CHAPTER - 5

A REVIEW OF THE FINANCES OF CHHATTISGARH GOVERNMENT

5.1.0 Introduction :

5.1.1 Since the ***State Government*** is the main funding agency of the ***Local Bodies*** in the State, its ***Financial Health*** is of Prime Importance in the process of Devolution of Funds from the State to Local Bodies. The ***TOR*** of the ***SFC***, therefore, include a number of items relating to State Finances which the Commission is required to take up, for arriving at its recommendations for strengthening and improving State Finances. These items include :

(1) To make a review of State Finances with the object of balancing the Receipts and Expenditure on Revenue Account, and also for generating resources for Capital Investment, taking into account the demand on State resources, of current expenditure, debt servicing and maintenance and upkeep of assets already created.

(2) To make projections, on a Normative Basis, of Revenue and Expenditure of the State Government on Revenue account for a period of 5 years, commencing from ***1st April, 2005***, on the basis of levels of taxation reached in 2004-05 and targets set for Additional Resource Mobilization for the period and the potential for raising Additional Resources.

(3) To suggest measures for

(i) the Mobilization Of Additional Resources, with the object of balancing Receipts and Expenditure on Revenue Account and for meeting the requirements of funds for the maintenance and upkeep of Capital Assets completed by 31st March, 2005, for better Fiscal Management, consistent with Efficiency and Economy in Expenditure.

(ii) Restructuring of State Finances for reducing Revenue Deficits and Fiscal Deficits, by changing the behavior of Fiscal Variables in the Desired Directions.

5.1.2 The issues covering all aspects of State Finances enumerated above, may constitute the subject-matter of a full-fledged separate study, but pose a formidable agenda for the SFC which has to perform a number of tasks. ***The Commission with limited time and resources may not be doing full justice to each and every item relating to SFC in the TOR.*** Nevertheless, it would be the endeavour of the Commission to address these issues as best as it can, depending upon the availability of the data and the time at its disposal. Being quite conscious of these constraints and limitations, we take up some of these issues identified in para 5.1.1 of this section, in the Three Chapters which have been entitled as under :-

1. Review of Finances of Chhattisgarh State.

2. A Normative Assessment of Revenue and Expenditure of the State.

3. Restructuring the State Finances.

5.1.3 ***The Present Chapter covers the first topic*** wherein we cover ***a brief review of State Finances and also make a presentation of the broad contours of Central Finances,*** since State Finances, to a very large extent, depend on the devolution of resources from the Centre. The sequence that we follow in this Chapter is like this. ***First*** a brief review of ***Central Finances***, then a quick review of ***State Finances*** in aggregate, and then a review of the ***Finances of Chhattisgarh State.***

5.2.0 Trends In Central Finances :

5.2.1 Since the State Governments in India receive a large proportion of their Total Revenue from the Central Government in the form of Transfers, and the finances of the Centre and the States are intertwined through the constitutional Arrangements, it would not be out of place, if we make a quick review of the Central Finances, to serve as a necessary background to the review of Finances of the State Governments and also of the Chhattisgarh State. The object of such a study is to examine the extent to which the State Finances conform to or deviate from the main trends obtainable in the Country and other States.

5.2.2 As already Stated in an earlier Chapter dealing with ***Federal Finance,*** vertical transfers from the Centre to the States, constitute an important feature of Federal Set-up in the Country. The resources are transferred from the Center to the States in many forms and through different routes, the statutory transfers consisting of share of the States in Central Tax Revenue and Grants-in-Aid, recommended by the ***CFCs*** after an interval of every 5 years, supplemented by grants from the ***Planning Commission*** and discretionary transfers from the ***Central Ministries***, for different Centrally Sponsored Schemes. ***Of the Total Transfers to the States, nearly 65% are on the recommendations of the Finance Commission. Such transfers account for nearly 37 to 38% of Gross Revenue Receipts of the Center and nearly 5% of the GDP of the Country.*** Such transfers are made because of larger Assignment of responsibilities to the State Governments in relation to their capacity to raise resources. These transfers have both Vertical and Horizontal dimensions. The Fiscal Health of the Center is an important consideration to be taken into account while determining transfers from the Center to the States. The States, therefore, are equally interested in the Fiscal Health of the Center along with their own. Now ***Local Bodies*** should be equally interested in the Fiscal Health of the Center, since they also get a share in Central Revenues, on the recommendations of the ***CFC***.

5.2.3 In the light of the above preliminary observations, the ***SFC,*** earlier to the discussion of State Finances, makes a brief review of the ***Central Finances***. Though this task falls within the purview of the ***CFC***, we can not refrain from making a quick review of Central Finances because of the significance of Central Transfers in State Finances.

5.2.4 **Table No. 5.1** enclosed presents ***The Budgetary Position of The Central Government to indicate broad trends in Central Finances.***

5.2.5 **Table No. 5.1** indicates that ***Tax Revenue of the Centre*** which was 8% of ***GDP*** in 1992-93, has been declining till 2001-02 but has shown an up-trend in the last four years, 2002-03 to 2005-06 (RE). ***Non-Tax Revenue*** has shown a decline. ***Total Revenue Receipts of the Centre*** have recorded, by and large, a decline till 2001-02 but a continuous rise since 2001-02. ***Capital Receipts of the Centre*** have recorded an increase in during 4 years, 2000-01 to 2003-04, mainly due to increase in disinvestments of ***Central Government*** undertakings, but have declined in the last 2 years due to restraint on disinvestments policy. Partly, Capital Receipts have been increasing due to Central borrowings. ***The Revenue Expenditure of the Centre*** has been fluctuating between 12 to 14% of ***GDP*** during the period under study. But the most worrisome development in ***Central Finances*** has a decline in ***Capital Expenditure.***

5.2.6 The two most important ***Fiscal Indicators***, viz. ***The Revenue*** and ***Fiscal Deficits of the Centre,*** have revealed deterioration. ***The Revenue Deficit*** has been fairly high in 2000-01 to 2002-03, between 4 to 4.4% of ***GDP***, but has been declining during the last 3 years, 2002-03 to 2005-06 due to ***Fiscal Reforms*** introduced by the centre. The ***Fiscal Deficit*** has also been correspondingly high during the same period but has been declining during the last 3 years. The increase in ***Revenue Deficit*** has been the main contributory factor to the increase in ***Fiscal Deficit***. The most persistent deterioration is observed in the ***Ratio of Revenue Deficit to Fiscal Deficit*** which is indicative of the fact that borrowed funds have been mostly used for meeting current Expenditure.

5.2.7 The composition of ***Centre's Tax Revenue*** has gradually tilted in favor of ***Income Tax*** and ***Corporate Income Tax. Union Excise Duties*** continue to occupy the prime of place in ***Central Tax Structure***, accounting for 33% of ***Gross Tax Revenue*** of the Centre. The share of ***Custom Duties*** has been declining from 29.3% of ***Gross Tax Revenue*** of the Centre in 1993-94 to 14.4% in 05-06. This decline has occurred under the impact of policy of globalization and also in accordance with the provisions of WTO agreements.

5.2.8 On the ***Expenditure*** side, Interest Payments and Pensions relative to ***GDP*** increased during the period under review, and the burden of adjustment has fallen on ***Capital Expenditure***. The Central Government has been taking some measures in the direction of Fiscal Reforms which have paid some dividends to the Centre, in terms of improvement in its budgetary position in the last 3 years.

5.2.9 The ***XIIthFC*** has suggested some targets which the Central Government is expected to achieve in respect of some important fiscal indicators. **Table No. 5.2** ***presents suggested Restructuring of the Central Finances.***

5.2.10 The **Table No. 5.2** shown that ***Gross Tax Revenue of the Centre*** is projected to increase from 9.7% in 2004-05 to 10.9% in 2009-10. No increase is contemplated in ***Non-Tax Revenue***. This does not meet the requirements of sound finance. ***Capital Expenditure*** is expected to increase, and ***Revenue Expenditure*** to decline. This is on expected lines. The ***Revenue Deficit*** has been projected to come down to zero in 2009-10 and ***Fiscal Deficit*** to decline from 4.5% to 3.0% in 2009-10. To achieve the targets as suggested by the FC, the Central Government will have to take some hard decisions in regard to Resource Mobilization and Expenditure outgoes. On the successful implementation of Fiscal Reforms depends the Fiscal Health of the Centre and the consequent flow of transfers to the States and Local Bodies ?

5.3.0 A Review of Finances of State Governments :

5.3.1 Since the Finances of Chhattisgarh State cannot be insulated against the developments taking place in other States and also in the aggregate fiscal situation in the States, it would not be out of place to make a quick review of the aggregate picture of State Finances in the Country.

5.3.2 During the 6 years from 1997-98 to 2002-03, the State Finances, by and large, have been in bad shape and, therefore, this period is considered as the worst period in State Finances. This was the period when substantial increase was witnessed in the salary bills of the States, consequent upon the implementation of V^{th} Pay Commission report, when Central Transfers to the States related to GDP, recorded a decline, and the States were engaged in competitive Tax reduction, leading to a reduction in their ***Own Tax Revenue*** in the ***GDP***. The States had to depend upon increased borrowings when interest rates were at their peak. The impact of these developments has been on their ***Debt-GDP Ratio*** which has shown a rapid increase. The ***Outstanding Debt-GDP Ratio*** increased from 21% in 1996-97 to 31% in 2002-03. ***Interest Payments*** jumped up from 1.82% of ***GDP*** in 1993-94 to 2.8% in 2002-03.

