

# Delhi Budget Analysis 2024-25

The Finance Minister of Delhi, Ms Atishi, presented the Budget for Delhi for the financial year 2024-25 on March 4, 2024.

## Budget Highlights

- **Expenditure (excluding debt repayment)** in 2024-25 is estimated to be Rs 71,086 crore, 2% higher than the revised estimates of 2023-24. The state is estimated to repay debt worth Rs 4,914 crore in 2024-25. As per revised estimates, expenditure in 2023-24 is estimated to be 5.2% lower than the budget estimate.
- **Receipts (excluding borrowings)** for 2024-25 are estimated to be Rs 64,521 crore, an increase of 4% over the revised estimate of 2023-24.
- **Revenue surplus** in 2024-25 is estimated to be Rs 3,231 crore, which is 35% lower than the revised estimate for 2023-24 (Rs 4,966 crore). Revenue surplus in 2023-24 is estimated to be 65% lower than the actual figure for 2022-23 (Rs 14,457 crore).
- **Fiscal deficit** for 2024-25 is estimated at Rs 6,565 crore, which is 17% lower than revised estimate for 2023-24. In 2023-24, at the revised stage, the fiscal deficit is estimated to be 0.7% of GSDP (Rs 7,878 crore). In 2022-23, Delhi reported a fiscal surplus (0.4% of GSDP).

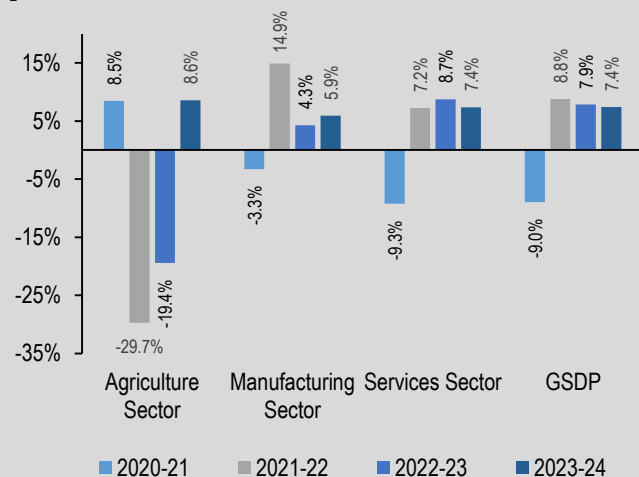
## Policy Highlights

- **Mukhyamantri Mahila Samman Yojana:** Rs 1,000 per month will be provided to every adult woman excluding those paying income tax, covered under existing pension schemes, and government employees. In 2024-25, the scheme has been allocated Rs 2,000 crore.
- **E-buses:** To enhance last-mile connectivity, 2,808 e-buses will be purchased in 2024-25. By 2025, Delhi has targeted to have over 10,000 buses, 80% of which will be e-buses.
- **Metro Connectivity:** Work on the Phase-4 of Delhi metro will commence soon. It will consist of 45 stations across three metro corridors. The total length of this project will be 65 kilometres.
- **Seed money for Startups:** Under the Business Blasters Senior scheme, seed money and support will be provided to university students for startups. Rs 15 crore has been allocated towards this scheme.

## Delhi's Economy

- **GSDP:** In 2023-24, Delhi's GSDP (at constant prices) is expected to grow at 7.4%. In comparison, national GDP is estimated to grow at 7.6% in 2023-24.
- **Sectors:** In 2023-24, agriculture, manufacturing, and services sectors are estimated to contribute 2%, 13%, and 85% to the economy, respectively (at current prices).
- The services sector (at constant prices) is estimated to grow by 7.4% in 2023-24. This is lower than the growth rate in 2022-23 (8.7%).
- **Per capita GSDP:** The per capita GSDP in 2023-24 (at current prices) is estimated at Rs 5,13,131, which is 7.2% higher than 2022-23 (Rs 4,78,739).

**Figure 1: Growth in GSDP and Sectors in Delhi at constant prices (2011-12)**



Note: Agriculture also includes mining and quarrying; manufacturing also includes construction, and electricity, gas, water, and other utility services. These numbers are as per constant prices (2011-12) which account for inflation.

Source: Economic Survey of Delhi 2023-24; PRS.

