

State Budgets 2024-25



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Key highlights from the 2024-25 state budgets

- ❖ Our analysis of 2024-25 budgets of 20 large states confirms that states have budgeted a fiscal deficit of 3.2% of GDP in FY25 vs. 3.5% of GDP in FY24RE and 2.8% of GDP each in FY22/FY23.
- ❖ Gross market borrowings (GMBs) of all states are budgeted at INR10.9t (3.3% of GDP) and net market borrowings (NMBs) are budgeted at INR8.0t (2.4% of GDP) in FY25. According to the RBI's data, actual state GMBs/NMBs stood at INR9.6t/INR68t (or 3.3%/2.3% of GDP) last year.
- ❖ Outstanding debt of states is budgeted to grow 9.2% YoY, taking it to 28.3% of GDP in FY25, slightly lower than 28.6% of GDP in FY24RE. States' debt was at a 15-year high of 31% of GDP in FY21, up from ~25% of GDP in the pre-Covid years.
- ❖ Aggregate receipts of all states are budgeted to grow 9.0% YoY in FY25, following 16.8%/12.4% growth in FY24RE/FY23. Interestingly, the entire growth is likely to be led by states' own receipts, as the Center's support is expected to grow only 3% YoY in FY25. Total receipts are, thus, budgeted to ease slightly to 14.2% of GDP in FY25, down from an all-time high of 14.4% of GDP in FY24RE.
- ❖ Total spending of states is budgeted to grow only 7.4% YoY in FY25, following 20.3%/12.7% growth in FY24RE/FY23. While revenue spending is budgeted to grow just 7.3% YoY, capital spending is budgeted to increase 8.1% YoY in FY25. Total spending is budgeted to fall to 17.3% of GDP in FY25 (second to the peak of 17.8% of GDP in FY24RE), though capital spending is budgeted to stay unchanged at ~3% of GDP.



Key highlights from the 2024-25 state budgets

- ❖ Our estimates of FY24 provisional data (FY24P), based on 20 major states for which unaudited data is available up to Feb'24[^], suggest that states' total receipts grew 10.4% YoY in FY24P, primarily led by weak growth in support from the Center (almost stagnant vs. 15.3% YoY growth in FY24RE). States' total receipts, thus, stood at 13.7% of GDP in FY24P (vs. 14.4% of GDP in FY24RE).
- ❖ Further, states' total spending is estimated to have grown 12.1% YoY in FY24P, led by 29.2% growth in capital spending (vs. 37.7% YoY in FY24RE) and only 9% growth in revenue spending (vs. 17.2% YoY in FY24RE). States' total spending, thus, stood at 16.8% of GDP in FY24P (vs. 17.8% of GDP in FY24RE).
- ❖ Accordingly, our calculations indicate that states' fiscal deficit was 3.1% of GDP in FY24P, lower than 3.5% of GDP as per FY24RE, but the highest in 19 years (except 4.1% of GDP in FY21 and excluding UDAY impact in FY16-FY17).
- ❖ Compared to FY24P, thus, states' total receipts are budgeted to grow 15.2% YoY in FY25 and aggregate spending is budgeted to rise 15.3% YoY in FY25. Considering our expectations (and historical analysis of actual vs. BEs), states' total receipts could grow ~12% this year and their spending growth could be 11.3% in FY25, with 15% YoY growth in states' aggregate capex (and 10.5% in their revenue spending). If so, states' fiscal deficit could be 3.0% of GDP in FY25, vs. 3.2% of GDP in FY25BEs.

For four out of 20 states (AP, AS, CT and GJ), unaudited monthly data is available up to Jan'24 as of 1st Apr'24



Key highlights from the 2024-25 combined budget analysis

- ❖ Combining the 2024-25 budgets of the Union government and our estimates of state governments (based on 20 large states), we find that total receipts of the general government (GG; Center + States) are budgeted to rise 15.1% YoY in FY24RE and 12.1% YoY in FY25BE. Aggregate spending, however, is budgeted to increase only 8% YoY in FY25BE, following a growth of 14% in FY24RE. Accordingly, the combined fiscal deficit is budgeted to decline to 8.3% of GDP in FY25BE, from 9.3% of GDP in FY24RE (vs. 9.2% of GDP in FY23).
- ❖ Based on unaudited monthly data up to Jan'24/Feb'24 for large states, our estimates suggest that combined receipts grew 15.9% YoY in FY24P, slightly better than FY24RE. Total spending, however, is estimated to have increased 12.6% in FY24P, helping to narrow the GG fiscal deficit to 8.9% of GDP in FY24.
- ❖ Total capex (excluding loans & advances) of the general government is budgeted to rise to 5.6% of GDP in FY25, same as in FY24RE, which is a record high. Include CPSEs, and the aggregate public sector capex increased to 14-year high of 6.4% of GDP in FY24P, and budgeted at 6.5% of GDP in FY25.
- ❖ Combined outstanding debt of GG is estimated to have risen to 83.6% of GDP in FY24RE, from 82.8% of GDP in FY23. Notably, it is budgeted to ease to 82.3% of GDP in FY25, the lowest in five years.
- ❖ Lastly, combined GMBs are budgeted at INR25.6t (7.8% of GDP) same as in FY24 (8.7% of GDP) . NMBs are budgeted at INR20.2t (6.2% of GDP) in FY25BE vs. INR19.1t (6.5% of GDP) in FY24.

We cover 20 major states in this analysis



- | | |
|--------------------------|-------------------------|
| 1. Andhra Pradesh (AP) | 11. Madhya Pradesh (MP) |
| 2. Assam (AS) | 12. Maharashtra (MH) |
| 3. Bihar (BH) | 13. Odisha (OD) |
| 4. Chhattisgarh (CT) | 14. Punjab (PB) |
| 5. Gujarat (GJ) | 15. Rajasthan (RJ) |
| 6. Haryana (HR) | 16. Tamil Nadu (TN) |
| 7. Himachal Pradesh (HP) | 17. Telangana (TS) |
| 8. Jharkhand (JH) | 18. Uttarakhand (UK) |
| 9. Karnataka (KA) | 19. Uttar Pradesh (UP) |
| 10. Kerala (KL) | 20. West Bengal (WB) |
| All States* (ALL) | |

Of these, eight (8) states have presented Vote on Account Budgets, while only two/five (2/5) states will have assembly elections in 1HFY25/FY25
All data used is as of 1st Apr'24

*Based on 20 major states

Vote on Account (VoA) Budgets and assembly election schedule



VoA Budgets:

1. Andhra Pradesh (AP)
2. Madhya Pradesh (MP)
3. Maharashtra (MH)
4. Odisha (OD)
5. Punjab (PB)
6. Rajasthan (RJ)
7. Tamil Nadu (TN)
8. Telangana (TS)

State (Ruling party)	From	Assembly seats	Lok Sabha seats	Rajya Sabha seats
Arunachal Pradesh (BJP)	Apr'24	60	2	1
Sikkim (BJP-alliance)	Apr'24	32	1	1
Andhra Pradesh (YSRCP)	May'24	175	25	11
Odisha (BJD)	May'24	147	21	10
Jammu & Kashmir	Before Sep'24*	90	5	4
Haryana (BJP)	Oct'24*	90	10	5
Maharashtra (BJP-alliance)	Oct'24*	288	48	19
Jharkhand (Mahagathbandhan)	Nov-Dec'24*	81	14	6
Delhi (AAP)	Feb'25*	70	7	3

*Tentative (not final yet)

Source: State Budget documents, Election Commission
<https://old.eci.gov.in/elections/term-of-houses/>



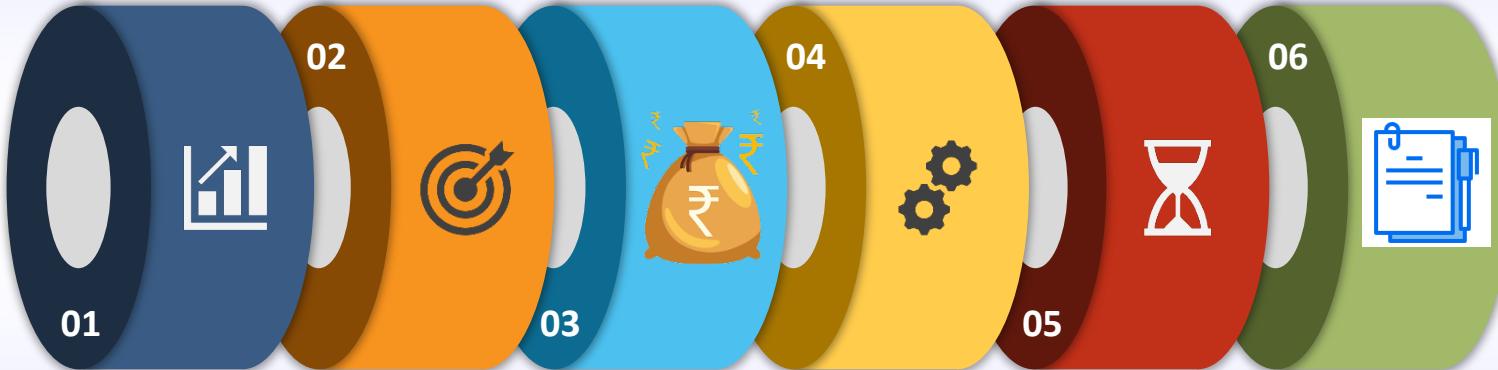
#2. What are the key sources of revenue for states?

States' own receipts vs. transfer from the Center

#4. An analysis of FY24P using monthly data up to Jan/Feb'24

Comparison of FY25BEs vs. FY24REs and FY24P

#6. Appendices

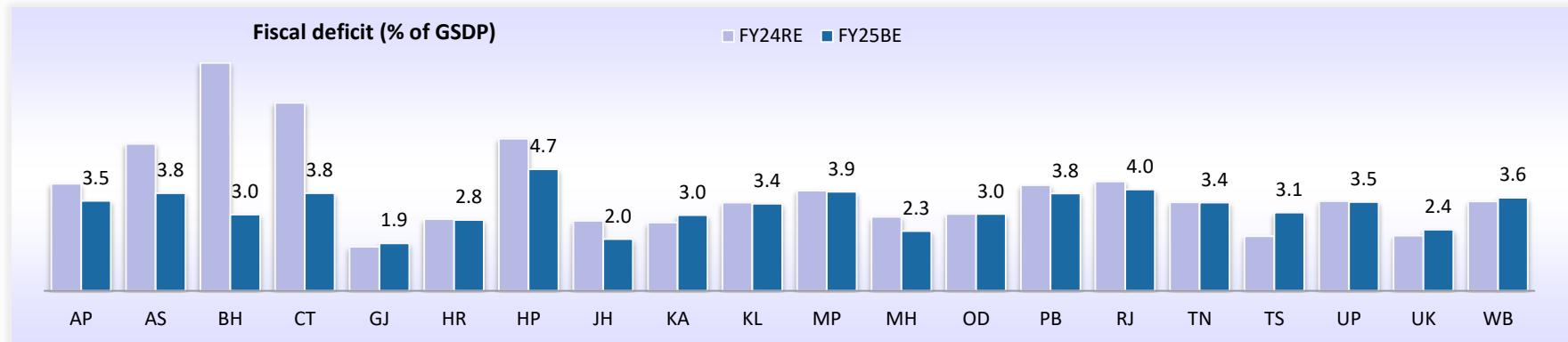
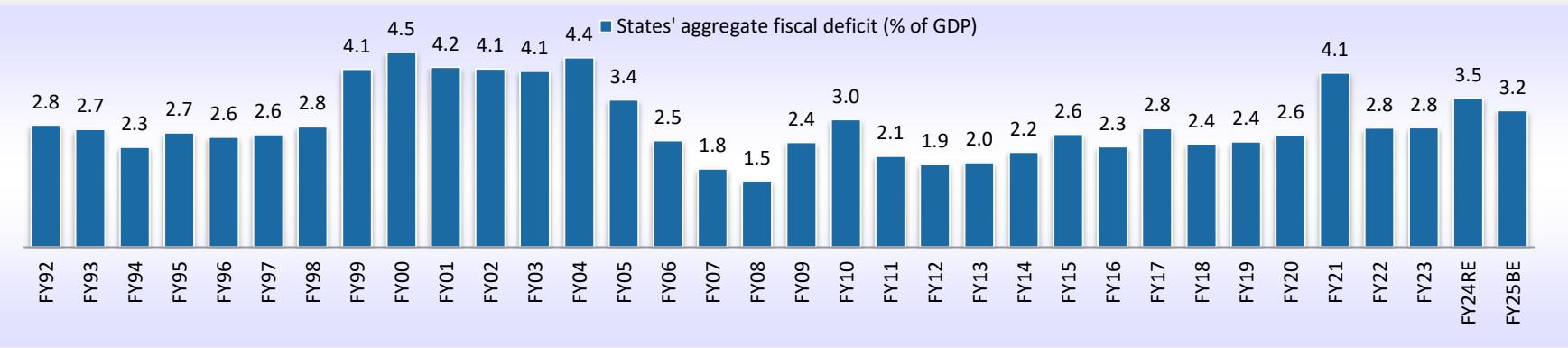


#1. Headline Budget Estimates (BEs) for FY25
Fiscal deficit, outstanding debt and market borrowings

#3. Where do the states plan to spend?
Share of committed expenditure revenue vs. capital expenditure

#5. What does the combined analysis of states and the Center reveal?
Total receipt and spending growth in FY24P and FY25BE; Combined deficit and market borrowings

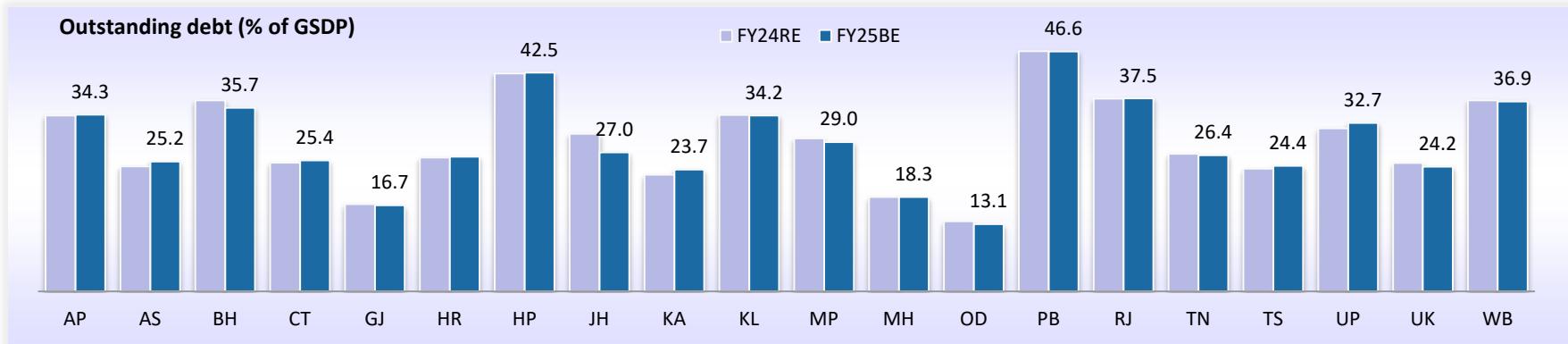
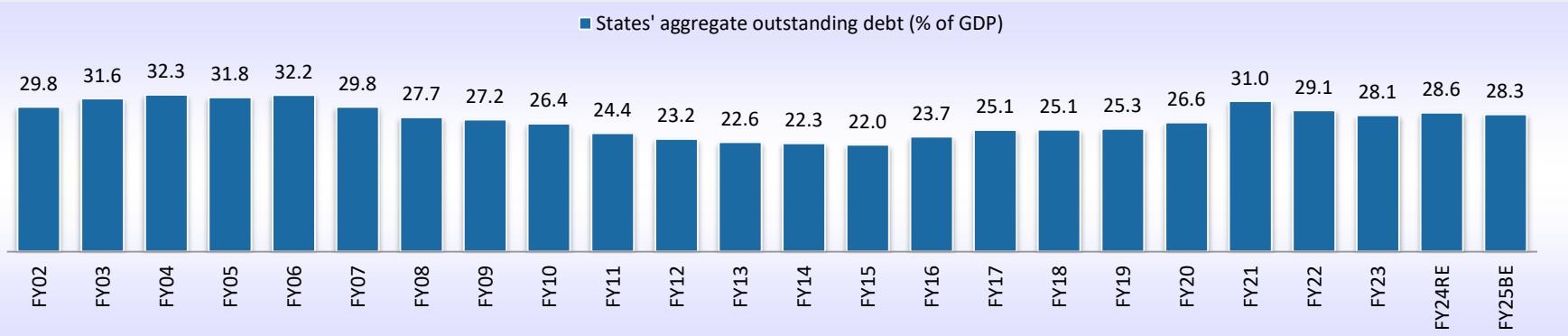
States' aggregate* fiscal deficit budgeted at 3.2% of GDP in FY25BE



