

# Finances of Government of India (Part 3 of 4)

## Table 1 : Budget at a Glance

(Rs. crore)

Items	1997-98	1998-99	1998-99	1999-2000	Variation					
	(Accounts)	(Budget	(Revised	(Budget	Col.4 over Col.3	Col.4 over Col.2	Col.5 over Col.4			
	Estimates	Estimates)	Estimates)	Estimates)	Amount	Per cent	Amount	Per cent	Amount	Per cent
1	2	3	4	5	6	7	8	9	10	11
<b>1 Revenue Receipts (i+ii)</b>	<b>133,901</b>	<b>161,994</b>	<b>157,665</b>	<b>182,840</b>	<b>- 4,329</b>	<b>- 2.7</b>	<b>23,764</b>	<b>17.7</b>	<b>25,175</b>	<b>16.0</b>
i) Tax Revenue (Net to Centre)	95,672	116,857	109,537	132,365	- 7,320	- 6.3	13,865	14.5	22,828	20.8
ii) Non-tax Revenue	38,229	45,137	48,128	50,475	2,991	6.6	9,899	25.9	2,347	4.9
<i>of which :</i>										
Interest Receipts	25,323	27,954	30,544	33,034	2,590	9.3	5,221	20.6	2,490	8.2
<b>2 Capital Receipts @</b>	<b>98,167</b>	<b>105,933</b>	<b>124,247</b>	<b>101,042</b>	<b>18,314</b>	<b>17.3</b>	<b>26,080</b>	<b>26.6</b>	<b>- 23,205</b>	<b>- 18.7</b>
<i>of which :</i>										
i) Market Borrowings	32,499	48,326*	64,911*	57,461*	16,585	34.3	32,412	99.7	<b>- 7,450</b>	<b>- 11.5</b>
ii) Recoveries of Loans	8,318	9,908	11,504	11,087	1,596	16.1	3,186	38.3	- 417	- 3.6
iii) Disinvestment of equity in PSUs	912	5,000	9,000	10,000	4,000	80.0	8,088	886.8	1,000	11.1
iv) Issue of Bonus shares	-	-	6	-	-	-	-	-	-	-
<b>3 Total Receipts (1 + 2)</b>	<b>232,068</b>	<b>267,927</b>	<b>281,912</b>	<b>283,882</b>	<b>13,985</b>	<b>5.2</b>	<b>49,844</b>	<b>21.5</b>	<b>1,970</b>	<b>0.7</b>
<b>4 Revenue Expenditure (i + ii)</b>	<b>180,350</b>	<b>210,062</b>	<b>218,139</b>	<b>236,987</b>	<b>8,077</b>	<b>3.8</b>	<b>37,789</b>	<b>21.0</b>	<b>18,848</b>	<b>8.6</b>
i) Non-Plan	145,176	166,301	176,691	190,331	10,390	6.2	31,515	21.7	13,640	7.7
ii) Plan	35,174	43,761	41,448	46,656	- 2,313	- 5.3	6,274	17.8	5,208	12.6
<b>5 Capital Expenditure (i + ii)</b>	<b>51,718</b>	<b>57,865</b>	<b>63,773</b>	<b>46,895</b>	<b>5,908</b>	<b>10.2</b>	<b>12,055</b>	<b>23.3</b>	<b>- 16,878</b>	<b>- 26.5</b>
i) Non-Plan	27,815	29,624	36,850	16,551	7,226	24.4	9,035	32.5	- 20,299	- 55.1
ii) Plan	23,903	28,241	26,923	30,344	- 1,318	- 4.7	3,020	12.6	3,421	12.7
<b>6 Total Non-Plan Expenditure (4i + 5i)</b>	<b>172,991</b>	<b>195,925</b>	<b>213,541</b>	<b>206,882</b>	<b>17,616</b>	<b>9.0</b>	<b>40,550</b>	<b>23.4</b>	<b>- 6,659</b>	<b>- 3.1</b>
<i>of which :</i>										
i) Interest Payments	65,637	75,000	77,248	88,000	2,248	3.0	11,611	17.7	10,752	13.9
ii) Defence	35,278	41,200	41,200	45,693	-	-	5,922	16.8	4,493	10.9
iii) Subsidies	19,487	22,025	24,683	23,838	2,658	12.1	5,196	26.7	- 845	- 3.4
<b>7 Total Plan Expenditure (4ii + 5ii)</b>	<b>59,077</b>	<b>72,002</b>	<b>68,371</b>	<b>77,000</b>	<b>- 3,631</b>	<b>- 5.0</b>	<b>9,294</b>	<b>15.7</b>	<b>8,629</b>	<b>12.6</b>
<b>8 Total Expenditure (6 + 7 = 4 + 5)</b>	<b>232,068</b>	<b>267,927</b>	<b>281,912</b>	<b>283,882</b>	<b>13,985</b>	<b>5.2</b>	<b>49,844</b>	<b>21.5</b>	<b>1,970</b>	<b>0.7</b>
<b>9 Revenue Deficit (4 - 1)</b>	<b>46,449</b>	<b>48,068</b>	<b>60,474</b>	<b>54,147</b>						
<b>10 Gross Fiscal Deficit [ 8 - ( 1 + 2ii + 2iii + 2iv)]</b>	<b>88,937</b>	<b>91,025</b>	<b>103,737</b>	<b>79,955</b>						
<b>11 Gross Primary Deficit (10 - 6i)</b>	<b>23,300</b>	<b>16,025</b>	<b>26,489</b>	<b>- 8,045</b>						

