

BUDGET 2017

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Two Types of Expenditure

- **Revenue Expenditure** – Expenditure which does not yield any return. In other words, this expenditure neither creates assets nor reduces liabilities.
- **Capital Expenditure** – Expenditure which yields income or return. In other words, this expenditure either creates assets or reduces liabilities.

Types of Deficit

- **Revenue Deficit** – It refers to the excess of revenue expenditure over revenue receipts.
- **Fiscal Deficit** – It indicates the total borrowing requirements of the Government from all sources.
- **Primary Deficit** – It is measured by fiscal deficit less interest payments.

Fiscal Responsibility and Budget Management (FRBM) Act 2003

Objectives:

- to maintain transparency in fiscal management systems in the country,
- to bring inter generational equity in debt management and
- to bring long term fiscal stability in the economy.

Targets:

- Elimination of revenue deficit.
- Reduction of fiscal deficit to an amount equivalent to 3% of GDP.

Budget at a Glance

	2015-16	2016-17 (R.E)	2017-18 (B.E)
Revenue Receipts	11,95,025	14,23,562	15,15,771
Capital Receipts	5,95,748	5,90,845	6,30,964
Total Receipts	17,90,783	20,14,407	21,46,735
Revenue Expenditure	15,37,761	17,34,560	18,36,934
Capital Expenditure	2,53,022	2,79,847	3,09,801
Total Expenditure	17,90,783	20,14,407	21,46,735
Revenue Deficit	2.5	2.1	1.9
Fiscal Deficit	3.9	3.5	3.2
Primary Deficit	0.7	0.3	0.1

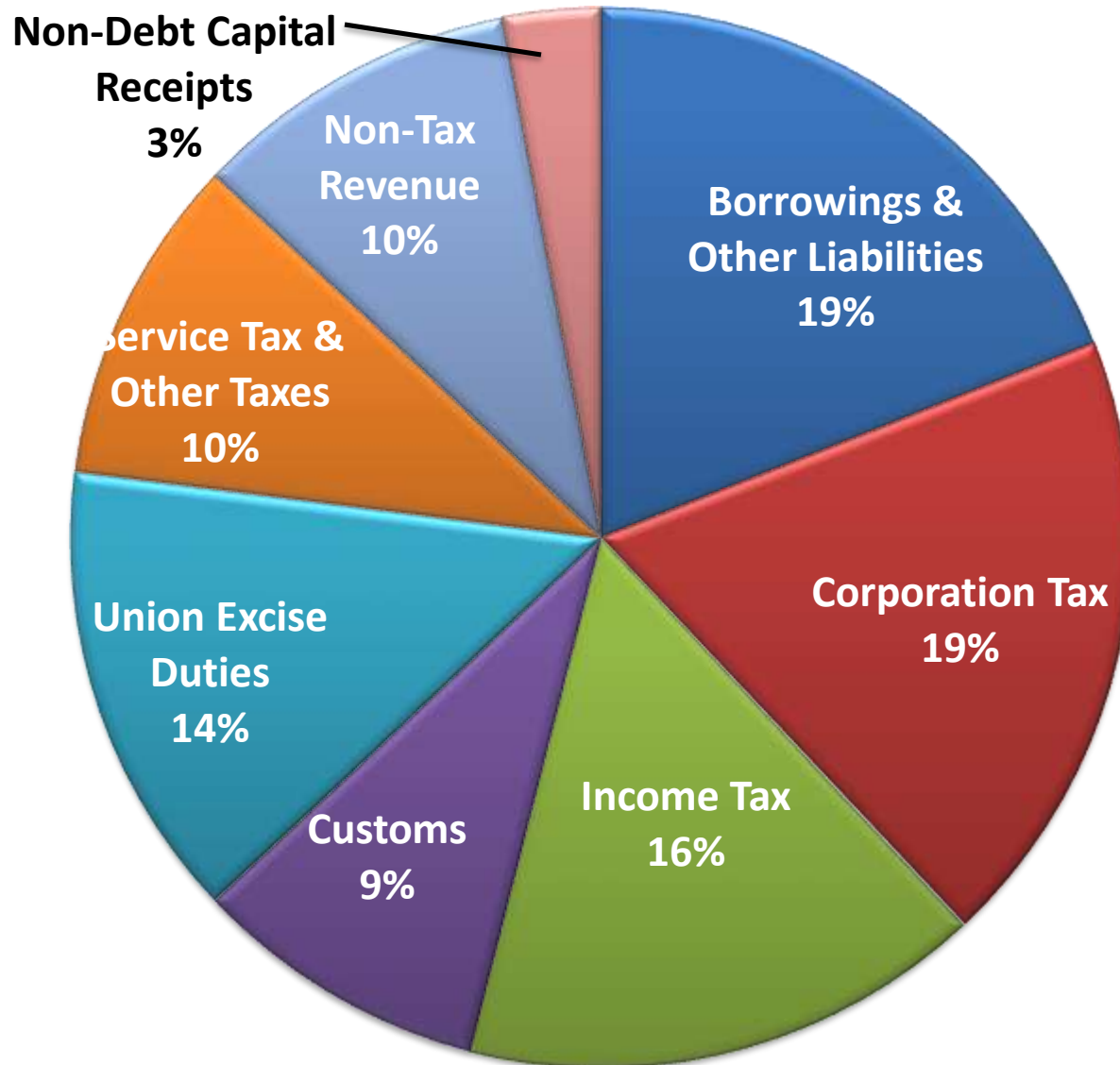
Proportion of Revenue & Capital Expenditures

	2015-16	2016-17	2017-18
Revenue Expenditure	85.87	86.11	85.57
Capital Expenditure	14.13	13.89	14.43

Proportion of Revenue & Capital Receipts

Revenue Receipts	66.73	70.67	70.61
Capital Receipts	33.27	29.33	29.39

Rupee Comes From 2017-18 (in %)



Rupee Goes To 2017-18 (in %)