*Based on 20 major states

Source: State Budget documents, RBI, CEIC, MOFSL

States' aggregate* outstanding debt targeted at 28.3% of GDP in FY25



*Based on 20 major states

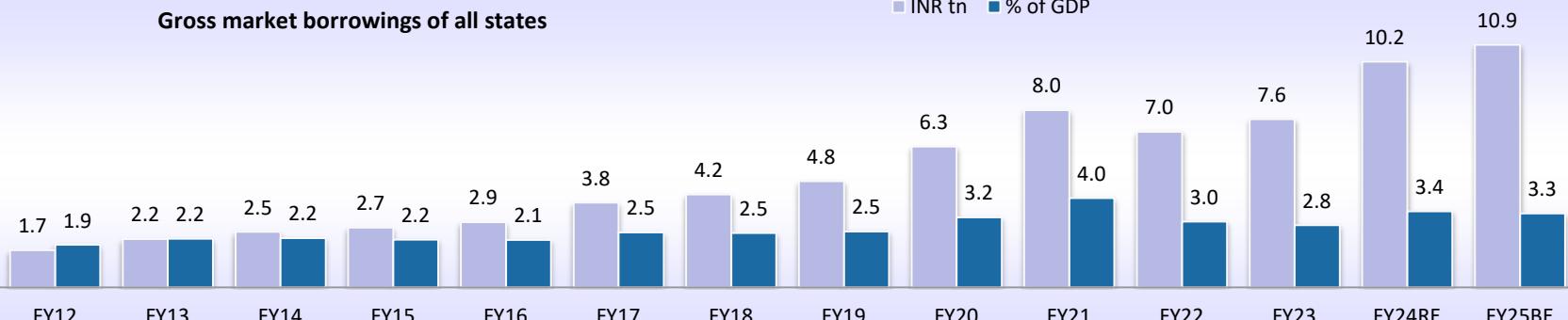
Source: State Budget documents, RBI, CEIC, MOFSL

GMBs budgeted at INR10.9t (or 3.3% of GDP) in FY25BE



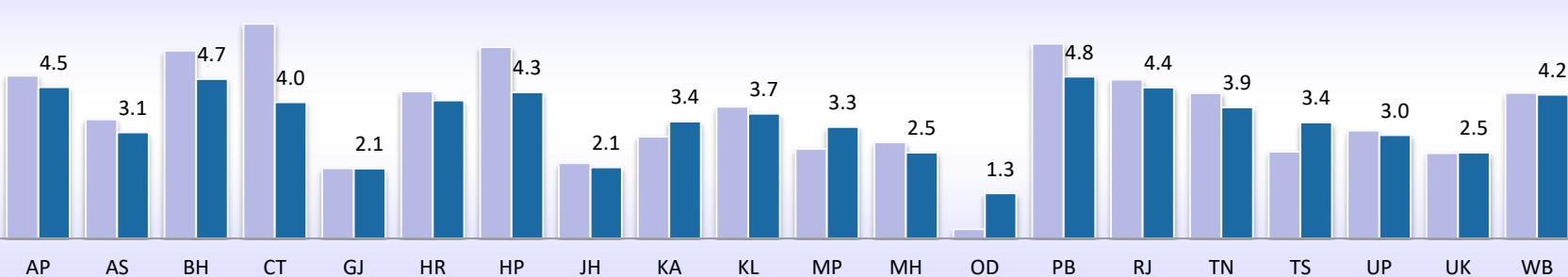
Gross market borrowings of all states

■ INR tn ■ % of GDP



Gross market borrowings (% of GSDP)

■ FY24RE ■ FY25BE



Based on 20 major states

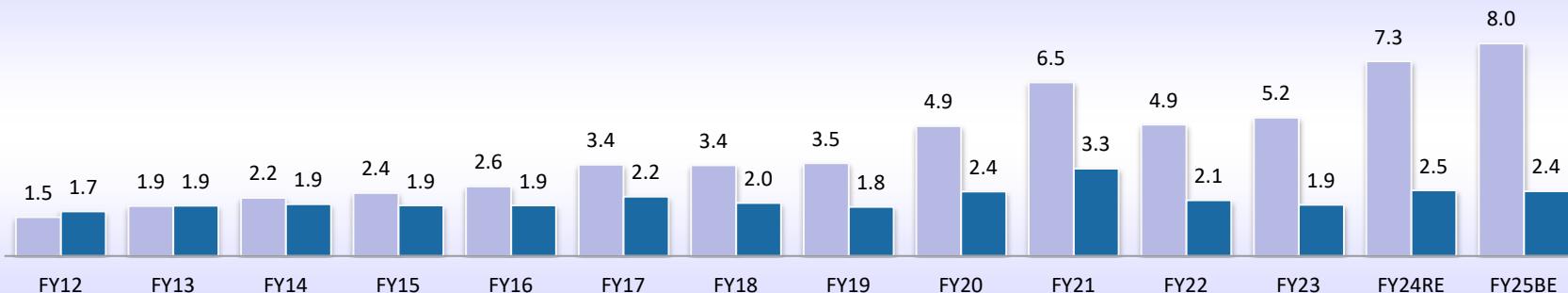
Source: State Budget documents, RBI, CEIC, MOFSL

Budgeted INR8.0t worth of NMBs (2.4% of GDP) in FY25BE



Net market borrowings of all states

■ INR tn ■ % of GDP



Net market borrowings (% of GSDP)

■ FY24RE ■ FY25BE



Based on 20 major states

Source: State Budget documents, RBI, CEIC, MOFSL



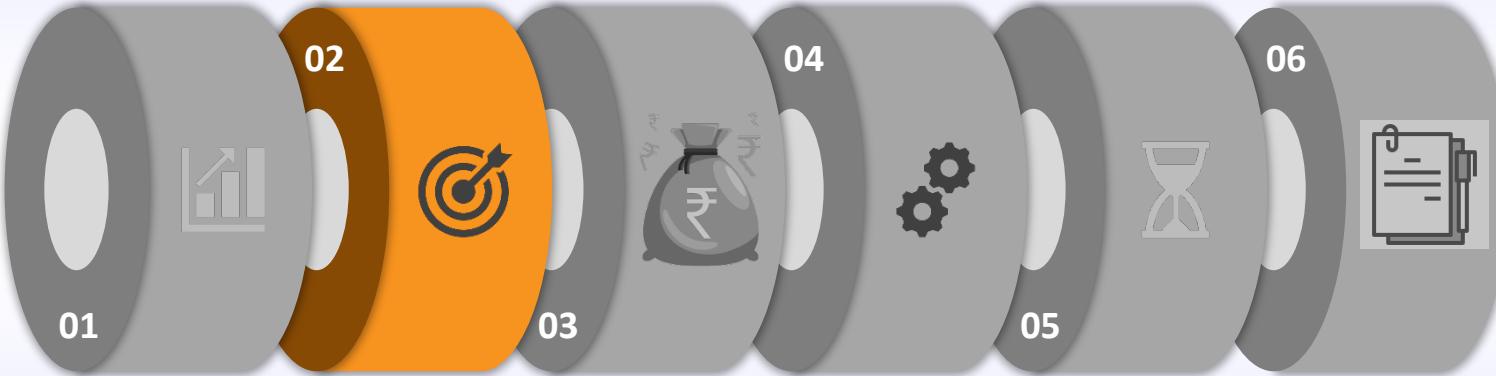
#2. What are the key sources of revenue for states?

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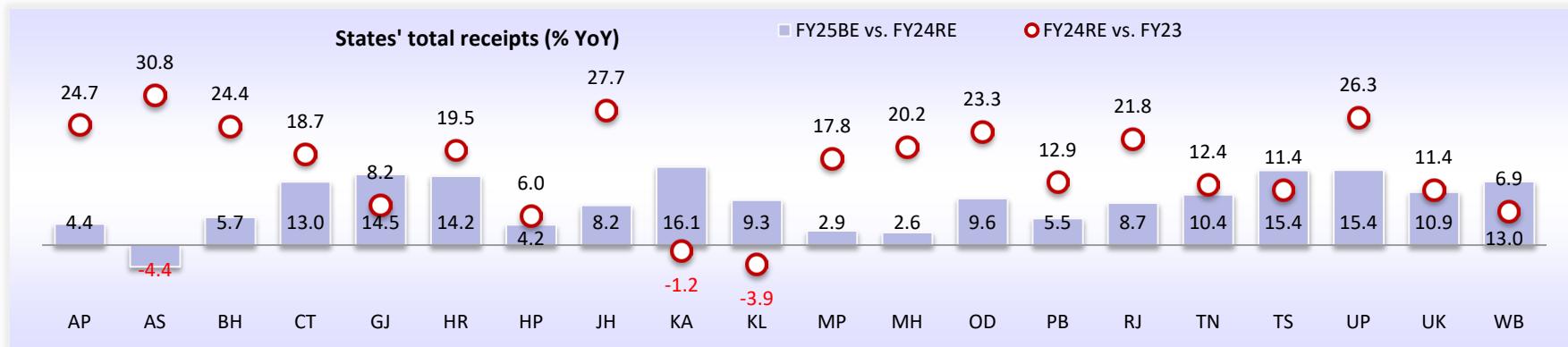
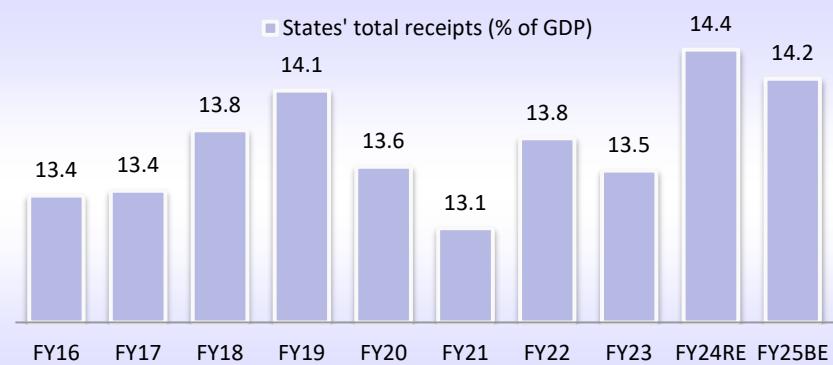
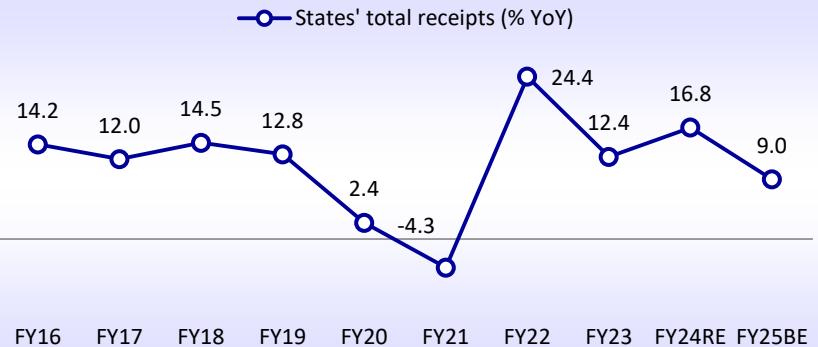


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States' aggregate receipts budgeted to grow 9% YoY in FY25BE

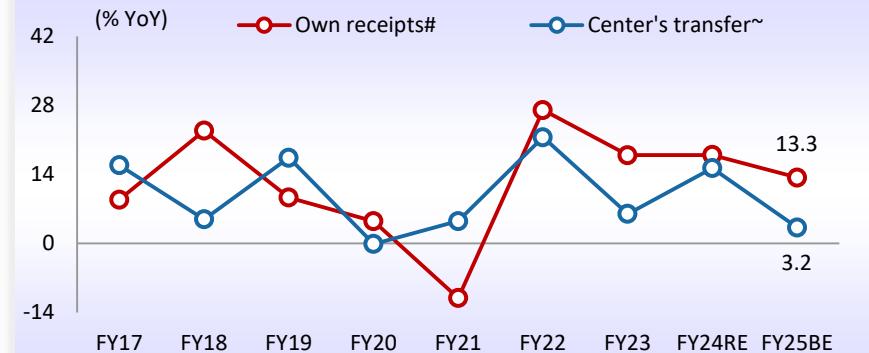
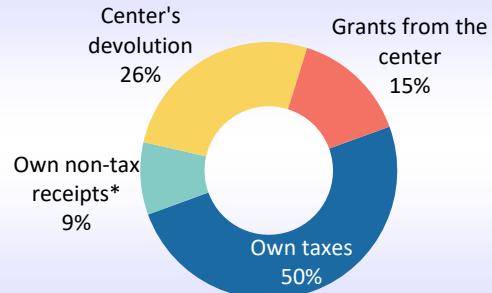


Source: State Budget documents, RBI, CEIC, MOFSL

Much higher growth expected in states' own receipts



Key components of states' total receipts in FY25BE (%)

