Government of India
Ministry of Finance
Department of Economic Affairs

RAJYA SABHA
UNSTARRED QUESTION NO. 238
TUESDAY, JULY 21, 2026/ASHADHA 30, 1948 (SAKA)

Capital Expenditure and Effective Capital Outlay

238. Shri Mayankkumar Nayak:
Shri Lahar Singh Siroya:
Shri Baburam Nishad:
Dr. Kavita Patidar:

Will the Minister of FINANCE be pleased to state:

(a) the details of the allocation of capital expenditure during the period 2021-2026;

(b) the details of the 'Effective Capital Expenditure', including Grants-in-Aid for the creation of capital assets for the financial years 2021-26;

(c) the details of the trends of capital expenditure as a percentage of Gross Domestic Product (GDP) during the said periods and its impact on infrastructure development; and

(d) the steps taken by Government to further accelerate effective capital expenditure in the coming years?

ANSWER

MINISTER OF STATE FOR FINANCE (SHRI PANKAJ CHAUDHARY)

(a) Central Government's capital expenditure during the period 2021-26 is given in the table below:

Period	**Capital Expenditure**
2021-26	₹44.03 lakh crore

FY 2025-26 data is Provisional.

(b) Financial year-wise details of effective capital expenditure is provided in table below:

(₹ in lakh crore)

Financial Year (1)	**Effective capital expenditure (2) = (3)+(4)**	**Grants-in-aid for creation of capital assets (3)**	**Capital Expenditure (4)**
2021-22	8.36	2.43	5.93
2022-23	10.46	3.06	7.40
2023-24	12.53	3.04	9.49
2024-25	13.25	2.73	10.52
2025-26	13.33	2.64	10.69

FY 2025-26 data is Provisional.

(c) The trends in capital expenditure as a percentage of GDP during this period, i.e FY 2021-26 is given in the table below. The increase in capital expenditure as a percentage of GDP has led to an increase in infrastructure development including roads, railways, urban infrastructure, energy and digital connectivity. The increased capex has led to improved logistics efficiency, generated employment and crowded-in private investment.

FY	Capex/GDP
2021-22	2.5%
2022-23	2.7%
2023-24	3.2%
2024-25	3.2%
2025-26 (Provisional)	3.1%

Note: GDP for 2025-26 is as per New Series with base year 2022-23

(d) Government continues to prioritise effective capital expenditure through budgetary allocation towards infrastructure and support States and UTs through the Scheme for Special Assistance to States for Capital Investment (SASCI) to incentivise capital expenditure. Government's steps to accelerate effective capital outlay in the coming years include focus on initiatives such as the PM GatiShakti National Master Plan, the National Logistics Policy, and the PM GatiShakti Public Platform. These have strengthened integrated planning, inter-agency coordination and technology-enabled project implementation, thereby enhancing the efficiency and quality of infrastructure development.

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