## Budget Estimates for 2024-25

- **Total expenditure (excluding debt repayment)** in 2024-25 is estimated at Rs 71,086 crore. This is an increase of 1.7% over the revised estimate for 2023-24. In 2023-24, as per revised estimates, expenditure is estimated to be 5.2% lower than the budget estimate.
- In 2024-25, expenditure is proposed to be met through **receipts (excluding borrowings)** of Rs 64,521 crore and net borrowings of Rs 5,086 crore. Total receipts (other than borrowings) in 2024-25 are expected to register an increase of 4% over the revised estimate for 2023-24.
- **Revenue surplus** in 2024-25 is estimated to be Rs 3,231 crore, 35% lower than the revised estimate for 2023-24. **Fiscal deficit** for 2024-25 is targeted at Rs 6,565 crore, 17% lower than the revised estimate for 2023-24 (Rs 7,878 crore).
- Note that the Budget of Delhi does not include expenditure on certain key sectors. For example, Delhi Police is under the Union Ministry of Home Affairs. Rs 11,178 crore has been allocated towards establishment expenditure for Delhi Police in 2024-25 from the Union Budget.

**Table 1: Budget 2024-25 - Key figures (in Rs crore)**

Items	2022-23 Actuals	2023-24 Budgeted	2023-24 Revised	% change from BE 23-24 to RE 23-24	2024-25 Budgeted	% change from RE 23-24 to BE 24-25
Total Expenditure	64,110	78,800	74,900	-4.9%	76,000	1.5%
(-) Repayment of debt	4,715	5,040	4,994	-0.9%	4,914	-1.6%
<b>Net Expenditure (E)</b>	<b>59,395</b>	<b>73,760</b>	<b>69,906</b>	<b>-5.2%</b>	<b>71,086</b>	<b>1.7%</b>
Total Receipts	67,212	73,374	62,029	-15.5%	74,521	20.1%
(-) Borrowings	3,251	10,000	0.01	-100%	10,000	100000000%
<b>Net Receipts (R)</b>	<b>63,961</b>	<b>63,374</b>	<b>62,028</b>	<b>-2.1%</b>	<b>64,521</b>	<b>4.0%</b>
Fiscal Balance (R-E)	4,565	-10,386	-7,878	-24.1%	-6,565	-16.7%
<b>as % of GSDP</b>	<b>0.4%</b>	<b>-</b>	<b>-0.7%</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenue Surplus	14,457	5,769	4,966	-13.9%	3,231	-34.9%
<b>as % of GSDP</b>	<b>1.4%</b>	<b>-</b>	<b>0.4%</b>	<b>-</b>	<b>-</b>	<b>-</b>
Primary Balance	7,832	-7,291	-4,783	-34.4%	-3,899	-18.5%
<b>as % of GSDP</b>	<b>0.8%</b>	<b>-</b>	<b>-0.4%</b>	<b>-</b>	<b>-</b>	<b>-</b>
GSDP*	10,14,866	-	11,07,746	-	-	-

Note: BE is Budget Estimates; RE is Revised Estimates. For fiscal balance and primary balance, negative (-) numbers indicate a deficit.

\*Estimates for GSDP at the budget stage not available for both 2023-24 and 2024-25.

Sources: Delhi Economic Survey 2023-24; Annual Financial Statement, Delhi Budget 2024-25; PRS.

## Expenditure in 2024-25

- Revenue expenditure for 2024-25 is proposed to be Rs 60,911 crore, an increase of 8% over the revised estimate for 2023-24. Revenue expenditure includes expenditure on salaries, pensions, interest, and subsidies.
- Capital outlay for 2024-25 is proposed to be Rs 5,919 crore, a decrease of 29% from the revised estimate for 2023-24. In 2024-25, key sectors with a decrease estimated in capital outlay from the revised estimate for 2023-24 include: (i) transport (Rs 2,433 crore lower), (ii) education (Rs 543 crore lower), and (iii) health (Rs 402 crore lower).
- In 2023-24, Delhi's capital outlay is estimated to be 25% lower than budgeted. Capital outlay indicates the expenditure towards creation of assets. Key sectors with a lower estimated capital outlay as compared to budget estimates include: (i) roads and bridges (Rs 950 crore lower), (ii) urban development (Rs 776 crore lower), and (iii) health an (Rs 742 crore lower).
- Between 2015-16 and 2021-22, on average, Delhi spent 39% lower on capital outlay than budgeted. This was much higher than average underspending on capital outlay by states (19%).

