

CHAPTER – 2

FINANCIAL RESOURCES

Review of Financing The Annual Plan 2001-02 and The Proposed Scheme of Financing The Annual Plan 2002-03

FINANCING OF CENTRE'S ANNUAL PLANS

The resource position of the Central Government continued to be under severe strain during the year 2001-02 also. The receipts from all the major direct and indirect taxes were considerably lower than the revised estimates. Overall, the net tax revenue decreased by 6.4 per cent compared to Revised Estimates. Non-tax revenue also fell short of the revised estimates by about 1 per cent. There has been a shortfall in the proceeds from disinvestments. The total of realized Revenue Receipts and Non Debt Capital Receipts are lower by 4.5 per cent compared to the Revised Estimates. The Revised Estimates themselves were lower than the Budget Estimates. Therefore, the shortfall in aggregate Non Debt Receipts at the end of the financial year 2001-02 is 14 per cent of the Budget Estimates. In absolute terms, this amounts to Rs.36667 crore. This deterioration in receipts that took place in 2001-02 is a matter of concern, since it comes in succession to a shortfall of a 9 per cent (Rs. 20417 crore) between the Budget Estimates and the actuals for 2000-01. Tables 2.1 and 2.2 contain the details Revenue Receipts and Non Debt Capital Receipts in 2000-01, 2001-02.

Table 2.1

Revenue Receipts and Non Debt Capital Receipts in 2000-01

(Rs. crore / percent)

| Sl. No. | BE | R.E | Actual | Actual | | |
|---------|---------------------------------|---------------|---------------|------------------|------------------|-------------|
| | | | | Percentage to RE | Percentage to BE | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 1 | Revenue Receipts | 203673 | 206166 | 192624 | 93.4 | 94.6 |
| 2 | Recovery of Loans | 13539 | 14885 | 12046 | 80.9 | 89.0 |
| 3 | Disinvestments & Misc. Receipts | 10000 | 2500 | 2125 | 85.0 | 21.3 |
| 4 | Total | 227212 | 223551 | 206795 | 92.5 | 91.0 |

Table 2.2

Revenue Receipts and Non Debt Capital Receipts during 2001-02

(Rs. crore / percent)

| Sl. No. | BE | R.E | Prov. Actual | Provisional | | |
|---------|---------------------------------|---------------|---------------|------------------|------------------|-------------|
| | | | | Percentage to RE | Percentage to BE | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 1 | Revenue Receipts | 231745 | 212572 | 202881 | 95.4 | 87.5 |
| 2 | Recovery of Loans | 15164 | 15143 | 16333 | 107.9 | 107.7 |
| 3 | Disinvestments & Misc. Receipts | 12000 | 5000 | 3646 | 72.9 | 30.4 |
| 4 | Total | 258909 | 232715 | 222859 | 95.8 | 86.1 |

In view of the substantial shortfall in total Non Debt Receipts compared to Budget Estimates, the Government's concern to keep the fiscal deficit within limits was reflected in the reduction in its Total expenditure, which was brought about through lower Non Plan expenditure. A brief account of such reduction in Government expenditure is given below.

2. The Central Government Budget for 2001-02 envisaged total Government expenditure of Rs.375223 crore consisting of Non Plan expenditure of Rs.275123 crore and Plan expenditure of Rs.100100 crore. The Revised Estimates in respect of both Plan and Non Plan expenditure were lower than the Budget Estimates to the extent of Rs.946 crore and Rs.9840 crore respectively. The comparison between Revised Estimates and Budget Estimates is on the perception that the Revised Estimates are an approximation of the actual. However, when the actual for "receipts" or "expenditure" are substantially different from their Revised Estimates, the significance of Revised Estimates as approximation to the actual expenditure for a year is lost. In such circumstances the comparison between the Budget / Annual Plan Estimates and the Actuals or the Provisional Estimates is relevant for the purpose of analysis and evaluation. Hence, in the following analysis, the comparison is between the Budget Estimates and the Provisional Accounts. The summary of Central Government expenditure according to the Budget Estimates and the Provisional Accounts is given in Table 2.3.

Table 2.3
Summary of Central Government Expenditure (2001-02)

(Rs. Crore)

| Sl. No. | Item | BE | RE | Provisional | Difference (RE-BE) | Difference (Prov.-RE) | Difference (Prov.-BE) |
|---------|---|--------|--------|-------------|--------------------|-----------------------|-----------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| 1 | Total Expenditure | 375223 | 364436 | 359070 | -10786 | -5366 | -16153 |
| 2 | Non-Plan Expenditure | 275123 | 265282 | 258825 | -9840 | -6457 | -16298 |
| | @ | 73.3 | 72.8 | 72.1 | | | |
| 3 | Plan Expenditure / Resources of which: | 100100 | 99154 | 100245 | -946 | 1091 | 145 |
| | @ | 26.7 | 27.2 | 27.9 | | | |
| 3.1 | Central Assistance for State & UT's Plans | 40644 | 38878 | 40640 | -1766 | 1762 | -4 |
| | # | 40.6 | 39.2 | 40.5 | | | |
| 3.2 | Budget support for Central Plan | 59456 | 60276 | 59604 | 820 | -672 | 148 |
| | # | 59.4 | 60.8 | 59.5 | | | |

Note: @ Percentage to total expenditure

Percentage to total Plan Expenditure

3. The details in the table above shows that Non Plan expenditure was lower by 5.9 per cent as compared to the budget estimate. In absolute term this decline amounted to Rs.16298 crore. Plan expenditure (Gross Budgetary Support to the Annual Plan) was higher than the budget estimates by a modest 145 crore. The reduction in total expenditure by 4.3 percent was thus achieved due to a reduction in non-plan expenditure. The marginal increase in Plan expenditure was reflected in higher budget support for the Annual Plan of the Central Ministries/ Departments, whereas, Central Assistance to States U.Ts Plans was more or less maintained at the level targeted in the budget estimates.

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4. The outlay of Rs.130181 crore was approved for the Annual Plan 2001-02 of the Centre; consisting of Budget Support of Rs. 59456 crore and an estimated Internal and Extra Budgetary Resources (IEBR) of Rs.70725 crore to be mobilized by the Central Public Sector Enterprises (CPSEs). Of the total Budget Support, an amount of Rs.10411 crore was allocated for financing the Plan investments of the CPSEs; while the Budget Support allocated exclusively for departmental Plan schemes and programmes was Rs.49045 crore. Thus, the share of the CPSEs and the departmental schemes in the Gross Budget Support accounted for 17.5 per cent and 82.5 per cent respectively. With IEBR of Rs.70725 crore and Budget Support of Rs.10411 crore, the total Plan investment by the CPSEs was expected to be Rs.81137 crore. In other words, 38 per cent of the Annual Plan outlay was earmarked for exclusively departmental schemes/ programmes and 62 per cent of the Plan outlay was to be incurred by the Central Public Sector Enterprises. Table 2.4 provides the Summary of the Centre's Annual Plan Outlay and estimated Expenditure for 2001-02.

Table 2.4
Summary of the Centre's Plan Outlay 2001-02

(Rs. Crore)

| Sl. No. | Item | 2001-02 BE* | 2001-02 RE | Difference (RE-BE) |
|---------|--|-------------|------------|--------------------|
| 1 | 2 | 3 | 4 | 5 |
| 1 | Budget support - Total of which | 59456 | 60276 | 820 |
| 1 a | Budget Support to CPSEs | 10411 | 13488 | 3077 |
| 2 | IEBR of CPSEs | 70725 | 67580 | -3146 |
| 3 | Plan Outlay / Investment of CPSEs (1a+2) | 81137 | 81068 | -69 |
| 4 | Central Plan Outlay (1+2) | 130181 | 127856 | -2326 |

Note: * Approved Plan Outlay

5. As explained in para-4, the actual utilization of Budget Support in respect of departmental schemes and CPSEs during 2001-02 was Rs.59604 crore against the Budget Estimates of Rs.59456 crore. The resource mobilization by the CPSEs in terms of IEBR for their Plan investment was Rs.67580 crore (RE), which is Rs.3146 crore lower than the BE of Rs.76725 crore.

The discussion of scheme of financing the Annual Plan 2001-02 as envisaged in the Budget and the actual scheme of financing implicit in the provisional accounts brings out areas where shortfalls in resources occurred in financing the Non Plan and Plan expenditure. The details are given in Table 2.5.

Table 2.5

Provisional estimates vis-à-vis Revised and Budget estimates of the Scheme Of Financing the Annual Plan 2001-02 of the Centre

(Rs.crore)

| Sl. No. | Resources | BE | RE | Provisional | Difference (Prov.-BE) | Difference (RE-BE) | Difference (Prov.-RE) |
|---------|--|--------|--------|-------------|-----------------------|--------------------|-----------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| 1 | Balance from current Revenues (BCR) | -38810 | -47064 | -50183 | -8254 | -3119 | -11373 |
| 2 | Balance from Non Debt Capital Receipts | 22596 | 14497 | 14218 | -8099 | -279 | -8378 |
| 3 | Fiscal Deficit | 116314 | 131721 | 136211 | 15407 | 4490 | 19897 |
| 4 | Resources for Gross Budget Support to the Plan | 100100 | 99154 | 100246 | -946 | 1092 | 146 |
| 5 | Assistance for State & UT's Plans | 40644 | 38878 | 40640 | -1766 | 1762 | -4 |
| 6 | Budget Support for Central Plan | 59456 | 60276 | 59606 | 820 | -670 | 150 |
| 7 | IEBR of CPSEs | 70725 | 67580 | 67580* | -3145 | 0 | -3145 |
| 8 | Plan Outlay of the Centre | 130181 | 127856 | 127186 | -2325 | -670 | -2995 |

* Revised Estimate

In theory, the Non-Debt Receipts of the Government consisting of Revenue Receipts and Non Debt Capital Receipts are balanced against the Non Plan Revenue expenditure and Non Plan Capital expenditure. Thus, the surplus or shortfall in the Balance from Current Revenues and in the Balance from Non Debt Capital Receipts shown in the scheme of financing the Plan indicates the fiscal strength of the Government.

BALANCE FROM CURRENT REVENUES (BCR):

7. Balance from Current Revenues (BCR), reflects the quantum of surplus or shortfall in revenue receipts of the government in relation to non-Plan revenue expenditure (including defence capital). A negative BCR implies that Government has to take recourse to borrowed capital to meet part of its consumption expenditure, which amounts to negative saving. For more than a decade, the BCR of the Central Government has been negative and that the situation has been worsening. The negative BCR, which was projected to be Rs.38810 crore for 2001-02 deteriorated by Rs.11373 crore to the level of Rs. (-) 50183 crore (as per provisional expenditure). The relevant details of Tax and Non-Tax Revenues

and Non-Plan Revenue expenditure constituting the BCR have been presented in Table 2.6. Additional details are provided in Annexure 2.2.

Table 2.6
Central Government's Revenue Receipts
and Non Plan Revenue Expenditure during 2001-02

(Rs. Crore)

| Sl. No. | Item | BE | RE | Provi-sional | Difference RE-BE | Difference (Prov.-RE) | Difference (Prov.-BE) |
|---------|--|---------------|---------------|---------------|------------------|-----------------------|-----------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| I | Revenue Receipts | | | | | | |
| (a.) | Tax Revenues (Net) | 163031 | 142348 | 133285 | -20683 | -9063 | -29746 |
| (b.) | Non-tax Revenue | 68714 | 70224 | 69596 | 1510 | -628 | 882 |
| | Total - I (Revenue Receipts) | 231745 | 212572 | 202881 | -19173 | -9691 | -28864 |
| II. | Non-Plan Revenue Expenditure | | | | | | |
| (a.) | Interest | 112300 | 107257 | 104894 | -5043 | -2363 | -7406 |
| (b.) | Defence | 62000 | 57000 | 54112 | -5000 | -2888 | -7888 |
| (c.) | Subsidies | 29801 | 30523 | 30094 | 722 | -429 | 293 |
| (d.) | Others | 66454 | 64856 | 63964 | -1598 | -892 | -2490 |
| | Total II -Rev. Expenditure-Non Plan | 270555 | 259636 | 253064 | -10919 | -6572 | -17491 |
| III | BCR (I-II) | -38810 | -47064 | -50183 | -8254 | -3119 | -11373 |

The details show that worsening of the (negative) BCR during 2001-02 has been entirely as a result of a sharp decline in revenue receipts, which more than offset the decline of non-plan revenue expenditure. In fact, the revenue receipts, according to provisional estimates, are lower than even the Budget Estimates. The shortfall in revenue receipts compared to the Budget Estimates is of the order of Rs.28864 crore. The decline in tax revenue by Rs.29746 crore, more than offset the marginal increase in non-tax revenue (over the budget estimates) of Rs.882 crore.

TAX REVENUE

8. A disturbing feature of the Centre's tax revenue during the year 2001-02 has been the absolute decline in the gross tax revenue of the Centre. The actual collections under all major sources of revenue were lower than the budgeted estimates. That apart, the unstable trend in the tax revenue receipts observed in the recent past has continued as shown in Table 2.7. The Budget Estimates of Gross Tax Revenue for 2001-02 implied growth of around 14.3 per cent over the Revised Estimates for 2000-01. The revised estimates of gross tax revenue for 2000-01 were themselves lower than the budget estimates for that year. Thus, the Budget Estimates for 2001-02 were predicated on a strong revival in growth of GDP.