5.3.3 The **Table No. 5.3** presents the ***Macro picture of State Finances in India***. The ***Fiscal Deficit*** of the States has been high as well as increasing from 3.3% in 1990-91 to 4.2% in 2001-02 and further to 4.4% in 2003-04, but has recorded a downtrend in the last two years. The ***Revenue Deficit*** also has been at a higher level and has been increasing during 2001-02 and 02-03. As a percentage of ***GDP***, ***States Own Revenue*** has virtually remained varied between 7 to 8%. The ***Own Tax Revenue*** has varied between 5 to 6% of ***GDP***, but ***Non-Tax Revenue*** has shown a continuous decline, reaching the lowest level of 1.3% of ***GDP*** in 2005-06(RE). The ***Capital Receipts*** have been increasing mainly due to increase in the magnitude of small savings. The ***Developmental Expenditure*** has been declining as percent of ***GDP*** and ***Non-Developmental Expenditure*** increasing during the period under study. The ***Capital Expenditure*** has not maintained an increasing trend. ***Some improvement is discernible in State Finances in the last 3 years, mainly due to the steps taken by the Centre and the State Governments in the direction of Fiscal Reforms which included measures for Resource Mobilizations and Economy in Expenditure. But much more needs to be done.***

5.3.4 ***Among the factors which have contributed to deterioration of State Finances, Subsidies occupy an important place.*** Most of the subsidies are implicit in natures which arise when services are provided at prices which even do not recover costs. Low user charges constitute the main cause of increasing subsidies. In addition to this, State Governments have been giving budgetary support to the power and transport sectors.

5.3.5 ***A crude indicator of resources mobilized from various services – Revenue realized as percent of Expenditure,*** suggests that it hovers around 2% in respect of ***Social Services*** during the 1990s; whereas for ***Economic Services***, the ratio has gone down during 1992-93 to 1995-96, to 12% and further to less than 12% during 1997-98 and 2002-03.

5.3.6 The State Governments have been caught in varying degrees, in the vicious circle of rising ***Revenue Deficits*** leading to higher ***Fiscal Deficits***, in turn forcing the States to continue borrowing and pushing up both outstanding liabilities and higher interest payments, resulting in further rise in ***Revenue Deficits.***

5.3.7 Borrowings cannot be a source of concern, if they are made for ***Developmental requirements*** but borrowings for ***Consumption Expenditure*** cannot ensure adequate return to meet their loan liabilities. Improvement in State Economies cannot be achieved and sustained in a situation of continuing drop in the share of ***Capital Expenditure in aggregate disbursements***. A higher rate of growth of ***GSDP***, can partly absorb the adverse impact of rising burden of Interest Payments and Repayment of Loan Liabilities. But most of the States could not step up their growth rates in their respective ***GSDP***. In this way, the situation becomes more difficult and complicated.

5.3.8 The persistent deterioration in ***Fiscal Health*** has prompted a number of States to introduce ***Fiscal Reforms, Institutional Reforms*** and some sectoral measures. ***Fiscal Reforms*** broadly cover measures in the direction of resource mobilization through Tax and Non-Tax Sources, and fiscal prudence by containing unproductive Expenditure. ***Institutional Reforms*** include improvement in efficiency of public sector undertakings, transparency in State Budgets, restructuring of Co-operative sector, administrative reforms, decentralization and extensive computerization. The ***Sectoral Reforms*** include increasing productivity of different sectors, particularly agriculture and infrastructure. Efforts have been made by some States to rationalize user charges of public services. To reduce pension out-go some States have introduced contributory pension schemes for their newly appointed staff. Majority of the States have constituted power regulatory authorities to improve the efficiently of power sector and introduce changes in tariff structure. A large number of States have replaced their ***Sales Tax by Value Added Tax(VAT)***, and reports from different States of this change-over, are encouraging. It is expected that other States which have not introduced VAT so far, may follow. Some States have enacted ***Fiscal Responsibility Legislation*** for introducing ***Fiscal Reforms***. All these measures are being reflected in the recent improvement in fiscal situation of some States.

5.3.9 The ***XIIth FC*** has suggested ***Restructuring of State*** Finances and laid down certain Fiscal Targets to be achieved by 2009-10 by the States. The **Table No. 5.4** presents ***such suggested restructuring***.

5.3.10 The above targets are the ***Averages*** and may not be adhered to by the States. However, they give broad indications of what is expected from the State Governments**. *States Own Tax and Non-Tax Revenue has to increase and also the Total Receipts. The Total Expenditure has to increase but not due to increase in Revenue Expenditure but mainly due to increase in Capital Expenditure*.** ***Revenue Deficit*** is expected to fall to zero and ***Fiscal Deficit*** to decline from 4.5% in 2004-05 to 3.0% by 2009-10. One important point that has been emphasized by the ***XIIthFC*** is that increase in ***Capital Expenditure*** is meant for augmenting investment and building physical assets, aimed at promoting growth and improving the quality of services provided by the State Governments, but in no case ***Capital Expenditure*** is meant for covering the losses of ***Non-Departmental Public Enterprises***, by contributing to their share capital or for servicing their debt arising from off-budget borrowings.

5.4.0 Finances Of Chhattisgarh State :

5.4.1 Against the backdrop of the fiscal scenario of the Centre and also of the States taken in aggregate, we are now in a better position to make a rapid review of the Finances of Chhattisgarh State. At the very outset we would like to highlight the fact that the ***Chhattisgarh Government*** has been functioning ***since 1st November, 2000,*** with the creation of the new State, carved out of the undivided State of ***Madhya Pradesh.*** Since the State was born on first November, 2000, it did not formulate its budget for the Full Financial Year, 2000-01. The first budget of the State for the full financial year was made for 2001-02. Our review of State Finances, therefore, would be based on the financial data relating to the short period of 5 years, ***2001-02 to 2005-06 (RE).*** We admit that 5 year period is too short for making a review of Finances of the State. Since we do not have time series data, we cannot make trend analysis. The fiscal measures take time to yield results and show their impact, though fiscal management through the State budget can show short period impact. It would not be appropriate to take up the historical data of the fiscal indicators of the erstwhile State of Madhya Pradesh as proxy for Chhattisgarh, despite the fact that the new State has inherited the ***Tax Structure and Expenditure Pattern of Madhya Pradesh.***

5.4.2 The new State has the opportunity to build up and re-organize its own administrative structure, and that is one advantage which it has. It has also the advantage of bringing about Structural and Institutional changes in its Tax Structure and Expenditure pattern and also in its Public Debt Structure. It has the freedom to modify its outmoded Budgetary Techniques and formats and introduce innovations, wanted by changed circumstances.

5.4.3 We understand that the new State has taken the bold step of reducing the number of departments from 51 of the erstwhile State of MP, to just 18, by bringing related activities within a single department and by merging over-lapping departments. Such a step is reported to have been taken with a view to improving delivery of services and also for quick decision making and quick follow-up action. It is important that this initial advantage may not fritter away with the passage of time. The current policy of administrative reforms may continue, despite the pressure from the bureaucracy to increase the number of departments and the number of posts. But at the same time, the State Government has to ensure that different departments have adequate staff for their smooth and efficient functioning. In no case, economy should be at the cost of efficiency.

5.4.4 Because of the short period of time for which fiscal data are available, it would not be possible for us to evaluate the performance of the State in a comparative perspective. As already Stated, sophisticated statistical techniques of analysis may not be deployed when the data are for a very short period. We may overcome this difficulty to some extent, by presenting most of the fiscal variables ***as Percentages of GSDP of the State***, and also in terms of ***Percentages of relevant aggregates of the State. The GSDP data in the State is available upto 2002-03 (Actuals).*** We have projected the GSDP figures for the subsequent years, at the presumptive nominal rate of growth of 18% per annum. Despite some limitations and constraints, that we have highlighted above, ***we have made attempts to present in this Chapter, A Review Of The Finances Of The New State and also to present a Normative Assessment of Revenue and Expenditure of the State for the next 5 years, 2005-06 to 2009-10, and suggested Restructuring of the Finances of the State, in the next two Chapters respectively.*** Wherever possible, we would be presenting a comparative picture of the Finances of the ***Chhattisgarh*** State along with ***Other States*** of India.

5.4.5 The State Government has designed its ***Mid-Term Fiscal Reform Programme*** and has taken the benefit of the ***Incentive Fund*** provided by the Centre for the purpose, by causing ***Improvement in Important Fiscal Parameters***. Despite short period for which analysis is being done in the Chapter, we would select such parameters which can capture the essence of the performance of the New State.

5.5.0 Contours Of Financial Performance Of The State :

5.5.1 **Table No. 5.5**, which may be considered the ***Key Table, presents the Budgetary Position till 2001-02 to 2005-06,*** classified into Revenue Receipts and Capital Receipts, ***Total Expenditure*** , classified into Revenue and ***Capital Expenditure***. The Revenue Receipts have been further classified into Own Tax Revenue and Own Non-Tax Revenue and Receipts from the Centre in the form of share in Tax Revenue and Grants-in-Aid. Capital Receipts are classified into Recovery of Loans and Advances, Net Public Debt and Net Public Account. On the Expenditure side, the table presents data of ***Total Expenditure***, classified into Revenue and ***Capital Expenditure***. The details of Tax and ***Non-Tax Revenue*** and of Revenue and Expenditure are given in separate tables. On the basis of this table, we make only a Macro review of State Finances. Subsequent tables would make a disaggregated presentation of important fiscal aggregates.

5.5.2 ***The major indicators of the Fiscal Health of the State are Revenue Deficit, Fiscal Deficit and Primary Deficit.*** These are presented in the **Table No. 5.5, 5.6**.

