GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA
UNSTARRED QUESTION NO. 3499
TO BE ANSWERED ON Monday, August 10, 2026/ *19 Shravana, 1948 (Saka)*

Fiscal Management and Rising Public Debt

3499. Shri Hanuman Beniwal:
Adv. Chandra Shekhar:
Shri Rajkumar Roat:

Will the Minister of **FINANCE** be pleased to state:

(a) whether various economists and institutions have expressed serious concerns regarding the country's fiscal management in view of the rising public debt, fiscal deficit, inflation, unemployment, subdued consumption and the imbalance between capital expenditure and revenue expenditure;

(b) if so, the reaction of the Government thereto;

(c) the total public debt of the Union Government, fiscal deficit, expenditure incurred on interest payments and total tax revenue during the last five years, year-wise along with the percentage of each of these as a proportion of the Gross Domestic Product (GDP);

(d) whether some of the major schemes announced during the last five years could not be completed within the stipulated time due to inadequate budgetary provisions or shortage of financial resources; and

(e) if so, the details thereof, scheme-wise?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDAHRY)

(a) and (b) The Government remains committed to maintaining fiscal prudence while supporting sustainable economic growth. The fiscal deficit of the Central Government has declined from 9.2 per cent of GDP in 2020-21 to 4.4 per cent in 2025-26 (Provisional Actuals), while the Union Government's total outstanding liabilities have moderated from 61.5 per cent of GDP in 2020-21 to 58.2 per cent in 2025-26 (Provisional), reflecting continued improvement in fiscal sustainability. At the same time, the capital expenditure has increased from ₹4.3 lakh crore in 2020-21 to ₹10.7 lakh crore in 2025-26 (Provisional Actuals).

Domestic demand has also remained resilient, with real Private Final Consumption Expenditure growth accelerating to 7.7 per cent in 2025-26 from 5.8 per cent in 2024-25. At the same time, price stability has strengthened, with retail inflation averaging 2.1 per cent in 2025-26, the lowest level since 2014-15. Labour market conditions have also continued to improve, with the unemployment rate (persons aged 15 years and above and as per usual status), as per the Periodic Labour Force Survey, declining from 6.0 per cent in 2017-18 to 3.1 per cent in 2025.

(c) The year-wise details of the Union Government's public debt, fiscal deficit, interest payments and gross tax revenue during the last five financial years, along with their ratios to Gross Domestic Product (GDP), are as under:

Financial Year	**Public debt**	**Fiscal Deficit**	**Interest Payments**	**Gross Tax Revenue**
(in ₹ lakh crore)				
2021-22	119.02	15.85	8.05	27.09
2022-23	135.67	17.38	9.29	30.54
2023-24	152.64	16.55	10.64	34.66
2024-25	165.58	15.74	11.16	37.96
2025-26 (Provisional)	180.34	15.19	12.43	40.24
(as a per cent of GDP)				
2021-22	50.4	6.7	3.4	11.5
2022-23	51.9	6.7	3.6	11.7
2023-24	52.7	5.7	3.7	12.0
2024-25	52.1	4.9	3.5	11.9
2025-26 (Provisional)	52.1	4.4	3.6	11.6

Note: GDP for the FY 2022-23 onwards is based on new series (base year 2022-23). For FY 2021-22, old series of GDP (base year 2011-12) is taken to arrive at percentages.

(d) and (e) Budgetary allocations to schemes are made based on the consultations with the implementing Ministry/ Department.

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