**Table 2: Expenditure budget 2024-25 (in Rs crore)**

Items	2022-23 Actuals	2023-24 Budgeted	2023-24 Revised	% change from BE 23-24 to RE 23-24	2024-25 Budgeted	% change from RE 23-24 to BE 24-25
Revenue Expenditure	48,246	56,983	56,440	-1%	60,911	8%
Capital Outlay	8,065	11,189	8,338	-25%	5,919	-29%
Loans given by the state	3,084	5,587	5,128	-8%	4,256	-17%
<b>Net Expenditure</b>	<b>59,395</b>	<b>73,760</b>	<b>69,906</b>	<b>-5%</b>	<b>71,086</b>	<b>2%</b>

Sources: Annual Financial Statement, Delhi Budget 2024-25; PRS.

**Committed expenditure:** Committed expenditure of a state typically includes expenditure on payment of salaries, pensions, and interest. A larger proportion of budget allocated for committed expenditure items limits the state's flexibility to decide on other expenditure priorities such as capital outlay. In 2024-25, Delhi is estimated to spend Rs 2,669 crore on pension and interest payment, which is 4% of its revenue receipts. Figures for salaries are not available in the budget.

As per CAG (2022), in 2019-20, the Delhi government spent 29% of its revenue receipts towards committed expenditure. Expenditure towards salaries and wages in 2019-20 was Rs 11,070 crore (23% of revenue receipts). Interest and pension expenditure in 2019-20 were Rs 2,752 crore (6% of revenue receipts), and Rs 4 crore, respectively.

**Table 3: Pension and Interest Expenditure in 2024-25 (in Rs crore)**

Head	2022-23 Actuals	2023-24 Budgeted	2023-24 Revised	% change from BE 23-24 to RE 23-24	2024-25 Budgeted	% change from RE 23-24 to BE 24-25
Pension	2	3	3	0%	3	0%
Interest payment	3,266	3,094	3,094	0%	2,666	-14%

Sources: Annual Financial Statement, Delhi Budget 2024-25; PRS.

**Sector-wise expenditure:** The sectors listed below account for **78%** of the total expenditure on sectors by the state in 2024-25. A comparison of Delhi's expenditure on key sectors with that by other states is shown in Annexure 1.

**Table 4: Sector-wise expenditure under Delhi Budget 2024-25 (in Rs crore)**

Sector	2022-23 Actuals	2023-24 Budgeted	2023-24 Revised	2024-25 Budgeted	% change from RE 23-24 to BE 24-25	Budget Provisions 2024-25
Education, Sports, Arts, and Culture	14,071	16,574	15,727	16,146	3%	Rs 11,296 crore has been allocated towards secondary education.
Health and Family Welfare	8,250	9,742	8,969	8,685	-3%	Rs 1,982 crore has been allocated towards urban health services.
Transport	7,822	8,481	10,226	6,865	-33%	Rs 2,600 crore has been allocated towards grants for Delhi Transport Corporation.
Social Welfare and Nutrition	4,170	4,794	4,478	6,437	44%	Rs 2,000 crore has been allocated towards Mukhya Mantri Mahila Samman Yojana.
Urban Development	2,632	4,455	3,053	4,290	41%	Rs 1,110 crore has been allocated towards grants to local bodies under AMRUT 2.0.
Water Supply and Sanitation	1,747	2,866	2,547	3,442	34%	Rs 1,500 crore has been allocated for grants to Delhi Jal Board. Rs 836 crore is allocated for sewage facility for unauthorised colonies.
Energy	3,183	3,348	3,409	3,350	-2%	Rs 3,250 crore has been allocated towards power subsidy to consumers.
Rural Development	129	152	221	922	316%	Rs 730 crore has been allocated towards Village Board for Integrated Development of Rural Villages.
Police	91	398	180	338	88%	Rs 242 crore has been allocated towards Safe City Project under Nirbhaya Fund.
Irrigation and Flood Control	380	603	373	302	-19%	Rs 210 crore has been allocated towards drainage.
<b>% of total expenditure on all sectors</b>	<b>79%</b>	<b>79%</b>	<b>80%</b>	<b>78%</b>	<b>-2%</b>	

Sources: Annual Financial Statement, Delhi Budget 2024-25; PRS.

