increased from ₹ 955.34 crore in 2023-24 to ₹ 1486.02 crore in 2024-25. Further, 'Grants in lieu of Share in Central Taxes' and 'Central Assistance to UTs' have been clubbed in 'Central Assistance to UTs' from financial year 2023-24 onwards with a budget provision of ₹ 951 Crore in FY 2025-26, which has been adjusted by Govt. of India towards JICA aided loans of Delhi Metro Projects (Phase-I, II, III & IV) by the way of book adjustment. The grants under compensation for implementation of GST is reduced from ₹1137.80 crore in 2023-24 to ₹ 363.00 crore in 2024-25.

14. Govt. of NCT of Delhi is budget to have a Fiscal Deficit of ₹13,703 Crore in BE 2025-26, which is mainly on the account of increase of more than double (145%) in capital expenditure over 2024-25. The capital expenditure which was only ₹ 11,485 Crore in 2024-25(Prov.) has been increased to ₹ 28,115 Crore in 2025-26(BE). The Capital Expenditure is a developmental expenditure and it has been appropriately attuned to the needs of Capital City of India. The fiscal deficit is within the accepted limits of 3% of GSDP.

15. SNA SPARSH

15.1 Govt. of NCT of Delhi has now matched the efforts of Govt. of India to bring about more efficiency in cash management at both Centre and States level, with introduction of a real-time "Just-in-Time" fund flow system named SNA - SPARSH for Centrally Sponsored Schemes (CSS) funds through an integrated framework of PFMS, State IFMIS and e-Kuber platform of Reserve Bank of India (RBI). In this regard, Ministry of Finance, GoI had issued guidelines/instructions vide their OM dated 13.07.2023.

15.2 Presently, there are total 59 State Linked Schemes (SLS) in Govt. of NCT of Delhi against 35 Centrally Sponsored Schemes (CSS). Drawing Accounts opened under all these 59 SLS in Reserve Bank of India. All the schemes mapped and configured onto SNA SPARSH Platform through PFMS Portal of Ministry of Finance, GoI.

16. Revenue Receipts

16.1 Revenue receipts are broadly categorized as Tax Revenue, Non-Tax Revenue and Grants-in-aid and other receipts from the Central Government.The position of revenue receipts of Delhi Government is presented in Statement 4.1 and Charts 4.1 and 4.2.

STATEMENT 4.1

REVENUE RECEIPTS OF THE GOVT. OF NCT OF DELHI

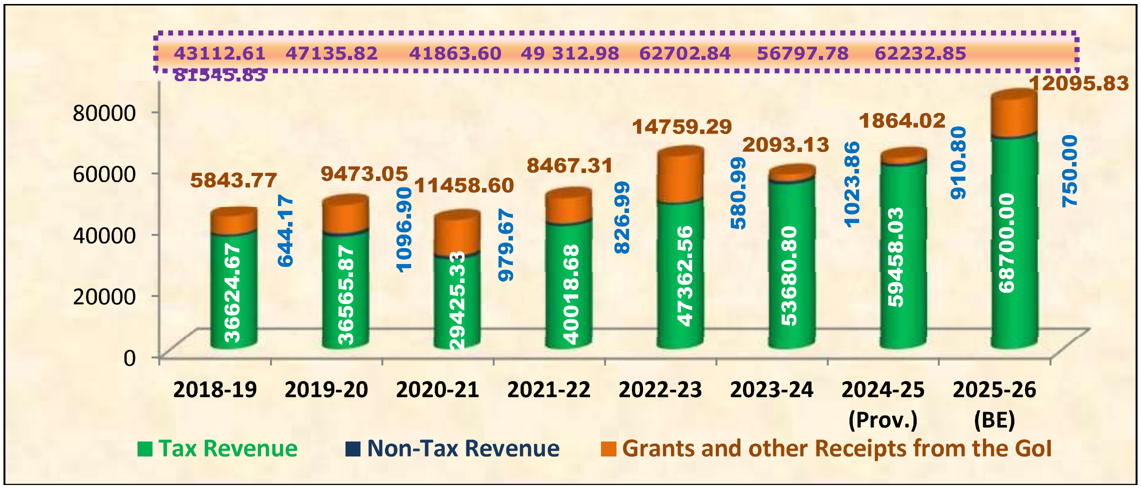
(₹ in Crore)

S. No.	Item of receipt	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 (Prov.)	2025-26 (BE)
1	Stamps and registration (Including Land Revenue)	4458.73	4609.01	3552.98	5212.09	6022.91	7152.29	7650.86	9000.00
2	State Excise	5028.19	5068.01	4108.15	5487.58	5547.97	5164.08	5701.41	7000.00
3	VAT	5885.75	5474.67	4411.20	5099.46	5582.06	6551.33	7240.60	8000.00
4	State Goods and Services Tax	19186.57	19464.95	15676.15	22263.43	27324.11	31570.70	35623.09	41000.00
5	Taxes on Vehicles	2054.75	1948.09	1676.18	1955.68	2884.08	3242.15	3241.02	3700.00
6	Other taxes & duties on goods and services	10.68	1.14	0.67	0.45	1.44	0.25	1.05	0.00
A	**Tax Revenue (1 to 6)**	**36624.67**	**36565.87**	**29425.33**	**40018.68**	**47362.56**	**53680.78**	**59458.03**	**68700.00**
B	Non-Tax Revenue	**644.17**	**1096.90**	**979.67**	**826.99**	**580.99**	**1023.86**	**910.80**	**750.00**
C	Grants and other receipts from the centre	**5843.77**	**9473.05**	**11458.60**	**8467.31**	**14759.29**	**2093.13**	**1864.02**	**12095.83**
D	**Total Revenue Receipts (A to C)**	**43112.61**	**47135.82**	**41863.60**	**49312.98**	**62702.84**	**56797.78**	**62232.85**	**81545.83**

Sources: 1.Figures for 2018-19 to 2023-24 is from Finance Accounts, GNCTD.
2. Figures for 2024-25& 2025-26 are from Budget document, GNCTD.

CHART 4.1

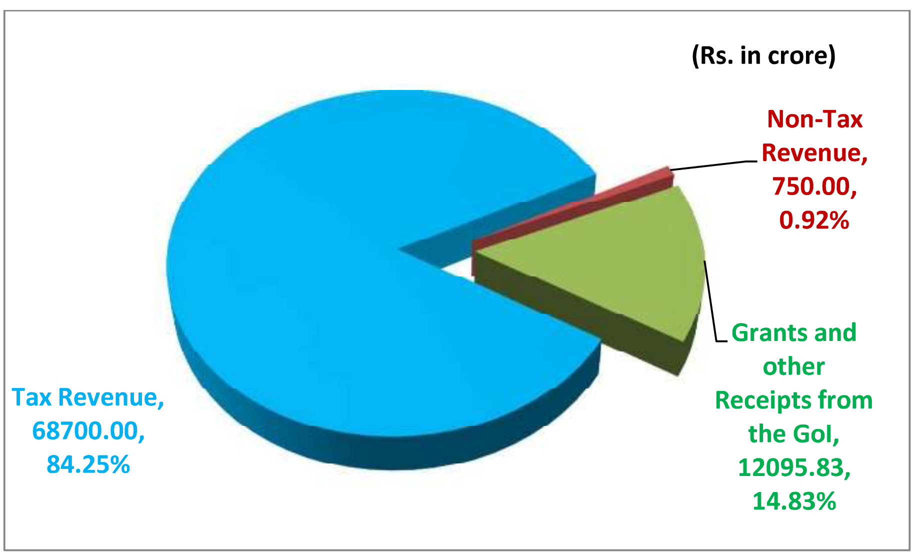
REVENUE RECEIPTS OF DELHI GOVERNMENT 2018-19 TO 2025-26(BE)



16.2 The total Revenue Collection of Delhi Government was ₹ 81545.83 crore (6.14% of GSDP) in 2025-26 (BE) as against ₹ 62232.85 crore (5.13% of GSDP) during 2024-25 (Prov.).

