

## II. AGGREGATE DEMAND\*

Aggregate demand in the economy remained sluggish during Q3 of 2012-13 with a prolongation of the investment cycle downturn and some weakness in consumption. Corporate results show that sales continued to decelerate suggesting slack in both inventory and consumption demand. Government consumption expenditure also decelerated in response to the fiscal consolidation plan. Going forward, some improvement in consumption demand is likely if inflation recedes further. Also, investment demand could turnaround if government initiatives to resolve structural bottlenecks that impede investment fructify. A public investment stimulus is needed to revive demand, but it is important to first create the fiscal space for it by cutting current expenditure.

### Aggregate demand remained sluggish

II.1 Expenditure-side GDP data suggest that aggregate demand remained sluggish during Q3 of 2012-13, with weak expansion in private and government consumption expenditure. Corporate results reaffirm this, as sales growth continued to decelerate during Q3 of 2012-13,

reflecting investment slack as well as some weakness in consumption demand. Further, planned corporate investments as gleaned from the phasing details of projects receiving financial assistance from banks and other financial institutions suggest that corporate fixed investments dropped in Q3 of 2012-13.

**Table II.1: Expenditure Side GDP (2004-05 prices)**

Item	(Per cent)										
	2011-12*	2012-13#	2011-12				2012-13			Apr-Dec	
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	2011-12	2012-13
1	2	3	4	5	6	7	8	9	10	11	12
<b>Growth Rates</b>											
GDP at market prices	6.3	3.3	8.3	6.4	5.8	5.2	3.8	2.7	4.1	6.8	3.6
Total Consumption Expenditure	8.1	4.1	6.9	7.0	9.0	9.3	2.9	2.9	4.2	7.6	3.4
(i) Private	8.0	4.1	6.6	6.3	9.2	9.7	2.0	2.0	4.6	7.4	2.9
(ii) Government	8.6	4.1	8.4	10.7	8.1	7.6	8.3	8.0	1.9	9.0	5.7
Gross Fixed Capital Formation	4.4	2.5	13.9	3.8	-1.7	2.6	-4.6	-1.0	6.0	5.0	0.1
Change in Stocks	-30.6	47.6	-27.5	-30.4	-32.0	-32.4	51.1	51.6	48.8	-30.0	50.5
Valuables	6.6	-18.1	16.1	-13.3	8.4	15.9	-57.6	-6.5	-13.4	3.5	-28.1
Net Exports	-42.5	-7.4	-14.8	-17.7	-82.1	-83.3	4.8	-36.7	-4.2	-33.7	-11.7
Discrepancies	-100.3	--	-13.8	-57.4	-92.0	127.1	-116.1	-162.1	283.9	-62.1	-97.8
<b>Relative shares</b>											
Total Consumption Expenditure	70.5	71.0	71.2	71.8	73.7	65.7	70.6	71.9	73.8	72.3	72.1
(i) Private	59.2	59.7	60.6	61.2	61.4	54.3	59.5	60.8	61.7	61.1	60.7
(ii) Government	11.3	11.4	10.6	10.5	12.3	11.5	11.1	11.1	12.1	11.2	11.4
Gross Fixed Capital Formation	33.7	33.4	35.7	35.1	31.8	32.5	32.8	33.8	32.4	34.1	33.0
Change in Stocks	2.3	3.3	2.4	2.4	2.2	2.2	3.5	3.5	3.1	2.3	3.4
Valuables	2.4	1.9	2.8	2.1	2.2	2.3	1.1	1.9	1.9	2.4	1.7
Net Exports	-8.8	-9.2	-9.3	-9.3	-9.5	-7.4	-8.5	-12.3	-9.6	-9.4	-10.1
Discrepancies	0.0	-0.4	-2.8	-2.1	-0.4	4.6	0.4	1.2	-1.6	-1.7	0.0
<i>Memo:</i>											
GDP at market prices ( billion)	56314	58183	13252	13207	14473	15382	13753	13568	15070	40932	42391

\* : First Revised Estimates. # : Advance Estimates.