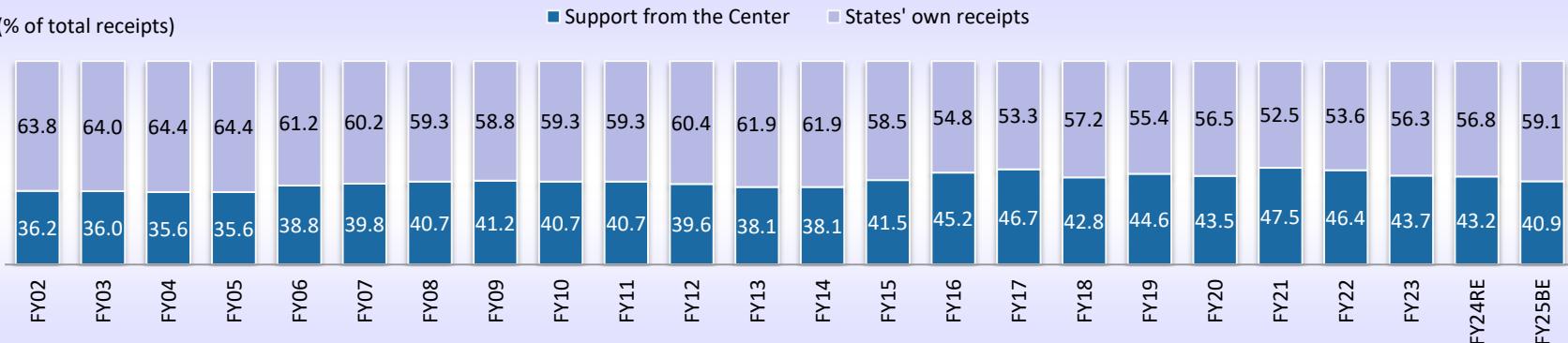


* Including non-tax revenue and non-debt capital receipts

#Taxes and non-tax receipts

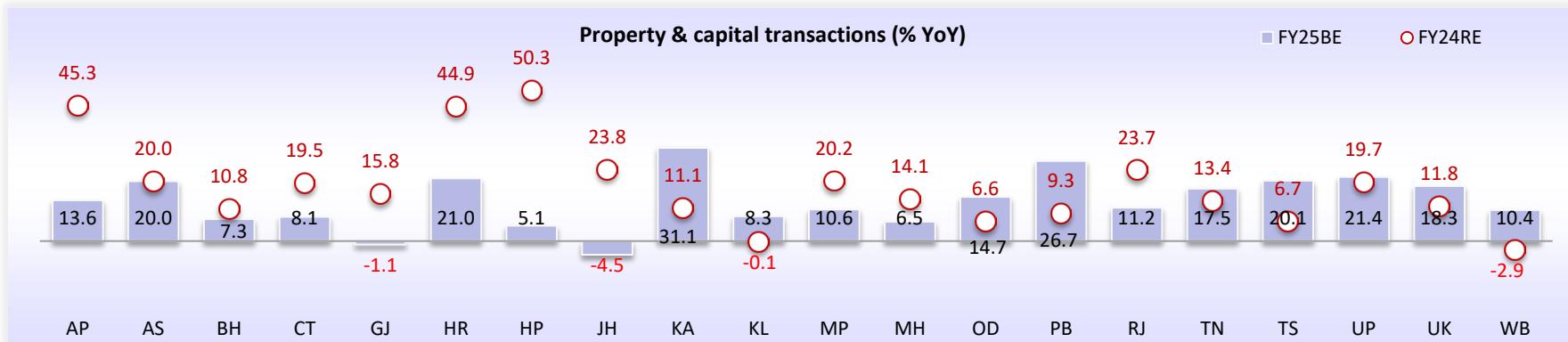
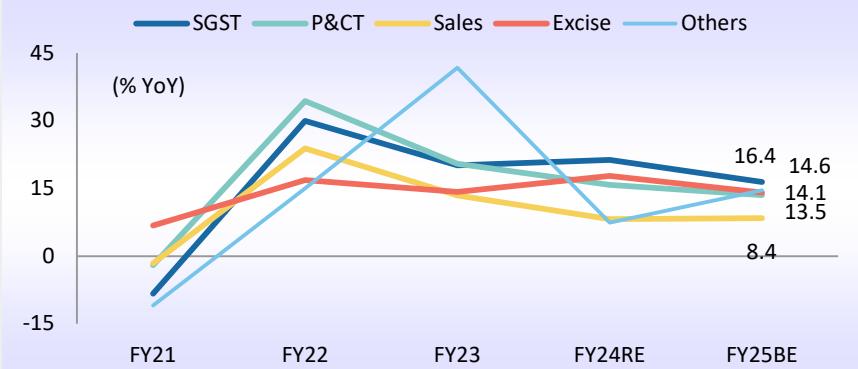
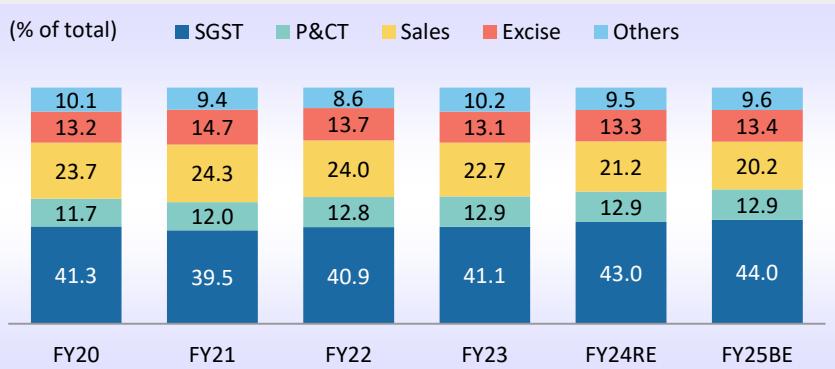
~ Devolution + Grants

(% of total receipts)



Source: State Budget documents, RBI, CEIC, MOFSL

Barring sales tax, strong broad-based growth expected in states' taxes



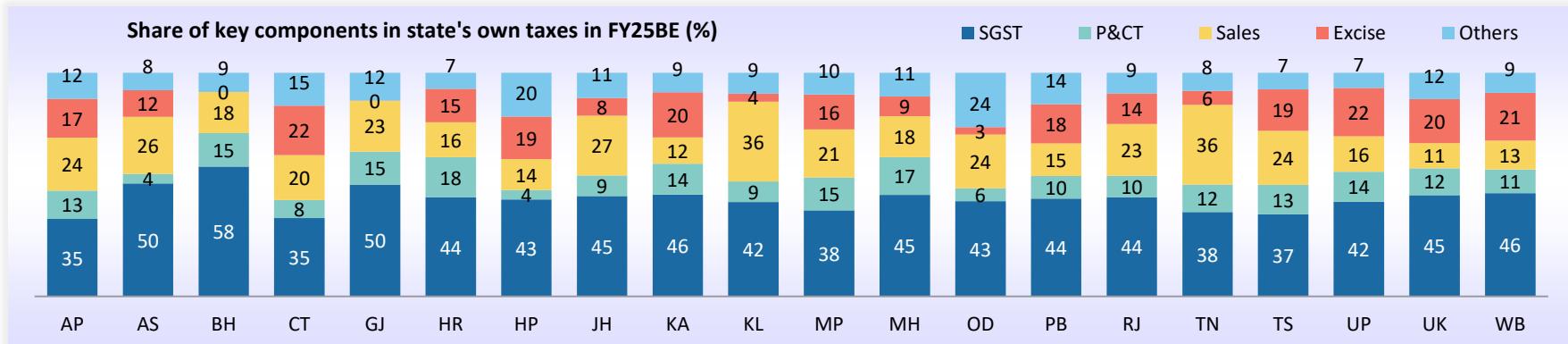
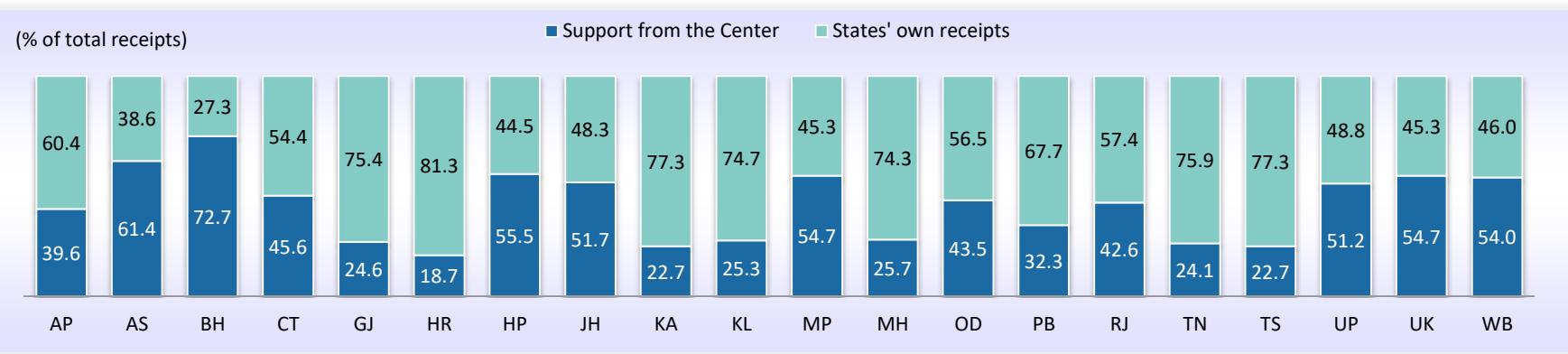
P&CT = Property & Capital transactions

Others include duties on vehicles, taxes & duties on electricity etc.

Source: State Budget documents, RBI, CEIC, MOFSL



Some details about components of receipts in individual states



Source: State Budget documents, RBI, CEIC, MOFSL



#2. What are the key sources of revenue for states?

States' own receipts vs. transfer from the Center

01

02

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Comparison of FY25BEs vs. FY24REs and FY24P

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04

06

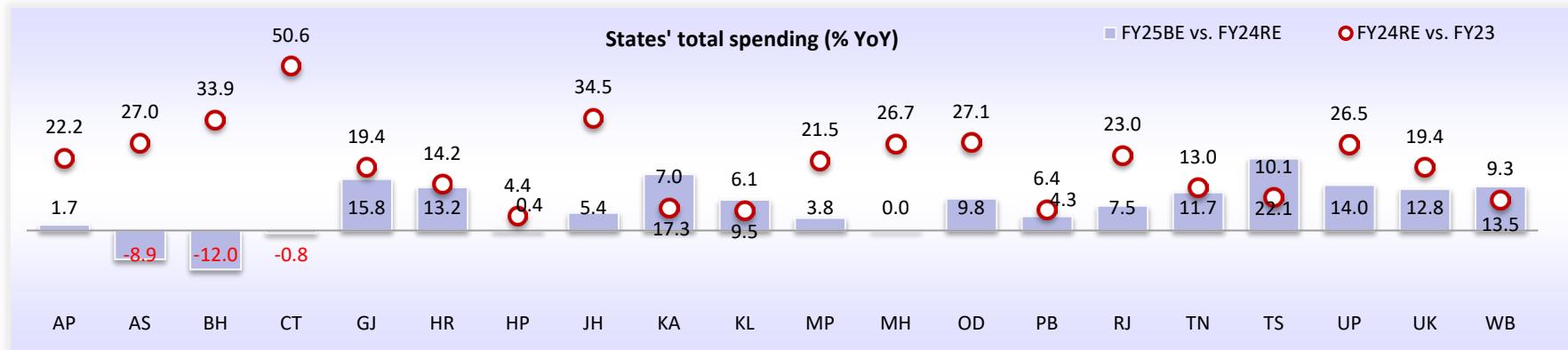
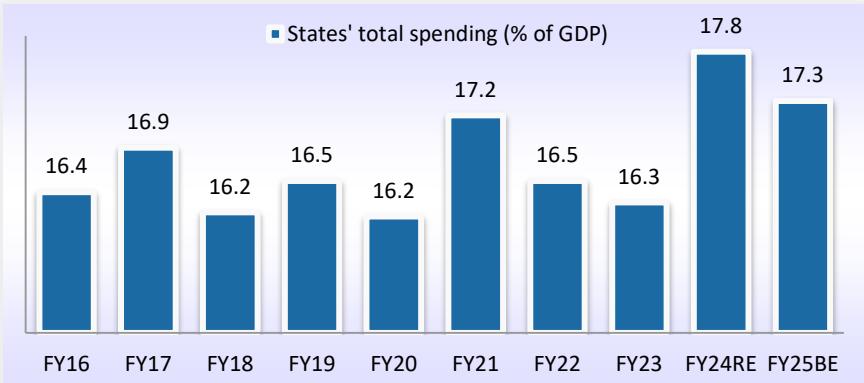
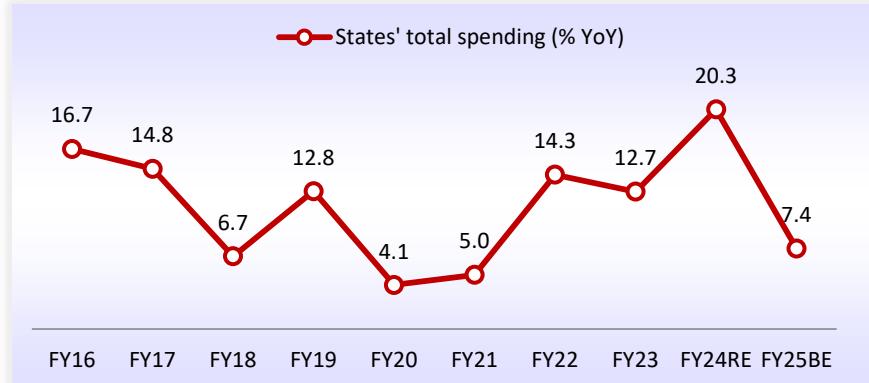
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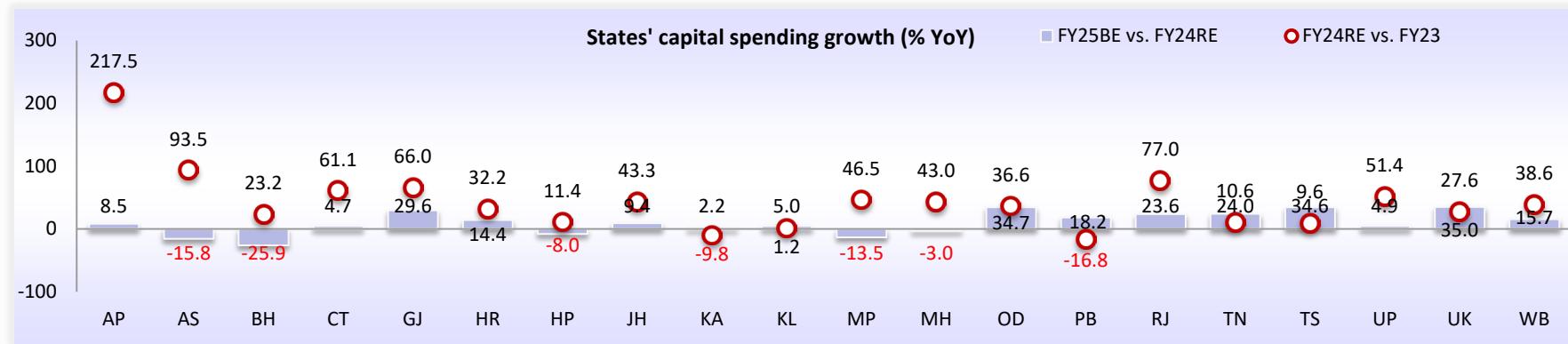
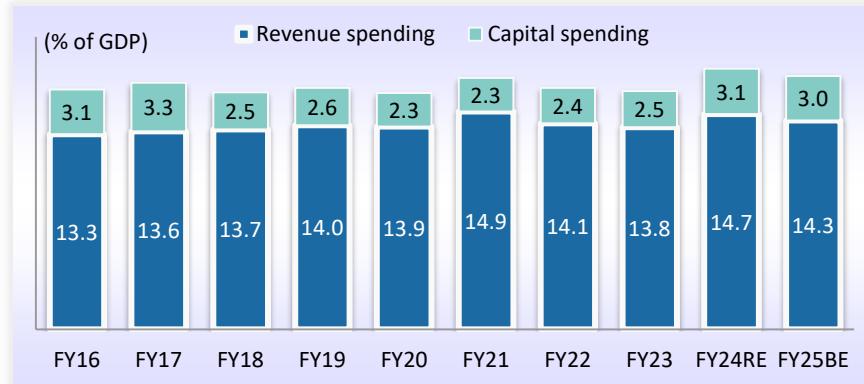
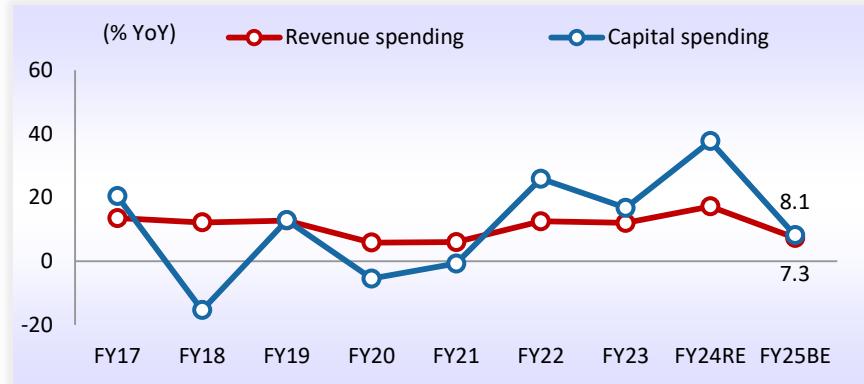


States' total spending budgeted to grow only 7.4% in FY25BE



Source: State Budget documents, RBI, CEIC, MOFSL

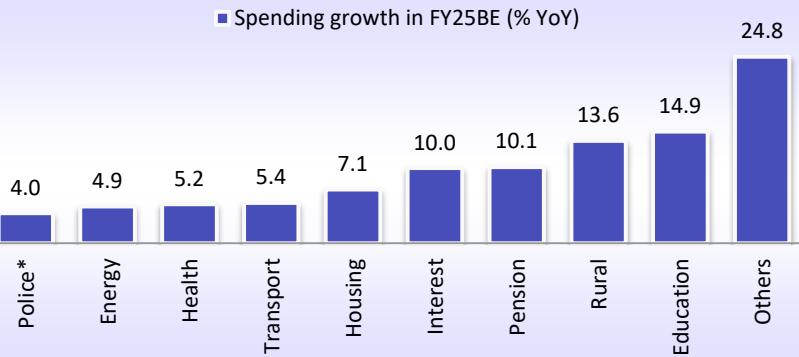
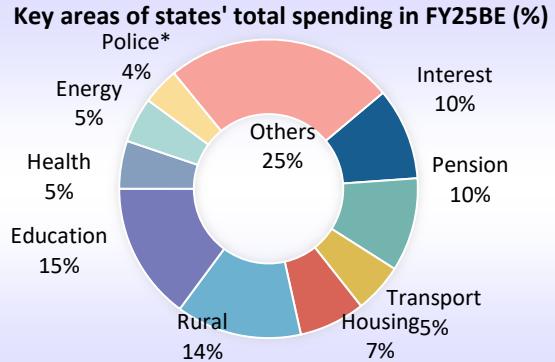
States' capital spending* projected to grow 8.1% in FY25BE



* Capex (Capital outlays) + Loans & advances (L&As)

Source: State Budget documents, RBI, CEIC, MOFSL

Where do the states plan to spend?