CHART 4.2

REVENUE RECEIPT OF DELHI GOVERNMENTDURING 2025-26(BE)



16.3 Chart 4.2 represents the Tax Revenue, Non-Tax Revenue and Grant-in-Aid/ other Receipts from the Centre during 2025-26(BE). The major source of Revenue Receipts of Delhi Government during 2025-26 (BE) is its Own Tax Revenue which is ₹ 68700.00 crore (84.25%) followed by Grants/ Receipts from the Centre at ₹12095.83 crore (14.83%) and Non-Tax Revenue at ₹ 750.00 crore (0.92%).

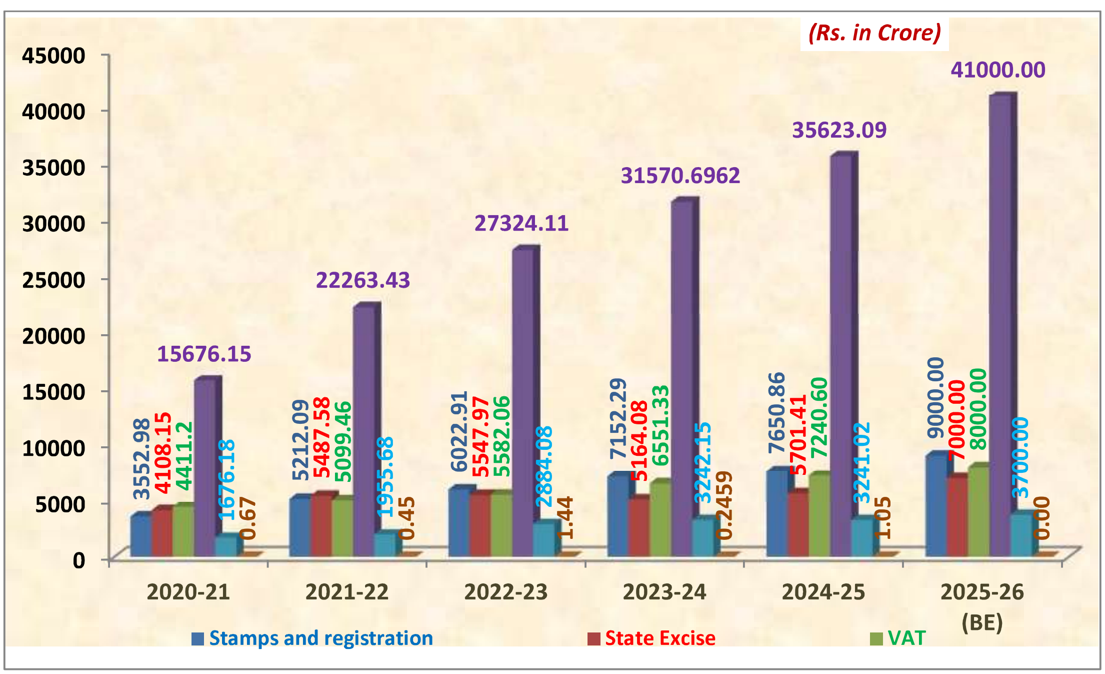
17. Tax Revenue

17.1 The targeted tax collection for the year 2025-26(BE) is ₹68700.00 crore with the growth of 15.54% over the previous year 2024-25 (Prov.). Delhi's Tax Revenue registered a growth of 10.76% in 2024-25 compared to the growth of 13.34% in 2023-24. The main items of Tax Revenue of Delhi Government during 2024-25 are Goods and Services Tax (including other Taxes & Duties on Commodities and Services which incorporates Entertainment, Betting & Luxury Tax) which was ₹35624.14 crore (59.91%), followed by Value Added Tax (VAT) which was ₹7240.60 crore (12.18%), followed by State Excise at ₹ 5701.41 crore (9.59%), followed by Stamps & Registration Fees at ₹7650.86 crore (12.87%) and Taxes on Motor Vehicles at ₹3241.02 crore (5.45%).

17.2. The year-wise position of collection of various Taxes and their percentage share during 2020-21 to 2025-26 (BE) is shown in Chart 4.3 and Statement 4.2 respectively.

CHART 4.3

COLLECTION OF TAXES: 2020-21 to 2025-2026 (BE)



STATEMENT 4.2

PERCENTAGE SHARE OF VARIOUS TAXES DURING 2019-20TO 2025-26 (BE.)

(in percent)

Sl. No.	Item	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
		Actual					**Prov.**	**BE**
1	Stamps and registration (Including Land Revenue)	12.60	12.07	13.02	12.72	13.32	12.87	13.10
2	State Excise	13.86	13.96	13.71	11.71	9.62	9.59	10.19
3	VAT	14.97	14.99	12.74	11.79	12.20	12.18	11.64
4	State Goods and Services Tax	53.23	53.28	55.63	57.69	58.81	59.91	59.68
5	Taxes on Vehicles	5.33	5.70	4.89	6.09	6.04	5.45	5.39
Total		**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**

Source:Figures for 2019-20 to 2024-25 are from Finance Accounts and 2025-26are from Principal Account Office of GNCTD.

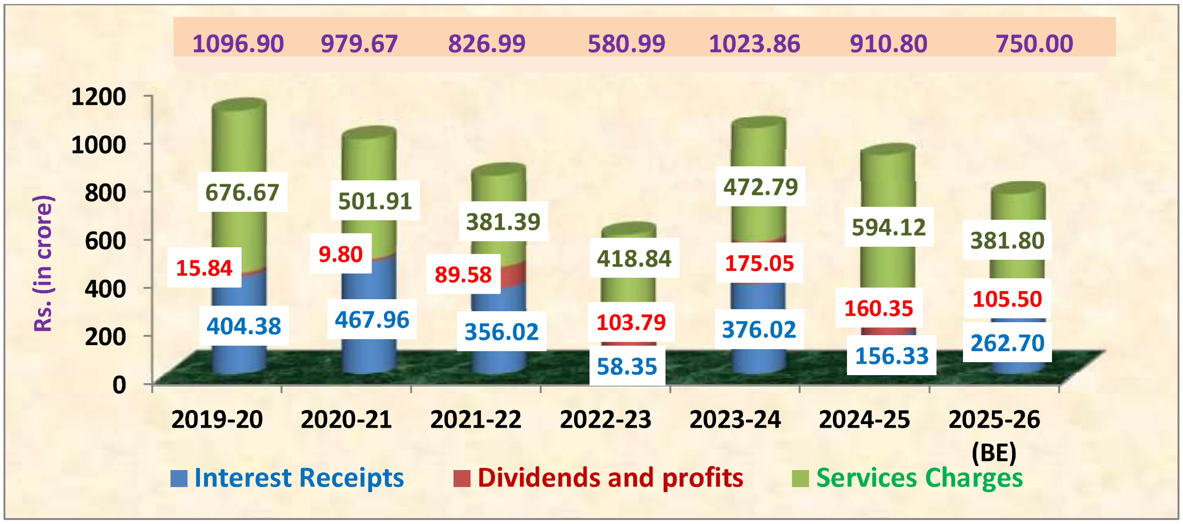
17.3 The share of GST/VAT is 71.32% which is largest component of Tax in Delhi, while Stamps and Registration is 13.10%, State Exicse 10.19% and Taxes on Vehicles is 5.39%.

