

# OpenVoiceNews India

Transparent. Unbiased. Yours.

## Public Sector Capex by Key Government Agencies Drops 23% in July

August 11, 2025

– Categories: Finance



DOWNLOAD IPFS

Capital expenditure by four major central public sector enterprises (CPSEs) and key infrastructure ministries witnessed a significant slowdown in July, declining by 23 percent year-on-year to ₹53,406 crore. The drop is attributed largely to a high base in the previous year.

Despite the July contraction, cumulative capital expenditure during the April to July period rose marginally by 2.5 percent to ₹2.21 lakh crore, compared to the same period last year. This modest growth was supported by higher spending in the earlier months of the fiscal year, particularly in the first quarter.

The data includes spending by the Railway Board, National Highways Authority of India (NHAI), Delhi Metro Rail Corporation, and Damodar Valley Corporation, along with top-performing CPSEs such as Oil and Natural Gas Corporation (ONGC), Indian Oil Corporation, NTPC, and Power Grid Corporation.

Government capex plays a vital role in driving economic growth, especially when private sector investment is subdued. Infrastructure spending by public agencies continues to act as a key lever for growth in sectors such as transport, energy, and urban development.

Officials are closely tracking monthly expenditure trends, as public investment remains a central pillar of the government's economic strategy in the current fiscal year. The slowdown in July has prompted discussions around the need for accelerated disbursements and project execution in the months ahead.

With global economic uncertainties and tightening financial conditions, sustained momentum in public sector spending is seen as crucial to maintaining India's recovery and pushing forward its infrastructure goals.