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# Budget Expectations 2019-2020

## MODI 2.0 – A Task Cut Out

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# MODI 2.0 – A Task Cut Out

***As MODI 2.0 sets out to present its first budget, the task seems to be cut out due to 1) deep agrarian distress 2) slowdown in Automobiles and consumer demand 3) NBFC crisis and rising pressures in real estate and housing 4) need to provide tax relief to middle class and 4) required push for revival of capex cycle in the economy. We believe that shortfall in direct tax and GST collections post an incremental challenge to balance the fiscal math.***

- We expect slippage in fiscal deficit target from earlier estimates of 3.4% (Interim budget) given social agenda and need to pump prime the economy given slowdown in demand
- Disinvestment target for FY19 of Rs.800bn was achieved with considerable support from sales within PSU's. Interim budget had proposed a disinvestment target of Rs.900bn which we believe might be increased to Rs.1000bn
- With sustained focus on social-economic factor, expenditure on health, education likely to increase with extension of MGNREGA to remaining rural areas and its introduction in urban areas
- No major initiative is likely on labor reforms or sale of PSU's
- Increased outlay for rural India - road/infrastructure and employment generation
- We expect sustained thrust on roads, ports, sanitation, irrigation to revive the capex cycle
- We expect thrust on improving drinking water availability and river linking
- We expect imposition of tax on buyback of shares and tax relief to middle class under basic tax exemption or higher limit in 80CC
- Tax free bonds may be reintroduced to fund long term infrastructure projects
- Scrappage policy for commercial vehicles and incentives for creating EV charging infrastructure
- PSB recapitalization, MSME funding and NBFC liquidity improvement measures
- Increase in basic custom duty on steel and Aluminum
- **Key Budget Picks:** L&T, Ashok Leyland, M&M, HDFC Life, Titan Company, Crompton Consumer

# Slowdown and poor compliance hits revenue collection

- Revenue receipts have shown a shortfall of Rs1665bn and revenue expenses are also lower by Rs1329bn
- Capex has been lower than revised estimates led by agriculture and Food and PDS
- Income tax collections have been lower by Rs673bn and GST collections are short by Rs599bn on poor compliance
- Slowdown is impacting the excise duties and custom as well as there is a shortfall in revenue collection by Rs121bn and Rs286bn

### Capex lower across segments

| Economic Expenditure | FY19 PE (bn) | FY19 RE (bn) | Shortfall/Surplus |
|---|---|---|---|
| -Min. of Road Transport & Highway | 773 | 786 | (13) |
| -Min. of Rural Development | 1,118 | 1,124 | (6) |
| -Min. of Urban Development | 406 | 430 | (24) |
| -Min. of Agriculture | 568 | 790 | (222) |
| -Min. of Railways | 549 | 551 | (2) |
| **Social Expenditure** | | | |
| -Min. of Drinking Water & Sanitation | 184 | 200 | (16) |
| -Min. of Health & Family Welfare | 547 | 560 | (14) |
| -Min. of Human Resource | 803 | 836 | (33) |
| **Subsidized Ministries** | | | |
| -Dept. of Fertilizers | 706 | 701 | 4 |
| -Dept. of Food & PDS | 1,072 | 1,779 | (707) |
| -Dept. of Petroleum & Gas | 324 | 325 | (1) |

*Source- CGA,PL*

### Fiscal Slippage led by lower tax revenues despite lower expenses

| | FY19 PE (bn) | FY19 RE (bn) | Shortfall/Surplus |
|---|---|---|---|
| **Revenue Receipts** | **15,632** | **17,297** | **(1,665)** |
| Tax Revenue (Net) | 13,170 | 14,844 | (1,675) |
| Non-Tax Revenue | 2,462 | 2,453 | 9 |
| **Non-Debt Capital Receipts** | **1,029** | **932** | **97** |
| Recovery of Loans | 178 | 132 | 47 |
| Other Receipts | 850 | 800 | 50 |
| **Total Receipts** | **16,661** | **18,228** | **(1,568)** |
| **Revenue Expenditure** | **20,085** | **21,414** | **(1,329)** |
| (i) of which Interest Payments | 5,827 | 5,876 | (49) |
| **Capital Expenditure** | **3,030** | **3,159** | **(129)** |
| (i) of which Loans disbursed | 243 | 295 | (53) |
| **Total Expenditure** | **23,114** | **24,572** | **(1,458)** |
| **Fiscal Deficit** | **6,454** | **6,344** | **110** |
| **Revenue Deficit** | **4,453** | **4,117** | **336** |
| **Primary Deficit** | **627** | **468** | **159** |