5.5.3 The State is in a comfortable position in respect of ***Revenue Deficit***. The level of this deficit is not very high, out of 5 years, less than 1% in 1 year and less than 2% in 2 years and ***remaining 2 years it is Revenue Surplus in place of deficit***. The ***Fiscal Deficit*** though comparatively high, rising from a minimum of 3.08% in 2002-03 to a maximum of 5.91% in 2003-04, does not seem to be worrisome, since ***Revenue Deficit*** constitutes a very small proportion of ***Fiscal Deficit***s, even 2 years ***Revenue Surplus,*** less than 20% in 1 year, less than 30% in 1 year and less than 50% in another year. In some States, ***Revenue Deficit*** constituted 70 to 80% of ***Fiscal Deficit***s, posing a dangerous fiscal situation, indicative of the fact that borrowed funds have been mostly used for meeting the Consumption Expenditure of the State Governments. ***In Chhattisgarh State, though Fiscal Deficits have been higher in certain years, a large proportion of this Expenditure has been caused by increase in Capital Expenditure***. We have already emphasized the fact in an earlier Chapter that higher ***Fiscal Deficit*** need not necessarily be always undesirable. It cannot have adverse impact, if it is caused by higher ***Capital Expenditure*** which is productive in nature, and generates more income and output. It becomes dangerous, if it is mostly caused by increasing Revenue Expenditure. This redeeming feature of State Finances should not be permitted to peter out**.** One major flaw in the scheme of restructuring of State Finances, suggested by the **XII** FC is that it does not ***differentiate between the causes of this deficit*** and, therefore, has dubbed high ***Fiscal Deficit*** as financially dangerous. ***In our opinion a high Fiscal Deficit caused by increase in Capital Expenditure and spent judiciously on the creation of productive assets which generate income and employment, may be justified and, therefore, may be used as an instrument for promoting growth.***

5.6.0 Fiscal Indicators As Percentage Of Gross State Domestic Product Of The State :

5.6.1 Increase in ***GSDP*** should be reflected in the magnitude of certain ***Fiscal Indicators***. It is expected that the objective of Fiscal Policy should be to step up the ratio of these indicators to the ***GSDP***. Let us have a look at the ***relationship between GSDP and some of the Important Fiscal Indicators***. The **Table No. 5.7** presents this data.

5.6.2 The ***Tax/GSDP Ratio*** has shown an uptrend, rising from 6.75% of ***GSDP*** in 2001-02 to 7.94% in 2005-06. This ratio is more favorably placed when compared with most of the other States. ***A comparative picture of this ratio is*** presented in the **Table No. 5.8.**

5.6.3 We have calculated ***Tax/GSDP Ratio*** in terms of ***Average*** for the period 1999-2000 to 2001-02 and this figure comes to 7.02% which seems to be higher than 6.54 of ***All States*** for 1999-2000 to 2001-02. Our position is comfortable and need to be sustained and improved. There should be no slackening of effort on this front of mobilization of resources through ***Own Tax Revenue.*** The **N*on-Tax/GSDP Ratio*** continues to be low at about 3% of **GSDP**. ***One redeeming feature of fiscal situation of the State is that Total Receipts have shown as increasing proportion of GSDP, and so does the Total Expenditure. But the most encouraging fact is revealed by Capital Expenditure, as a % of GSDP, increasing from 1.89% in 2001-02 to 4.12% in 2005-06, on account of which Total Expenditure has gone up from 18.52% to 20.69% during the same period.***

5.7.0 Index Of Self-Reliance :

5.7.1 ***One of the important indictors of Fiscal Autonomy is Fiscal Self-Reliance which is the extent to which the State Government is capable of mobilizing Own Revenue for financing its Revenue Expenditure. This also indicates the level of fiscal discipline exhibited by the State.*** The index of Self-Reliance was designed by the ***XI^th^FC***, for the first time, with a view to providing incentive for better fiscal management to the States. The ***XII^th^FC*** had adopted an improvement in the ratio of ***Own Revenue Receipts*** of a State to its ***Total Revenue Expenditure***, related to a similar ratio for all the States, as the criterion for measurement. ***The improvement in this ratio can be***

brought about by higher Own Revenue or lower Revenue Expenditure or a combination of the two. The ***XII FC*** continued the construction of the index of Self-Reliance for measuring ***Fiscal Discipline*** and ***Fiscal Management***. The **Table No. 5.9** indicates the ***position of different States in respect of this Index***.

5.7.2 ***The Chhattisgarh State*** belongs to the category of such States which have recorded improvement in their indices of Self-Reliance, and consequently in fiscal management and fiscal discipline. Its ***Own Revenue/Revenue Expenditure Ratio*** of 56.68%, as the ***Average*** for 1993-94 to 1995-96, has improved to 58.24%, the average for 2000-01 to 2002-03. The ***Improvement Index of the State*** was 1.17, only 5 States out of 28, showing higher Improvement Index than that of Chhattisgarh, ***is a very encouraging situation***.

5.7.3 We have presented the ***Index of Self-Reliance for Chhattisgarh State*** in the **Table No. 5.9(A)**, by using the same methodology that was adopted by the ***XII th FC,*** and have ***juxtaposed the index for the new period, along with the earlier estimates of the XII th FC.***

5.7.4 Though the ***Index of Self-Reliance*** had improved during 2000-01 to 2002-03 compared to 1993-94 to 1995-96, but it has recorded a decline for the period of 2001-02 to 2003-04. ***This is worrisome and a matter of great concern. This indicates a slow-down in our Revenue Mobilization Effort and a larger growth in Revenue Expenditure.*** Consequently, the ***Improvement Index of the State*** has gone down from 1.17 during 2000-01 to 2002-03 and 0.89 during the period of 2001-02 to 2003-04. This is an unhealthy development and needs to be checked.

5.8.0 Revenue Receipts And Expenditure – Some Important Ratios :

5.8.1 Let us look at the performance of the State from another angle, that is, in terms of ***Percentage of different Revenue and Expenditure variables to the related aggregates.*** This data is derived from the **Table No. 5.5.** and presented in **Table No. 5.10.**

5.8.2 ***The table shows that Own Tax Revenue, Non-Tax Revenue as well as Total Own Revenue as Percentages of Total Revenue Receipts have been declining. This is an unhealthy Fiscal Development. These shares will have to increase for Healthy Fiscal Development.*** The dependence of the State on the Centre has been increasing as reflected by increasing share of Receipts of the Centre in the Total Receipts of the State Government. This is mostly not due to increase in magnitude of Grants-in-Aid rather than increase in share in Central Tax Revenue. This may be due to the fact that the Centre is making adequate efforts in the direction of resource mobilization through Tax Revenue. ***Own Receipts of the State as Percent of Total Receipts have recorded a decline, indicative of increasing dependence on the Centre (One important redeeming feature of the fiscal scenario of the State is that Own Revenue Receipts of the State as Percent of Revenue Expenditure has been increasing, indicative of increasing Self-Reliance),*** this fact has been indicated in the analysis made in a previous paragraph relating to Index of Self-Reliance. But Own Receipts as Percent of Total Expenditure***;*** have shown an increase, indicating greater reliance on Internal Sources and Receipts. ***Analysing the two components of Total Expenditure, as Revenue Expenditure and Capital Expenditure, we find that Revenue Expenditure as Percent of Total Expenditure has been declining but Capital Expenditure as percent of Total Expenditure has shown an increase.*** This ratio has gone up from 10.18% in 2001-02 to 19.90% in 2005-06 (R.E.). This is a healthy development. This needs to be sustained and further improved.

5.8.3 The Overall picture of the Finances of the ***State Government, as revealed by the table, is Healthy in terms of increasing share of Revenue Receipts in Total Revenue Expenditure and also in terms of increase in Capital Expenditure in Total Expenditure of the State.*** On the other hand, ***the picture appears to be Disappointing in terms of Own Tax and Non-Tax Revenue as percent of Total Revenue Receipts of the State.*** This necessitates increasing efforts in the direction of additional resource mobilization through Tax and Non-tax sources. One fact we would like to reiterate is that increase in ***Capital Expenditure*** for augmenting investment and building up infrastructure and improving the quality of infrastructure and services, needs to be maintained. But in no case, ***Capital Expenditure*** is to be used for meeting losses of non-departmental public enterprises, by contributing to their share capital or for servicing debt arising from off-budget borrowings. Wherever healthy trends are conspicuous, they need to be sustained and improved, but wherever unhealthy trends are appearing, they need to be curbed and reversed. ***This is the major requirement of the health of Fiscal Reforms in the State, as revealed by review of State Finances.***

5.9.0 Revenue structure of Chhattisgarh State :

5.9.1 The State of Chhattisgarh has inherited the Revenue structure of the erstwhile State of Madhya Pradesh, consequent upon the creation of the New State. The State did not lose much time to recover from the initial set-back caused by the disruption of the institutional framework and the consequent sluggishness in growth of Revenue.

5.9.2 Let us have a look at the ***Composition of Total Revenue Receipts*** of the **Table No. 5.11.**

5.9.3 It is clear from the **Table No. 5.11** that whereas the contribution of ***Own Sources*** to ***Total Revenue Receipts*** has declined from 62.07% in 2001-02 to 61.69% in 2004-05 but decreased to 58.04% in 2005-06 the contribution of ***Total Central Transfers (both in terms of Share in Central Taxes and Grants-in-Aid)*** has been increasing during the same period. ***This analysis demonstrated the fact that the State has been increasingly depending upon Central Transfers in respect of its Revenue Receipts.*** For making a further probe into the mater, we would be analyzing the performance of important individual sources of Tax Revenue as well as Non-Tax Revenue, in the subsequent two paragraphs of this Chapter.