Table 2.7**Gross Tax Revenue of the Centre – Growth / Ratio****(Percentage share)**

| Year | GDP growth rate Nominal | Tax-GDP Ratio % | Gross Tax Revenue Growth |
|-------------|------------------------------------|----------------------------|-------------------------------------|
| 1 | 2 | 3 | 4 |
| 1996-97 | 15.2 | 9.41 | 15.8 |
| 1997-98 | 11.3 | 9.14 | 8.1 |
| 1998-99 | 15.5 | 8.18 | 3.3 |
| 99-2000 | 9.7 | 8.90 | 19.4 |
| 2000-01 | 8.2 | 9.03 | 9.8 |
| 2001-02 | 10.7 | 8.09 | -0.9 |
| 2002-03 | 10.7 | 9.22 | 26.1 |

9. The expected growth in the economy did not however materialize. The slow down was particularly marked in the case of industrial sector as is evidenced by the fact that the index of industrial production grew by 2.8 per cent during 2001-02 over 2000-01. The slow growth of the industrial sector adversely affected realization from Central Excise duty. The shortfall in excise duty was Rs.9201 crore over the budget estimates. The slow down in the economy was also visible on the external front where the total imports grew by 6.7 per cent, whereas the import of POL products showed an absolute decline. The shortfall in receipts and customs was thus the order of Rs.14421 crore as compared to the budget estimates. The slow down in the industrial sector also led to shortfall in Corporation tax receipts of Rs.7701 crore. Finally, the personal income tax collections were short of budget estimates by Rs.8506 crore. Overall, the negative growth in gross tax collection of one per cent (that is the shortfall in the gross tax revenue of the order of Rs. (-) 39649 crore), led to a decline in the tax-GDP ratio by about 1 per cent during 2001-02 as compared to 2000-01.

NON-TAX REVENUE

10. Non-tax revenues on the aggregate during 2001-02 were Rs. 69595 crore, which was Rs.881 crore (1.3%) more than the budget estimates of Rs.68714 crore. The Interest Receipts from States and U.T Governments, Railways, Telecom, Central Public Sector Enterprises, Statutory Bodies, Cooperatives and Government Servants in respect of loans and advances lent by the Government is the major item under Non Tax Receipts. Next in terms of magnitude is the dividends receipts from RBI, Nationalized Banks, other financial institutions viz. LIC, GIC, IDBI etc, and the Public Enterprises. These two sources constituted 78 per cent of total non-tax revenue of Rs. 69596 crore in 2001-02. The receipts in terms of service charges from Government Departments and Organizations amounting to Rs. 14800 crore in that year accounted for about 21 per cent of the Non Tax Revenue.

NON-PLAN REVENUE EXPENDITURE

11. The Non Plan Revenue Expenditure (NPRE) (inclusive of defence capital) according to Provisional accounts is Rs. 253064 crore. The NPRE was lower by Rs. 17491 crore compared to the Budget Estimates of Rs. 270555 crore. Defence expenditure alone has been lower to the extent of Rs.7888 crore, of which Rs.3786 crore short fall has been in respect of outlays on capital items. Interest payment was less by Rs. 7406 crore and other non-Plan expenditure was less by Rs. 2490 crore. This was mainly on account of lower pension payment and Grants to States and foreign governments. On the other hand, the increase in subsidy was Rs.293 crore.

12 The negative Balance from Current Revenues, which was 17 per cent of the Gross Tax Revenue Receipts of the Centre in 2000-01 has increased to 28 per cent in 2001-02. The overall revenue deficit, which was Rs.85234 crore in 2000-01, was 4.1 per cent of GDP. This has gone up to Rs.95595 crore in 2001-02, i.e., 4.2 per cent of the estimated GDP. The rising trend in revenue deficit clearly indicate the enormous resource mobilization efforts would be required to bridge the Non Plan revenue gap as well as to achieve the intended level of Plan investment.

BALANCE FROM NON-DEBT CAPITAL RECEIPTS DURING 2001-02

13. The Gross Budget Support for the Plan comprises of (a) balance from current Receipts, (b) balance from Non Debt Capital Receipts and (c) the Gross Fiscal Deficit. While the Balance from Current Revenues (BCR) indicates the surplus or shortfall of revenue receipts over Non Plan Revenue expenditure, the balance from Non Debt Capital Receipts gives an account of the Non Plan Capital Expenditure and Non Debt Capital Receipts. The Budget/ Annual Plan Estimates and the corresponding Provisional Accounts of Non Debt Capital Receipts and Non Plan Expenditure are given in table 2.8.

Table 2.8

Balance from Non Debt Capital Receipts during 2001-02

(Rs. crore)

| Sl. No. | | BE | RE | Provisional |
|---------|---|-------|-------|-------------|
| 1 | 2 | 3 | 4 | 5 |
| 1 | Recovery of Loans | 15164 | 15143 | 16333 |
| 2 | Disinvestments | 12000 | 5000 | 3646* |
| 3 | Total – Non Debt Capital Receipts | 27164 | 20143 | 19979 |
| 4 | Non Plan Capital Expenditure: of which | 4568 | 5646 | 5761 |
| | a) Loans and Advances | 2533 | 3182 | 4076 |
| | b) Non Plan Capital Outlay | 2035 | 2464 | 1685 |
| 5 | Balance from Non Debt Capital Receipts (4– 5) | 22596 | 14497 | 14218 |

* Includes issue of bonus shares

14. The recovery of loans has been higher in to the extent of Rs. 1169 crore compared to Budget Estimates. The realization through disinvestments has been only Rs.3028 crore. The issue of bonus shares has contributed to Rs.618 crore. The disbursement proceeds are thus only 25 per cent of the Budget Estimates resulting in overall decrease in Non Debt Capital Receipts to the extent of Rs.7185 crore. On the other hand, there was increase of Rs.1193 crore in Non Plan Capital Expenditure. Loans and advances to State Governments, foreign Governments, public sector enterprises/ organizations and individuals increased by Rs. 1543 crore but there was reduction of Rs.390 crore in Non Plan Capital Outlay. Thus, the Balance from Non Debt Capital Receipts is lower by Rs.8375 crore compared to the Budget Estimates.

15. The sum of budgetary resources in terms of Balance from Current Revenues at Rs. (-) 50183 crore and the balance from Non Debt Capital Receipts of Rs.14218 crore, according to the provisional accounts, has been a negative balance of Rs.35965 crore. Hence, the fiscal deficit of Rs. 136211 crore was required by the Government to provide Gross Budget Support of Rs.100245 crore towards the Centre's Annual Plan expenditure (Rs. 59604 crore) and Central Assistance (Rs. 40640 crore) to the States and U.Ts for their Plans. The financing (sources) of the fiscal deficit is discussed below.

FISCAL DEFICIT

16. The details of market borrowings and other debt creating capital receipts constituting the fiscal deficit, as envisaged in the Budget Estimates and the corresponding details of actual (provisional accounts) are given in table 2.9.

Table 2.9
Financing of Fiscal Deficit : 2001-02

(Rs. crore)

| Sl. No. | Source of Fiscal Deficit | BE 2001-02 | RE 2001-02 | Prov. Actual |
|---------|--|---------------|---------------|---------------|
| 1 | 2 | 3 | 4 | 5 |
| 1 | Market borrowings (Medium, Long-term and Short-term loans) | 77353 | 91480 | 87828 |
| 2 | External Loan | 1865 | 2054 | 5999 |
| 3 | Small Savings and Public Provident Fund | 9000 | 8640 | 8755 |
| 4 | State Provident Funds | 9500 | 9000 | 5172 |
| 5 | Special Deposits | 10252 | 10831 | 8381 |
| 6 | Others (other ash balance etc.) | 8344 | 9716 | 20078 |
| | Total | 116314 | 131721 | 136211 |

Table 2.9 shows that the increase in fiscal deficit at the end of the year is Rs.19897 crore compared to the Budget Estimates (an increase of 17%). While recourse to drawings from Small Savings, Public Provident Fund, State Provident Fund and Special Deposits have been lower to the extent of Rs.6444 crore, recourse to realizations from market borrowings and other deposits etc., has been higher to the extent of Rs.10475 crore compared to Budget Estimates. External loans contributed to the extent of Rs.4134 crore towards higher borrowings.

CENTRAL ASSISTANCE TO THE ANNUAL PLANS OF THE STATES AND U.TS

17. As mentioned in Para 16 above, the Gross Budgetary Resources of the Central Government for financing the Annual Plan is allocated towards the Centre's Annual Plan and for Central Assistance to the Annual Plans of States and U.Ts. The details in this regard in respect of Budget Estimates, Revised Estimates and the Provisional Accounts for 2001-02 are given in the Table 2.10. The share of Central Assistance to States and U.T Plans, according to Provisional Accounts, which is as per the Annual Plan / Budget Estimates.

Table 2.10

Central Assistance to States' and U.Ts' Plans – 2001-02

(Rs. crore)

| Sl. No. | Budget Support | B.E 2001-02 | R.E 2001-02 | Actuals 2001-02 |
|---------|--|-------------|-------------|-----------------|
| 1 | 2 | 3 | 4 | 5 |
| 1 | Gross Budget Support | 100100 | 99154 | 100245 |
| 2 | Budget Support for Central Plan | 59456 | 60276 | 59604 |
| | | (59.4%) | (60.8%) | (59.5%) |
| 3 | Central Assistance for States and U.Ts Plans | 40644 | 38878 | 40640 |
| | | (40.6%) | (39.2%) | (40.5%) |

Note: Figures in brackets indicate percent to total

ANNUAL PLAN 2001-02 OF THE CPSES

18. The Plan outlay for 182 Central Public Sector Enterprises, Departmental enterprises and other autonomous bodies was included in the Annual Plan 2001-02 (RE). Of these, financing pattern of Plan outlay of 103 enterprises included Internal and Extra-Budgetary Resources while 79 enterprises and other bodies were exclusively dependent on Budget Support.

19. The summary of the pattern of financing of the Plans of Central PSEs for 2001-02 is given in Table 2.11. The details of financing of Plan investment by each CPSE are given in Annexure 2.3 'A' and 2.3 'B'.

Table 2.11

Financing of Annual Plan 2001-02 of the Central Public Sector Enterprises

(Rs. Crore)

| Sl. No. | Source of finance | BE 2001-02 | RE 2001-02 | Difference RE-BE |
|-------------|-------------------------------------|--------------|--------------|------------------|
| 1 | 2 | 3 | 4 | 5 |
| I. | Budget Support (i+ii) | 10411 | 13488 | 3077 |
| i. | Equity | 8953 | 11500 | 2547 |
| ii. | Loan | 1459 | 1988 | 530 |
| II. | Internal Resources | 41427 | 37230 | -4197 |
| III. | Borrowings (i+ii+iii) | 29298 | 30350 | 1051 |
| i. | Bonds /Debentures | 15357 | 14606 | -751 |
| ii. | ECB/Suppliers' Credit | 5137 | 4753 | -384 |
| iii. | Others | 8805 | 10991 | 2186 |
| IV. | Total Plan Outlay (I+II+III) | 81137 | 81068 | -69 |

20. The contents of the table above would show that the total Plan investment of Central Public Sector Enterprises (CPSEs) for 2001-02 was placed at Rs.81137 crore in the Budget Estimates; to be financed through budgetary support of Rs.10411 crore, internal resources of Rs.41427 crore and domestic and external borrowings amounting to Rs.29298 crore. The Plan outlay of CPSEs as per the revised estimates is Rs. 81068 crore, which is Rs.69 crore lower than the budget estimates. The overall scale of Plan expenditure (as per revised estimates of IEBR) has therefore been in line with the Budget estimates. The Revised Estimates indicate that (a) budget support would be higher by Rs.3077 crore compared to the Budget Estimates; (b) the internal resources are expected to be lower by Rs.4197 crore; (c) borrowings through bonds and debentures were expected to be lower; and (d) there would be a shortfall in respect of external commercial borrowings. The borrowing through fixed deposits and financial institutions have however been higher by Rs.2186 crore.

21. As in the previous years, the Central Public Sector Enterprises were permitted to raise resources through tax-free bonds within the targeted amount of Rs.15357 crore (BE) for bonds and debentures. The CPSEs in the Power sector including Atomic Energy and Non-Conventional Energy, Road Transport, Railways, Urban Development sectors were allowed to raise resources through tax-free bonds to the extent of Rs. 500 crore. It is reported that the allocation has been availed to the extent of Rs. 380 crore. The details are given in the Annexure No. 2.4.

22. To sum up, the Plan expenditure of CPSEs is likely to be close to the level envisaged in the Budget Estimates. The decline in the internal resources has been compensated by higher borrowings and budget support. The decline in internal resources is a matter of serious concern. Focused attention on the performance of enterprises coming under few sectors is, therefore, required as CPSEs under few Ministries thereof account for the major share in the overall Plan investment of CPSEs as shown in Table 2.12.

