

BUDGET ESTIMATES 2008-2009

The Budget Estimates 2008-09 show a net increase of Rs.41,511 crore over Revised Estimates 2007-08. There is an increase of Rs.5,649 crore in Non-Plan expenditure. Under Plan expenditure, there is an increase of Rs.35,862 crore, of which Rs.31,285 crore is on Central Plan and Rs.4,577 crore on Central Assistance for State & UT Plans. The main items of variation in Non-Plan and Plan estimates are given below:

<i>(In crores of Rupees)</i>			
	Revised 2007-08	Budget 2008-09	Variation Decrease(-)/ Increase(+)
Non-Plan			
1. Interest Payments	171971	190807	(+) 18836
2. Defence Expenditure	92500	105600	(+) 13100
3. Food Subsidy	31546	32667	(+) 1121
4. Police	14154	15562	(+) 1408
5. Pensions	24193	25085	(+) 892
6. Agriculture & Allied services	2996	4972	(+) 1976
7. Other Communication Services	1516	2066	(+) 550
8. Grants to States & UT Governments	36431	43294	(+) 6863
9. Capital Outlay	49635	10567	(-) 39068
10. Other Non Plan expenditure	76907	76878	(-) 29
Total (Non Plan) Expenditure	501849	507498	(+) 5649
Plan			
1. Central Plan	148669	179954	(+) 31285
2. Central Assistance for State & UT Plans	58855	63432	(+) 4577
Total (Plan) Expenditure	207524	243386	(+) 35862

Non-Plan

1. Due to higher requirement for interest on market loans, Market Stabilisation Scheme and interest on Special Securities issued to Oil Marketing Companies, Food Corporation of India and Fertiliser companies.
2. Higher requirement for modernisation of Defence forces.
3. Due to increase in carrying cost and estimated off-take of food grains.
4. Due to higher requirements for internal security.
5. Increase is mainly on account of growth in the number of pensioners and provision for anticipated outgo on dearness relief.
6. Due to strengthening of co-operative credit structure and to initiate reform measures for strengthening long term cooperative credit structure.
7. Due to higher transfer to Universal Service Obligation Fund.
8. Mainly due to provision for higher grant as per the 12th Finance Commission award.
9. Decrease is due to one-time payment to RBI for acquisition of its stake in SBI by the Government of India and transfer of Rs.6,000 crore to Social and Infrastructure Development Fund in 2007-08.

Plan

1. Increase is due to amongst others, enhanced allocation to social sector in particular, School Education, Higher Education, Health & Family Welfare, Women & Child Development, Minority Affairs and for Rural Development, Agriculture, Finance, Power and other physical infrastructure.
2. Increase is mainly due to higher allocations under Normal Central Assistance, Special Plan Assistance, Indira Gandhi National Old Age Pension Scheme under National Social Assistance Programme, Backward Regions Grant Fund, Jawaharlal Nehru National Urban Renewal Mission, Rashtriya Krishi Vikas Yojana, etc.