18. Non Tax Revenue

18.1 The Delhi Government's own Non-Tax Revenue mainly consists of interest receipts on account of loans and advances provided by Delhi Government to its Local Bodies and Undertakings, dividends and profits from investments in various Public Sector Undertakings and service charges/fees/fines etc. from various Government Departments. Chart 4.4 indicates the position of Own Non Tax Revenue of Delhi Government.

CHART 4.4

BREAK-UP OF OWN NON-TAX REVENUE



19. Grant-in-Aid/ Receipts from the Centre

19.1 The Government of India has categorized all the states into two categories viz; Special Category States and General Category States for the purpose of providing funds for developmental programme/ schemesbased on some norms likerevenue base of a state, border region etc.

19.2 The Grant-in-aid/ receipts to Delhi from the Centre consists of discretionary grant in lieu of Share in Central Taxes, Establishment grant for specific purposes like compensation on account of phasing out of Central Sales Tax (CST)/Implementation of VAT/ Implementation of GST, Grant under Central Assistance for Annual outlay of Delhi and also grants for Centrally Sponsored Schemes(CSS). Further, GST Compensation has been stopped w.e.f. July, 2022 and Rs. 363.00 crore is received as GST compensation in F.Y 2024-25 against the arrears of previous year amounting to Rs. 1137.80 crore as 2023-24 from Government of India.The details of grant-in-aid from Centre to Delhi during 2019-20 to 2025-26 (BE) are mentioned in Statement 4.3.

STATEMENT 4.3

GRANT-IN-AID/ OTHER RECEIPTS FROM THE CENTRE TO DELHI GOVT 2020-21 TO 2025-2026 (BE)

(₹inCrore)

Sl. No.	Item	2020-21	2021-22	2022-23	2023-24	2024-25 (Prov.)	2025-26 (BE)
1	Grant in lieu of Share in Central Taxes	325.00	325.00	325.00	---	---	---
2	Enhance compensation to 1984 riot victims	0.00	3.43	9.49	0.00	0.00	2.00
3	Compensation for Implementation of GST	5521.65	6445.96	12817.02	1137.80	363.00	0.00
4	DDRF	161.49	75.00	0.00	0.00	15.00	15.00
5	Normal Central Assistance	626.00	626.00	626.00	0.00*	0.00*	951.00
6	Centrally Sponsored Scheme	1441.46	991.93	981.79	955.34	1486.02	4127.82
7	Other Grants	0.00	0.00	0.00	0.00	0.00	7000.00
8	EAP-WTP at Chandrawal	0.00	0.00	0.00	0.00	0.01	0.01
9	Reversal of IGST Devolution and Apportionment of IGST	3383.00	0.00	0.00	0.00	0.00	0.00
Total Grants		**11458.60**	**8467.32**	**14759.30**	**2093.14**	**1864.03**	**12095.83**
Grants as % to GSDP		**1.54**	**0.97**	**1.48**	**0.19**	**0.15**	**0.91**

** NCA for the period 2023-24 and 2024-25 has been released and adjusted by Govt. of India towards repayment of JICA loan of DMRC by the way of book adjustment.*

Source: - Finance Accounts of GNCTD for various years and budget document.

20. Tax Buoyancy

20.1 The Tax Buoyancy indicates the relative growth in Tax Revenue with reference to the growth in the economy being measured by the growth of Gross State Domestic Product (GSDP). The following statement-4.4 indicates the Tax Buoyancy of Delhi Government during 2019-20 to 2025-26 (BE).

STATEMENT 4.4

TAX BUOYANCY IN DELHI

Sl. No.	Item	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 (Prov.)	2025-26 (BE)
1	Stamps and registration (Including Land Revenue)	0.46	3.74	2.75	1.05	1.65	0.78	1.87
2	State Excise	0.11	3.09	1.98	0.07	-0.61	1.17	2.42
3	Goods and Services Taxes (Other taxes)	-0.95	3.17	0.92	0.64	1.53	1.18	1.11
4	VAT	0.19	3.17	2.48	1.53	1.37	1.44	1.60
5	Taxes on Vehicles	-0.70	2.28	0.98	3.19	1.09	0.00	1.50
Total		-0.02	3.18	2.12	1.23	1.17	1.21	1.65

20.2. The Tax Buoyancy of Delhi was1.21during 2024-25compared to 1.17 during 2023-24, here the Tax Buoyancy was the lowest during 2019-20 due to Covid-19 pandemic period. The budgeted tax bouncy for the 2025-26 is 1.65.

21. Tax Effort

21.1 Delhi is one among the higher per capita income States in the country. The Tax Revenue as %age of GSDP of Delhi is as under:-

STATEMENT 4.5

TAX REVENUE AS % OF GSDP/GDP OF DELHI

(₹ in Crore)

Sl.No.	Years	Delhi	
		Tax Revenue	% of GSDP
1	2014-15	26604	5.38
2	2015-16	30225	5.49
3	2016-17	31140	5.05
4	2017-18	35717	5.27
5	2018-19	36625	4.96
6	2019-20	36566	4.61
7	2020-21	29425	3.95
8	2021-22	40019	4.60
9	2022-23	47363	4.74
10	2023-24	53681	4.82
11	2024-25	59458	4.90
12	2025-26 (BE)	68700	5.18

22. Revenue Expenditure

22.1 The revenue expenditure of the Government of Delhi consists of salary, office expenses, grant-in-aid/subsidy to Institutions/ Local Bodies, interest payment to Government of India etc. The position of revenue expenditure of Government of Delhi is presented in Statement 4.6 and Chart 4.5.

STATEMENT 4.6

REVENUE EXPENDITURE (ESTABLISHMENT AND SCHEME/ PROJECTS) OF DELHIGOVERNMENT 2014-15 TO 2025-26(BE)

(₹inCrore)

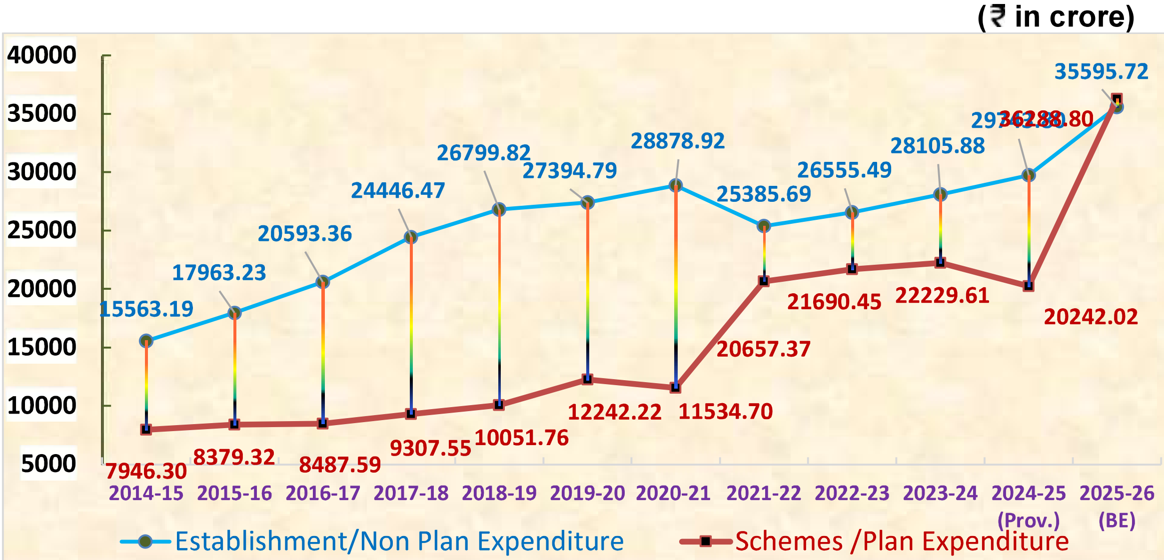
Sl. No.	Years	Establishment Exp	Interest Payment out of Establishment Exp; (i.e. out of column 3)	Programmes Schemes/Projects	Total Revenue Expenditure (3)+(5)
(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
1	2014-15	15563.19	2774.00	7946.30	23509.49
2	2015-16	17963.23	2809.81	8379.32	26342.55
3	2016-17	20593.96	2882.52	8487.59	29081.55
4	2017-18	24446.47	2870.67	9307.55	33754.02
5	2018-19	26799.82	2867.11	10051.76	36851.58
6	2019-20	27394.79	2751.87	12242.22	39637.02
7	2020-21	28878.92	2873.83	11534.70	40413.62
8	2021-22	25385.69	3274.24	20657.37	46043.06
9	2022-23	26555.49	3266.36	21690.45	48245.94
10	2023-24	28105.88	3094.31	22229.61	50335.49
11	2024-25 (Prov.)	29743.80	2666.08	20242.02	49985.82
12	2025-26(BE)	35595.72	2246.19	36288.80	71884.52