Source: Central Statistics Office.

\* Despite the well known limitations, expenditure-side GDP data are being used as proxies for components of aggregate demand.

II.2 Growth in GDP at market prices remained low with notable deceleration in government consumption expenditure (Table II.1). The contribution to modest growth in Q3 largely came from private consumption and investment (Table II.2).

II.3 Revival of investment has become a major macro-economic challenge at the current juncture. Monetary policy easing in 2012-13 has not succeeded in turning around investment. The logjam associated with structural bottlenecks in the mining and infrastructure space persist and need to be resolved first. Otherwise, the limited available space for monetary policy could get quickly used up without stimulating aggregate demand and real activity.

### *Decline in saving and investment rates a concern*

II.4 Both saving and investment rates declined in 2011-12 (Table II.3). All three sectors, viz., households, private and public sectors have witnessed a slowdown in saving during this period. Within household saving, while the financial saving rate declined, physical saving rate increased as households turned to physical assets as inflation hedges. The persistence of inflation with average headline

**Table II.3: Saving and Capital Formation by Institutions**

(per cent of GDP at current market prices)			
Item	2009-10 TRE	2010-11 SRE	2011-12 FRE
1	2	3	4
<b>1. Gross Domestic Saving</b>	<b>33.7</b>	<b>34.0</b>	<b>30.8</b>
(i) Household Sector	25.2	23.5	22.3
(a) Financial Saving	12.0	10.4	8.0
(b) Physical Assets	13.2	13.1	14.3
(ii) Private Corporate Sector	8.4	7.9	7.2
(iii) Public Sector	0.2	2.6	1.3
<b>2. Gross Capital Formation</b>	<b>36.3</b>	<b>37.0</b>	<b>35.5</b>
(i) Household Sector	13.2	13.1	14.3
(ii) Private Corporate Sector	12.1	13.4	10.6
(iii) Public Sector	9.2	8.4	7.9
(iv) Valuables	1.8	2.1	2.7
<b>3. Gross Capital Formation##</b>	<b>36.5</b>	<b>36.8</b>	<b>35.0</b>

FRE : First Revised Estimates. SRE : Second Revised Estimates.  
TRE: Third Revised Estimates.  
##: Adjusted for errors and omissions.  
Source: Central Statistics Office.

inflation of about 9 per cent during 2011-12 withered financial savings, as households attempted to stave off the downward pressure on their real consumption.

II.5 The decline in the rate of investment in 2011-12 was mainly due to decline in the investment rate of the private corporate sector

**Table II.2: Contribution-Weighted Growth Rates of Expenditure-Side GDP (2004-05 Prices)\***

(per cent)							
Item	2011-12				2012-13		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
1	2	3	4	5	6	7	8
1. Private Final Consumption Expenditure	4.1	3.9	5.4	5.0	1.2	1.2	2.8
2. Government Final Consumption Expenditure	0.9	1.1	1.0	0.9	0.9	0.8	0.2
3. Gross Fixed Capital Formation	4.7	1.4	-0.6	0.9	-1.7	-0.4	1.9
4. Change in Stocks	-1.0	-1.1	-1.1	-1.1	1.2	1.2	1.1
5. Valuables	0.4	-0.3	0.2	0.3	-1.6	-0.1	-0.3
6. Net Exports	-1.3	-1.5	-4.6	-3.6	0.4	-3.4	-0.4
(i) Exports	4.3	4.3	2.4	3.1	1.7	1.3	-0.5
(ii) Imports	5.6	5.8	6.9	6.6	1.3	4.7	-0.1
7. Sum (1 to 6)	7.8	3.4	0.4	2.4	0.5	-0.6	5.4
8. Discrepancies	0.5	3.0	5.4	2.7	3.3	3.3	-1.3
9. GDP at Market Prices	8.3	6.4	5.8	5.2	3.8	2.7	4.1

\* Contribution-weighted growth rate of a component of expenditure side GDP is obtained as follows: (Y-o-y change in the component ÷ Y-o-y change in GDP at constant market prices) × Y-o-y growth rate of GDP at constant market prices.