*Source- CGA,PL*

### Broad based shortfall in tax collections

| | FY19 PE (bn) | FY19 RE (bn) | Shortfall/Surplus |
|---|---|---|---|
| **Gross Tax Revenue** | 20,802 | 22481 | (1,679) |
| **Direct Tax** | | | |
| Corporation Tax | 6,636 | 6710 | (74) |
| Income Tax | 4,617 | 5290 | (673) |
| **Indirect Tax** | | | |
| GST | 5,840 | 6439 | (599) |
| Customs | 1,179 | 1300 | (121) |
| Union Excise Duties | 2,310 | 2596 | (286) |

*Source- CGA,PL*

# Industry expectations

- **Agri – Sustained thrust on improving pricing power**
  - Steps towards developing agricultural markets to help farmers from volatility in the commodity prices. Steps towards making India an integrated agriculture market.
  - Increase focus on adoption of drip/micro irrigation techniques.
  - Incentivizing formation of farmer co-operatives/ FPOs to consolidate resources and command pricing power.
  - Additional incentives for farmers producing oilseeds.
  - Commencement of Pilot projects for full scale implementation of DBT in fertilisers in its true form.
  - Increase in per farmer allocation of PM-Kisan scheme (Currently Rs 6000/farmer) by clubbing other schemes and subsidies under its umbrella.
  - Budgetary allocation of fertilizer subsidy would be a key area to watch out for as the industry requires higher budgetary allocation to clear pending subsidies. Industry has felt the pressure of high finance cost due to non-disbursal of 4QFY19 subsidy. Pending rollover fertilizer subsidy is expected to be ~Rs 320bn at the start of FY20.
- **Automobiles - expect Scrappage policy, rural thrust and incentive for EV charging infrastructure**
  - Scrappage policy – with astute focus on emission reduction, we expect there can be an announcement related to voluntary scrappage of old vehicles by offering incentive to customers. This should largely benefit M&HCV segment.
  - Enhanced allocation towards farmer welfare, rural and infrastructure development should help lift sentiments especially in 2Ws and tractor segments.
  - Incentives for setting up EV charging infrastructure to push roll out of EVS.

# Industry expectations

- **Banks – PSU recapitalization, Insurance Thrust and MSME funding to be focus**
  - Capital infusion for PSBs & General Insurance – Govt. had not allocated for any capital infusion in interim budget, but certain PSBs are still at critical level of capital requirement and hence will require capital support.
  - Reforms & strengthening of Banking laws - (i) Guidance on path of consolidation of PSBs (ii) Strengthening the Insolvency & Bankruptcy Code especially to fast track resolutions (iii) Timeline and desired changes in the Banking Regulation Act to implement IND-AS accounting.
  - Govt. can increase mudra limit to Rs2.0mn ticket size and sponsor fund of funds of Rs100bn for MSME sector. Introduction of interest subvention loans for small businesses similar like Agri loans will act as booster.
  - Incentivize cashless/digital transactions, impose taxation on high value cash transactions.
  - Govt's clarity on tax matters pertaining under the Ind-AS accounting framework for banks.
  - Reduction in GST from 18% to 12% and/or higher healthcare exemptions in income tax to help higher insurance penetration.
- **Cement – watch for Govt spending on infra and Housing**
  - **Change in Govt spending:** As FY19 marked strong volume growth year with growth of 13% despite weakness in real estate market. The growth was majorly driven by strong govt. spending on infra and affordable housing. Hence, the allocation to these two segments would hold the key for FY20 growth.
- **Consumer Durables**
  - Individual Tax exemptions can increase in urban disposable income and boost consumer durables demand.
  - Rural centric schemes will lead to recovery in rural demand.
  - Incentivize components manufacturing in India which shall lead to reduced dependency on imports and turnaround times for products.