Sources: Figures for 2014-15 to 2023-24 are from Finance Accounts,2024-25 are from Principal Account Office and 2025-26 from Budget Documents, GNCTD.

CHART 4.5

REVENUEEXPENDITURE (PLAN & NON-PLAN) DURING 2014-15 TO 2016-17AND DURING 2017-18 to 2025-26(BE) (PROGRAMME/SCHEMES AND ESTABLISHMENT)

(₹ in crore)



***Note:** The Plan / Non Plan dichotomy was done away with as a Fiscal reform since F.Y. 2017-18.*

23. Interest Payment to Government of India

23.1 The interest liability of a Government during a year depends on its outstanding debt in the previous year. The Delhi Government has made interest payment of ₹ 2666.08 crore in 2024-25 (Prov.) which is 4.48% of its own Tax Revenue during the year. Delhi's outstanding debt at the end of March 2025 was ₹ 30556.54 crore including the non plan loan received during 2013-14 from Government of India for meeting out the outstanding liabilities of DVB/DESU amounting to ₹3326.39 crore and Chandrawal Water Treatment Plant (Delhi Water Supply Improvement Project Aided by JICA) amount of ₹447 crore. The position of interest payment of Delhi Government as percentage of its Tax Revenue is shown in the following Statement 4.7.

STATEMENT 4.7

INTEREST PAYMENT AS PERCENTAGE OF TAX REVENUE OF DELHI GOVT.

(₹in Crore)

Sl. No.	Years	Tax Revenue	Interest Payment	(%)
1.	2014-15	26603.90	2774.00	10.43
2.	2015-16	30225.16	2809.81	9.30
3.	2016-17	31139.89	2882.52	9.26
4.	2017-18	35717.02	2870.67	8.03
5.	2018-19	36624.67	2867.11	7.82
6.	2019-20	36565.87	2751.87	7.52
7.	2020-21	29425.33	2873.83	9.77
8.	2021-22	40018.68	3274.24	8.18
9.	2022-23	47362.56	3266.36	6.90
10.	2023-24	53680.79	3094.31	5.76
11.	2024-25 (Prov.)	59458.03	2666.08	4.48
12.	2025-26 (BE)	68700.00	2246.19	3.27

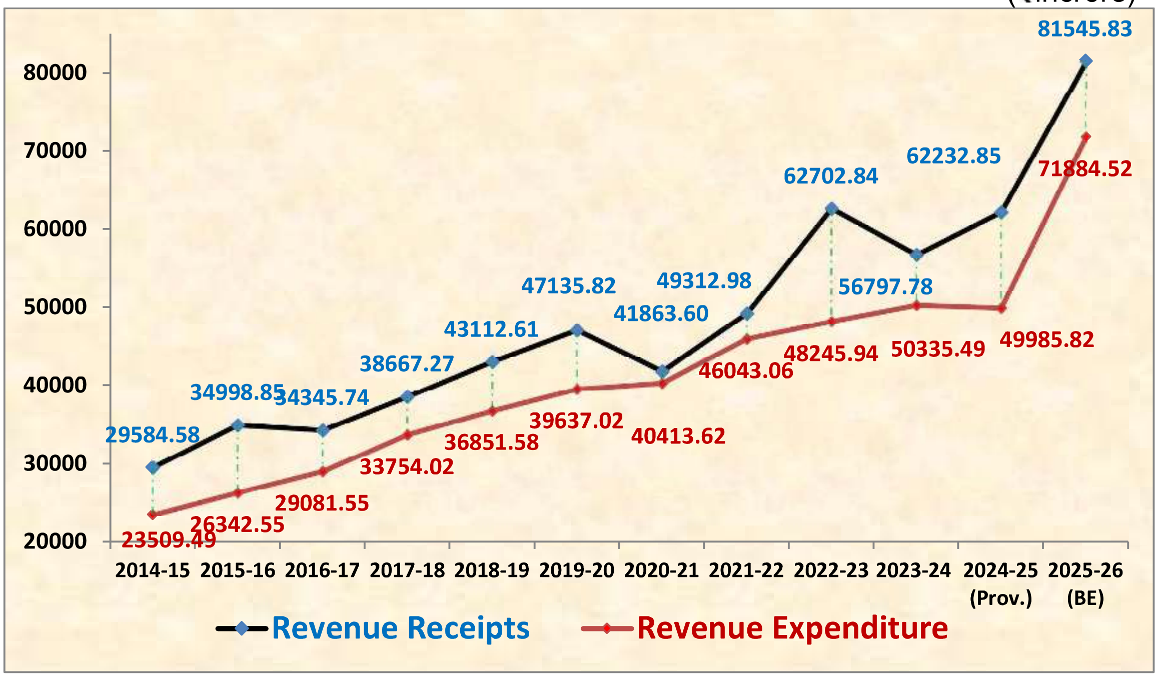
24. Revenue Surplus

24.1 Delhi has a distinct character of having consistent Revenue Surplus. The budgeted Revenue Surplus for the year 2025-26(BE) is ₹9661.31crore. Chart 4.6 indicates the revenue receipt and revenue expenditure position of Delhi Government during 2014-15 to 2025-26(BE).

CHART 4.6

REVENUE RECEIPT & REVENUE EXPENDITURE OF DELHI GOVERNMENT

(₹incrore)



24.2. The position regarding the revenue surplus/deficit and fiscal surplus/deficit of Delhi viz.-a-viz. all States during the period 2014-15 to 2025-26(BE) is mentioned in Statement 4.8. Further, Chart No.4.7 indicates the position of revenue surplus of Delhi Government.

