

BUDGET ESTIMATES 2004-2005

The Budget Estimates 2004-05 show a net increase of Rs.29,782 crore over Revised Estimates 2003-04 excluding repayment of liabilities to National Small Savings Fund. While there is an increase of Rs.16,218 crore in non-Plan Expenditure, under Plan there is an increase of Rs.13,564 crore, of which Rs.5,044 crore is on Central Assistance to State and UT plans and Rs.8,520 crore is on Central Plan. The main items of variation in non-Plan estimates are given below:-

<i>(In crores of Rupees)</i>			
	Revised 2003-04	Budget 2004-05	Variation
Non-Plan			
1. Interest payments	120475	129500	(+) 9025
2. Defence	60300	66000	(+) 5700
3. Food Subsidy	25200	27800	(+) 2600
4. Fertilizer Subsidy	11797	12662	(+) 865
5. Petroleum Subsidy	6573	3560	(-) 3013
6. Grants/Loans to State Governments	15017	19127	(+) 4110
7. Agriculture & Allied Services	1081	2096	(+) 1015
8. Police	8331	9629	(+) 1298
9. Elections	461	1162	(+) 701
10. Other Non-Plan Expenditure	56910	50827	(-) 6083
Total (Non-Plan) Expenditure	306145	322363	(+)16218
Plan			
1. Central Plan	72847	81367	(+) 8520
2. Central assistance for State and UT Plans	48660	53704	(+) 5044
Total (Plan) Expenditure	121507	135071	(+) 13564

1. The increase is due to continuing dependence on debt resources to finance the Government expenditure.
2. The enhanced provision is to meet additional expenditure on pay and allowances and modernisation of Defence Forces.
3. Due to increased off-take of foodgrains.
4. Increase is due to anticipated growth in the requirement of urea and decontrolled fertilisers.
5. Decrease is in conformity with the decision to phase out petroleum subsidy over a period of time.
6. The increase is on the basis of recommendations of the Eleventh Finance Commission on non-Plan grants to States.
7. Due to normal growth as well as provision for grants through National Bank for Agriculture and Rural Development (NABARD) for strengthening cooperative credit structure.
8. The increase includes normal growth as well as special assistance to States for modernization of police forces.
9. The increase is due to provision for additional expenditure on conduct of General Elections in 2004.