

FOR QUICK ALERTS

SUBSCRIBE NOW

[View Sample](#)

Home > News > Business

Budget 2021: Fiscal Deficit Could Be 5 to 5.5% For 2021-22

By **Sunil Fernandes** | Updated: Monday, January 25, 2021, 9:04 [IST]

The higher expenditure needed to stimulate economic revival would require the government to be flexible on the fiscal deficit target of 3.3% of GDP in 2021-22, CARE Ratings has stated in its report on Budget Expectations.

"We expect the fiscal deficit to be budgeted at 5 to 5.5% for the year which would be an improvement from the estimated fiscal deficit of 7.8% to 8.4% in 2020-21. There can be a downward bias for the latter depending on the expenditure cuts that could be reckoned in the last two months of the year. The pre-pandemic target of containing the fiscal deficit at 3.1% of GDP by 2022-23 would necessarily have to be revisited given that prolonged higher government spending would be required for sustainable economy recovery." CARE Ratings has stated.



JUST IN

Indices Start On A Strong Note; RIL Top Loser 19 min ago



Shocking! This Natural Weight Loss Remedy Works Definitely Sponsored by



Mutual Fund Industry On The Cusp Of Solid Growth 52 min ago



Markets To Be Volatile Ahead Of Union Budget And Monthly Expiry 1 day ago



According to the ratings agency, a feasible roadmap for reigning in the in the deficit would have to be clearly outlined.

"Market borrowings are being relied upon to finance the fiscal deficit. For 2020-21, the gross market borrowings was budgeted at Rs 7.8 lakh crores but the government revised it to Rs 13.1 lakh crores on

account of the pandemic led disruptions that severely constrained government revenues and necessitated higher commitments from the central government (including the additional transfer of Rs 1.1 lakh crs to the states as part of the

Company Search

Equity Enter



IFSC CODE

Select Bank

Select State

Select City

Select Branch



Bitcoin Sees Sharp Uptick Of 900% In Less Than A Year: Here's What UBS



Bajaj Avenger 160 Street & Avenger 22 Cruise Prices Hikes Once Again: Here A

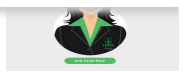


Motorola Edge S Available For Pre-Orders Ahead Of

TODAY	-.11%	Nifty	14,411.15	39.25	↑ [0.27%]	Gold (22ct)	4,832	Silver	66.70	Petrol	92.28	Diesel	82.66	USD	73.010	Sensex	48,826.59
-------	-------	-------	-----------	-------	-----------	-------------	-------	--------	-------	--------	-------	--------	-------	-----	--------	--------	-----------

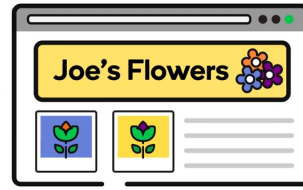
59% Upside

borrowings at around Rs 10.1 - 11.3 lakh crores for FY22(BE)," the ratings agency has noted.



Get medically verified answers to your health queries

Business Hosting



Website Hosting in.godaddy.com [START NOW](#)

Skip Ad

Ad 00:09



American Lottery Known for ₹10,000 Crores Jackpot Come to India



Dr. Discovered this Simple Way To Lose Fat Without Any Diet Or Exercise in ₹2499

DON'T MISS

SBI SCO Admit Card 2021 Released, Check Direct Link To Download Education



Parts of Central India, North India to experience fresh spell of chill in next few days News



Pakistan omit Salman, Shafique and Ghulam for first Test against Proteas Sports

According to CARE Ratings, the GSec yields could be pressured to some extent owing to the elevated level of borrowings but the Reserve Bank of India in recent times has managed to keep the yields range-bound and is likely to continue to do so.

More FISCAL DEFICIT News >



India's Fiscal Deficit Reaches 120% Of Yearly Target In Apr-Oct



Fiscal Deficit To Widen Due To New Stimulus Measures



India's Full Year Fiscal Deficit Target Breached In 4 Months On Lower Revenue Collection

For investment related articles, business news and mutual fund advise

ALLOW NOTIFICATIONS

Be the first one to Comment

SPONSORED CONTENT



DEALS

Rs.30

FREE App Shop

Insta Open

Insta Interest

Open

Save: Dot

3499 Lenovo Rs.27

27054 Redr

13434 boAt Earbuds

TODAY	-.11%	Nifty 14,411.15	39.25 ↑ [0.27%]	Gold (22ct) 4,832	Silver 66.70	Petrol 92.28	Diesel 82.66	USD 73.010	Sensex 48,826.59
-------	-------	-----------------	-----------------	-------------------	--------------	--------------	--------------	------------	------------------