STATEMENT 4.8

REVENUE SURPLUS/DEFICIT OF ALL STATES & GNCTDDURING 2014-15 TO 2025-26 (BE)

(₹incrore)

S. No.	Years	Revenue Surplus(+) / Deficit(-)		Fiscal Surplus(+) / Deficit (-)	
		Delhi	All States	Delhi	All States
1.	2014-15	6075	-45704	219	-327190
2.	2015-16	8656	-5380	1322	-420670
3.	2016-17	5264	-40490	-1051	-534330
4.	2017-18	4913	-18840	113	-410494
5.	2018-19	6261	-17769	2147	-462770
6.	2019-20	7499	-121495	-417	-524710
7.	2020-21	1450	-371222	-6708	-804574
8.	2021-22	3270	-102032	-7021	-654678

S. No.	Years	Revenue Surplus(+) / Deficit(-)		Fiscal Surplus(+) / Deficit (-)	
		Delhi	All States	Delhi	All States
9.	2022-23	14457	-61542	4565	-721632
10.	2023-24	6462	-93437	-3934	-877195
11.	2024-25(Prov.)	12247	-190221	5724	-1161161
12.	2025-26 (BE)	9661	-81574	-13703	-1175075
Revenue Surplus(+) / Deficit(-)				(Percent to GSDP/GDP)	
1.	2014-15	1.23	-0.37	0.04	-2.62
2.	2015-16	1.57	-0.04	0.24	-3.05
3.	2016-17	0.85	-0.26	-0.17	-3.47
4.	2017-18	0.72	-0.11	0.02	-2.40
5.	2018-19	0.85	-0.09	0.29	-2.45
6.	2019-20	0.95	-0.60	-0.05	-2.61
7.	2020-21	0.19	-1.87	-0.90	-4.05
8.	2021-22	0.38	-0.43	-0.81	-2.77
9.	2022-23	1.45	-0.23	0.46	-2.68
10.	2023-24	0.58	-0.31	-0.35	-2.91
11.	2024-25 (Prov.)	1.01	-0.58	0.47	-3.51
12.	2025-26 (BE)	0.73	-0.23	-1.03	-3.29

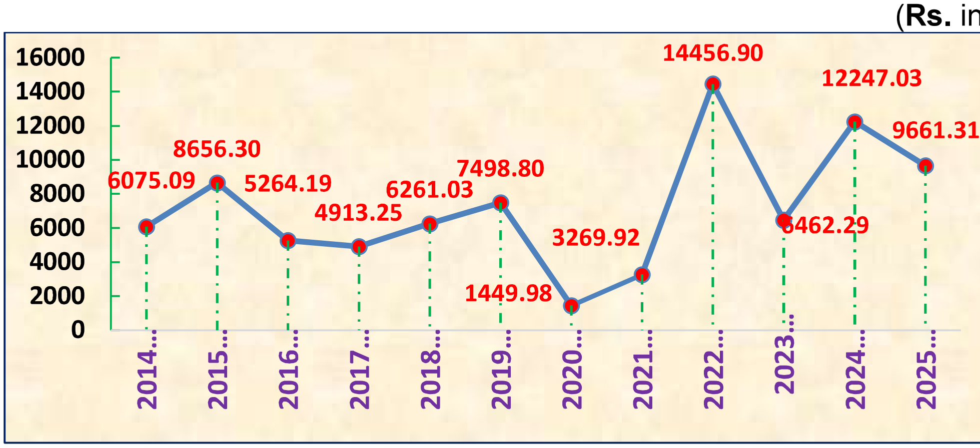
Sources: 1. Finance Accounts, GNCTD, 2025-26 (BE) from Budget Document.
2. RBI – State Finances – A study of Budgets 2025-26.

24.3 It may be seen that Govt. of NCT of Delhi is budget to have a Fiscal Deficit of ₹ 13,703 Crore in BE 2025-26, which is mainly on the account of increase of more than double in capital expenditure over 2024-25. The capital expenditure which was only ₹ 11,485 Crore in 2024-25(Prov.) has been increased to ₹ 28,115 Crore in 2025-26(BE). The Capital Expenditure is a developmental expenditure and it has been attuned to the needs of Capital City of India. The fiscal deficit is within the accepted limits of 3% of GSDP.

CHART. 4.7

REVENUE SURPLUS OF DELHI GOVERNMENT DURING 2014-15 to 2025-26 (BE)

(**Rs.** incrore)



25. Capital Receipts

25.1 Delhi Government's capital receipts consist of loan from National Small Savings Fund (NSSF), recovery of loans and advances from Local Bodies/Public Utilities /Government Servants, etc. The information regarding the capital receipts of Delhi Government is presented in the following Statement 4.9.

STATEMENT 4.9

CAPITAL RECEIPTS OF DELHI GOVERNMENT2018-19 to 2025-26 (BE)

(₹ in Crore)

S. No.	Sources	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 (Prov.)	2025-26 (BE)
1.	Small Saving Loan	2800.00	4540.60	9500.00	5000.00	3251.22	0.00	0.00	15000.00
2.	Block Loans- in lieu of GST compensation shortfall	0.00	0.00	5865.00	6192.67	0.00	0.00	0.00	0.00
2.	Recovery of Loan & Advances	1643.90	822.65	631.48	622.78	1257.66	98.25	47.97	109.55
3	Loan under EAP	80.00	225.00	0.00	0.00	0.00	0.00	142.00	380.00
Total Capital Receipts		**4523.90**	**5588.25**	**15996.48**	**11815.45**	**4508.88**	**98.25**	**189.97**	**15489.55**

Source: 1. Figures for 2018-19 to 2023-24are from Finance Accounts, GNCTD.
2. Figures for 2024-25 (Prov.) are from Principal Account Office and 2025-26from Budget Documents, GNCTD.

25.2 During 2024-25 (Prov.) Delhi Government's Capital Receipt was ₹ 189.97 crore compared to ₹98.25 crore received during the previous year 2023-24.One of the main reasons for decline in Capital Receipts during 2024-25 (Prov.) was due to lower Recovery of Loan & Advances amounting to₹47.97 crore received compared to ₹98.25 crore during 2023-24. There is no receipt received of Small Saving Loans provided by Govt. of India in FY 2024-25 as well as FY 2023-24 and no any amount received in Block Loans- in lieu of GST compensation shortfall from Government of India. The budgeted capital receipts for 2025-26 (BE) is ₹ 15489.55 crore.

26. Capital Expenditure

26.1 The capital expenditure of Delhi Government is reported under Plan & Non-plan (up to 2016-17) and under Schemes/Projects and Establishment from 2017-18. The capital expenditure under Schemes/ Programs covers the expenditure like capital outlay for various infrastructure projects of the Government and loans and advances to the Local Bodies/Undertakings for development projects/schemes while the Establishment capital expenditure includes repayment of loan to Government of India, and non plan loan, if any, provided to the Local Bodies etc. The Statement 4.10 and Chart 4.8 indicate the capital receipts and disbursement of Delhi Government.

STATEMENT 4.10

CAPITAL EXPENDITURE OF DELHI GOVERNMENT

(₹inCrore)

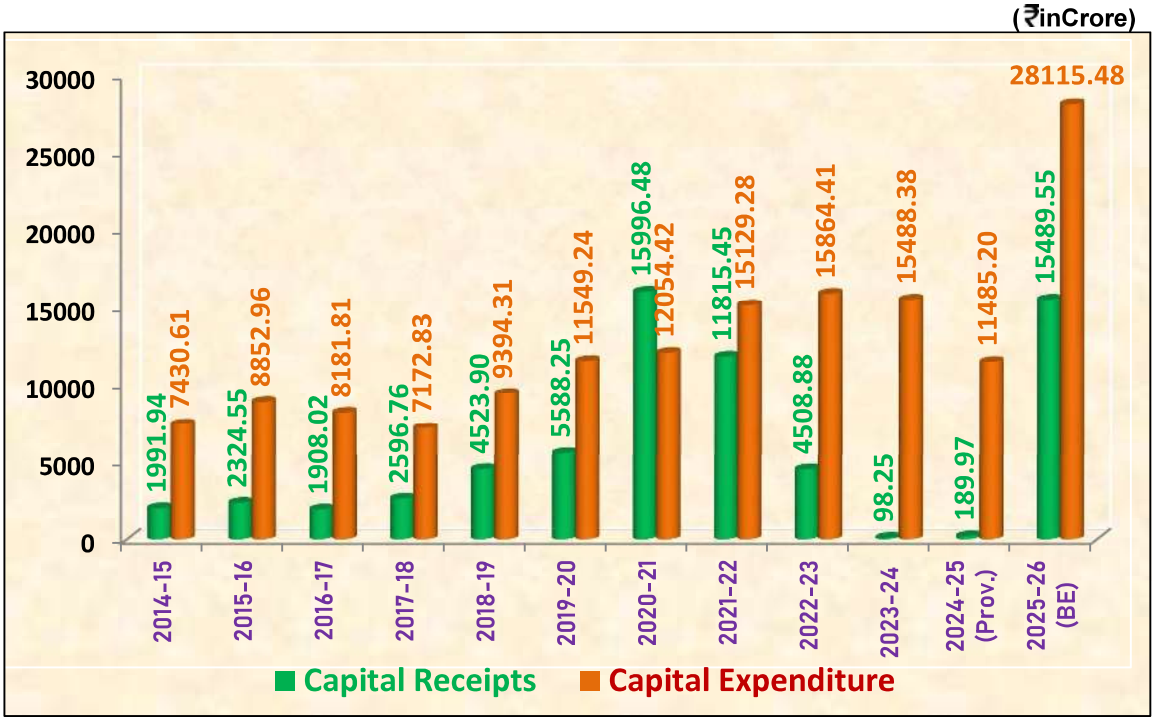
Particular	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 (Prov.)	2025-26 (BE)
Capital Expenditure	7172.83	9394.31	11549.24	12054.42	15129.28	15864.41	15488.38	11485.20	28115.48