<b>12 Net Fiscal Deficit</b>	<b>63,062</b>	<b>66,344</b>	<b>70,988</b>	<b>68,547</b>
<b>13 Net Primary Deficit</b>	<b>22,748</b>	<b>19,298</b>	<b>24,284</b>	<b>13,581</b>
<b>14 Monetised Deficit #</b>	<b>12,914</b>	<b>-</b>	<b>16,750\$\$</b>	<b>N.A.</b>

- @ : Capital Receipts are net of repayments.  
\* : Includes market loans, Zero Coupon Bonds, loans in conversion of maturing Treasury Bills, 364 day Treasury Bills, etc.  
# : As per RBI records.  
(-) : Indicates surplus.  
N.A. : Not available.  
\$ : With effect from 1.4.1999, a new system of transferring 75% of the net small savings collections to States and UTs from the Public Account is being introduced. With this change, the non- Plan capital expenditure of the Centre during 1999-2000 is estimated to be lower by Rs.25,000 crore.  
\$\$ : Upto March 19, 1999.

Source : Budget documents of the Government of India, 1999-2000.

**Table 2 : Transactions on Revenue Account**

Items	(Rs. crore)									
	1997-98	1998-99	1998-99	1999-2000	Variation					
	(Accounts)	(Budget Estimates)	(Revised Estimates)	(Budget Estimates)	Col.4 over Col.3	Col.4 over Col.2	Col.5 over Col.4	Col.5 over Col.4	Col.5 over Col.4	Col.5 over Col.4
1	2	3	4	5	6	7	8	9	10	11
<b>I. Revenue Receipts (A+B)</b>	<b>133,901</b>	<b>161,994</b>	<b>157,665</b>	<b>182,840</b>	<b>- 4,329</b>	<b>- 2.7</b>	<b>23,764</b>	<b>17.7</b>	<b>25,175</b>	<b>16.0</b>
<b>A Tax Revenue (Net to Centre)</b>										
(1 to 7)	<b>95,672</b>	<b>116,857</b>	<b>109,537</b>	<b>132,365</b>	<b>- 7,320</b>	<b>- 6.3</b>	<b>13,865</b>	<b>14.5</b>	<b>22,828</b>	<b>20.8</b>
1 Corporation Tax	20,016	26,550	27,050	30,850	500	1.9	7,034	35.1	3,800	14.0
2 Taxes on Income other than Corporation Tax (Net)	3,589	6,984	6,932	9,923	- 52	- 0.7	3,343	93.1	2,991	43.1
3 Interest Tax	1,205	920	920	1,000	-	-	- 285	- 23.7	80	8.7
4 Customs Duty	40,193	48,148	42,648	50,369	- 5,500	- 11.4	2,455	6.1	7,721	18.1
5 Union Excise Duty (Net)	25,516	30,782	28,535	36,357	- 2,247	- 7.3	3,019	11.8	7,822	27.4
6 Taxes of UTs (Net of assignments to local bodies)	313	284	306	312	22	7.7	- 7	- 2.2	6	2.0
7 Other Taxes and Duties	4,840#	3,189	3,146	3,554	- 43	- 1.3	- 1,694	- 35.0	408	13.0
<b>B Non-Tax Revenue</b>	<b>38,229</b>	<b>45,137</b>	<b>48,128</b>	<b>50,475</b>	<b>2,991</b>	<b>6.6</b>	<b>9,899</b>	<b>25.9</b>	<b>2,347</b>	<b>4.9</b>