* Only revenue spending

States' interest payments

■ % of GDP

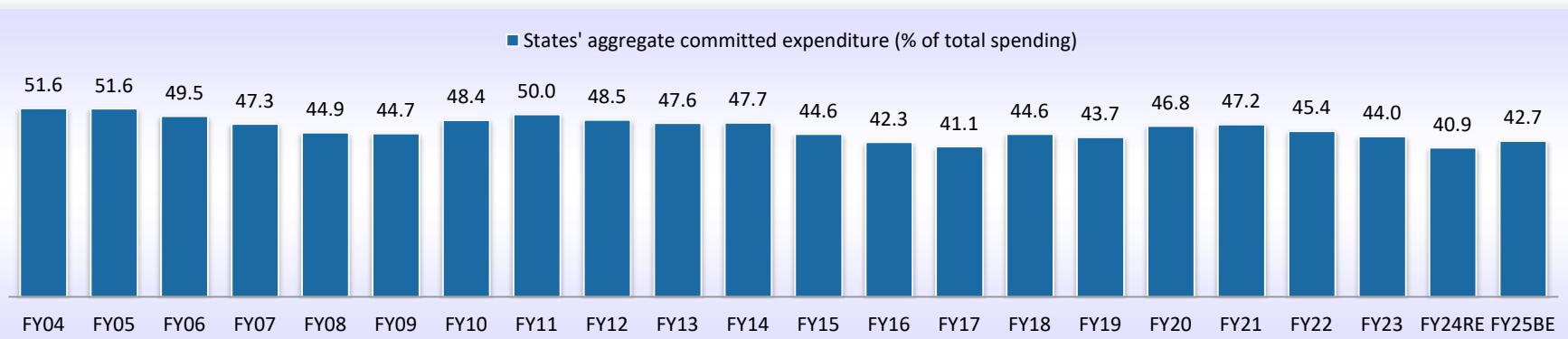
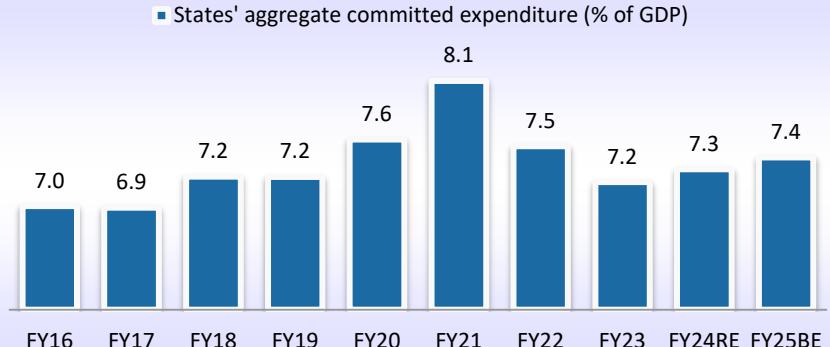
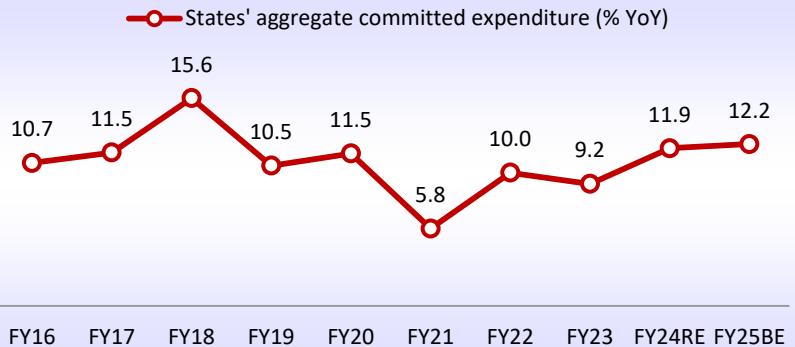
● % of total spending (rs)



Source: State Budget documents, RBI, CEIC, MOFSL



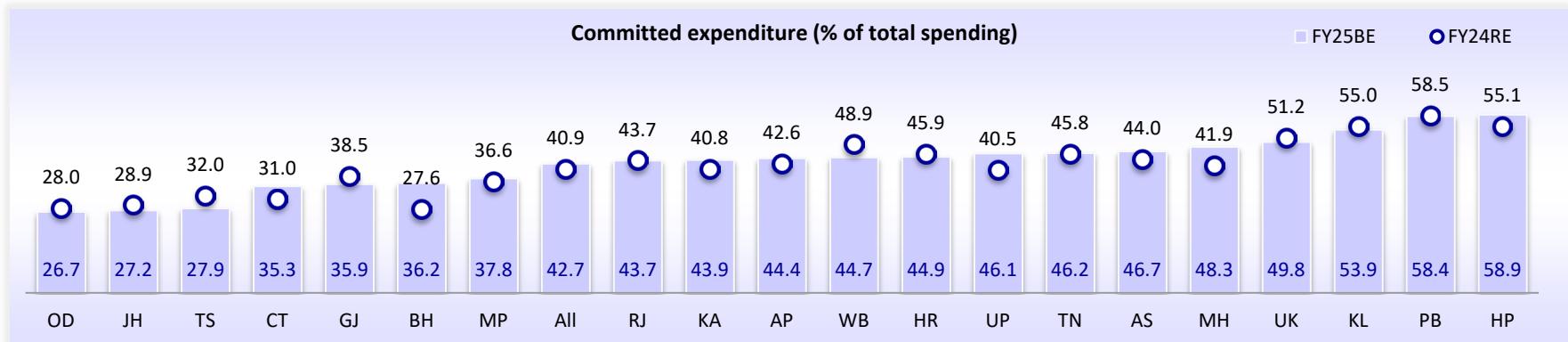
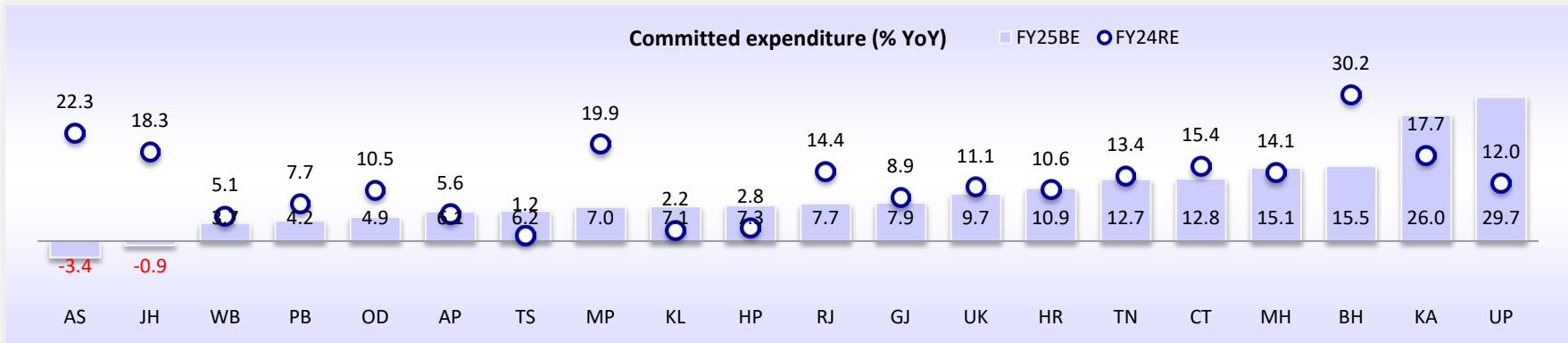
Committed expenditure* accounts for >40% of total spending for states...



*Interest payments + Salary & wages + Pension

Source: State Budget documents, RBI, CEIC, MOFSL

...and >50% of a few states

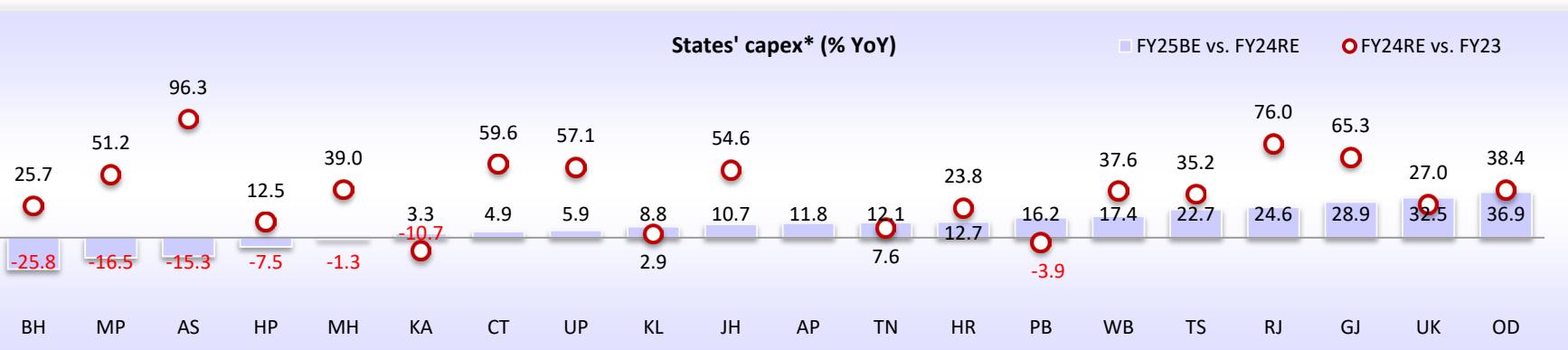
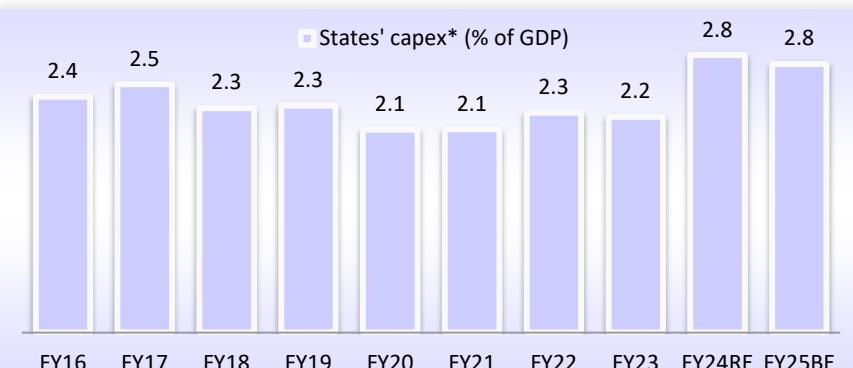
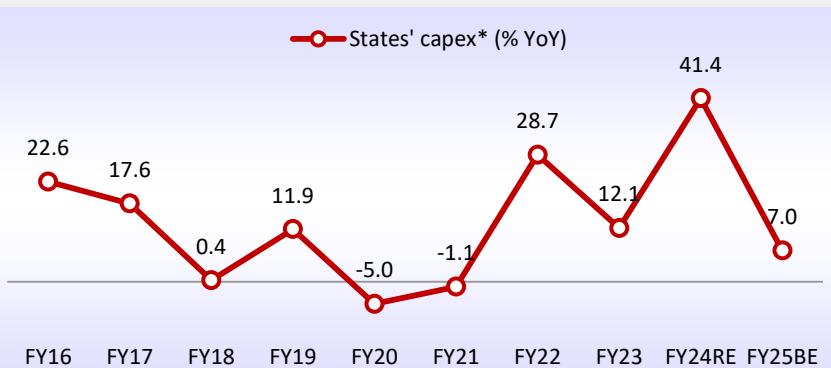


Revised estimates of salary & wages in FY22 for AP and DL (FY25BE not available)

Source: State Budget documents, RBI, CEIC, MOFSL



Some more details about states' capex...



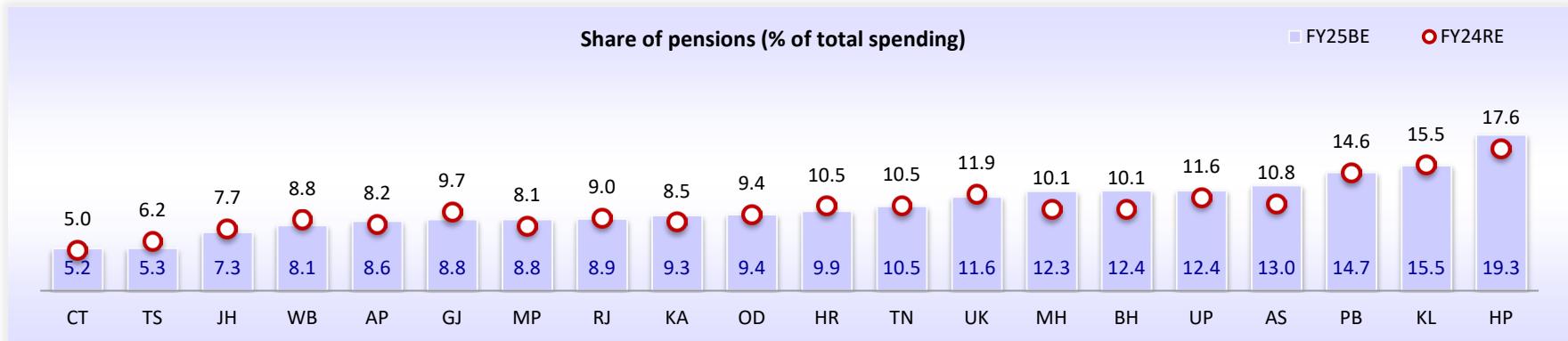
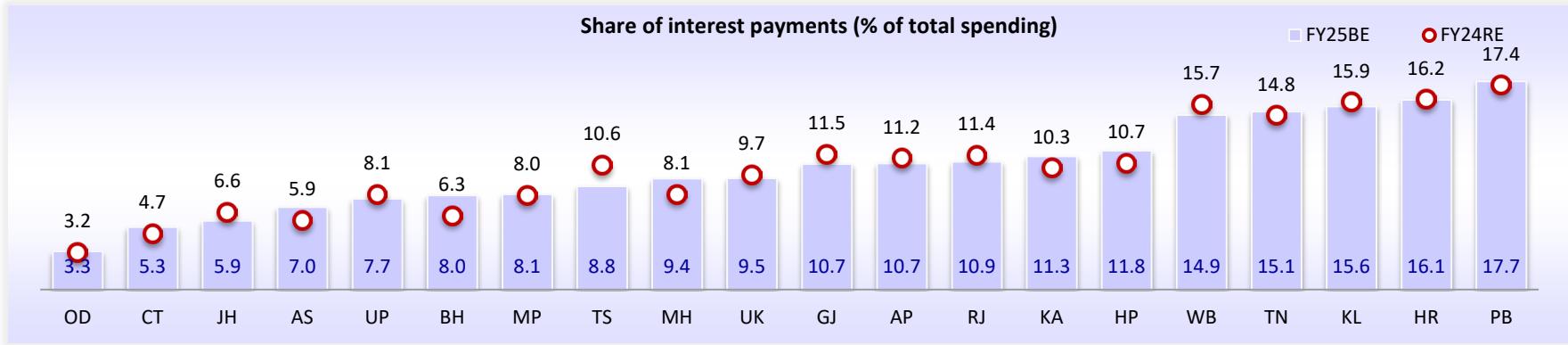
*Capital spending less L&As

APs capex grew 230% YoY in FY24RE (not shown in the exhibit)

Source: State Budget documents, RBI, CEIC, MOFSL



...and other large expenditure items



Source: State Budget documents, RBI, CEIC, MOFSL



#2. What are the key sources of revenue for states?

