

Consolidated General Government

2.68 The international community evaluates a country's public finances through the concept of Consolidated General Government, which includes all levels of Government. International credit rating agencies base their sovereign ratings on the combined fiscal position of the Centre and

States, which in the absence of readily available data on local governments is taken as a good proxy for consolidated general government in India. The combined fiscal deficit, which showed promising decline in the early nineties, worsened subsequently. Combined fiscal deficit of the Centre and States, as proportion of GDP, declined from 9.4 per cent in 1990-91 to 6.4 per cent in

Table 2.11 : Combined receipts and disbursements of the Central and State Governments

	1990-91	1999-2000	2000-01	2001-02	2002-03	2003-04 (RE)	2004-05\$ (BE)
(Rs. crore)							
I. Total receipts(A+B)	152398	536446	599141	651040	731763	875724	908411
A. Revenue receipts (1+2)	105757	343709	378817	400162	453414	531875	612317
1. Tax receipts	87564	274974	305374	313844	358224	415642	497463
2. Non-tax receipts	18193	68735	73443	86317	95191	116233	114854
of which Interest receipts	5975	18219	18050	17164	17781	17939	20429
B. Capital receipts	46641	192737	220324	250878	278349	343849	296094
of which:							
a) Disinvestment proceeds	-	1724	2125	3646	3151	14500	4000
b) Recovery of loans & advances	3233	5905	10466	14514	12916	23341	10489
II. Total disbursements(a+b+c)	163673	540423	595595	652967	727151	887391	907363
a) Revenue	129628	465102	517618	559511	616405	703860	732207
b) Capital	22457	53808	60211	67047	88353	154630	155929
c) Loans and advances	11588	21513	17766	26409	22393	28901	19227
III. Revenue deficit	23871	121393	138803	159350	162990	171986	119889
IV. Gross fiscal deficit	53580	184826	199852	226425	234987	260820	245946
(As per cent of GDP)							
I. Total receipts(A+B)	26.8	27.7	28.7	28.7	29.7	31.7	29.2
A. Revenue receipts (1+2)	18.6	17.7	18.1	17.6	18.4	19.3	19.7
1. Tax receipts	15.4	14.2	14.6	13.8	14.5	15.1	16.0
2. Non-tax receipts	3.2	3.5	3.5	3.8	3.9	4.2	3.7
of which Interest receipts	1.1	0.9	0.9	0.8	0.7	0.6	0.7
B. Capital receipts	8.2	10.0	10.5	11.0	11.3	12.5	9.5
of which:							
a) Disinvestment proceeds	0.0	0.1	0.1	0.2	0.1	0.5	0.1
b) Recovery of loans & advances	0.6	0.3	0.5	0.6	0.5	0.8	0.3
II. Total disbursements(a+b+c)	28.8	27.9	28.5	28.7	29.5	32.2	29.2
a) Revenue	22.8	24.0	24.8	24.6	25.0	25.5	23.6
b) Capital	3.9	2.8	2.9	3.0	3.6	5.6	5.0
c) Loans and advances	2.0	1.1	0.9	1.2	0.9	1.0	0.6
III. Revenue deficit	4.2	6.3	6.6	7.0	6.6	6.2	3.9
IV. Gross fiscal deficit	9.4	9.5	9.6	10.0	9.5	9.4	7.9
<p>\$ The ratios to GDP for 2004-05 (BE) are based on CSO's Advance Estimates released in February, 2005. Source : Reserve Bank of India.</p>							

1996-97, but started increasing to reach 10.0 per cent in 2001-02. Combined fiscal deficit, which is placed at 9.4 per cent of GDP in 2003-04 (RE) is budgeted to decline to 7.9 per cent of GDP in 2004-05. Combined revenue deficit of the Centre and States as a proportion of GDP at 4.2 per cent in

1990-91, composed of 3.3 per cent of the Centre and 0.9 of States worsened to 7.0 per cent in 2001-02, with Centre accounting for 4.4 per cent and States 2.5 per cent. In 2004-05, combined revenue deficit is budgeted to decline to 3.9 per cent of GDP (Table 2.11).