5.10.0 Tax Structure Of The State :

5.10.1 As already Stated that the tax structure of the State has been inherited from the erstwhile State of ***Madhya Pradesh*** and it takes some time to change the structure. The Taxes which the State Government levies at present include, Land Revenue, Stamp Duty and Registration Fee, State Excise Duties, Sales Tax, Motor Vehicles Tax, Tax On Goods and Passengers, Duty on Electricity and a few other taxes. Most of the State Taxes included in the State list of taxes in the Constitution, are less elastic and also less productive. ***From the point of Revenue, the three most important Taxes are Sales Tax, State Excise Duties and Duty on Electricity. Of these, Sales Tax (now VAT) Accounts for more 50% of the Total Own Tax Revenue of the State.*** This shows high degree of concentration of reliance of the State on a single tax namely ***Sales Tax.*** Agriculture is the least taxed sector of the State Economy. The only direct tax levied on agriculture is the land Revenue which contributes insignificant share to the State kitty.

5.10.2 The **Table No. 5.12** present the ***Percentage contribution made by Important Individual Taxes to the Total Own Tax Revenue of the State***. The largest single item of Tax Revenue of the State is Sales Tax, accounting for nearly (53.08%) of ***Own Tax Revenue*** in 2005-06, followed by Excise Duty (14.56%), Duty on Electricity (9.75%) and Tax on Goods and Passengers (9.21%). ***There has been no change in the Relative Position of Individual Taxes in the Tax Structure of the State.*** Five year period is too short for showing any relative changes in the tax structure.

5.10.3 Despite multiplication of the number of Motor Vehicles in the State, the contribution of ***Motor Vehicle Tax*** has been declining. The relative contribution of ***State Excise Duty*** is also declining. All these decelerating trends point a finger to the question of evasion and leakage in Tax Revenue. ***In the interest of sound finance as well as for meeting the requirement of Fiscal Autonomy, it is imperative to augment the Own Tax Revenue of the State.*** We would re-visit this area in a subsequent chapter when we discuss the issue of restructuring of the Tax Structure of the State. At present we are mainly concerned with the analysis of the Tax Structure and the changing Revenue Structure of the State.

5.11.0 Non-Tax Revenue Structure Of The State :

5.11.1 The second component of the Revenue Structure of the State is the ***Non-Tax Revenue***. But like the Tax component, the component of Non-Tax Revenue is also showing a declining contribution to the Total Own Revenue of the State. ***The contribution of Non-Tax Source in Revenue Receipts*** has come down from 16.51% in 2001-02 to 14.12% in 2005-06. The Non-Tax sources of Revenue include items like Interest Receipts, Dividends and Profits of State Undertakings, Revenue from General Services and Economic Services. Of all items of Non-Tax Revenue, Economic Services rendered by the State, contribute the bulk of Non-Tax Revenue to the State, though the percent share has increased from 84.74% in 2001-02 to 85.08% in 2005-06. This source of ***Economic Services*** includes Revenue from Forests, Minerals and Mines, Irrigation, besides other items.

5.11.2 The **Table No. 5.13** presents the ***Relative Contribution of different sources of Non-Tax Revenue in the Total Non-Tax Revenue of the State.***

5.11.3 The Non-Tax Sources have not yet been developed to the extent that they may become a substantial and dependable source of State Revenue, despite the fact that the issue of user charges has been debated since long. Though a substantial potential exists in this Source of Revenue, Non-Economic considerations have outweighed the Economic factors while taking decision in respect of mobilization of resources through this instrument. The issue of charging user charges has been highly controversial and has been debated thoroughly, but without coming to any definite conclusion.

5.11.4 At present a large number of Public Services, both Social and Economic, are being subsided either because they are made available free or user charges being lower than the cost of rendering such services to the public. Such subsidies may be implicit as well as explicit. Public subsidization of many Economic and Social Services is a common feature of not only welfare societies but also of the market Economies.

5.11.5 Subsidization may not be justified in respect of each and every service and also of every section of society. It is a highly complicated issue to which we would come back in a subsequent chapter, when we discuss the issue of ***Restructuring of State Finances***. At this stage we have to examine the extent to which Social and Economic Services provided by the State Government are being subsidized. To examine this issue, let us have look at the **Table No. 5.14** which shows ***Expenditure of the State Government on two Important Groups of Services, viz. Social and Economic Services, and the amount realized by the State in the form of User Charges***. Equity demands that Social Services, more particularly, Education and Public Health and Welfare, may be provided by the State at zero cost or at very low price. But services like Transport, Power, Housing, Irrigation, Supply of Inputs, are to be provided at such prices which cover the cost of rendering such services. The **Table No. 5.14** presents information about the extent of ***Recovery of User Charges from the supply of Social and Economic Services in the State.***

5.11.6 The **Table No. 5.14** provides a indicator of the Resources Mobilized from different services in terms of Revenue Expenditure. In respect of ***Social Services, the Recovery Ratio*** has 1.04% in recent 2005-06, which implies that Revenue mobilized from the provision of these services has been just one percent of ***Total Expenditure*** incurred. But the ***Recovery Ratio in respect of Economic Services***, though high, has been going down from 53.21% in 2001-02 to 48.95% in 2005-06. This is alarming. This is an indication of subsidy going from the State Exchequer to the well-to-do sections of society. The returns on Government Investment in the form of recovery of user charges of Public Services, have suffered a set-back during the period under review. It is true that Social and Economic Services generate wide variety and huge magnitude of externalities, which include reduction of population growth, reduction in poverty, improvement in income distribution, reduction in crime, rapid adoption of new technology, strengthening of democratic institutions, improvement in institutions ensuring civil liberties, etc. These externalities have not been included in the above ***Analysis of the Measurement of Cost and Benefit*** of Economic and Social Services. Their inclusion may definitely reduce our resistance against subsidies which are generally considered as fiscal burden, in their absence.

5.12.0 Trends In Public Expenditure In Chhattisgarh :

5.12.1 One structural problem which the State encounters often gets reflected in the emergence of higher growth of Expenditure. Once the Government starts spending on an item, the Expenditure gathers momentum through time. But a mere growth of Public Expenditure may not be considered as against the canons of Public Finance. What may be against the principle of Public Finance is cutting back Developmental Expenditure, with a view to stepping up unproductive or Non-Developmental Expenditure. The role of Public Expenditure has been changing though not being reduced, since the introduction of Economic Reforms in the Country. It is true that now it is the market which provides and allocates resources among alternative uses, and the Private Sector has taken over a number of Economic Activities from the State Public Sector, but the fact remains the responsibility for building up and improving Physical Infrastructure and Human Resource Development, lies with the State. The provision of a wide range of Economic Activities like Public Transport, Irrigation, Warehousing, Power, Development of Agriculture, Development of Backward classes and Women, Social Services like Education and Public Health, belong to the domain of State Government. Public Expenditure and its broad pattern and priorities will continue to influence the direction and quantum of investment made by the market forces.

5.12.2 Looking to the ***Composition of Public Expenditure*** in the State, we find that nearly 1/3rd of ***Total Revenue Expenditure*** goes to meet Expenditure on ***General Services*** and this figure has virtually remained constant at 33 to 35% of ***Revenue Expenditure***. But what is depressing to observe that there has been decline in the share of ***Public Expenditure*** on ***Social Services***, from 38.95% in 2001-02 to 34.22% in 2004-05, though there has been an up in the next year. Among the ***Social Services***, though rightly the share of ***Education*** has gone up from 14.13% in 2001-02 to 16.72% in 2005-06, ***Public Health & Family Welfare***, have recorded a decline then increase in their share in ***Total Revenue Expenditure***. This is to be deplored, in the wider context of deteriorating ***Public Health Services*** in the State. Similarly some other ***Social Services*** like ***Water Supply and Sanitation, Welfare of SC & ST***, have also recorded decline in their respective shares.

5.12.3 The ***Economic Services*** on which mostly depends the development of physical infrastructure and developmental activities, have shown fluctuation in their share in Public Expenditure. ***Economic Services*** accounted for 23.41% of Total Revenue Expenditure in 2001-02 and further to 29.05% in 2003-04, but in the next 2 years, there has been persistent decline to 27.11% and 26.76% respectively. Such a decline is unjustified and is against the interest of State Economy. Among the ***Economic Services***, the areas which have recorded increases are, Agriculture and Allied Activities, Power, Rural Development, and Industry and Minerals. The remaining Sub-Sectors like, Irrigation, Flood Control, and Transport, have recorded decreases in their respective shares. ***Increasing share of Grants-in-Aid of Local Bodies***. Such an allocation of resources as made in the budgetary allocations of the last 5 years do not seem to be growth-oriented, and consistent with the requirements and priorities of the State that we have identified in an earlier chapter entitled ***"Economy Of Chhattisgarh State".***

5.12.4 The **Table No. 5.15** presents the ***Composition of Public Expenditure in the State on Revenue Account***

5.13.0 Trends In Capital Expenditure :

5.13.1 ***Capital Expenditure***, is by and large, considered to be productive. It creates productive assets and generates income and employment. In most of the States of India and also at the Central level, as we have seen in this Chapter, there has been cut-backs in ***Capital Expenditure***, with a view to meeting the increasing requirements of ***Revenue Expenditure***, leading to increase in ***Revenue Deficit***s and consequently ***Fiscal Deficit***s. As already observed, ***higher Fiscal Deficits contributed by higher Revenue Deficits, are not Economically and Socially desirable. But Fiscal Deficits caused by higher Capital Expenditure may have healthy impact on the State Economy,*** by creating more productive assets which yield more income and more tax and ***Non-Tax Revenue*** to the State. ***One redeeming feature of State Finances has been rapid increase in Capital Expenditure.*** This is shown by the accompanying **Table No. 5.16**. The magnitude of ***Capital Expenditure*** has increased by nearly four times, from Rs 557.13 crores in 2001-02 to Rs 2137.53 crores in 2005-06. ***As a percent of Total Expenditure***, ***Capital Expenditure*** has increased from 10.18% in 2001-02 to 19.90% in 2005-06. ***As percentage of GSDP of the State***, Capital Expenditure has gone up from 1.89% to 4.12% of GSDP during the same period. This is a healthy fiscal development and, therefore, needs to be maintained and continued.

