

FOREWORD

The Reserve Bank of India (RBI) has been publishing the annual Study on State Finances since 1950-51. This study, which used to be published as a part of the RBI Monthly Bulletin, is being published as a stand-alone publication since 1999-2000. In its endeavour to enable researchers to have easy access to time series data, the RBI brought out a 'Handbook of Statistics on State Government Finances' in 2004, which contained State-wise time series data on major fiscal indicators since 1980-81 and detailed data under revenue and capital accounts since 1990-91.

This Study on State Finances apart from presenting the statistical data makes analysis and assessment of finances of State Governments. It is of interest to note that starting with 2005-06, the Study of State Finances introduced detailed analysis of a special theme based on issues of relevance for the State Governments. So far, special themes on 'Outstanding Liabilities of State Governments', 'Social Sector Expenditure' and 'Fiscal Transfers to the State Governments' have been presented during past three years. The special theme in the present Study is 'Revenue Receipts of the State Governments - Trend and Composition'.

The Study has been prepared in the Division of State and Local Finances of the Department of Economic Analysis and Policy (DEAP) with support from the Regional Offices of DEAP and the Division of Central Finances. Support was also received from Department of Government and Bank Accounts (DGBA) and Internal Debt Management Department (IDMD) of the Reserve Bank. The Study benefited from the co-operation and insights received from Finance Departments of the State Governments and valuable technical inputs received from Ministry of Finance, Government of India and Planning Commission.

The Study has been prepared under the overall guidance of Shri B.M. Misra, Adviser, by a team comprising Smt. Kumudini Hajra, Director, Kum. Rakhe P.B. and Shri Dharendra Gajbhiye, Research Officers. Shri A.K. Dharampal, Shri T.R. Muralidharan, Shri P.P. Joshi, Shri B.A. Rankhambe and Smt. E. Fernandes provided support in compilation of data.

Starting with 2001-02, the Study is also available on RBI's website (www.rbi.org.in). The earlier issues of the above Study (since 1950-51 onwards) are available in the Central Library of RBI at Mumbai. In order to improve the quality of the Study, feedback/comments on this Study are solicited. These may be sent to Director, Division of State and Local Finances, Department of Economic Analysis and Policy, Reserve Bank of India, Shahid Bhagat Singh Road, Mumbai 400 001 or through email at deapdsf@rbi.org.in.

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