Source: Central Statistics Office.

followed by that of the public sector even as the household investment rate increased. The increase in investment in valuables continued in 2011-12 and exhibited a sharper rise, partly contributing to the high Current Account Deficit (CAD) in 2011-12.

***Urgency of addressing infrastructural bottlenecks in various sectors to revive growth***

II.6 As on January 1, 2013, nearly half of the 566 central sector projects (of ` 1.5 billion and above) are delayed and there have been cost overruns to the tune of 18 per cent. The sectors that have been affected by cost and time overruns are railways, water resources, petro chemicals, road transport & highways and power. Several factors that affect the progress of projects are delays in regulatory approvals, land acquisition, land/site handover, lack of strong rehabilitation and resettlement policies, delays in decision-making, weak/ineffective project planning and monitoring and contractual disputes.

II.7 The multiplicity of authorities involved in project clearances continue to constrain investment and, therefore, the numerous government initiatives have had limited benefits. Recognising this, several initiatives have been taken for speedy clearance of projects. These include setting up Standing Committees in the Ministries to fix responsibility for time and cost overruns, regular reviews of infrastructure projects by the concerned administrative Ministries and setting up Central Sector Project Co-ordination Committees in the States under the Chief Secretaries. A Cabinet Committee on Investment was also constituted in December 2012 to examine issues relating to clearances/approvals of major projects to ensure their accelerated and timely implementation.

II.8 The roads sector's progress has recently been tardy due to delays in pre-construction activities such as land acquisition, shifting of utilities and, forest and environment clearances.

In fact, during 2012-13 only 1,933 km of road projects (6,491 km in 2011-12) were awarded by the government. Even the Engineering, Procurement and Construction (EPC) contracts, in which the government bears the cost of projects, have faced problems in attracting bids due to delays in procedural approvals. In this context, the Supreme Court judgement of March 2013 on delinking the environment from forest clearances for highway projects should come as a big boost to the sector. The Union Budget 2013-14 has also announced the setting up of a regulatory authority for the roads sector.

II.9 The power sector has been largely affected by the shortage of coal and gas, which led to cutbacks in electricity generation. The gap between demand and supply of coal continues to diverge and is likely to widen further during the Twelfth Plan, which in turn, may affect several power projects. On the one hand, more expensive imported coal may erode the profit margins of the producers, and on the other hand, several State Electricity Boards are supplying electricity at less than break-even price. Urgent policy intervention to augment coal supplies is necessary to sustain power sector investments.

II.10 Private investments in railways have been low. A renewed focus on PPP could boost investment and help railways in furthering the rather challenging Twelfth Plan investment targets of ` 1 trillion through this route. Investment in near term can get kicked in from the Eastern Dedicated Freight Corridor.

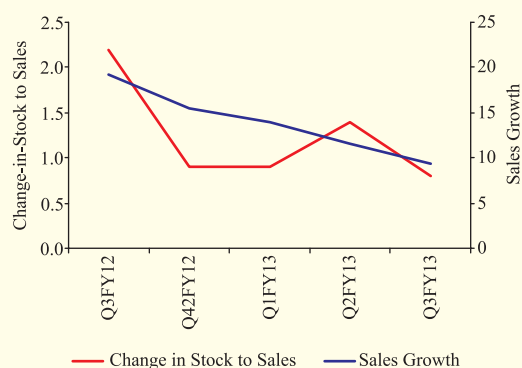
II.11 Telecommunication, another key infrastructure sector, has also been struggling over the past few years due to various issues. The sector, which was growing at an average rate of 24 per cent during the 2000s, slowed to 8 per cent in 2011-12. Issues such as shortage of spectrum, its pricing and the principle underlying the auction process, changes in tax rules have dampened the outlook for the sector. Presently, almost all

telecom operators are facing huge debt burden and cash flow issues.