States' own receipts vs. transfer from the Center



#4. An analysis of FY24P using monthly data up to Jan/Feb'24

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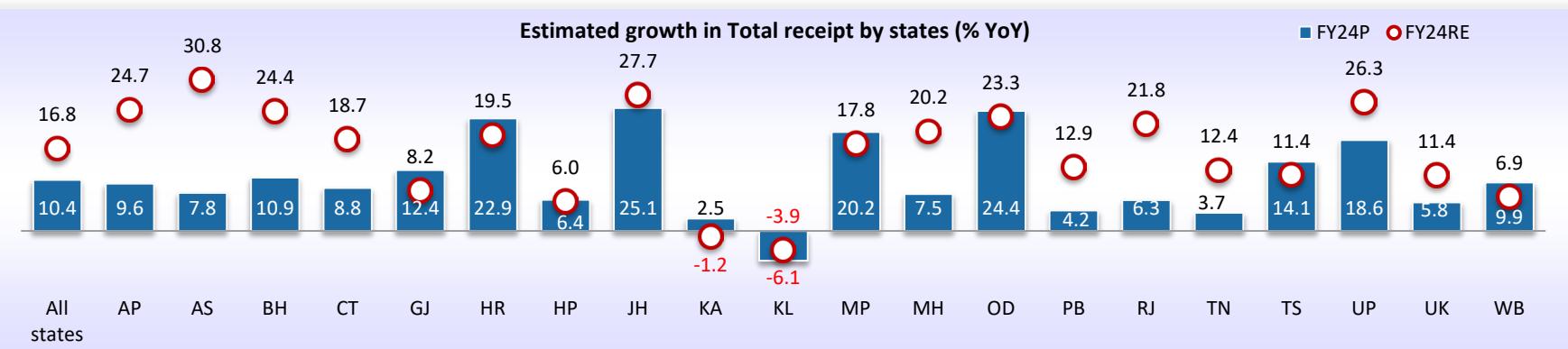
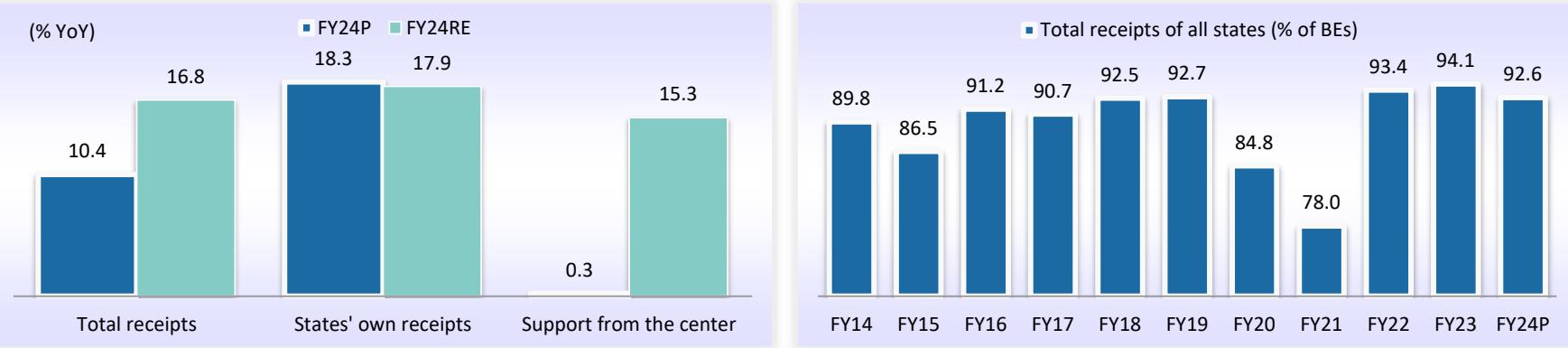
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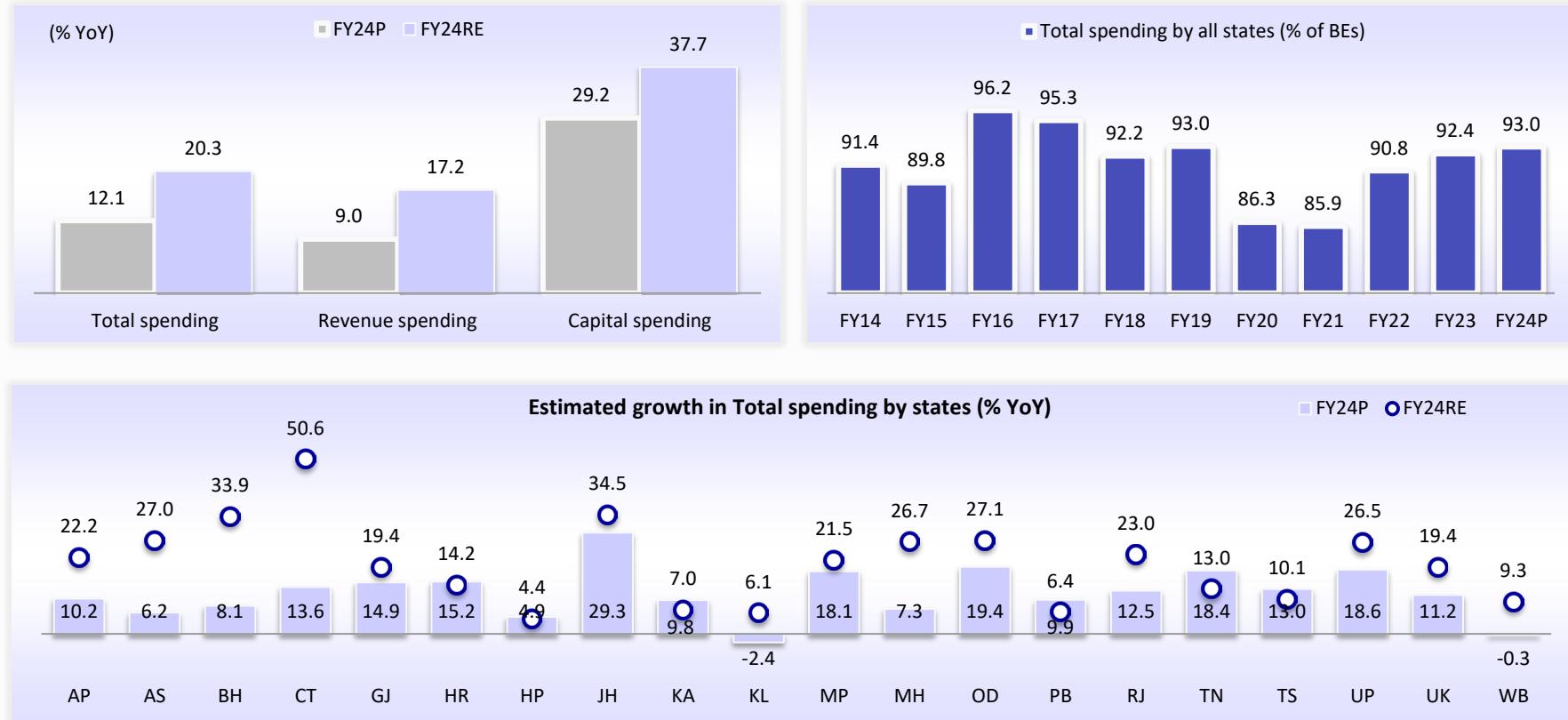
States' receipts likely to have grown 10.4% YoY in FY24P



FY24P is based on unaudited provisional data published up to Jan'24/Feb'24 for 4/16 states; Using average spending of actuals in the last two years
 Source: State Budget documents, RBI, CEIC, MOFSL



States' spending is estimated to grow 12.1% YoY in FY24P



FY24P is based on unaudited provisional data published up to Jan'24/Feb'24 for 4/16 states; Using average spending of actuals in the last two years
 Source: State Budget documents, RBI, CEIC, MOFSL

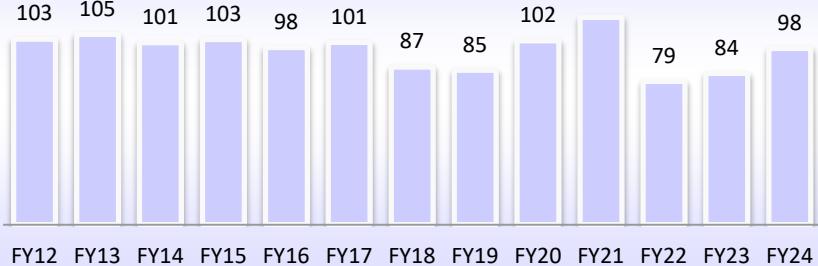


Market borrowings in FY24 stood at 98% of BEs

—●— Gross market borrowings of all states (INR t)



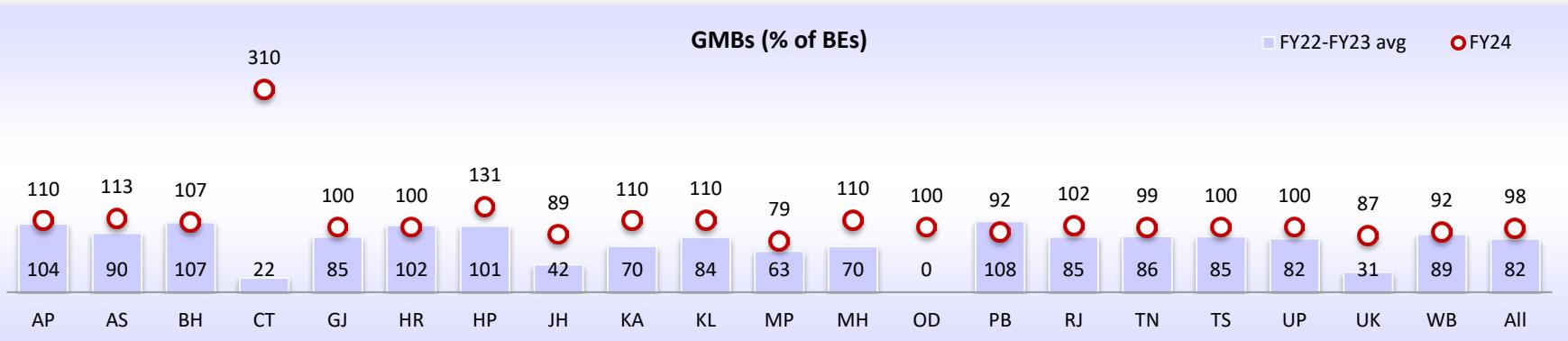
■ States' GMBs (% of BEs)



GMBs (% of BEs)

FY22-FY23 avg

FY24



Source: State Budget documents, RBI, CEIC, MOFSL

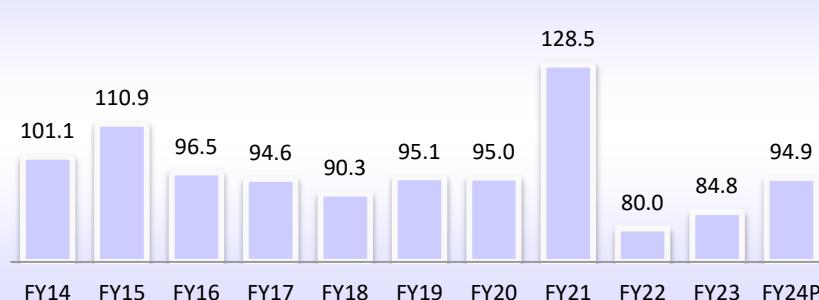
Thus, states' fiscal deficit likely surged to 3.1% of GDP in FY24P



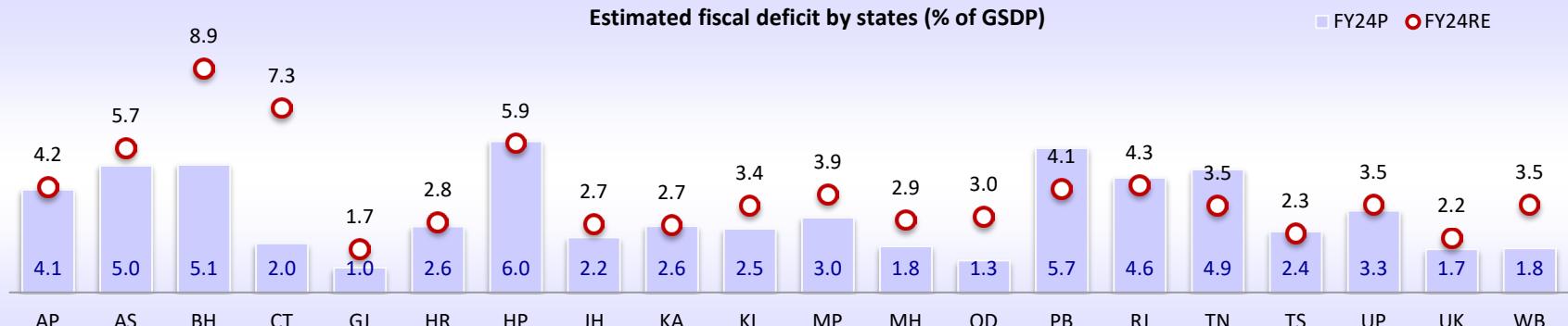
States' aggregate fiscal deficit (% of GDP)



States' aggregate fiscal deficit (% of BEs)



Estimated fiscal deficit by states (% of GSDP)



Using FY24RE GSDP for each state

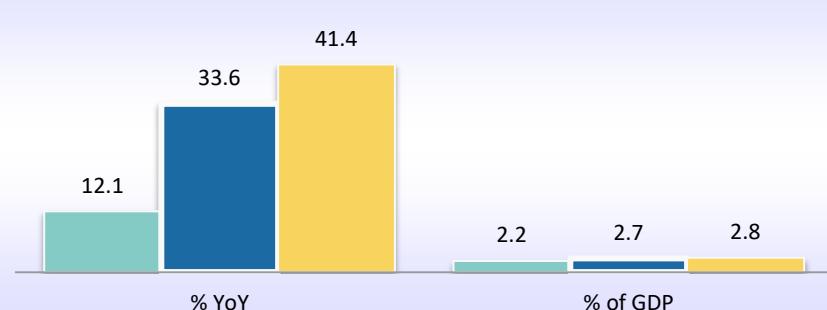
Source: State Budget documents, RBI, CEIC, MOFSL



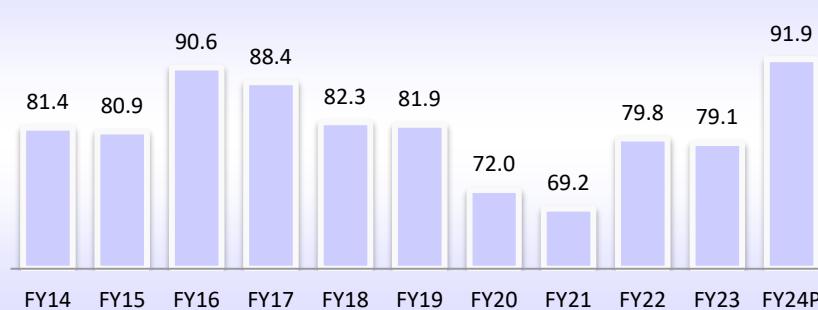
States' capex likely increased by a third in FY24P

States' aggregate capex*

FY23 FY24P FY24RE

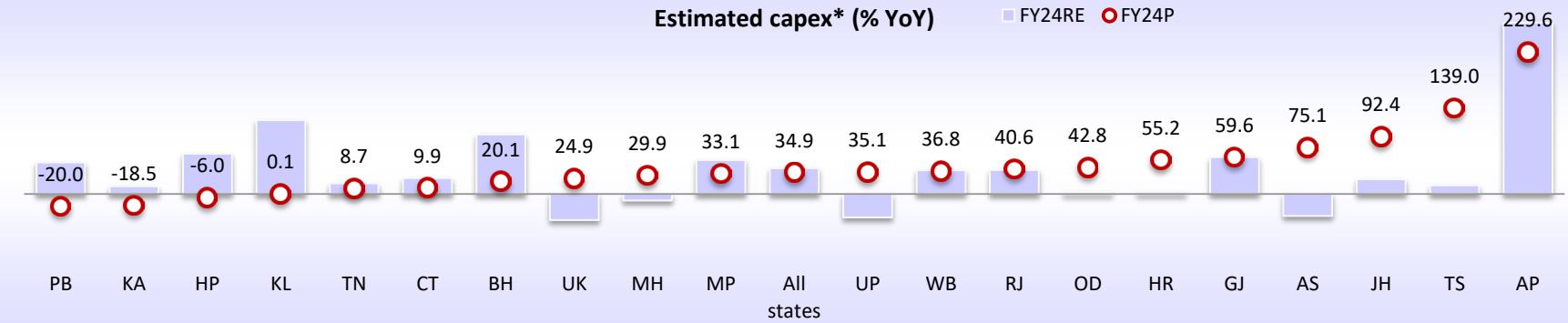


States' aggregate capex (% of BEs)