5.14.0 Public Debt of Chhattisgarh State :

5.14.1 No review of State Finances can be considered as complete unless it makes an assessment of the ***Debt Position*** of the State. Public Debt is an important source of finance, and Public Debt Policy is considered to be an important instrument of Fiscal Policy.

5.14.2 Let us make a quick review of ***the Public Debt of the Chhattisgarh State***. The two important indicators of the burden of Public Debt are ***(i) the Debt GSDP Ratio, and (ii) Interest Payment as percentage of Total Revenue Receipts of the State.*** These are the two standard criteria for determining the sustainability of Public Debt of the State. But there has been difference of opinion in this context. ***Considered in the sense of standard criteria, the Chhattisgarh State is favourably placed in terms of both the criteria.***

5.14.3 In the **Table No. 5.17**, we present the ***Debt - GSDP Ratio of Chhattisgarh***, juxtaposed along with that of ***Madhya Pradesh*** and ***Non-Special Category States.***

5.14.4 The ***Debt-GSDP Ratio*** of ***Chhattisgarh*** State is lower than that of ***MP*** and also of the ***Average of Non-Special Category States***. It is also within the acceptable ratio. In this context, we would like to highlight one important point that it would not be correct to determine the ratio within some pre-determined numerical limit, since debt sustainability largely depends upon the relationship between the interest rate to be paid on loan and the anticipated return on public investment. ***Clearly, any level of Debt Financed Capital Investment that generates a rate of return that is higher than the rate of interest, is sustainable.*** So restructuring Public Debt to any given Ratio of GSDP makes little sense. Certainly even a lower ratio becomes unsustainable, if borrowed funds are deployed for meeting current expenditure or ***Revenue Deficit***. It is mainly because of the use of Public Debt for financing ***Revenue Deficit***s that had resulted in large fiscal imbalances of the Centre and of the States during 1995-96 and 2001-02.

5.14.5 The second criterion for ***determining the sustainability of Debt is the Ratio of Interest Payment to Total Revenue Receipts.*** The **Table No. 5.18** presents such data. The table shows that ***the burden of Interest Payment as Percent of Revenue Receipts of the State,*** is comparatively lower than that of ***Madhya Pradesh*** and also the ***average of Non-Special Category States in the Country.***

5.14.6 Not only the quantum of Public Debt and the Payment of Interest there on are to be considered for assessing the sustainability of Public Debt, but also the quality of debt which mainly depends upon the sources from which funds are borrowed and the terms and conditions on which funds have been borrowed. In this context, let us look at the composition of the Public Debt of the Chhattisgarh State. The **Table No. 5.19** presents ***the Composition of Public Debt of Chhattisgarh, juxtaposed with the aggregate of all the States.***

5.14.7 The **Table** shows that ***Central Loans to the State Government*** constituted the largest component of the ***Public Debt of Chhattisgarh State***, accounting for 52% of the ***Total Debt*** at the end of March, 2004 and 48.4% at the end of March, 2005, as against 27.12% for all the Non-Special Category States in the Country. These are often market loans raised by the Centre at the prevailing rates of interest but lent to the States at rates higher than the market rate. There has been gradual reduction in the dependence of the States on the Centre. The Chhattisgarh State has also to reduce its borrowings from the Centre. The Centre has also decided not to raise loans from the market for the States, but the State Governments have been permitted to raise directly loans from the market, subject to the regulation of the Centre. In recent years, market borrowings have emerged, as the cheapest source of funds for the State Governments. The States access to market borrowings is, however, being regulated by the Centre in view of the own requirements and the liquidity position in the market. The dependence of the State on market borrowings, has increased from 26.8% of the total in 2004 to 29.52% in 2005. This percentage is higher than that of the average for all the States. Market borrowings have two advantages. Firstly, the rates of interest are competitive and, therefore, lower and secondly, market borrowings serve the purpose of evaluation of the viability of the projects for which the State Government intends to borrow.

5.14.8 One redeeming feature ***of Borrowings of the State Government*** has been that there has been no dependence on ways and means advances for meeting current requirements of the State Government. ***On the whole, the position of the State Government in respect of Public Debt is quite Comfortable and Sustainable. But it needs Restructuring in the Interest of long term growth of the State.*** In a subsequent Chapter, we would be suggesting Restructuring of the Public Debt, along with Restructuring of the Finances of the State Government.

Table No. 5.1

Over-All Budgetary Position
Of The Government Of India (As % Of GDP)
(1992-93 -2005-06)

S No.	Indicators	92-93	95-96	00-01	01-02	02-03	03-04	04-05	05-06 (RE)
1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**
1.	Revenue Receipts (A+B)	11.0	9.3	9.2	8.8	9.4	9.6	9.8	9.9
(A)	Tax Revenue (Net To Centre)	8.0	6.9	6.6	5.9	6.5	6.8	7.2	7.8
(B)	Non-Tax Revenue	3.0	2.4	2.7	3.0	2.9	2.8	2.6	2.1
2.	Capital Receipts	5.4	4.9	6.4	7.1	7.4	7.7	6.4	4.1
3.	**Total Receipts (1+2)**	**16.4**	**14.2**	**15.6**	**15.9**	**16.8**	**17.2**	**16.2**	**14.0**
4.	***Total Expenditure* (A+B)**	**18.2**	**15.0**	**15.6**	**15.9**	**16.9**	**17.1**	**15.9**	**14.4**
(A)	Revenue Expenditure	13.8	11.8	13.3	13.2	13.8	13.1	12.3	12.5
(B)	Capital Expenditure	4.4	3.2	2.3	2.7	3.0	4.0	3.6	1.9
5.	Revenue Deficit	2.8	2.5	4.0	4.4	4.4	3.6	2.5	2.6
6.	Fiscal Deficit	6.0	5.1	5.6	6.2	5.9	4.5	4.0	4.1
7.	Primary Deficit	1.4	0.9	0.9	1.5	1.1	0.03	0.08	0.5

(Source : RBI (2005) Annual Report , RBI (2004) Handbook of Statistics of Indian Economy)

Table No. 5.2

Suggested Restructuring Of Central Finances
(As % of GDP)
(2004-05 & 2009-10)

SNo.	Fiscal Parameters	2004-05	2009-10	Adjustment 2009-10 Minus 2004-05	Average Adjustment Per Year
1	**2**	**3**	**4**	**5**	**6**
1.	Gross Tax Revenue	9.7	10.9	1.2	0.24
2.	Tax Revenue (Net To Centre)	7.2	7.9	0.8	0.16
3.	Non-Tax Revenue	2.2	2.2	0.0	0.01
4.	**Total Revenue Receipts**	**9.4**	**10.2**	**0.8**	**0.17**
5.	Interest Payment	4.2	2.8	-1.3	-0.26
6.	**Total Revenue Expenditure**	**11.9**	**10.2**	**-1.7**	**-0.33**
7.	Capital Expenditure	3.0	3.5	0.5	0.10
8.	***Total Expenditure***	**14.8**	**13.7**	**-1.2**	**-0.23**
9.	Revenue Deficit	2.5	00	-2.5	-0.50
10.	Fiscal Deficit	4.5	3.0	-1.5	-.0.29
11.	Primary Deficit	0.3	0.2	-0.2	-0.03
12.	Interest Payments/ Revenue Receipts	44.5	28.0	-16.6	-3.32

(Source - XIIth Finance Commission on 2004, Page 75)

Table No. 5.3

Main Fiscal Indicators

Aggregate State Finances (As % Of GDP)

(1990-91,95-96,2001-02 to 2005-06)

S. No.	Fiscal Indicators	1990-91	95-96	2001-02	02-03	03-04	04-05	2005-06 (RE)
1	2	3	4	5	6	7	8	9
I.	Total Receipts	16.0	15.2	16.7	17.2	18.2	18.6	17.4
1.	**Revenue Receipts**	**11.7**	**11.5**	**11.2**	**11.3**	**11.2**	**11.9**	**12.9**
i)	States Own Revenue	7.0	7.3	7.2	7.2	7.1	7.6	7.7
ii)	Tax Revenue (Own)	5.3	5.4	5.8	5.8	5.7	6.1	6.4
iii)	Non –Tax Revenue(Own)	1.6	1.9	1.4	1.4	1.3	1.5	1.3
2.	Central Transfers	4.7	4.2	4.0	4.1	4.1	4.3	5.2
i)	Share In Taxes	2.5	2.4	2.1	2.3	2.4	2.5	2.6
ii)	Grants-In-Aid	2.3	1.8	1.9	1.8	1.8	1.8	2.6
3.	Capital Receipts	4.4	3.7	5.5	5.9	7.5	6.7	4.6
i)	Loans From The Centre	2.5	1.6	1.1	1.1	0.9	0.9	0.3
ii)	Other Capital Receipt	1.9	2.0	4.4	4.9	6.6	5.8	4.3
II.	Aggregate Expenditure	16.0	14.9	16.6	17.0	18.7	18.3	17.3
1.	**Revenue Expenditure**	**12.6**	**12.2**	**13.9**	**13.5**	**13.4**	**13.1**	**13.3**
2.	Capital Expenditure	3.4	2.7	2.8	3.5	5.3	5.2	3.9
3.	Development Exp.	11.1	9.7	9.5	9.2	9.9	9.4	10.3
4.	Non-Development Exp.	4.0	4.7	6.1	6.1	6.0	6.0	5.8
III.	**Gross Fiscal Deficit**	**3.3**	**2.6**	**4.2**	**4.1**	**4.4**	**3.5**	**2.7**
IV.	**Revenue Deficit**	**0.9**	**0.7**	**2.6**	**2.2**	**2.2**	**1.2**	**0.05**
V.	**Primary Deficit**	**1.8**	**0.8**	**1.5**	**1.3**	**1.5**	**0.7**	**0.2**