***Moderation in sales growth continued and profit margins were lower***

II.12 Sales growth for listed Non-Government Non-Financial (NGNF) companies moderated in Q3 of 2012-13 to its lowest level since Q3 of 2009-10. Deceleration in sales was observed across manufacturing, IT and non-IT services sector, with a few exceptions such as jewellery, real estate, motor vehicles and other transport equipments. However, operating profit (EBITDA) grew at a positive rate for the second consecutive quarter, reversing the trend of the previous four quarters (Table II.4). Inventory accumulation, as reflected in the change in stock-in-trade to sales ratio was lower in Q3 of 2012-13, reversing the pick-up seen in Q2 of 2012-13 (Chart II.1). Net profit declined sharply during Q3 on a q-o-q basis (Table II.5). Analyst guidance for Q4 of 2012-13 suggests flat

**Chart II.1: Movement in Sales Growth and Stock-in-Trade to Sales (per cent)**



earnings growth and further deceleration in sales.

***Fresh investment proposals declined further***

II.13 Planned corporate investment, based on the total expenditure of projects for which assistance was sanctioned by major banks/FIs,

**Table II.4: Performance of Non-Government Non-Financial Companies**

	Q3FY12	Q4FY12	Q1FY13	Q2FY13	Q3FY13
	2	3	4	5	6
<b>No. of Companies</b>	<b>2,473</b>				
	<b>Growth Rates (y-o-y) in per cent</b>				
Sales	19.2	15.5	13.9	11.6	9.3
Value of Production	20.0	14.1	13.3	12.3	8.0
Expenditure, of which	24.6	16.7	16.3	12.5	8.1
Raw Material	25.6	16.9	13.6	14.4	9.6
Staff Cost	17.6	14.4	17.7	15.2	13.1
Power & Fuel	37.2	30.7	26.2	20.8	10.8
Operating Profits (EBITDA)	-4.8	-0.5	-3.5	11.3	7.8
Other Income*	92.0	48.9	28.2	49.2	0.3
Depreciation	12.3	10.8	10.5	10.1	10.4
Gross Profits (EBIT)	0.8	4.1	-2.6	18.9	5.5
Interest**	58.8	39.9	38.6	11.5	17.4
Tax Provision	-2.6	2.4	-3.5	10.9	4.8
Net Profits (Without NOP)	-16.0	-6.9	-19.1	26.2	-1.2
Net Profits	-28.8	-7.0	-11.1	23.8	23.6
	<b>Ratios in per cent</b>				
Change in stock # to Sales	2.2	0.9	0.9	1.4	0.8
Interest Burden	30.2	27.0	33.0	27.6	33.6
EBITDA to Sales	12.8	13.3	12.9	13.2	12.6
EBIT to Sales	11.7	12.6	11.6	12.8	11.3
Net Profit to Sales	5.1	7.0	6.1	7.1	5.8

#: For companies reporting this item explicitly.

\*: Other income excludes extraordinary income/expenditure if reported explicitly.

\*\* : Some companies report interest on net basis.

**Table II.5: Corporate Sector Financial Performance (Sequential Growth)**

Indicator	Common Companies (q-o-q growth in per cent)				
	2011-12		2012-13		
	Q3	Q4	Q1	Q2	Q3
1	2	3	4	5	6
<b>No. of Companies</b>	<b>2,473</b>				
Sales	6.1	9.6	-4.7	0.7	3.9
Value of Production	7.5	8.5	-4.8	1.2	3.4
Expenditure, <i>of which</i>	8.3	7.7	-4.4	0.8	4.0
Raw Material	8.9	10.2	-6.2	1.7	4.3
Staff Cost	3.3	2.3	5.6	3.3	1.4
Power & Fuel	9.0	4.5	9.7	-3.3	0.0
Operating Profits (EBITDA)	2.4	13.7	-7.5	3.5	-0.9
Other Income	7.1	27.3	-22.5	41.2	-28.0
Depreciation	3.5	6.3	-1.7	1.8	3.8
Gross Profits (EBIT)	2.9	18.5	-12.3	11.1	-8.7
Interest*	5.6	5.9	7.3	-7.0	11.2
Tax Provision	-6.2	15.3	-0.9	3.5	-11.4
Net Profits	-15.1	51.2	-17.9	17.4	-15.3