# Industry expectations

- **Capital Goods & Infrastructure – Strong push for Pvt. sector capex revival**
  - **Overall Infrastructure:** We expect the budget to focus on reviving the private sector capex with Roads, Water & water treatment and railways at the forefront. Reviving consumption and consumer sentiment which has seen a dip in the last quarter will be another key focus area. The industry expects various tax SOPs and other methods like accelerated depreciation to kick start investments.
  - **Roads:** Expansion of Road network would remain the key focus area of the budget. The road ministry has already announced building of 12000 KM highways in FY20.
  - Modernization of railways with more focus on Safety, Speed with announcement of high speed trains.
  - We expect the government to push forward new reforms under the umbrella of "Digitalization", which will bring speed, transparency and data security.
  - Re-introduction of tax-free bonds: The 2019-20 Budget may see the re-introduction of tax-free bonds to raise capital by government entities for infrastructure projects. The National Highway Authority of India (NHAI) could be an immediate beneficiary, given the government's thrust on road projects.
  - Reforms on improving the quality and reliability of power supply after completing 100% electrification in the country.
  - **Renewable Energy:** Expect more reform announcement on renewable due to government's focus on promoting clean energy.
  - **Electric Vehicles:** The push for electric vehicles and promoting energy storage devices, could be another focus area.
  - Expect strong reforms on water conservation.
- **Education**
  - The draft of New Education Policy (NEP) was announced in May 2019 while National Curriculum Framework (NCF) is expected to be released by end of CY2020. Since new curriculum is being developed after a gap of 15 years, second hand books would go out of the system and lead to strong growth for next 2-3 years. While NEP & NCF is not integral part of budget, any fresh updates/announcement on that front will be eyed.

# Industry expectations

- **FMCG – Cigarette and Gold Duties to be watched out for**
  - **Cigarettes:** Not to bring them under Excise duty
  - **Gold:** Reduction in import duty from the current 10% to 4%
  - **Restaurants:** A single window of online clearance system incorporating deadlines and deemed approvals for both new licenses and renewals
- **Metals - Expect higher import duties**
  - **Increase in basic custom duty (BCD) on steel from 12.5% to 15%:** This would make imports (ex-Japan and Korea) expensive by USD15/t. However, it will have limited as duty is not applicable on imports from Japan and Korea. India imports 2/3rd of its steel from Japan and Korea
  - **Increase in BCD on Aluminium imports:** Aluminium has received step motherly treatment compared to steel manufacturers wrt duty action. Govt is likely to increase duty by 250bps to 7.5%. This would increase landed cost of imports by USD50/t. Positive for the sector as imports from Japan and Korea are not meaningful.
- **NBFCs – Expect some path to provide liquidity**

  We believe the immediate task of the newly elected government would be to renew the trust between banks and NBFCs.
  - Inclusion of large number of NBFCs into refinancing of SMEs ambit of MUDRA in order to improve fund flow to MSME sector.
  - Setting up of a refinance window for NBFCs, on the lines of National Housing Bank refinance scheme for HFCs and creating a window for flow of credit dedicated to NBFCs
  - Softening securitization guidelines across asset classes
  - Reducing risk-weightages across sectors
- **Oil & Gas**
  - Clarity on unpaid under recoveries in LPG and Kerosene for FY19. Budget provision for LPG and Kerosene for FY20

# Expect lower Income tax rates, tax on share buyback

- Reduction in the corporate tax rate across the board to 25% (irrespective of turnover).
- Imposition of taxation on share buyback at 10%
- Reduction in MAT from the current levels of 18.5% with MAT exemption on dividend received from foreign company
- Levy of surcharge on individuals tax payers might be reduced from 10% and 15% having total income above Rs.5mn and Rs.10mn.
- Increase in exemption limit under Section 80C from 1,50000 to Rs. 200,000.
- Increase in lower slab for Income tax from 2,50000 to Rs 3,00000

| Slab rates | Tax rates |
|---|---|
| 0 to 3 lakhs | Nil |
| 3 to 5 lakhs | 5% |
| 5 to 10 lakhs | 10% |
| 10 to 20 lakhs | 20% |
| Beyond 20 lakhs | 30% |