Table 2.12**IEBR in the Annual Plan 2001-02 (RE) of CPSEs
(Percentage Share)**

| Sl. No. | CPSE | IR | Bonds/ Debentures | ECB | Others | Total IEBR |
|---------|-------------------------------------|-------------|----------------------|-------------|-------------|-------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 1 | Communications | 28.2 | 21.3 | - | 48.3 | 28.0 |
| 2 | Petroleum & Natural Gas | 28.4 | 9.0 | 11.5 | 14.1 | 20.7 |
| 3 | Railways | 8.4 | - | - | - | 4.6 |
| 4 | Power | 1.6 | 20.2 | 62.4 | 7.1 | 10.8 |
| 5 | Urban Affairs & Urban Employment | 1.2 | 20.8 | - | 1.7 | 5.4 |
| 6 | Coal | 1.5 | - | 16.5 | 12.0 | 3.9 |
| 7 | Steel | 0.9 | 0.9 | - | 3.9 | 1.3 |
| 8 | Mines | 1.4 | - | - | 6.3 | 1.8 |
| 9 | Shipping | 19.3 | - | 6.5 | 3.4 | 11.6 |
| | Total | 90.9 | 72.2 | 96.9 | 96.8 | 88.2 |

ANNUAL PLAN FOR 2002-03

23. The Central Government's Budget for 2002-03 has been presented against the backdrop of a difficult international and domestic situation marked by events of September 11, 2001 and later of December 13 attack on the Indian Parliament. On the economic front too, there has been a slow down in economic growth. The poor state of the fiscal health of both the Central and State Governments has continued to be an area of concern. The containment of fiscal deficit thus continues to be a dominant factor in the formulation of budget proposals. While there is a need to maintain a reasonable step up in Budget Support for the Centre, State and U.T Plans, there is also a need to continue the efforts of fiscal correction.

SUMMARY OF GOVERNMENT EXPENDITURE - 2002-03

24. The total expenditure of the Central Government has been slated to be Rs.410309 crore during 2002-03, which is 12.6% higher in nominal terms over the revised estimates for 2001-02. The provision for Non Plan expenditure of the Centre for 2002-03 is stepped up by 11.9 per cent over the Revised Estimates for 2001-02 mainly to meet the increase in interest payments and grants to State Governments. The Gross Budget Support for the Annual Plan at Rs.113500 crore, marks an increase of 14.5 per cent over the Revised Estimates of 2001-02. This includes a step up of 10.9 per cent for the Centre's Annual Plan and an increase of 19.9 per cent in Central Assistance to States and U.Ts Plans. Compared to the Annual Plan/ Budget Estimates of 2001-02 the overall Gross Budget Support to the Annual Plan 2002-03 implies an increase of 13.4 per cent. The growth in Central Assistance to States and U.Ts Plans and the Budget Support for the Central Plan (over the corresponding budget estimates for 2001-02) would be 14.7 per cent and 12.4 per cent respectively. The summary of the Central Government expenditure is given in the Table 2.13.

Table 2.13**Summary of Central Government Expenditure – 2001-02 (RE) and 2002-03 (BE)**

(Rs. Crore)

| Sl. No. | Item | 2001-02 RE | 2002-03 BE |
|---------|---|------------|------------|
| 1 | 2 | 3 | 4 |
| 1 | Total Expenditure | 364436 | 410309 |
| 2 | Non-Plan Expenditure | 265282 | 296809 |
| | @ | 72.8 | 72.3 |
| 3 | Plan Expenditure / Resources of which: | 99154 | 113500 |
| | @ | 27.2 | 27.7 |
| 3.1 | Central Assistance for State & UT's Plans | 38878 | 46629 |
| | # | 39.2 | 41.1 |
| 3.2 | Budget support for Central Plan | 60276 | 66871 |
| | # | 60.8 | 58.9 |

Note: @ Percentage to total expenditure # Percentage to total Plan expenditure

25. There is a marginal increase in share of Plan expenditure in total Government expenditure for 2002-03 by 0.5% as compared to the Revised Estimates for 2001-02. However, within Plan expenditure, Central Assistance to States and U.Ts Plans would be more by 2 per cent while share of Budget Support for the Central Plan would be lower to that extent in the Annual Plan 2002-03 compared to Revised Estimates for 2001-02.

CENTRE'S ANNUAL PLAN 2002-03

26. The Annual Plan outlay for 2002-03 was approved at Rs.144038 crore, consisting of Gross Budget Support of Rs.66871 crore and Rs.77167 crore of Internal and Extra Budgetary Resources (IEBR) of the Central Public Sector Enterprises. The allocation of Budget Support to the CPSEs alone is Rs.13389 crore, leaving the balance of Rs.53482 crore of GBS to the departmental schemes/ programmes of the Central Ministries. Thus, the provision for Budget Support to CPSEs is 20 per cent of the GBS in 2002-03 as against 22 per cent in the RE and 17.5 per cent in the BE for 2001-02.

Table 2.14**Centre's Annual Plan 2002-03**

(Rs. Crore)

| Sl. No. | Item | 2001-02 RE | 2002-03 BE | Difference |
|---------|--|------------|------------|------------|
| 1 | 2 | 3 | 4 | 5 |
| 1 | Budget support - Total of which | 60276 | 66871 | 6595 |
| (a) | Budget Support to CPSEs | 13488 | 13389 | 100 |
| 2 | IEBR of CPSEs | 67580 | 77167 | 9587 |
| 3 | Plan Outlay / Investment of CPSEs (1a+2) | 81068 | 90556 | 9488 |
| 4 | Central Plan Outlay (1+2) | 127856 | 144038 | 16182 |

Note: * Approved Plan outlay

GROSS BUDGET SUPPORT TO CENTRE'S ANNUAL PLAN 2002-03

27. The Budget for 2002-03 includes estimated Revenue Receipts (Net) of Rs.244246 crore and Non Debt Capital receipts. of Rs.29680 crore. Non Plan Revenue Expenditure and Non Plan Capital Expenditure are estimated at Rs.291818 crore and Rs.4992 crore respectively. Thus, the Balance from Current Revenues is expected to be Rs. (-) 46713 crore and the balance from Non Debt Capital Receipts is estimated at Rs.24688 crore. Taking into account the estimated fiscal deficit of Rs.135525 crore, the Gross Budget Support to the Annual Plan 2002-03 is placed at Rs.113500 crore. The scheme of financing the Gross Budget Support and Centre's Annual Plan is given in Annexure 2.1. The details of Balance from Current Revenues, Balance from Non Debt Capital Receipts and financing of Fiscal Deficit are discussed ahead..

BALANCE FROM CURRENT REVENUES:

28. It is expected that the Gross Tax Revenue of the Centre during 2002-03 would increase by 20 per cent over the revised estimates (2001-02). The increase in non-tax revenue is expected to be 2.7 per cent over the Revised Estimate for 2001-02. In absolute terms, the overall revenue receipts according to the Budget for 2002-03 would be Rs.244246 crore. As the Non Plan Revenue expenditure (including defence capital) is expected to be Rs.291818 crore, the Balance from Current Revenues is estimated at Rs. (-) 46713 crore (after adjusting for receipt of external grants) of Rs. 859 crore.

REVENUE RECEIPTS – TAX AND NON-TAX

29. The Budget proposals for 2002-03 aim at an increase of Rs.32500 crore over the Revised Estimates for 2001-02 in respect of Revenue Receipts. In absolute terms, the estimated revenue receipts of Rs.244246 crore for the year 2002-03 represent 15 per cent growth over the Revised Estimates for 2001-02 and 21.4 per cent over the provisional accounts (but only 5.7% over Budget estimates 2001-02).

TAX REVENUE

30. The break up of gross tax revenue receipts placed at Rs.235800 crore is shown in Table 2.15. In terms of realization from the major taxes viz. corporation tax, income tax, customs and union excise, the expected increase in realization is around 33 per cent, 32 per cent, 12 per cent and 26 per cent respectively over the provisional accounts for 2001-02. Realizing the Budget Estimates of revenue collection during 2002-03 would be a very difficult task considering the fact the provisional estimates of receipts from these major taxes is lower than the BE for 2001-02. Hence, the efforts involved in realizing the Budget Estimates of tax revenue would be really enormous.

Table 2.15
Tax Revenue during 2001-02 and BE 2002-03

(Rs. Crore)

| Sl. No. | Tax Measures | BE 2001-02 | RE 2001-02 | Provisional 2001-02 | RE-BE 2001-02 | Prov.-RE 2001-02 | Prov.-BE 2001-02 | BE 2002-03 | Estimated Increase over RE 2001-02 |
|---------|---------------------------|------------|------------|---------------------|---------------|------------------|------------------|------------|------------------------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 1 | Corporation Tax | 44200 | 39059 | 36499 | -5141 | -2560 | -7701 | 48616 | 9557 |
| 2 | Personal Income Tax | 40600 | 34438 | 31995 | -6162 | -2443 | -8605 | 42524 | 8086 |
| 3 | Customs | 54822 | 43170 | 40401 | -11652 | -2769 | -14421 | 45193 | 2023 |
| 4 | Union Excise Duties | 81720 | 74520 | 72519 | -7200 | -2001 | -9201 | 91433 | 16913 |
| 5 | Others | 5307 | 5506 | 5586 | 199 | 80 | 279 | 8034 | 2528 |
| 6 | Gross Tax Revenue* | 226649 | 196693 | 187000 | -29956 | -9693 | -39649 | 235800 | 39107 |
| 7 | Share of States | 61618 | 52845 | 52842 | -8773 | -3 | -8776 | 61235 | 8390 |
| 8 | Net tax revenue (7-6-CCF) | 163031 | 142248 | 133285 | -20783 | -8963 | -29746 | 172965 | 30717 |

Inclusive of transfer to Calamity Contingency Fund (CCF) of Rs.2000, Rs.1500, Rs.1600 crore

NON-TAX REVENUE

31. The non-tax receipt placed at Rs.72140 crore including external grant of Rs.859 crore implies an increase of 3.6 per cent over the provisional accounts for 2001-02 and 2.7 per cent over the Revised Estimates.

NON-PLAN REVENUE EXPENDITURE

32. The Budget Estimates for 2002-03 provides an increase of 12.3 per cent over the Revised Estimates of 2001-02 in respect of the non-plan revenue expenditure, which, *inter alia*, includes defence capital and outlay on border roads. In absolute terms, this increase amounts to Rs.32182 crore. The interest payments liability alone would be higher to the extent of Rs.10133 crore. Defence outlay is expected to increase by Rs.8000 crore, while grants to States and other non-Plan expenditure is expected to increase by Rs.2196 crore and Rs.2512 crore respectively. The level of subsidies has been projected at Rs.39801 crore as compared to Rs.30523 crore reflecting an increase of Rs.9278 crore.

33. Overall, there has been an annual growth of 14 - 20 per cent from 1995-96 to 1999-2000 in the case of non-plan revenue expenditure. This growth came down to 11 per cent during 2000-01 and further down to 5.6 per cent in 2001-02. The increase in non-plan revenue expenditure of 12.3 per cent anticipated during 2002-03 therefore appears to be a

reversal of the recent decline in its growth rate. In view of the projections for non-Plan expenditure the Balance from Current Revenues for 2002-03 estimated at Rs. (-) 46713 crore as compared to Rs. (-) 47064 crore in the RE for 2001-02 and Rs. (-) 50183 crore as per provisional figures for 2001-02 would essentially depend upon full realization of revenue receipts, discussed above. The details are given in Annexure 2.2.

BALANCE FROM NON-DEBT CAPITAL RECEIPTS DURING 2002-03

34. The Budget/ Annual Plan Estimates of 2002-03 and the corresponding Provisional Accounts for 2001-02 in respect of Non Debt Capital Receipts and Non Plan Capital Expenditure are given in Table 2.16.

Table 2.16

Balance from Non Debt Capital Receipts during 2002-03 compared to 2001-02

(Rs. crore)

| Sl. No. | | Provisional 2001-02 | BE 2002-03 |
|----------------|---|----------------------------|-------------------|
| 1 | 2 | 3 | 4 |
| 1 | Recovery of Loans | 16333 | 17680 |
| 2 | Disinvestments | 3648 | 12000 |
| 3 | Other Capital Receipts | | |
| 4 | Total – Non Debt Capital Receipts | 19981 | 29680 |
| 5 | Non Plan Capital Expenditure: of which | 5714 | 4992 |
| | a) Loans and Advances | 4076 | 2790 |
| | b) Non Plan Capital Outlay | 1638 | 2202 |
| 6 | Balance from Non Debt Capital Receipts (4– 5) | 14267 | 24688 |

The Budget Estimates of recovery of loans during 2002-03 implies an increase of Rs.1347 crore in absolute terms and 8.2 per cent over the actuals for 2001-02. The projected accrual from disinvestments during 2002-03 has been projected at Rs.12000 crore as against a realization of Rs.3028 crore in 2001-02 is based on the assumption that the disinvestments process would have to gather further momentum.

35. As regards the Non Plan Capital expenditure, the provision towards loans and advances is lower than the provisional actual for 2001-02 by Rs.1286 crore. The increase in Non Plan Capital Outlay proposed for the current year is of the order of Rs.564 crore. In essence, the Non Debt Capital Receipts would depend largely on the level of proceeds from disinvestments, which in turn would determine the Non Debt Capital Receipts.