## Receipts in 2024-25

- **Total revenue receipts** for 2024-25 are estimated to be Rs 64,142 crore, an increase of 4% over the revised estimate for 2023-24. Of this, Rs 59,750 crore (93%) will be raised by the state through its **own resources**, and Rs 4,392 crore (7%) will come in the form of **grants-in-aid from centre**. Note that Delhi does not get a share in central taxes.
- **Grants from the centre** in 2024-25 are estimated at Rs 4,392 crore, a decrease of 9% from the revised estimate for 2023-24. In 2023-24, as per revised estimates, grants are expected to be 40% lower than the budget estimate. The reduction is on account of lower receipts estimated from GST compensation grants (Rs 2,302 crore lower) and grants for centrally sponsored schemes (Rs 989 crore lower).
- **State's own tax revenue:** Delhi's total own tax revenue is estimated to be Rs 58,750 crore in 2024-25, an increase of 6% over the revised estimate for 2023-24.
- **State's own non-tax revenue:** Delhi's own non-tax revenue is estimated to be Rs 1,000 crore in 2024-25. This is a decrease of 27% from the revised estimate for 2023-24. In 2023-24, non-tax revenue is estimated to be 30% higher than budgeted. These differences are mainly on account of variance in non-tax revenue from medical and public health. In 2023-24, as per revised estimates, revenue from medical and public health are estimated to be 285% higher than budgeted (Rs 339 crore higher). In 2024-25, receipts on this head are estimated to decrease by 74% (Rs 338 crore lower) from the revised estimate for 2023-24.

**Table 5: Break-up of the state government's receipts (in Rs crore)**

Items	2022-23 Actuals	2023-24 Budgeted	2023-24 Revised	% change from BE 2023-24 to RE 2023-24	2024-25 Budgeted	% change from RE 2023-24 to BE 2024-25
State's Own Tax	47,363	53,565	55,200	3%	58,750	6%
State's Own Non-Tax	581	1,050	1,361	30%	1,000	-27%
Grants-in-aid from Centre	14,769	8,137	4,846	-40%	4,392	-9%
<b>Revenue Receipts</b>	<b>62,703</b>	<b>62,752</b>	<b>61,406</b>	<b>-2%</b>	<b>64,142</b>	<b>4%</b>
Non-debt Capital Receipts	1,258	622	622	0%	379	-39%
<b>Net Receipts</b>	<b>63,961</b>	<b>63,374</b>	<b>62,028</b>	<b>-2.1%</b>	<b>64,251</b>	<b>4%</b>

BE is Budget Estimates; RE is Revised Estimates.

Sources: Annual Financial Statement, Delhi Budget 2024-25; PRS.

- In 2024-25, **State GST** is estimated to be the largest source of own tax revenue (53% share). State GST revenue is estimated to increase by 6% over the revised estimate for 2023-24.
- Revenue from stamp duty and registration fees in 2024-25 is expected to register an increase of 9% over the revised estimate for 2023-24.
- In 2023-24, as per revised estimates, revenue from certain own tax sources is estimated to be higher than the budget estimates. These include: (i) stamp duty and registration fees (18% higher), sales tax/VAT (16%), and taxes on vehicles (10%).

**Table 6: Major sources of state's own-tax revenue (in Rs crore)**

Head	2022-23 Actuals	2023-24 Budgeted	2023-24 Revised	% change from BE 23-24 to RE 23-24	2024-25 Budgeted	% change from RE 23-24 to BE 24-25
State GST	27,324	31,500	32,200	2%	34,000	6%
Stamps Duty and Registration Fees	6,023	5,997	7,100	18%	7,750	9%
Sales Tax/VAT	5,582	5,700	6,600	16%	7,000	6%
State Excise	5,548	7,365	6,000	-19%	6,400	7%
Taxes on Vehicles	2,884	3,000	3,300	10%	3,600	9%
Land Revenue	0.01	3	0.03	-99%	0.03	0%
GST Compensation Grants	12,817	3,802	1,500	-61%	-	-100%