Estimated capex* (% YoY)

FY24RE FY24P



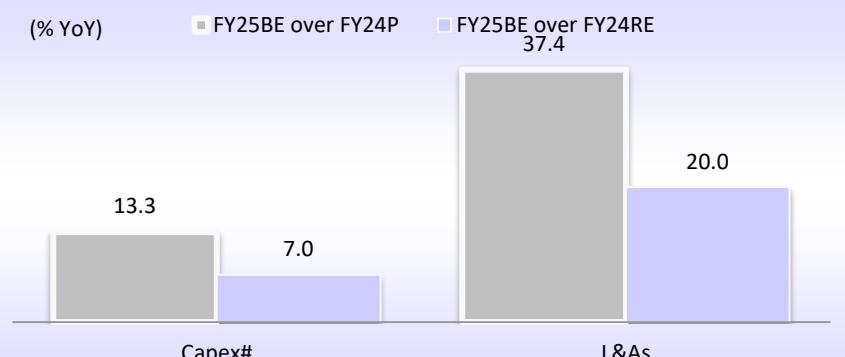
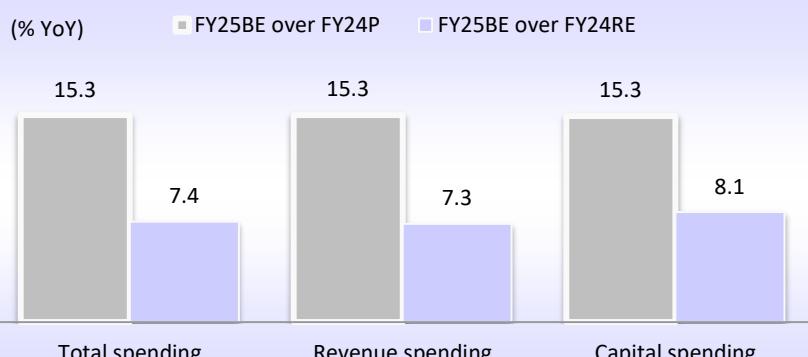
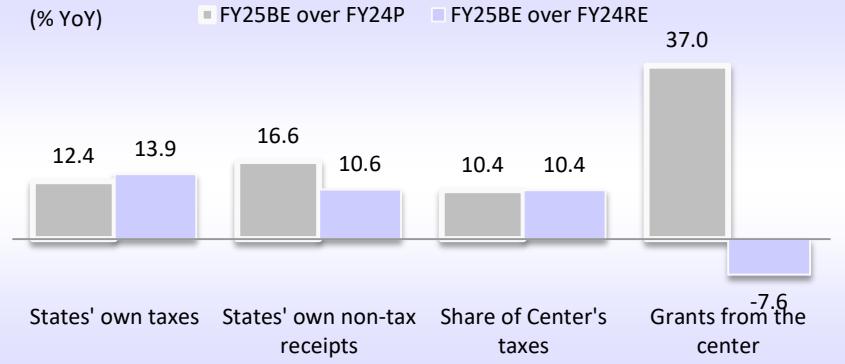
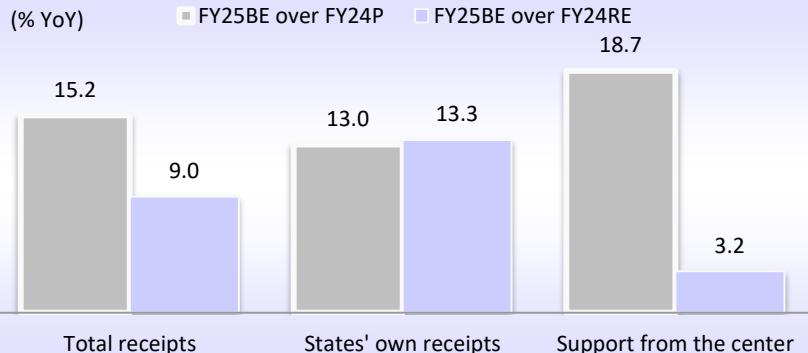
FY24P is based on unaudited provisional data published up to Jan'24/Feb'24 for 4/16 states; Using average spending of actuals in the last two years

*Capital spending excluding L&As

Source: State Budget documents, RBI, CEIC, MOFSL



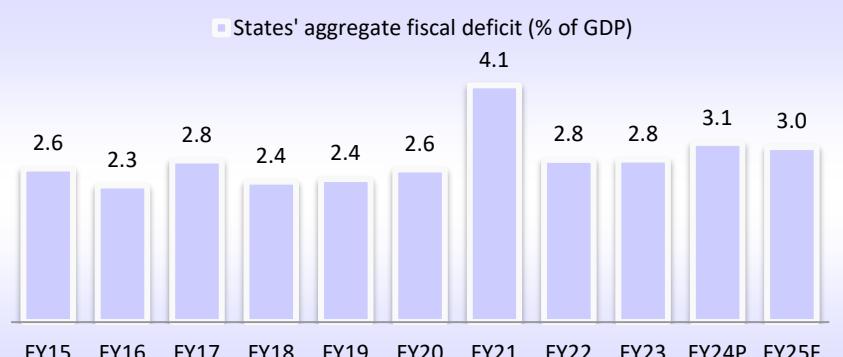
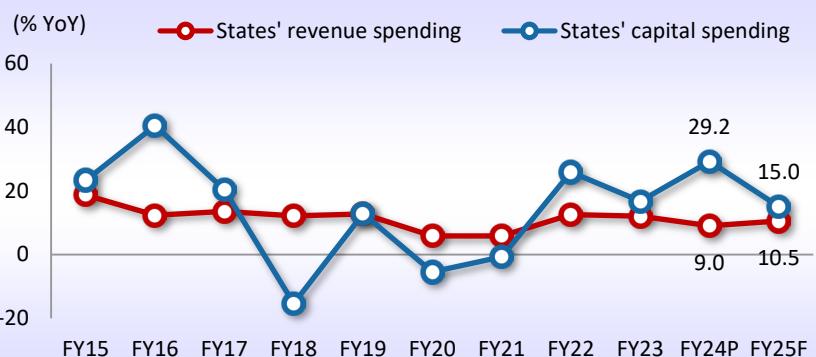
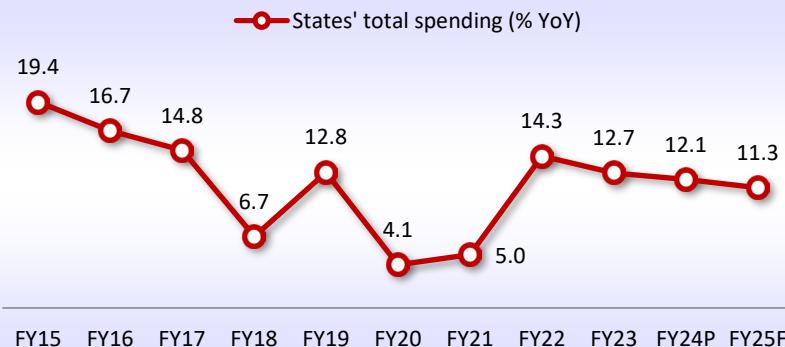
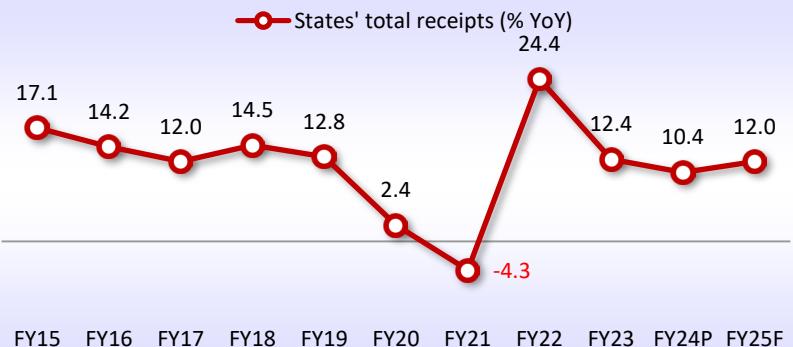
What does it mean for FY25BEs?



Capital spending excluding L&As

Source: State Budget documents, RBI, CEIC, MOFSL

What could it look like in FY25E?



Forecasts based on historical relationships between BEs and actual data

Source: State Budget documents, RBI, CEIC, MOFSL



#2. What are the key sources of revenue for states?

States' own receipts vs. transfer from the Center

01



02



03



04



05



06



#4. An analysis of FY24P using monthly data up to Jan/Feb'24

Comparison of FY25BEs vs. FY24REs and FY24P

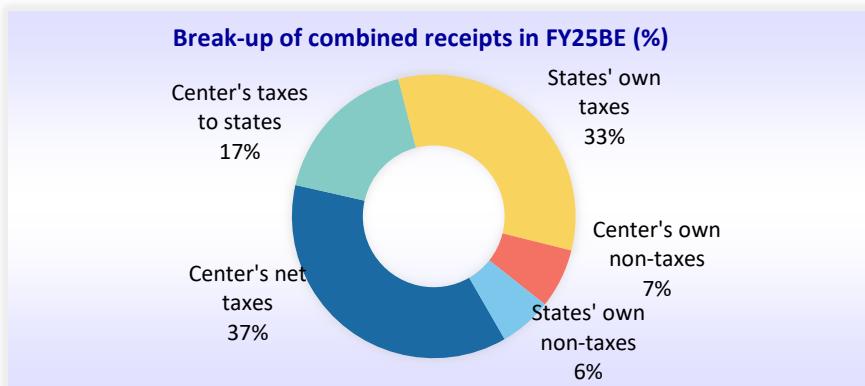
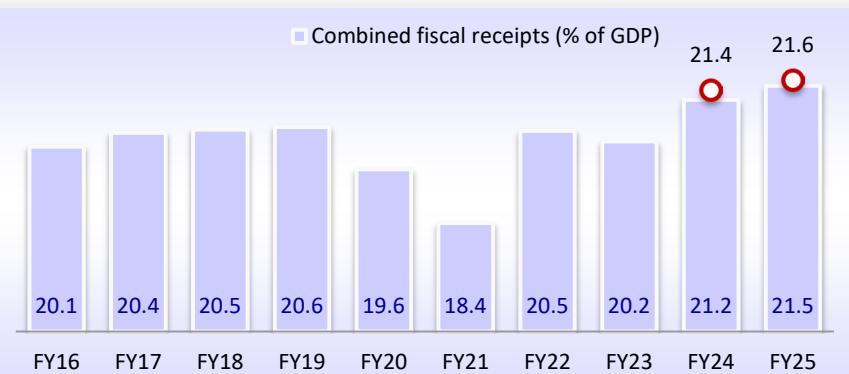
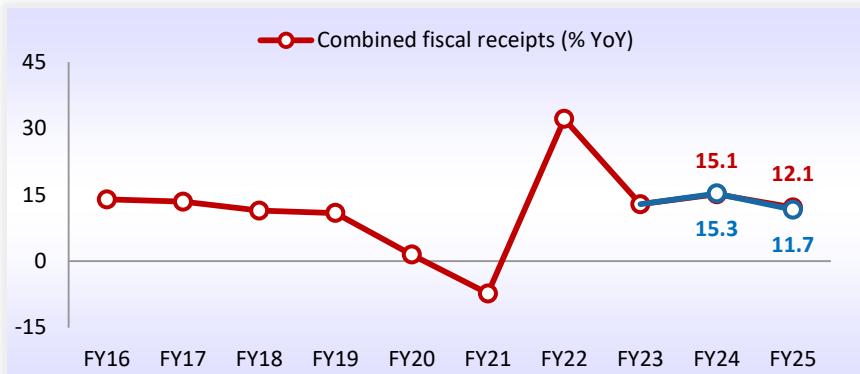
#6. Appendices

#1. Headline Budget Estimates (BEs) for FY25
Fiscal deficit, Outstanding debt and market borrowings

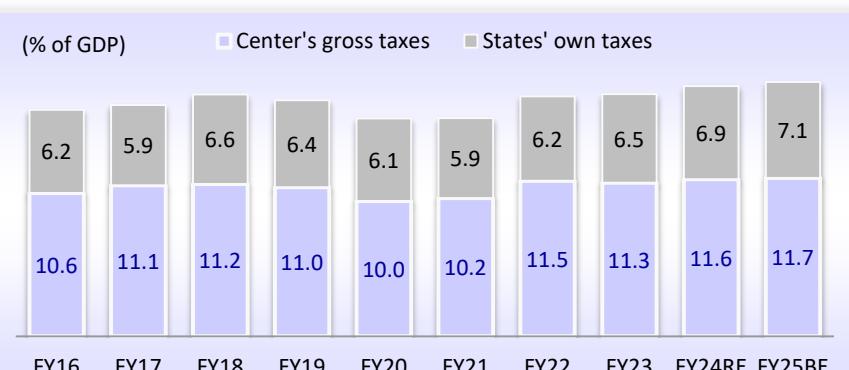
#3. Where do the states plan to spend?
Share of committed expenditure revenue vs. Capital expenditure

#5. What does the combined analysis of states and the Center reveal?
Total receipt and spending growth in FY24P and FY25BE. Combined deficit and market borrowings

Combined fiscal receipts expected to grow ~12% YoY in FY25



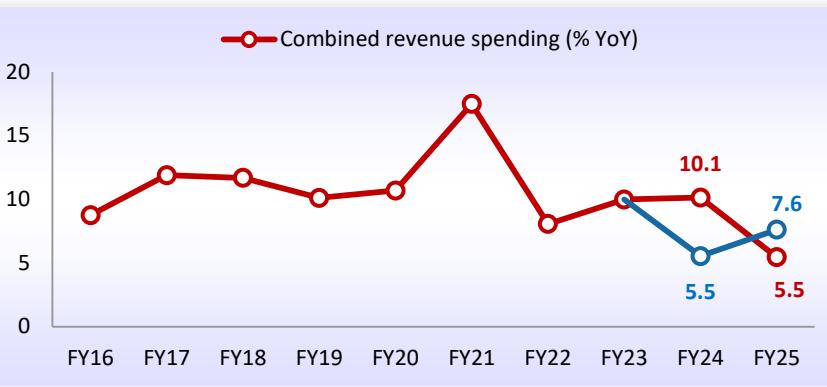
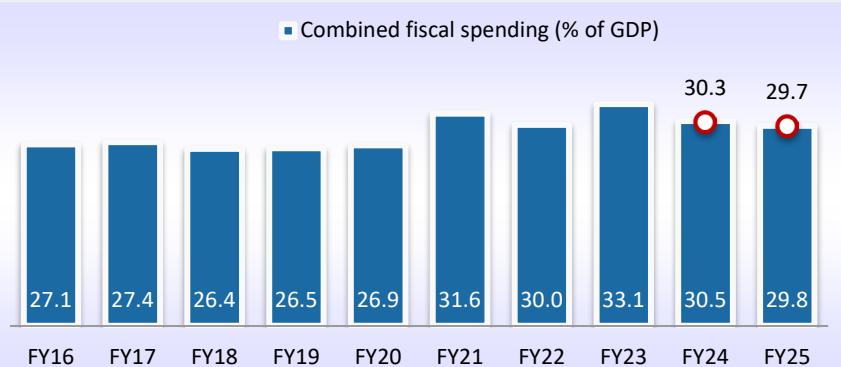
Combined receipts exclude 'Grants from the Center to states'



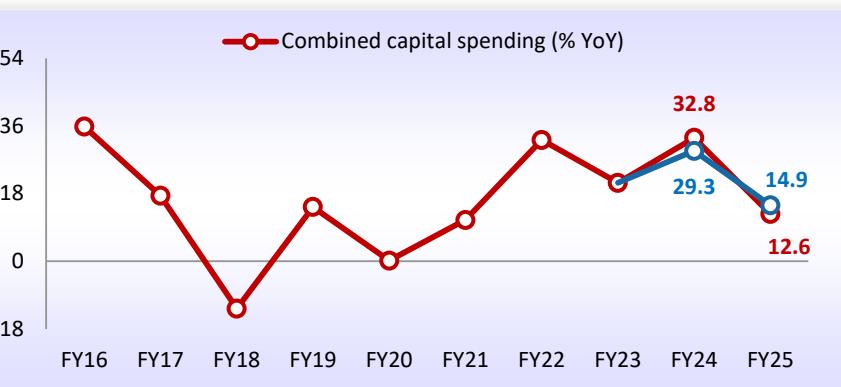
Red line represents FY24RE/FY25BE data and Blue represents FY24P/FY25F data