Table 2.17
Financing of Fiscal Deficit : 2002-03

(Rs. crore)

| Sl. No. | Source of Fiscal Deficit | Prov. Actual 2001-02 | BE 2002-03 |
|---------|--|----------------------|---------------|
| 1 | 2 | 3 | 4 |
| 1 | Market borrowings (Medium, Long-term and Short-term loans) | 87828 | 95859 |
| 2 | External Loan | 5999 | 770 |
| 3 | Small Savings and Public Provident Fund | 8755 | 8000 |
| 4 | State Provident Funds | 5172 | 10000 |
| 5 | Special Deposits | 8381 | 9898 |
| 6 | Others (other deposits, suspense and remittances, ways and means advances, draw down of cash balance etc.) | 20078 | 10997 |
| | Total | 136211 | 135524 |

FISCAL DEFICIT

The fiscal deficit proposed for 2002-03 is only Rs.687 crore lower than the provisional accounts for 2001-02. The estimated fiscal deficit for 2002-03 is 5.3 per cent of the estimated GDP as against 5.7 per cent for 2001-02. The fiscal deficit amounts to 33 per cent of total Central Government expenditure for 2002-03 while corresponding estimate is 37 per cent for 2001-02. However, containment of fiscal deficit within this limit is contingent on the full realization of Revenue Receipts and Non Debt Capital Receipts included in the Budget Estimates.

CENTRAL ASSISTANCE TO STATES AND U.TS PLANS

36. The sum of Balance from Current Revenues, Balance from Non Debt Capital Receipts and Fiscal Deficit of the magnitude discussed above would result in aggregate resources of Rs.113500 crore towards Gross Budgetary Support to the Annual Plan 2002-03. Of this, the Central Assistance to States and U.Ts Plan would be Rs.46629 crore and the provision towards Budget Support for Centre Plan is placed at Rs. 66871 crore. The details are given in the Table 2.18.

Table 2.18
Gross Budget Support for the Annual Plans 2001-02 (Provisional) and 2002-03 (BE)

(Rs. crore)

| Sl. No. | Budget Support | Provisional Accounts 2001-02 | BE 2002-03 |
|---------|---|------------------------------|-----------------|
| 1 | 2 | 3 | 4 |
| 1 | Gross Budget Support | 100245 | 113500 |
| 2 | Budget Support for Central Plan (2 as % of 1) | 59604 (59.5) | 66871 (58.9) |
| 3 | Central Assistance for States and U.Ts Plans | 40640 (40.5) | 46629 (41.1) |

Note: Figures in brackets indicate percent to total

37. The share of Central Assistance for States and U.Ts Plans in the Gross Budget Support in the Annual Plan 2002-03 would be marginally more by 0.6 per cent than the provisional accounts whereas the share of Budget Support to Central Plan would be lower to that extent i.e., the shares are almost at the same levels as in the provisional accounts.

RESOURCES FOR PLAN INVESTMENT BY CENTRAL PUBLIC SECTOR ENTERPRISES – ANNUAL PLAN / BUDGET ESTIMATES - 2002-03

38. The Centre's Annual Plan for 2002-03 envisages Plan investment of Rs.90555 crore by CPSEs. This accounts for 63 per cent of the Centre's Annual Plan for 2002-03. The Plan investment of Rs.81068 crore by the enterprises also accounted for 63 per cent of the Central Plan in RE 2001-02. In general, the share of Plan investment of CPSEs has been coming down in Centre's Annual Plan. However, it is still above 60 per cent of the total Annual Plan outlay. Therefore, the shortfall in Plan investment by the CPSEs has a substantial bearing on Centre's Plan expenditure. Since, the Plan investment of CPSEs during the current year marks an increase of 12 per cent in monetary terms compared to the Budget Estimates for 2001-02, close monitoring of the functioning of the CPSEs and all efforts to realize the estimated Plan investment are called for. The Budget Support to the CPSEs placed at Rs.13389 crore for 2002-03 works out to 14.8 per cent of Plan investment by the enterprises. This is also marginally lower compared to the corresponding share of 16.6 per cent in the Annual Plan 2001-02. The projected Budget Support need to be ensured. The details of the proposed Plan investment by CPSEs during 2002-03 are given in Table 2.19.

Table 2.19

Financing of Plan Investment by Central Public Sector Enterprises - Annual Plan 2002-03

(Rs. Crore)

| Sl. No. | Source of finance | RE 2001-02 | Percentage Share | BE 2002-03 | Percentage Share |
|----------------|-------------------------------------|-------------------|-------------------------|-------------------|-------------------------|
| 1 | 2 | 3 | 4 | 5 | 6 |
| I. | Budget Support (i+ii) | 13488 | 16.6 | 13389 | 14.8 |
| i. | Equity | 11500 | 14.2 | 12195 | 13.5 |
| ii. | Loan | 1988 | 2.5 | 1194 | 1.3 |
| II. | Internal Resources | 37230 | 45.9 | 39527 | 43.6 |
| III. | Borrowings (i+ii+iii) | 30350 | 37.4 | 37640 | 41.6 |
| i. | Bonds/Debentures | 14606 | 18.0 | 21778 | 24.0 |
| ii. | ECB/Suppliers' Credit | 4753 | 5.9 | 5050 | 5.6 |
| iii. | Others | 10991 | 13.6 | 10812 | 11.9 |
| IV. | Total Plan Outlay (I+II+III) | 81068 | 100.0 | 90555 | 100.0 |

39. The internal resources alone account for 44 per cent of the Plan investment of the CPSEs while borrowings would be 42 per cent of the Plan outlay. The ability of CPSEs to generate internal resource has a bearing on their capacity to raise extra-budgetary resources. The internal resources would eventually determine to a large extent the overall achievement of Plan investment. Therefore, as pointed out in the discussion relating to

Annual Plan 2001-02, focused attention on the realization of Plan investment of some CPSEs that contribute a large share of IEBR is required. Table 2.20 contains details regarding concentration of Plan investment by CPSEs in few of the Central Ministries/ Departments.

Table 2.20
Annual Plan 2002-03 – BE IEBR / Per cent Share of CPSEs

| Sl. No. | CPSE | IR | Bonds/ Debentures | ECB | Others | Total IEBR |
|---------|----------------------------------|-------------|-------------------|-------------|-------------|-------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 1 | Communications | 29.2 | 22.5 | - | 27.5 | 25.1 |
| 2 | Petroleum & Natural Gas | 34.9 | 2.4 | 19.8 | 24.9 | 23.3 |
| 3 | Railways | 10.0 | 13.8 | - | - | 9.0 |
| 4 | Power | 4.5 | 18.5 | 55.1 | 14.6 | 13.2 |
| 5 | Urban Affairs & Urban Employment | 1.0 | 14.0 | - | 1.7 | 4.7 |
| 6 | Coal | 4.1 | - | 0.3 | 14.3 | 4.1 |
| 7 | Steel | 2.0 | - | - | 5.5 | 1.8 |
| 8 | Mines | 0.8 | - | - | 6.6 | 1.3 |
| 9 | Shipping | 2.9 | - | 20.3 | 1.1 | 3.0 |
| | Total | 89.4 | 71.1 | 95.5 | 96.2 | 85.6 |

ANNUAL PLAN : STATES

ANNUAL PLAN 2001-02: REVIEW

40. As the terminal year of the Ninth Five Year Plan, the Annual Plan for year 2001-02 is crucial in determining the final outcome of the combined five Annual Plans vis-à-vis the Ninth Plan projections. The realisation of resources by states during the first four years of the Ninth Plan were estimated at about 61 percent of the projections (see Chapter 2, The Annual Plan Document, 2001-02). The performance of states in resources mobilisation for the Annual Plan 2001-02, would therefore, decide the extent by which states are able to narrow down the gap between the target and the outcome of the Ninth Plan.

41. The Annual Plan outlay for all the states together for the year 2001-02 was approved at Rs.93,834 crore¹ (Annex.2.6). The aggregate resources of Rs.93,414 crore includes Rs.44,508 crore of States' Own Resources (SOR) and Rs.48,906 crore of Central Assistance. As against this, the latest estimate of the resources for the Annual Plan 2001-02 was Rs.74,126 crore, indicating a shortfall of 21 percent compared to the approved plan outlay. States' Own Resources fell short of the approved Annual Plan by over 30 percent while Central Assistance was lower by almost 12 percent in the latest estimate. The lower resource position of the States in the latest estimate is mainly on account of the

¹ Higher than the Aggregate Resources of Rs.93414.01 cr. because of the resources gap of Rs.419.54 crore in respect of the state of Jammu & Kashmir.

deterioration in the Balance from Current Revenues (BCR) and contribution of State Level Public Enterprises (SLPEs) and also lower accruals from state provident funds.

42. Table 2.21 summarized the pattern of financing Annual Plan 2001-02 for the Special Category States (SCS) and Non-Special Category States (NSCS) in terms of the two major sources namely, States Own Resources (SOR) and Central Assistance (CA).

TABLE – 2.21
Financing of Annual Plan 2001-02

(Rs.crore)

| States | SOR | | Central Assistance | | Total | |
|----------|----------|----------|--------------------|----------|----------|----------|
| | AP | LE | AP | LE | AP | LE |
| 1. SCS | -536.62 | -1261.74 | 9990.08 | 9847.00 | 9453.46 | 8585.26 |
| 2. NSCS | 45044.97 | 32175.11 | 38915.58 | 33365.78 | 83960.55 | 65540.89 |
| 3. TOTAL | 44508.35 | 30913.37 | 48905.66 | 43212.78 | 93414.01 | 74126.15 |

BALANCE FROM CURRENT REVENUES (BCR)

43. The approved scheme of financing the Annual Plan 2001-02 included BCR of (-) Rs.30,804 crore, comprising of (-) Rs.5,310 crore for Special Category States and (-) Rs.25,494 crore for Non-Special Category States (Annex.2.7). The approved BCR of all States together provided for a Budgetary ARM of Rs.2745 crore which excludes Rs.564 crore of ARM committed by States Chief Ministers in the Deputy Chairman level meetings (Annex.2.6 & 2.9). The attempts to reverse sharp deteriorating trend in the BCR of states since 1998-99 has not been successful is evident from the latest estimate for 2001-02, which stood at (-) Rs.44,629 crore.

44. Detailed BCR at Annex.2.7 revealed that the shortfall in the latest estimate was accounted solely by the failure to achieve the projected revenue receipts. Realisation of revenues from states' own tax, non-tax and share of Central taxes fell short of the projections in the approved plan. Non-Plan Revenue Expenditure (NPRE) has been contained within the approved projections through restriction on development expenditure, even though non-development expenditure exceeded the projection.

ADDITIONAL RESOURCE MOBILISATION (ARM)

45. The total ARM of all States, indicated in the Scheme of Financing and the BCR, for the Annual Plan 2001-02 was Rs.6,925 crore of which ARM of non-special category States and special category states were Rs.6,758 crore and Rs.167 crore respectively (Annex.2.9). The total ARM includes budgetary ARM of Rs.2745 crore, Rs.564 crore of ARM committed by Chief Ministers which, in the latest estimate integrate with respective heads like BCR and contribution of SLPEs, and Rs.3616 crore of ARM by SLPEs. The ARM realised by non-special category States, as per the latest estimate of resources was Rs.506 crore, while special category States failed to mobilise any ARM. The ARM table at Annex.2.9 indicates that States realised 13 percent of budgetary ARM, 3 percent of ARM by RTCs in the latest estimate of resources for the Annual Plan 2001-02.

46. The inability of States to mobilise the ARM committed by them is a major reason for the short fall in their plan resources. The poor realisation of ARM proposed for SEB in the approved Plan reflected the difficulty faced by States in tariff revision and Power sector reform. It is, however, important to note that since the ARM measures indicated are only fresh ARM, the actual resource mobilisation effect during the years will be much higher due to the cumulative effect of ARM measures. It is also observed that some states have not indicated their ARM details in the scheme of financing and the BCR.

STATE LEVEL PUBLIC ENTERPRISES (SLPES)

47. The contribution of State Level Public Enterprises (SLPEs) to the resources for the Annual Plan 2001-02 was estimated at (-) Rs.5,101 crore, comprising of (-) Rs.5536 crore of the State Electricity Boards (SEBs), Rs.71 crore of State Road Transport Corporation (SRTCs) and Rs.364 crore of Other Enterprises (Annex.2.6,2.10,2.11). This projected contribution was inclusive of the combined ARM of Rs.3,616 crore committed in the approved plan of these enterprises. The combined contribution SLPEs towards financing the Annual Plan further worsened in the latest estimate to (-) Rs.9,147 crore (Annex.2.6), a shortfall of 79 percent over the approved estimate. The contribution of SEBs deteriorated by over 54 percent (Annex.2.10) and the contribution of SRTCs also worsened by over 9.7 times in the latest estimate. The deteriorating contributions of SLPEs reflect the increasing operating deficit of the Enterprises which have to be bridged through borrowings to meet its current expenses, in addition to borrowings to meet the capital requirements for capacity enhancements; clearly an unsustainable state of affair.

48. Recently, with the active support from the Centre, State Governments have initiated Power Sector Reforms by signing MoUs with the Government of India, whereby reform linked funds are made available to the States. State Power reforms measures encompass creation of State Electricity Regulatory Authority, reduction of the gap between per unit cost of energy purchased and cost of supply, reducing T & D losses, unbundling of SEBs into generation, transmission and distribution companies and privatisation.