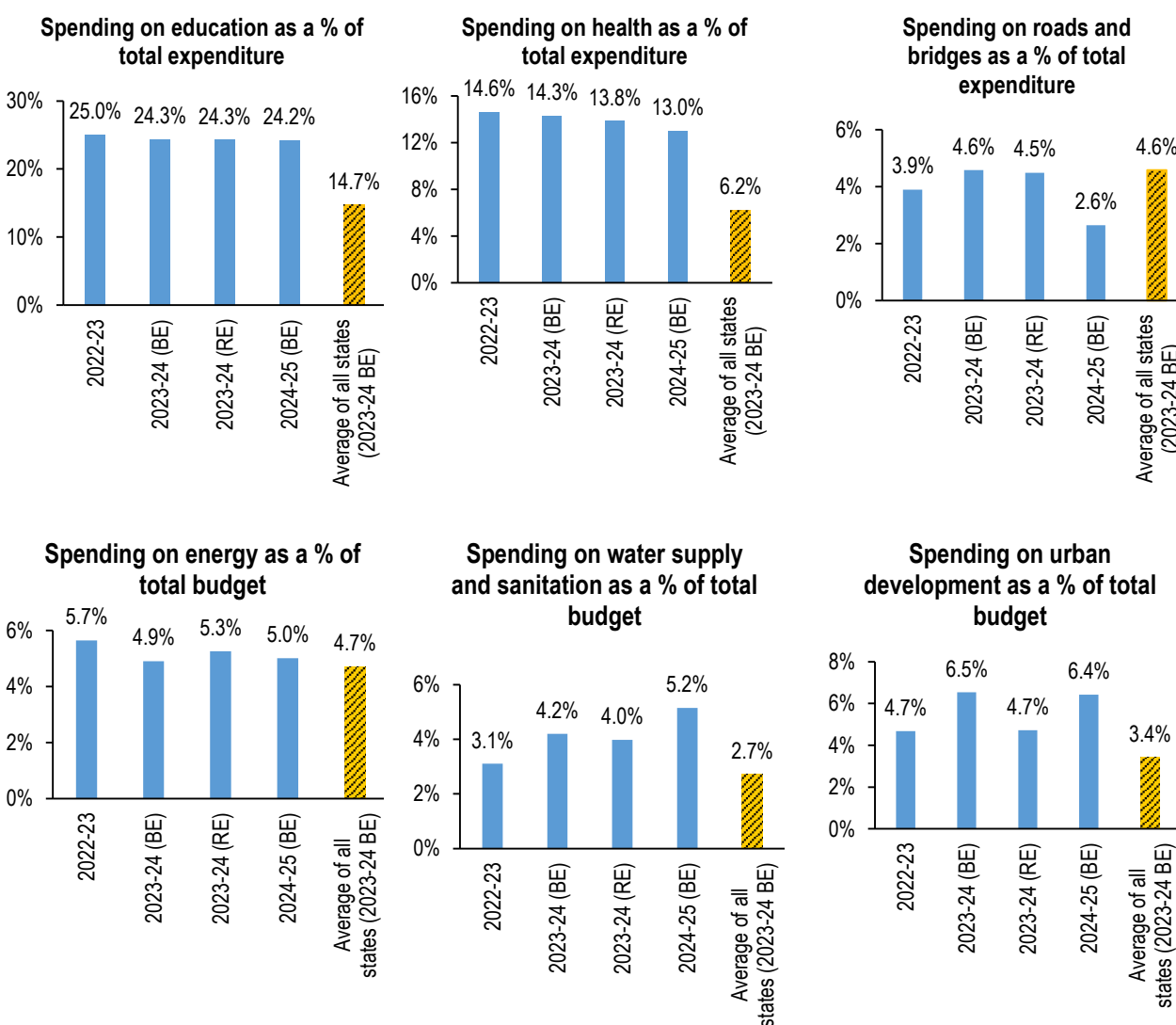
Sources: Annual Financial Statement, Revenue Budget, and Delhi Budget 2024-25; PRS.

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## Annexure 1: Comparison of states' expenditure on key sectors

The graphs below compare Delhi's expenditure in 2024-25 on six key sectors as a proportion of its total expenditure on all sectors. The average for a sector indicates the average expenditure in that sector by 31 states (including Delhi) as per their budget estimates of 2023-24.<sup>1</sup> Note that sectoral spending in Delhi may be different from other states as police is with the centre, and the state has negligible rural or agricultural area.