Source: 1.Figures for 2017-18 to 2023-24 are from Finance Accounts, GNCTD.
2. Figures for 2024-25 are from Principal Account Office and 2025-26 from budget document, GNCTD.

CHART 4.8

CAPITAL RECEIPTS & CAPITAL EXPENDITURE OF DELHI GOVERNMENT

(₹inCrore)



26.2 The total capital expenditure of Delhi Government during 2024-25 (Prov.) was ₹11,485.20crore which is 18.68% of the total expenditure of ₹ 61,471.02crore. Out of total capital expenditure of ₹11,485.20 crored uring 2024-25 (Prov.), the expenditure incurred under Schemes/Projects was ₹6,439.68crore (56.07%) and the remaining ₹5,045.32crore (43.93%) was under Estt. & Admn. Expenditure. The budgeted total capital expenditure for 2025-26 (BE) is₹28,115.48crore which is 28.12% of the total expected expenditure of ₹ 1,00,000crore.

27. Public Debt

27.1 The Statement 4.11 indicates the outstanding Debt of Delhi Government and its debt servicing liability.

STATEMENT 4.11

PUBLIC DEBT OF DELHI GOVT. DURING 2014-15 to 2024-25

(₹in Crore)

Sl. No.	Years	Outstanding Debt at the beginning of the year	Amount Received	Amount Repaid	O/s at the end
1	2014-15	32080.30	1764.32	1346.72	32497.90
2	2015-16	32497.90	2241.13	1435.18	33303.86
3	2016-17	33303.86	1695.53	1654.62	33344.77
4	2017-18	33344.77	1906.34	1682.43	33568.68
5	2018-19	33568.68	2880.00	3636.35	32812.32
6	2019-20	32812.32	4765.60	2811.10	34766.82
7	2020-21	34766.82	9500.00	3265.17	41001.66
8	2021-22	41001.66	5000.00	4215.16	41786.50
9	2022-23	41786.50	3251.22	4715.17	40322.55
10	2023-24	40322.55	0.00	4993.69	35328.86
11	2024-25 (Prov.)	35328.86	142.00	4914.32	30556.54

Source: Figures for 2014-15 to 2024.25 are from Detailed Demand for Grants 2025-26, GNCTD.

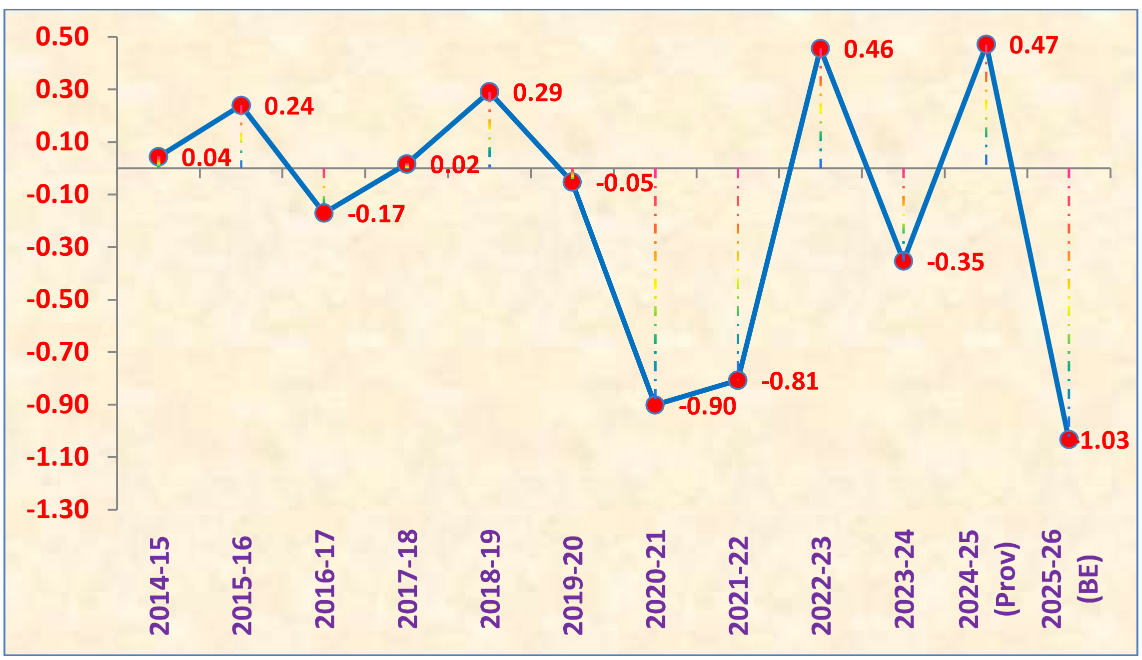
27.2 Such outstanding debt is mainly on account of Small Savings Loan from National Small Savings Fund (NSSF), Chandawal Water Treatment Plant (Delhi Water Supply Improvement Project Aided by JICA) and loan received from Ministry of Power, Govt. of India to settle outstanding liabilities of DESU/DVB received during 2013-14 from Ministry of Power, Government of India. As a result of above outstanding debt, the Delhi Government has paid an amount of ₹2,666.08 crore as interest and total ₹4,914.32 crore as repayment of principal to the Government of India during 2024-25.

28. Fiscal Deficit/ Surplus

28.1 The Fiscal Deficit is a summary of statistical measure that indicates the net borrowing requirement of the Government from all sources. The Delhi Government recorded a Fiscal Deficit of ₹3934.15 crore in FY2023-24 as compared to Fiscal Surplus of ₹ 5724.12 crore in 2024-25. **Chart-4.9** indicates the fiscal deficit/surplus as percentage of GSDP during 2014-15 to 2025-26 (BE). However, the Government has projected the fiscal deficit of ₹13702.95 crore during 2025-26(BE) which is 1.03% of GSDP. The fiscal deficit in 2025-26 (BE) is mainly on the account of increase of more than double (145%) in capital expenditure over 2024-25. The capital expenditure which was only ₹ 11,485 Crore in 2024-25(Prov.) has been increased to ₹ 28,115 Crore in 2025-26(BE). The Capital Expenditure is a developmental expenditure and it has been appropriately attuned to the needs of Capital City of India. The fiscal deficit is within the accepted limits of 3% of GSDP.