STATE PROVIDENT FUNDS

49. State Government Employees provident funds has become an important component of financing Annual Plan, particularly from 1998-99 with the revision of pay scales and the impounding of arrears. The approved Annual Plan 2001-02 projected Rs.13,994 crore as accrual from state provident funds, constituting about 15 percent of the aggregate resources. The latest estimate of resources placed state provident funds at Rs.11,781 crore. The borrowings under this head and from small savings being not project-linked, have become the most favourite sources of financing the plans by the States. At the same time large-scale borrowings from provident funds and small saving has the danger of raising the total liabilities of States to an unsustainable level.

SMALL SAVINGS

50. Loans against net collections from Small Savings constitute an important component of the resources for plan financing. The projection for Annual Plan under this head was Rs.31960 crore (Annex.2.6), which constitute 72 percent of States Own Resources and about 34 percent of the aggregate resource for the plan. As against this projection, the

latest estimate of resources by the States indicated an amount of Rs.33952 crore as the loan against net small savings collection; constituting 110 percent of States Own Resources and 46 percent of the aggregate resource.

SLR-BASED OPEN MARKET BORROWINGS AND NEGOTIATED LOANS

51. The financing pattern for Annual Plan 2001-02 included Rs.11,557 crore of Net Open Market Borrowings (SLR based) (Annex.2.6). The latest estimate of resources indicated an increase to Rs.13,959 crore under market borrowing. Negotiated loans and other finances include loans from LIC, GIC, NABARD, REC, IDBI, HUDCO and other financial institutions. The Annual Plan 2001-02 projected Rs.16,157 crore under this head of which the amount realised as per the latest estimate was Rs.17,755 crore. Most of the loans under this head are meant for specific developmental projects like housing, rural roads, sanitation, drinking water supply etc., it reflected the funds available for the developmental works of the States. However, recently some states have resorted to large-scale borrowings through Development Corporations created by the state government which were utilised just to shore up their finances and facilitate their ways and means positions. Such resources form part of negotiated loans, but are not utilised for developmental works.

BONDS/DEBENTURES ISSUED BY STATE LEVEL PUBLIC ENTERPRISES (SLPES)

52. An amount of Rs.12,487 crore was provided in the funding pattern of the Annual Plan 2001-02 of States under the head Bonds and Debentures to be raised by their Corporations (Annex.2.6). The amount realised as per the latest estimate was Rs.12261 crore. Since State Governments are providing guarantee to these instruments, the contingent liability of the States is fast rising. As these corporations are often unable to make profits to pay off interest and instalments, their debt service liability may ultimately fall upon the States. This may further exacerbate the stress on fiscal position of States.

CENTRAL ASSISTANCE

53. The approved scheme of financing Annual Plan 2001-02 include Central Assistance for State Plan at Rs.48,906 crore, which consists of Rs.17,453 crore of Normal Central Assistance (NCA), Rs.18,719 crore of ACA for EAPs, and Rs.12,733 crore under various Area Programmes and Special Plan Assistance (Annex.2.6). The latest estimate of resources indicated Central Assistance at Rs.43,213 crore, comprising Rs.17,456 crore of NCA, Rs.13,760 crore of ACA for EAPs and Rs.11,997 crore of other Central Assistance.

ADDITIONAL CENTRAL ASSISTANCE FOR EXTERNALLY AIDED PROJECTS (EAPS)

54. The approved scheme of financing of the Annual Plan of States indicated Rs.18,719 crore as Central Assistance for Externally Aided Projects. The Union Budget of 2001-02 on the other hand, provided Rs.6,500 crore for this purpose keeping in view the micro-scenario of external assistance which are already firmed up as well as those in the pipeline. The Revised Estimate for EAPs by the Centre indicates an enhancement of the budget provision to Rs.8,500 crore (Annex.2.5) while the latest estimate of resources by States shows a decline to Rs.13,760 crore (Annex.2.6). While it is necessary for States to expedite better utilisation of funds under EAPs, so as to attract more funds under this head, it is also necessary to provide sufficient budgetary provision to meet the local cost of the projects.

PLAN FUNDING OF UNION TERRITORIES (UTS)

55. Plans of the Union Territories without legislatures are fully funded through Central Assistance. The plan outlay of UTs with legislatures (i.e., Delhi and Pondicherry) for 2001-02 was fixed at Rs.4,155 crore, comprising of Rs.3,800 crore for NCT of Delhi and Rs.355 crore for Pondicherry. The aggregate plan resources as per the latest estimate was Rs.4,555 crore. BCR, ARM and loans against Small Savings form a major portion of the Own Resources of the UTs of Delhi and Pondicherry.

SPECIAL CATEGORY STATES (SCS)

56. Funding pattern of all Special Category States (Seven N.E States, Himachal Pradesh, Sikkim, Jammu & Kashmir and Uttaranchal) was formulated on the same pattern as that of non-Special Category States (i.e., inclusive of negative States Own Resources). The Annual Plan outlay for these States for the year 2001-02 was approved at Rs.9873 crore, as against the aggregate resources of Rs.9453 crore, (Table-2.21 to be read with footnote at page 1). These States are heavily dependent on Central Assistance to finance their plans. Central Assistance constituted about 106 percent of the aggregate resources for the approved Annual Plan for 2001-02. The latest estimate of resources exhibited further deterioration of SOR. As a result, Central Assistance in the latest estimate accounted for about 115 percent of aggregate resource for the annual plan.

ANNUAL PLAN 2002-03

57. The year 2002-03 marked the starting year for the Tenth Five Year Plan. Most of the states are facing severe financial stress and many of them had signed MoUs with the Centre for fiscal reforms. The financial constraints and the binding commitments of states that entered into MoUs for fiscal reforms had their influence upon the Annual Plan outlays of the states.

58. The Annual Plan 2002-03 outlay for 27 states was approved at Rs.96,531 crore¹, a nominal increase of about 3 percent over the approved outlay of the previous year. The aggregate resources for the Plan of Rs.94,780 crore comprised of States' Own Resources (SOR) of Rs.42,060 crore and Central Assistance of Rs.52,720 crore (Annex.2.6). The resources for financing Annual Plan 2002-03 of Special Category States and Non-Special Category States are shown at table-2.22 below in terms States' Own Resources (SOR) and Central Assistance.

¹ The Annual Plan of Manipur has not been finalised. This is higher than the aggregate resources by Rs.1750.34 crore because of the resources gap of Rs.1295.57 crore in respect of J & K and the non-inclusion of Rs.454.77 crore Power Sector outlay in respect of Kerala State in the Scheme of Financing.

TABLE – 2.22**Financing of Annual Plan 2002-03**

(Rs Crore)

| States | SOR | Central Assistance | Total |
|---------------------------------|-----------------|---------------------------|-----------------|
| Spl. Category States (SCS) | -662.54 | 9740.10 | 9077.56 |
| Non-Spl. Category States (NSCS) | 42722.92 | 42979.92 | 85702.84 |
| Total | 42060.38 | 52720.02 | 94780.40 |

Note: The Annual Plan 2002-03 (AP) figures do not include Manipur

BALANCE FROM CURRENT REVENUES (BCR)

59. The approved financing pattern for the Annual Plan 2002-03 included BCR of (-) Rs.36,403 crore. State-wise BCR at Annex.2.8 indicated that only four states, viz., Andhra Pradesh, Chattisgarh, Jharkhand and Goa had projected positive BCR for the Annual Plan 2002-03. The state of Andhra Pradesh has managed positive BCR only by booking budgetary support to SEB under plan revenue expenditure. The big negative BCR is a cause of concern. Unless drastic improvement in BCR over the 2002-03 (AP) is achieved in the subsequent years, states have to either resort to increase borrowings or compress their plan outlays during the Tenth Plan period.

STATE LEVEL PUBLIC ENTERPRISES (SLPES)

60. The contribution of SLPEs to the Plan has been estimated at (-) Rs.2,864 crore, which comprises of (-) Rs.3,082 crore by State Electricity Boards (SEBs), Rs.35 crore by Road Transport Corporations and Rs.183 crore by other enterprises (Annex 2.6, 2.10 & 2.11). The deteriorating position of the SEBs has become a matter of serious concern. Settlement of the huge outstanding dues of SEBs to Central Power Utilities and restoring the financial viability of SEBs are the major issues on power sector reform.

61. The Expert Group on Settlement of SEB Dues recommended waiver of 50% of the interest and surcharge dues and securitisation of the remaining dues by issue of bonds by the respective state governments. States have also signed MOUs with the Government of India for Electricity Reform, in which states expressed their commitments to constitution of State Electricity Regulatory Commissions and ensuring commercial viability of their SEBs. The Government of India in return, assured financial assistance to states under APDRP and PFC. The current year Centre Budget made a provision of Rs.3,500 crore under APDRP to facilitate power sector reforms programme of the states.

STATE PROVIDENT FUNDS

62. The approved Annual Plan 2002-03 of states include Rs.11,438 crore as net provident funds available for financing the plan outlay. The surge in provident funds following pay revision of 1998-99 has ended this year with the completion of the lock-in period of the impounded arrears. Some states even estimated negative net accrual of provident funds in the current year.

LOAN AGAINST SMALL SAVINGS

63. Loans against small savings collection is estimated at Rs.39,574 crore, accounting for about 94 percent of SOR and about 42 percent of the aggregate resources. The Central Government has effected a cut in interest rates on small savings in April 2002 from 9.5% to 9.0% and also decided pass on 100% of the net collection of small savings to state governments. Along with the cut in the rate of interest on deposits, it has also been promised to pass on the benefit of lower rates to States. This will reduce the borrowing costs to States from small savings, which has increasingly become the major component of state governments' fiscal deficit.

SLR-BASED OPEN MARKET BORROWINGS AND NEGOTIATED LOANS

64. The Annual Plan 2002-03 estimated net Market Borrowings at Rs.13,571 crore. Negotiated loans and other finances estimated at Rs.14,545 crore is lower than the previous year approved level of Rs.16,157 crore. The current year estimated negotiated loans is lower because of commitments made by states over the level of their fiscal deficits in the MoUs with the Centre for Medium-Term Fiscal Reforms which has restricted borrowings from financial institutions.

BONDS/DEBENTURES ISSUED BY STATE LEVEL PUBLIC ENTERPRISES (SLPES)

65. Debentures/Bonds to be raised by State Public Enterprises for the Annual Plan 2002-03 has been fixed at Rs.12,097 crore. While resources raised in this manner by Corporations are necessary to meet their requirements, as the owner of the entity and guarantor to the bonds, state governments needs to maintain safe level of contingent liabilities and also improve the functioning the Enterprises. As a step towards this direction, some states have enacted laws putting restrictions on the level of their contingent liabilities.

CENTRAL ASSISTANCE

66. The approved financing pattern of Annual Plan 2002-03 for states estimated Central Assistance at Rs.52,720 crore (Annex 2.6). The total Central Assistance for States' Plan includes Rs.18,616 crore of Normal Central Assistance (NCA), Rs.18,647 crore of ACA for Externally Aided Projects (EAPs) and Rs.15,457 crore of Other Central Assistance.

67. Other Central Assistance includes Area Programmes, Special Central Assistance, Special Plan Assistance, Additional Central Assistance and others. The current year Centre Budget has made new additions to Central Assistance like National Social Assistance Programme (NSAP), Initiative for Strengthening Urban Infrastructure (ISUI) and Development and Reform Facility (DRF). The new additions along with higher outlays for Accelerated Power Development Programme and Rural Electrification have raised the amount of Other Central Assistance for States' Plan.

68. The Centre Budget 2002-03 has earmarked Rs.6,500 crore as Additional Central Assistance for Externally Aided Projects (ACA for EAPs) (Annex 2.5). As against this, sum of ACA for EAPs has been estimated at Rs.18,647 crore for 27 states in their approved financing pattern for the Annual Plan 2002-03 (Annex 2.6). This shows that either states

are over estimating their capacity to absorb external assistance or the Centre budget has under estimated the required level of budgetary provision.

PLAN FUNDING OF UNION TERRITORIES (UTS)

69. The total Annual Plan 2002-03 for UTs with legislatures has been approved at Rs.5,100 crore, comprising Rs.4700 crore for NCT of Delhi and Rs.400 crore for Pondicherry. BCR, resources of public enterprises, loans against small savings and Central Assistance are the major sources of Plan for the NCT of Delhi, whereas small savings, ARM and Central Assistance are financing the Annual Plan of Pondicherry.

AREAS OF CONCERN

70. The major areas of concern in financing the plan are (a) continuous existence of a wide gap between resource projection committed for funding the Plan and the actual mobilisation; (b) the growing deterioration in the BCR of States necessitating increase dependence on borrowings; (c) deterioration in the functioning of State Level Public Enterprises; and (d) slow implementation of Externally Aided Projects (EAPs) resulting in low absorption and failure to attract more external assistance. Additional Resources Mobilisation (ARM) through budgetary measures has mostly fallen short of the commitment at AP level resulting in deterioration in the BCR at LE stage. Most of the States are financing their Plan through borrowing which has resulted in increasing the burden of debt servicing to alarming levels. It is necessary for States to raise their own resources through innovative tax and non-tax measures. The States are expected to increase the mobilisation of their own resources through tax reform measures, rationalisation of power tariff, transport fares, water rates, improvement in the functioning of SLPEs and curtailing wasteful public expenditure particularly of the non-plan non-development expenditure. While it is imperative that borrowing has to be resorted to funding of capital investment, State Governments should take utmost care in making prudential investment decisions so that the capital so created earns enough returns to service the debt. Last but not the least, States should ensure expeditious implementation of EAPs and make efforts to attract more external funding which are forthcoming with the advent of economic liberalisation.