\*: Some companies report interest on net basis.

moderated sharply in Q3 of 2012-13, reversing the increase observed in Q2 of 2012-13 (Table II.6). Most of the planned investments were in the power and cement sectors during Q3 of 2012-13 (Chart II.2).

### **Momentum towards fiscal consolidation continues**

II.14 Faced with the challenge of twin deficits, the government embarked on a fiscal consolidation plan with mid-year correction in 2012-13. The containment of GFD at 5.2 per cent of GDP in 2012-13 (RE) in the face of shortfalls in tax revenues, telecommunication receipts and disinvestment proceeds was largely brought about by scaling down plan and capital expenditures. There was, however, a slippage in achieving the budgeted revenue deficit-GDP ratio of 3.4 per cent, reflecting the impact of a sharp rise in non-plan revenue expenditure, particularly subsidies, coupled with shortfall in revenue receipts (both tax and non-tax) during the year (Table II.7).

II.15 During 2013-14, the gross fiscal deficit-GDP ratio is budgeted to decline further to 4.8 per cent. Over the medium to long run, the

**Table II.6: Institutionally Assisted Projects and their Envisaged Cost (quarter-wise)**

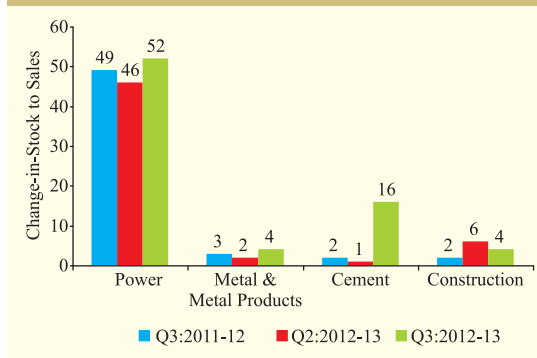
Financial Year	No. of Projects	Project Expenditure (` billion)
1	2	3
2010-11	Q1	181
	Q2	202
	Q3	160
	Q4	167
2011-12	Q1	154
	Q2	194
	Q3	151(133)
	Q4	169
2012-13*	Q1	90
	Q2	124(109)
	Q3**	63
		1,250
		1,067
		787
		821
		787
		572
		506(432)
		255
		284
		480(422)
		147

**Note:** Based on data reported by 39 banks/FIs.

\* : Data is provisional

\*\* : Q3:2012-13 data is based on reported figures from 30 banks/FIs. Corresponding data for Q2:2012-13 and Q3:2011-12 are given in parentheses.

continuation of fiscal consolidation efforts would significantly enhance sustainable growth and better balance the aggregate demand by helping to revive investment. Importantly, the envisaged fiscal correction is expected to be achieved through a reduction of 0.6 percentage points in the revenue deficit-GDP ratio. Notwithstanding the envisaged fiscal correction, the budgeted key fiscal deficits for 2013-14 are higher than the path set out by the Committee on Roadmap for Fiscal Consolidation (Chairman: Dr. Vijay L. Kelkar). As the fiscal consolidation efforts are primarily revenue-led, it is crucial for a revival in investment climate and growth to ensure the achievement of fiscal consolidation