Source: Union/State Budget documents, RBI, CEIC, MOFSL

Aggregate spending likely to rise at 5-year low rate of ~8% YoY in FY25

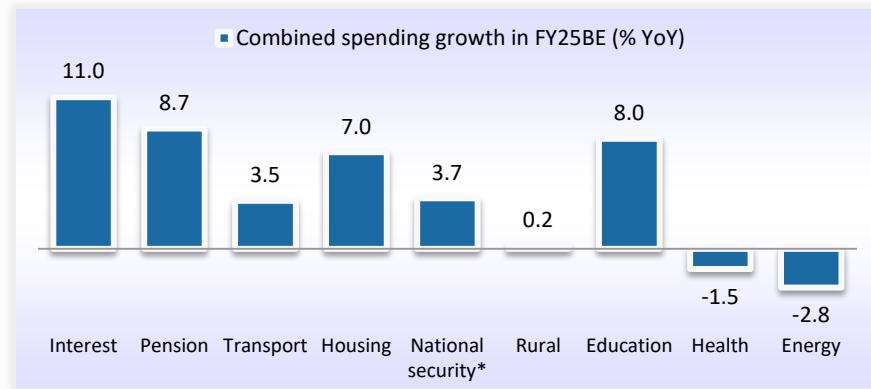
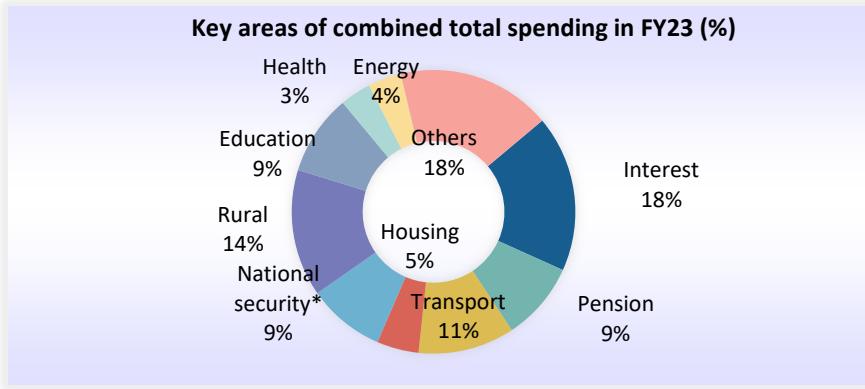
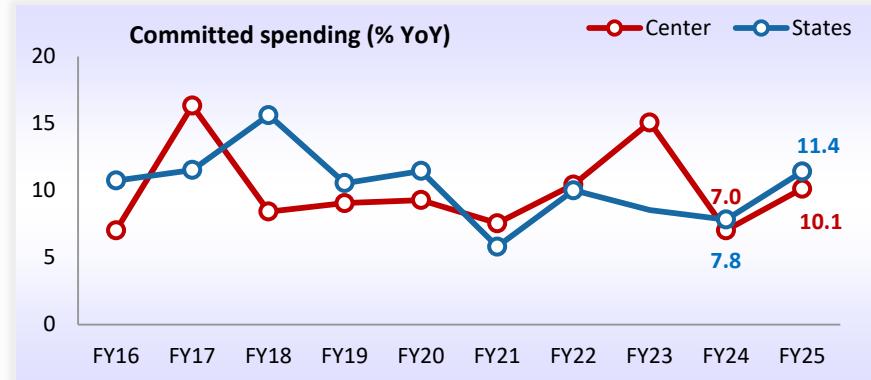
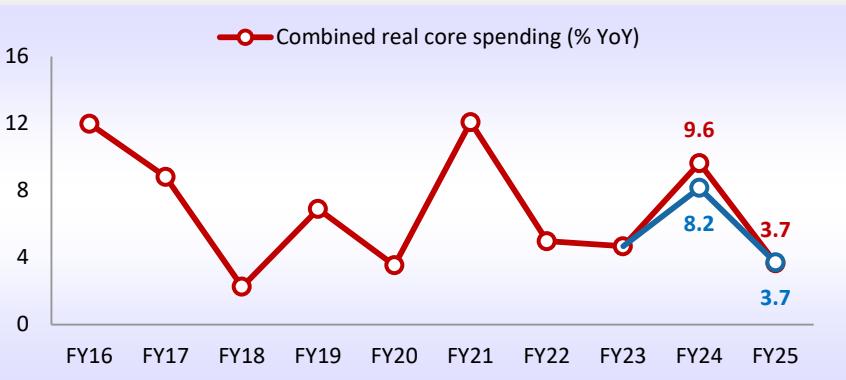


Combined spending exclude 'Grants from the Center to states'



Red line represents FY24RE/FY25BE data and Blue represents FY24P/FY25F data
Source: Union/State Budget documents, RBI, CEIC, MOFSL

Spending plan of the general government

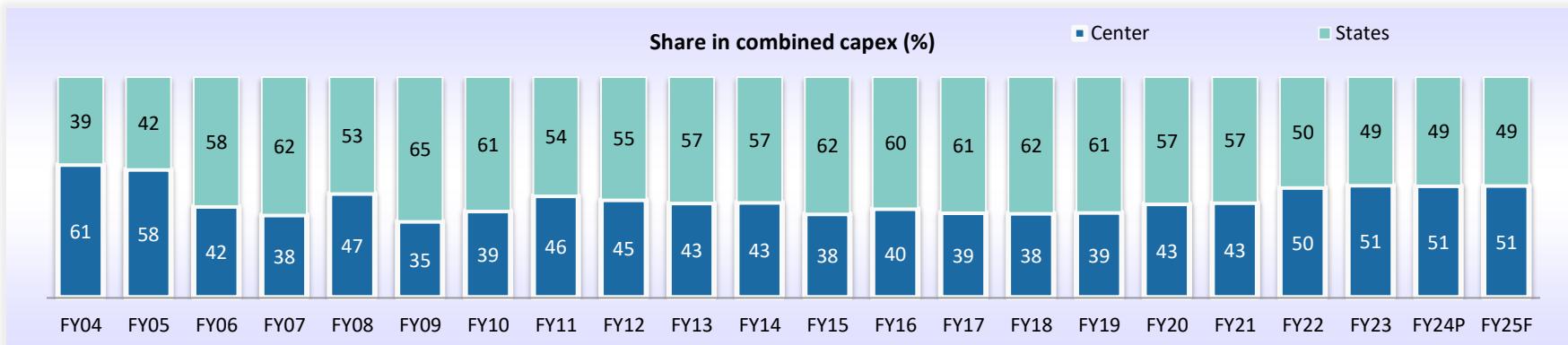


* 'National security' includes defense and police spending

Source: Union/State Budget documents, RBI, CEIC, MOFSL



Combined capex# budgeted to be at 5.6% of GDP in FY25...

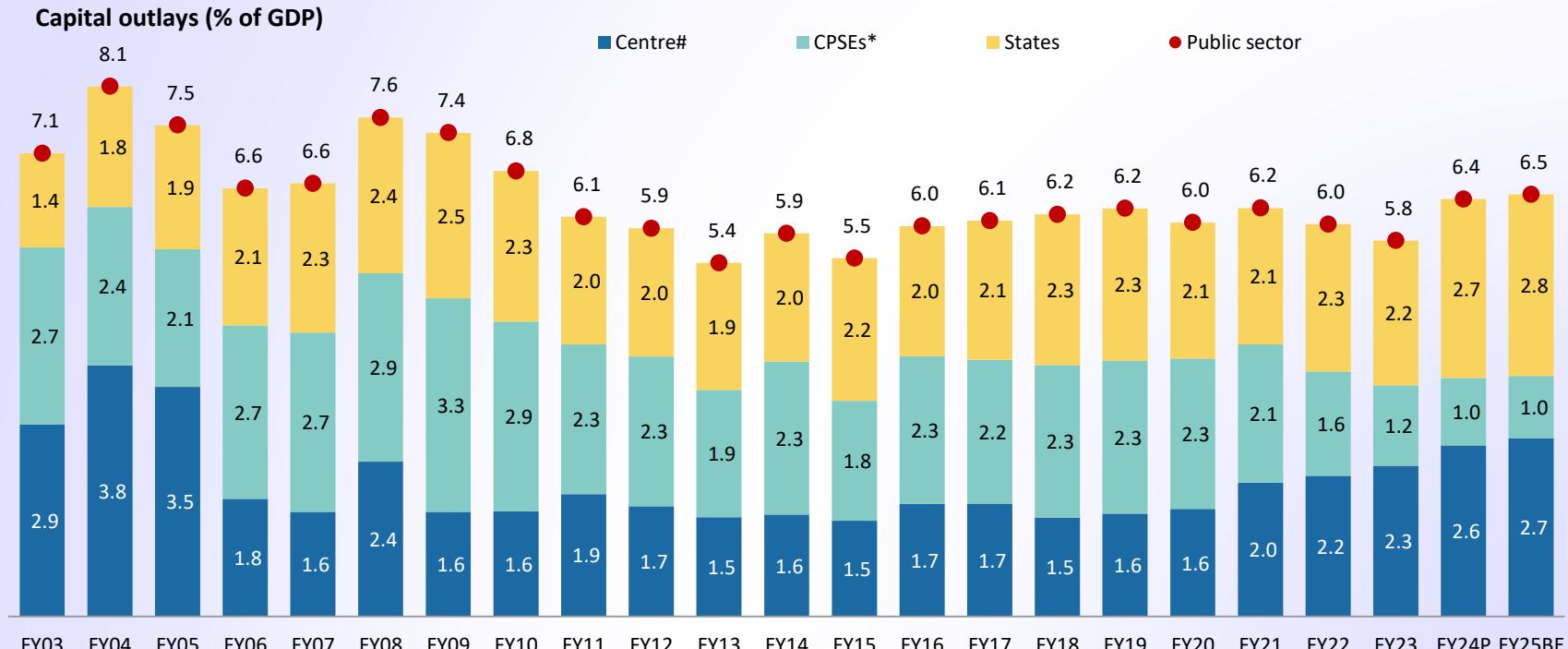


Capital spending less L&As

* Red line represents FY23RE data and blue represents FY23P data
Source: Union/State Budget documents, RBI, CEIC, MOFSL



...and the public sector's capex at 14-year high in FY24, courtesy states

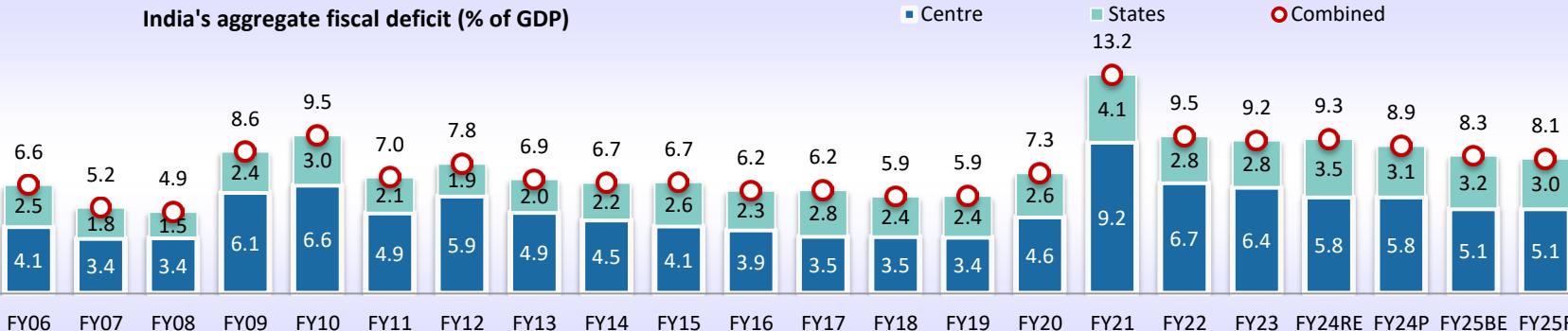


Source: State Budgets, Union/State Budget documents, RBI, CEIC, MOFSL

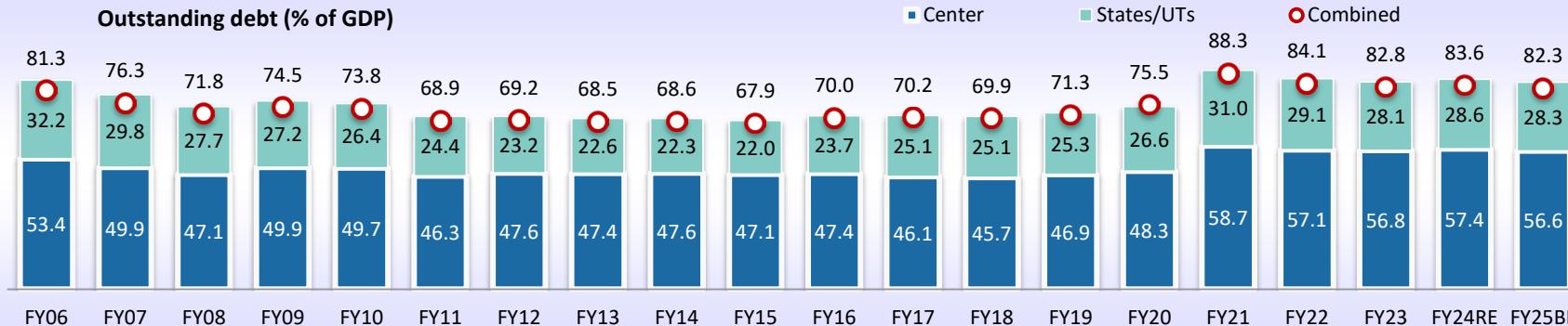


Total FD down to 8.9% of GDP in FY24; Budgeted at 8.3% of GDP in FY25

India's aggregate fiscal deficit (% of GDP)



Outstanding debt (% of GDP)



Debt estimates are adjusted, including assumptions on external debt at current value etc.

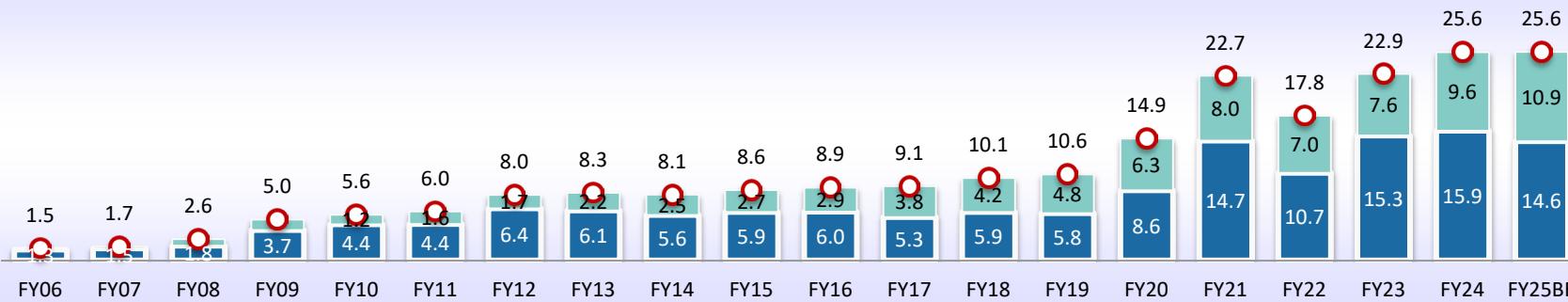
Source: Union/State Budget documents, RBI, CEIC, MOFSL

Combined GMBs/NMBs at INR25.6t/INR20.2t in FY25BE...