Annexure 2.1

**Budget Estimates vis-à-vis Revised and Provisional estimates of the
Scheme of financing of the Annual Plan 2001-02 of the Centre**

(Rs Crore)

| Sl. No. | Resources | 2001-02 | | | 2002-03 |
|---------|--|---------|--------|-------------|---------|
| | | BE | BE | Provisional | BE |
| 1 | 2 | 3 | 4 | 5 | 6 |
| 1 | Balance from current Revenues (BCR)* | -38810 | -47064 | -50183 | -46713 |
| 2 | Balance from Non Debt Capital Receipts | 22596 | 14497 | 14218 | 24688 |
| 3 | Fiscal Deficit | 116314 | 131721 | 136211 | 135524 |
| 4 | Resources for Gross Budget Support to the Plan | 100100 | 99154 | 100246 | 113499 |
| 5 | Assistance for State & UT's Plans | 40644 | 38878 | 40640 | 46629 |
| 6 | Budget Support for Central Plan | 59456 | 60276 | 59606 | 66870 |
| 7 | IEBR of CPSEs | 70725 | 67580 | 67580 | 77167 |
| 8 | Plan Outlay of the Centre | 130181 | 127856 | 127186 | 144037 |

* Include external grants.

Annexure 2.2

Balance from current Revenues (BCR) of the Centre (incl. UTs)

(Rs Crore)

| Sl. No. | Items | 2001-02 | | | 2002-03 |
|------------|---|---------------|---------------|---------------|---------------|
| | | BE | RE | Prov.-Act | BE |
| 1 | 2 | 3 | 4 | 5 | 6 |
| I | Revenue Receipts | | | | |
| 1 | Tax Revenues (Gross) * | 226649 | 196693 | 187000 | 235800 |
| 2 | Less: States' share in Central Taxes | 61618 | 52845 | 52842 | 61235 |
| | Less Transfer to National Calamity Contingency Fund | 2000 | 1500 | 873 | 1600 |
| 3 | Tax Revenues (net)(1-2) | 163031 | 142348 | 133285 | 172965 |
| | Non-Tax Revenues | 68714 | 70224 | 69596 | 72140 |
| | less External Grants | 698 | 826 | 1741 | 859 |
| 4 | Non-Tax Revenues** | 68016 | 69398 | 67855 | 71281 |
| | Total I - Revenue Receipts (3+4) | 231047 | 211746 | 201140 | 244246 |
| II. | Non-Plan Revenue Expenditure | | | | |
| 1 | Interest Payments | 112300 | 107257 | 104894 | 117390 |
| 2 | Defence | 62000 | 57000 | 54112 | 65000 |
| | Defence (Cap) | 19959 | 16957 | 16153 | 21411 |
| | Defense (Rev) | 42041 | 40043 | 37959 | 43589 |
| 3 | Subsidies | 29801 | 30523 | 30094 | 39801 |
| 4 | Grants to States and UTs. | 18538 | 16994 | 15231 | 19190 |
| 5 | Grants to Foreign Governments | 474 | 527 | 523 | 561 |
| 6 | Border Roads | 255 | 208 | 208 | 237 |
| 7 | Other Non-Plan Revenue expenditure | 47187 | 47127 | 48002 | 49639 |
| | Total II - Non-Plan | | | | |
| | Revenue expenditure | 270555 | 259636 | 253064 | 291818 |
| II | BCR (I- II) | -39508 | -47890 | -51924 | -47572 |

* Including ARM and net of assignment of Union Territories' taxes to local bodies

** Excludes receipts of the Departmental Commercial Undertakings which have been netted out on the expenditure side

Annexure 2.3.A

**Resources of Central Public Sector Enterprises for Plan Investment
Budget Estimates - 2001-02**

(Rs. Crores)

| Sl. No. | Major Entreprises | Budget Support | | | Internal Re-source | Extra Budgetary Resources | | | Total EBR (7 to 9) | Total IEBR (6+10) | Total Plan Outlay (5+11) |
|---------|-----------------------------|----------------|-------------|--------------|--------------------|---------------------------|-----------------------|-------------|--------------------|-------------------|--------------------------|
| | | Equity | Loan | Total (3+4) | | Bonds/ Debentures | ECB/ Suppliers credit | Others | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| 1 | Coal India Ltd. | 0 | 46 | 46 | 1212 | | | 1052 | 1052 | 2264 | 2310 |
| 2 | Neyveli Lignite Corpn.Ltd. | 0 | 283 | 283 | 225 | 100 | 181 | 200 | 481 | 706 | 989 |
| 3 | Singareni Collieries Co Ltd | 0 | 0 | 0 | 265 | | | 90 | 90 | 355 | 355 |
| 4 | MTNL | 0 | 0 | 0 | 1600 | | | | 0 | 1600 | 1600 |
| 5 | Videsh Sanchar Nigam Ltd. | 0 | 0 | 0 | 1815 | | | | 0 | 1815 | 1815 |
| 6 | Telecommunication (BSNL) | 0 | 0 | 0 | 11341 | 5233 | | | 5233 | 16574 | 16574 |
| 7 | Air India | 0 | 0 | 0 | 435 | | 10 | | 10 | 445 | 445 |
| 8 | Indian Airlines | 0 | 0 | 0 | 460 | | | | 0 | 460 | 460 |
| 9 | IFFCO | 0 | 0 | 0 | 162 | | | 50 | 50 | 212 | 212 |
| 10 | KRIBHCO | 0 | 0 | 0 | 77 | | | 323 | 323 | 400 | 400 |
| 11 | National Fertilizers Ltd. | 0 | 0 | 0 | 30 | | | 130 | 130 | 160 | 160 |
| 12 | IPCL | 0 | 0 | 0 | 86 | 64 | | | 64 | 150 | 150 |
| 13 | GAIL | 0 | 0 | 0 | 842 | | 58 | 250 | 308 | 1150 | 1150 |
| 14 | ONGC | 0 | 0 | 0 | 6077 | | | | 0 | 6077 | 6077 |
| 15 | Indian Oil Corpn. | 0 | 0 | 0 | 2579 | | 940 | 2481 | 3421 | 6000 | 6000 |
| 16 | NTPC | 0 | 0 | 0 | 933 | 1450 | 623 | | 2073 | 3006 | 3006 |
| 17 | Nuclear Power Corpn. | 782 | 242 | 1024 | 80 | 69 | | | 69 | 149 | 1173 |
| 18 | Power Grid Corpn. | 0 | 0 | 0 | 196 | 1300 | 1373 | | 2673 | 2869 | 2869 |
| 19 | SAIL | 0 | 0 | 0 | | | | 500 | 500 | 500 | 500 |
| 20 | Indian Railways | 3540 | 0 | 3540 | 6500 | | | | 0 | 6500 | 10040 |
| 21 | Shipping Corp.of India | 5 | 5 | 10 | 243 | | 593 | | 593 | 836 | 846 |
| | Sub-Total (1 to 21) | 4327 | 576 | 4903 | 35158 | 8216 | 3778 | 5076 | 17070 | 52228 | 57131 |
| 22 | Other Entreprises | 4626 | 883 | 5508 | 6269 | 7141 | 1359 | 3729 | 12229 | 18498 | 24006 |
| | Grand Total | 8953 | 1459 | 10411 | 41427 | 15357 | 5137 | 8805 | 29298 | 70725 | 81137 |

Note: Internal Resources(IR) do not include "carry forward surpluses" and limited to the portion of IR used for financing of the Plan outlay

Annexure 2.3.-B

**Resources of Central Public Sector Enterprises for Plan Investment
Revised Estimates 2001-02**

(Rs. crore)

| Sl. No. | Major Entreprises | Budget Support | | | Internal Re-source | Extra Budgetary Resources | | | Total EBR (7 to 9) | Total IEBR (6+10) | Total Plan Outlay (5+11) |
|---------|-----------------------------|----------------|-------------|--------------|--------------------|---------------------------|-----------------------|--------------|--------------------|-------------------|--------------------------|
| | | Equity | Loan | Total (3+4) | | Bonds/Deben-tures | ECB/Supp-liers credit | Others | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| 1 | Coal India Ltd. | 0 | 67 | 67 | 155 | 0 | 0 | 1318 | 1318 | 1473 | 1540 |
| 2 | Neyveli Lignite Corpn.Ltd. | 0 | 0 | 0 | 713 | 0 | 183 | 0 | 183 | 896 | 896 |
| 3 | Singareni Collieries Co Ltd | 0 | 0 | 0 | -310 | 0 | 600 | 0 | 600 | 290 | 290 |
| 4 | MTNL | 0 | 0 | 0 | 1150 | 0 | 0 | 0 | 0 | 1150 | 1150 |
| 5 | Videsh Sanchar Nigam Ltd. | 0 | 0 | 0 | 946 | 0 | 0 | 0 | 0 | 946 | 946 |
| 6 | Telecommunication& | | | 0 | 8283 | 3083 | 0 | 5207 | 8290 | 16573 | 16573 |
| 7 | Air India | 0 | 0 | 0 | 444 | 0 | 0 | 0 | 0 | 444 | 444 |
| 8 | Indian Airlines | 0 | 0 | 0 | 432 | 0 | 0 | 0 | 0 | 432 | 432 |
| 9 | IFFCO | 0 | 0 | 0 | 41 | 0 | 0 | 171 | 171 | 212 | 212 |
| 10 | KRIBHCO | 0 | 0 | 0 | 183 | 0 | 0 | 0 | 0 | 183 | 183 |
| 11 | National Fertilizers Ltd. | 0 | 0 | 0 | 48 | 0 | 0 | 0 | 0 | 48 | 48 |
| 12 | IPCL | 0 | 0 | 0 | 0 | 116 | 0 | 0 | 116 | 116 | 116 |
| 13 | GAIL | 0 | 0 | 0 | 697 | 0 | 57 | 0 | 57 | 755 | 755 |
| 14 | ONGC | 0 | 0 | 0 | 8159 | 0 | 0 | 0 | 0 | 8159 | 8159 |
| 15 | Indian Oil Corpn. | 0 | 0 | 0 | 932 | 868 | 480 | 521 | 1869 | 2801 | 2801 |
| 16 | NTPC | 0 | 0 | 0 | 261 | 1575 | 1044 | 0 | 2619 | 2880 | 2880 |
| 17 | Nuclear Power Corpn. | 853 | 30 | 883 | 412 | 70 | 0 | 0 | 70 | 482 | 1365 |
| 18 | Power Grid Corpn. | 0 | 0 | 0 | 247 | 1064 | 1041 | 0 | 2105 | 2352 | 2352 |
| 19 | SAIL | 0 | 0 | 0 | 0 | 133 | 0 | 317 | 450 | 450 | 450 |
| 20 | Indian Railways | 5438 | 0 | 5438 | 3140 | 0 | 0 | 0 | 0 | 3140 | 8578 |
| 21 | Shipping Corp.of India | 0 | 0 | 0 | 533 | 0 | 300 | 0 | 300 | 833 | 833 |
| | Sub-Total (1 to 21) | 6291 | 97 | 6388 | 26466 | 6909 | 3705 | 7534 | 18149 | 51003 | 57390 |
| 22 | Other Entreprises | 5209 | 1892 | 7101 | 10763 | 7697 | 1048 | 3456 | 12201 | 30065 | 37166 |
| | Grand Total | 11500 | 1988 | 13488 | 37230 | 14606 | 4753 | 10991 | 30350 | 67580 | 81068 |

Note: Internal Resources(IR) do not include "carry forward surpluses" and limited to the portion of IR used for financing of the Plan outlay & Includes newly created BSNL