# Past Budget Estimates

| (Rs billion) | 2017-18 (A) | YoY gr. # | 2018-19E (BE) | YoY gr. ## | 2018-19E (RE) | YoY gr. ### | 2019-20E (BE) | YoY gr. #### |
|---|---|---|---|---|---|---|---|---|
| **RECEIPTS** | | | | | | | | |
| Revenue Receipts | 14,352 | *4.4%* | 17,257 | *14.6%* | 17,297 | *20.5%* | 19,777 | *14.3%* |
| *% of total receipts* | *67.0%* | | *70.7%* | | *70.4%* | | *71.0%* | |
| Tax Revenues (net to centre) | 12,425 | *12.8%* | 14,806 | *16.6%* | 14,844 | *19.5%* | 17,050 | *14.9%* |
| *% of revenue receipts* | *86.6%* | | *85.8%* | | *85.8%* | | *86.2%* | |
| Non-Tax Revenues | 1,927 | *-29.4%* | 2,451 | *3.9%* | 2,453 | *27.3%* | 2,726 | *11.2%* |
| *% of revenue receipts* | *13.4%* | | *14.2%* | | *14.2%* | | *13.8%* | |
| | | | | | | | | |
| Capital Receipts (ex-Borrowings) | 1,157 | *77.0%* | 922 | *-21.5%* | 932 | *-19.5%* | 1,025 | *10.0%* |
| *% of total receipts* | *5.4%* | | *3.8%* | | *3.8%* | | *3.7%* | |
| Recoveries of Loans | 156 | *-11.3%* | 122 | *-30.2%* | 132 | *-15.9%* | 125 | *-4.9%* |
| *% of capital receipts (ex-Borr.)* | *13.5%* | | *13.2%* | | *14.1%* | | *12.2%* | |
| Other receipts | 1,000 | *109.5%* | 800 | *-20.0%* | 800 | *-20.0%* | 900 | *12.5%* |
| *% of capital receipts (ex-Borr.)* | *86.5%* | | *86.8%* | | *85.9%* | | *87.8%* | |
| | | | | | | | | |
| **Total Receipts** | **21,420** | ***8.4%*** | **24,422** | ***10.1%*** | **24,572** | ***14.7%*** | **27,842** | ***13.3%*** |
| | | | | | | | | |
| **EXPENDITURES** | | | | | | | | |
| Revenue Expenditure | 18,788 | *11.1%* | 21,418 | *10.2%* | 21,406 | *13.9%* | 24,479 | *14.4%* |
| *as a % of Total Expenditure* | *87.7%* | | *87.7%* | | *87.1%* | | *87.9%* | |
| Capital Expenditure | 2,631 | *-7.5%* | 3,004 | *9.9%* | 3,166 | *20.3%* | 3,363 | *6.2%* |
| *as a % of Total Expenditure* | *12.3%* | | *12.3%* | | *12.9%* | | *12.1%* | |
| | | | | | | | | |
| **Total Expenditure** | **21,420** | ***8.4%*** | **24,422** | ***10.1%*** | **24,572** | ***14.7%*** | **27,842** | ***13.3%*** |
| | | | | | | | | |
| **Primary Deficit** | **621** | *13.1%* | **485** | ***-24.3%*** | **468** | ***-24.6%*** | **389** | ***-16.8%*** |
| *% of GDP* | *0.4%* | | *0.3%* | | *0.2%* | | *0.2%* | |
| **Revenue Deficit** | **4,436** | *40.2%* | **4,160** | ***-5.2%*** | **4,109** | ***-7.4%*** | **4,702** | ***14.4%*** |
| *% of GDP* | *2.6%* | | *2.2%* | | *2.2%* | | *2.2%* | |
| **Fiscal Deficit** | **5,911** | *10.4%* | **6,243** | ***4.9%*** | **6,344** | ***7.3%*** | **7,040** | ***11.0%*** |
| *% of GDP* | *3.5%* | | *3.3%* | | *3.4%* | | *3.4%* | |
| **Net Market Borrowings** | **4,103** | *17.3%* | **3,901** | ***-3.1%*** | **4,227** | ***3.0%*** | **4,231** | ***0.1%*** |
| **Gross Market Borrowings** | **5,880** | *0.7%* | **6,055** | ***1.1%*** | **5,710** | ***-2.9%*** | **7,100** | ***24.3%*** |
| | | | | | | | | |
| **Nominal GDP** | **1,68,875** | ***10.4%*** | **1,87,223** | ***11.5%*** | **1,88,407** | ***11.6%*** | **2,10,074** | ***11.5%*** |
| **Nominal GDP in $ terms at Rs72** | **2,345** | | **2,600** | | **2,617** | | **2,918** | |

*# 2017-18 (A) v/s 2016-17 (A)*
*## 2018-19E (BE) v/s 2017-18 (RE)*
*### 2018-19E (RE) v/s 2017-18 (A)*
*#### 2019-2020 (BE) v/s 2018-19 (RE)*