(***Source*** - RBI-Annual report 2004-05, 2005-06),Handbook of Statistics on Indian economy

Study of State finances – 2004-05

Table No. 5.4

Summary Of Suggested Restructuring Of State Finances
(2004-05 & 2009-10)

S. No.	Fiscal Indicators	2004-05	2009-10	Average Adjustment Per Year
		(% of *GDP*)		
1	2	3	4	5
1.	Own Tax Revenue	5.9	6.8	0.17
2.	Total Tax Revenue	8.4	9.7	0.25
3.	Non-Tax Revenues	3.2	3.5	0.07
4.	**Total Revenue Receipts**	**11.4**	**13.2**	**0.32**
5.	Interest Payments	2.9	2.0	-0.18
6.	**Total Revenue Expenditure**	**13.6**	**13.2**	**-0.08**
7.	Capital Expenditure	2.6	3.1	0.10
8.	Total Expenditure	16.2	16.3	0.01
9.	**Revenue Deficit**	**2.00**	**0.0**	**-0.40**
10.	**Fiscal Deficit**	**4.5**	**3.0**	**-0.30**
11.	**Primary Deficit**	**1.6**	**1.0**	**-0.12**
12.	Debt Liabilities	30.3	30.8	0.11
13.	Interest Payment/Revenue Receipts	24.9	15.0	-1.99

*(Source- **XII th Finance Commission** page 75)*

Table No. 5.5

Budgetary Position Of The State Government

(2001-02 To 2005-06)

(In Crores Rs.)

S. No.	Items	2001-02 A/c	2002-03 A/c	2003-04 A/c	2004-05 A/c	2005-06 (RE)
1	2	3	4	5	6	7
I	**Revenue Receipts**	**4375.70**	**5417.30**	**5959.32**	**7248.87**	**9384.43**
(i)	**States Own Revenue(A+B)**	**2715.52**	**3284.00**	**3712.66**	**4471.80**	**5446.96**
(A)	Own Tax Revenue	1993.14	2327.44	2588.25	3227.87	4122.21
(B)	Own Non-Tax Revenue	722.38	956.56	1124.41	1243.93	1324.75
(ii)	Receipts From The Central (A+B)	1660.18	2133.30	2246.66	2777.07	3937.47
(A)	Share In Central Taxes	1175.79	1349.90	1569.70	1876.22	2400.02
(B)	Grants-In-Aid	484.39	783.40	676.96	900.85	1537.45
II	**Capital Receipts (A+B+C)**	**1176.89**	**844.39**	**2469.93**	**1256.83**	**1210.90**
(A)	Recovery Of Loans And Advances	9.09	18.68	10.65	14.80	40.86
(B)	Net Public Debt	810.59	1200.31	1654.14	758.16	934.73
(C)	Net Public Account	357.21	-374.60	805.14	483.87	235.31
III	**Total Receipts (I +II)**	**5552.59**	**6261.69**	**8429.25**	**8505.70**	**10595.33**
IV	**Revenue Expenditure (A+B)**	**4914.12**	**5530.00**	**6600.42**	**7103.05**	**8602.67**
(A)	Plan	1016.44	1269.72	1541.05	1620.07	2565.42
(B)	Non-Plan	3897.68	4260.28	5059.37	5482.98	6037.25
	(Interest Payments)	702.01	809.86	1053.80	1151.91	1010.36
V	**Total Capital Expenditure (A+B)**	**557.13**	**878.59**	**1573.18**	**1392.17**	**2137.53**
(A)	Capital Expenditure	476.26	819.79	1015.49	1279.13	1762.64
(B)	Loan And Advances	80.87	58.80	557.69	113.04	374.89
VI	**Total Expenditure (IV+V)**	**5471.25**	**6408.59**	**8173.60**	**8495.22**	**10740.20**
VII (A)	**Deficits** **Revenue Deficits (I– IV)**	**-538.42**	**-112.70**	**-641.10**	**145.82**	**781.76**
(B)	**Fiscal Deficit {(I+II(A))-VI}**	**-1086.46**	**-972.61**	**-2203.63**	**-1231.55**	**-1314.91**
(C)	**Primary Deficit (Fiscal Deficit – Interest Payments)**	**-384.45**	**-162.76**	**-1149.83**	**-79.65**	**-304.55**

(Source – Budget in brief of different years and Finance Secretary's financial Statements for different years)

Table No. 5.6

Fiscal Indicators As Per Cent Of GSDP Of The State

(2001-02 To 2005-06)

(In %)

Year	Revenue Deficit/Surplus	Fiscal Deficit	Primary Deficit	Revenue Deficit As % Of Fiscal Deficit	All States Average		
					Revenue Deficit	Fiscal Deficit	Primary Deficit
1	2	3	4	5	6	7	8
2001-02	-1.82	-3.68	-1.30	49.56	2.6	4.2	1.5
2002-03	-0.36	-3.08	-0.52	11.59	2.2	4.1	1.3
2003-04	-1.72	-5.91	-3.08	29.10	2.2	4.4	1.5
2004-05	0.33	-2.80	-0.18	-	1.2	3.5	0.7
2005-06 R.E.	1.51	-2.53	-0.59	-	0.05	2.7	0.2

Note: (-) in two years Revenue Surplus.

(Calculated on the basis of data provided in the annual budgets and the Finance Secretary Statements for various years)

Table No. 5.7

Fiscal Indicators As Per Cent Of GSDP Of The State

(2001-02 To 2005-06)

(In %)

S. No.	Fiscal Indicators	2001-02	2002-03	2003-04	2004-05	2005-06
1	2	3	4	5	6	7
1.	Own Tax Revenue	6.75	7.37	6.94	7.34	7.94
2.	Own Non-Tax Revenue	2.44	3.03	3.02	2.83	2.55
3.	**Total Own Resources**	**9.19**	**10.40**	**9.96**	**10.17**	**10.50**
4.	Receipts From Centre	5.62	6.75	6.03	6.31	7.59
5.	Revenue Receipts	14.81	17.15	15.99	16.48	18.08
6.	Capital Receipts	3.98	2.67	6.63	3.23	2.80
7.	Total Receipts	18.79	19.82	22.61	19.34	20.42
8.	Revenue Expenditure	16.63	17.51	17.71	16.15	16.58
9.	**Capital Expenditure**	**1.89**	**2.78**	**4.22**	**3.17**	**4.12**
10.	**Total Expenditure**	**18.52**	**20.29**	**21.93**	**19.31**	**20.69**

(Calculated from budgetary data and the projected estimates of GSDP)

Table No. 5.8

Tax-GSDP Ratio

(Average For 1999-2000 To 2001-02)

S.No.	State	Ratio (%)
1	**2**	**3**
1.	Andhra Pradesh	7.27
2.	Arunachal Pradesh	1.21
3.	Assam	4.29
4.	Bihar	4.24
5.	**Chhattisgarh**	**6.38**
6.	Goa	6.80
7.	Gujarat	7.74
8.	Haryana	7.78
9.	Himachal Pradesh	5.04
10.	Jammu & Kashmir	3.92
11.	Jharkhand	4.85
12.	Karnataka	8.18
13.	Kerala	7.81
14.	Madhya Pradesh	5.49
15.	Maharashtra	7.49
16.	Manipur	1.14
17.	Meghalaya	3.25
18.	Mizoram	0.79
19.	Nagaland	1.17
20.	Orissa	5.16
21.	Punjab	6.73
22.	Rajasthan	6.14
23.	Sikkim	4.04
24.	Tamil Nadu	8.63
25.	Uttar Pradesh	5.45
26.	Tripura	2.12
27.	Uttranchal	5.88
28.	West Bengal	4.22
	All States	**6.54**

(Source : Report of the ***XI****th* *Finance Commission, page 417)*

Table No. 5.9

Index Of Fiscal Self-Reliance

(1993-94 to 1995-96 & 2000-01 to 2003)

SNo.	States	Own Revenue / Revenue Expenditure (%)		Relative To All States (Ratio)		Improvement Index (Ratio)
		Average 1993-94 1995-96	Average 2000-01 2002-03	1993-94 1995-96	2000-01 2002-03	
1	2	3	4	5	6	7
1.	Andhra Pradesh	59.22	59.46	1.04	1.18	1.14
2.	Arunachal Pradesh	20.27	9.51	0.36	0.19	0.53
3.	Assam	30.24	32.66	0.53	0.65	1.23
4.	Bihar	34.21	24.78	0.60	0.49	0.82
5.	**Chhattisgarh**	**56.68**	**58.24**	**0.99**	**1.16**	**1.17**
6.	Goa	77.92	73.97	1.37	1.47	1.08
7.	Gujarat	79.57	58.81	1.40	1.17	0.84
8.	Haryana	75.48	77.62	1.32	1.55	1.17
9.	Himachal Pradesh	25.68	21.94	0.45	0.44	0.97
10.	J&K	16.93	21.10	0.30	0.42	1.42
11.	Jharkhand	34.21	54.36	0.60	1.08	1.81
12.	Karnataka	73.62	61.52	1.29	1.23	0.95
13.	Kerala	63.69	54.24	1.12	1.08	0.97
14.	Madhya Pradesh	56.68	48.83	0.99	0.97	0.98
15.	Maharashtra	80.09	67.50	1.40	1.34	0.96
16.	Manipur	9.45	7.49	0.17	0.15	0.90
17.	Meghalaya	19.74	19.35	0.35	0.39	1.11
18.	Mizoram	6.55	5.60	0.11	0.11	0.97
19.	Nagaland	9.44	6.85	0.17	0.14	0.82
20.	Orissa	37.56	34.32	0.66	0.68	1.04
21.	Punjab	69.59	57.71	1.22	1.15	0.94
22.	Rajasthan	52.03	45.81	0.91	0.91	1.00
23.	Sikkim	16.30	18.24	0.29	0.36	1.27
24.	Tamil Nadu	68.56	64.60	1.20	1.29	1.07
25.	Tripura	10.22	13.76	0.18	0.27	1.53
26.	U.P.	42.55	41.48	0.75	0.83	1.11
27.	Uttranchal	42.55	37.19	0.75	0.74	0.99
28.	West Bengal	50.70	32.20	0.89	0.64	0.72
	All States	**57.02**	**50.20**	**1.00**	**1.00**	**1.00**