- **Education:** Delhi has allocated 24.2% of its expenditure on education in 2024-25. This is significantly higher than the average allocation for education by states in 2023-24 (14.7%).
- **Health:** Delhi has allocated 13% of its total expenditure towards health, which is significantly higher than the average allocation for health by states (6.2%).
- **Roads and Bridges:** Delhi has allocated 2.6% of its expenditure on roads and bridges. This is significantly lower than the average allocation for roads and bridges by states (4.6%).
- **Energy:** Delhi has allocated 5% of its expenditure towards energy. This is higher than the average allocation towards energy by states (4.7%).
- **Water Supply and Sanitation:** Delhi has allocated 5.2% of its total expenditure towards water supply and sanitation, which is higher than the average expenditure on water supply and sanitation by states (2.7%).
- **Urban Development:** Delhi has allocated 6.4% of its total expenditure towards urban development, which is higher than the average allocation by states (3.4%).



Note: 2022-23, 2023-24 (BE), 2023-24 (RE), and 2024-25 (BE) figures are for Delhi  
Sources: Annual Financial Statement, Delhi Budget 2024-25; various state budgets; PRS.

<sup>1</sup> The 31 states include the Union Territories of Delhi, Jammu and Kashmir, and Puducherry.

## Annexure 2: Comparison of 2022-23 Budget Estimates and Actuals

The following tables compare the actuals of 2022-23 with budget estimates for that year.

**Table 7: Overview of Receipts and Expenditure (in Rs crore)**

Particulars	2022-23 BE	2022-23 Actuals	% change from BE to Actuals
<b>Net Receipts (1+2)</b>	<b>61,891</b>	<b>63,961</b>	34%
1. Revenue Receipts (a+b+c)	61,289	62,703	2%
a. Own Tax Revenue	47,700	47,363	-1%
b. Own Non-Tax Revenue	1,000	581	-42%
c. Grants-in-aid from the Centre	12,589	14,759	17%
Of which GST compensation grants	10,000	12,817	28%
2. Non-Debt Capital Receipts	602	1,258	109%
3. Borrowings	10,200	3,251	-68%
<b>Net Expenditure (4+5+6)</b>	<b>71,085</b>	<b>59,395</b>	-16%
4. Revenue Expenditure	53,687	48,246	-10%
5. Capital Outlay	12,386	8,065	-35%
6. Loans and Advances	5,012	3,084	-38%
7. Debt Repayment	4,715	4,715	0%
<b>Revenue Surplus</b>	<b>7,601</b>	<b>14,457</b>	90%
Revenue Surplus (as % of GSDP)	-	1.4%	-
<b>Fiscal Balance</b>	<b>-9,194</b>	<b>4,565</b>	-150%
Fiscal Balance (as % of GSDP)	-	0.4%	-

For fiscal balance, negative (-) numbers indicate a deficit. GSDP estimate at the budget stage in 2022-23 not available.  
Source: Delhi Budget Documents of various years; PRS.

**Table 8: Key Components of State's Own Tax Revenue**

Tax Head	2022-23 BE	2022-23 Actuals	% change from BE to Actuals
Land Revenue	3	0	-100%
State Excise	9,500	5,548	-42%
State GST	26,000	27,324	5%
Sales Tax/ VAT	5,200	5,582	7%
Stamps Duty and Registration Fees	4,997	6,023	21%
Taxes on Vehicles	2,000	2,884	44%

Source: Delhi Budget Documents of various years; PRS.

**Table 9: Allocation towards Key Sectors**

Sector	2022-23 BE	2022-23 Actuals	% change from BE to Actuals
Irrigation and Flood Control	1,131	380	-66%
Welfare of SC, ST, OBC, and Minorities	594	204	-66%
Water Supply and Sanitation	3,557	1,747	-51%
Rural Development	230	129	-44%
Agriculture and Allied Activities	314	248	-21%
Health and Family Welfare	9,769	8,250	-16%
Social Welfare and Nutrition	4,762	4,170	-12%
Education, Sports, Arts, and Culture	15,507	14,071	-9%
Transport	8,616	7,822	-9%
<i>of which Roads and Bridges</i>	2,501	2,194	-12%
Energy	3,340	3,183	-5%
Housing	220	222	1%
Police	60	91	52%
Urban Development	1,054	2,632	150%

Source: Delhi Budget Documents of various years; PRS.