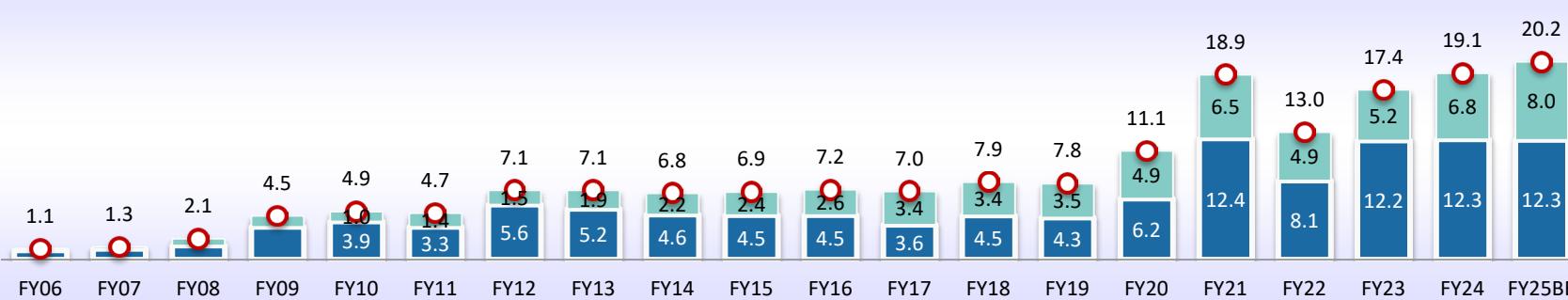
Gross market borrowings (INR t)

■ Center ■ States ■ Combined



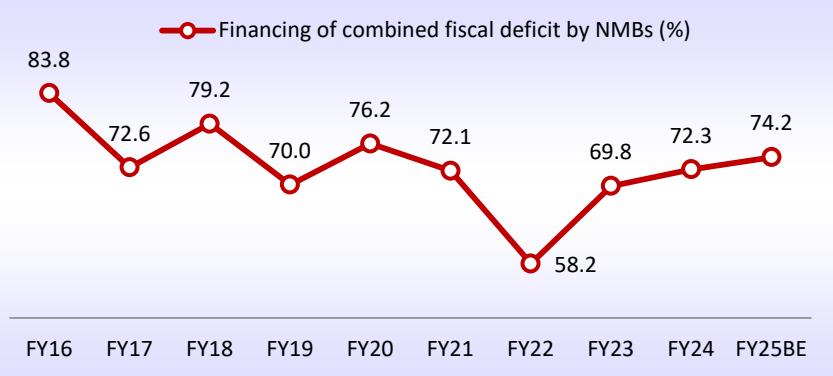
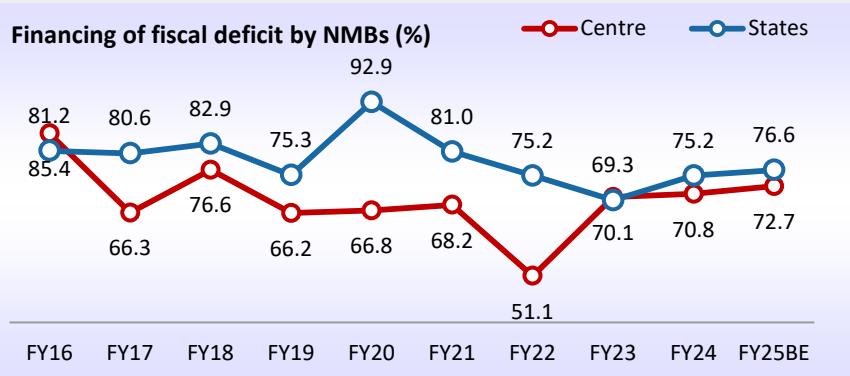
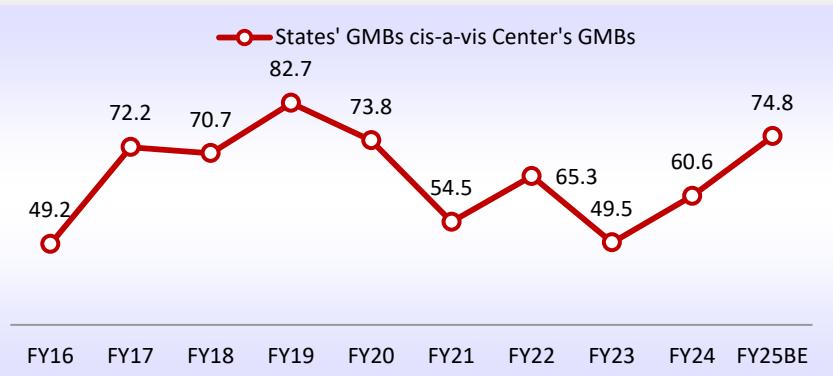
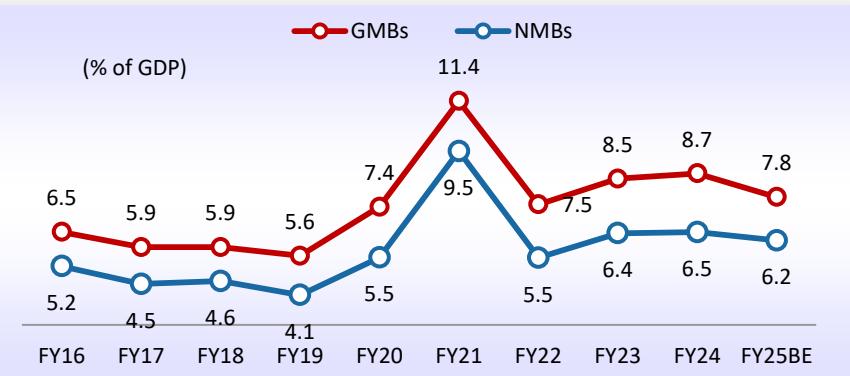
Net market borrowings (INR t)

■ Center ■ States ■ Combined



Source: Union/State Budget documents, RBI, CEIC, MOFSL

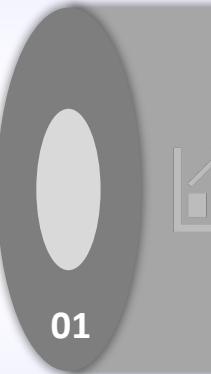
...and NMBs budgeted to fund 74% of combined FD in FY25





#2. What are the key sources of revenue for states?

States' own receipts vs. transfer from the Center



#1. Headline Budget Estimates (BEs) for FY25
Fiscal deficit, Outstanding debt and market borrowings

02



03



04



05



06



#3. Where are the states planning to spend?
Share of committed expenditure
Revenue vs. Capital expenditure

#4. An analysis of FY24P using monthly data up to Jan/Feb'24

Comparison of FY25BEs vs. FY24REs and FY24P

#6. Appendices

#5. What does the combined analysis of states and the Center reveal?
Total receipt and spending growth in FY24P and FY25BE. Combined deficit and market borrowings

APPENDIX I: Summary of state budgets 2024-25



	FY23A		FY24RE		FY24P		FY25BE		
	INR t	INR t	% YoY	INR t	% YoY	INR t	% YoY*	% YoY**	
Total receipts	36.5	42.6	16.8	40.3	10.4	46.4	9.0	15.2	
States' own tax revenue	17.6	20.4	15.7	20.7	17.3	23.2	13.9	12.4	
Devolution	9.5	11.0	16.5	11.0	16.5	12.2	10.4	10.4	
States' own non- taxes	2.8	3.4	19.6	3.4	18.8	3.8	12.0	12.7	
Grants	6.5	7.3	13.5	5.0	-23.5	6.8	-7.6	37.0	
Non-debt capital receipts	0.1	0.5	367.4	0.3	185.6	0.5	-0.1	63.5	
Total spending	44.0	52.9	20.3	49.3	12.1	56.8	7.4	15.3	
Revenue spending	37.3	43.7	17.2	40.6	9.0	46.9	7.3	15.3	
Capital spending	6.7	9.2	37.7	8.7	29.2	10.0	8.1	15.3	
Capital outlays (Capex)	6.0	8.4	41.4	8.0	33.6	9.0	7.0	13.3	
Loans & advances	0.7	0.8	7.5	0.7	-6.1	1.0	20.0	37.4	
Fiscal deficit	7.5 (2.8)		10.3 (3.5)		9.0 (3.1)			10.4 (3.2)	
Revenue deficit	0.9 (0.3)		1.5 (0.5)		0.6 (0.2)			0.9 (0.3)	
Outstanding debt	75.8 (28.1)	84.9 (28.6)	12.0	92.7 (28.3)	9.2	...	
GMBs	7.6	10.2	34.1	9.6	27.1	10.9	7.6	13.5	
NMBs	5.2	7.3	40.7	6.8	30.5	8.0	9.2	17.7	

*Over FY24RE

**Over FY24P

Data in parenthesis is as % of GDP

Source: State Budget document, CEIC, RBI, MOFSL

APPENDIX II: Key selected details of states in FY25BE



INR b	Total receipts	Own taxes	Own non-tax receipts	Devolution	Grants	Total spending	Revenue spending	Capex	Fiscal deficit	GMBs	NMBs	Debt	GSDP
AP	2,054	1,095	144	493	321	2,612	2,301	305	558	710	499	5,460	15,902
AS	1,122	341	89	400	289	1,367	1,101	266	245	201	149	1,622	6,431
BH	2,272	543	73	1,130	522	2,563	2,257	294	291	459	295	3,484	9,765
CT	1,260	497	187	440	135	1,474	1,248	223	214	226	151	1,428	5,617
GJ	2,474	1,490	197	422	188	2,994	2,198	757	519	575	356	4,664	27,925
HR	1,222	846	92	133	95	1,558	1,345	163	336	495	369	3,180	12,160
HP	422	151	36	101	133	530	467	63	108	98	75	966	2,271
JH	1,109	342	193	403	170	1,204	918	240	95	99	49	1,269	4,701
KA	2,634	1,899	135	445	153	3,464	2,905	529	830	968	763	6,651	28,091
KL	1,398	849	184	239	115	1,843	1,665	157	445	483	326	4,479	13,114
MP	2,513	956	181	956	419	3,112	2,518	561	599	510	355	4,497	15,508

...Continued



INR b	Total receipts	Own taxes	Own non-tax receipts	Devolution	Grants	Total spending	Revenue spending	Capex	Fiscal deficit	GMBs	NMBs	Debt	GSDP
MH	5,012	3,430	268	769	520	6,005	5,085	845	993	1,080	759	7,830	42,678
OD	2,045	590	560	552	338	2,322	1,669	632		123	93	1,209	9,260
PB	1,046	589	112	220	117	1,351	1,271	74	305	383	321	3,741	8,027
RJ	2,587	1,255	227	735	367	3,259	2,822	434	672	757	569	6,379	17,019
TN	3,038	1,952	307	498	234	4,125	3,483	477	1,087	1,219	904	8,333	31,551
TS	2,057	1,382	207	256	211	2,589	2,012	297	532	596	465	4,250	17,445
UP	6,101	2,701	244	2,188	935	6,966	5,327	1,547	865	762	587	8,169	24,991
UK	607	225	49	136	195	701	558	138	94	100	76	956	3,947
WB	2,364	1,023	63	929	347	3,047	2,682	359	683	797	578	6,932	18,795
All	46,430	23,214	3,778	12,198	6,785	56,841	46,850	9,034	10,411	10,939	7,973	92,736	3,27,718

*Based on data for 20 states

Source: State Budget document, CEIC, RBI, MOFSL

APPENDIX III: Key selected details of states



	Total receipts (% YoY)		Total spending (% YoY)		Capital spending (% YoY)		Fiscal deficit (% of GSDP)	
	FY24RE	FY25BE	FY24RE	FY25BE	FY24RE	FY25BE	FY24RE	FY25BE
AP	24.7	4.4	22.2	1.7	217.5	8.5	4.2	3.5
AS	30.8	-4.4	27.0	-8.9	93.5	-15.8	5.7	3.8
BH	24.4	5.7	33.9	-12.0	23.2	-25.9	8.9	3.0
CT	18.7	13.0	50.6	-0.8	61.1	4.7	7.3	3.8
GJ	8.2	14.5	19.4	15.8	66.0	29.6	1.7	1.9
HR	19.5	14.2	14.2	13.2	32.2	14.4	2.8	2.8
HP	6.0	4.2	4.4	0.4	11.4	-8.0	5.9	4.7
JH	27.7	8.2	34.5	5.4	43.3	9.4	2.7	2.0
KA	-1.2	16.1	7.0	17.3	-9.8	2.2	2.7	3.0
KL	-3.9	9.3	6.1	9.5	1.2	5.0	3.4	3.4
MP	17.8	2.9	21.5	3.8	46.5	-13.5	3.9	3.9

...Continued



	Total receipts (% YoY)		Total spending (% YoY)		Capital spending (% YoY)		Fiscal deficit (% of GSDP)	
	FY24RE	FY25BE	FY24RE	FY25BE	FY24RE	FY25BE	FY24RE	FY25BE
MH	20.2	2.6	26.7	0.0	43.0	-3.0	2.9	2.3
OD	23.3	9.6	27.1	9.8	36.6	34.7	3.0	3.0
PB	12.9	5.5	6.4	4.3	-16.8	18.2	4.1	3.8
RJ	21.8	8.7	23.0	7.5	77.0	23.6	4.3	4.0
TN	12.4	10.4	13.0	11.7	10.6	24.0	3.5	3.4
TS	11.4	15.4	10.1	22.1	9.6	34.6	2.1	3.1
UP	26.3	15.4	26.5	14.0	51.4	4.9	3.5	3.5
UK	11.4	10.9	19.4	12.8	27.6	35.0	2.2	2.4
WB	6.9	13.0	9.3	13.5	38.6	15.7	3.5	3.6
All*	16.8	9.0	20.3	7.4	37.7	8.1	3.5	3.2

*Based on data for 20 states

Source: State Budget document, CEIC, RBI, MOFSL

APPENDIX IV: Summary of combined (GG) budget 2024-25



	FY23	FY24RE		FY24P		FY25BE		
	INR t	INR t	% YoY	INR t	% YoY	INR t	% YoY*	% YoY**
Total receipts	54.6	62.9	15.1	62.5	14.4	70.5	12.1	12.9
Revenue receipts	53.8	61.9	15.0	61.8	14.8	69.3	12.0	12.1
Total taxes	48.2	54.8	13.7	54.3	12.7	61.5	12.4	13.4
Direct taxes	18.9	22.2	17.0	22.1	16.8	25.1	13.1	13.4
Indirect taxes	29.2	32.6	11.6	32.2	10.1	36.4	11.8	13.4
Non-tax receipts	5.7	7.1	25.7	7.5	32.9	7.8	9.0	3.1
Non-debt capital receipts	0.8	1.0	24.3	0.7	-14.6	1.2	22.6	78.5
Total spending	79.4	90.5	13.9	89.1	12.1	97.7	8.0	9.7
Revenue spending	65.3	71.7	9.8	70.8	8.4	76.6	6.8	8.2
Capital outlays (Capex)	12.2	16.5	35.2	16.3	33.1	18.4	11.6	13.4
Loans & advances	1.9	2.2	17.7	2.0	5.4	2.7	19.9	33.9
Fiscal deficit	24.8 (9.2)	27.6 (9.3)		26.6 (9.0)		27.2 (8.3)		
Outstanding debt	223.0 (82.8)	247.9 (83.6)	11.1	269.6 (82.3)	8.8	
GMBs	22.9	25.6	11.9	25.6	11.6	25.6	-0.2	0.1
NMBs	17.4	19.1	10.1	19.1	9.8	20.2	5.8	6.1
Nominal GDP	269.5	296.6	10.0	294.0	9.1	327.7	10.5	11.5

* Over FY24RE

** Over FY24P

Data in parenthesis is as % of GDP

Source: Union/State Budget document, CEIC, RBI, MOFSL



Appendix V: Key data assumptions

- ❖ **Gross market borrowings (GMBs):** Available for all 20 states except MP. It is assumed for FY25BE such that NMBs fund 60.5% of fiscal deficit (the average in the past three years, FY21-FY23).
- ❖ **Gross State Domestic Product (GSDP):** Not available for MP and TS. It is assumed for FY23A as the same in FY23RE, with 10% growth in FY24RE and 9% growth in FY25BE. This data is available for the remaining 18 states.
- ❖ **Salary & wages:** Not available for AP, MP, OD and TS. Estimates for all states, based on 16 remaining states, which accounted for ~75% of all states.
- ❖ **Total liabilities:** Not available for AP, MP and TS. Data for GJ not available for FY25, which is then estimated using net public debt data. Estimates for all states, based on 17 states (including GJ), which accounted for ~78% of all states.

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Explanation of Investment Rating

Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	> - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

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