Chart 4.9

GROSS FISCAL DEFICIT/ SURPLUS AS PERCENTAGE OFGSDP OF DELHI



29. Financing of Annual Outlay for Schemes/Projects of Delhi Govt.

29.1 Financing of Annual Outlay for Schemes/Projects of Delhi is almost similar to that of other States. The following Statement 4.12 indicates the achievement of resources during 2019-20 to 2025-26 (BE).

STATEMENT 4.12

ACHIEVEMENT OF RESOURCES DURING 2019-20to2025-26 (BE)

(₹in crore)

Sl. No	Item	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 (Prov.)	2025-26 (BE)
1	**Tax Revenue (i to v)**	**36565.87**	**29425.33**	**40018.68**	**47362.56**	**53680.79**	**59458.03**	**68700.00**
i	**VAT & SGST**	24939.62	20087.35	27362.89	32907.61	38122.03	42863.69	49000.00
a	VAT	5474.67	4411.20	5099.46	5582.06	6551.33	7240.60	8000.00
b	SGST	19464.95	15676.15	22263.43	27324.11	31570.70	35623.09	41000.00
ii	Stamps & Regd. Fee	4609.01	3552.98	5212.09	6022.91	7152.29	7650.86	9000.00
iii	Taxes on Motor Vehicle	1948.09	1676.18	1955.68	2884.08	3242.15	3241.02	3700.00
iv	State Excise	5068.01	4108.15	5487.58	5547.97	5164.08	5701.41	7000.00
v	**Other Taxes**	1.14	0.68	0.45	1.44	0.25	1.05	0.00
2	Own Non- Tax Revenue	**1096.90**	**979.67**	**826.99**	**580.99**	**1023.86**	**910.80**	**750.00**
3	Repayment of Loans & Advances	**822.65**	**631.48**	**622.78**	**1257.66**	**98.25**	**47.97**	**109.55**
4	Share in Central Taxes	325.00	325.00	325.00	325.00	---	---	---
5	GST/VAT/CST Compensation	7436.00	5521.65	6445.96	12817.02	1137.80	363.00	0.00
6	Centrally Sponsored Schemes	1169.48	1441.46	991.93	981.79	955.34	1486.02	4127.82
7	Other Grants/ Receipts from GOI	542.56	4170.49	704.43	635.49	0.00	15.00	7968.01
8	Small Saving Fund	4540.60	9500.00	5000.00	3251.22	0.00	0.00	15000.00
9	Loan under EAP	225.00	0.00	0.00	0.00	0.00	142.00	380.00
10	Block Loan in lieu of GST Compensation	0.00	5865.00	6192.67	0.00	0.00	0.00	0.00
11	Opening Balance	4363.14	5900.94	11292.98	11249.08	14350.45	5422.64	2964.62
12	**Total Funds (1 to 11)**	**57087.20**	**63761.02**	**72421.42**	**78460.80**	**71246.48**	**67845.44**	**100000.00**
13	**Total Expenditure (i+ii)**	**51186.26**	**52468.04**	61172.34	64110.35	65823.87	61471.02	**100000.00**
(i)	**Estt & Admn. Expenditure (a+b)**	**30906.45**	**33244.75**	**30826.01**	**32327.80**	**33280.83**	**34789.33**	**40700.00**
a	Revenue	27394.79	28878.92	25385.69	26555.49	28105.88	29743.80	35595.72
b	Capital	3511.65	4365.83	5440.32	5772.31	5174.95	5045.52	5104.28
(ii)	**Scheme Expenditure (c+d)**	**20279.81**	**19223.29**	**30346.33**	**31782.55**	**32543.04**	**26681.70**	**59300.00**
C	Revenue	12242.22	11534.70	20657.37	21690.45	22229.61	20242.02	36288.80
d	Capital	8037.59	7688.59	9688.96	10092.10	10313.43	6439.68	23011.20

30. Devolution of funds to Local Bodies

30.1 Devolution of funds to Local Bodies in Delhi (i.e. MCD or its successor entities & NDMC) is being made as per the Government's decision based on the recommendations of Delhi Finance Commission (DFC). As decided by the Cabinet vide decision No. 2670 dated 01.01.2019, the net proceeds of tax revenue will be devolved to local bodies as per recommendations of 5th DFC. Thus, total devolution of funds shall be 12.5% of net tax collection. This consist of 6% Basic Tax Assignment and 6.5% sector specific grants i.e. Health, Education and Urban Development.

30.2 The details of Delhi Finance Commission wise devolution is given in the following statements:-

STATEMENT 4.13
DEVOLUTION OF FUNDS TO LOCAL BODIES IN DELHI

(₹ in Crore)

Sl. No.	Details	Period of 1st DFC (1996-01)	Period 2nd DFC (2001-06)	Period of 3rdDFC(2006-11)		
				2006-08 (Based on the Recommendation of 2nd DFC)	2008-11 (Based on the Recommendation of 3rd DFC)	2006-11 Total
1	**Grants in Aid**					
	a. MCD	644.53	1380.34	1035.11	2577.74	3612.85
	b. NDMC	48.83	91.50	64.42	170.67	235.09
	c. DCB	4.82	7.08	3.89	14.31	18.20
	d. Total	698.18	1478.92	1103.42	2762.72	3866.14
2	**Basic Tax Share**					
	a. MCD	872.01	1576.83	1151.18	1456.30	2607.48
	b. NDMC	44.60	51.13	38.09	39.92	78.01
	c. DCB	11.15	22.93	12.30	18.67	30.97
	d. Total	927.76	1650.89	1201.57	1514.89	2716.46
3	**Total**					
	a. MCD	1516.54	2957.17	2186.29	4034.04	6220.33
	b. NDMC	93.43	142.63	102.51	210.59	313.10
	c. DCB	15.97	30.01	16.19	32.98	49.17
	Total	**1625.94**	**3129.81**	**2304.99**	**4277.61**	**6582.60**

30.3 The devolution of funds to Local Bodies during the tenure (2006-2011) of 3rd DFC was ₹6582.60 crore with a growth of 110.32 per cent over the devolution during the tenure of 2nd DFC. Out of the total devolution of ₹6582.60 crore during the tenure of 3rd DFC, an amount of ₹ 6220.33 crore (94.5 per cent) was devolved to MCD, ₹313.10 crore (4.8 per cent) and ₹49.17 crore (0.7 per cent) respectively were devolved to NDMC and DCB.

30.4 The Municipal Corporation of Delhi (MCD) was trifurcated into North Delhi Municipal Corporation, South Delhi Municipal Corporation and East Delhi Municipal Corporation vide Government of Delhi's Notification dated 13th

January 2012. The East Delhi Municipal Corporation (EDMC), North Delhi Municipal Corporation (NDMC) and South Delhi Municipal Corporation (SDMC) have been re-unified into a single entity on 22ndday of May, 2022 as Municipal Corporation of Delhi. The following Statement indicates the year-wise devolution of funds to Local Bodies during 2013-14 to 2018-19.