**Chart II.2: Share of Envisaged Investment in Major Industries in Aggregate Cost of Projects (per cent)**


<b>Table II.7: Key Deficit Indicators</b>				
(per cent to GDP)				
Year	Primary Deficit	Revenue Deficit	Effective Revenue Deficit	Gross Fiscal Deficit
1	2	3	4	5
<b>Centre</b>				
2010-11	1.8	3.2	2.1	4.8
2011-12	2.7	4.4	2.9	5.7
2012-13 BE	1.9	3.4	1.8	5.1
2012-13 RE	2.0	3.9	2.7	5.2
2013-14 BE	1.5	3.3	1.8	4.8
	(1.4)	(2.8)	(0.9)	(4.6)
2014-15 (Rolling targets)	-	2.7	0.9	4.2
	(0.9)	(2.0)	(0.0)	(3.9)
2015-16 (Rolling targets)	-	2.0	0.0	3.6
<b>States</b>				
2010-11	0.5	0.0	-	2.1
2011-12 RE	0.8	-0.1	-	2.3
2012-13 BE	0.6	-0.4	-	2.1
<b>Combined</b>				
2010-11	2.4	3.2		6.9
2011-12 RE	3.6	4.3		8.1
2012-13 BE	2.6	3.1		7.2

RE: Revised Estimates. BE: Budget Estimates.  
**Note:** 1. Negative sign (-) indicates surplus in deficit indicators.  
 2. Figures in parentheses are Kelkar Committee's projections.  
**Source:** Union Budget 2013-14 and Report of the Committee on Roadmap for Fiscal Consolidation-September 2012 (Chairman: Vijay Kelkar).

objectives without any sharp adjustment in productive public expenditure.

### ***Tax-GDP ratio remains low in 2012-13, but expected to go up in 2013-14***

II.16 Gross tax revenues in 2012-13 (RE) were lower than the budgeted level by 3.7 per cent because of decline in collection from Union excise duties, customs duties, corporation tax and wealth tax, although income tax and service tax collections showed an improvement. However, with the expected growth of 19.1 per cent in tax revenues, the gross tax-GDP ratio is estimated to improve by 0.5 percentage points to 10.9 per cent during 2013-14. The increase in tax revenues is sought to be achieved through higher excise and custom duties on certain products and the imposition of an additional surcharge on high-income individuals.

II.17 The growth in non-tax revenues is budgeted at 32.8 per cent, mainly on account of a substantial increase in dividends and profits

from financial public sector undertakings (PSUs) and receipts from the telecommunications sector. Among non-debt capital receipts, disinvestment receipts are budgeted at a substantially higher level compared to the previous year.

### ***Non-plan expenditure growth to moderate in 2013-14***

II.18 During 2012-13 (RE), the total expenditure grew faster than the previous year (Table II.8). It is budgeted to accelerate further in 2013-14. Total budgeted expenditure at 14.6 per cent of GDP is higher than the Kelkar Committee target of 13.9 per cent. Among the expenditure components, the projected growth in capital expenditure at 36.6 per cent and plan expenditure at 29.4 per cent, if achieved, could help augment aggregate investment in the economy.

II.19 The growth in non-plan revenue expenditure is budgeted to be contained at 8.0 per cent as against a growth of 13.3 per cent in 2012-13. The restraint on non-plan revenue expenditure growth is critical to ensure that the fiscal consolidation is sustainable, and not excessively reliant on revenue augmentation. The expenditure on subsidies is budgeted at 2.0 per cent of GDP in 2013-14 as against 2.6 per cent of GDP in 2012-13 (Table II.9). The phased deregulation of diesel prices as announced by the Government would reduce petroleum subsidies and the softening of fertiliser prices in the international market together with urea price revisions, if any, may help to keep fertiliser subsidy bill under control. However, there could be a risk of slippage in adhering to the budget estimates of food subsidy expenditure.