Annexure 2.3.-C

**Resources of Central Public Sector Enterprises for Plan Investment
Budget Estimates - 2002-03**

(Rs. crore)

| Sl. No. | Major Entreprises | Budget Support | | | Internal Re-source | Extra Budgetary Resources | | | Total EBR (7 to 9) | Total IEBR (6+10) | Total Plan Outlay (5+11) |
|---------|-----------------------------|----------------|-------------|--------------|--------------------|---------------------------|-----------------------|--------------|--------------------|-------------------|--------------------------|
| | | Equity | Loan | Total (3+4) | | Bonds/Deben-tures | ECB/Supp-liers credit | Others | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| 1 | Coal India Ltd. | 0 | 15 | 15 | 633 | 0 | 0 | 1542 | 1542 | 2175 | 2190 |
| 2 | Neyveli Lignite Corpn.Ltd. | 0 | 0 | 0 | 567 | 0 | 18 | 0 | 18 | 585 | 585 |
| 3 | Singareni Collieries Co Ltd | 0 | 0 | 0 | 405 | 0 | 0 | 0 | 0 | 405 | 405 |
| 4 | MTNL | 0 | 0 | 0 | 2744 | 1250 | 0 | 0 | 1250 | 3994 | 3994 |
| 5 | Videsh Sanchar Nigam Ltd. | 0 | 0 | 0 | 1136 | 0 | 0 | 0 | 0 | 1136 | 1136 |
| 6 | Telecommunication& | 0 | 1 | 1 | 7692 | 3502 | 0 | 2881 | 6383 | 14075 | 14076 |
| 7 | Air India | 0 | 1 | 1 | 858 | 0 | 0 | 0 | 0 | 858 | 859 |
| 8 | Indian Airlines | 0 | 1 | 1 | 509 | 0 | 0 | 0 | 0 | 509 | 510 |
| 9 | IFFCO | 0 | 0 | 0 | 75 | 0 | 0 | 201 | 201 | 276 | 276 |
| 10 | KRIBHCO | 0 | 0 | 0 | 180 | 0 | 0 | 0 | 0 | 180 | 180 |
| 11 | National Fertilizers Ltd. | 0 | 0 | 0 | 35 | 0 | 0 | 0 | 0 | 35 | 35 |
| 12 | IPCL | 0 | 0 | 0 | 90 | 25 | 0 | 0 | 25 | 115 | 115 |
| 13 | GAIL | 0 | 0 | 0 | 1206 | 100 | 0 | 250 | 350 | 1556 | 1556 |
| 14 | ONGC | 0 | 0 | 0 | 8973 | 0 | 0 | 0 | 0 | 8973 | 8973 |
| 15 | Indian Oil Corpn. | 0 | 0 | 0 | 1607 | 415 | 1000 | 700 | 2115 | 3722 | 3722 |
| 16 | NTPC | 168 | 0 | 168 | 913 | 1630 | 795 | 0 | 2425 | 3338 | 3506 |
| 17 | Nuclear Power Corpn. | 1342 | 187 | 1529 | 121 | 0 | 0 | 0 | 0 | 121 | 1650 |
| 18 | Power Grid Corpn. | 0 | 0 | 0 | 745 | 1388 | 1179 | 0 | 2567 | 3312 | 3312 |
| 19 | SAIL | 0 | 0 | 0 | 0 | 0 | 0 | 500 | 500 | 500 | 500 |
| 20 | Indian Railways | 5390 | 0 | 5390 | 3940 | 3000 | 0 | 0 | 3000 | 6940 | 12330 |
| 21 | Shipping Corp.of India | 0 | 0 | 0 | 367 | 0 | 965 | 0 | 965 | 1332 | 1332 |
| | Sub-Total (1 to 21) | 6899 | 205 | 7105 | 32796 | 11310 | 3957 | 6074 | 21341 | 54137 | 61242 |
| 22 | Other Entreprises | 5295 | 989 | 6284 | 6731 | 10467 | 1094 | 4738 | 16299 | 23030 | 29314 |
| | Grand Total | 12195 | 1194 | 13389 | 39527 | 21778 | 5050 | 10812 | 37640 | 77167 | 90555 |

Note: *Internal Resources(IR) do not include "carry forward surpluses" and limited to the portion of IR used for financing of the Plan outlay & Telecommunications includes newly created BSNL

Annexure 2.4

**Allocation of Tax-Free Bonds To
Central Ministries / CPSEs / Financial Institutions**

(Rs. crore)

| Sl. No. | Parent Ministry / Organisation | Central Public Sector Enterprise | 2001-02 BE | 2001-02 Actual | 2002-03 BE |
|----------------|---------------------------------------|---|-------------------|-----------------------|-------------------|
| 1 | 2 | 3 | 4 | 5 | 6 |
| 1 | Atomic Energy | NPC | 70 | 70 | Nil |
| 2 | DNES | IREDA | 50 | 50 | 50 |
| 3 | Power | NEEPCO | 75 | 30 | 95 |
| 4 | Railways | IRFC | 75 | 75 | 100 |
| 5 | Railways | KRC | 75 | Nil | Nil |
| 6 | Urban Dev. | HUDCO | 80 | 80 | 80 |
| 7 | RBI | NHB | 75 | 75 | 75 |
| | Total | | 500 | 380 | 400 |

Annexure 2.5

Central Assistance For State and Union Territory Plans - 2001-02 and 2002-03

(Rs. Crore)

| Sl. No. | Item | 2001-02 | | 2002-03 |
|-----------|---|------------------|------------------|------------------|
| | | Budget Estimate | Revised Estimate | Budget Estimate |
| 1 | 2 | 3 | 4 | 5 |
| 1 | Normal Central Assistance (NCA) | 18,434.00 | 17,119.85 | 20,172.00 |
| 2 | Slum Development @ | 386.00 | 341.11 | 365.00 |
| 3 | Special Plan Assistance | 700.00 | 1,000.00 | 700.00 |
| 4 | Special Central Assistance | 1,350.00 | 1,350.98 | 1,670.00 |
| | i) Hill Areas | 160.00 | 160.00 | 160.00 |
| | ii) Tribal Sub Plan | 500.00 | 500.98 | 500.00 |
| | iii) Grants under Article 275(1) | \$ | \$ | 300.00 |
| | vi) Border Areas | 240.00 | 240.00 | 260.00 |
| | v) North Eastern Council | 450.00 | 450.00 | 450.00 |
| | Special Central Assistance | - | 125.00 | - |
| 6 | Control of Shifting Cultivation | 15.00 | 15.00 | 20.00 |
| 7 | MPs Local Area Dev. Scheme (MPLADS) | 1,580.00 | 1,730.00 | 1,580.00 |
| 8 | Addl. Central Assistance | - | 1,511.37 | - |
| 9 | Addl. Central Assistance for EAPs | 6,500.00 | 8,500.00 | 6,500.00 |
| 10 | Addl. Central Assistance for Other Projects @ | 120.00 | - | - |
| 11 | Rural Electrification Corporation | 460.00 | 50.00 | - |
| 12 | Assistance from Central pool of Resources for NE & Sikkim | - | 500.00 | - |
| 13 | Acc. Irrigation Benefit Programme (AIBP) | 2,000.00 | 2,000.00 | 2,800.00 |
| 14 | Roads & Bridges | 962.00 | 367.07 | 974.08 |
| 15 | Pradhan Manti's Gramodaya Yojana (PMGY) @ | 5,300.00 | 2,533.00 | 2,800.00 |
| | (a) Rural Roads | 2,500.00 | - | - |
| | (b) Other Programmes of Gramodaya | 2,800.00 | 2,533.00 | 2,800.00 |
| 16 | Acc. Power Development Programme (APDP) | 1,500.00 | 450.00 | 3,500.00 |
| 17 | Loans to States for Rural Electrification | 175.00 | - | - |
| 18 | Rural Electrification | - | - | 600.00 |
| 19 | National Social Assistance Programme (NSAP) | - | - | 680.00 |
| 20 | Initiative for Strengthening Infrastructure | - | - | 500.00 |
| 21 | Development and Reform Facility (DRF) | - | - | 2,500.00 |
| A. | CENTRAL ASSISTANCE FOR STATES (1 to 21) | 39,482.00 | 37,593.38 | 45,361.08 |
| 1 | UTs with Legislature | 498.00 | 562.00 | 538.00 |
| 2 | UTs without Legislature | 664.00 | 722.76 | 730.00 |
| B. | CENTRAL ASSISTANCE FOR UT PLANS (1+2) | 1,162.00 | 1,284.76 | 1,268.00 |
| C. | GRAND TOTAL (A+B) | 40,644.00 | 38,878.14 | 46,629.08 |

@ The provision is for both States and Union Territories

\$ Included under Normal Central Assistance.

Annexure 2.6

Financing Pattern of the States' Annual Plans For 2001-02 & 2002-03

(Rs. crore)

| Sl. No. | Resources | 2001-02 | | 2002-03 |
|-----------|--|------------------|------------------|------------------|
| | | Annual Plan | Latest Estimate | Annual Plan |
| 1 | 2 | 3 | 4 | 5 |
| 1 | Balance from Current Revenues (BCR) | -30,803.95 | -44,629.40 | -36,403.06 |
| 2 | Contribution of State Level Public Enterprises (SLPEs) | -5,100.69 | -9,146.98 | -2,863.57 |
| 3 | State Provident Funds | 13,993.69 | 11,781.17 | 11,438.46 |
| 4 | Misc. Capital Receipts (MCR) (Net) | -10,399.19 | -7,420.87 | -16,225.23 |
| 5 | Special Grants under Finance Commission | 3,410.91 | 3,321.68 | 3,257.28 |
| 6 | Loan against Small Savings | 31,959.59 | 33,952.44 | 39,573.55 |
| 7 | Net Market Borrowings (SLR based) | 11,556.82 | 13,958.79 | 13,570.52 |
| 8 | Negotiated Loans and Other Finances | 16,157.31 | 17,755.04 | 14,544.58 |
| 9 | Bonds/Debentures by SLPEs | 12,487.00 | 12,261.34 | 12,096.71 |
| 10 | ARM agreed at Dy. Chairman - CM Level Meeting | 563.89 | 125.00 | 1,459.35 |
| 11 | Opening Balance and Other Resources | 682.96 | -1,044.85 | 1,611.79 |
| A. | States' Own Resources (1 to 11) | 44,508.35 | 30,913.37 | 42,060.38 |
| 12 | Normal (Formula based) Central Assistance (NCA) | 17,452.93 | 17,456.10 | 18,616.32 |
| 13 | Addl. Central Assistance for EAPs | 18,719.43 | 13,760.14 | 18,646.90 |
| 14 | Others | 12,733.30 | 11,996.54 | 15,456.80 |
| B. | Central Assistance (12 to 14) | 48,905.66 | 43,212.78 | 52,720.02 |
| C. | Aggregate Plan Resources (A + B) | 93,414.01 | 74,126.15 | 94,780.40 |
| D. | Approved/Projected Plan Outlay | 93,833.55 | | 96,530.74 |

Note: 1. The approved plan outlay for 2001-02 is higher than the aggregate resources because of the resources gap of Rs.419.54 crore in respect of Jammu & Kashmir State.

2. The approved plan for 2002-03 pertains to 27 States, as the Annual Plan for the State of Manipur has not been finalised. The Approved Plan Outlay is higher than the aggregate resources because of the resources gap of Rs.1295.57 crore in respect of Jammu & Kashmir State and Rs.454.77 crore of Power Sector outlay in respect of Kerala not included in the scheme of financing.

Annexure 2.7

Balance From Current Revenues (BCR) for 2001-02

(Rs. crore)

| | Item | Special Category States | | Non-Special Category States | | All States | |
|-------------|--|-------------------------|------------------|-----------------------------|-------------------|-------------------|-------------------|
| | | 2001-02 | | | | | |
| | | Annual Plan | Latest Estimate | Annual Plan | Latest Estimate | Annual Plan | Latest Estimate |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| I. | Non-Plan Revenue Receipts (1 to 4) | 17,275.25 | 16,995.68 | 208,085.63 | 194,018.71 | 225,360.88 | 211,014.39 |
| 1 | Share of Central Taxes | 4,717.97 | 4,431.14 | 58,075.94 | 54,227.52 | 62,793.91 | 58,658.66 |
| 2 | States' Own Tax Revenues | 4,531.39 | 4,582.34 | 128,617.10 | 121,399.97 | 133,148.49 | 125,982.31 |
| 3 | States' Own Non - Tax Revenues | 1,110.35 | 1,034.40 | 16,475.45 | 13,515.81 | 17,585.80 | 14,550.21 |
| 4 | Non-Plan Grants from the Centre | 6,915.54 | 6,947.80 | 4,917.14 | 4,875.41 | 11,832.68 | 11,823.21 |
| II. | Non-Plan Revenue Expenditure (NPRE) (1 to 3) | 22,605.43 | 22,646.55 | 236,211.84 | 233,350.14 | 258,817.27 | 255,996.69 |
| 1 | Non-Development Expenditure of which Interest | 11,701.60 | 12,219.01 | 121,880.81 | 123,971.00 | 133,582.41 | 136,190.01 |
| | Payment | 4,919.17 | 5,025.49 | 57,669.59 | 58,319.49 | 62,588.76 | 63,344.98 |
| 2 | Development Expenditure | 10,715.07 | 10,427.54 | 111,274.29 | 110,835.14 | 121,989.36 | 121,262.68 |
| 3 | Other NPRE | 188.76 | 0.00 | 3,056.74 | -1,456.00 | 3,245.50 | -1,456.00 |
| III. | Balance from Current Revenues (BCR) (I - II) | -5,330.18 | -5,650.87 | -28,126.21 | -39,331.43 | -33,456.39 | -44,982.30 |
| IV. | Budgetary ARM not included in the above Revenue Receipt items | 20.00 | 0.00 | 2,632.44 | 352.90 | 2,652.44 | 352.90 |
| V. | BCR with ARM (III + IV) | -5,310.18 | -5,650.87 | -25,493.77 | -38,978.53 | -30,803.95 | -44,629.40 |