of which :										
1 Interest Receipts	25,323	27,954	30,544	33,034	2,590	9.3	5,221	20.6	2,490	8.2
2 Dividends and Profits	5,181	7,373	7,537	9,483	164	2.2	2,356	45.5	1,946	25.8
of which :										
Profits from RBI *	2,500	4,200	4,150	5,700	- 50	- 1.2	1,650	66.0	1,550	37.3
3 External Grants	1,018	1,054	813	715	- 241	- 22.9	- 205	- 20.1	- 98	- 12.1
4 Non-tax Receipts of UTs	325	331	358	371	27	8.2	33	10.2	13	3.6
<b>II. Revenue Expenditure (A+B)</b>	<b>180,350</b>	<b>210,062</b>	<b>218,139</b>	<b>236,987</b>	<b>8,077</b>	<b>3.8</b>	<b>37,789</b>	<b>21.0</b>	<b>18,848</b>	<b>8.6</b>
<b>A Non-Plan Expenditure</b>	<b>145,176</b>	<b>166,301</b>	<b>176,691</b>	<b>190,331</b>	<b>10,390</b>	<b>6.2</b>	<b>31,515</b>	<b>21.7</b>	<b>13,640</b>	<b>7.7</b>
of which :										
1 Interest Payments	65,637	75,000	77,248	88,000	2,248	3.0	11,611	17.7	10,752	13.9
2 Defence Revenue Expenditure	26,174	30,840	31,013	33,464	173	0.6	4,839	18.5	2,451	7.9
3 Major Subsidies	18,238	19,883	21,063	22,440	1,180	5.9	2,825	15.5	1,377	6.5
4 Non-Plan Grants to States and Uts	4,416	6,753	4,534	8,159	- 2,219	- 32.9	118	2.7	3,625	80.0
<b>B Plan Expenditure (1+2)</b>	<b>35,174</b>	<b>43,761</b>	<b>41,448</b>	<b>46,656</b>	<b>- 2,313</b>	<b>- 5.3</b>	<b>6,274</b>	<b>17.8</b>	<b>5,208</b>	<b>12.6</b>
1 Central Plan	22,780	30,115	26,910	30,980	- 3,205	- 10.6	4,130	18.1	4,070	15.1
2 Central Assistance for State and UT Plans	12,394	13,646	14,538	15,676	892	6.5	2,144	17.3	1,138	7.8
<b>III. Revenue Deficit (-)/Surplus(+)</b>										
[ I-II ]	<b>- 46,449</b>	<b>- 48,068</b>	<b>- 60,474</b>	<b>- 54,147</b>						

- # : Net taxes of the Centre after adjusting the States' share in VDIS of Rs 7,594 crore in 1997-98 (Accounts).  
\* : The surplus profits transferred by RBI to Government during 1998-99 and 1999-2000 are placed at Rs.5,977 crore and Rs.5,700 crore, respectively. However, the Revised Estimates for 1998-99 have been netted to Rs.4,150 crore taking into account the provision of Rs.1,827 crore to meet the exchange loss liability which the Government has taken over from RBI on account of Foreign Currency Non-Resident Accounts Scheme for deposits maturing since July 1,1993.

Source : Budget Documents of the Government of India, 1999-2000.