*(Source: **XII**th Finance Commission Report, page 418)*

Table No. 5.9 (A)

Index Of Self-Reliance Of State - Improvement Index (Ratio)
(1993-94 to 1995-96 - 2001- 02 to 2003-04)

Period Average	Period Average	Period Average	Improvement Index (Ratio)	
1	2	3	4	
1993-94 to 1995-96	2000-01 to 2002-03	2001-02 to 2003-04	2000-01 to 2002-03	2001-02 to 2003-04
56.68%	**58.24%**	**56.97%**	**1.17**	**0.89**

(Source : Calculated from budgetary data)

Table No. 5.10

Some Important Ratios Of Receipts And Expenditure
(2001-02 To 2005-06)

(In %)

SNo.	Indicators	2001-02	2002-03	2003-04	2004-05	2005-06
1	2	3	4	5	6	7
1.	Own Tax Revenue as % of Total Revenue Receipts	45.55	42.96	43.43	44.53	43.93
2.	Own Non-Tax Revenue as % of Total Revenue Receipts	16.51	17.66	18.87	17.16	14.12
3.	Total Own Revenues % of Revenue Receipts	62.06	60.62	62.30	61.69	58.04
4.	Receipts From The Centre as % of Total Revenue Receipts	37.94	39.38	37.70	38.31	41.96
	(I) Share In Central Taxes as % of Revenue Receipts	26.87	24.92	26.34	25.88	25.57
5.	Revenue Receipts as % Of Total Receipts	78.80	86.51	70.70	85.22	88.57
6.	Total Tax Revenue (Own + Share In Central Taxes) as % of Revenue Receipts	72.42	67.88	69.77	70.41	69.50
7.	Own Revenue Receipts as % of Total Receipts	40.91	52.45	44.04	52.57	51.41
8.	Capital Receipts As Percent of Total Receipts	21.20	13.49	29.30	14.78	11.43
9.	Total Own Revenue Receipts as Percent of Revenue Expenditure	55.26	59.39	56.25	62.96	63.32
10.	Total Own Revenue Receipts as Percent of Total Expenditure	49.63	51.24	45.42	52.64	50.72
11.	Revenue Expenditure as % of Total Expenditure	89.82	86.29	80.75	83.61	80.10
12.	Capital Expenditure as % of Total Expenditure	10.18	13.71	19.25	16.39	19.90

*(**Source** : Calculated from the fiscal data provided by the budget and the Finance Secretary Statements)*

Table No. 5.11

Composition Of Revenue Receipts Of State
(As % Of Total Revenue Receipts)
(2001-02 To 2005-06)

SNo.	Indicators	2001-02	2002-03	2003-04	2004-05	2005-06
1	2	3	4	5	6	7
	I. Own Sources					
i)	Own Tax Revenue	45.55	42.96	43.43	44.53	43.93
ii)	Non-Tax Revenue	16.51	17.66	18.87	17.16	14.12
I.	**Total Own Revenue (i + ii)**	**62.07**	**60.62**	**62.30**	**61.69**	**58.04**
	II. Central Transfers					
i)	Share In Central Taxes	26.87	24.92	26.34	25.88	25.57
ii)	Grants-In-Aid	11.07	14.46	11.36	12.43	16.39
II.	**Total Central Transfers (i + ii)**	**37.94**	**39.38**	**37.70**	**38.31**	**41.96**
	Grand Total (I + II)	**100**	**100**	**100**	**100**	**100**

(Source : Calculated from the budgetary data of the State)

Table No. 5.12

Share Of Individual Taxes To State Total Own Tax Revenue
(2001-02 To 2005-06)

(In%)

S. No.	Taxes	2001-02	2002-03	2003-04	2004-05	2005-06
1	2	3	4	5	6	7
1.	Land Revenue	0.83	0.54	0.15	0.89	1.09
2.	Stamp & Registration	6.09	6.36	6.60	7.68	6.31
3.	State Excise Duty	15.73	15.54	15.55	14.20	14.56
4.	Sales Tax	47.17	47.37	50.17	51.86	53.08
5.	Motor Vehicles Tax	6.27	6.78	6.45	5.94	5.46
6.	Tax On Goods & Passengers	9.85	10.81	8.89	8.90	9.21
7.	Duty On Electricity	11.34	10.50	10.37	9.57	9.75
8.	Others	2.72	2.10	1.82	0.97	0.54

(Source : Calculated on the basis of budgetary data)

Table No. 5.13

Different Non-Tax Sources Of State Total Non-Tax Revenue

(2001-02 To 2005-06)

(In %)

S. No.	Items	2001-02	2002-03	2003-04	2004-05	2005-06
1	2	3	4	5	6	7
1.	Fiscal Services (Interest Receipts & Dividend)	7.49	12.67	13.99	8.14	8.31
2.	General Services	4.24	8.70	8.80	5.26	3.89
3.	Social Services	3.52	3.33	2.11	1.84	2.72
4.	Economic Services	84.75	75.30	75.11	84.76	85.08
Total		**100.00**	**100.00**	**100.00**	**100.00**	**100.00**

Table No. 5.14

Social And Economic Services – Revenue Receipts And Expenditure

(2001-02 To 2005-06)

(In Crores Rs.)

Year	Revenue From		Expenditure On		Revenue As Percent Of Expenditure On	
	Social Services	Economic Services	Social Services	Economic Services	Social Services	Economic Services
1	2	3	4	5	6	7
2001-02	25.44	612.20	1913.85	1150.59	1.33 %	53.21%
2002-03	31.83	720.26	2086.44	1443.06	1.53%	49.91%
2003-04	23.70	844.51	2268.47	1917.23	1.04%	44.05%
2004-05	22.91	1054.39	2430.95	1925.43	0.94%	54.76%
2005-06	36.12	1127.10	3461.42	2302.34	1.04%	48.95%

(Sources : Calculated from budgetary data of the State)

Table No. 5.15

Composition Of Revenue Expenditure In The State
(2001-02 To 2005-06)

(In %)

SNo.	Items Of Public Expenditure	2001-02	2002-03	2003-04	2004-05	2005-06
1	2	3	4	5	6	7
1.	**General Services**	**34.94**	**33.25**	**32.64**	**35.11**	**29.14**
2.	**Social Services**	**38.95**	**37.73**	**34.37**	**34.22**	**40.24**
i)	Education	14.13	13.46	14.13	16.00	16.72
ii)	Public Health & Family Welfare	4.71	4.56	3.91	3.91	4.29
iii)	Sc & St	10.23	9.44	7.32	6.49	6.57
iv)	Water Supply, Sanitation	2.98	3.12	2.70	2.23	2.83
v)	Urban Development	1.04	1.10	0.98	0.98	1.76
vi)	Social Security & Welfare	3.25	3.87	3.76	4.01	5.03
vii)	Labour & Employment	0.43	0.38	0.31	0.35	0.40
viii	Natural Calamities	1.99	1.57	1.08	0.09	2.44
ix	Others	0.17	0.23	0.18	0.16	0.19
3.	**Economic Services**	**23.41**	**26.10**	**29.05**	**27.11**	**26.76**
i)	Agriculture And Allied Activities	9.51	11.88	15.77	13.59	13.28
ii)	Rural Development	6.97	5.62	4.46	6.20	7.83
iii)	Irrigation & Flood Control	1.72	2.87	2.01	1.70	1.02
iv)	Power	1.68	1.56	3.15	2.17	1.82
v)	Industry And Mining	0.72	0.70	0.84	0.86	0.98
vi)	Transport	2.67	3.29	2.61	2.28	1.52
vii)	Science & Technology	0.00	0.01	0.01	0.02	0.04
viii	General Economic Services	0.15	0.18	0.21	0.32	0.31
4.	**Grants To Local Bodies**	**2.70**	**2.92**	**3.94**	**3.55**	**3.86**

(Source : Budget in Brief – different years)

Table No. 5.16

Capital Expenditure In The State

(2001-02 To 2005-06)

(In Crores Rs.)