STATEMENT 4.14

YEAR-WISE DEVOLUTION OF FUNDS TO LOCAL BODIES IN DELHI

(₹inCrore)

S.No	Item	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
1	**Elementary Education**	**1058.97**	**1108.98**	**1116.90**	**1291.54**	**1340.22**	**1113.19**
a	North DMC	452.59	462.81	475.96	550.56	571.36	474.68
b	South DMC	345.66	353.46	363.50	420.48	436.36	362.52
c	East DMC	228.96	234.14	240.79	278.53	289.05	240.14
d	NDMC	28.12	33.45	32.25	36.94	38.24	31.55
e	DCB	3.64	25.12	4.40	5.03	5.21	4.30
2	**Secondary Education (NDMC)**	**35.01**	**37.25**	**40.23**	**46.00**	**47.61**	**39.28**
3	**Maintenance of School Building**	**42.39**	**47.47**	**48.70**	**55.68**	**57.65**	**47.55**
a	North DMC	18.68	20.92	21.46	24.54	25.40	20.95
b	South DMC	14.26	15.97	16.39	18.73	19.40	16.00
c	East DMC	9.45	10.58	10.85	12.41	12.85	10.60
4	**Maintenance of Resettlement Colonies**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**75.01**
a	North DMC	44.06	44.06	44.06	44.06	44.06	33.05
b	South DMC	33.65	33.65	33.65	33.65	33.65	25.24
c	East DMC	22.29	22.29	22.29	22.29	22.29	16.72
5	**Maintenance of Capital Assets**	**43.77**	**41.01**	**50.29**	**57.50**	**59.51**	**49.40**
a	North DMC	16.11	18.04	18.51	21.16	21.90	18.07
b	South DMC	16.11	18.04	18.51	21.16	21.90	18.07
c	East DMC	10.17	11.39	11.68	13.37	13.83	11.71
d	NDMC	1.38	-6.46	1.59	1.81	1.88	1.55
6	**Construction of Dhobi Ghatt NDMC)**	**0.10**	**0.10**	**0.10**	**0.10**	**0.0**	**0.0**
7	**Basic Tax Assignments**	**804.50**	**893.66**	**958.90**	**1022.43**	**1093.94**	**2364.99**
a	North DMC	270.25	302.66	332.93	332.64	367.48	894.72
b	South DMC	346.70	388.29	398.36	455.50	471.44	388.94
c	East DMC	146.04	163.55	179.91	179.75	198.57	1034.76
d	NDMC	26.19	22.00	30.10	34.41	35.62	29.39
e	DCB	15.32	17.16	17.60	20.13	20.83	17.18
8	**Municipal Reform Fund (MRF)**	**0.00**	**0.00**	**0.00**	**374.00**	**446.34**	**490.00**
a	North DMC	0.00	0.00	0.00	145.30	NA	**NA**
b	South DMC	0.00	0.00	0.00	118.00		
c	East DMC	0.00	0.00	0.00	110.70		
	Total (Transfers excluding MRF)	**2084.74**	**2228.47**	**2315.12**	**2573.25**	**2698.93**	**3689.42**

Sources: 1. PAO, GNCTD.

30.5 The devolution / allocation of funds for the period 2019-20 to 2025-26 (BE) to Local bodies are as under:

STATEMENT 4.15

DEVOLUTION OF FUNDS TO LOCAL BODIES IN DELHI FOR THE YEAR 2019-20 to 2025-26(BE)

(₹ in Crore)

S. No	Item	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26 (BE)
A	**BTA**	**2520.7**	**2068.73**	**1670.40**	**2265.88**	**2686.41**	**3033.46**	**3336.82**
a	North DMC	872.03	764.81	619.11	**573.61**	0.00	0.00	0.00
b	South DMC	409.52	405.26	328.06	303.95	0.00	0.00	0.00
c	East DMC	1207.68	864.83	700.07	648.62	0.00	0.00	0.00
d	Unified MCD	0.00	0.00	0.00	702.65	2642.49	2983.87	3282.26
e	New Delhi Municipal Corporation	17.57	20.07	12.02	21.98	26.06	29.42	32.37
f	Delhi Cantonment Board	13.90	13.76	11.14	15.07	17.86	20.17	22.19
	Sector-Specific Grants							
1	**Education Sector (including MDM)***	**1516.43**	**1322.34**	**1184.43**	**1677.19**	**1846.47**	**2064.82**	**2293.52**
a	North DMC	661.33	607.01	532.51	12.87	0.00	0.00	0.00
b	South DMC	460.92	403.94	379.41	10.55	0.00	0.00	0.00
c	East DMC	391.57	309.72	270.59	12.06	0.00	0.00	0.00
d	Unified MCD	0.00	0.00	0.00	1635.42	1846.47	2064.82	2293.52
e	New Delhi Municipal Corporation	2.50	1.37	1.65	5.51	0.00	0.00	0.00
f	Delhi Cantonment Board	0.11	0.30	0.27	0.78	0.00	0.00	0.00
	Health Sector	**260.75**	**231.62**	**182.80**	**430.43**	**348.69**	**403.96**	**464.16**
a	North DMC	135.75	110.65	87.30	27.69	0.00	0.00	0.00
b	South DMC	55.00	56.17	44.33	14.07	0.00	0.00	0.00
c	East DMC	70	64.80	51.20	16.21	0.00	0.00	0.00
d	Unified MCD	0.00	0.00	0.00	372.46	348.96	403.96	464.16
e	New Delhi Municipal Corporation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Urban Development Sector	**492.4**	**663.10**	**404.11**	**544.94**	**646.08**	**729.55**	**802.51**
a	North DMC	212.4	307.13	171.12	162.60	0.00	0.00	0.00
b	South DMC	80.00	94.89	83.82	79.65	0.00	0.00	0.00
c	East DMC	200.00	163.08	149.17	141.75	0.00	0.00	0.000
d	Unified MCD	0.00	0.00	0.00	160.94	646.08	729.55	802.51
e	New Delhi Municipal Corporation	0.00	98.00	0.00	0.00	0.00	0.00	0.00
B	**Sector Specific Grants (1+2+3)**	**2269.58**	**2217.06**	**1771.34**	**2652.56**	**2841.51**	**3198.33**	**3560.19**
Grand Total (A)+(B)		**4790.28**	**4285.79**	**3441.74**	**4918.44**	**5527.92**	**6231.79**	**6897.01**

**** Note: The release for MDM includes Central Share of Grant***

30.6 During 2024-25 (Prov.) a total of ₹6231.79 was devolved to Local Bodies, of which an amount of ₹6182.20crore (99.20%) was devolved to Municipal

Corporation of Delhi, ₹29.42crore (0.47%) was devolved to NDMC and ₹ 20.17crore (0.33%) was devolved to Delhi Cantonment Board. In this FY 2025-26, ₹6897.01 crore was budgeted as devolution to local bodies.

CHAPTER AT A GLANCE

➢	All Revenue and Capital Receipts of Delhi Government are credited in to Consolidated Fund and all the Govt. expenditure is met out of this Fund.
➢	Around 71.3% of total Tax Revenue in 2025-26 (BE) will be from GST (including other taxes) & VAT, 10.2% from Excise, 13.1% from Stamp Duty and 5.4% from MVT.
➢	Tax Collection of Delhi Government is budgeted in 2025-26 for a growth of 15.54% over 2024-25(Prov.). Stamps and Registration Tax (including land Revenue) has estimated growth of 17.63% in 2025-26. GST (including VAT and other taxes of Luxury and Entertainment etc.) budget for a growth of 14.31%. Tax collections under State Excise has a budgeted growth of 22.78%. Motor Vehicles Tax is proposed to increase at a rate of 14.16%.
➢	Delhi has maintained its consistent Revenue Surplus; it recorded ₹12247.03 crore during 2024-25(Prov.)as compared to₹6462.30 crore in 2023-24. The budgeted revenue surplus for 2025-26(BE) is ₹9661.31crore which is 0.73% of GSDP.
➢	The total Capital Expenditure of Delhi Government during 2025-26 (BE) is ₹28115.48 crore which is 28.12% of the total expenditure of ₹100000 crore. Govt. of NCT of Delhi is budget to have a Fiscal Deficit of ₹13,703 Crore in 2025-26 (BE), which is mainly on the account of increase of more than double (145%) in capital expenditure over 2024-25. The capital expenditure which was only ₹ 11,485 Crore in 2024-25(Prov.) has been increased to ₹ 28,115 Crore in 2025-26(BE).