**Table 3 : Transactions on Capital Account**

Items	(Rs. crore)									
	1997-98	1998-99	1998-99	1999-2000	Variation					
	(Accounts)	(Budget Estimates)	(Revised Estimates)	(Budget Estimates)	Col.4 over Col.3	Col.4 over Col.2	Col.5 over Col.4	Col.5 over Col.4	Col.5 over Col.4	Col.5 over Col.4
1	2	3	4	5	6	7	8	9	10	11
<b>I. Capital Receipts @ (1 to 8)</b>	<b>98,167</b>	<b>105,933</b>	<b>124,247</b>	<b>101,042</b>	<b>18,314</b>	<b>17.3</b>	<b>26,080</b>	<b>26.6</b>	<b>- 23,205</b>	<b>- 18.7</b>
1 Market Borrowings	32,499	48,326*	64,911*	57,461*	16,585	34.3	32,412	99.7	- 7,450	- 11.5
2 Small Savings, Public Provident Funds etc.	24,497	21,640	29,000	8,000	7,360	34.0	4,503	18.4	-	-
of which :										
Public Provident Funds	4,034	4,100	4,540	-	440	10.7	506	12.5	-	-
3 State Provident Funds	4,383	5,350	5,350	6,000	-	-	967	22.1	650	12.1
4 Special Deposits	4,480	9,495	9,238	10,460	- 257	- 2.7	4,758	106.2	1,222	13.2
5 Recovery of Loans and Advances	8,318	9,908	11,504	11,087	1,596	16.1	3,186	38.3	- 417	- 3.6
6 Disinvestment of equity holding in public sector enterprises	912	5,000	9,000	10,000	4,000	80.0	8,088	886.8	1,000	11.1
7 External Borrowings	1,091	2,337	910	845	- 1,427	- 61.1	- 181	- 16.6	- 65	- 7.1
8 Others #	21,987	3,877	- 5,666+	- 2,811	- 9,549	- 246.3	- 27,659	- 125.8	2,861	- 50.4
<b>II. Capital Expenditure (1+2)</b>	<b>51,718</b>	<b>57,865</b>	<b>63,773</b>	<b>46,895\$</b>	<b>5,908</b>	<b>10.2</b>	<b>12,055</b>	<b>23.3</b>	<b>- 16,878</b>	<b>- 26.5</b>
1 Non-Plan Expenditure	27,815	29,624	36,850	16,551\$	7,226	24.4	9,035	32.5	- 20,299	- 55.1
of which :										
Defence Capital	9,104	10,360	10,187	12,230	- 173	- 1.7	1,083	11.9	2,043	20.1
2 Plan Expenditure (i+ii)	23,903	28,241	26,923	30,344	- 1,318	- 4.7	3,020	12.6	3,421	12.7
i) Central Plan	9,550	12,349	11,353	13,020	- 996	- 8.1	1,803	18.9	1,667	14.7
ii) Central Assistance for State and UT Plans	14,353	15,892	15,570	17,324	- 322	- 2.0	1,217	8.5	1,754	11.3
<b>III. Capital Surplus(+)/Deficit(-)</b>										
<b>[I-II]</b>	<b>+46,449</b>	<b>+48,068</b>	<b>+60,474</b>	<b>+54,147</b>						

@ : Capital Receipts are net of repayments.

\* : Includes Market loans, Zero Coupon Bonds, loans in conversion of maturing Treasury Bills, 364 day Treasury Bills etc.

# : Comprises Reserve Funds, Deposits and Advances, Relief Bonds, bonus shares etc.

+ : Includes draw-down of cash balances of Rs.3,233 crore.

\$ : With effect from April 1,1999, a new system of transferring 75 per cent of the net small savings collections to States and UTs from Public Account is being introduced. Under the new system, the small savings collections would be credited to "National Small Savings Fund" (NSSF) in Public Account. Similarly, all withdrawals of small savings by the depositors would be made out of the accumulation in the Fund. The balance in the Fund will be invested in Central and State Government securities. The debt servicing of these Government securities will be an income of the Fund while the cost of interest and cost of management of small savings will be an expenditure of the Fund. For 1999-2000, the investment in Central and State Government securities is budgeted at Rs.8,000 crore and Rs.25,000 crore, respectively. The investment in Central Government securities would form the part of Government of India's internal debt.

Source : Budget documents of Government of India, 1999-2000.

**Table 4 : Interest Payments by the Central Government**

Items	(Rs. crore)							
	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000	
	(Accounts)	(Accounts)	(Accounts)	(Accounts)	(Revised Estimates)	(Revised Estimates)	(Budget Estimates)	
1	2	3	4	5	6	7	8	
<b>I. Interest Payments on Internal Debt</b>								
	15,588	19,168	22,179	27,233	31,459	39,439	45,972	

of which :

i) On Market Loans	9,258	13,205	15,400	19,125	22,189	28,072	34,371
ii) On 91/182/364 days Treasury Bills	6,188	5,520	6,047	7,003	1,982	6,270	6,469
II. Interest on External debt	3,724	4,026	4,414	4,223	4,150	4,273	4,184
III. Interest on Small Savings, Provident Funds etc.	10,288	12,392	13,309	16,855	20,432	21,441	26,189
IV. Interest on Special Deposits of Non-Government Provident Funds etc.	6,648	7,921	9,222	10,246	8,615	9,100	10,200
V. Interest on Reserve Funds	170	220	253	378	510	483	426
VI. Interest on Other Obligations	323	333	668	543	534	2,512	1,029
<b>Total Interest Payments (I to VI)</b>	<b>36,741</b>	<b>44,060</b>	<b>50,045</b>	<b>59,478</b>	<b>65,700</b>	<b>77,248</b>	<b>88,000</b>

**Source :** Finance Accounts of the Government of India and Budget documents of the Government of India, 1999-2000.