# Receipts & Expenditure

| Receipts - (Rs billion) | 2017-18 (A) | YoY gr. # | 2018-19 (BE) | YoY gr. ## | 2018-19 (RE) | YoY gr. ### | 2019-20 (BE) | YoY gr. #### |
|---|---|---|---|---|---|---|---|---|
| **Gross tax revenue** | **19,190** | **11.8%** | **22,712** | **16.7%** | **22,482** | **17.2%** | **25,521** | **13.5%** |
| **Direct tax** | **10,020** | **17.9%** | **11,500** | **14.4%** | **12,000** | **19.8%** | **13,800** | **15.0%** |
| % of Gross Tax Revenue | 52.2% | | 50.6% | | 53.4% | | 54.1% | |
| Corporation tax | 5,712 | 17.8% | 6,210 | 10.2% | 6,710 | 17.5% | 7,600 | 13.3% |
| % of Direct Tax | 57.0% | | 54.0% | | 55.9% | | 55.1% | |
| Income tax | 4,308 | 18.1% | 5,290 | 19.9% | 5,290 | 22.8% | 6,200 | 17.2% |
| % of Direct Tax | 43.0% | | 46.0% | | 44.1% | | 44.9% | |
| **Indirect tax** | **9,170** | **5.9%** | **11,212** | **19.1%** | **10,482** | **14.3%** | **11,721** | **11.8%** |
| % of Gross Tax Revenue | 47.8% | | 49.4% | | 46.6% | | 45.9% | |
| Goods & Services Tax (GST) | 4,426 | | 7,439 | 67.3% | 6,439 | 45.5% | 7,612 | 18.2% |
| % of Indirect Tax | 48.3% | | 66.3% | | 61.4% | | 64.9% | |
| Excise duties | 2,594 | -32.1% | 2,596 | -6.3% | 2,596 | 0.1% | 2,596 | 0.0% |
| % of Indirect Tax | 28.3% | | 23.2% | | 24.8% | | 22.1% | |
| Customs | 1,290 | -42.7% | 1,125 | -16.8% | 1,300 | 0.8% | 1,454 | 11.8% |
| % of Indirect Tax | 14.1% | | 10.0% | | 12.4% | | 12.4% | |
| Service tax | 812 | -68.1% | - | -100.0% | 93 | -88.6% | - | -100.0% |
| % of Indirect Tax | 8.9% | | 0.0% | | 0.9% | | 0.0% | |
| Less states share | 6,730 | 10.7% | 7,881 | 17.1% | 7,615 | 13.1% | 8,446 | 10.9% |
| % of total receipts | 31.5% | | 32.8% | | 31.5% | | 30.9% | |
| **Net tax revenue** | **12,425** | **12.8%** | **14,806** | **16.6%** | **14,844** | **19.5%** | **17,050** | **14.9%** |
| % of total receipts | 58.1% | | 61.7% | | 61.4% | | 62.4% | |
| Proceeds from telecom sector | 321 | -54.3% | 487 | 58.3% | 392 | 22.4% | 415 | 5.8% |
| Dividends & profits | 914 | -25.7% | 1,073 | 0.8% | 1,193 | 30.5% | 1,361 | 14.1% |
| **Total nontax revenue** | **1,927** | **-29.4%** | **2,451** | **3.9%** | **2,453** | **27.3%** | **2,726** | **11.2%** |
| % of total receipts | 9.0% | | 10.2% | | 10.2% | | 10.0% | |
| **Total revenue receipts** | **14,352** | **4.4%** | **17,257** | **14.6%** | **17,297** | **20.5%** | **19,777** | **14.3%** |
| % of total receipts | 67.1% | | 71.9% | | 71.6% | | 72.4% | |
| **Capital receipts** | | | | | | | | |
| Divestment & Strategic Receipts | 1,000 | 109.6% | 800 | -20.0% | 803 | -19.8% | 900 | 12.1% |
| Non debt reciepts | 1,157 | 77.0% | 922 | -21.5% | 932 | -19.5% | 1,025 | 10.0% |
| % of total capital receipts | 16.5% | | 13.7% | | 13.6% | | 13.6% | |
| Debt reciepts | 5,870 | 7.8% | 5,812 | -8.4% | 5,932 | 1.1% | 6,527 | 10.0% |
| % of total capital receipts | 83.5% | | 86.3% | | 86.4% | | 86.4% | |
| **Total Capital receipts** | **7,026** | **15.2%** | **6,734** | **-10.4%** | **6,864** | **-2.3%** | **7,552** | **10.0%** |
| % of total receipts | 32.9% | | 28.1% | | 28.4% | | 27.6% | |
| **Total Receipts** | **21,379** | **7.8%** | **23,991** | **6.3%** | **24,160** | **13.0%** | **27,329** | **13.1%** |