SNo.	Items	2001-02	2002-03	2003-04	2004-05	2005-06
1	2	3	4	5	6	7
1.	**General Services**	**20.08**	**19.22**	**21.80**	**29.27**	**35.98**
2.	**Social Services**	**106.47**	**136.82**	**185.46**	**255.72**	**448.54**
i)	Education	2.05	6.22	37.02	53.28	92.92
ii)	Public Health	12.41	19.62	33.71	38.62	51.72
iii)	SC, ST & OBC	34.87	49.11	36.61	101.36	222.92
iv)	Water Supply & Sanitation	0.19	0.16	1.54	2.14	11.01
v)	Social Security & Welfare	0.84	14.03	33.78	11.01	23.60
vi)	Housing And Urban Development	55.99	47.63	42.58	48.59	40.27
vii)	Others	0.12	0.05	0.22	0.72	6.10
3.	**Economic Services**	**349.71**	**663.75**	**808.23**	**994.14**	**1278.12**
i)	Agriculture And Allied Activities	18.87	23.18	23.34	34.64	59.09
ii)	Rural Development	22.45	23.68	48.47	33.67	45.91
iii)	Irrigation & Flood Control	204.19	365.88	417.24	621.49	676.25
iv)	Power	-	-	-	-	25.00
v)	Industry And Minerals	2.92	4.41	4.96	17.33	48.68
vi)	Transport	101.12	246.59	311.80	284.38	417.88
vii)	Others	0.16	0.01	2.42	2.63	5.31
4.	**Total (1+2+3):**	**476.26**	**819.79**	**1015.49**	**1279.13**	**1762.64**
5.	Loans And Advances	80.87	58.80	557.69	113.04	374.89
6.	**Total Capital Expenditure (4+5)**	**557.13**	**878.59**	**1573.18**	**1392.17**	**2137.53**
7.	**Capital Expenditure As % Of Total Expenditure**	**10.18**	**13.71**	**19.25**	**16.39**	**19.90**
8.	**Capital Expenditure As % Of GSDP**	**1.89**	**2.78**	**4.22**	**3.17**	**4.12**

(Source : Budget in brief)

Table No. 5.17

Debt-GSDP Ratio
(2000-01 To 2002-03)

S. No.	State	2000-01	2001-02	2002-03
1	C.G.	22.01	21.66	25.46
2	M.P.	27.38	27.71	32.28
3	Non-Special Category States	28.96	31.54	34.21

(Data obtained from the report of the XII[th] *Finance Commission)*

Table No. 5.18

Interest Payment As Percent Of Total Revenue Receipts Of The State (2001-02 To 2004-05)

S No.	State	2001-02	2002-03	2003-04	2004-05	Average For 2001-02 To 2004-05	Average For 2001-02 To 2003-04
1.	C.G.	16.71	14.95	14.35	14.49	15.13	15.34
2.	M.P.	20.10	18.69	23.14	21.40	20.83	20.64
3.	Non-Special Category States	26.19	27.11	27.16	26.29	26.69	26.82

Table No. 5.19

Composition Of Public Deb

(2004 & 2005)

(In Crores Rs.)

S No.	Source	Chhattisgarh		Aggregate Of Non-Special Category States
		End Of March, 2004	End Of March, 2005	End Of March, 2005
1.	Central Loans	5118 (52.0)	5130 (48.40)	261415 (27.12)
2.	National Small Saving Fund	-	-	122430 (12.70)
3.	Market Loans	2623 (26.8)	3129 (29.52)	230292(23.89)
4.	Loans From Banks	379 (3.87)	612 (5.7)	124235 (12.88)
5.	Ways & Means Advances	-	-	4349 (0.45)
6.	Provident Fund Deposits	1209 (12.36))	1271 (11.99)	142103 (14.74)
7.	Reserve Fund & Deposits	454 (4.67)	454 (4.29)	78170 (8.31)
8.	Misc. (PSUs)	-	-	871 (0.09)
9.	Total Debt	9786 (100)	10598 (100)	963869 (100)

*(Source : **XII**th Finance Commission Report)*

Appendix No 5.1

Revenue Receipts Of The State Government

(2001-02 To 2005-06)

(In Crores Rs.)

SNo.	Items	2001-02	2002-03	2003-04	2004-05	2005-06
1	**2**	**3**	**4**	**5**	**6**	**7**
1.	Own Tax Revenue	1993.14	2327.44	2588.25	3227.87	4122.21
2.	Share In Central Taxes	1175.79	1349.90	1569.70	1876.22	2400.02
I	**Total Tax Revenue (1+2)**	**3168.93**	**3677.34**	**4157.95**	**5104.09**	**6522.23**
3.	Non-Tax Revenue	722.38	956.56	1124.41	1243.93	1324.75
4.	Grants From The Centre	484.39	783.40	676.96	900.85	1537.45
II	**Total (3+4)**	**1206.77**	**1739.96**	**1801.37**	**2144.78**	**2862.20**
Total Revenue Receipts (I+II)		**4375.70**	**5417.30**	**5959.32**	**7248.87**	**9384.43**

(Source : Finance Secretary's Statement of different years)

Appendix No 5.2
State's Own Tax Revenue
(2001-02 To 2005-06)

(In Crores Rs.)

SNo.	Taxes	2001-02	2002-03	2003-04	2004-05	2005-06
1	**2**	**3**	**4**	**5**	**6**	**7**
1.	Land Revenue	16.57	12.56	3.81	28.69	45.01
2.	Stamps & Registration	121.35	148.10	170.87	247.77	260.26
3.	State Excise Duty	313.61	361.73	402.35	458.27	600.01
4.	Sales Tax	940.09	1102.43	1298.62	1673.86	2188.23
5.	Motor Vehicles Tax	124.88	157.81	167.07	191.80	224.95
6.	Tax On Goods & Passengers	196.27	251.55	230.08	287.13	379.74
7.	Duty On Electricity	226.06	244.33	268.36	308.92	401.85
8.	Others	54.31	48.93	47.09	31.43	22.16
Total State's Own Tax Revenue		**1993.14**	**2327.44**	**2588.25**	**3227.87**	**4122.21**

(Source : Budget in brief– different years)

Appendix No 5.3
Non-Tax Revenue Of Chhattisgarh State
(2001-02 To 2005-06)

(In Crores Rs.)

SNo.	Items	2001-02	2002-03	2003-04	2004-05	2005-06
1	**2**	**3**	**4**	**5**	**6**	**7**
1.	**Fiscal Services**	**54.12**	**121.22**	**157.27**	**101.26**	**110.03**
i)	Interest receipts	49.12	95.65	122.46	101.26	105.67
ii)	Dividends	5.00	25.57	34.81	0.00	4.36
2.	**General services**	**30.61**	**83.24**	**98.93**	**65.37**	**51.50**
3.	**Social services**	**25.44**	**31.83**	**23.70**	**22.91**	**36.12**
4.	**Economic services**	**612.20**	**720.26**	**844.51**	**1054.39**	**1127.10**
i)	Agriculture and rural development	11.36	11.90	11.30	23.29	19.86
ii)	Forestry	98.93	105.84	140.93	159.85	181.53
iii)	Mining	454.04	538.14	629.68	684.26	707.48
iv)	Irrigation	48.38	58.30	55.01	79.96	112.98
v)	Others	3.42	6.08	7.59	107.03	105.29
	Total (1 to 4)	**722.38**	**956.56**	**1124.40**	**1243.93**	**1324.75**

(Source : Budget in bri ef – different years)

Appendix No 5.4

Composition Of Revenue Expenditure Of Chhattisgarh Government

(2001-02 To 2005-06)

(In Crores Rs.)

SNo.	Items	2001-02	2002-03	2003-04	2004-05	2005-06 (R.E.)
1	**2**	**3**	**4**	**5**	**6**	**7**
1.	General services	38.24	40.77	69.63	68.66	82.07
2.	Fiscal services	119.13	118.31	111.96	114.34	186.07
3.	Interest payments & debt redemption	741.95	852.86	1109.80	1359.91	1060.36
i)	Interest payment	702.01	809.86	1053.80	1151.91	1010.36
4.	Administrative services	360.31	436.27	406.90	417.03	578.31
5.	Pensions	457.26	390.65	456.07	534.03	599.93
I.	**Total general services:**	**1716.89**	**1838.86**	**2154.36**	**2493.97**	**2506.74**
	Social services					
1.	Education	694.54	744.25	932.42	1136.41	1438.51
2.	Public health & family welfare	231.54	251.91	258.37	277.60	368.90
3.	Water supply, sanitation &	146.41	172.48	178.37	158.45	243.41
4.	Urban developments	51.26	60.96	64.75	69.77	151.76
5.	Labour and Employment	21.12	21.02	20.61	24.79	34.67
6.	SC & ST	502.81	522.30	482.99	460.97	565.19
7.	Social security & welfare	159.79	214.07	247.91	284.85	433.01
8.	Natural calamities	97.97	86.85	71.17	6.58	209.49
9.	Others	8.41	12.60	11.88	11.53	16.48
II.	**Total social services**	**1913.85**	**2086.44**	**2268.47**	**2430.95**	**3461.42**
	Economic Services					
i)	Agriculture & allied activities	467.38	656.92	1041.06	965.57	1142.27
ii)	Rural development	342.53	311.04	294.50	440.58	673.48
iii)	Irrigation & flood control	84.35	158.83	132.62	120.51	87.97
iv)	Power	82.43	86.22	207.86	153.97	156.71
v)	Industry & minerals	35.22	38.67	55.60	60.76	84.23
vi)	Transport	131.38	181.70	172.04	161.62	131.02
vii)	Science & Technology	0.02	0.59	0.87	1.51	3.71
viii)	General economic services	7.28	9.09	12.68	21.11	22.95
III.	**Total economic services**	**1150.59**	**1443.06**	**1917.23**	**1925.63**	**2302.34**
IV.	**Grants-in-aid to Local Bodies :**	**132.79**	**161.64**	**260.37**	**252.50**	**332.17**
Total I + II+III+IV : Revenue expenditure		**4914.12**	**5530.00**	**6600.43**	**7103.05**	**8602.67**

(Source : Budget in brief – different years)