**State-wise Balance from Current Revenues (BCR) for
Annual Plans 2001-02 & 2002-03**

(Rs crore)

| | States | 2001-02 Annual Plan | 2001-02 Latest Estimate | 2002-03 Annual Plan |
|-----------|-----------------------------|------------------------|----------------------------|------------------------|
| | 1 | 2 | 3 | 4 |
| A. | A. Special Category | -5,310.18 | -5,650.87 | -5,632.82 |
| 1 | Arunachal Pradesh | -86.30 | -62.77 | -100.52 |
| 2 | Assam | -1,081.46 | -1,335.38 | -1,115.82 |
| 3 | Himachal Pradesh | -1,123.63 | -935.00 | -1,150.71 |
| 4 | Jammu & Kashmir | -578.67 | -586.71 | -704.08 |
| 5 | Manipur | -206.60 | -260.97 | |
| 6 | Meghalaya | -157.62 | -143.93 | -156.57 |
| 7 | Mizoram | -188.74 | -192.29 | -225.61 |
| 8 | Nagaland | -317.75 | -204.69 | -303.46 |
| 9 | Sikkim | -21.63 | -19.87 | -9.17 |
| 10 | Tripura | -501.99 | -611.59 | -519.42 |
| 11 | Uttaranchal | -1,045.79 | -1,297.67 | -1,347.46 |
| B. | Non-Special Category | -25,493.77 | -38,978.53 | -30,770.24 |
| 1 | Andhra Pradesh | -573.79 | -927.74 | 331.32 |
| 2 | Bihar | -1,130.28 | -1,205.11 | -824.93 |
| 3 | Chattisgarh | 33.46 | 85.96 | 119.72 |
| 4 | Goa | -22.77 | 19.22 | 72.08 |
| 5 | Gujarat | -7,250.52 | -7,154.01 | -4,405.74 |
| 6 | Haryana | -244.32 | -363.72 | -260.53 |
| 7 | Jharkhand | 966.86 | 953.37 | 412.00 |
| 8 | Karnataka | -270.11 | -935.92 | -883.79 |
| 9 | Kerala | -243.93 | -1,015.46 | -689.98 |
| 10 | Madhya Pradesh | -611.09 | -2,277.40 | -306.15 |
| 11 | Maharashtra | 1,343.43 | -3,994.89 | -1,749.17 |
| 12 | Orissa | -1,533.73 | -1,969.83 | -2,116.90 |
| 13 | Punjab | -2,246.37 | -3,142.33 | -2,681.53 |
| 14 | Rajasthan | -2,157.60 | -2,906.64 | -3,246.00 |
| 15 | Tamil Nadu | -1,840.24 | -2,278.53 | -2,526.47 |
| 16 | Uttar Pradesh | -4,938.68 | -6,206.54 | -6,208.66 |
| 17 | West Bengal | -4,774.09 | -5,658.96 | -5,805.51 |
| C. | GRAND TOTAL (A+B) | -30,803.95 | -44,629.40 | -36,403.06 |

Note: Annual Plan 2002-03 figures do not includes Manipur.

Annexure 2.9

Additional Resources Mobilisation (ARM) during 2001-02 and 2002-03

(Rs. Crore)

| | States | 2001-02 | | | | | | | | 2002-03 | | | |
|-------------|--|-----------------|---------------|-----------------|-------------|---------------|--------------|-----------------|---------------|----------------------|---------------|-------------|-----------------|
| | | Budgetary * | | SEB's | | RTC's | | TOTAL | | Budge tary* AP | SEBs AP | RTCs AP | TOTAL AP |
| | | AP | LE | AP | LE | AP | LE | AP | LE | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | |
| I. | Non-Special Category States | 3,142.44 | 477.90 | 2,619.43 | 0.00 | 996.43 | 28.29 | 6,758.30 | 506.19 | 2,843.16 | 681.75 | 0.00 | 3,524.91 |
| 1 | Andhra Pradesh | 0.00 | 0.00 | 1,416.72 | 0.00 | 885.60 | 0.00 | 2,302.32 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2 | Bihar | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 250.00 | 0.00 | 0.00 | 250.00 |
| 3 | Chattisgarh | 30.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 30.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4 | Goa | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5 | Gujarat | 30.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 30.00 | 0.00 | 110.00 | 0.00 | 0.00 | 110.00 |
| 6 | Haryana | 155.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 155.00 | 0.00 | 25.00 | 0.00 | 0.00 | 25.00 |
| 7 | Jharkhand | 352.90 | 352.90 | 0.00 | 0.00 | 0.00 | 0.00 | 352.90 | 352.90 | 371.52 | 0.00 | 0.00 | 371.52 |
| 8 | Karnataka | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 9 | Kerala | 811.04 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 811.04 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 10 | Madhya Pradesh | 125.00 | 125.00 | 0.00 | 0.00 | 0.00 | 0.00 | 125.00 | 125.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 11 | Maharashtra | 1,100.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1,100.00 | 0.00 | 1,130.00 | 0.00 | 0.00 | 1,130.00 |
| 12 | Orissa | 66.50 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 66.50 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 13 | Punjab | 0.00 | 0.00 | 325.00 | 0.00 | 35.83 | 28.29 | 360.83 | 28.29 | 821.64 | 681.75 | 0.00 | 1,503.39 |
| 14 | Rajasthan | 272.00 | 0.00 | 677.71 | 0.00 | 0.00 | 0.00 | 949.71 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 15 | Tamil Nadu | 200.00 | 0.00 | 200.00 | 0.00 | 75.00 | 0.00 | 475.00 | 0.00 | 135.00 | 0.00 | 0.00 | 135.00 |
| 16 | Uttar Pradesh | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 17 | West Bengal | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| II. | Special Category States | 166.87 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 166.87 | 0.00 | 149.48 | 0.00 | 0.00 | 149.48 |
| III. | Grand Total (I+II) | 3,309.31 | 477.90 | 2,619.43 | 0.00 | 996.43 | 28.29 | 6,925.17 | 506.19 | 2,992.64 | 681.75 | 0.00 | 3,674.39 |

* Includes ARM committed at Deputy Chairman - Chief Minister level discussions to finalise the Annual Plan

Note: Annual Plan 2002-03 figures do not includes Manipur.

Annexure 2.10

Contribution of State Electricity Boards (SEBs) During 2001-02 & 2002-03

(Rs. Crore)

| Sl. No. | States | 2001-02 | | | | | | 2002-03 | | |
|---------|--------------------|------------------|-----------------|------------------------|------------------|-------------|------------------------|------------------|---------------|------------------------|
| | | Annual Plan | | | Latest Estimates | | | Annual Plan | | |
| | | At 2000-01 rates | ARM | Total at current rates | At 2000-01 rates | ARM | Total at current rates | At 2001-02 rates | ARM | Total at current rates |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | |
| 1. | Andhra Pradesh | -2,499.45 | 1,416.72 | -1,082.73 | -867.59 | 0.00 | -867.59 | 0.00 | 0.00 | 0.00 |
| 2. | Arunachal Pradesh* | | | | | | | | | |
| 3. | Assam | -350.66 | 0.00 | -350.66 | -19.24 | 0.00 | -19.24 | -60.00 | 0.00 | -60.00 |
| 4. | Bihar | -519.00 | 0.00 | -519.00 | -444.59 | 0.00 | -444.59 | -514.60 | 0.00 | -514.60 |
| 5. | Chattisgarh | 5.00 | 0.00 | 5.00 | 5.00 | 0.00 | 5.00 | 20.00 | 0.00 | 20.00 |
| 6. | Goa | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 7. | Gujarat | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 8. | Haryana | -51.60 | 0.00 | -51.60 | -61.92 | 0.00 | -61.92 | -74.30 | 0.00 | -74.30 |
| 9. | Himachal Pradesh | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 10. | Jammu & Kashmir | -680.80 | 0.00 | -680.80 | -680.80 | 0.00 | -680.80 | -442.42 | 0.00 | -442.42 |
| 11. | Jharkhand | -180.33 | 0.00 | -180.33 | -180.33 | 0.00 | -180.33 | -151.97 | 0.00 | -151.97 |
| 12. | Karnataka | 0.00 | 0.00 | 0.00 | 235.00 | 0.00 | 235.00 | 8.00 | 0.00 | 8.00 |
| 13. | Kerala | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 14. | Madhya Pradesh | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 15. | Maharashtra | 0.00 | 0.00 | 0.00 | -1,389.15 | 0.00 | -1,389.15 | 0.00 | 0.00 | 0.00 |
| 16. | Manipur* | | | | | | | | | |
| 17. | Meghalaya | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 18. | Mizoram* | | | | | | | | | |
| 19. | Nagaland* | | | | | | | | | |
| 20. | Orissa | 73.49 | 0.00 | 73.49 | -1.52 | 0.00 | -1.52 | 58.00 | 0.00 | 58.00 |
| 21. | Punjab | -325.00 | 325.00 | 0.00 | -737.65 | 0.00 | -737.65 | -931.75 | 681.75 | -250.00 |
| 22. | Rajasthan | -1,757.57 | 677.71 | -1,079.86 | -1,356.84 | 0.00 | -1,356.84 | 0.00 | 0.00 | 0.00 |
| 23. | Sikkim* | | | | | | | | | |
| 24. | Tamil Nadu | -1,540.00 | 200.00 | -1,340.00 | -957.00 | 0.00 | -957.00 | -687.50 | 0.00 | -687.50 |
| 25. | Tripura* | | | | | | | | | |
| 26. | Uttaranchal | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 27. | Uttar Pradesh | -329.78 | 0.00 | -329.78 | -2,069.52 | 0.00 | -2,069.52 | -987.56 | 0.00 | -987.56 |
| 28. | West Bengal | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Total | -8,155.70 | 2,619.43 | -5,536.27 | -8,526.15 | 0.00 | -8,526.15 | -3,764.10 | 681.75 | -3,082.35 |

* Departmental undertaking.

Annexure 2.11

Contribution of Road Transport Corporations (RTCs) During 2001-02 & 2002-03

(Rs. Crore)

| Sl. No. | States | 2001-02 | | | | | | 2002-03 | | |
|---------|--------------------|------------------|---------------|------------------------|------------------|--------------|------------------------|------------------|-------------|------------------------|
| | | Annual Plan | | | Latest Estimates | | | Annual Plan | | |
| | | At 2000-01 rates | ARM | Total at current rates | At 2000-01 rates | ARM | Total at current rates | At 2001-02 rates | ARM | Total at current rates |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | |
| 1. | Andhra Pradesh | -835.16 | 885.60 | 50.44 | -326.34 | 0.00 | -326.34 | 104.04 | 0.00 | 104.04 |
| 2. | Arunachal Pradesh* | | | | | | | | | |
| 3. | Assam | -22.55 | 0.00 | -22.55 | -14.43 | 0.00 | -14.43 | -18.54 | 0.00 | -18.54 |
| 4. | Bihar | -4.26 | 0.00 | -4.26 | -4.26 | 0.00 | -4.26 | -3.09 | 0.00 | -3.09 |
| 5. | Chattisgarh | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 6. | Goa | -4.00 | 0.00 | -4.00 | -4.00 | 0.00 | -4.00 | -4.00 | 0.00 | -4.00 |
| 7. | Gujarat | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 8. | Haryana | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 9. | Himachal Pradesh | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 10. | Jammu & Kashmir | -31.87 | 0.00 | -31.87 | -31.87 | 0.00 | -31.87 | -28.68 | 0.00 | -28.68 |
| 11. | Jharkhand | -3.33 | 0.00 | -3.33 | -3.33 | 0.00 | -3.33 | -3.73 | 0.00 | -3.73 |
| 12. | Karnataka | 55.00 | 0.00 | 55.00 | 67.32 | 0.00 | 67.32 | 73.39 | 0.00 | 73.39 |
| 13. | Kerala | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 14. | Madhya Pradesh | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 15. | Maharashtra | 248.56 | 0.00 | 248.56 | -56.54 | 0.00 | -56.54 | 0.00 | 0.00 | 0.00 |
| 16. | Manipur | -2.87 | 0.00 | -2.87 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 17. | Meghalaya | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 18. | Mizoram* | | | | | | | | | |
| 19. | Nagaland* | | | | | | | | | |
| 20. | Orissa | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.48 | 0.00 | 1.48 |
| 21. | Punjab | -35.83 | 35.83 | 0.00 | -28.29 | 28.29 | 0.00 | -25.79 | 0.00 | -25.79 |
| 22. | Rajasthan | -64.70 | 0.00 | -64.70 | -56.40 | 0.00 | -56.40 | -72.10 | 0.00 | -72.10 |
| 23. | Sikkim* | | | | | | | | | |
| 24. | Tamil Nadu | -325.34 | 75.00 | -250.34 | -58.53 | 0.00 | -58.53 | 134.28 | 0.00 | 134.28 |
| 25. | Tripura | -8.13 | 0.00 | -8.13 | -11.30 | 0.00 | -11.30 | -8.50 | 0.00 | -8.50 |
| 26. | Uttaranchal | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 27. | Uttar Pradesh | 129.12 | 0.00 | 129.12 | -9.43 | 0.00 | -9.43 | 104.27 | 0.00 | 104.27 |
| 28. | West Bengal | -20.27 | 0.00 | -20.27 | -182.86 | 0.00 | -182.86 | -218.12 | 0.00 | -218.12 |
| | Total | -925.63 | 996.43 | 70.80 | -720.26 | 28.29 | -691.97 | 34.91 | 0.00 | 34.91 |

* Departmental undertaking.

Note: The Annual Plan 2002-2003 figures do not include Manipur