

BUDGET ESTIMATES 2003-2004

The Budget Estimates 2003-04 show an increase of Rs.34,782 crore over Revised Estimates 2002-03. While increase in non-Plan Expenditure is Rs.27,897 crore, under Plan there is an increase of Rs.6,885 crore, of which Rs.2,952 crore is on Central Assistance to State and UT plans and Rs.3,933 crore is on Central Plan. The main items of variation in non-Plan estimates are given below:-

(In crores of Rupees)

	Revised 2002-03	Budget 2003-04	Variation
Non-Plan			
1. Interest payments	115663	123223	(+) 7560
2. Defence	56000	65300	(+) 9300
3. Food Subsidy	24200	27800	(+) 3600
4. Fertilizer Subsidy	11009	12720	(+) 1711
5. Petroleum Subsidy	6265	8116	(+) 1851
6. Grants to State Governments	14336	17682	(+) 3346
7. Postal Deficit	1431	1287	(-) 144
8. Pensions	14231	15466	(+) 1235
9. Other Non-Plan Expenditure	46789	46227	(-) 562
Total (Non-Plan) Expenditure	289924	317821	(+)27897

1. The increase is due to continuing dependence on debt resources to finance the Government expenditure. The incremental expenditure is required to meet the interest obligation for the fiscal deficit during 2002-03.
2. The enhanced provision is to meet additional expenditure on pay and allowances and modernisation of Defence Forces.
3. Due to high carrying cost of stocks with FCI.
4. Increase is due to anticipated growth in the requirement of urea and decontrolled fertilizers.
5. The increase is mainly on account of enhanced provision made for subsidy on domestic LPG and PDS kerosene.
6. The increase is on the basis of recommendations of the Eleventh Finance Commission on non-Plan grants to States.
7. The decrease is due to anticipated decline in working expenses of the Department of Posts.
8. The increase is mainly on account of increase in dearness relief and expected retirements.