II.20 Although plan expenditure has decelerated to 4.1 per cent in 2012-13 (RE), it is budgeted to register a significant increase of 29.4 per cent in 2013-14. Planned capital expenditure in 2012-13 was lower by 14.6 per cent over the budgeted amount and registered a 9.1 per cent y-o-y growth. On this low base, it is budgeted to expand by 30.6 per cent in 2013-14. The

**Table II.8: Central Government Finances**

Item	Growth rate (per cent)			Per cent to GDP		
	2011-12	2012-13 RE	2013-14 BE	2011-12	2012-13 RE	2013-14 BE
1	2	3	4	5	6	7
1. Total Expenditure	8.9	9.7	16.4	14.5	14.3	14.6
2. Revenue Expenditure	10.1	10.2	13.7	12.8	12.6	12.6
3. Capital Expenditure	1.3	5.8	36.6	1.8	1.7	2.0
4. Non-Developmental Expenditure	11.6	10.0	18.6	5.9	5.8	6.0
5. Development Expenditure	7.2	9.5	14.9	8.7	8.5	8.6
6. Non-Plan Expenditure	9.0	12.3	10.8	9.9	10.0	9.8
7. Plan Expenditure	8.8	4.1	29.4	4.6	4.3	4.9
8. Revenue Receipts	-4.7	16.0	21.2	8.4	8.7	9.3
i) Tax Revenue (net)	10.5	17.8	19.1	7.0	7.4	7.8
ii) Non Tax Revenue	-44.3	6.6	32.8	1.4	1.3	1.5
9. Gross Tax Revenue	12.1	16.7	19.1	9.9	10.4	10.9
i) Direct Tax	10.8	14.5	18.1	5.5	5.6	5.9
ii) Indirect Tax	13.9	19.5	20.2	4.4	4.7	5.0
<i>Memo :</i>						
10. Revenue Deficit	56.3	-0.8	-2.9	4.4	3.9	3.3
11. Effective Revenue Deficit	58.9	2.0	-23.1	2.9	2.7	1.8
12. Gross Fiscal Deficit	38.1	1.0	4.1	5.7	5.2	4.8
13. Gross Primary Deficit	74.0	-15.9	-15.9	2.7	2.0	1.5

BE: Budget Estimates. RE: Revised Estimates.

Source: Union Budget 2013-14.

re-prioritisation of expenditure in favour of capital expenditure is expected to increase the capital outlay-GFD ratio to 38.5 per cent in 2013-14 from 28.1 per cent in 2012-13 (RE).

### *Need to contain centre's market borrowing in 2013-14 as budgeted*

II.21 The pattern of financing the fiscal deficit for 2013-14 shows continued reliance on market

borrowings, which is budgeted to finance 89 per cent of the gross fiscal deficit (GFD). The recourse to short-term financing through treasury bills is budgeted at 3.7 per cent. If market borrowings are contained within the budgeted amount, it could provide some monetary space.

### *Fiscal prudence may impart confidence in the economy*

II.22 On the whole, the fiscal consolidation measures announced in the budget for 2013-14 may lay the foundation for a sustainable rebalancing of government finances. If budgetary targets are adhered to, it will enhance the credibility of the fiscal management, impart confidence among investors, lower risk premia on India and support growth revival. However, over the medium-term, the focus on eliminating the effective revenue deficit by 2015-16 would be critical to fiscal policy strategy as it could create space for counter-cyclical policies to support capital formation and growth.

**Table II.9: Total Subsidies**

Items	(Amount in ` billion)					
	2011-12		2012-13 (RE)		2013-14 (BE)	
	Amount	% of GDP	Amount	% of GDP	Amount	% of GDP
1	2	3	4	5	6	7
<b>Total Subsidies</b>	<b>2,179.4</b>	<b>2.4</b>	<b>2,576.5</b>	<b>2.6</b>	<b>2,310.8</b>	<b>2.0</b>
i) Food	728.2	0.8	850.0	0.8	900.0	0.8
ii) Fertiliser	700.1	0.8	659.7	0.7	659.7	0.6
iii) Petroleum	684.8	0.8	968.8	1.0	650.0	0.6
iv) Interest subsidy	50.5	0.1	74.2	0.1	80.6	0.1
v) Other subsidies	15.7	0.0	23.8	0.0	20.5	0.0

RE: Revised Estimates. BE: Budget Estimates.

Source: Union Budget 2013-14.