*# 2017-18 (A) v/s 2016-17 (A)*
*## 2018-19E (BE) v/s 2017-18 (RE)*
*### 2018-19E (RE) v/s 2017-18 (A)*
*#### 2019-2020 (BE) v/s 2018-19 (RE)*

| Expenditure - (Rs billion) | 2017-18 (A) | YoY gr. # | 2018-19 (BE) | YoY gr. ## | 2018-19E (RE) | YoY gr. ### | 2019-20 (BE) | YoY gr. #### |
|---|---|---|---|---|---|---|---|---|
| **Revenue expenditure** | | | | | | | | |
| Interest payments | 5,290 | 10.0% | 5,758 | 8.5% | 5,876 | 11.1% | 6,651 | 15.5% |
| % of total expenditure | 28.2% | | 26.9% | | 27.4% | | 27.2% | |
| Defence | 1,821 | 12.2% | 1,853 | 5.0% | 1,881 | 3.3% | 1,985 | 7.1% |
| % of total expenditure | 9.7% | | 8.7% | | 8.8% | | 8.1% | |
| Rural Development | 1,086 | 14.2% | 1,124 | 3.1% | 1,124 | 3.5% | 1,175 | 4.6% |
| % of total expenditure | 5.8% | | 5.2% | | 5.3% | | 4.8% | |
| Subsidies | 2,244 | -4.4% | 2,955 | 11.9% | 2,992 | 33.3% | 3,342 | 13.1% |
| Food | 1,003 | -9.0% | 1,693 | 20.7% | 1,713 | 70.8% | 1,842 | 8.8% |
| Fertilizers | 664 | 0.2% | 701 | 7.9% | 701 | 5.5% | 750 | 7.0% |
| Petroleum | 245 | -11.2% | 249 | 1.9% | 248 | 1.5% | 375 | 50.3% |
| Interest Subsidies | 221 | 23.8% | 231 | -2.4% | 227 | 2.4% | 251 | 9.0% |
| Others | 111 | -13.9% | 81 | -24.8% | 103 | -7.0% | 124 | 53.1% |
| % of total expenditure | 11.9% | | 13.8% | | 14.0% | | 13.7% | |
| Agri | 394 | 6.8% | 466 | 13.5% | 678 | 72.1% | 1,296 | 178.1% |
| % of total expenditure | 2.1% | | 2.2% | | 3.2% | | 5.3% | |
| Health & Familly Welfare | 483 | 32.6% | 501 | 3.7% | 518 | 7.3% | 596 | 19.1% |
| % of total expenditure | 2.6% | | 2.3% | | 2.4% | | 2.4% | |
| Housing & Urban Affairs | 247 | 20.9% | 253 | 18.8% | 260 | 5.0% | 285 | 12.4% |
| % of total expenditure | 1.3% | | 1.2% | | 1.2% | | 1.2% | |
| Transfer to States | 1,039 | -9.6% | 1,369 | 18.5% | 1,313 | 26.4% | 1,594 | 16.5% |
| % of total expenditure | 5.5% | | 6.4% | | 6.1% | | 6.5% | |
| **Total Revenue Expenditure** | **18,788** | **11.1%** | **21,418** | **10.2%** | **21,406** | **13.9%** | **24,479** | **14.3%** |
| % of total expenditure | 87.7% | | 87.7% | | 87.1% | | 87.9% | |
| **Capital expenditure** | | | | | | | | |
| Defence | 904 | 4.7% | 940 | 8.7% | 940 | 3.9% | 1,034 | 10.0% |
| % of total expenditure | 4.2% | | 3.8% | | 3.8% | | 3.7% | |
| Roads & Highw ays | 508 | 23.2% | 594 | 16.9% | 686 | 35.1% | 720 | 21.1% |
| % of total expenditure | 2.4% | | 2.4% | | 2.8% | | 2.6% | |
| Railw ays | 434 | -4.0% | 531 | 32.7% | 531 | 22.2% | 646 | 21.7% |
| % of total expenditure | 2.0% | | 2.2% | | 2.2% | | 2.3% | |
| Housing & Urban | 153 | -7.0% | 164 | -15.5% | 170 | 10.8% | 195 | 19.1% |
| % of total expenditure | 0.7% | | 0.7% | | 0.7% | | 0.7% | |
| **Total Capital Expenditure** | **2,631** | **-7.5%** | **3,004** | **9.9%** | **3,166** | **20.3%** | **3,363** | **11.9%** |
| % of total expenditure | 12.3% | | 12.3% | | 12.9% | | 12.1% | |
| **Total expenditure** | **21,420** | **8.4%** | **24,422** | **10.1%** | **24,572** | **14.7%** | **27,842** | **14.0%** |

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